

Contemporary Work in Austrian Economics

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Abstract

This article provides a brief survey of contemporary developments in the Austrian School of economics, signalling that (1) the amount of Austrian research and the number of Austrian researchers are growing exponentially; (2) *good* Austrian economists are not being marginalized by the economics profession; and (3) there have been significant advances recently in our understanding of economics. Scholars can embrace the second revival of Austrian economics and look confidently at the increasing academic credibility of the school.

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I. Introduction

At the time of the first Austrian “revival,” prompted by Hayek winning the Nobel Prize and the death of Mises, you could probably fit all Austrian-school economists into one room. The intellectual climate of the time saw a dominance of Keynesian economics and the perceived triumph of state planning, with little scope for the methodology, subject matter, or policy conclusions of the Austrian School. The revival started with a series of conferences held in the mid-1970s that defined and mobilized the Austrian School (see, for instance, Dolan 1976), and it matured in the 1980s with the publication of several works that pushed the school further (White 1984; Lavoie 1985; O’Driscoll and Rizzo 1985). The creation of the Center for the Study of Market Processes (now the Mercatus Center) at George Mason University (GMU) and the Ludwig von Mises Institute also aided the first revival.

The second “revival” can be traced to the early 1990s and the fall of communism, which brought the Austrian School to the attention

of mainstream economists to a far larger extent. Prior to this event, many mainstream economists were severely overestimating the efficiency of the Soviet economy (Levy and Peart 2011). When the actual situation became obvious to everyone, the Austrian arguments about the impossibility of economic calculation in the absence of market prices received renewed attention. Similarly, and more recently, the Austrian business cycle theory has started to receive significant attention outside of Austrian circles due to the recent economic crisis (Gaffney 2011). Thus, while the first revival energized a small pool of Austrian authors and students, improved the academic institutional infrastructure, and generated new original research, the second, ongoing revival has attracted the attention of many more people, both economists and the general public, to the Austrian arguments.

Nonetheless, in the early 2000s, the Austrian School still seemed historical and enigmatic. Karen Vaughn's introductory book, *Austrian Economics in America* (1994), provided stunning biographies of Menger, Bohm-Bawerk, Wieser, Hayek, Mises, Rothbard, Lachmann, Kirzner, but ended with a revealing chapter called "Which way forward?" Indeed, many accounts of the history of the Austrian school use the first "revival" as a convenient place to stop. But what became of that revival? What *was* the way forward?

More recent introductions to the Austrian school fail to answer this question. Butler (2010) provides an excellent overview of the key principles and contributions of the school, but it is not intended to be an up-to-date literature review. Schulak and Unterkofler (2011) take a more academic approach, but ignore the work of an entire generation of Austrian economists (i.e., those who have come through the GMU program since 2000, some of whom contributed to Boettke 2010). For example, Schulak and Unterkofler include Don Lavoie, who passed away in 2001, in their list of "economists adhering to the Austrian creed currently working" (p. 174). This paper intends to serve as a complement, rather than a substitute, for their otherwise excellent book.

Part of the problem may lie in the tendency for histories of epistemic communities to take a chronological approach, and thus once published, they become out of date. Indeed, this approach reaffirms the notion that becoming an Austrian economist is about becoming acquainted with past "masters." To be sure, the history of the school is fascinating, but it should be viewed as a pathway for future contributions. To this end, we follow Rizzo (2009) and

provide an overview of recent work.¹ Section 1 focuses on signs that the Austrian school is a fertile, growing, respectable part of the academic community by looking at its impact in terms of PhD programs, conferences, publishing, and rankings. Section 2 surveys specific work that has been published since 1994 that deepens our understanding of the science of economics. Section 3 provides a critical assessment. Section 4 concludes.

II. The State of the Austrian School within the Economics Profession

Our focus is on the state of Austrian economics within the economics profession, and therefore there will be a bias toward the United States because that is where the top schools are. Evans (2010) documents the rise of Austrian economics in Eastern Europe, and Schulak and Unterkofler (2011) do so for Europe more generally.

