
Hayek, Strauss, and the Political Waltz

BY JOHN HOOD

Here's a little trivia question for you: name an important innovation of the 1870s that continues to influence our lives today. The innovation occurred in Austria, or more specifically, in Vienna. While it was greeted throughout continental Europe as something new and exciting, a more accurate description would be that it was a new twist on a traditional idea dating back to at least the thirteenth century and having its roots in several European countries. But having been updated and expressed in a unique and artful way in the 1860s and 1870s, this Austrian innovation soon became known throughout the continent, and later in England and the United States. Its influence on subsequent innovators and practitioners has continued to be strong until the present day.

What is the innovation? There are two different answers to that question. One is the Austrian version of the marginal-utility revolution. Carl Menger was one of three economists—the others being fellow continental economist Léon Walras and William Stanley Jevons in England—who more or less independently described the importance of marginalism in explaining the relationship of supply and demand to price and value.

The other answer to my question is the modern-day Viennese waltz. And these two significant innovations offer a number of striking parallels.

Let me briefly trace the history of the waltz. Bear with me, as I think you'll find the parallels illustrative, and the relevance to politics will present itself directly. If

one uses the phrase “the forbidden dance,” some will immediately think of the tango, that exotic and suggestive child of the Argentine slums (a few may also think of the “lambada,” for which they should be deeply ashamed). Actually, though, the waltz can appropriately be called the original “forbidden dance,” at least in the Western dance tradition. The name of the dance comes from the German word *waltzen*, which is often used as

“to turn.” Literally, it meant “to turn forward from one place or to advance by turning,” which is an apt description of how waltzing dancers move around the floor.

Those who are familiar with waltzes, either the dance step or the music, are used to thinking about them as distinctive for their three-quarter time, often called waltz time. But what really made the waltz different and exciting was the turning. With only three beats to the measure, the first two steps formed a rapid turning movement followed by a closing step.

Beginning as a folk dance in the German state of Westphalia, waltz-like dances were evident by the 1500s in other parts of the German-speaking world. They included the Volta around 1556, which had the female partner leaping into the air (still a common step in the waltz), and the Weller, a folk dance evident in Austria by the end of the sixteenth century. The Volta was important

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for another reason: it was the first waltzing dance that had the partners in closed position, facing each other and closely touching. For many traditionalists, this was, of course, scandalous.

During the seventeenth century the waltz began to emerge from its peasant origins. Originally, the dance was performed with thick, heavy shoes that made a loud noise. This made some of the acrobatics of waltzing rather dangerous, and there were reports of injuries and even miscarriages. They didn't impede the spread of waltz, however. Court musicians began to dabble with ways to include waltz themes in compositions. These earlier tunes appear to have derived, believe it or not, from yodeling. The first formal waltz song was apparently published in 1670, and by the mid-1700s a more rarefied version of waltz music and dancing had become known in formal society. A popular French form, for example, was called the *allemande* (the French word for German), but it did not have dancers in closed position touching each other at multiple points.

The waltz may have been increasingly popular with the common people, but it had powerful enemies. For one thing, there was all the touching. Many religious and political leaders saw the waltz as dangerous and lustful, and sought to control its spread. Entire states, such as Swabia and Switzerland, banned the dancing of the waltz, as did the bishops of specific regions, such as Wurzburg and Fulda. Authorities in France and England also restricted it, not only because of its moral turpitude but also because of its Germanic vulgarity. Their efforts amounted to a sort of dance-trade protectionism. Under the surface, there was a little rent-seeking going on as well. The established profession of dance master in the eighteenth century was an honored and lucrative one. Wealthy families were willing to pay handsomely so that their sons and daughters could be trained to perform the subtle, intricate steps of the minuet and other court dances one needed to master to play a role in civilized society, to impress the rulers, and to attract the attention of well-heeled and noble members of the opposite sex.

But the spread of the waltz threatened the dance

masters' tidy little enterprise. The basic steps of waltzing could be learned fairly quickly, and there weren't as many separate positions and postures that needed to be memorized to perform it well. It was simple but enjoyable and varied enough for everyone. In short, it was a serious competitive threat to the dance masters' profitable cartel, and they knew it. They encouraged political and religious authorities to maintain a prohibitionist policy.

