Mises: The Disutility of Labor

**Abstract**

Human action is a purposeful behavior conducted by individuals to maximize their utility. In praxeology, it is uncommon, if not impossible, for humans to engage in behaviors that lead to an expected loss of well-being. Every purposeful activity is pursued to increase utility. However, if we look at the labor process, humans are engaging in an activity that is seen as unpleasant and uncomfortable. In this sense, humans suffer the negative utility of labor to benefit from the positive future value of leisure. Ludwig Von Mises recognized this conflicting relationship between labor and leisure and sought to illuminate this significant conundrum. Mises observed that when people work, they seem to participate in a process that does not provide positive value; on the contrary, work is frequently uncomfortable for individuals and often ends up reducing their utility. Many employees do not like their jobs – rather, they see them as a means to an end. As a result, the act of working, according to Mises, is an activity that causes disutility. The goal of this chapter is to traverse what Mises referred to as the “disutility of labor.”

**Introduction**

“Well, a bad day of fishing is better than a good day at work,” jokes the wise fisherman. This whimsical thought tells us more than we might initially think. It reflects a common view among individuals of the relationship between labor and leisure. A turbulent, but necessary relationship that finds itself at the center of the study of human action. First, man engages in a grueling and uncomfortable labor process, in order to eventually enjoy the benefits of a full day of fishing and drinking.

In the history of ideas, the turbulent relationship between leisure and labor propelled many socialist ideas. Karl Kautsky, a prominent socialist thinker in the late 19th and early 20th centuries, recognized the pain that is often involved in the laborious process. However, the disutility of labor, Kautsky asserted, was an inherent issue of capitalism, and a socialist revolution would need to transform labor from pain into pleasure. However, in *Human Action*, the Austrian economist Ludwig Von Mises takes Kautsky’s claim as problematic and contradictory to existing praxeological knowledge regarding work (Mises 1949[2012, pp. 133, 137]). According to Mises, labor creates disutility as long as the worker engages in the laborious process as a means to attain a specific end. That is, work is inherently unpleasant, and it creates a loss of utility.[[1]](#footnote-1)

The puzzle seems clear: if we examine the laborious process purely in terms of utility, individuals constantly engage in an activity that is deemed to reduce utility. Man endures this negative utility of working only to enjoy the utility of leisure later. Mises noticed this curious relationship between labor and leisure and attempted to shine a light on what seems to be turbulent relationship. When working, a man seems to engage in a process that does not grant a positive utility. Yet, many people do not enjoy the activity of working, but use it as a means to achieve a determined end. Hence, in order for an action to be considered labor, according to Mises, it is necessary for the individual to perceive that activity as a means to an end.

In the next sections, we will examine Mises’s definition of labor, his conceptualization of the disutility of labor, explore a few exceptions that might overcome the disutility of labor, and finally, we will conclude our thoughts in the last section.

**The Nature of Labor**

While labor is initially perceived to be a standard concept, the idea of human labor can easily be incorporated into activities which should not be classified as labor. In *Human Action*, Mises (1949 [2012, 131]) defines human labor as the “employment of the physiological functions and manifestations of human life as a means.” That is, labor is defined as a tool for the attainment of specific human ends. Consequently, leisure is its polar opposite – the act of forgoing labor (Fegley and Israel, 2020).

Labor is an inherently scarce resource since humans have a finite quantity of energy; hence “every unit of labor can only bring about a limited effect (Mises, 1949 [2012, 131]).” A consequence of the scarcity of labor is the incapacity of most individuals to attain every possible end or desire. Humans must choose wisely how and for what ends they will employ their physiological functions. Given its scarcity, workers need to economize their physiological functions and only employ it where they find it suitable for the attainment of an end. This leads to differences among the workers: People not only face differences in their physiological function (e.g., their abilities) but also in what they prioritize through their physiological function. That is, the “work a certain individual can perform is more suitable for some ends, less suitable for other ends, and altogether unsuitable for still other ends” (Mises 1949 [2012, 134]).

For the sake of comparison, Mises describes a hypothetical world where labor is abundant, and thereby unconstrained by scarcity. In this world, all material factors of production are completely employed – including the labor supply. Consequently, the employment of labor would not lead to an increase of output. As Mises points out, the wages offered by the market in this scenario would be insufficient to sustain an individual or their family financially. Since there would be an abundant labor supply, its price would be extremely low. Like any other product, if widely available and easily replaceable, all else equal, the price of that good will be lower than if it was not widely available.

