The Life of Carl Menger: New Insights into the Biography of the Father of Austrian Economics

Reinhard Schumacher¹ and Scott Scheall²

Abstract

Nearly one hundred years after Carl Menger’s death, comparable little is known about his life, even though he was one of the most influential economists and founder of the Austrian school of economics. Based on three hitherto unknown or unexamined sources, we will try to close this gap. These sources consist first and foremost of the draft of a biography by Carl Menger’s son, Karl Menger. He had spent the last years of his life writing a biographical account about his father, which he did not finish before his death in 1985. However, he left behind drafts of several chapters. Second, we use Carl Menger’s diaries and personal papers, which are part of the Carl Menger Papers at Duke University. Third, we include contemporary newspaper articles that report on events in Carl Menger’s life. Based on these sources, we give a new insight into the life, thought and political views of Carl Menger.

¹ Contact: Reinhard Schumacher, Department for Economic and Social Sciences, Universität Potsdam, August-Bebel-Straße 89, 14482 Potsdam, Germany; e-mail: rschumac@uni-potsdam.de
² Contact: Scott Scheall, Arizona State University, Department of Science, Technology, and Society, 230 Santa Catalina Hall, 7271 E. Sonoran Arroyo Mall, Mesa, AZ 85212; e-mail: scott.scheall@asu.edu
Introduction

Carl Menger is well-known in economics, because he developed a theory of marginal utility, at around the same time as, but independent of, William Stanley Jevons and Léon Walras. He, thus, helped lay the groundwork for a theoretical revolution in economics, leading away from classical economics to marginal utility theory, the main framework of modern economics. At the same time, he is founder of the Austrian School of economics, a school that still has many adherents. It is therefore surprising that very little is known about the life of Carl Menger.

Eulogies for his 70th, 75th and 80th birthday as well as obituaries after his death in 1921 mainly dealt mainly with his scientific accomplishments and gave only little insights into the life and personality of Carl Menger. Apparently even friends and acquaintances of Carl Menger did not know too much about his biography or were unwilling to write about it. A more detailed account of his life, and the first in English, was published in 1934 by Friedrich A. Hayek as introduction to Carl Menger Collected Works. In the following decades hardly any new information about Carl Menger surfaced. In the late 1950s and early 1960s, Emil Kauder (1959, 1961a, 1961b, 1962, 1963) thoroughly studied Carl Menger’s library at Hitotsubashi University, going through the annotation Menger made in some of his books. With the revival of Austrian economics in the 1970s and 1980s, the interest in Carl Menger and his work grew again, but only few details about his life were discovered. In 1986 a doctoral thesis on Carl Menger was published in German by Margarete Boos, which still today contains the most comprehensive description of Carl Menger’s life, but it too was lacking many biographical details; for example, to our knowledge, not even his full birth name has ever been published.

Another reason for this lack of information was that the written legacy of Carl Menger was kept by Karl Menger, his son, and not made available for scholars. Karl Menger was well aware of the importance of the papers in his possession. He was also well acquainted with his father’s work. He read his father Grundsätze as a teenager and in the last years of

---

3 These eulogies and obituaries include Mises (1920), Rosenberg (1921), Schumpeter (1915, 1921), Stuart (1921), Wicksell (1958 [1921]), Wieser (1929 [1921], 1929 [1923]) and Zuckerkandl (1910, 1927).

4 Even such a close acquaintance as Friedrich Wieser had to ask Carl Menger’s son, Karl Menger, for information on the family background when he wrote his obituary of Carl Menger (KMP, Box 5, Folder “Wieser”).

5 This introduction was reprinted in Economica; see Hayek (1934). Hayek too relied for most of the biographical account on information he obtained from Karl Menger (FHP, Box 37, Folder 49).

6 Hitotsubashi University bought a big part of Carl Menger’s library after his death. The natural sciences part, however, was inherited by Karl Menger.

7 There were apparently only two exceptions. Hayek was able to take a look at Carl Menger’s writings in the 1920s. The next who was able to take a look was Albert Zlabinger in the early 1980s (CMP, Box 20, Folder “Karl Menger”). But both looked only at some of Carl Menger’s scientific notes, not into his correspondence or personal notes.
Carl Menger’s death helped him preparing a second edition, which Carl Menger, even though he worked on it for a long time, was never able to finish. In 1923, Karl Menger edited this second edition from Carl Menger’s legacy and wrote a long introduction, which contained some biographical and personal information about his father (Menger 1923). He even planned to publish more of his father’s unpublished works. This might be the reason why he kept the papers himself for so long. However, is own career as a Mathematician and the turbulent times in Europe probably prevent further publication. After he retired, he planned on writing a personal biography of his father. Already in the 1930s, Hayek had suggested to him to write such a biography and he had even visited some places of Carl Menger’s childhood during this time, searching for old documents which contained traces of his father and his family history. But he postponed it due to his own research. Only in the late 1970s did he seriously work on it. It was supposed to be published as part of the *International Carl Menger Library* edited jointly by the *Carl Menger Institut* in Vienna and the *Philosophia Verlag*. Karl Menger had sent draft chapters to Herbert Furth, Gottfried Haberler and Friedrich A. Hayek for comments in the early 1980s, as their correspondence shows. By the mid-1985, his friends awaited the publication. However, Karl Menger never managed to finish it, due to the work on his own autobiographical book and to his deteriorating health.

After his death, Karl Menger’s papers together with his father’s papers were given to Duke University in North Carolina by his daughter Eva L. Menger. Since then, the Carl Menger Papers are open to research, which lead to some new publications and revelations of some new insights into Carl Menger’s life, but a full account of his life is still missing. It was

---

8 This second edition was, however, not successful. To our knowledge, all subsequent translations were based on the first edition, as were all but one German reprints; the exception was a low-circulation reprint in 1968 by the *Scienza Verlag*.

9 In a letter to Gottfried Haberler, Karl Menger writes that “[f]or several decades our friend Hayek has been after me suggesting that I write an intellectual biography of Carl Menger” (GHB, Box-folder 24).

10 In 1977 or 1978, Karl Menger approached the *Siebeck Verlag*, which had reprinted the *Gesammelte Werke* of Carl Menger, to see whether they were interested, but the press declined (KMP, Box 3, Folder “Philosophia”). He also started researching for the article in the late 1979, as a letter to the *Wiener Zeitung* shows (KMP, Box 4, Folder “S”). In a letter to Gottfried Haberler he states that he started writing the biography in spring 1981 (GHP, Box-folder 24).

11 The *Carl Menger Institut* in Vienna was founded in 1985 and directed by Albert H. Zlabinger; for a self-description see Zlabinger (1988). Karl Menger had agreed to the name of the institute and endorsed it (KMP, Box 3, Folder “Philosophia”; FHP, Box 14, Folder 6). It was in existence only for a few years. The *International Carl Menger Library* (re)printed works Austrian economists was started by the *Philosophia Verlag*. Its editor-in-chief was Zlabinger and after the *Carl Menger Institut* was founded, it became a joint editor.

12 Albert Zlabinger and Paul Silverman had at some point read some of the draft chapters as well.

13 It was published posthumously in 1994 titled *Reminiscences of the Vienna Circle and the Mathematical Colloquium*.

14 Already in 1977, Hayek had commented that Karl Menger’s seems not to be in very good health (FHP, Box 97, Folder 12). Karl Menger suffered from cardiac insufficiency (FHP, Box 37, Folder 49). He was aware that he might not be able to finish it and made provisions for the case of his death. According to his will, the task to finish the biography was assigned to Zlabinger under the supervision of Hayek and Haberler. He even made a small fund available for it (FHP, Box 14, Folder 6). However, this task was never completed.
here that we rediscovered the drafts of Karl Menger’s biography of his father. There are drafts of several chapters, some incomplete, and they only cover the time until the late 1880s, thus the last 30 years of Carl Menger’s life are missing. However, it reveals many new details about the life of Carl Menger, one of the most influential economists who ever lived. Additionally, we found several further drafts in the Gottfried Haberler Papers. Karl Menger relied, apart from his memory, on Carl Menger’s diary and notebooks, which are part of the Carl Menger Papers. But he also had personal accounts which seem not to be part of the Papers at Duke University, which makes his biography even more valuable. Based on it and on Carl Menger’s diary and his notebooks as well as on contemporary newspaper articles, which have hitherto not been examined, we want to give a new picture of Carl Menger.\(^{15}\) We deal mainly with his life. We do not give an evaluation of his scientific approach, but at times we discuss how his economic thinking developed and its influences.\(^{16}\) We structure this article mainly chronologically. At the end, his personal life and his interests will be discussed as well. Lastly, we will give an account on his political views. The emphasis will be on parts of his life that only little is known so far. Episodes of his life that are well researched, such as the famous *Methodenstreit* and his opposition to the German historical school, will not much be discussed in detail.