A. PhD programs

Auburn University, New York University (NYU), and GMU offered the original PhD programs where students could take Austrian courses and write a specialized thesis under the supervision of an Austrian professor.² Austrians have been visiting professors at prestigious schools such as London School of Economics (Peter Boettke, Bruce Caldwell, Roger Garrison), Chicago (Peter Leeson), NYU (Adam Martin, Claudia Williamson) and Duke (David Skarbek). Despite the Auburn and NYU programs abating, the options open to potential Austrians have increased and continue to grow.³

Aside from GMU, there are Austrian economists on the faculty of about seven PhD-granting institutions in the United States: NYU (Israel Kirzner, Mario Rizzo, David Harper), the University of Missouri (Peter Klein), West Virginia University (Josh Hall, Jeff Lee, Roger Congleton, Andy Young), the University of Illinois (Isaac DiIanni), Mississippi State University (Claudia Williamson), the University of California, Santa Barbara (Ryan Oprea), and Texas

¹ Note that Rizzo errs more on the side of summarizing the stylized facts of Austrian economic theory rather than a simple overview of recent work. Readers whose curiosity is prompted by this survey should see Rizzo (2009) for more depth.

² Of these, if we are not mistaken, GMU is now the only remaining institution that has a field exam in Austrian economics and multiple faculty members serving on dissertation committees.

³ In 2012, Martin and Skarbek took up permanent faculty positions at Kings College in London, and in 2014 Martin moved to Texas Tech.

Tech University (Adam Martin, Ben Powell, and Edward Stringham). Master's programs with Austrian faculty include those at San Jose State University (Colleen Haight, Matt Holian) and Western Carolina University (Ed Lopez, Steve Miller). Also, in 2010, Peter Klein launched a dedicated course on Austrian economics at The University of Missouri, Columbia. Other programs on this list have Austrian faculty teaching in the graduate school, but not necessarily teaching courses that focus exclusively on the Austrian School. It is important to also consider Austrians teaching in business schools, such as Nicolai Foss (Copenhagen Business School) and Anthony Evans (ESCP Europe).

We have also seen the rise of non-U.S. institutions, for example Rey Juan Carlos University in Madrid (Jesus Huerta de Soto, Philip Bagus) and Francisco Marroquín University (UFM) in Guatemala (arguably the European and Central American equivalents of GMU), creating stimulating intellectual environments for the study of Austrian ideas. There are also Austrian faculty that can supervise PhDs at Kings College, University of London (Paul Lewis, John Meadowcroft, Mark Pennington, Emily Skarbek, and David Skarbek). Encouragingly, there is a plethora of undergraduate programs that expose students to Austrian ideas, not to mention the Mises Institute's "Mises University" and various programs run by the Foundation for Economic Education (FEE), the Institute for Humane Studies (IHS), the Institute for Economic Studies (IES) Europe, the Liberální institut in Prague, and others.

B. Conferences

In terms of professional conferences, the Society for the Development of Austrian Economics (SDAE) was founded in 1996 and has around 150 members. It now hosts at the Southern Economic Association (SEA) annual conference eleven meetings that are some of the best-attended at the conference. There have also been Austrian panels at the Academy of Management and at the Eastern Economic Association (EEA), plus a heavy presence each year at the Association of Private Enterprise Education. Many Austrian economists also participate in specialized Austrian conferences, colloquia, and reading groups, including the Austrian Scholars Conference; the NYU Colloquium on Market Institutions and Economics Processes; the GMU Workshop in Philosophy, Politics, and Economics; the Prague Conference on Political Economy; and the London Austrian Economics Reading Group.

