program was a source of vivid debates about the use of subjective data as "scientific tools." Chapter 6: Subjective Quantification and Economic Policy shows there has been an increase in the use of such data as "tools for government." It concludes by claiming that, indeed, the most recent developments in the economics of happiness are attempts to use happiness data in this way (i.e., the life satisfaction approach for valuing environmental goods). This fact supports the historiography that takes the emergence of new subfields (the economics of happiness in this particular case) as a viewpoint to explore the history of core parts of a discipline.

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AMERICAN ECONOMICS AT THE TURN OF THE 20TH CENTURY: THORSTEIN B. VEBLEN, ALFRED MARSHALL, AND THE METHODOLOGICAL FOUNDATIONS OF INSTITUTIONALISM

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My dissertation provides a rereading of the rise of American institutionalism from the viewpoint of its endorsement and/or refusal of the analytical tools of the neoclassical economics of Alfred Marshall. As such, my research also illuminates the reception of Marshallian economics in the United States, a subject as yet almost entirely neglected in the scholarly literature.

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The term ‘‘institutional economics’’ was introduced only in 1918, when Walton H. Hamilton defined institutionalism in contrast to neoclassical economics. This new kind of ‘‘genetic-evolutionary’’ and statistically based economic theory, Hamilton told the American Economic Association, studied ‘‘evolving patterns of human behaviour’’ and facilitated the control and planning of the economic system.

Hamilton’s 1918 manifesto should be seen as the culmination of a four-decade developmental process within American economics. Broadly speaking, institutionalism arose out of the impact of the German Historical School in the 1880s and 1890s, the emergence of the progressive reform movement, and Veblen’s attack on the neoclassical paradigm. Thus, for example, Hamilton’s emphasis on social policy and statistical method has its roots in German historicism.

To some degree, Hamilton also incorporated Thorstein Veblen’s criticism of Marshall, whom the latter identified as the spokesman of a new orthodoxy to which the institutionalist project of an evolutionary economics was to provide an alternative. As is well known, Veblen introduced to the discipline both the expressions ‘‘evolutionary economics’’ and ‘‘neo-classical economics.’’ Yet, in contrast to Veblen, Hamilton also hailed Marshall as an ‘‘English classicist’’ who ‘‘has material for us.’’ And, on further investigation, we find that, in works published before 1918, even Wesley C. Mitchell and John Maurice Clark considered some Marshallian analytical tools consistent with an institutionalist approach.

My thesis investigates and reconstructs the change of attitude toward Marshall that evidently occurred between Veblen and the second generation of institutionalists.

Chapter I is titled ‘‘Was Institutionalism a Revolt against Alfred Marshall?’’ This chapter introduces Joseph Schumpeter’s view of institutionalism as an ‘‘opposition to’’ or a ‘‘revolt against’’ Marshall—a claim that the chapter, as indeed also the thesis as a whole, puts to the test. It is argued that Schumpeter here puts his finger on some key aspects of the rise of institutionalism. Nevertheless, while his analysis fits Veblen’s attitude towards Marshall, it does not fit that of either Mitchell or J.M. Clark. Moreover, Schumpeter’s analysis must be supplemented also by attention to the influence of German historicism on American economics in the last decades of the nineteenth century. As we know, the neoclassical framework was understood to provide a more forceful instrument than that of the classical paradigm, and the coming of marginalism effectively put an end to the American Historical School. This is the context in which the reception of Marshall’s *Principles of Economics* (1890) must be situated. For Marshall gave ‘‘tremendous impetus’’ (Dorfman) to an attempted reconciliation of marginalism and the old classical tradition and, for this reason, Marshall’s economics came to be interpreted in America as essentially an economics of ‘‘reconciliation.’’ Only once the importance and centrality of this particular American interpretation is recognized does it make sense to think of American institutionalism as a ‘‘revolt against Marshall.’’

Chapter II ‘‘Thorstein B. Veblen, Alfred Marshall and the Methodological Foundations of Institutionalism,’’ examines the main tenets of Veblen’s evolutionary (institutional) economics in order to identify the theoretical context of his reading of Marshall. Veblen, it is argued, provides a primarily methodological reading of Marshall’s *Principles*. He detects with great precision the theoretical ‘hard core’ of the neoclassical paradigm, and his subsequent attacks are directed at the concept of equilibrium and the assumptions of ‘strong’ rationality and exogenous preferences.

Nevertheless, and as other scholars have suggested (Niman, Raffaelli), there are similarities between the ideas of Veblen and Marshall—even though neither of them appreciated these commonalities. In very broad terms, and Veblen's criticisms of Marshall notwithstanding, both criticize the classical school and both believe that economics must embrace an evolutionary approach.

Chapter III is titled "From Thorstein B. Veblen to Institutional Economics: Wesley C. Mitchell and John Maurice Clark." In this chapter we turn to how Mitchell and Clark read Marshall in order to identify the nature of the change of attitude that occurred between Veblen and the second generation of institutionalists. Mitchell, for example, concluded that Marshall's view that money was "the centre" of economic science was compatible with an institutional theory of value. For the mature J.M. Clark, who, as we know, never rejected John Bates Clark's theoretical contribution, institutionalism was to be an extension as well as an amendment of neoclassicism. In fact, even in his earlier works (e.g., his *A Contribution to the Theory of Competitive Price* of 1914), there are significant Marshallian elements (such as his definition of "normal price" and his employment of period-analysis).

This dissertation benefits from archival material from Yale University (Henry Walcott Farnam Papers) and Princeton University (Jack Carroll Myles File, Graduate School Alumni Records, Department of Rare Books and Special Collections), and from Columbia University (Joseph Dorfman Collection and Wesley C. Mitchell Papers, Rare Book and Manuscript Library).

A THEISTIC ANALYSIS OF THE AUSTRIAN THEORIES OF CAPITAL AND INTEREST

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In this thesis I investigate the Austrian School of economics' theories of capital and interest.

Though the Austrian School includes numerous contributors, I focus my attention on the work of Carl Menger, Eugen von Böhm-Bawerk, Friedrich Hayek, and Ludwig von Mises. I regard these scholars as the most significant Austrians and contributors to the Austrian School's system of thought and to their theories of capital and interest.

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