However, many gaps will remain, due to Carl Menger himself. His diary is incomplete and was seriously kept only for short period of time.\(^{17}\) He gives a short outline about his life, but all autobiographical information cease in 1893. His correspondence is not very extensive, because, as Karl Menger notes, he burned most of it – two big cartons – around 1912. According to Karl Menger, Carl Menger commented this by saying “Here, I’m burning my own biography” with a regretful smile.

**Anton Menger and Eva Caroline Menger, née Geržabek – The parents**

Carl Menger was born in Nowy Sącz (Neu-Sandez) in the Austrian Crown land Galicia and Lodomeria, in today’s Southern Poland. His father Anton was born in 1795 in Lviv (Lemberg), where his father, Carl Menger’s grandfather, who was also called Anton Menger,

\(^{15}\) All information in this article relies on Karl Menger’s draft and on Carl Menger’s diary, if no other source is given.

\(^{16}\) We will, however, not compare earlier notes on economic topics with later notes and publications. This would be a worthwhile endeavour, but is beyond the scope of this article.

\(^{17}\) Carl Menger started his diary in March 1875 and included some short biographical notes on his life until then. The diary ends in early 1889, followed by a few keywords for the time from 1889 until 1893 on one page at the end of the diary.
moved from Cheb (Eger). The family was of untitled nobility and was allowed to have their
own coat of arms (Burgher arms), though it is not clear when and why the title “von
Wolfensgrün” was awarded. Carl Menger’s father spent most of his childhood in Cheb,
because Anton senior died young and his wife Anna, née Müller, could not afford to raise
him, his brother and his two sisters. Anton shortly joined Napoleon’s army, but after
Napoleon’s demise pursued legal studies and became a judicial clerk in Bohemia for a short
period of time, before moving back to Galicia. There he first became a civil servant and later a
legal advisor in Krynica. He was promoted to become mayor of Stary Sącz (Alt-Sandez).

Carl Menger’s mother, Eva Caroline Geržabek was born in the Bohemian town
Vysoké Mýto (Hohenmaut) on Christmas Eve 1814 to her parents Josef Geržabek and
Therese, née Kalaus. Josef Geržabek was the owner of a general store and a farm in Vysoké
Mýto. He had made a fortune by predicting the shortage of colonial goods when Great Britain
introduced the Colonial Blockade in 1806. He had bought large amounts of coffee and made a
huge profit on them in the following years. Caroline, Carl Menger’s mother, had a hard
childhood; during her first years she was several times close to death and she was dressed in a
shroud three times as it was custom for a dying person. However, she recovered, spent one
year as an exchange pupil at a German family in Moravia and went for three years to an
educational establishment in Prague. She became, as Karl Menger puts it, an enlightened and
educated woman. By then, the wealth of her father had increased and he decided to withdraw
from business to become a country squire. He bought a crown estate in Western Galicia,
comprising of five villages, with the manor house in Maniowy. Caroline moved there with her
parents and two younger siblings in early 1830. The estate was in a rundown condition, but
the Geržabeks successfully turned it around.

It was at this manor house that Carl Menger’s parents met for the first time. In early
1833, Anton Menger made a trip to the Pieniny with friends. On their way home they were
overtaken by darkness and looked for shelter in the village Maniowy, where they were taken
in by Josef Geržabek. Anton was charmed by Caroline and visited Maniowy regularly from
then on. Caroline, however, was sought after and on one of his trips, Anton was attacked by a
rival with two supporters and stabbed with a hunting dagger. He was left lying there
supposedly dead. However, Anton survived and was brought to the manor house where he

18 Carl’s paternal lineage can be traced back until the Middle Ages. The oldest evidence seems to be that in 1301 a
Heinrich Menger served, carrying his flag, as captain in the army of Albrecht I during the siege of the Western
German city of Bingen, having a flag with his coats of arms. The Mengers were originally from Alsace. In 1633,
that is during the Thirty Years’ War, a young shoemaker called Bartholomäus Menger moved from Germany to
Cheb. One of Bartholomäus’s great-grandchildren was Carl Menger’s grandfather Anton Menger, born in 1744.
19 Two older brothers were living in Prague.
recovered for six weeks. After his recovery, he asked for Caronline’s hand. They married in spring 1833.

They soon moved to Nowy Sącz, where Anton started working as an advocate. Anton and Caroline had ten children, two died as infants, two as children and six grew up: three sons Maximilian, Carl and Anton and three daughters Bertha, Marie and Caroline.

**Childhood**

Carl Eberhart Anton Menger was born around noon on February 23 1840. He was named after Major Carl Menger, a cousin of Anton Menger, who he had been friends with since he grew up in Eger. Carl Menger’s godfathers were Josef Geržabek, his grandfather, and Therese Geržabek, Caroline’s youngest sister and Carl Menger’s aunt.

Shortly after his birth, his family moved to the Silesian city Biała (today part of Bielsko-Biała). Carl Menger spent hours in the smoky, book-filled, law office of his father and watched him working.\(^{20}\) Here, Carl Menger became for the first time acquainted early on with writings of Montesquieu, Adam Smith, Jean-Baptiste Say, David Ricardo and other economists, as he remembered late in life (quoted in Feilbogen 1911: 56). His father discussed serious issues with Carl Menger and his brothers and under his influence they all developed an interest in books and a law. As Carl Menger would later repeatedly claim, his father was his only intellectual influence during his childhood. However, this influence was only of a short-period, because in 1847, Anton became ill with pneumonia, which would be ill-fated. An ulcer formed in his lung under the scar of an old stab wound. He died on August 1st 1848. Shortly before his death, Anton had been asked to become a representative of Frankfurt Parliament, which was to be established in the wake of the Revolutions of 1848, but he was already too hopeless for such a task.

From then on, Caroline had to take care of the family on her own and she did it in a way that Carl Menger would adore and admire her throughout his life. However, her means were limited. Carl Menger and his siblings often went to their maternal grandparents’ place in Maniowy. Anton had not left behind much wealth, for he had a hard time finding clients as a pious Catholic in a dominantly Protestant Silesia (Grünberg 1909: 30-1).

From 1843-48 Carl Menger attended elementary school in Biała (two Elementarklassen and three Normalklassen) and from 1848-1851 he attended middle school (Realschule), repeating the second year voluntarily; probably because he was too young to be send away. Caroline wanted their children to attend a German Gymnasium and in autumn

---

\(^{20}\) His father had a library which contained around 4,000 volumes.
1851, Carl Menger and his older brother Max went to Cieszyn (Teschen), 30 kilometres west of Biała to visit a Catholic Gymnasium there. His younger brother Anton was to follow one year later.

Carl Menger lived six years in Cieszyn staying with so-called “Kostfrauen”, women who rented rooms to pupils and provided for their meals. He took his studies very serious and the influence of the humanistic German Gymnasium was strong and lasting. He learned Latin, Greek and classical literature as well as French and, unusually for his time, English (though he might have acquired this knowledge outside of school). According to Karl Menger, it was during this time that he acquired his writing style: clear and precise, but a bit cumbersome and tending to repetitions, which was characteristic of all of his writings. He had a comprehensive history education. In contrast, his education in physics and chemistry was small. As to his mathematical education, it was outdated and not much attention was paid to it, as was usual for a humanistic Gymnasium of the time, which focussed on (ancient) languages and classical literature. Carl Menger learned simple geometry (determining a surface area), read Euclid’s “Elements”, got familiar with elements of trigonometry, common or Briggsian logarithms (but not natural logarithms) and basic algebra, especially the rule of three. It seems that he was a good mathematics student and liked the subject. He gave some tutoring lessons to at least one other pupil, who was the son of one of his hosts. However, Carl Menger did not learn any “higher mathematics.” His curriculum did not contain any analytical geometry or calculus. This was also a typical school education in Austria and thus for Austrian economists at the time.

