Janek Wasserman, *The Marginal Revolutionaries. How Austrian Economists Fought the War of Ideas*, Yale University Press, New Haven, CT, 2019, pp. 354.

The last forty years have been marked by the rise and decline of Neoliberalism, fueling a good deal of research in the closely related fields of the history of economic and political thought. Scholars have sought to explain what Neoliberalism is, its birth, its main schools, the role played by leading figures such as Röpke, Mises, Hayek or Friedman, and the origin and nature of some famous disputes, such as that between Hayek and Keynes.

In order to assess Janek Wasserman's contribution, it is useful to distinguish between the aim and the structure of the book. The research stems from an empirical observation: namely, that in recent years the economic ideas of the Austrian School have been appropriated, politically, by the Right in America and in Europe. The author cites an episode. The "definitive edition" of *The Road to Serfdom* – Hayek's influential 1944 work – appeared in the United States in 2007, selling 7,000 copies in 2008 and 27,000 in 2009. This publishing success was due in part to the outbreak of the Great Recession and in part to the simultaneous rediscovery of old champions such as Hayek as a master of Neoliberalism and Keynes as the prime exponent of modern interventionism and inspiration of the Obama Administration's economic policy.

The process of political appropriation, in Wasserman's view, revealed "lack of clarity" about the original, shared economic ideas of the Austrian School. The book reconstructs the story of the Austrian School from its origin to the present, arguing that the political meaning of these economic ideas can be rightly understood only if one knows their history. Wasserman writes (p. 3): "What these overheated conversations [among Conservative groups] revealed more than anything else was a lack of clarity about what exactly the Austrian School was. The historical and social origins of the movement were particularly opaque in these discussions. How did it emerge and evolve over the years? Who were its members? What did they believe? And why do we still care about the school, and should we? In this book, I will illuminate these historical, cultural, and sociological questions, offering a critical history of the school from its nineteenth-century emergence to the present."

The book is divided into three parts and eight chapters.

The first part (Chapters 1 and 2) investigates the era of the founder and the founding fathers: "Prior to the late 1880s" – Wasserman observes –

"no real school existed" (p. 9) and if "Böhm and Wieser were the true fathers of the new school, Menger was the holy spirit" (p. 39). The author summarizes the economic thought of the three leading figures, describes the emergence of an intellectual community around the Böhm-Bawerk Privatseminar, and focuses on the common battle of ideas against both Marxism (on the theory of value) and the German Historical School (triggering the so-called Werturteilsstreit or value judgment debate). Decades later, Mises called Marxism and the German Historical School two types of "Etatism," the great enemy of the Classical Liberalism that was defended by the "Austrian" economists.
The second part (Chapters 3 and 4) covers the interwar years. Again, the author depicts the interplay among political events (from the dissolution of the Habsburg Empire to the rise of Nazism and Fascism), economic events (the Great Depression), and the evolution of the School's thinking, stressing the role of the Mises circle, forced emigration to the United States and "the changing of the guard" with the appearance of a new generation of economists, headed by five men: Gottfried Haberler, Friedrich A. von Hayek, Fritz Machlup, Ludwig von Mises and Oskar Morgenstern. The School was engaged in three great debates: between Hayek and Keynes on business cycles and the Depression, with the early Chicago School over capital and production, and between Hayek and Oskar Lange over the possibility of socialist calculation. "These conflicts," Wasserman observes, "reverberate in debates about the viability of capitalism even today" (p. 139). During the Lippmann Colloquium in Paris in 1938, the Neoliberalist movement was formed; Mises and Hayek were there, but the outbreak of the war postponed the project.
The last part (Chapters 5-7 plus the Conclusion) deals with the period since World War II. The author continues to trace the evolution of the School in the broader context of a changing world. The key to understanding the change becomes a remark of Hayek's: "Who is only an economist cannot be a good economist." Accordingly, he recounts the increasingly "political" bent of the main Austrian School economists: the popular success of *The Road to Serfdom*, the creation of the Mont

Pèlerin Society, the great value of works like Mises's *Human Action* and Hayek's *Constitution of Liberty*, the great year of 1974 with Hayek winning the Nobel Prize, the powerful influence of think tanks like the Cato Institute, and the emergence of a new generation of Mises's students, including Kirzner and Rothbard. The Conclusion explores two parallel developments of recent years: the evolution of the Austrian School's ideas and their appropriation for ideological and political purposes. The author argues that authentic Austrian School economics is applied improperly by strongly reactionary movements in America or Europe. He writes, "Attempts to return Austrian ideas to European shores have produced disturbing results. The transnational emergence of the 'New Right' demonstrates an alarming degree of interaction between rightists and 'Austrian' supporters of free markets and economic liberty. In Austria and Germany, self-proclaimed Hayekians have engaged in internecine conflicts about the meaning of the Austrian tradition" (p. 286-87).

Thus far, the Austrian School of economics has been the subject of many studies in the history of economic and political thought. The life and work of its leading economists, like Mises and Hayek, as well as the role played by particular institutions, like the Mont Pèlerin Society, are well known.

Wasserman tells an original story of a real school of economic thought from its very beginnings to the present, a story tracing the constant interaction between individual thinkers and an intellectual community that has survived over time. He shows the political power of economic ideas. But he also shows the civil power of history, in that in the latter's absence economic ideas can be manipulated, put to inappropriate political purposes. Of course, scholars specializing in the work of single thinkers or in specific controversies could be less than satisfied with Wasserman's account. But the story as a whole is fascinating.

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