C. Publishing

Austrian economics is also becoming increasingly recognized in peer-reviewed journals. The subject has its own code in the Journal of Economic Literature classification system (B53), under “current heterodox approaches,” and prominent journals that have recently published Austrian economists include the following:

- *Journal of Political Economy* (Leeson 2007a)
- *Organization Studies* (Klein, Foss, and Foss 2007)
- *American Journal of Economics and Sociology* (Block, Hansen, and Klein 2007; Boettke, Coyne, and Leeson 2008; Callahan and Leeson 2012)
- *Journal of Economic Perspectives* (Leeson 2008)
- *Strategic Entrepreneurship Journal* (Klein 2008)
- *Journal of Money, Credit and Banking* (White 2008)
- *Journal of Economic Behaviour and Organization* (Boettke and Coyne 2005; Powell and Wilson 2008; Klein and Orsborn 2009; Leeson 2010; Leeson and Nowrasteh 2011; Coyne 2011; Coyne and Mathers 2011; Levy and Peart 2011)
- *Economic Journal* (Boettke et al. 2006)
- *American Political Science Review* (Aligica and Tarko 2013)
- *American Journal of Political Science* (Leeson and Dean 2009)
- *Journal of Business Ethics* (Barnett and Block 2009; Bagus and Howden 2009; Cachanosky 2011; Evans 2013)

There are also several high-quality, peer-reviewed Austrian journals, including *The Review of Austrian Economics* (Springer) and *Advances in Austrian Economics* (Emerald), and the open-access journals *The Quarterly Journal of Austrian Economics* (Springer) and *Studies in Emergent Order*.

Within the last five years, Austrian books have been published by major university presses:

- Stanford (Coyne 2008; 2013)
- Princeton (Cowen 2002, 2006; Leeson 2009)
- Oxford (Klein 2012; Skarbek 2014; Stringham, forthcoming)
- Cambridge (White 2012; Leeson 2014; Powell 2014)

Also, there are Austrian series with the University of Cambridge (Mind, Cognition and Society), Edward Elgar (New Thinking in Political Economy), and Routledge (Foundations of the Market Economy). Moreover, there are wider publishing houses that publish Austrian material, such as the Mises Institute, the Institute of Economic Affairs, and the Adam Smith Institute. Many of these works have made a profound impact on the Austrian School.

D. Rankings

To objectively assess the recent impact of the Austrian School within mainstream economics is difficult. However, some quantitative metrics can be cited. Authors such as Peter Boettke, Nicolai Foss, Daniel Klein, Richard Langlois, Peter Leeson, and Russell Sobel are among the top 5 percent of RePEc authors in terms of the number of papers. The highest-ranked Austrian economist on the RePEc list is Nicolai Foss, in place 1,966 out of almost 33,000 registered authors. On SSRN's list of most downloaded authors in economics, Peter Boettke is currently ranked sixteenth, and William Luther is thirty-seventh. In terms of citations, Beaulier and Hall (2009) note that "Lavoie's 'children' (i.e., Peter Boettke, David Prychitko, etc.) were responsible for 228 mentions in EconLit and 103 journal articles," and that "Lavoie's 'children' have produced 75 SSCI indexed journal publications, and these publications are cited 63 times by other SSCI publications."

One measure of the impact of Austrian ideas on the economics profession is citations of Hayek in Nobel Prize addresses. Hayek is the second-most cited Nobel Prize winner by other Nobel Prize winners, after Kenneth Arrow (Skarbek 2009). More broadly, Boettke, Fink, and Smith (2012) refer to the opposition between "mainline" and "mainstream," with "mainline" representing the line of thought in terms of methodological individualism, rational choice, and emergent order explanations, and with the Austrian School being the most consistent flag-bearer of the "mainline." They show that mainline Nobel Prize winners have received significantly more citations than merely mainstream authors (who happen to be fashionable at a given time, but who depart in significant ways from the core traditional economic mode of thinking). In other words, even if the Austrian School's impact on the broader profession is limited, the economic profession as whole does not in fact drift away from the core premises of the Austrian School. This explains why Austrian economists have continued to find it possible to publish in

mainstream economic journals without giving up on their point of view.