After six years, Carl Menger left Cieszyn and continued school Opava (Troppau), the capital of the Austrian Crown land Galicia. He followed his brother Anton who had already gone one year earlier. The reason for this change of schools seems to that all three brothers felt constrained by the strict Catholic Gymnasium in Cieszyn. They read free-thinking literature and doubted religious doctrines early on, even though they came from a pious

---

21 This is of interest, because he would later reject mathematical approaches to economics. Léon Walras and William Stanley Jevons who independently developed a theory of marginal utility used mathematics, Carl Menger never developed any mathematical expositions of his theory. Some suggested that the reason for this was that he was not able to. This rejection of mathematical economics became one of the convictions of the Austrian School of economics.

22 According to Karl Menger, the curriculum did not include anything that was not already known in the sixteenth century, that is before René Descartes.

23 In contrast to other countries where economist came from natural sciences or mathematics, Austrian and German economist had a humanistic school education, came from law or from civil service.
family and had pious parents. All three brothers would finish school without any religious belief. In Opava, Carl Menger, spent a lot of time in the public library and read philosophical writings from the Age of Enlightenment, as did his brother Anton. He wrote a pamphlet paper there against a teacher called Jahn, who taught logic. This paper did not survive, so its context is unclear. However, it shows that earlier on, Carl Menger had predilection to write polemically and he was keen to take on authorities. Throughout his life, he would write polemics and pamphlets. After just one year Carl Menger left Opava again, simultaneously with his brother Anton who returned to Cieszyn.

For his last year of school, Carl Menger went to Kraków, a large city which was a centre of Polish culture. Initially, he resided with some Polish pupils before getting his own flat. There he seems to have taken an interest in Polish nationalism and history. In spring 1959 he got his Matura (high school diploma) with cum laude.

During his time as a pupil, he would spent his vacations on his grandparents’ estate in Maniowy, where he became familiar with agriculture, the management methods of his grandparents and the economic work of peasants, craftsmen and merchants on the markets. This, together with his freethinking readings seems to have made the biggest and an enduring impression on him and from which he repeatedly told his son about.

**Carl Menger as a Student**

After having graduated from school, Carl Menger studied law, as it was kind of a family tradition by then. He joined his older brother Max in Vienna, who had come there one year earlier. He left Vienna after just one academic year, though the reasons for it are unclear, and even though his younger brother Anton was about to move to Vienna to study law. Carl Menger moved to Prague to study at the **Carolinum** (Charles University), where he would stay for three years. In his first year he attended the lectures by Roman law by Alois von Brinz and Canon law by Johann Friedrich von Schulte. The former made an impression on Carl Menger and he took his first state exam (**erste Staatsprüfung**) in Roman law achieving a cum laude.

---

24 Josef Geržabek, Carl Menger’s grandfather, decided to buy the estate around Maniowy after St. Nicholas allegedly appeared in his dream and told him to. To acknowledge his gratitude he built a stone church in honour of St. Nicholas on his new estate; on its wall, he and his wife Therese are buried.

25 There, Anton would get into difficulties due to a controversy between him and his religion teacher. Anton argued that it would not be reconcilable with God’s righteousness that children dying unbaptised would not go to heaven. Anton refused to revoke this statement and was expelled from his school (Grünberg 1909: 31-2). However, given that he was not religious himself, he might not have taken a serious interest in the argument itself, but might well have made it only for the sake of a debate, showing his feisty character that was similar to Carl’s.

26 In Vienna, Carl Menger attended lectures by Carl Ludwig Arndts and Heinrich Siegel on German and Roman law.
In Prague, Carl Menger got into another dispute with an authority figure, namely the dean of the faculty of law, František Xaver Schneider, who was professor for Austrian law. Apparently, this dispute was vicious and it drew in other professors as well and turned around the interpretation of national study regulations. Carl Menger wrote a polemic against Schneider, which he kept as a manuscript. The outcome of the dispute is, however, not known. By July 1863, Carl Menger had attended (or at least inscribed in) all obligatory lectures. However, he did not take the oral exams (*Rigorosen*), which was a condition to acquire the doctorate in law, which might be due to his dispute with Schneider.

Apart from his studies, Carl Menger got tied up with German nationalism, though this seems to have lasted only for his time in Prague. He drafted an essay in which he praised the German students while depicting Czech students in pejorative terms. He also joined a *Studentenverbindung* (fraternity), drank beer and learned fencing. He participated in *Mensuren* (academic fencing events by fraternities). According to Karl Menger, Carl Menger was a good fencer and won most of his fights. Only once was he hit lightly in the face, which left him with a barely visible dueling scar on his left nasal wing, a so-called *Schmiss*, which many German and Austrian academics of the time saw as a badge-of-honour. Carl Menger also participated in *Kommerse* (feasts organised by fraternities). At one such feast in 1862, which took place in honour of the deceased Ernst Moritz Arndt, a German writer and fighter against Napoleon’s occupation of Germany, Carl Menger would give a short memorial address, in which he describes Germany as “our beloved fatherland.”

He also belonged to the *Lese- und Redehalle*, the “Reading and Debating Society” of German students in Prague. It was a German nationalistic, but also liberal society. Carl Menger actively participated, giving at least one speech during an assembly of the *Lesehalle*. He also drafted a statute for the *Redehalle* (CMP, Box 29), which at the time was closed down by the authorities (Čermák 2006: 36-7). It is unclear what happened to the statute but it apparently never came into force.

In 1862, Carl Menger started a notebook, which contained, besides literary attempts, some scientific entries. These are, according to Karl Menger, Carl Menger’s first scientific thoughts written as a 22-year-old student. They are both on philosophical and economical subjects, two fields that Carl Menger would keep an interest in. His philosophical notes start on May 25th 1862 and are about perception (*Wahrnehmung*), speech and philosophical methods. He writes about developing his “my system” and demarcates it from other

---

27 He changed fraternities thrice during his time in Prague.
28 The *Lesehalle* consisted mainly of a library, while the focus of the *Redehalle* was on presentations, debates, exhibitions and theatre performances; for details and a history of the *Lese- und Redehalle*, see Čermák (2006).
philosophers he had studied at the time, Johann Gottlieb Fichte, Johann Friedrich Herbart and Georg Wilhelm Friedrich Hegel – post-Kantian German philosophers (he had studied Immanuel Kant’s *Critique of Pure Reason* already in Opava). These philosophical notes should not be discussed here in detail, but it is worth to outline Karl Menger’s comments on them: “I find in his thoughts clear forebodings of later [Austrian] philosophy: the epistemological, unmetaphysical character of his draft, his treatment of the other minds psychology (*Fremdpsychisches*) and of the negation, the reference to language, language criticism and natural sciences und the rejection of systems apart from a system that rejects systems” (our translation).

Following these philosophical notes are three economical and sociological notes, written as well in spring 1862. These notes are on free trade, communism and money. He argues that free trade is beneficial to both buyers and sellers, however not necessarily to the state as a whole and a state should consider well if free trade would be beneficial for it before introducing free trade. These are not a great theoretical insight, but some preliminary thoughts. However, his position on free trade would not change in later years. As to his notes on communism, he rejects the possibility of communism, which for him meant that everybody worldwide would get exactly the same – a rather un-communistic idea – because of its consequences, among them too many children, no incentive to work and the impossibility of a socialist state to exist in-between non-socialist states. In his note on money, he refuses the idea that money could be worth less in one country than in another. These notes are short and not mature, but they are Carl Menger’s first economic records and show that he thought about economic matters early on. Haberler commented on them that “[i]t is not so much the concrete content, but the general approach to the problems that is remarkable. The notes show that Carl Menger at an early age was aware of all the complexities of the problems and shunned facile simplifications, which was one of the characteristic of his later works.” He continues by stating that “the individualism, so typical of the Austrian school, is already in evidence” (GHP, Box-folder 24). It is, however, unclear how to what extent Carl Menger had studied economic writings by that time, or if he had even studied them at all.

These notes on philosophical as well as economic and sociological topics are the only scientific notes from his time as a student. It would take nearly five more years before Carl Menger would resume his scientific records.

