



So Much to Read!

BY DONALD J. BOUDREAUX

A student recently asked me to recommend books that will help her to better understand the economy and society. I love such questions because they give me the opportunity to recall books that were especially important in my own intellectual development, and to reflect anew on their messages.

So here I list the ten nonfiction books that were, and remain, most important to me, more or less in order of significance.

F.A. Hayek, *Law, Legislation and Liberty, Volume I: Rules and Order*. Hayek's explanation of the difference between "law" and "legislation" was eye-opening to me when I first read this book as an undergraduate in the 1970s. Until then I assumed, as most people do, that legislation is law. It's not. Indeed, legislation frequently is the antithesis of law. Like prices and other market institutions, law emerges—"evolves"—spontaneously from the choices and actions of countless individuals interacting with each other. Legislation, in contrast, typically is created de novo by legislators and written down in statute books.

Legislation is written commands enforced at gunpoint. Law is expectations and norms that reside mostly in people's minds, in their cultural understandings, and are enforced with tools much broader than threats of violence.

Because this distinction is so foreign to the modern mind, it's extraordinarily difficult to grasp. But Hayek's profound and scholarly explanation makes grasping this distinction easy for the careful reader.

Richard Dawkins, *The Blind Watchmaker*. While this book is not one in the social sciences, its unparalleled elucidation of natural selection, along with Dawkins's stunning clarity at explaining complex scientific principles, makes this book a treasure. Reading it greatly improved my understanding of the logic of natural selection, of competition, and of the spontaneous order. Reading this book also drove home to me the conviction

that nothing is too complicated to explain clearly and engagingly.

Because Dawkins is the foremost living Darwinian biologist, many religious people avoid his works. This strategy is a mistake. While I myself am not religious, I'm confident that even the most devout fundamentalist can learn much of value from Dawkins without feeling obliged to abandon his or her faith.

Joseph Schumpeter, *Capitalism, Socialism, and Democracy*: Actually, it's only Book 2 of this volume that is important—but oh how important it is! No explanation of market competition rivals this one. Not only are these the pages on which appear Schumpeter's justly famous "creative destruction" insight, they are also pages that reveal better than any place else that competition is a process. No other work so effectively exposes textbook models of "competition" to be hogwash, models that confuse more than they enlighten.

Fernand Braudel, *The Structures of Everyday Life*: This massive work of history tells how ordinary Europeans lived during the Middle Ages—what they ate, what they wore, how they worked, how they housed themselves, how they died. Such knowledge is one of the best ways I know for modern people to put our own prosperity in perspective. Reading Braudel teaches that there was no precapitalist golden age in which peasants were simple but happy, the environment unspoiled, work hard but satisfying, food wholesome and plentiful, neighbors kindly and wise, life satisfying and secure. The exact opposite is true. Our pre-industrial ancestors lived lives that were absolutely poor, wretched, filthy, ignorant, and dangerous. Capitalism rescued us from a misery that we today would find unbearable.

Tyler Cowen, *In Praise of Commercial Culture*: Especially since the fall of Soviet communism, fewer people

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argue that the market doesn't deliver the material goods. More and more, arguments against the market are along the lines of: "The problem with the market is that it delivers the goods *too* well! By obsessing on producing, the market destroys nonmaterial things of value, such as culture." Cowen mixes accessible and unassailable economic reasoning with many facts about cultures, past and present, to show that commercial cultures are invariably rich, interesting, and decidedly not homogeneous. Commerce and culture go hand in hand. No one explains and documents this fact more clearly than does Tyler Cowen.

Harold Berman, *Law and Revolution*: Why is the West free and prosperous? Why is eastern Europe less free and less prosperous? There are no easy answers to these questions. But no answers should even be attempted without the insights that run through this important book. Berman shows that, unlike in eastern Europe, sovereignty in western Europe following the collapse of the Roman empire was always fractured. The crown competed for power throughout western Europe with the church, with merchants, with feudal barons, and with independent cities. (And, of course, after Martin Luther came along, religious authority itself split into several churches, thus further increasing the number of competitors for power and authority.) This competition in the West among different sources of authority—many of them seeking absolute dominion—ensured that ordinary men and women were not trapped by rulers with unchecked power. Notions of individualism and constitutionally limited government arose from this competition.

David Friedman, *The Machinery of Freedom*: Short yet covering much territory, and aggressive yet soundly reasoned, this book raises the defense of freedom to a new level. It's daring, asking why must the likes of highways, courts, and even defense from foreign aggressors be supplied by government. Whether you agree or disagree with Friedman's case for a stateless society, his explanation of how to think about such a society—and about how such a society might work in practice—enriches your thought and deepens your understanding.

Buchanan and Tullock

James M. Buchanan and Gordon Tullock, *The Calculus of Consent*: This book is a deep work in both economics and political philosophy. It remains the keystone of Public Choice analysis—namely, the use of economics and rational thought to study politics (as opposed to the all-too-common practice of assuming that government is some magical, romantic force on a mission to make us all healthy, wealthy, wise, and great). This book sharpens readers' analytical skills so that they are better equipped to make sense out of what's happening politically.

Frédéric Bastiat, *Economic Sophisms*: Seeing the essence of an issue with crystal clarity is always impressive. But being able to explain what is seen so that those of us with more clouded analytical vision can understand the issue clearly is a rare and wonderful talent. Bastiat possessed truckloads of that talent. Exposing all manner of economic "reasoning" as malarkey, Bastiat teaches the economic way of thinking in a style that's great fun to read—and useful, for the same malarkey that Bastiat exposed in the 1840s continues today to spill forth from the mouths of politicians and pundits.

Geoffrey Brennan and Loren Lomasky, *Democracy and Decision*: By far the most academic volume on my list, this book noticeably deepened my understanding of politics. It rounds out Public Choice economics by explaining how ideology and beliefs can and do play a significant role in politics. And it does so while always working within the tradition of Public Choice.

Any list of favorite books will be somewhat arbitrary. Already my mind is filled with titles of other works that taught me much—works such as Ludwig von Mises's *Socialism*, Robert Higgs's *Crisis and Leviathan*, Hayek's *The Counter-Revolution of Science*, Bruce Benson's *The Enterprise of Law*, Paul Heyne's *The Economic Way of Thinking*, Richard Posner's *Economic Analysis of Law*, Israel Kirzner's *Competition and Entrepreneurship*, and Leonard Read's *Anything That's Peaceful*.

But rather than agonize over whether my list of ten books is as accurate as it can be, I rejoice that we have access to such a large number of creative and brilliant scholars who will teach us if only we will learn. 