

intellectual history toward a kind of “history as practice,” the “big ideas” to be gleaned between the pages of activity, with an expectation less of coherence than conviction.

Curtis describes the book as a “cautionary tale,” one that is unquestionably full of “mixed motivations” and uneven, even harmful, consequences. It is certainly those things. But it is also a cautionary tale about the movement in how history is told. In social science terms what we have here is a convincing and constructive anecdote, but not data, which would require more care with definitions of terms, and more causal investigation. It is a useful book, to be sure, and interesting so far as it goes, but it is also a historiography told from “the other side” of Charles Taylor’s *A Secular Age*, one more concerned with social practice than the intellectual and religious worlds that made those practices intelligible. I appreciate what this kind of history can bring us, but it is also suspiciously incomplete.

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The Viennese Students of Civilization: The Meaning and Context of Austrian Economics Reconsidered

Erwin Dekker

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Erwin Dekker has written a wonderful book examining key figures in the tradition of Austrian economics—Ludwig von Mises, Joseph Schumpeter, Friedrich Hayek, as well as close allies such as Karl Popper—in order to situate them within the context of *fin de siècle* Vienna from which they sprang and to highlight the many intriguing connections between their economic thought and other areas of inquiry. Intellectual culture in late Habsburg Vienna was not characterized by sharp disciplinary boundaries, nor was it confined within an academic context. As Dekker illustrates, Viennese intellectuals of all kinds congregated in a range of overlapping circles; they frequently knew one another and interacted regularly both in print and in person. One of the delights of Dekker’s book is his impressive ability to tease out links between the ideas of the Austrian economists and the work of literary figures like Joseph Roth and Hermann Broch, philosophers like Wittgenstein, psychologists like Freud, social critics like Karl Kraus, and medical scientists like Joseph Dietl.

Dekker argues that the Austrian economists are best understood—borrowing the label of his title—as “Viennese students of civilization.” Each of the three key words in this phrase is significant. First, the Austrian economists are Viennese; that is, they arise out of a particular cultural and intellectual environment shaped in particular by the decline of the Habsburg Empire. Second, they are students. This is in contrast to a certain conception of the social scientist, popular in the early twentieth century, as a neutral technician able to supply the necessary means for achieving whatever policy goals are in view. By contrast, the student, motivated by a certain skepticism about our ability to engineer

society according to our desires, seeks understanding rather than change. The student's goal is not to transform society, but to comprehend it.

Finally, they are students of civilization. This concept brings us to the heart of Dekker's portrayal of the Austrian economists. They understood economics, he argues, not as a freestanding science, but rather as part of the broader whole of civilized society. In their eyes, Dekker argues, civilization is characterized primarily by restraint. It requires that we restrain our urges and instincts in a variety of ways and can be sustained only as long as we are willing to do so. Prudent economic behavior, for example, requires thrift, long-term planning, and the suppression of desires for immediate satisfaction. Other institutions of civilization, such as those of the family or the state, also require similar self-restraint. Indeed—and Dekker regards this as one of the Austrians' most important perceptions—whatever freedom we enjoy in society is itself only the consequence of such restraint. Freedom thus does not precede civilization but is rather a consequence of it. In this sense neither freedom nor the laws of the market can be regarded simply as natural. Rather, argues Dekker, the Austrians come to understand markets—like other complex and evolutionary systems such as law and language—as neither natural nor entirely artificial, but rather products of human culture. Because these cultural products are the outcome of countless interactions, far too complex ever to be fully understood or designed by any single person, they are also fragile, to be approached with an attitude of caution and almost reverence, rather than in a spirit of pride or of confidence in our ability to reshape them according to our temporary desires. This insight accounts for the Austrian economists' characteristic skepticism toward government regulation and their emphasis on its almost unflinching tendency to produce unintended consequences.

As witnesses of the Habsburg Empire's decline and finally its collapse in World War I, and then, a generation later, of the rise of first socialism and then Nazism during the interwar years, the Austrian economists were deeply impressed with civilization's fragility and the ease with which cultural achievements such as markets could lose support and be abandoned. But this very experience, Dekker suggests, pushed some of them, particularly after their emigration to Anglo-Saxon destinations—where it seemed that free societies and free markets might yet be saved—to move beyond their student posture. Here he has especially Karl Popper and Friedrich Hayek in mind. (Dekker recognizes that Popper is not typically thought of primarily as a member of the Austrian school but argues for his similarity of perspective.) The student of civilization is essentially an observer, and the more deeply he understands the complexity of civilization, the more fully he will also grasp his own inability to alter or modify it significantly. The student thus tends toward a kind of passivity, or, to put it more positively, toward the neutral and scientific objectivity that is in some sense always the goal of a scholar. Having seen civilization fail once in Vienna and again in the face of fascism, thinkers like Hayek and Popper saw the need to be more than mere students of civilization and to become instead (or also) its custodians and defenders. Thus they wrote not only academic works but also more popular, political works aimed at shoring up civilization against its enemies.

This is a wonderful book that ought to be of interest not only to economists and historians of economic thought, but also to all those interested more broadly in the place of economics within cultural history, or in the long-term fortunes of liberal democracy. Through his considerable skill in finding the telling literary or artistic detail to illuminate an economic point, Dekker not only helps us understand economics as a form of human activity, he also shows the insights of the Austrian school in a new light. It is a valuable achievement to have placed the Austrians in their historical context; after all, it would be odd indeed for these thinkers to have emerged from Vienna at the dawn of the twentieth century, one of the most intensely creative cities and eras in all of Western history, without in some fashion bearing its imprint. Of particular interest, however, is Dekker's recovery of economics as part of the larger concept of civilization. Along with the insight that civilization emerges from restraint—intriguingly, an idea also central, as Dekker notes, to the thought of that other famous Viennese, Sigmund Freud—this helps us understand market economies as one of the great achievements of human culture, enabling us to act with greater freedom, and also greater intelligence, than we would otherwise possess. This serves as a caution against any overly casual or complacent view of markets as purely natural and self-sustaining phenomena.

It also generates an important corollary conclusion of Dekker's, namely, that markets both shape culture and are shaped by it in turn. This reminder seems especially valuable at the present moment when confidence in markets appears to be declining across significant swaths of Western society. Dekker shows how a thinker like Hayek worries about the "strains of civilization" (the phrase itself comes from Popper)—the idea that people may feel burdened by or even resentful of the kinds of discipline and restraint that civilization in general and markets in particular demand of them, particularly as other traditional institutions that formerly supplied training in self-restraint, like religion and the family, have lost much of their socializing force. These strains arise because the members of a civilization cannot really understand or explain either how it came into being or how it continues to operate—as we have seen, it is far too complex for that—and because the benefits that civilization brings often lie in the future. This is precisely why it requires custodians. Today it seems that the free market societies of the West again require custodians, those who are prepared to move beyond the mere study of markets and to speak in their defense. Erwin Dekker has provided an insightful and elegant examination of how the Austrian economists did just that in the previous century, and in so doing he has also provided a useful model to consider as we ponder how best to meet the challenges of this one.

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