---

29 Karl Menger had asked Haberler for his assessment on these notes.
Journalism

As a student in Prague, Carl Menger made first journalistic experiences. In spring 1862, he started as an external contributor to the Praguer newspaper Tagesbote aus Böhmen, a pro-German publication. During his last year in Prague (1862/63), he got a regular job as internal employee at this newspaper. According to his notes he was overstrained there. Nevertheless, he seemed to have liked journalism and decided to become a journalist. It was a promising time for journalism, because in December 1862 a new press law came into force in Austria, which abolished the strict censorship, and in its wake many several new newspapers were founded. In August 1863 Carl Menger moved to Lviv to become a junior editor of the official newspaper Lemberger Zeitung, which went bankrupt in October 1864. He was offered a job at the Viennese newspaper Botschafter, with which he had corresponded during his time at the Lemberger Zeitung. Carl Menger moved to Vienna, where he would stay for the rest of his life. The Botschafter, was a semi-official paper, founded by the liberal government of Anton von Schmerling and it supported its centralistic position (Paupié 1960: 129). His time at the Botschafter was, however, only of a short duration, because due to the political development in Austria. In late July 1865, Schmerling and the liberal government were forced to resign and five years of liberal rule came to an end. A conservative government lead by Richard Graf Belcredi replaced the liberal one and the Botschafter was ceased.

Carl Menger transferred to the liberal Vienna newspaper Die Presse, again only for a short period. This time, he left intentionally, because he was planning to found his own newspaper, “a truly democratic paper for the masses” according to Karl Menger. He could win his fellow journalist Ignaz von Lackenbacher to join him. Carl Menger initiated the needed steps to found a newspaper in November 1865: he applied for a permit at the police authority, submitted a programme and paid a deposit. His visit to police headquarters included a long discussion with Belcredi, which Menger reported on in detail in his diary. Menger promised to support Belcredi, at least until the constitution would be restored. On November 11th, Carl Menger got the permit for the foundation of his newspaper called Wiener Tagblatt. On November 26th 1865, the first issue was printed, naming Menger and Lackenbacher as

30 The press law came into force only in Austria and its crown land (together known as Cisleithania), not in Hungarian part of the Empire (K. k. Hof- und Staatsdruckerei 1869).
31 As part of this job he corresponded with the Augsburger Zeitung in Germany, Bohemia in Prague as well as Presse and Botschafter in Vienna. He was not, as Yagi (1992: 95) suggests a correspondent for these newspapers.
32 Die Presse was a (right-)liberal newspaper, which supported a centralistic policy (Paupié 1960: 134-8).
33 The Belcredi government had suspended the so-called February constitution, which the liberal government had introduced in 1861. The dispute was mainly about the centralism and federalism of the Austrian empire. Belcredi was very unpopular in liberal circles and Max Menger resented Carl for the having a discussion with Belcredi at all.
editors. The *Wiener Tagblatt* was a huge success and both its circulation and its size grew rapidly. The seventh issue stated a circulation of 15,000, the eighth issue of 20,000 and in February 1866 it increased to 35,000. This success was partly the result of its very low price of 1 Nkr. (Neukreuzer), which matched the stamp fee, which was the levy raised by the state, on the newspaper. This meant that all income generated from the newspaper had to come from advertising. The first issue contained a letter to the readers, in which its purpose was explained. It presented itself as filling a hitherto unclaimed niche of the newspaper market, namely to be generally intelligible and cheap. The letter also explained that its cheap price was due to the intention that the less well-off were able to afford it and thus to educate the masses. It depicted itself as a copy of similar newspapers in Munich, London and Paris. But the success of the *Wiener Tagblatt* was probably also due to its message and point of view, which appealed to the masses. Conspicuously, as Karl Menger stresses, Menger’s newspaper frequently deals with social problems, especially workers, from the point of view of the poor. The newspaper suggested a market hall for the poor where they could buy food at a discount and the establishment of public libraries. It lamented that the unemployed do not have a lobby and argued for conditional release of prisoners and for a prison reform. It also criticised the need for a lawyer to defend oneself in a court, which made it often hard for poor people to win their cases. The *Wiener Tagblatt* criticised rival Viennese newspapers for their apparent lack of interest in the problems of the working class, which would be discussed in England and France.

Despite its success, the business model did not work and the newspaper got into financial difficulties in early 1866. Carl Menger did not want to increase the price. Its rather objective view towards the government and its high circulation, made the *Wiener Tagblatt* valuable to the government itself. This led to the decision by the state ministry to acquire the newspaper and issue it, paid for by the government. On February 26th, 1866, the *Wiener Tagblatt* first appeared unstamped and without the naming Carl Menger as editor though he remained editor for a while. The government, aware of Carl Menger’s journalistic talent after his success at the *Wiener Tagblatt*, was also keen to win him over for the official *Wiener*

---

34 According to the newspaper itself, after one month, it exceeded every other Viennese newspaper in circulation.
35 While in autumn many Viennese newspapers harshly criticised Belcredi’s government, the *Wiener Tagblatt* argued against unfair attacks on the conservative government.
36 The newspaper would stay in government control for about a year and its circulation peaked at 56,000 before falling back. It became a private newspaper again renamed *Neues Wiener Tagblatt* in the first half of 1867, when its circulation had fallen back to 20,000, edited by Eduard Meyer and it doubled its price to 2 Nkr. and later to 3 Nkr. In 1867 Moritz Szeps acquired it.
Zeitung, a governmental organ. 37 Carl Menger agreed to both, a decision that was financially lucrative. At the Wiener Zeitung he was responsible for the economic section. This work turned out to be very influential on the development of his economic thinking. He regularly studied market reports and stock lists, which increased his interest in economic activities and led him to insights into economics. He himself emphasised this fact, as Karl Menger reports and his pupils have stressed (Wieser 1929 [1923]: 117; Zuckerkandl 1927: 192). Though this occupation was important for the development of Carl Menger’s economic ideas, it lasted only about half a year. Around September 1866, he left both the Wiener Tagblatt and the Wiener Zeitung to take a vacation, because he was tired out and sick. In early 1866 he was cured from a tapeworm, but his health had not fully recovered. He had planned to travel via Graz to Italy, but due to a cholera outbreak he returned to Vienna from Graz. There, he rented a flat together with his brother Anton, with whom he would cohabit for the next four years. 38

Already in 1865, the three brothers, Carl, Max and Anton had met to discuss a family matter. They possessed a hereditary untitled nobility, which gave them the title von Wolfensgrün. Each had a seal ring with the family coat of arms and other items including this coat of arms inherited from their father. However, they all were uncomfortable with this title. According to Karl Menger, his father was embarrassed each time his nobility would be stressed. All three were convinced democrats. Max was about to start a political career in the German-liberal party. Anton was politically further left. Carl Menger, though he was not politically active, sympathised with the liberal party. Thus, according to Karl Menger, their ideal was to originate from businessmen and workers respectively, not from nobility. They possessed civic pride and did not support feudal attributes and privileges. Additionally, they were not convinced about the legitimacy of their own title, whose origin was unknown. These considerations led them to decide to renounce their title and call themselves just Menger without the addition von Wolfensgrün.

Scientific work: “Werfe mich auf Nationalökonomie”

After his return from his vacation, Carl Menger decided to take the missing examinations to get his law degree. He recapitulated the required branches of law and on March 19 1867 he became a doctor of law (Dr. Jur.) at the University of Cracow as his brother Anton had two years earlier.