Another possible criterion for assessing the impact of Austrian ideas is the status within the profession of the economics departments where prominent Austrians work. In 2012, based on the Shanghai Academic Ranking of World Universities in Economics/Business, NYU's economics department was ninth in the world, GMU's was forty-sixth, and Missouri and Texas Tech were in the 101–150 range. As of July 2012, according to the RePEc Top 10% Economic Institutions, NYU was in the top 5 percent, in position twelve; Auburn, GMU, and Missouri were in the top 7 percent. According to SSRN's Top 1,500 Economics Departments and Research Centers, as of August 2012, GMU occupied position fifteen and NYU was sixty-eighth.

III. Notable Book Contributions to Austrian Economics since 1994

There is a tendency for some people to believe that demonstrating an awareness of the first or second generation of the school is all that is required to call oneself an “Austrian.” Yet, this is a necessary, but *not* sufficient condition because a rich amount of contemporary work exists, and recent contributions require familiarity and debate. A brief overview of what we consider to be especially important (arranged by topic) follows.

A. Entrepreneurship, Management, and Organizational Culture

Arguably, one of the most prominent Austrian themes is entrepreneurship. Nicolai Foss and Peter Klein's book *Organizing Entrepreneurial Judgment: A New Approach to the Firm* (2012), in its development of an entrepreneurial theory of judgment, highlights an exposure to uncertainty and thus resource ownership as the key aspects of entrepreneurship, further developing on their previous work (see also Foss and Klein 2002). Another notable recent contribution is Daniel Klein's book *Coordination and Knowledge* (2012), in which he argues in favor of a pluralistic approach to entrepreneurship rather than defining the entrepreneurial task by a single feature. Most recently, Evans (2014) provides a primer to economics geared toward a management audience, with Austrian insights about entrepreneurship playing an important part.

In *Capital in Disequilibrium*, Peter Lewin (1999) analyzes the subjective nature of capital, how it fits into a firm's organizational

structure, and how capital is evaluated and allocated in a world of disequilibrium. Fred Sautet's (2000) *An Entrepreneurial Theory of the Firm* shows how firms flatten their organizational structure to benefit from entrepreneurial alertness, followed by Harpers and Holcombe's (2009) *Entrepreneurship and Economic Progress*, which ties entrepreneurship into growth theory. Cowen and Parker's *Markets in the Firm: A Market-Process Approach to Management* (1997) provides a description of "market-based management," followed by Charles Koch's (2007) book that creates an Austrian theory of management and shares the results of applying it to the world's largest private company.

B. Culture, Economic Institutions, and Development

Peter Boettke's *Calculation and Coordination: Essays on Socialism and Transitional Political Economy* (2001) expands the theory of socialism by mixing together the Austrian market-process approach with New Institutionalism and public choice for the purpose of better understanding real-life socialism (as opposed to theoretical utopic socialism) and the difficulties encountered by transitional economies. Boettke (1996), and later on, Boettke in collaboration with Coyne and Leeson (2008), draws attention to the interplay between formal and informal institutions, claiming that "institutional stickiness" should be a key consideration for development planning, an idea further pursued by Carden (2009). In *The Neoliberal Revolution in Eastern Europe: Economic Ideas in the Transition from Communism*, Paul Dragos Aligica and Anthony Evans (2009) research the role of ideas in the transition from communism. Wagner (2010) provides a link back to the humane and social concerns that political economists focused on prior to the twentieth-century revolution in macroeconomics. More generally, Lopez and Leighton (2012) apply Hayek's capital theory to analyze the importance of ideas and intellectuals. They set up a "production structure" of public policies that goes from far-end "capital goods" consisting of broad ideas setting up the frame of the debate, to the mid area of factors that influence general public opinion, to the near-end of actual policy design and implementation.

Emily Chamlee-Wright (1997) explores the importance of culture for development at book length in *Cultural Foundations of Economic Development: Urban Female Entrepreneurship in Ghana*, analyzing why international aid programs have been largely unsuccessful. She is followed by Lavoie and Chamlee-Wright's (2001) *Culture and Enterprise: The Development, Representation and Morality of Business*, and by

Virgil Storr's *The Culture of Markets* (2012). The guiding principle behind these approaches is the idea that development is driven by entrepreneurship, and the specific directions in which entrepreneurship is used depend on culture and institutions.

