

Finding the “Middle Ground” in Academics: Important Lessons from Roger Garrison in Austrian Economics

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Abstract

Roger Garrison has played a key role in advancing ideas in Austrian macroeconomics throughout his career. We discuss a number of “Garrisonian wisdoms” that have provided important lessons for economists in navigating a “middle ground” and seeking professional advancement within academic economics. Taken together, Garrison’s lessons reveal how one can successfully build and sustain an academic career while staying committed to the advancement and further development of the intellectual tradition of the Austrian school of economics.

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Roger Garrison’s reputation in Austrian economics, both in his research and in his teaching, precedes him. He is regarded as one of the leading macroeconomists in the Austrian tradition since its revival after the South Royalton conference of 1974. The other contributors to this symposium—Nicolás Cachanosky, Bob Mulligan, Adrián Ravier, Mark Skousen, and Lawrence White—have provided a thorough discussion on how Garrison has advanced Austrian macroeconomics. We should never forget Garrison’s main lesson: while there may be macroeconomic problems, there are only microeconomic explanations and solutions. For those working within the Austrian school of economics, this straightforward lesson in methodology must always be followed when addressing inflation, unemployment, and industrial fluctuations. This method of economic analysis provides the analytical core, so to speak, of Garrison’s call for a capital-based, as opposed to a labor-based, macroeconomics,

and it dovetails perfectly with his understanding of incorporating microeconomic foundations into macroeconomics.

Since the other authors in this symposium address the substantive specifics of Garrison's contributions as an economist, we wish to instead discuss an underlying theme that unites both his research and teaching: the notion of finding a "middle ground" in academic economics. It is in the persistent and consistent application of the Garrisonian middle-ground position that one finds the unity between the methodological and analytical substance and the witticisms that define Garrison's teaching and advice on how to survive as a slightly out-of-sync economist in the academic world.

In "Austrian Economics as the Middle Ground," Garrison asked, "Are not the Austrians supposed to be radicals? Indeed they are. And rejecting a contrary-to-fact polar position in today's academic environment can be a radical thing to do" (1982, p. 135). Indeed, the 1980s, when Garrison was beginning his career, were a radical time for Austrian economics. Two additional graduate student programs, at Auburn University and at George Mason University (GMU), were being formed with a significant Austrian school element. New York University (NYU) had established such a program in the 1970s, but as the academic home of Ludwig von Mises and then Israel Kirzner, it had actually long been the home of Austrian economics in the United States. And, of course, both the University of California-Los Angeles (UCLA) with Armen Alchian, Harold Demsetz, and Axel Leijonhufvud, and the University of Virginia (UVA)/Virginia Tech (VPI) with James Buchanan, Ronald Coase, Warren Nutter, Gordon Tullock, and Leland Yeager, had served since the 1950s as scientific outposts with a strong sense of fellow travelers to the Austrian tradition of economic scholarship. But the new programs being established at Auburn and GMU in the 1980s had a set of academic entrepreneurs who sought to reject the polar positions of mainstream orthodoxy in economics by carving out research programs that were explicitly Austrian and dared to be different.

GMU was just beginning its PhD program; the school itself was only established as an independent institution of higher education in 1972. The Austrian faculty were all assistant professors except for Karen Vaughn, who had served as chair of the economics department from 1982 to 1989, but the department had just pulled off a significant coup by luring James Buchanan and the Center for Study of Public Choice to relocate and join the Center for the Study

of Market Processes (CSMP) in launching a PhD program. In addition, CSMP had a very entrepreneurial director: Richard Fink.

Fink's vision was to engineer for Austrian economics what the Chicago school had done in the 1960s and 1970s: establish a thick network of research and graduate education centers. Fink (who was completing his dissertation at the time) was strategizing to develop close ties between the programs at Auburn, GMU, and NYU, with the idea that the students and faculty would flow between each in the same way that Chicago, UCLA, the University of Rochester, the University of Washington, and UVA/VPI had an established network. Fink organized formal and informal meetings for representatives from Auburn, GMU, and NYU. Since the others didn't seem interested in forming the network, Fink organized the meetings at GMU.¹

At those meetings, the representative of the Auburn Austrians was Roger Garrison. Garrison's teaching both substantively and stylistically reached far beyond the confines of Alabama through his involvement with the Institute for Humane Studies (IHS) as well as Fink's CSMP. Garrison also spent a year as visiting faculty at NYU. In the small but feisty emerging community of academic Austrian economists, Garrison was omnipresent and played a significant role in navigating a "middle ground" for those inspired to do research in the Austrian tradition.

