

Introduction

The book entitled "Foundations of personalist economics" consists of three parts. The initial two chapters of the first part of the book are devoted to explaining reasons that have led me to reject the mainstream approach to the mechanism of functioning of the market economy, and to propose the look at these issues from the point of view of a human person, the only real subject of all social relations, and thus also of relations established in economic processes based on market exchange. Next three chapters of this part contain detailed description of three most important elements of the foundation of personalist economics. These elements are: the mechanism of choice and its consequences, the problem of ownership and a new approach to value as an economic category.

The second part starts with an analysis of people's economic behaviors in a hypothetical initial situation where no formal social structures exist. With some assumptions idealizing people in such a primitive situation, the meaning of basic concepts is determined. There are discussed such terms as things and goods, quality of life, essence and types of needs, role of goods in the process of satisfying needs, and finally, role of exchange in the process of acquiring goods. Karl Menger's theory of goods, as well as the John Locke's principle of the legitimacy of acquisition of property played an important role in arriving at the findings.

Having a clear set of notions and knowing the basic principles on which the relations between members of a model community are based, when viewed from the point of view of a human person under the initial assumptions, it was possible to deduce how the process of material development of such a community could proceed. A breakthrough in this process was to "discover" that the role of a guarantor of reciprocity, for which bullion money was used there for a certain period of time, under the assumption of absolute honesty of people, can be successfully fulfilled by an ordinary notebook in which every person writes down his or her income and expenses. Thus the bullion money became not needed any more. The new notebook-based form of documentation was only necessary because of one important flaw of men, which could endanger market relations based on the principle of voluntariness and reciprocity. This defect is imperfect memory, which is the only one at this stage of analysis. If not for this, even such a form of "documentation" of transactions would not be necessary.

This moment determines the direction of further "evolution" of market relations in this model community. When this community reaches the stage of development of information technology on which the contemporary real civilization finds itself, the "notebook system" is replaced by the credit money system. The principles of this system and everything that happens in a model economy in such a system, together with the resulting conclusions, are discussed in the chapter seven. What is most important in this system of money, and what can only be seen in the light of its rules, is the real relationships that people in different roles are establishing on the market. These roles are thoroughly discussed in the chapter when one analyses step by step the process of

creating a company and then the process of its functioning. Only then the true nature of the enterprise from the owner's point of view is revealed, as well as the role of hired workers in the enterprise, the essence and source of the entrepreneur's profit and the true nature of relations between him and his employees. The final three subchapters of chapter seven are devoted to the explanation of relations between such economic categories as income, profit, money and demand and supply of goods.

The next step in analyzing the economic processes taking place in the model of human society considered in this book is to repeal the assumption that people are absolutely honest. This premise has decided that no system of established law has ever been needed in the model. However, since a step has been taken towards a "normality" in which people are not ideals but some commit various crimes, including crimes against life and property, it has become necessary to introduce into this model a legal system that would allow people exposed to the effects of such actions by others to deal with this problem. Such a system is what I have called the "state without state" system described in detail in chapter 8.

The findings made at the end of this chapter, which conclude the second part of the book, have been used to assess some of the systemic solutions we are dealing with in the real world. Such an assessment is presented in the third part of the book. The comparison of selected real legal and organizational solutions, on which contemporary enterprises and institutions operate, including the most important one - the state, with those concerning the ideal model, allowed us to discover the causes of pathologies we are dealing with in the real world.

The conclusions of such an analysis may seem difficult to accept, as they often stay in sharp contrast with what many people considered to be authorities in the field of philosophy and social and economic sciences teach about market economy, money and state, as well as about relations between workers and entrepreneurs, or sellers and buyers. The validity of these conclusions, however, can only be undermined by showing errors in reasoning.

I have given this book the title "Foundations of personalist economics" because the issues raised in it are only the basis for a different view of economic processes and social relations in an economy based on market exchange and private ownership of goods than in the mainstream economics. I hope that this approach will inspire somebody to further explore the subject and to supplement the scientific description of an economy in which the subject is a human being, a real person, and not his or her scientific caricature, which is homo oeconomicus, or any fictitious collective entities to which real people give the so-called legal personality in order to avoid personal responsibility for their decisions and actions under such cover.

Some parts of this work have already been published as articles in various publications. In most cases, however, they differ from their original version, sometimes even quite significantly. This, of course, is the result of the "maturing" of different concepts and judgments about a given problem as we go deeper into its matter.

When writing this book, I used literature, of course. A list of it is at the end of the book. However, since my goal is to negate many elements of the paradigm of both mainstream and side-track economics rather than to complement or correct them, almost all of contemporary economic thought has been neglected. I have used only those items which, for various reasons, have proved useful in building the foundations of personalist economics. Some may therefore feel disappointed or even resentful that their contribution to the study of economics has been neglected in this book. I think that everyone who writes any scientific text today feels an "embarrassment de richesses". Therefore, I agree in advance with the criticism that I used in this work only a small part of available literature and omitted the vast majority of it, which could shed a different light on the problems this book deals with.

The final shape of this book was significantly influenced by numerous comments and remarks, which Dr. Piotr Karaś wished to share with me. His reliable approach to this ungrateful task and great insight is attested to by the fact that almost every page of the manuscript had traces of his thoughts and reflections, which he shared in his comments on particular parts of the text. I thank Him sincerely for this. For obvious reasons, however, the whole responsibility for everything in this book, and thus also for errors and omissions, rests solely with me.

Ryszard Szewczyk

The first chapter of the book will be here soon.