

concluding that to a certain extent the “Trump phenomenon is a reprisal of the old protectionist, economic nationalist wing of NAM” (p. 316).

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The Marginal Revolutionaries: How Austrian Economists Fought the War of Ideas. *By Janek Wasserman.* New Haven: Yale University Press, 2019. xii + 354 pp. Bibliography, notes, index. Cloth, \$35.00. ISBN: 978-0-300-22822-9.

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Reviewed by Christopher J. Coyne

According to author Janek Wasserman, *Marginal Revolutionaries* is the first critical intellectual history of the Austrian school from its emergence to the present” (p. 5). Judged against this baseline, the book can be considered partially successful. Wasserman offers an interesting and nuanced history of the Austrian school of economics beginning in the late nineteenth century with the work of Carl Menger in Vienna. The latter part of the book, which focuses on the Austrian school’s migration to America, suffers from some critical weaknesses.

Wasserman does an excellent job discussing the prehistory of what would become known as the Austrian school. The narrative effectively situates the emergence of the school, based on the work of Menger, Eugen von Böhm-Bawerk, and Friedrich von Wieser, in the broader social, cultural, and political context of the Habsburg Empire. It also offers valuable insight into how these three scholars acted as intellectual entrepreneurs to establish the institutional infrastructure necessary to support the ideas that would define the Austrian school. Thanks to their efforts, Austria emerged as a vibrant intellectual center for economic thought prior to World War I.

This changed in the wake of World War I. The Habsburg Empire collapsed, and socialism emerged as a viable alternative. The leadership of the Austrian school shifted from Menger, Böhm-Bawerk, and Wieser to Joseph Schumpeter, Ludwig von Mises, and Hans Mayer, who had established themselves as reputable scholars before the war. Because of their efforts, the Austrian school remained vibrant in the 1920s through intellectual engagement in universities, seminars, and think tanks. During this time, younger scholars, such as F. A. Hayek, established their reputations as leading economic thinkers. Global events in the 1930s,

including the rise of authoritarianism and the global depression, created uncertainty for the Austrian school. Wasserman's narrative provides insight into how these events shaped the Austrian school, facilitated the migration of members of the school out of Austria, and, in the process, threatened the very existence of a distinct Austrian school of thought.

One of the key contributions of the book is that it pays careful attention to individuals who are often marginalized in existing histories of Austrian economics. Histories of Austrian economics often focus on Menger, Böhm-Bawerk, Wieser, Mises, and Hayek. Wasserman offers a broader history, offering interesting detail on the roles played by Schumpeter, Mayer, Oskar Morgenstern, Gottfried Haberler, and Fritz Machlup, among others. This broader focus is a welcome contribution to our understanding of the history of the Austrian school.

In the second half of the book, Wasserman shifts to the migration of the Austrian tradition. Several issues emerge with the narrative. In chapter 5, he contends that there was an "Austrian turn from economics," suggesting an active retreat by Austrian scholars from economics into other fields, including politics, social philosophy, and legal studies (p. 161). It is unclear, however, that this turn is as stark as Wasserman suggests. After all, one of the themes of earlier chapters is that those working in the Austrian tradition have long appreciated interdisciplinary work, including the role of politics and other institutions, in economic analysis.

In chapter 6, Wasserman discusses efforts by Austrian scholars in the postmigration period to engage in institution building in an attempt to recreate what had existed in Vienna. A key part of this story is the establishment of the Mont Pelerin Society (MPS) in 1947. While Wasserman's narrative offers interesting insights into the founding of MPS, he makes the claim that what motivated the founders (which included Mises and Hayek, but also others outside of the Austrian school) was that "they felt obligated to defend the order that had produced the wealth and prosperity from which they had benefited richly" (p. 198). This is a causal empirical claim—that the founders of MPS were motivated not by intellectual pursuits of truth seeking, but rather by *ex post* justification of arrangements that personally benefited them and their colleagues. This is a strong claim but ultimately a sloppy one since no evidence or subsequent arguments are provided. This stands in contrast to the more measured arguments and documentation provided in earlier chapters of the book.

The weakest part of *The Marginal Revolutionaries* is its concluding chapter, where Wasserman talks about the present-day influence and relevance of the Austrian school. In this chapter, academic scholarship

receives minimal focus. As Wasserman notes, “Topics like praxeology, business cycle theory, and monetary and capital theory all remain integral,” but no real detail is offered (p. 276). Instead, the focus is on the influence of Austrian ideas in American and European politics with a focus on the “alt-right.” This chapter stands in stark contrast to the insight and balance offered earlier in the book. The author simplifies present-day Austrians into two broad groups—the “George Mason University Austrians” (of which I am one, given that GMU is my institutional home) and the “Ludwig von Mises Institute Austrians”—with no effort at offering any nuance into the diverse scholars who constitute these groups or the academic contributions made by specific individuals. Readers will leave this chapter with the incorrect impression that Austrian economics is currently confined to these two groups and that its main influence today is ideological and political.

The chapter would have been much improved by engaging the success and influence of present-day Austrian scholars in publishing in leading academic journals, in publishing with leading academic book publishers, and in serving as presidents of economic associations (for example, the Southern Economic Association). Engaging with *The Oxford Handbook of Austrian Economics* (ed. Peter J. Boettke and Christopher J. Coyne, 2015) would have provided some insight into the continuing academic relevance of the Austrian school while offering balance to the author’s ideological focus. While the early part of *The Marginal Revolutionaries* offers an excellent history of the early days of the Austrian school, the latter chapters are best understood as a missed opportunity to do the same. As such, the contemporary history of the Austrian school remains to be written.

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