37 The Wiener Zeitung was subject of the Ministry of the Interior when Menger arrived. From 1866 was instructed by the common Ministry for Foreign Affairs and since 1870 it is controlled by the office of the head of government (Paupié 1960: 119-20).
38 According to his diary, after his return, he returned shortly to Die Presse, probably only for a view weeks.
For a short time he joined the lawyer’s office of a former colleague from the Botschafter, Dr. Georg Granitsch, for which Anton Menger was working since 1865. The job at the lawyer’s office was less stressful than his journalistic occupations and it seems that he was not sure about his future. He notes in his diary that he wrote comedies (Lustspiele) and that he had many plans. For the first time since his studies he made written records in a notebook (CMP, Box 1), which according to Karl Menger, have some points of contact to his student notes from 1862 and the structure of both the 1862 and the new 1866/67 notes are similar: first literature, then philosophy and then political economy, though this was probably more by coincidence than intention. From late 1866 until 1867, Carl Menger’s note consists solely of literary issues, including the bellettristic writings he read and the theatre performances he attended, which fill one whole notebook. A second notebook, started in 1867 and titled Geflügelte Worte (CMP, Box 2), continues with some literary notes, interrupted in-between by some notes on foreign countries and aphorisms, including one aphorism that predicts the end of the institution of marriage and the development towards a society of free love. These notes are followed by solely scientific entries, which are the most important notes by Carl Menger leading of his Grundsätze. However, at the start of these scientific notes, Carl Menger was a long way from political economy. The first notes are all on philosophy, in which he discusses among others infinity and epistemological thoughts. In June 1867 he outlines on two pages an ambitious book project titled “Critique of Metaphysics and of Pure Reason from an Empirical Viewpoint.” He also thought about how to structure the book, but he apparently never pursuit this project seriously. His outline also shows his self-confidence as a 27-year-old young man. He wanted his book to be a “touchstone of intelligence”, getting more complicated over time, meaning “the further one is able to read, the more intelligent” he or she is. His philosophical thoughts should not be discussed in detail here, but again their assessment by Karl Menger should be outlined. Karl Menger notices that though the philosophical notes are titled metaphysics they are all epistemological and unmetaphysical. At the end of his notes, his philosophical thoughts were, for its time, remarkable avoiding any metaphysic, according to Karl Menger. Carl Menger “condemned all so-called a priori knowledge that is not based on empirical propositions or is straightway wrong, explicitly as meaningless empty word shell”, which he sees as a “anticipation of one of the main theses of logical positivism” (our translation). Karl Menger compared Carl

---

39 For information on Georg Granitsch, see Österreichische Akademie der Wissenschaften (1959: 47)
40 According to Karl Menger, this is one of the very few notes of Carl Menger that deal with sexual life, both of general and personal nature.
41 The title in German is: Kritik der Metaphysik und der reinen Vernunft vom empirischen Standpunkte.
Menger’s philosophical notes to the found of logical positivism, Moritz Schlick, and argued that some of them “almost read as if they came from M. Schlick’s book ‘General Theory of Knowledge’” (our translation). However, Karl Menger notices that this philosophical radicalism is contained only in some of his notes and Carl Menger’s philosophy would develop into another direction during the late 1870s when he would later strongly criticise Ernst Mach’s positivism.\(^{42}\) Karl Menger also argues that Carl Menger’s criticism was typical for Austrian philosophy in general at the time, which differed substantially from German philosophy “by its rejection of speculation and metaphysics and its affinity to positivism and language criticism” (our translation) and which would lead to logical positivism and the Vienna Circle.

These philosophical notes end abruptly and make way for entries on political economy, starting with a note captioned “Theory of Political Economy” (Theorie der Nationalökonomie). This note is still very epistemological and labelled by Karl Menger as his “break-through note,” because it the beginning of a vast quantity of economical notes, not only on about 300 pages of this notebook but on several other notebooks as well (CMP, Box 1). This notebook seems to contain Carl Menger’s most important notes on economics, which is why Karl Menger labelled it the main volume. During the summer of 1867, Carl Menger’s notes consist mainly of conceptual analysis of words such as good (Gut) and economy (Wirtschaft), which result from Carl Menger’s critical examination of Wilhelm Roscher’s Die Grundlagen der Nationalökonomie. Early on, as in his notes in 1862, Carl Menger writes of “my system”, though it is not clear how to understand this term and he never picked up on the remarks following this term, namely about the place of law in relation to political economics. In his following notes he discusses, among others, means (Mittel), value and exchange. He notes that the basic element in his system is the commercial good (Verkehrsgut). Parallel to these notebook entries, Carl Menger specified his plan of a system of political economics on a separate sheet of paper dated June 9\(^{th}\) 1867,\(^{43}\) which was only a first preliminary draft.

According to Karl Menger, by the summer of 1867 Carl Menger was not yet determined to fully devote himself to economics, despite having started his notes on this topic. It was only at the end of the summer, that he took this decision and his diary includes

---

\(^{42}\) This criticism was not published but according to Karl Menger, Carl Menger extensively commented on the marginalia of Mach’s books.

this entry for September 1867: “I take a dive for political economics. Study Rau etc.” (“Werfe mich auf Nationalökonomie. Studiere Rau etc.”). Thereby, Carl Menger’s “crucial year” (Karl Menger) would start. According to Karl Menger, Carl Menger had, at this time, “already complete insights into two fundamental points of his later theory”: first, “the productivity of exchange, trade and commerce” and second, that “the greater a quantity of one good, which one economic individual possesses, the smaller is, in general, the value, which he attributes to a certain partial quantity (e.g. one unit) of this good” (our translation). According to Karl Menger, Carl Menger even introduced his own symbols for these two that is the points: for the former he writes “a+x b+y” and for the latter an isosceles triangle standing on its peak. Apart from this, Karl Menger argues that the Carl Menger only other assured insight at the time was that in fiscal regards he emphasised the importance of healthy currency, an insight acquired during his first journalistic years.

Carl Menger started his economic project seriously in autumn 1867 by studying Karl Heinrich Rau’s Grundsätze der Volkswirtschaftslehre, besides Roscher.44 Additionally, he had decided to write his own book on economic theory. To that end, he started a notebook titled Theoretisches Repertorium, in which he wanted to make notes for the different chapters and subchapters of his plan mentioned above. He specified that his book “should mainly contain notes from Austria, be confined to the items [listed in his plan] and be not more than 450 pages long.” As Karl Menger comments, his later book would, however, contain very little notes from Austria. And this finding aid remained mainly empty, so Carl Menger probably threw over his original plan shortly afterwards. Moreover, he also commences a very broad and eclectic reading from which he hoped to get insights into economic behaviour. He starts a number of notebooks containing mainly excerpts of and some comments on his reading. According to a survey by Karl Menger, Carl’s reading, “besides economics and economic statistics, encompasses not only philosophy and much jurisprudence, but also travel accounts and the etymology of economic words, but principally mechanical and chemical technology, agriculture and forestry as well as agricultural chemistry and initially also natural sciences books” (our translation). This reading might be a bit surprising for someone who planned to write a book on economic theory. However, Carl Menger apparently looked for clues on how the economy works in all kinds of areas. Such versatile reading would remain a characteristic throughout his life. Carl Menger quickly filled several notebooks, each 192 pages, and after about three month, he had filled in ten such notebooks. Parallel to these

44 Carl Menger wrote (critical) comments in the marginalia of Rau’s book, which is part of the collection at Hitotsubashi University.
notebooks, he continues his notes in the main volume. Karl Menger summarises his thought process in the following way: “those notebooks show, how [Carl] Menger, with several insignificant contradictions, temporary regression und several repetition, slowly draw nearer to his definitive ideas, especially his theory of value and price” (our translation). A thorough evaluation of these notebooks would surely be a worthwhile endeavour, but it is beyond the scope of this biographical account here. Karl Menger himself began such a review and summarised the first ten notebooks, as well as parts of the main volume, but he apparently never finished this review.

The Return to Journalism
As mentioned, Carl Menger worked for a short period of time for a lawyer’s office, which gave him time for his scientific endeavours. It is unclear whether his free time was the reason why he started this endeavour or whether he purposefully took a less time-consuming job in order to be able to dedicate himself to scientific research. It is, however, probably that Carl Menger had decided by that time to dedicate his life to science. He returned to journalism, but would engage only in short-term employments for several newspapers and in-between he would enjoy free time to work on his economic theory. According to his notes, from autumn 1868 until February 1869 he works for Volks-Zeitung, where he acts as manager from November 16th – December 31st 1868. He also works for the Die Debatte and the Tagespresse, which he leaves, together with three colleagues, in on September 1st 1870 when the newspaper got French. But most of his energy was put into the preparation of his book Grundsätze der Volkswirtschaftslehre, which was the result of his engagement with political economics and in which he presents his own theoretical approach. According to his diary, he wrote it during his free time in the years 1868-1870.

Only after his book was published in July 1871, did Carl Menger return to the Wiener Zeitung – after an interruption of about five years. However, the tumultuous political developments in Austria at the time influenced his work there. The relations and influences of different peoples in the multiethnic kingdom were contentious. In 1867, the Austrian-Hungarian Empire had been established in an effort to compensate rival claims. As a result, other peoples also asserted claims, among them the Czechs. In October 1871 the Austrian government adopted a declaration by the Bohemian parliament, in which a Bohemian kingdom is demanded while the German population in Bohemia would be subordinated to the

45 Die Debatte was a semi-official newspaper, which was replaced by the equally semi-official Tagespresse (Paupié 1960: 117-8, 29-30). Die Debatte was not “a polemical evening paper” as Yagi (1992: 96) states.