In reality, our world is constrained by the scarcity of labor, among other constraints. For instance, Labor may not always be easily replaceable or widely available. Workers’ productivity differs from each other. According to Mises, there is an inherent inequality among the results of labor. That is, the results of any given laborer’s work might vary significantly in terms of quality and quantity, making it unlikely that any two workers will have the same level of productivity. Take Adam Smith’s pin factory as an example: A worker whose role is to straighten the wire might have a different level of productivity than another worker who performs the same job. Mises considers this to be the fatal mistake of classical economists who considered wages to be a function of labor expended rather than being based on the productivity of the workers.

**The Disutility of Labor**

Initially, Mises’s definition of labor may appear overly broad since it is easy to think of examples where humans employ physiological functions for the attainment of a specific end but would not necessarily be considered work. Imagine a recreational tennis player who employs physical effort as a means to attain the end of winning the match. Is the activity of the tennis player considered human labor? Mises (1949 [2012, 138]) replied to this point by using a similar analogy:

Hunting game was and is for many people regular disutility-creating labor. But there are people for whom it is pure pleasure. In Europe amateur hunters buy from the owner of the hunting-ground the right to shoot a definite number of game of a definite type. The purchase of this right is separated from the price to be paid for the bag. If the two purchases are linked together, the price by far exceeds the prices that can be obtained on the market for the bag.

Here, Mises stresses two points. First, one of labor's defining characteristics is that its byproducts result in disutility for the worker. Second, he posits the higher price paid to hunt as evidence that these hunters obtain utility from hunting. Admittedly, there are some exceptions where a similar activity can be considered labor. However, there are also differences between these types of activities.

For instance, fishing, like hunting, is practiced as both a hobby and work. Fishermen who go at dawn to set up their nets in the margins of a lake and comeback at sunset to sell their catches in order to provide to their family are engaging in a different activity from fishermen who practice fishing with friends during a hot summer weekend. The difference lies simply on the idea that the first group of fishermen experience the disutility of labor, while the second group of fishermen does not. The disutility of labor, like utility in general, is subjective to the individual.

By the concept of the disutility of labor, Mises means that there is an uneasiness related to labor. That is, all else equal, people value leisure more than they value the expenditure of labor. Leisure, in that sense, “is valued as a good and that labor is regarded as a burden” (Mises 1949 [2012, 65-66]). Therefore, leisure or the attainment of leisure can be seen as an end of purposeful behavior. If, on one hand, leisure is considered an end in itself, on the other hand, labor can be viewed as a means to an end. That is, when working, “the worker gives up leisure and submits to the disutility of labor in order to enjoy either the product or what other people are ready to give him for it” (Mises 1949 [2012, 137]).

Mises argues that labor, by definition, does not create gratification. In general, “People trade the disutility-bringing labor for the products of labor; labor is for them a source of mediate gratification” (Mises 1949 [2012, 137]). That is, labor is simply a means to an end. A logical implication of Mises’s position is the idea that if there is some “labor” that creates pleasure instead of reducing it, if there is some type of labor where there is no disutility of labor, no wage will be awarded for that activity. Such a situation requires the activity to be an end, not a means to an end. Hence, in reality, any such activity is not labor *per se*, but leisure. By extension, no activity can simultaneously be labor and leisure in Mises’s framework. This idea precisely explains the hunting and fishing paradox.

Mises’s argument can easily be applied to the case of the two groups of fishermen. The first group is giving up leisure time and submitting to the disutility of labor. That is, fishing is a burdensome activity that they engage in to attain a specific end – in this case, their family’s survival. The fishermen internalize the burden of waking up early, facing the heat of a clear summer day sky, the burden of the employment of physical and mental energy into the labor-intensive activity of fixing and placing the nets, steering the boat, and pulling the fish on board. They endure this so that, after an entire day at the lake, they may sell some fish at a local market to sustain their families. Fishing, in this case, is simply a taxing process for eventually attaining the desired end.

The second group of fishermen, however, practice a very similar activity. They wake up early on the weekend and spend an entire day at the lake. All that so they can return at the end of the day with a few pictures, a catch, and some fishermen stories. However, for these fishermen, the entire fishing process only created enjoyment. It did not create disutility of labor, but on the contrary, it created pleasure and excitement. The fishing weekend activity was an end of itself. The goal of the activity was not to provide for their families or any other goal that requires fishing as a means.