In *Creative Destruction: How Globalization Is Changing the World's Cultures*, Tyler Cowen (2002) explains how entrepreneurs adapt to globalization, leading to an increased “menu of choices” everywhere, despite the increased homogeneity across cultures (the same expanded “menu of choices” becoming available everywhere). Moreover, he explains how globalization affects the production structure of traditional cultural producers by lowering the cost of their raw materials, which leads to an increased variety and sophistication of “traditional” items.

Boettke and Coyne (2009) show how entrepreneurship occurs within alternative institutional settings and is not restricted to market exchange, a theme that Harper (2007) also has explored at book length in *Foundations of Entrepreneurship and Economic Development*. Emily Chamlee-Wright (2008) extends this study of nonmarket settings to apply Austrian attention to capital theory to social relations, and her book *The Cultural and Political Economy of Recovery* (2010) applies Austrian insights about local and tacit knowledge to the area of disaster recovery, showing how civil society responds to adverse shocks.

Ben Powell and Matt Ryan (2006) provide an Austrian approach to outsourcing, while Powell and David Skarbek (2006) apply Austrian insights to third-world labor-supply chains. Building on these papers, Powell's book *Out of Poverty: Sweatshops in the Global Economy* (2014) explores the role played by sweatshops in spurring development and analyzes the ethics-driven movement against sweatshops in the West.

In *After War*, Chris Coyne (2008) develops an Austrian theory of foreign intervention, claiming that knowledge problems are inevitable and endemic when reconstruction efforts seek to export democracy. In *Doing Bad by Doing Good: Why Humanitarian Action Fails* (2013), he expands the argument to the problem of foreign aid in general.

C. Psychology and Economics

There have been two volumes of *Advances in Austrian Economics* dedicated to the issue of interplay between economics and psychology: volume 7, *Evolutionary Psychology and Economic Theory* (Koppl 2004), and volume 9, *Cognition and Economics* (Koppl, Krecke,

and Krecke 2007). The volumes explored the relevance of Hayek's theory of the mind in the light of modern neuroscience, as well as the viability of his concept of group selection in the light of evolutionary psychology. In a book written for a general audience, *The Mind of the Market: How Biology and Psychology Shape Our Economic Lives*, Michael Shermer (2007) argues that Mises's praxeology is better suited than standard economic theory to incorporating the discoveries of behavioral economics and evolutionary psychology. Mario Rizzo and Glen Whitman (2009) provide an Austrian approach to "libertarian paternalism," combining insights about behavioral economics, knowledge problems, and slippery slopes.

D. Monetary Theory and Business Cycles

Roger Garrison's *Time and Money* (2001) provides a thorough renovation of Mises and Hayek's original work, using diagrams to demonstrate how capital-based macroeconomics fits alongside money-based and labor-based macroeconomics. By drawing attention to the interaction of the production possibility frontier, the market for loanable funds, and the intertemporal structure of production, he creates an incredible coherency to Austrian business-cycle theory. Moreover, his attention to how artificially low interest rates creates a tension between malinvestment and overconsumption is novel and enlightening. In *Risk and Business Cycles*, Tyler Cowen (1997) incorporates modern finance theory to suggest an investment-based theory of business cycles. While Austrians tend to believe that nominal money growth increases investment in long-term, capital-intensive projects, Cowen suggests that they lead to *riskier* projects, which is at best complementary and at worst sympathetic to the typical Austrian narrative.

Tony Carilli and Greg Dempster (2001) update Austrian business-cycle theory to take rational expectations into account, arguing that credit expansion leads to a prisoner's dilemma. Roger Koppl's *Big Players* (2002) expands the role of expectations to show how the monetary authorities (and indeed private-sector monopolists) can create an additional source of uncertainty to economic agents. Jeffrey Friedman (2009) focuses on the knowledge problems within the banking industry that led to the financial crisis and also provides an applied focus. Ben Powell (2005) analyzes the East Asian growth "miracle" from an Austrian perspective.