46 Belcredi’s plan of a federalist constitution failed and he was dismissed in February 1867.
Czech majority. This became known as *Fundamentalartikel*. Carl Menger opposed this *Fundamentalartikel* and on the day after its publication, he resigned from the *Wiener Zeitung*, which was an official institution of the government. Menger was requested by the Franz Schmidt-Zabięrow from the foreign ministry to write down his views on the political situation in a memorandum, which Carl Menger did and delivered one week later. In this memorandum, Menger criticises that there was no compromise between the Czech and German nationalities in Bohemia, but that it was a victory for one side over the other; an injustice in his opinion. This would not lead to reconciliation and he feared an oppression of the German minority.\(^47\) The government could, however, convince Carl Menger to stay and increased his salary. However his work was interrupted because he suffered from a spondylitis. He was hospitalised for two weeks and at the end of March he obtained a five week holiday. He spent this holiday at different places in Italy. His illness would however leave a mark on him, because his spine was noticeably bent for the rest of his life, according to Karl Menger.

After his return, Auersperg, who was impressed by Carl Menger, wanted win him over to work in a federal ministry. In August 1972 Austrian emperor appointed him and his salary noticeable increased. In late August Menger was sworn in and he was assigned to the office of the Minister-President. He also stayed as staff with the *Wiener Zeitung*.

However, he would only stay about a year working for the government. During the summer 1873, he decided to devote himself to an academic career, which, according to Karl Menger, surprised Auersperg who commented this decision disparagingly: “You want to become a professor?!\(^48\)”

**Academic Career**

Carl Menger’s decision to leave journalism and join academia was probably not spontaneous. It can be assumed that his scientific notes and his decision to write an economic theory book, was intended as a preparation for this. Maybe his decision to obtain his doctoral degree was made with a future academic career at the back of his mind. In February 1871, that is after he finished the manuscript of his *Grundsätze*, but before he gave it to the press, he applied for a habilitation at the law faculty of the University of Vienna, in order to be able to teach at a university. His proposed habilitation dissertation was an essay on money, which was

\(^47\) His counterproposal consisted in a partition of Bohemia into a German and a Czech part, which would be organized as a federation, whereby both territories could decide cultural, educational and similar policies.

\(^48\) “Sie woll’n a Professor wer’n?!”
essentially the last chapter of his *Grundsätze*. In his application, he declared that he intends to
give a lecture about economics starting from the next semester, based on his own writing. The

crucial person at the law faculty was Lorenz von Stein. According to Carl Menger’s diary,
Stein rejected him in June 1871. Afterwards, he paid Stein a visit and they have a dispute.
Stein asked for a copy of Carl Menger’s unpublished book. But Carl Menger instead
instructed his publisher, Wilhelm Braumüller, to print it. After two print sheets were printed,
Carl Menger wrote a letter to Stein and Stein decided that his submissions were sufficient
now. In July Carl Menger was approved for a colloquium and a trial lecture, which were part
of the habilitation process. His first trial lecture was rejected, for reasons that are not known.

His *Grundsätze* were published and there were soon reviews of it, including one by
Hack which called Carl Menger’s book “one of the best works on economics, which was
published lately” (Hack 1872: 183, our translation). Carl Menger applied again for a
habilitation, arguing that he met all the requirements and was rejected only due to a “rash trial
lecture.” He asked for a new trial lecture pointing to the reviews of his book. This trial lecture
took place in May 1872, after Carl Menger had returned from his holidays in Italy and had
recovered from his above-mentioned illness. In July 1872 he received a letter from the dean
containing his *Venia Legendi* – his permission to read.

In his own notes, Carl Menger described this time as “months of great depression of
mind” (our translation) – his illness, the trouble with his habilitation and additionally his
revered mother had died; he was so busy that he could not see here one last time nor could he
participate in her funeral in Biała. A second stroke of fate would follow soon after when is
favourite sister Marie, four years his junior, died shortly after visiting Vienna for the World
Exposition in 1873. On this slow start, Carl Menger’s academic career would accelerate quickly.
Apparently right after his habilitation process was finished, he sought an academic position.
Even before his short time at the federal ministry, he got an offer from the Theresian Military
Academy in Wiener Neustadt to become an associate professor for political economics as well
as constitutional and administrative law. However, the salary offered was too low for him.

49 Karl Menger describes Stein as follows: “He attempted to give an economic explanation of jurisprudence. In
his economic teachings Stein, a Hegelian, walked on speculative ways. He was a stimulating, at times brilliant
lecturer, but did not found a school.”

50 It is not true as was claimed that Carl Menger’s *Grundsätze* were disregarded as some have claimed. Three of
the four German professional economic journals at the time reviewed his book (Howey 1960: 139). These
reviews can be found in Unknown (1871, 1872) and Hack (1872). Additionally, there was a short but positive
review in *Meyers Deutsches Jahrbuch* (Lammers 1872: 665). For the first work of a hitherto unknown scholar,
this can be seen as a success. This was also noticed in Vienna, for example in a very friendly short review in
*Gerichtshalle* (1872).

51 On her journey home, she had contracted typhus which ended deadly.
Instead, he started a weekly course of lecture on credit and banking in the winter term 1872/73 at the University of Vienna. It was a three hour class and was visited by about 40 students, according to Karl Menger a “surprisingly large number.” Soon afterwards, Carl Menger would get another offer from the Polytechnikum in Karlsruhe, Germany, to become a professor of economics there, succeeding Arwed Emminghaus. According to Carl Menger’s diary, it failed because the offered salary was too low. In the following semester in 1873, Carl Menger would give his first lecture series on political economics, five-hours weekly in front of 14 students, one of them the future philosopher Alexius Meinong. In September 1873, Carl Menger got his next offer, this time to succeed Friedrich Julius Neumann as a full professor of economics at the University of Basel, Switzerland. But by the time of this offer, he probably already agreed to an offer from the University of Vienna, because one week after the visitor from Basel, who delivered the offer, approached him, he was appointed as an associate professor (außerordentlicher Professor) at the University of Vienna and on September 29 1873 he was sworn in. He thus stayed in Vienna and did not go to Wiener Neustadt, Karlsruhe or Basel, because, at least in the first two cases, the salary that was offered was too low for him. Additionally, he by now might have valued Vienna, where his brother Anton and Max lived, and its cultural and political offerings. Additionally, he could stay at the Wiener Zeitung, which he did as an internal associate.

In the winter term 1873, he repeated his banking lectures, this time with only 28 students. Additionally, he introduced a two-hour weekly seminar, in which he encouraged students think autonomously. He accepted four students. He would repeat this seminar each winter semester which he spent in Vienna until his retirement. The number of participant in his semester would continually increase and in 1877 there were 16 students. However, it also led it a dispute with some colleagues, who opposed such a seminar, among them Stein. In his diary, Carl Menger noted “huge inconveniencies” and it seem to have led to a split of the faculty. Carl Menger was supported especially by Adolf Exner, professor of Roman law, and Joseph Zhishman, professor for canon law. According to Carl Menger’s diary this all led to a showdown at the election of the dean of the law faculty in 1876. Carl Menger started to plan in January 1876 together with Exner to overthrow “the inapt oligarchs” who had diminished the prestige of the faculty. They decided to lead Zhishman run against Stein, who apparently was chosen as dean-to-be. In the election of the dean on June 9 1876 Zhishman won by one

---

52 Today, it is known as Karlsruhe Institute of Technology.
53 Karl Menger suggests that this lower number of students is due to a stock market crash in Austria in May 1873, which made the topic less alluring.
54 The seminar title was Übungen in Nationalökonomie und Finanzwissenschaft.
vote in the second round. Carl Menger happily wrote “Huge Consternation!” into his diary. According to Karl Menger, the personal relationship within the faculty improved afterwards.\footnote{Stein would be elected dean two years later. Carl Menger would write a long obituary on Stein (Menger 1891).}

During the summer term 1874, he gave a lecture on finance and repeated his lecture series on political economics, with 25 students attending.\footnote{The student numbers for the following semesters, where as follows: in the winter semester 1874/75 his lectures on political economics draw 30 students and his seminar 5-6 students; in the summer semester 1875 his lecture series on finance draw 50 students and several guest students. An overview over the economic classes at the University of Vienna at the time can be found in Howey (1960: 173-5).} According to his diary, he also made a month-long vacation in Italy in spring 1874. In late November 1874 he decided to quit his job at the \textit{Wiener Zeitung} and he was allowed to leave in late January 1875 (after three month instead of the six month termination period which was stated in his contract). He stayed an external employee responsible for banking. But this meant a significant reduction of his salary, a sacrifice he decided was worth making in order to have more time for his scientific work.\footnote{As a university professor, he earned 2,300 fl., while his salary of the \textit{Wiener Zeitung} was 1,500 fl. It is not known how much he earned for his external work at the \textit{Wiener Zeitung}, but it was probably a noticeable decrease of income. Additionally, in order to become a professor, he had already forgone some salary, because his ministerial salary was 3,000 fl.} However, in March 1875, his salary was increased by nearly 20\% by Emperor Franz Josef after the minister of education, Karl Stremeyer, had written a letter commending Carl Menger.\footnote{His new salary was 2,700 fl.} This could be the result of an offer Carl Menger got in the same month from the Polytechnikum in Zurich, which he rejected.