The same can be said about a hunter. Someone who hunts for a living engages in a very different physical and mental activity from someone who practices hunting as a sport. Suppose that both hunters employ the same number of calories in the activity, use the same rifle, camouflage, and truck, and spend the same time of their day hunting. All else equal, the only reason their activities are seen as different is that one is a means to an end, and the other is an end of itself. Hence, one hunter’s actions lead to the disutility of labor, and the other’s actions leads only to enjoyment and pleasure. The hunter who hunts for a living engages in the laborious process, whereas the hunter who hunts for fun engages in leisure since they are forgoing actual work to enjoy a day hunting.

Mises’s position is highly connected to a marginalist, individualistic, and subjective approach to economics. There is nothing inherent in physical activity that defines labor. There is an entire range of activities that require from individuals a level of physical and mental effort. However, at the end of the day, what truly defines labor is the idea that the individual perceives that action as a means and not an end. The disutility of labor is a result of each individual’s rationalization of their action. That is, if an individual perceives fishing as a means to attain an income, then fishing is labor, and the individual is subjected to the phenomenon of disutility of labor. However, if the individual perceives fishing as an end of itself, then fishing is not labor but rather leisure.

**The Labor Utopia**

It was precisely the misunderstanding of the disutility of labor phenomenon that gave rise to a common interpretation of working relations among socialist thinkers. Socialist thinkers identified the poor working conditions created by the Industrial Revolution as one of the primary factors driving the discomfort of engaging in the laborious process. Kautsky argues Socialists sought to transform labor into

…a joy, so that it will be a pleasure to work, so that the laborer will go to his work with pleasure. To be sure that is not so simple a thing, but at least a beginning to it can be made by the proletariat at the beginning of its rule in that it will shorten the hours of labor. At the same time it will endeavor to make the place of labor more hygienic and friendly and to take from the labor process as much as possible its disagreeable repulsive side that the laborer will go to his work with pleasure. (Kautsky 1903, Vol II Part I)

Kautsky believed that it was possible to transform the discomfort associated with labor into joy. That is, by promoting better working conditions and more labor regulations, the laborer will yield on net, pleasure from labor.

Mises points out that it is a mistake to attribute the disutility of labor exclusively to the capitalist system. Mises argues that the disutility of labor is a phenomenon that is an inextricable part of human nature. The idea that a more regulated economy overcomes the disutility of labor ignores the root of the phenomenon.

People have misinterpreted this fact grotesquely and have based on this misinterpretation fantastic plans for social reforms. One of the main dogmas of socialism is that labor has disutility only within the capitalist system of production, while under socialism it will be pure delight. We may disregard the effusions of the poor lunatic Charles Fourier. But Marxian “scientific” socialism does not differ in this point from the utopians. One of its foremost champions, Karl Kautsky, expressly declares that a chief task of a proletarian regime will be to transform labor from a pain into a pleasure (Mises 1949 [2012, 137]).

There are two main reasons why the disutility of labor can never be disentangled from labor itself. First, limiting the hour of labor does not change the phenomenon itself. Whether the laborer works six hours per day or twelve hours per day, they will still be facing disutility of labor. However, there is a marginal difference. That is, the government will be restricting the laborer’s ability to make a choice if one more hour of disutility of labor is compensated by the benefits of that same hour of labor. As Mises points out, like any other economic phenomena, labor is dependent on subjective marginal utility. Second, since disutility of labor is inherent to human nature, the environment of work alone neither diminishes nor eliminates the disutility of labor. While the environment that you are in may generate discomfort, this is due to the environment itself, and not from labor. The disutility of labor is an internal subjective mental activity that individuals assign.

Suppose for a moment that Karl Kautsky is correct, and that a socialist system is able to transform labor from a pain into a pleasure (Kautsky 1903, Vol II Part I). If that is the case, the activity that people are performing in his socialist utopia cannot be considered labor, since it is not “the employment of their physiological functions for the attainment of ends other than the mere exercise of these functions. It is merely pleasure. It is an end in itself; it is done for its own sake and does not render any further service” (Mises 1949 [2012, 137]). If, and only if, an activity is being exercised to the achievement of an end, this activity can be considered labor. Hence, if socialism transforms work into pleasure, then work, under a socialist system, cannot become labor but simple pleasure. The act of straightening the wire in a factory under a socialist regime is an end of itself and not labor.