By publishing his now classic articles "Time and Money" (1984) and "Intertemporal Coordination and the Invisible Hand" (1985) in top field journals, Garrison revealed two important lessons to the new generation. First, he demonstrated that one could be "radical" in his economic exposition by framing it in terms of the "middle ground" positions of Austrian economic theorizing. Second, his success with publishing in major professional outlets signaled to those starting their academic careers that one could get explicitly

¹ The alliance never got off the ground, though Dan Klein, an undergraduate student of Fink's, did attend NYU for his PhD, and Boettke eventually left GMU to join the faculty at NYU after earning his PhD. But we would attribute the breakdown of the alliance to two significant factors: (1) Wayne Gable was the first "star" student from GMU's CSMP, and Auburn didn't express any interest in bringing Gable back to its department; (2) there were increasingly obvious tensions between CSMP and the Ludwig von Mises Institute (LvMI). However, an informal alliance emerged in the late 1990s and 2000s as students who attended LvMI educational events would often pursue their PhDs at GMU in Austrian economics and go on to become major contributors to what could be called the "contemporary" Austrian school of economics.

Austrian articles published in top field journals if one did it right, providing an important counterweight to the prevailing corrupt and confused description of the economics profession promulgated by many of those academics influenced by Murray Rothbard and Hans Sennholz. Garrison's success meant that rather than abandoning the academic route, or attempting to do an end run around it, one could succeed through scientific engagement with one's peers in the journals and with academic publishing. The success in the mid-1980s of works by Garrison and other members of this new generation of Austrian economists, such as Don Lavoie, Mario Rizzo, Gerald O'Driscoll, and Lawrence White, meant that the old explanations for lack of professional advancement were no longer legitimate in the eyes of those following in their footsteps. The academic world was changing for the better.

Also important was Garrison's academic philosophy, which he freely shared with all who would listen. That he suffered through his own difficult times as an academic made him more valuable in offering sage advice to would-be academic economists. He provided an invaluable example and advice on simply learning how one goes about building an academic career as an Austrian economist. Here are the three pieces of advice that Garrison communicated in his lectures and conversations with the generation of economists educated after the 1970s:

1. You can survive academy with enemies, but you cannot survive without friends.
2. There are two types of people in the world: those who are accommodating and those who need accommodating. Those who need accommodating are often an unbearable lunch tax.² Don't be a lunch tax.
3. Graduate students make two major mistakes in their career and life calculations. First, they believe their lives will be incomplete without a PhD. This is not true; there are many

² "Being a 'lunch tax' means to subtract from, rather than adding to, collegiality. A little reflection on the various colleagues you have had over the years should convince you that there are many ways to be a lunch tax. Over-signaling, for example. Too many academicians act in such obnoxious and socially awkward manners because they believe it signals high intelligence. It doesn't; it just signals social awkwardness and escalates to "jerk" in the worst cases. It is simply best to avoid sending such signals, and instead be an enthusiastic teacher, a productive researcher, and a willing and able colleague" (Boettke 2011, 23, n. 12).

ways to have a fulfilling intellectual life without a PhD. Second, they believe that once they finish their PhDs, all of life's problems will disappear. This is also not true; once you finish your PhD, your professional life is just beginning and you will have all the same problems that everyone else has.

To those of us who have received academic advice from Garrison, whether in his classroom or through other academic venues such as IHS or the Foundation for Economic Education, he has made being a professor sound not exotic, but normal. This is an extremely important message to hear, not only for undergraduates aspiring to go to graduate school, but also for those students already in their graduate careers. By making the profession seem more within reach, he has provided an explanation to navigating academic life from a nonholistic “micro” perspective, one that incorporates several steps for advancement and points of understanding.

This brings us to a point of substantive economics from Garrison. There are, in fact, many, but one stands out as fundamental, and it brings us back to our introduction. It is a very straightforward Garrisonian point: while there may be macroeconomic problems, there are only microeconomic explanations and solutions. This point is ingrained deep in the economic psyche of the post-South Royalton generation of Austrian economists and is reflected in their teaching and writing. In retrospect, it is a point that many others have made, but one that we have learned and absorbed by listening to Garrison stress it and explain it. It is a simple truth, and it is a brilliant truth. Garrison has a ton of them in his work, but this one has become perhaps the most repeated Garrisonian wisdom.

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