Now, Carl Menger had more time available for his academic research and writing. Initially, he planned to compose a bibliography of political economics. According to Karl Menger, he abandoned this project after a short period, but it seems that he only postponed it at the time. In 1883, he returned to it and even acquired government funding for it (Das \textit{Vaterland} 1883), but this project would remain unfinished. In the mid-1870s, he decided to write a book on methodology instead. In a diary entry in January 1875 he shortly states: “I draw up plan for methodology”\footnote{“Ich fasse Plan zur Methodologie.”} after he had started working on methods the month before. In March and April 1875 he interrupts his work to write a lecture book for his finance lectures.

There was, however, another cause that Carl Menger championed. As the introduction of his disputed seminar shows, he wanted to teach in new ways and he was in general unhappy about the university education in Austria, especially in economics. Students interested in economics at the time had to study law, which consisted mainly of law-related studies. Only in their last few semesters could they chose economics or finance. He even had
a discussion with a Hofrat called Lehmayr and argued for the establishment of an independent political science faculty, but his initiative would not lead to any results.

But this shows his care for his students. In 1872, two students approached Carl Menger: Eugen Böhm-Bawerk and Friedrich Wieser, who would become the most prominent members of the second generation of Austrian economics. They were apparently dissatisfied with the economics they read and were enthralled by Carl Menger’s theory (Wieser 1929 [1923]). Carl Menger encouraged them to study economics on their own and to think independently. He also took great care of his students. He was able to obtain scholarships from the ministry of education for some graduated students who enthused about political economics – those who had acquired a doctoral degree – in order to send them a year abroad to let them continue their studies. In the academic year 1875/76 four of his students got such a scholarship: Eugen Böhm-Bawerk and Friedrich Wieser, who went to Heidelberg to Karl Knies; Wilhelm Lesigang, who was sent to Jena to Bruno Hildebrand but went to Leipzig instead; and R. Proksch, who went to Paris for the winter term. For the academic year 1876/77 Böhm-Bawerk’s and Wieser’s grants were renewed so they could go for one semester to Wilhelm Roscher in Leipzig and one semester to Bruno Hildebrand in Jena. Lesigang’s grant was renewed for one semester, which he spent at the Collège de France in Paris. Carl Menger apparently paid a lot of attention to their well-being and he noted the costs of living in Jena and Paris in his diary.

**Tutor of Crown Prince Rudolf**

By that time, his reputation and possibly his connections had grown and in late September 1875, the educator of the 17-year-old Crown Prince Rudolf, Josef Latour invited Carl Menger to become Rudolf’s tutor in political economics and statistics. Crown prince Rudolf was the only child of Franz Josef I and Empress Elisabeth (“Sisi”) and experienced a rather liberal education. After finishing the Gymnasium, Rudolf was educated in law, among his teachers in 1875 were Carl Menger’s liberal-minded colleagues Adolf Exner and Josef Zhishman (Hamann 2005: 57-89). Carl Menger agreed to this assignment, which took place during the whole year 1876, the first half year in Vienna and another four month at the Royal Palace of Gödöllő near Budapest, interrupted by summer stay at Bad Ischl. Carl Menger had to write a detailed memorandum about his planned classes, in which he described the content – theoretical economics, economic policy, finance and statistics – as well as his teaching methods. Probably based on his experience at the university, he proposed not just frontal instructions but he also wanted to strengthen the autonomy and the ability of an independent
judgement of his pupil. In early October, he received the news that the Emperor had designated him for the job.

Carl Menger’s teaching began on January 3rd 1876. In his diary, he notes that he can freely plan his classes and that he received no instructions for them. Early on, he describes Rudolf as being talented, innovative, mature and having a good memory, but also restless and dispersed. His teaching was time-consuming; classes would be from 08.00 a.m. – 10.00 a.m. five times a week plus twice a week from 02.00 p.m. – 03.00 p.m. During the first half of the morning sessions, Menger would deliver a lecture, while during the second half, Rudolf had to repeat the substance and write a notebook about it. Carl Menger was alone in the room with Rudolf, while a squire would always be in an adjoining room. Rudolf was apparently very interested in political economy, studying the subject longer than he was supposed to. Carl Menger seemed satisfied with his student, who apparently progressed quickly. He described him in January as diligent and kind-hearted. He also noticed that Rudolf’s political views were liberal, which presumably facilitated their relationship. From late January onwards, he would regularly be invited to dine with the crown prince. Since Carl Menger was still working at the university at that time, he probably had to put his methodological work on hold. The course finished in May 1876, followed by a month of repetition and an exam on June 26th in the presence of the Emperor. Carl Menger notes in his diary that the exam was very successful.

Carl Menger went with Rudolf to Bad Ischl for a month, had a month holiday and afterwards joined Rudolf in Gödöllő to continue his classes. Thereto, he had to take leave from the University of Vienna. He described the stay in Gödöllő as pleasant. He enjoyed the country life, his health improved and he supposedly had a time of comparable little work. He was invited several times to Rudolf and once to the Emperor and the Empress. After nine weeks, his classes came to an end. The Emperor was satisfied with Carl Menger’s work and Menger was awarded an Order of the Iron Crown, Third Class, for his duty. Being no friend of the aristocracy, Carl Menger did not care for this order and in his diary he notes that “I grinned and bore it. Since nobody might feel honoured by a third class order, who saw what kind of people wear first class” (our translation). Karl Menger comments that, throughout his life, Carl Menger had an aversion to decorations and titles and would often argue that a

60 The lecture notes from Rudolf’s notebooks have been published by Streissler and Streissler (1994).
61 The exam was not only about Carl Menger’s class, but about all of Rudolf’s studies during the last half year.
62 In February he had suffered food poisoning, from which he recovered slowly.
63 This order entitled Carl Menger to knighthood, a right whereof he would not make use.
schröder should not awarded such. This, however, did not mean the end of the relationship to Rudolf, but instead would be the beginning of a friendship which ended only with Rudolf’s suicide in 1889 in Mayerling.

**Collaborative projects with Crown Prince Rudolf**

In January 1877 Carl Menger, still enjoying his semester on leave, travelled to Paris, where he worked a lot in the *Bibliothèque Nationale* and where he would buy antiquated economic and socialist books and leaflets, among them many of Henri Saint-Simon. According to Karl Menger, his health would continue to improve in Paris and Carl Menger would always talk about France and the French with affection. In March he returned to Vienna and continued his methodological work. In May, he noted in his diary that he progressed well with this work. In the same month, he was invited to dinner by Rudolf, who revealed that he planned to continue studying political economics and that he hoped to see Carl Menger often in the future, by which the latter felt honoured. In September, Rudolf asked Carl to join him for a trip and Carl assented. They went for one week to the Dolomites and Innsbruck and for another ten days to the most important cities in the French and German parts of Switzerland. On their way back they visited Habsburg Castle, the ancestral seat of Rudolf’s family. In his diary, Carl Menger described the journey as rather pleasant. This was the first of several joint travels. During October 1877 Rudolf invited Carl Menger to a three day trip to Cieszyn, where Carl Menger went to school, to visit the domain of Archduke Albrecht, a relative of Rudolf. They visited factories and examined the life on the domain. On their way back via Freistadt, Rudolf convinced Carl Menger to stay two days with him at Gödöllő, where he would meet both the Emperor and the Empress. They also collaborated on their first joint work, a newspaper article on the domain of Archduke Albrecht for the *Wiener Zeitung*, which was published anonymously (Menger and Rudolf 1877). In this article, they commended the organisation and administration of the domain, especially its humanitarian and social measures. Workers were apparently treated better than elsewhere. Albert, who was a staunch conservative and disliked Rudolf’s liberal education, complained about the article to Rudolf, because “such praise in an official paper leads easily to suspect socialism and appears easily amiss” (quoted in Hamann 2005: 96).

