

Communications

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## Deutsche Bundesbank, Oesterreichische Nationalbank and Swiss National Bank found Carl Menger Prize for Research

The Deutsche Bundesbank, the Oesterreichische Nationalbank (OeNB) and the Swiss National Bank (SNB) have joined forces to found a prize for efforts in the field of economics. The prize will be awarded to an economist in recognition of excellence in his or her research work relating to monetary and international macroeconomics or financial market stability. In sponsoring this prize, the three central banks aim to foster research on money and monetary issues and to intensify the interaction between central banks and researchers. The prize is named after the Austrian economist Carl Menger and will be awarded every two years at the autumn annual meeting of the *Verein für Socialpolitik*, starting in September 2014 when the association convenes in Hamburg. The recipient will be awarded EUR 20,000 in prize money. To qualify for the prize, contenders must teach at a European university and be aged under 45 at the time the prize is awarded. Prize-winners are invited to spend a period of time carrying out research within one of the participating central banks. Nominees for the Carl Menger Prize are put forward by an expert panel. Direct applications are not considered.

Commenting on the newly created prize, Andreas Dombret, Member of the Executive Board of the Deutsche Bundesbank, was keen to point out that “The past few years in particular have borne testament to the importance of research into those areas that are relevant to financial market stability. In setting up this prize it is our intention to bolster cooperation between academia and the three central banks.” As Peter Mooslechner, Director of the Oesterreichische Nationalbank, stressed: “Many aspects of the financial and economic crisis have also generated criticism of the role played by economics; innovative approaches to research are needed to provide economic policy with a future-oriented foundation.” Meanwhile, Thomas Moser, Alternate Member of the Governing Board of the Swiss National Bank, emphasised that “The financial crisis has presented monetary policy and theory with new challenges. The prize is aimed at encouraging researchers to help surmount these

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challenges.” Professor Michael Burda of the Humboldt Universität Berlin, who chairs the *Verein für Socialpolitik*, likewise commended the prize, explaining that “The *Verein für Socialpolitik* welcomes the commitment of the three German-speaking central banks. I trust that this prize will trigger important stimuli for policy-relevant research.”

## **Carl Menger (1840–1921)**

Austrian-born Carl Menger is commonly regarded as the founding father of the Austrian school of economic thought. In his work “Principles of Economics”, published in 1871, he argued that the value of a good is in each case determined by the subjectively estimated value attached to that good’s final unit (“marginal unit”), a circumstance which he referred to as the “law of marginal utility”. Other economists including Eugen von Böhm-Bawerk, Friedrich von Wieser, Ludwig von Mises and Friedrich August von Hayek subsequently built on his hypotheses.

## **Verein für Socialpolitik**

The *Verein für Socialpolitik* has around 3,800 members, making it the largest association of economists in the German-speaking world. The association’s aim is to provide a scientific platform for discussing economic and social problems, also as they affect policymaking, and to promote and maintain international links among academics.

More information on the prize is available at [www.socialpolitik.org/De/carl-menger-preis](http://www.socialpolitik.org/De/carl-menger-preis) (in German only).