Microfoundations and Macroeconomics by Steve Horwitz (2000) draws upon monetary disequilibrium theory to further our knowledge about

the origins, costs, and consequences of inflation. He draws upon New Keynesian (and classical) attention to price rigidities to also further our understanding of the costs of *deflationary* processes. Kevin Dowd's *Money and the Market* (2000) provides a thorough analysis of the potential for a free market in money, outlining the costs associated with state intervention and excessive regulation. George Selgin's "Less than Zero" (1997) defines and measures a "productivity norm," demonstrating the extent to which benign deflation should occur when there is productivity growth. Joseph Salerno (2003) argues that concerns about deflation are primarily due to legal restrictions on labor markets, while George Selgin (2001) creates a "principle of adverse clearings" to explain why private banks would be unable to overissue currency in a free-banking environment. In *Money, Bank Credit and Economic Cycles*, Jesús Huerta de Soto (2006) follows a more Rothbardian approach to explore the legal origins of fractional reserve banking and the inflationary tendencies of state-controlled money, and Joseph Salerno's *Money: Sound and Unsound* (2010) argues in favor of a return to the gold standard. Philip Bagus and David Howden (2009), William Barnett and Walter Block (2009), Nicolas Cachanosky (2011), and Anthony Evans (2013) extend the debate over banking to the area of maturity transformation, with opposing views on whether maturity mismatching should be permitted. Finally, Bagus (2010) offers a timely and engaging discussion of the origins and instabilities of the European common currency.

E. Interventionism

The Austrian perspective on government intervention in the market differs from mainstream approaches in that the focus is mainly on the price system as a signalling device and as a mechanism for aggregating dispersed information. As such, the Austrian perspective emphasizes the ways in which government interventions distort or prevent the formation of accurate price signals. The classic Austrian analysis in this regard is Mises's book *Interventionism: An Economic Analysis*, written in German in 1940 and first published in English translation in 1998.

A recent Austrian contribution to the subject is Sandy Ikeda's *Dynamics of the Mixed Economy* (1996), which adds to Mises's critique a number of important layers: it explores the problems associated with interventions for the purpose of wealth transfers; it incorporates more fully the role of planners' ignorance and the ways in which

interventions change the patterns of entrepreneurial actions; it connects Austrian theory to public choice; and it discusses the stability of the minimal state and of the mixed economies. Such analyses of interventionism may clarify why, despite adherence to value-free science, there are no Austrian socialists (Boettke 1995; Raico 2012): one does not need a value-laden analysis when, more often than not, the conclusion is that, due to uncertainty and unintended consequences, government interventions tend to lead to results opposite of the proposers' intentions. This is not, however, always the case. As Cowen points out in *Good and Plenty: The Creative Successes of American Arts Funding* (2006), the American system of arts funding, via “indirect subsidies,” is quite effective in promoting, rather than hampering, entrepreneurship in the arts. The topic of interventionism also was the subject of volume 8 in *Advances in Austrian Economics* (Kurrild-Klitgaard 2005), and Block (2006) provides a critical assessment of property rights theory and eminent domain. Last, but not least, Boettke and Leeson are currently editing the forthcoming book, *The Economic Role of the State*.

F. The Political Economy of Self-Governance

The Austrian interest in understanding and developing a positive theory of anarchy (Boettke 2005) has recently received a major boost. The anthology edited by Ed Stringham, *Anarchy, State and Public Choice* (2005), explores the benefits and feasibility of anarchy and features a number of Austrian authors engaging non-Austrian arguments, mainly on their own terms. In *The Invisible Hook: The Hidden Economics of Pirates* (2011), Leeson explains how relatively large and diverse groups of criminals invented institutional forms remarkably similar to democratic institutions as a way to facilitate collective action. In *Anarchy Unbound: Why Self-Governance Works Better Than You Think* (2014), Leeson further explores the possibility of self-governance in large, heterogeneous groups. Part of the book analyzes the possibility of economic development under the most unfavorable conditions (“trading with bandits”) and the role of cultural markers for mediating large scale intergroup cooperation. This includes an application to development in de facto anarchist Somalia, a situation that has also been studied by Leeson (2007b) and Powell et al. (2008).

