



Joseph E. Stiglitz, 1943 in Gary/Indiana geboren, graduierte am Amherst College und machte sein Doktorat der Wirtschaftswissenschaften am Massachusetts Institute of Technology (MIT). Bereits 1970 wurde er Professor in Yale und erhielt 1979 den angesehenen John Bates Clark Award, der von der American Economic Association an junge (unter 40 Jahre) Wirtschaftswissenschaftler für herausragende Leistungen verliehen wird. Stiglitz lehrte an den Universitäten Princeton, Stanford, MIT und Oxford. Derzeit ist er Professor of Economics and Finance an der Columbia University in New York. 2001 wurde ihm der Nobelpreis für Wirtschaftswissenschaften verliehen.

1993 wurde er Mitglied des Council of Economic Advisors, zu dessen Vorsitzenden ihn US-Präsident Clinton 1995 ernannte. Von 1997-2000 war er als Chefökonom und Senior Vice-President der Weltbank tätig. Danach widmete er sich wieder der Forschung und der Lehre. Stiglitz' Forschungsgebiete reichen von Wachstum, Kapitalmarkttheorie über Marktdiskriminierung, asymmetrische Marktinformation bis zu monopolistischem Wettbewerb und Produktdiversifikation.

Der Wirtschaftswissenschaftler war und ist Berater zahlreicher internationaler Organisationen und Unternehmen und Mitglied vieler wissenschaftlicher Vereinigungen, Beiräte, Stiftungen etc. Beeindruckend auch seine Liste an Ehrendoktoraten und anderen Ehrungen.

Zu seinen jüngsten Werken zählen: „The Roaring Nineties“, Oktober 2003; „Towards a New Paradigm in Monetary Economics“ (mit Bruce Greenwald), Mai 2003; „Globalization and Its Discontents“, Juni 2002.

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„Globalisation could be a force to enrich people everywhere“

Das Interview mit Joseph E. Stiglitz führte die ORF-TV-Journalistin Eva Pfisterer für die Nachrichtensendung „Zeit im Bild 3“

In seinem Buch „Die Schatten der Globalisierung“ (Siedler Verlag Berlin 2002) übt Stiglitz heftige Kritik am Internationalen Währungsfonds: Die Auflagen des Währungsfonds, radikale Marktöffnung und Privatisierung für Länder, die noch nicht einmal über eine entsprechende Rechtsordnung verfügten, habe bloß den Lebensstandard der Menschen verschlechtert und das betreffende Land in noch größere Krisen gestürzt. In der Asienkrise, schreibt Stiglitz, ordnete der IWF die Kürzung von Nahrungsmittelsubventionen für die verarmte Bevölkerung an. Die IWF - Kredite nutzten nur den westlichen Gläubigern, ihr Geld außer Landes zu bringen. Dennoch glaubt Stiglitz an die Ordnungskräfte des Marktes und an die Wohlstand steigenden Effekte seiner weltweiten Expansion. Auch die Globalisierung hält er für segensreich, wenn sie richtig umgesetzt wird. Eine gerechtere Verteilung des Wachstums setze aber voraus, dass viele der wirtschaftspolitischen Maßnahmen, zu denen die Entwicklungsländer verpflichtet wurden, überdacht werden.

PFISTERER: Europe, although being confronted with an economic stagnation, concentrates on cuts in spending. At the same time the President of the United States is running a Keynesian economic policy. According to analysts the growth of the US economy is not caused by a „healthy“ self-supporting upswing but by an active monetary and fiscal policy and high military expenditures. What is your opinion about these issues?

STIGLITZ: The issue, how to promote growth is easier to talk about than it is to diagnose the exact causes of the problem. It's a global showdown of what Europe is just a part. I agree with you: The problem right now with Europe is its Stability Pact. What almost every economist would recommend is: When you face an economic downturn, you need to stimulate the economy. But the rules of Maastricht do not allow

Europe's problem with its Stability Pact

**High interest rates
in Europe**

**Greenspan's policy of
lowering interest rates**

**When the economy is down
it will be o.k.
to have a deficit**

The right kind of deficit ...

Who profits from a tax cut?

the economy to be stimulated. The rule, not to allow a deficit higher than 3 percent even in a downturn of the economy hindered the European economy in spending money with the effect of an economic stagnation or even recession.

PFISTERER: How about the European Central Bank's policy of high interest rates?

STIGLITZ: This is the next problem. The excessive focus on inflation in Europe is that monetary policy is not stimulating the economy. By keeping interest rates high Europe lost investments – these would have happened as a consequence of lower interest rates – and reduced employment.

At least in the US our Central Bank recognizes its obligation, not only to fight inflation, but also to promote growth and employment by lowering the interest rates. Greenspan's policy of lowering the interest rates many times helped enormously to enhance investments.

PFISTERER: Would you recommend softening the Stability Pact?

