

THE AUSTRIAN TRADITION: SCHUMPETER AND MISES

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Abstract

The intention underlying this paper is to survey and critically evaluate the vast interpretive literature -- particularly that forthcoming since World War Two -- on two Austrian-born economists, Schumpeter and Mises. As such, it cannot claim originality. Rather than providing a customary history-of-economic-thought assessment of their work per se, the overriding concern is with the dynamics, lacunae, strengths, and limits of the commentaries enunciated on the economics of Schumpeter and Mises. Needless to say, within the proverbial confines of a single paper, the account is bound to be highly selective.

The paper is organized as follows: The introductory section explores the relationship of Schumpeter and Mises to the Austrian tradition. Section 2 provides an overview of recent assessments of Schumpeter's and Mises's standing in twentieth-century economics. Section 3 examines at some length the respective role ascribed to equilibrium theorizing and the different manner in which the entrepreneurial function is injected into the economy. The concluding section contains the author's own assessment of the assessments discussed in the preceding sections.