

**“Psyche and Power – a Genealogy of the Psychological and Philosophical Foundations in the Works of Friedrich Wieser and Friedrich A. Hayek”**

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The governments’ reactions to the Covid-19 pandemic with regard to regulations of their citizens’ behavior in this crisis demonstrate the undiminished timeliness of the relation between psyche and power in policy and society. Two economic scholars who have had much to say on this topic were Friedrich Wieser and Friedrich A. Hayek. Both consider psyche as a decisive subject *and* object of power in the context of individuation and socialization, and discuss the (limited) degrees of freedom that come with it. A study of their concepts of psyche and power will not only inform the analysis of current government policies and developments in society. It will also shed light on the very foundations of economics as a science. The prominent discussion on the relationship of psychology and economics demonstrated the importance of the first for the latter in the process of defining itself as a science (Bruni/Sudgen 2007). The aim of my thesis project is to unfold these insights using Wieser and Hayek as exemplary cases in order to inspire not only the understanding of today’s society but also contribute to a reformulation of what it means to perform economics as a science in our times.

For this purpose this project will analyze the concepts of psyche and power and their interdependence in their works as well as illuminate the relevance of those concepts for their definition of economics as a science. This research project pays tribute to the significance of interdisciplinarity in the molding of disciplinarity by laying emphasis on the interdisciplinary context of Wieser’s and Hayek’s conceptualizations. In doing so, this thesis covers several so far scarcely researched topics in the history of (Austrian) economics and the scholarship on Hayek and Wieser in particular. Although his work has recently seen a growth of interest, Wieser can still be considered a comparatively under-researched representative of the Austrian School (Kolev 2017). This certainly cannot be said of his more prominent student Hayek. But even in his case the study of his early psychological work and its interdisciplinary references beyond Mach can complement the existing body of scholarship (Caldwell 2004; Ivanova 2015). By concentrating on the psychological aspects of Wieser’s “Psychology of Power” (1923) and on interdisciplinary references beyond Weber such as Spencer, Spinoza or le Bon, the project also expands research on this founding father of the Austrian School. This contribution to the existing body of literature is additionally reflected in the archival work included in the project and for which I seek the support of the fund.

With its help I will study the Wieser Estate at the Austrian State Archive (4 files)<sup>1</sup> in Vienna, and the Friedrich A. Hayek Papers at the Hoover Institution at Stanford University (49 boxes)<sup>2</sup>. The archival work will particularly focus on the references made to scholars and works of other disciplines in diaries, letters, bibliographies and other sources, in order to secure knowledge on implicit references but also to better understand the practical side of the interdisciplinary exchange. Since I will be able to secure funding for air travel by the *Evangelisches Studienwerk Villigst*, I will only need to cover the expenses for accommodation and ground transportation. The cost listing includes \$197 for

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<sup>1</sup> <http://www.archivinformationssystem.at/detail.aspx?ID=1456> (Retrieved on the 1st of May 2020).

<sup>2</sup> <https://oac.cdlib.org/findaid/ark:/13030/kt3v19n8zw/> (Retrieved on the 1st of May 2020).

accommodation (3 days) in Vienna as well as \$1094 for accommodation (10 days) and \$200 ground transportation while at Stanford University<sup>3</sup>. The total cost specification is \$1491.

## References

Bruni, L./Sugden, R. (2007). The road not taken: How psychology was removed from economics, and how it might be brought back. In: *The Economic Journal*, 117, 146-173.

Caldwell, B. (2004). Some reflections on F.A. Hayek's The Sensory Order. In: *Journal of Bioeconomics*, 6 (3), 239-254.

Ivanova, M.N. (2015). Hayek, Mach, and the re-ordering of mind. In: *European Journal of the History of Economic Thought*, 1-25.

Kolev, S. (2017). *Reincorporating Friedrich von Wieser and the Concept of Power into the Austrian Research Program*. CHOPE Working Paper Nr. 2017-06, Duke University, Center for the History of Political Economy (CHOPE), Durham, NC.

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<sup>3</sup> Exchange Rate EUR-USD on the 1st of May 2020. Prices for accommodation are based on average Airbnb prices for accommodations in a 5 mile range from the respective institution.