

Helge Peukert
Editor

Taking up the Challenge!

Festschrift for Jürgen Backhaus

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Preface

Helge Peukert

This commemorative publication was given to Jürgen Backhaus (JB) on July 10, 2015 marking the day of his final lecture in the Department of the Sciences of the State at Erfurt University. Since 2001, he has been a full professor at our university for Public Finance and Fiscal Sociological (Alfred Krupp von Bohlen- und Halbach-Foundation). After a stroke in September 2014, he was forced to retire ahead of time. Therefore, the set-up time for publishing this Festschrift was rather limited. The considerable amount of contributed articles bespeaks his appreciation and popularity among his colleagues and peers.

JB was born in Hannover on August 5, 1950. His teaching and research lead him to the USA in 1981, as well as the Netherlands in 1986. He mastered both languages. From 1986 till 2012, he owned a house in Selma, Alabama, which he frequented quite often for several months per year. He was able to combine local, down-to-earth and international, global perspectives, making him a representative of a successful “glocalisation”. His last excellent research focused on the history of Thuringia, its nobility and their castles, but he was equally well versed in Prussian and German history. Furthermore, he was also able to precisely talk about US history. His seminar during which he talked about racial discrimination in the US and the incident of Rosa Parks, who bravely refused to give up her bus seat to a white person on December 1, 1955, remains unforgettable. His dramatic and vivid delivery of this incident was so impressive that the audience undoubtedly thought of him sitting right next to her.

His academic education began at the University of Konstanz at which he had been studying economics and administration, as well as political sciences since the 1970ies. In 1976, in the wake of being licensed for law (Lic. jur.), he wrote a thesis on government-owned companies. His diploma thesis on economic theories of politics and law already demonstrated his deep interest in law. Employee participation in companies was the topic of his dissertation

to earn the Ph.D. for Governmental Sciences in 1985. Early on, these theses showcase his strongly interdisciplinary and governmental science research interests without an ideologically biased mind set. So he critically discussed government activities from a public choice perspective on the one hand, while he also argued *for* public activities and the necessity of a strong public sector from the perspective of the Historical School on the other hand. Especially Schmoller's considerations highlighted the importance of the government sector and its public companies. JB also asked for responsible civil servants and participative forms of ownership (e.g., German employee participation) and one of his most successful Heilbronn conferences focused on Schmoller's oeuvre.

I still remember our first meeting in the mid 1980ies in the wake of an annual assembly of the Verein für Socialpolitik. Despite his severe cold, JB made his appearance at the meeting with his genuine baseball cap and a gigantic, red scarf wrapped around his neck. Rarely, I have met a person possessing such a profound knowledge of e.g. Schmoller. JB took his time for an in-depth discussion and he did not care about talking to an insignificant doctoral student. He also pointed out, that he wasn't there for the assembly, which would often be boring, but for participating in the session of the former committee for the comparison of economic systems (Ausschuss für Systemvergleich). At that time I took him to my heart, because he combined a certain non-superficial "crankiness" with an absolutely autonomous power of judgement and line of thought.

His non ideological open-mindedness concerning the history of ideas was also appreciated by his assistants in Erfurt, who often represented totally different opinions in an economical and political way. In the good old days before the bachelorizing, there were joint seminars by both of us taking place, which often "degenerated" to long dialogues between both organizers, who disagreed in a spirit of solidarity. For some students, I more or less coincidentally met later on, those courses were positively remembered highlights of their time at Erfurt University.

His professional activity began as research assistant at the economics department at the University of Konstanz (1974-1976). The fact that he held a scholarship of the German National Academic Foundation illustrates his advanced intellectual level. Because of his social science oriented and interdisciplinary alignment he did not match with the already dominating ideal of an economist according to the hegemonic neoclassical mainstream. Regarding this, where could his professional journey lead to? JB took the daring deci-

sion to join the Center for Study of Public Choice at the Virginia Polytechnic Institute of the State University as a Post-Doctoral Fellow. Interrupted by a teaching activity in Konstanz from 1978-1981 he joined the Department of Economics at Auburn University as an Associate Professor with a Tenure Track Appointment in 1986. But he gravitated to Europe again and taught and researched from 1986-2001 as ordinary professor at the University of Maastricht, interrupted by a visiting professorship at the Robert Schuman University in Straßburg.

In Maastricht he also organized a lecture series to the history of economic thought. I had the pleasure to lecture *inter alia* about Marx and Schmoller. Because I was in financial difficulties JB could prove his fundraising and organizational talent, which always characterized him. Given not permitted remunerations, he managed to submit a travel expense accounting for me for over 2000 km, due to the fact that I had a secondary residence in a small hut in Austria. There was the possibility to spend the night in the cellar of his house in Maastricht, after having talked into the night about the subject of the lecture and the state of economics and political matters, provided with good wine and finally special cigars.

Since 2001 JB could also enrich the curriculum in Erfurt significantly. About 150 persons came for his inaugural lecture, and, without exaggeration one can say, from all over the world, including many of his friends from the Netherlands. Concerning university teaching the courses about history of economic thought, comparative economic systems, finance, law and economics, regulation, fiscal policy, and e.g. health economics and fiscal sociology (included in the title of his chair) were outstanding, especially what the interdisciplinary component was concerned. Again and again JB surprised with his broad knowledge of the relevant literature. This becomes even more remarkable by taking into account his bad eye sight since his early childhood; however, he countered this with his device by simply “taking up the challenge”.

