

BOOK REVIEW

CHOICE: COOPERATION, ENTERPRISE, AND HUMAN ACTION

ROBERT P. MURPHY

OAKLAND, CALIF.: INDEPENDENT INSTITUTE, 2015, 299 pp.

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Robert P. Murphy's "Choice: Cooperation, Enterprise, and Human Action" seeks to provide the reader with a "modern, condensed treatment" of Ludwig von Mises's *Human Action*. Robert P. Murphy is a long-time contributor to Austrian economics, and has been a serious student of Mises's work, having authored the *Study Guide to Human Action* in 2010, and the *Study Guide to The Theory of Money and Credit* in 2011. In *Choice*, Murphy uses *Human Action* as the primary source, but, as a good professor, focuses his efforts not on simply relaying what is already "in the book," but on emphasizing the important, explaining the difficult, and elucidating the context. The result is a book that can serve

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as a companion to—or, for many, even a substitute for—reading Mises’s rather imposing *Human Action*.

The philosophy underlying the writing of *Choice* comes from Mises himself. As Mises observes, the study of economics is not something that can remain “an esoteric branch of knowledge accessible only to small groups of scholars and specialists.” (Mises, 1949, p. 845) Since the primary benefit of economics comes from the understanding of policy that it provides, and policy is, in the end, determined by public opinion, economics can only really be effective in benefiting humanity if it influences public opinion. Austrian economists understand Mises’s *Human Action* to focus on the core of economics that the public would need to know to form informed opinions about economic policy. However, *Human Action* itself is largely inaccessible to the modern, intelligent layperson. As Murphy points out in his introduction, *Human Action* is quite long, uses technical vocabulary, and assumes substantial background knowledge. Today, even professional economists would often find reading *Human Action* to be a chore for those three reasons, as the profession is now dominated by journal articles rather than books (and treatises are almost guaranteed not to be read!), technical jargon has shifted substantially, and a modern economist’s knowledge of the history of economic thought is often insufficient to understand the underlying debates regarding, for example, economic calculation. These problems are only magnified for someone not trained in economics. *Choice* provides the necessary background, modern vocabulary, and reasonable length that *Human Action* lacks.

The main body of the text follows, in broad strokes, the plan of *Human Action*, moving from a foundational understanding of action and its immediate implications through action in society and markets, action under socialism and interventionism, and finally closing with the inspirational call to spread the knowledge of economics far and wide. While the broad plan of *Choice* is the same as *Human Action*, Murphy clearly has to condense material to fit it into a space that is less than one-third the size of the original. For example, where Mises devoted ten chapters to a discussion of the hampered market economy (or “interventionism”), this topic receives just one chapter in *Choice*. To make the connections between *Human Action* and *Choice* clear despite *Choice*’s need to condense material, the book includes an easy-to-use table showing the connection between the

original chapters in *Human Action* and the chapters that these map to in *Choice*. This table would be especially useful for those hoping to use *Choice* as a companion to *Human Action*.

In making decisions about what material to expand and what to condense, Murphy has done a masterful job determining what is and is not worthy of receiving detailed treatment in *Choice*. For example, the epistemological material has been drastically (and, in my mind, mercifully!) condensed. Part VI on the Hampered Market Economy was ten chapters—150 pages—in Mises. In Murphy, these are boiled down into a single, 20-page chapter. The decisions about what to keep and what not to keep appear to be driven by the underlying purpose. Murphy is asking the question: “Does someone need to know these details to really understand economics?” Often, the answer is no. This is part of what makes *Choice* a very strong book. Often, brevity breeds clarity. *Choice* focuses, then, on the true core of Mises’s thought, and explains it clearly.

However, when it comes to the true core of Austrian distinctives, Murphy is willing to devote the time needed to provide a foundation for understanding Mises’s argument. For example, a reader cannot understand Austrian business cycle theory—certainly a relevant topic!—without understanding money and banking and time preference theory first. Thus, Murphy devotes three chapters building up the theory of business cycles from its foundation in banking and capital and interest theory to the synthesis of these points in Austrian business cycle theory. The chapter on Capital, Time Preference, and the Theory of Interest provides a wonderful example of Murphy’s willingness to expand on the original when it is necessary to bring a modern reader up to speed. This chapter, rather than simply condensing and modernizing the three chapters of Mises that provide the inspiration, provides the history of thought that is needed to really understand how Mises’s approach to time preference differs from Bohm-Bawerk’s and Fetter’s, so that the reader has a greater sense of exactly what Mises had accomplished.

The one weakness that is evident upon reading the book is that the intended relationship between *Human Action* and *Choice* is not always clear. Is *Choice* meant to be more of a companion to *Human Action* or is it intended to be a substitute? The tone of *Choice* seems to flip back and forth on this question. Sometimes, the book reads as if it is really a standalone volume explaining Mises’s ideas. At

other times, the reader of *Choice* may feel somewhat like the college student who came to class not realizing that they were supposed to read the chapter before listening to the lecture. My own view is that *Choice* can serve either purpose, and I certainly hope that those who read it as a substitute for reading Mises can find the time and gumption to attempt reading *Human Action*.

I highly recommend *Choice* to anyone who is interested in a book-length introduction to Mises's thought but feels intimidated by Mises's own works. (Or perhaps has tried them, but found that Mises demanded far too much background knowledge.) Speaking as someone who has read *Human Action*, *Choice* was a useful refresher on the core of what matters most in Mises's thought, and, most importantly, why it matters. In the words of Murphy: "There is nothing to guarantee that good ideas will trump bad ideas. But what is certain is that the prevalence of faulty ideas in the realm of economics threatens civilization itself." (p. 299)

REFERENCES

- Mises, Ludwig von. 1949. *Human Action*. Scholars' Edition. Auburn, Ala.: Ludwig von Mises Institute, 1998.
- Murphy, Robert P. 2015. *Choice: Cooperation, Enterprise, and Human Action*. Oakland, Calif.: Independent Institute.