Along similar lines, and highlighting similar mechanisms for self-organization and intergroup conflict mediation, expanding on his earlier paper from 2008, Skarbek's *The Social Order of the Underworld: How Prison Gangs Govern the American Penal System* (2014) explains the

emergence of prison gangs as a result of the increase in the prison population. Ed Stringham (2002) uses the London Stock Exchange as a case to illuminate how voluntary rules can emerge spontaneously, and he has a forthcoming book from Oxford University Press called *Private Governance: The Unseen Beauty That Underpins Markets*.

IV. Critical Assessment

We might wonder to what extent the Austrian perspective is influencing the economics profession as a whole, as the thesis of a second revival holds. For example, Beaulier and Subrick (2013) note a series of important debates to which the Austrians could have contributed, and to which one would have expected them to contribute, given the school's specific conceptual focus. They include development economics, new trade theory, new institutionalism, and behavioral economics. As should be clear from our survey, journal publications, the main benchmark used by Beaulier and Subrick in their assessment, are not entirely relevant, as some of the main Austrian contributions to development economics have been in book format. This being said, their conclusions are not completely off, either.

There are two main explanations for why the Austrian School is not more engaged with the mainstream than it currently is. On one hand, although some prominent Austrians are among the more productive economists in terms of number of publications, the school still has a relatively small number of members, and there is only so much they can cover. On the other hand, as Beaulier and Subrick note, the research interests of the average Austrian are not entirely in line with the research interests of the average mainstream economist. This explains why Austrians do not take all of the opportunities to engage the mainstream arguments. However, this is hardly proper evidence that the school is not doing enough: there exists a trade-off between engaging the mainstream at every occasion and pursuing what one truly finds interesting and important. Beaulier and Subrick do not provide any reason for believing that this trade-off is not properly made in the present.

Also, the Austrian literature has begun to be cited in notable non-Austrian works. Besides the quantitative analysis provided by Beaulier and Hall (2009), we can point to telling qualitative signs. For example, the article on entrepreneurship in the *Handbook of Economic Sociology* (Aldrich 2005) discusses both Schumpeter and Kirzner, as do other notable recent non-Austrian contributions such as Acs, Desai,

and Hessels (2008). Moreover, authors such as Saras Sarasvathy, who have important empirical research on the way in which entrepreneurs think, challenging the standard theory used by MBA courses, have also published in the *Review of Austrian Economics* (Sarasvathy and Dew 2013). Another important area of cross-fertilization is public choice. This subject goes back to Buchanan, who was strongly influenced by Austrian economics, but continues to this day. For example, Randy Simmons (2011, p. 3) notes, “Although I do not consider myself to be an Austrian economist, I have learned a great deal from them and often, even unwittingly, use Austrian arguments in my own analyses.”

V. Conclusion

Any half-decent economist should be able to quibble with our list, as it probably reflects a bias toward our own research interests and background. We also recognize that we have not discussed an even newer generation of Austrian economists.⁴ These omissions all serve our point: Austrian scholarship is a spontaneous order, and younger academics are constantly pushing the boundaries of what can be accomplished. They are demonstrating that it is possible for Austrian School economists to take a seat at the top table of the professional debate without compromising their message: it just takes the right attitude and a lot of work. We have provided evidence of the remarkable progress that has been made since the first revival and that will continue to be made. The academic wing of the Austrian School is flourishing, and the future of good economics is Austrian.

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⁴ For example, Dan D’Amico, Geoff Lea, Jeremy Horpedahl, Emily Skarbek, Michael Thomas, Diana Thomas, Daniel Smith, Will Luther, Alex Salter, and Alex Fink are all recent GMU graduates with faculty positions and excellent publication records.

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