In this sense, in this utopian socialist economy, labor would not exist, and consequently, labor markets would be nonexistent. As Mises (1949 [2012, 138]) points out, “people trade the disutility-bringing labor for the products of labor.” Therefore, if labor does not yield disutility, then people cannot acquire the products of labor. Trade in this scenario ceases. Furthermore, if labor does not bring disutility, it would become abundant.

Like any other service or good, if its supply increases, we will see a decrease in price. One might argue that this is one of the reasons why extremely pleasurable occupations are usually as well compensated as unpleasant occupations. But this often does not hold true since it ignores the demand component of labor markets. All else equal, in a hypothetical world where suddenly every individual gains utility from labor – such as Kautsky’s hypothetical socialist system – there would be an increase in the labor supply, and thereby reduced wages in equilibrium.

Opportunity cost and the law of diminishing marginal utility would still grant compensation. Even in the hypothetical world where labor is enjoyable, individuals are still subjected to these economic principles. Economizing man will need to allocate their time among different activities, and they would still face diminishing returns like any other pleasurable activity.

This hypothetical world is nothing more than that – hypothetical. Labor is a source of delayed gratification and not immediate gratification. People engage in the pain of labor so they can purchase other activities, goods, and services.

**The Creative Genius**

One notable exception to Mises’s definition of labor is the creative genius. Creative geniuses are “pioneers,” people who discover and create what was previously unknown to mankind. A creative genius does not experience the phenomenon of disutility of labor. According to Mises: “The activities of these prodigious men cannot be fully subsumed under the praxeological concept of labor. They are not labor because they are for the genius not means but ends in themselves” (Mises 1949 [2012, 139]).

For example, consider Michelangelo in the process of creating the *fresco* “The Creation of Adam” in the Sistine Chapel. During the creative process, Michelangelo does not face disutility since the *fresco* is not a means to an end but an end itself. The artists are not necessarily in search of financial value as a compensation for their work (even though many artists do get compensated), but in search of aesthetic value (Piano and Al-Bawwab, 2023).

Curiously, sometimes, in the search of aesthetic value, artists ended up indirectly profiting. If the market values aesthetic value, then the artist, by pursuing the creation of aesthetically pleasing *frescos*,can profit from it. Nevertheless, though Michelangelo did not face the disutility of labor, he also did not necessarily gain gratification while completing his work. The process might very well have been frustrating, but not in the same sense as a regular laborious process.

It is, furthermore, impossible to substitute other people’s work for that of the creators. If Dante and Beethoven had not existed, one would not have been in a position to produce the *Divina Commedia* [italics in original] or the Ninth Symphony by assigning other men to these tasks. Neither society nor single individuals can substantially further the genius and his work. (Mises 1949 [2012, 140]).

The creative genius, being an entrepreneur, a painter, a musician, a poet etc., is bound to a unique set of creations that did not exist before, and therefore the demand for such work was not yet fully understood. The work of the creative genius, their creation, remains one of the exceptions of the phenomenon known as the disutility of labor.

**Conclusion**

Mises’ understanding of the disutility of labor highlights the inherent discomfort associated with work. Individuals inherently perceive labor as a burden, and it functions as a means rather than an end in itself. This disutility motivates people to work for future leisure or other rewards. Regardless of the economic system, the disutility of labor persists.

Mises’ analysis demonstrates that, despite improved working conditions, labor remains a source of disutility due to its inherent nature. This directly contradicts socialists’ claims that socialism would not only remove the disutility of labor but turn it into an enjoyable activity. Admittedly, there are exceptions to Mises’s argument, particularly the creative genius, whose work surpasses the disutility of typical labor due to intrinsic motivation and creative fulfillment. However, his general criticisms of the socialist theories regarding labor – that the disutility of labor is unique to capitalism, and that socialism can convert the disutility of labor into positive utility for workers – remain unrefuted.

Creative geniuses, such as artists and innovators, pursue activities that are an end in themselves. Mises’ praxeological framework emphasizes the subjective nature of labor and its disutility, reinforcing the notion that a desire to maximize utility ultimately motivates the laborious process with the expectation of gaining leisure in the future.

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1. The concept of loss of utility is often referred as disutility. This term appears as early as the work of the economist W.S. Jevons (1879) [↑](#footnote-ref-1)