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Mr. Walter Block, Assoc. Editor
The Review of Austrian Economics
325 Pennsylvania Avenue, S.E
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Dear Mr. Block:

From its very beginning during the 1880s the Austrian School has been engaged in a bitter intellectual struggle with the forces of statism. Menger courageously challenged the German Historical School that was holding sway in many parts of Europe. He openly disapproved of the interventionistic policies of his own government. Böhm-Bawerk exploded the maxims of the Marxian structure. In his public life he served three times as Secretary of the Treasury, balancing the budget and maintaining the gold parity of the currency. Wieser was Secretary of Commerce throughout most of World War I. Mises worked diligently to prevent a Bolshevik takeover in Austria, to halt a raging inflation and avoid further consumption of capital. In the U.S. he addressed himself to every burning issue of his time. Hayek fought at his side with an analysis of the "Road to Serfdom," "The Counter-Revolution of Science," "The Constitution of Liberty," "A Tiger by the Tail," "The Denationalization of Money," and many other studies. This is the Austrian School I admire and seek to emulate in my own way.

The Austrian School in the U.S. has evolved primarily from the great writings and teachings of Professor Mises. Over the years it has developed along two distinct lines of effort and accomplishment. In the footsteps of their great teacher, a few Mises disciples are fighting in the forefront of the intellectual battle, addressing themselves to every new issue of interventionism and destructionism. They are writing books, essays and articles and giving speeches on the monetary destruction perpetrated by every administration; they lament the new waves of radical regulation and the follies of privileges and entitlements. They abhor the massive capital consumption by the now-generation and the plundering of future generations. They are greatly alarmed about the \$2 trillion federal debt and the abyss toward which political society is rushing.

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The other offshoot is hiding from the world of intellectual encounter and controversy. It religiously avoids taking a position on any economic issue no matter how ominous it may be. It does not get involved in the problems of the world, such as inflation, taxation, regulation, foreign trade or Medicare. Instead, its members specialize in a few narrow topics that are devoid of any immediate significance, are noncontroversial because they do not touch upon the crucial issues of interventionism and socialism, and, above all, do not question the economic policies conducted by the agents of government. In short, they say little about the world, but talk a great deal with each other, skillfully playing an academic game of mutual quotation and admiration. While Mises wrote about "the crisis of civilization," they investigate some mercantilistic features of the Soviet system; while Hayek elaborated the road to serfdom, they redefine the seven meanings of credit expansion in the Hayekian system. While Mises concluded that socialism is basically chaotic because it does not permit rational calculation, they ridicule Mises for his "radicalism"; after all, the Soviet system must be orderly "because it has existed so long and continues to grow."

It is difficult to fathom the motive powers of this wing of the Austrian School. Whether they act from shallow thinking and just fear, its members are refugees from the Austrian School, seeking survival in a hostile world through withdrawal from the world. They cling to their academic positions by carefully avoiding confronting and alienating their establishment colleagues and department chairmen. They are tolerated in an otherwise intolerant academic world because they are so ineffective and, therefore, can be used as visible evidence of "academic objectivity" and "open-mindedness." While Mises never rose to the position of full professor in Austria or the U.S., these refugees from the Austrian School usually prosper in academia.

You will have to decide as an editor of The Review of Austrian Economics which one of the two branches of the Austrian School you are going to serve. They do not mix very well. I am returning the paper because it was written by a "refugee" and should be reviewed by a "refugee."

Sincerely,