STIGLITZ: We had a similar debate in the US. When I was at the White House at the Council of Economic Advisors the Republicans wanted to adopt a balanced budget amendment. Very much like the Stability Pact. We fought very strongly against it. On the ground, that we thought, as long as we were there, there would be no economic downturn. But of course we knew that the economy has its ups and downs and there would come a time, when there would be the need to stimulate the economy. The answer is: You need to drastically change the Stability Pact: When the economy is down, it will be o.k. to have a deficit to stimulate the economy. But over the long term, let's get our debt down and maybe even run a surplus. So the goal is: Have a long-run surplus and a short-term deficit to stimulate the economy. In order to stimulate the economy you have to have deficits. But it is important to recognize that you can also have deficits, that do not stimulate, so you have to have the right kind of deficits. In the USA, Bush has huge deficits but they are not stimulating the economy very much.

PFISTERER: Economists have different opinions whether a tax cut can stimulate the economy or not. What is your opinion?

STIGLITZ: It really depends who profits from a tax cut, that means, how you design it. In the US President Bush had a huge tax cut, and this did not help very much to come out of the recession. It was a tax cut designed to give more money to the rich. This created a big deficit, but it did have very little stimulus. So, the important lesson is: Yes, you can have deficits that do stimulate the economy and in the long term are bad for economic growth. But if you design your deficit, your tax cut right, it can stimulate the economy. The econo-

mics of deficit spending to stimulate economy is not very complicated:

- You need to give money to people who spend it.
- You need to have better unemployment insurances. People, who are thrown out of a job, don't have income. Give them income, they spend it.
- Tax cuts for people, who are barely able to survive. Give them more income, they spend it.
- Companies need investment tax credits: You give tax reductions to firms on condition that they spend money to invest. This helps both: In the short term by stimulating the economy, but also in the long term, because that capital is the basis of future enhanced productivity.

PFISTERER: What else can stimulate the economy?

STIGLITZ: You are right, not only the right tax cuts can stimulate the economy.

- Investment expenditures on the public sector are also very important, investments in infrastructure.
- Research and Development: Investments in schools, education, housing, even health can be enormous – even higher than private sector investments.
- We also ought to think of basic public infrastructure and what needs to be spent for long term economic growth on that side.

PFISTERER: What is your opinion concerning the labour market's role – is it true that there is a need for more flexibility?

STIGLITZ: Since Bush has been in power, we have produced 2 million more people without a job. The US was in a recession. All the labour flexibility means more unemployment and more suffering of the people. Europe has become more flexible already. But the cause of the current economic downturn is not a lack of flexibility. On the contrary: More flexibility could even lead to a sharper economic downturn. I think, to some extent, the greater flexibility in the US has damped the US economy: As workers have been laid off, as workers have been worried about being laid off, they have begun to be a little bit more conservative about spending. And they would have been even more conservative without the lowering of interest rates of the Federal Reserve Bank. Lowering the interest rates has been equivalent to a tax cut.

PFISTERER: What is your definition of flexibility?

STIGLITZ: Some people say, you should not have any minimum wages. The critics say, if you raise minimum wages, you have more unemployment. But I say, moderate increases means that workers spend more money, which is good for the economy.

You need to give money to people who spend it

Investments in infrastructure

Research and development

The US was in a recession

More flexibility could even lead to a sharper economic downturn

**People loose
every confidence**

When people speak about labour flexibility they also mean to fire workers. But I say, if you do not have any security, people start to save money and spend less – which is harmful for the economy – and people loose every confidence. They do not identify themselves any more with a company, they have less motivation to improve their work. Also in America there used to be a relationship between worker and entrepreneur, a bond, a trust, that created a more stable related labour force.

PFISTERER: What is your opinion regarding the huge budget deficit and current account deficit in the US ?

**Huge US-deficits are a
threat to global growth**

STIGLITZ: These huge deficits are the real risks of global growth and global stability. Bush turned a surplus of 350 billion dollar into a 450 billion dollar deficit! The US, the richest country in the world is swallowing up the amount of worldwide savings. A deficit, which is financed by the Japanese and Chinese central banks. How long can this work? Nobody knows. What we know is, it poses a real threat to global growth, trade and stability.

PFISTERER: You often criticised globalisation and deregulation...

**Globalisation has hurt
many of the world's
poorest countries**

STIGLITZ: Globalisation could be a force to enrich people everywhere. But till now it has hurt many of the world's poorest countries. The Annual Worldbank-Report admits, that the number of people living on less than two dollars a day increased by nearly 100 million during the booming nineties. The so-called „Washington Consensus“ at the US Treasury and the IMF has pushed the rest of the world to liberalize too quickly and this has brought austerity on poor countries instead of the needed stimulus.

This led to the huge volatility in financial markets that helped on creating Asia's severe economic crisis in 1997 and led to premature attempts to privatize state-owned enterprises in Russia. Also the banking scandal and the corporate scandals like Enron etc. in America were seeds of an excess of deregulation. The way Bush has managed the economy in the last two years has made this worse.