mation, is a revolutionary rather than a reformer and, above all, an "eclectic" who created a world view that was very nearly his alone.

Tilman deserves credit for his devotion to Veblen's intellectual legacy and for the ambitious reach of these essays. Most recent literature on Veblen has focused on his differences with what the discipline of economics has become and on Veblen's thought in the context of the philosophical and psychological thought of his era. Tilman continues in this tradition but has added an ideological element; his argument is that Veblen was much further to the (old) left of the political spectrum than most have appreciated.

Much remains to be done in understanding Veblen as reporter of his times—as reporter of financial innovation and of organizational efforts among engineers in particular—and as synthesizer of newly emerging social scientific thought. Such work will demystify Veblen as an original American genius and will properly deemphasize efforts to classify his ideas along a political spectrum dominated by Cold War ideology. Such work will inevitably follow the lead set by Tilman in trying to understand Veblen in a broad intellectual and social context.

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The Origins of American Public Finance: Debates over Money, Debt, and Taxes in the Constitutional Era, 1776–1836. By Donald R. Stabile. Westport, Conn.: Greenwood Press, 1998. xii; 208 pp. $59.95.

Alexander Hamilton was right, and his opponents were wrong. Recognizing that the new federal government needed its own revenue source, Hamilton presided over collection of the first federal taxes, mainly excise taxes and tariffs. These revenues subsequently became the basis for Hamilton's program of debt restructuring that restored the commercial value of government debts that had been incurred during the War of Independence. That accomplished, Hamilton's proposed national Bank of the United States became the nucleus of a rapidly growing national monetary system. On money, debt, and taxes, Hamilton was the leader of the remarkable transformation that Richard Sylla has called "the Federalist financial revolution." In the years after Hamilton there was much backsliding from his original constructions, but after the backsliding there was always a return to the lines of the original once again. It's the judgment of history. Hamilton's constructions are right, and modern-day opponents of his constructions are just as wrong as Jefferson and Jackson were in their day.

Hamilton's "commercial" approach to government finance may have been superior on strictly economic grounds to the "agrarian" approach of his opponents, but the language of economics was no more compelling in Hamilton's day than it is now. Consequently, there was debate, and this is a book about that debate. Stabile's careful, even sympathetic, treatment of the arguments of Hamilton's opponents is the great and, I predict, lasting strength of his book. Historians may wonder what the fuss is all about, but economists will learn much that will surprise and enlighten them.

The book is about the United States but will provide insight into the European Federalist project currently underway. Unlike the United States in the 1790s, Europe is not trying to integrate while simultaneously recovering from war, but that does not mean their task of integrating disparate economic and financial systems is any easier. Another parallel is with the countries of today's emerging markets and the transition economies of Eastern Europe. After reading this book, one wonders whether the trajectory of these unfortunate economies might have been more promising had they focused on a Hamiltonian policy of looking first to stabilize state revenues, to restructure government debt, and to build a commercial banking system.

Regrettably, Stabile neglects the topic of money, and as a result does less than complete justice to Hamilton himself, the Hamilton who was founder of the Bank of New York. Stabile looks for the origin of Hamilton's ideas in the public finance writings of David Hume and Adam Smith, not in Hamilton's own life experience solving the concrete problems of a commercial enterprise. Thus one gets the impression that Hamilton's financial genius is attributable not to his own ability to translate commercial experience into the public realm, but rather to the ability of a brace of Scottish philosophers to derive principles of public finance as an adjunct to moral philosophy. Given how much Stabile admires Hamilton, it is a weakness of the book that he should in this way so underestimate the man and his contributions.

Indeed, the main weakness of the book is its treatment of money. For debt and taxes, the author's public finance approach works well, but not for money, since only the most desperate states rely on printing money to finance expenditures. Hamilton's reformation of government finances meant that the monetary apparatus no longer was needed for public finance. The author's public finance orientation therefore fails to adequately appreciate Hamilton's proposal for a national bank; the author does not even mention Hamilton's 1791 report on a mint that placed the dollar on a gold specie basis, among other things.

Financial history of the United States once was an integral component of most undergraduate programs, but no longer. This book gives some indication of how much poorer we all are for this particular curricular "advance."

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Entrepreneurs, Institutions, and Economic Change: The Economic Thought of J. A. Schumpeter (1905–1925). By Nicolo De Vecchi. Translated by Anne Stone. Brookfield, Vt.: Edward Elgar, 1995. 192 pp. $80.00

Here is a reminder that the most interesting economist of the twentieth century may have been Joseph Schumpeter (1883–1950). Translated from an Italian work