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Most people in the lower classes simply ignored the bans. The upper classes and nobility, more visible to rulers and clerics, found ways around the bans. Previously, dances had often been very public and held in public buildings. Now nobles began to build their own private ballrooms and invited only guests they knew and trusted. Frustrated by these evasions, the authorities decided to legalize the waltz but regulate it. They issued decrees designed to

ensure the physical and moral well-being of waltzers. One public ordinance in Germany required that: 1) "both men and women must be dressed decently for the waltz," 2) "no man might dance in breeches and doublet without a coat," and 3) "women and girls must not be thrown about." Even as late as 1905, a guide book for dancing the waltz told men to "never place your arm around the lady's waist and do not raise your left arm so high that it causes her arm to go around you."

Popularity Continues to Grow

Despite the continued questions of propriety, composers became increasingly interested in the waltz. In 1786 it made its debut in formal musical society in Vienna as part of Vicente Martín y Soler's opera *Una Cosa Rara*. Probably because of the controversy, Mozart evinced a strong attraction to the dance. He included three waltzes played simultaneously in *Don Giovanni* and quoted from *Una Cosa Rara*.

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cities and, beginning in the 1830s, in America. Still, there was a sense in which waltzing remained a step below other musical forms in respect and artistry. Within many social circles, it was still associated with simplistic music, lower-class vulgarity, and loose morals.

In 1816 the *Times* of London printed an editorial after a royal ball. The newspaper observed “with pain” the introduction of “the indecent foreign dance called the Waltz” and wrote that “it is quite sufficient to cast one’s eyes on the voluptuous intertwining of the limbs and close compressure on the bodies in their dance to see that it is indeed far removed from the modest reserve which has hitherto been considered distinctive of English females. So long as this obscene display was confined to prostitutes and adulteresses, we did not think it deserving of notice; but now that it is attempted to be forced on the respectable classes of society by the civil examples of their superiors [the royal family], we feel it a duty to warn every parent against exposing his daughter to so fatal a contagion.”



Johann Strauss Jr.

Yet the waltz marched on. This was quite literally true in France, where the soldiers returning triumphantly from Napoleon’s conquests in Austria and Germany firmly established the wide popularity across the country of the waltz they picked up during the campaigns. By the 1830s, the leaping and tramping of the early waltz had begun to give way to a series of smaller, gliding steps that had originated in the Viennese Court. Also, two great Austrian composers, Franz Lanner and Johann Strauss, began to elevate waltzes and other dance music to the status of orchestral works and art songs during the 1820s and 1830s. Strauss toured frequently with his orchestra across Europe and was thus absent from his family in Vienna. An estrangement ensued, particularly with his eldest son, Johann Strauss Jr., whom the father forbade to enter the musical profession. The boy disobeyed him and studied the violin secretly. After his parents divorced, the younger Strauss was free to pursue his chosen profession, sometimes in active rivalry with his father.

Strauss Jr. was as much an entrepreneur as he was a genius at musical composition and arrangement. He founded several different orchestras, some led by his two brothers, to supply entertainment to specific courts and ballrooms. He experienced a bit of a business reversal in 1848 when he sided with the revolutionaries in Vienna while his father and other, older composers supported royal authority. After a time, however, the younger Strauss became known as the “waltz king” for his transformation of the music from a dancehall accompaniment to an internationally recognized art form.

Perhaps his best-known piece, “By the Beautiful Blue Danube,” flopped when it debuted in Vienna in 1867. But like any good entrepreneur, Strauss persevered. A subsequent performance at the Paris Napoleon’s Fair helped to make “The Blue Danube” a smash hit, as was his 1868 work “Tales from the Vienna Woods.” These pieces firmly established the fast-paced but graceful Viennese waltz as a world standard and one of the most familiar forms of classical music to ordinary audiences

today. Strauss’s compositions also finally broke the back of that centuries-old hostility to the waltz that had persisted among some politicians, clergymen, scholars, and journalists even into the 1860s. Just a year before the debut of “The Blue Danube,” for example, an article in the English magazine *Belgravia* explained the sense of “discomposure” that some men still felt in seeing their wives or sisters “seized on by a strange man and subjected to violent embraces and canterings round a small-sized apartment [due to the] introduction of this wicked dance.”

Dance and Economics

What does all this have to do with marginalism, Carl Menger, and later Austrian-school scholars such as Ludwig von Mises and F.A. Hayek? I think there are several important relationships. One is the interesting coincidence of place and time. Menger began work on what would become his *Principles of Economics* in Sep-

tember 1867, just months after the star-crossed debut of “The Blue Danube” in Vienna. The book was eventually published in 1871. Also, Menger spent much of his early career in journalism, writing on business and political economy and helping to found at least one daily newspaper. Strauss, too, spent some of his youth as a reporter, writing about music and the Viennese court. As a journalist by training myself, I find Menger’s early writing career intriguing because I see it, and the roles that other Austrians, such as Eugen von Böhm-Bawerk, played in government and political life, as important in explaining why the Austrian school of economics is so well-suited to helping us understand the practicalities of politics.

