Resume:

The author of the thesis “Legal and Economic Aspects of Regulation of Social Relations from the Point of View of the 4th Generation of Austrian School of Economics” decided to elaborate a broad topic. An approach of the Austrian school of Economics to certain kinds of regulation of social relationships is original in many aspects and this originality notwithstanding, this approach is often ignored by lawgivers. Firstly the author outlined the general aspects of regulation, followed by short elaboration of development of the laissez-faire principle throughout the history. The main study is found in the chapter 4, in which the author applied the laissez-faire principles to certain areas of social relationships and the manner in which these relationships are regulated.

Such highly discussed and heavily regulated legal institutes such minimum wage, consumer protection, human rights, anti-discrimination laws, etc were researched and elaborated by the author, who, applying the said principles, firstly concentrated on the utility approach so that he could finally present the ethical approach of one of the most famous representatives of the Austrian school, professor Rothbard.

As for the utility approach, by applying the Austrian school’s representative’s ideas, the author shows ineffectiveness, inefficiency and sometimes even harmfulness of the said regulations, whereas the ethical approach explains non-compliance of such regulations with the fundamental principles of human liberty.

Notwithstanding that the approach of the Austrian school to regulation of social relationships might seem strange and very conservative on the first glance, by further reading one can find its complexity, forward-looking approach and especially strict adherence to non-aggression principle. Although the laws “protecting” consumers or workers might seem beneficial to those that are supposed to be protected by them, the scholars of the Austrian school often bring solid arguments proving that such a “protection” actually neither protect nor bring any other benefits in the long run to those allegedly protected.

Further, the author presented short overview of Rothbard’s comprehensive study of ethics of liberty. By outlining the core principles on which Rothbard’s view is based, the author outlines the reasons of Rothbard’s criticism of state power. In the following chapter, the author decided to research the anatomy of state especially by inquiring into the aspects of and approaches to the so-called social contract, on which numerous state theorists base their idea of establishment of modern states.

The chapter on social contract theories is, as for the topic of this thesis, of significant importance, for it forces us to think about the origin of states and their legislative bodies passing laws that we all have to follow and comply with.

Last but not least, the author presents an idea that the Austrian school of economics was, as for the adherence to laissez-faire principles, not only preceded by scholastics of the school of Salamanca, numerous economists of eighteen and nineteenth centuries and American individualists of the nineteenth century, but also by the first thinkers of the ancient philosophic Taoism. The author pinpoints especially similarity of Lao Tzu’s and Chuang Tzu’s ideas on government, regulations, and state interference with natural process of supply and demand.

As for the whole concept of this thesis, since the author starts with explaining the purpose and aspects of social relationships, then briefly presents the basic ideological background of the Austrian school and its history, after that he applies the said principles to real-life regulations and situations and finally ponders over legitimate of such laws from the Austrian view, and its connections with ancient thinkers, one can see that the thesis has a comprehensive concept and complexity.