In addition to this, he created novel forms of teaching. Besides a seminar on economics and art, I would like to mention his Studium Fundamentale about “guilt and debt” (what caused the concentration camps like Buchenwald? Can guilt be paid for by money?), which he designed with the theologian Jürgen Manemann and me, stemming from a long controversial conversation about Israel’s politics in the restaurant “Zum Pfauen” in Erfurt. Additionally, we organized a talk series about the future of the social market economy to which also critical and non-mainstream speakers were invited (Heiner Geißler, Oswald Metzger). The talk of Oskar Faus (born 1929) on the myth of social market economy (which is also the title of his respective book)

is worth memorisation because Oskar Faus became so enraged during his talk that we and his wife were concerned about his health.

A very special kind of event in Erfurt was the discussion panel for the resignation of the then president of Erfurt University Wolfgang Bergsdorf, who accompanied Helmut Kohl as his office manager on his secret travel to the German Democratic Republic in 1988. Beside many anecdotes it happened several times that Bergsdorf claimed something (“then we drove from Gotha to Erfurt”), which was successfully denied on the basis of documents by the journalists Jan Schönfelder and Rainer Erices, who wrote a book about the journey (“Westbesuch”). Although there were also some differences, such as JB resigned as Dean, especially his first years in the pre-modularized times in Erfurt were characterized by a lot of creative impulses, which, as it happens a lot, didn’t gain the appropriate recognition neither by his colleagues nor beyond.

JB had a respectable number of doctoral candidates, mostly descending from European countries. He also often supported them in later phases of their lives. For example, an article of mine about Schmoller was rejected by a neo-ricardian journal with the explanation, that everything good said by Schmoller had already been said by Adam Smith. As I learned later JB wrote a review, which led to the encouraging publication of this article in HOPE (History of Political Economy). He always took over the supervision of dissertations with pleasure and took them as a matter of course and natural part of his profession. After the introduction of the Coupon model in Erfurt which allowed half an research assistant position for two successfully finished dissertations, this led without anticipating to the situation, that he was able to hire three assistants in one fell swoop as a windfall profit, who supported him inter alia with the publication of the Journal of Law and Economics.

His remarkable publications are standing in addition to his university teaching and other activities, presenting him as an extraordinary diversified social and economic scientist (see the appendix with his publication list). To appreciate them appropriately, even just to give an overview, would lead to far. It has to suffice to mention, that they led JB for years to rank at the top of the Handelsblatt-ranking of German-speaking economists.

Also the conferences JB was maintaining for years were exceptional. Four formats are to be emphasized. The conferences on “Law and Economics” were held 27 times, the “Heilbronner Konferenzen” 28 times, and “Fiscal Sociology” a dozen times. Those meetings were always international. There were especially many contributions from European countries, but also for example Richard Wagner from the U.S. was a welcomed guest. There was also

usually a conference in Selma every year (“Crossing Bridges”), where researchers and friends from the South of the U.S. met for an exchange of concepts and ideas. JB was generally well informed about the American economical scene. This was especially conspicuous at the huge annual meetings (ASSA) of the American Economic Association, where you would wonder if there was someone he did not know. In any case it was a special experience to accompany him to those conferences, for there had been a number of humorous situations and encounters with interesting people like for example a dinner with Gordon Tullock, whom I knew so far only through his publications.

Supported by the city of Heilbronn, the Heilbronn conferences in the local Schießhaus dealt with the opening of economic and social theoretical approaches only available in German to the English speaking countries. The exquisite ambience of the castle with a rose garden and a water fountain offered a worthy setting. The conferences about for example Schmoller and Sombart, which attracted several dozen experts, could make a counterpoint to the very negative and one-sided interpretation of the above mentioned scholars. JB guided through the program elegantly and astounded again and again with his ability to give a longer lecture to the particular topic, freely speaking and off the top of his head, after enjoying a good lunch and drinks. Partially, there was the possibility to marvel at the first editions of some of the books of the discussed persons (for example Justi), originating from the library of Erik Reinert. Many of us remember vividly and gratefully the comfortable and convivial evenings at a local winery. All these conferences and efforts gained JB also public recognition, to name but a few the awarding of an honorary doctorate of the University of Thessalia and in 2007 the awarding of the Order of Merit of the Federal Republic of Germany (Verdienstkreuz am Bande).

The contributions in this volume strikingly show the main points of JB’s teaching and research activities. Some have a focus on the history of economic ideas (Baloglou, Brady, Chaloupek, Frambach, Hagemann, Montgomery, Reinert). Others deal with topics of finance and fiscal sociology (Costarella and Fedeli, Nentjes, Raudla, Schöbl, Tiedeman and Plassmann, Wagner), partly with up-to-date references (Bassen, Dietz, Ebner, Economou and Kyriazis, Forte and Mutascu, and Godert-van der Kroon). Two articles are concerned with the current university educational system (Schmidt, Drechsler), which JB foresightedly was very skeptical about. Two articles are aligned in a more econometrical and experimental way, namely the article by Michele, Francesco and Michela, and the one by Rötheli, a colleague from the Erfurt Department of the Sciences of the State.

A rather dubious joy is the possible addition of Gerrit Meijer's last article about the peace of Münster. He, who sadly passed away in January 2015, was a colleague and friend of JB for many years. Still at great age, he actively participated in the scientific discussion and we hope that JB will do the same as far as possible. His academic retirement will create a true gap. JB belongs to the small circle of people who incorporated and fostered a non-formal, complementary, undogmatic heterodox social science approach. In contrast to an opening of economics, which is vehemently demanded by post-autistic, pluralist students, academia exhibits an increasing expulsion of e.g. historical, as well as fiscal-sociological approaches, which do not result in models, but explicitly factor in ideologies and interests from a socio-scientific background. We owe JB to continue this heterodox tradition which JB's contributions so impressively represents.