That may sound a bit strange. After all, Austrian economics has the reputation for being abstract and theoretical, and has not played a central role in guiding public policymaking the way, say, the English neoclassical tradition and Keynesianism did during the twentieth century.

But I think this reputation is undeserved. It has been precisely those economists and scholars purporting to apply scientific principles and complex statistical tools to government who have so badly mucked things up. Meanwhile, the insights of the earlier nineteenth-century Austrians, the great systematizers Mises and Hayek in the early and mid-twentieth century, and subsequent thinkers influenced by them are the ones that really offer practical insights for politicians, political activists, and journalists. One of the things you learn quickly if you spend any time around the political process is that it is messy, haphazard, and complex in ways that are not easy to describe. Political debates and outcomes do not follow a simple pattern, and the search for truth cannot be prosecuted along a straight, clearly demarcated path. Politics is not a series of engineering problems. Every side in a political dispute can cite plausible-sounding statistics that make its case. Every side has a claim to good intentions. And every side probably exaggerates to a large degree whatever effects it claims

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its policies will have on the direction of the economy or the organization of our economic and social lives.

In 1994 Ronald Heifetz, a professor at Harvard’s Kennedy School of Government, released a book titled *Leadership Without Easy Answers*, which helped to popularize within leadership-training circles the distinction between the balcony and the dance floor. Heifetz wrote that many would-be leaders—whether politicians, corporate CEOs, ministers, or others seeking to lead a community small or large—tend to spend most of their time on the dance floor. If you are in the middle of a waltz, trust me: it is hard to see anything other than your partner and those you either narrowly miss or run into. As a participant, or even a ground-level observer, your perceptions are limited. You can be fooled into thinking that everyone is dancing in the same direction, because that’s what you see in front of you, or even that everyone is dancing in the first place.

Heifetz argued that it is important sometimes to leave the dance floor, to find some way to ascend, and to watch the action from the balcony. Only then can you see the full variety of patterns of activity below: the dancers and the bystanders, the leaders and the followers, the clumsy whose stumbles interrupt the flow and the graceful who easily evade the obstacles and help to create new patterns. Only then can you really see the dance—and even that perception is fleeting, because by the time you come down the dance may have changed.

Economics from the Balcony

I see the Austrian analysis of political, economic, and social phenomena as the economic equivalent of getting up into the balcony. It teaches us to look for the spontaneous, undesigned social patterns that emerge from countless individual actions and transactions. Seeing those patterns requires the theory of human action that Austrian economics provides. Without it, human activity is merely random movement.

And a dance, after all, is an excellent example of spontaneous order. For one thing, as we have seen with the waltz, the specific dance forms that we have today are the result of hundreds of years of experience, evolution, successful experiments, failed experiments, obstructions, prohibitions, and revolutions. The couple who signs up today to learn how to waltz may well recognize “The Blue Danube,” but they likely have no idea of the peasant origins of the dance, what the word “waltz” originally meant, or the various cultural elements that went into forming the modern-day dance step they are learning or the music they are listening to. They don’t *need* to know these things.

Undesigned Dance

Over time, and despite rather spirited attempts to block the process through government policy and moral suasion, generations of dancers have developed ways of expressing themselves and enjoying the company of others that have persisted because they *work*, because they help ordinary people accomplish their goals and achieve their ends. Yes, there are clear and discernible patterns, at least in formal ballroom dancing. But the artistry and enjoyment come precisely from the dancers’ ability to mix and match these patterns in unique and mutually enjoyable ways—there are almost an infinite number of combinations of steps that a couple might dance in the course of a single waltz number—as well as the occasional ability to deviate meaningfully from the established patterns. (Of course, this act is meaningful only if you first master the patterns, just as poetry that relies on deviant punctuation, rhythm, and grammar conveys meaning because of the reader’s prior knowledge of the established rules of language.)

I guess what draws me to Hayek is that while he takes us up to the Heifetz balcony, so we can comprehend and appreciate the patterns and subtleties of spontaneous order, he does not leave us there. Hayek returns to the dance. In his work, Hayek sought to explore many practical aspects of the interrelationship of government and economics, of public life and private life. He published important works concerning the structure of government, legal codes, constitutions, social organization, and psychology. These explorations did not always lead him

to strictly laissez-faire conclusions, at least in areas such as education and certain kinds of public goods, but they were always compelling and thought-provoking.

