

*“the followers of the Austrian school in Italy
are nearly all writers on financial matters”*

Ugo Rabbeno (1891: 461)

Introduction

The name of Emil Sax is frequently to be found in the history of Italian economic thought in the age of marginalism. As is well known, that era was a typical period of multiple discoveries, and for this reason has given rise to a good deal of debate on questions of priority. The relationship between Emil Sax and Italy can also be examined via the search for priority. It can even be entirely summed up in three questions of priority. The first concerns priority in the introduction of marginal analysis in public finance, seeing the works of Maffeo Pantaleoni (1883) and Sax (1884) as of primary significance. The second is about priority in the reception accorded to Sax's thought in Italy: his 1887 work was immediately examined, discussed and assimilated, especially by Giuseppe Ricca-Salerno (1887), and by Augusto Graziani (1887). The third relates to priority in the development of a pure theory of public finance, and concerns the works of Sax (1887) and Antonio De Viti de Marco (1888).

In this paper I shall be developing these three aspects. I must at once point out that I am not going to deal with the impact of Sax's work on the Italian theory of public finance from the perspective of the history of economic analysis, on which others have already written¹. My aim is to reconstruct certain episodes concerning Emil Sax in Italy, trying at the same time to enquire into the contextual reasons for his very great impact on the Italian economists of that generation.

1. Priority in the introduction of the marginal analysis in public finance: Sax and Pantaleoni

Pantaleoni (1857-1924), “the prince of [Italian] economists” (Sraffa 1924: 648), the “exuberant genius” (Loria 1924: 653), is famous internationally mainly for his treatise *Principii di economia pura* (Pure Economics, 1889)². In his 1883 essay *Contributo alla teoria del riparto delle spese pubbliche* (Contribution to the theory of the distribution of public expenditures) Pantaleoni applied the marginalist theory of value to public finance. In this

¹ See among others Pica (1966b and 2003), Gioia (2003), Kayaalp (2004: ch. 4).

² Published in 1889, the book was translated into English in 1898 and into Spanish in 1918.