

# CONTENTS

<b>Introduction</b>	1
<b>Chapter 1 The size of government in economics</b>	7
1.1 Economic theory	8
1.2 Economic research	13
1.3 Economic freedom and macroaggregates	18
1.4 Holism and macroeconomics	21
1.5 Austrians and macroeconomics	23
<b>Chapter 2 The role of measuring government in economic policy</b>	27
2.1 Macroaggregates and the European Union	28
2.2 The banks	34
2.3 All for “good” figures	38
2.4 Lesson learned, or ignored?	42
<b>Chapter 3 A short trip to the past</b>	47
3.1 Growing public	49
3.2 Disappearing government	53
3.3 Rediscovered government	57
<b>Chapter 4 The current approach</b>	59
4.1 Taxes	60
4.2 Expenditures	64
4.3 Cost of government	70
4.4 Delimitation of the general government sector	73



<b>Chapter 5 What's wrong with the current approach?</b>	85
5.1 Fifty is not enough	86
5.2 Market forces at work: reality or illusion?	91
5.3 Central banks	91
5.4 What market is a real market?	98
5.5 What is missing?	103
5.6 Where is the dividing line?	106
<b>Chapter 6 The size of government and GDP</b>	111
6.1 The informal and illegal economy	112
6.2 Imputed values	114
6.3 Government in GDP	116
6.4 GDP and the size of government	121
6.5 GDP recalculated	123
<b>Chapter 7 Is the size of government underestimated?</b>	129
7.1 Government expenditures extended	129
7.2 The government sector extended	133
7.3 Further methodological issues	137
<b>Chapter 8 Recalculation of the size of government</b>	143
8.1 Government expenditures recalculated	143
8.2 Recalculated indebtedness	145
8.3 Estimated tax basis and the size of government	148
8.4 Going conventional	150
8.5 Should the indicators be redefined?	152
<b>Conclusion</b>	155
<i>Notes</i>	160
<i>Bibliography</i>	171
<i>Index</i>	179