Hayek was skeptical and scholarly, peering out over the rail of the balcony with keen perception and humility, but he was also pragmatic and risk-taking, daring to stride out on the dance floor, find a partner, and waltz. Many true experts on Hayek, and I am certainly not one, might say that he changed partners more than a few times and learned (or forgot) many steps. Peter Klein, a professor of economics at the University of Georgia, explained the difference in approaches between Mises and Hayek this way: “While Mises was a rationalist and a utilitarian, Hayek focused on the limits to reason, basing his defense of capitalism on its ability to use limited knowledge and learning by trial and error.” Klein went on to describe Hayek’s account of spontaneous order and the role of prices in communicating information within the economy:

Much of the knowledge necessary for running the economic system, Hayek contended, is in the form not of ‘scientific’ or technical knowledge—the conscious awareness of the rules governing natural and social phenomena—but of [distributed] knowledge, the idiosyncratic, dispersed bits of understanding of circumstances of time and place. This tacit knowledge is often not consciously known even to those who possess it and can never be communicated to a central authority. The market tends to use this tacit knowledge through a type of “discovery procedure” by which this information is unknowingly transmitted throughout the economy as an unintended consequence of individuals’ pursuing their own ends.

Put this way, Hayek’s view of the social order and the need for government not to blunder in and disrupt the flow of information is strikingly similar to how Heifetz describes the need for leaders to gain perspective and understanding of problems through abstraction. The great challenges of leadership, he says, cannot be solved by technical quick fixes and do not result from a lack of scientific or technical expertise. They are more complex

problems that require adaptive leadership to address. In a 2002 follow-up book Heifetz wrote with Marty Linsky, *Leadership on the Line*, they put it this way:

Leaders often need to refrain from immediate action and understand that the stew of conflicting views has to simmer, allowing conflicts to generate new experiments and new creative ideas. The leader's job is to contain conflict—prevent the disequilibrium from going too high and the conflict from getting destructive—and simultaneously to keep people addressing the hard questions without opting for a technical fix, an easy solution, or a decision from on high. In doing so, in holding steady, the leader will be the recipient of considerable frustration and even anger.


Similarly, when free-market analysts urge politicians wielding coercive power to be cautious and skeptical, to look before they leap, and to watch before they waltz, they are often the target of considerable frustration and even anger. As opponents of minimum-wage laws and redistributionist tax policies, they are accused of not caring about the poor. Urging restraint in regulation and a voluntary, private-sector approach to the nurturance of science and technology, they are accused of being uninterested in saving lives, curing disease, or bettering the lives of their fellow men. Casting doubt on the latest economic-development boondoggle—be it a mass-transit system, a sports arena, a convention center, or a government-funded industrial park—they are accused of being naysayers and closed-minded obstructionists.

But it is Hayek and similar thinkers who have embraced dynamism, change, progress, and optimism. What they teach us is that if the goal is to have diverse, vibrant, enjoyable, and accessible dances, you should not seek to gather all the dance masters in a room and get

them to agree on the best kind of dance and the most efficient means of teaching and promoting it. The masters will inevitably substitute their own judgments and interests for those of dancers. They are inevitably a small group, no matter how much expertise they claim to have, and thus will not know or appreciate all the kinds of dancing that people might enjoy or the ways that these various forms might clash, interact, and combine into something magical and new. They may be masters of dance, but they are not composers or musical performers or dressmakers or party planners or ballroom architects, and so they will not comprehend how their plans and choices might constrain those of others involved in producing that good called a “dance.”

Innovation is not necessarily invention. Menger did not invent marginal utility in the 1860s. Human beings had assessed the value of things at the margin for many millennia, and some had even somewhat roughly and clumsily described how this process worked centuries before. What Menger did was find an effective way to model and communicate marginalism so that it could be broadly understood and appreciated. Johann Strauss did not invent the waltz, or even the Viennese waltz. But he did develop a particularly appealing and powerful rendition of the art, in his “Blue Danube” and “Tales of the Vienna Woods,” that served to elevate the waltz to an international orchestral standard.

And neither Hayek nor other free-market analysts of the past

century invented the notion of government being best when it governs least. But they did provide us with persuasive arguments, cogent reasoning, and compelling analogies. To the latter, we might add this exhortation to those wielding political power: stop spending all your time on the dance floor and join us up here on the balcony. You might just learn something. 



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