This article was, however, not the most important collaboration that resulted from their joint travel. In Switzerland, Rudolf declared Carl Menger his wish to publish his views about

---

64 Carl Menger would, in 1878, refuse an Order of the Prussian Crown, third class, which he was awarded after a visit to Berlin.
65 According to Karl Menger, Carl Menger’s library contained about 3,500 volumes before he went to Paris.
the Austrian nobility, for which he had a profound aversion. According to Karl Menger, it was Rudolf who initiated this project and asked Carl Menger to collaborate with him on this publication. Rudolf was probably aware that Carl Menger shared his aversion. Carl Menger had encouraged Rudolf to some literary works during his tutoring, so he seemed like the ideal ally. Carl Menger agreed to the collaboration, which was a very sensitive matter and had to be kept secret. This also meant that all records relating to it had to be destroyed. According to Karl Menger, however, two documents on this collaboration survived. First, an early plan of the brochure written by Rudolf, which differed from the final structure and which indicates that it was written during the last three month of 1877. By the end of the year it was completed and on January 2nd 1878 Menger wrote under the pseudonym Friedrich Saalfelden to the publisher Adolf Ackermann in Munich to be printed in Germany not in Austria. The second document that survived was the answer written by Ackermann to Saalfelden on January 4th in which he agrees to the publication. Ackermann assumed that the author high-level person from the military. The pamphlet was printed by mid-February (Menger and Rudolf 1878). It is a pamphlet against the contemporary behaviour of the Austrian aristocracy and their education. The sharpest denunciations of the aristocracy were written by Rudolf, while Carl Menger stressed the importance of nobility for a conservative party. Carl Menger also included the educational and university system. He praised the Austrian Gymnasium system and argued that young aristocrats should attend the universities to be prepared for a political or civil service career. However, he criticises the curriculum of the law departments. Karl Menger also claims that by comparing the style of both authors, the final wording of the publication was done by Carl Menger.

Rudolf and Carl Menger made sure that they were abroad when the pamphlet was published. Rudolf had invited Carl Menger to a study tour to England, which he accepted. He ended his university classes early and on December 29th 1877, he travelled via Paris to Calais to meet Rudolf, his chief Chamberlain Charles Graf Bombelles and one of his adjutants. They travelled via Dover to London, where they attended clubs and balls, dined with Empress Elisabeth, who was also in London at the time, and met many high-ranking personalities. They also visited the famous antiquarian bookshop of Bernard Quaritsch.

---

66 According to Karl Menger, Carl Menger got to know several members of the aristocracy during his tutoring and he was disappointed about what he saw and heart, and he appreciated only very few of them, such as Latour.

67 Brigitte Hamann (1979: 19) has argued that Carl Menger contribution to the pamphlet is confined to six pages on university education. According to Karl Menger’s account, however, his contribution to the pamphlet was more extensive.

68 The authorship of the pamphlet would be kept secret for a long time. Only after Rudolf’s death, his authorship became public. While many suspected Carl Menger to be a co-author, this was only proven after Carl Menger’s death by his son Karl Menger. Apparently, Carl Menger was never approached concerning the pamphlet.
Rudolf shared Carl Menger’s bibliophile interests. On January 18th 1878 they moved on to Ireland and visited England’s industrial cities and its biggest factory complexes before returning to London. On their way back to Austria they stopped in Paris, where they met, among others, the former queen of Spain, Isabella II. On March 1st 1878 they arrived in Berlin and dined with Prince Wilhelm, who would become German Emperor Wilhelm II later this year. Both Carl Menger and Rudolf had an unfavourable impression of him. Carl Menger also met Hermann Helmholtz during one dinner and talked with him about physics. After a short stay in Berlin, they continued their travel to Frankfurt, from where they had to return to Vienna abruptly, because Rudolf’s grandfather, the Archduke Franz Karl, was on his deathbed.

Rudolf apparently felt very comfortable around Carl Menger and valued him as a teacher. He offered him an appointment for daily teaching in May 1878, which Carl Menger declined. But Rudolf convinced him to give him lessons twice a week. These classes, however, never took place because Rudolf was ordered to Prague. This would not end their friendship as a regular exchange of letters shows. Rudolf had apparently all kinds of task for Carl Menger using up some of his time, asking him for certain books and to publish some information in a newspaper, anonymously. Rudolf, who would be literarily very active send Carl Menger his books on ornithology and hunting and travel accounts. They meet from time to time when Rudolf was in Vienna and they often discussed political issues, especially concerning domestic policy. But Carl Menger also felt he had to intervene in Rudolf’s political activities and his ambitions. Rudolf was unhappy with the conservative policies of the time, including his father’s and he wanted to influence politics, which was, of course, very risky and endangered his future position in the Empire. Carl Menger would, in the following years, repeatedly and strongly warn Rudolf not to work without or against his father but only in agreement with him. He promised Rudolf that his time would come. In May 1881, for example, Rudolf informed Carl Menger that he planned to write a memorandum on domestic policy and put it secretly in on the Emperor’s desk, an idea that unsettled Carl Menger. In the end, Carl Menger wrote a draft for the memorandum to the Emperor titled “On the contemporary political situation in Austria” which is very submissively written and he makes sure that Rudolf’s final version would be acceptable. In the end, Latour persuaded Rudolf not to submit it to the Emperor. This shows that Carl Menger was worried about Rudolf and felt

---

69 This was probably not foreseen by the time Carl Menger and Rudolf met him. Later in March 1878 Wilhelm’s grandfather, Emperor Wilhelm I, died and 99 days later his father, Emperor Friedrich III., also died.
70 They had planned to continue to the French Riviera, Milan, Venice and Munich.
to intervene if necessary and if he was able to. As his diary shows, Carl Menger himself was troubled by the domestic situation in Austria, which continued to be explosive.

Rudolf became more and more discontent with his lack of influence, especially since he was cut off from political information by his father who disliked his activities. He often approached Carl Menger for political information. In 1881, he approached Menger to introduce him to a journalist, so that he could publish notes and articles anonymously. Additionally, such a journalist could provide Rudolf with news. By that time, Emperor Franz Josef had cut off his son from political information as a result of Rudolf’s political aspirations. According to Karl Menger, Carl Menger agreed to this in part because this would free him from such time-consuming activities. Carl Menger was looking for a journalist who was able, influential, liberal minded, mature and extremely discreet. He chose Moriz Szeps, who successfully edited the Neues Wiener Tagblatt, a successor of Menger’s former Wiener Tagblatt. Carl Menger was not a close friend of Szeps, but he had all the necessary qualities. Szeps himself of was enthralled by this idea and they came together in October 1881. Carl Menger’s and Rudolf’s exchange of letters, ideas and books and there meetings would continue.

In January 1883, Rudolf approach Carl Menger because he was looking for an assistant and he hoped that one of Carl Menger’s graduated students would be suitable, fulfilling a long list of requirements that Rudolf had. After giving it some thought, Carl Menger suggested Victor Mataja, one of his most talented students. It is, however, not verifiable whether Mataja ever started this job.\(^{71}\) In mid-1883, Rudolf moved to Laxenburg castles outside Vienna and he would meet Carl Menger more often personally from then on. However, there relationship was to cool down somewhat shortly after. A reason might be, as Karl Menger suggests, another warning by Carl Menger not to act against the Emperor, which he stated harshly. Another reason could be that Rudolf was overworked with other own tasks. But Carl Menger would note retrospectively in his diary that Rudolf withdrew from him. However, there relationship still continued and Rudolf appreciated Carl Menger and continued to ask him for favours. In December 1883 Carl Menger was supposed to bring Rudolf together with the editor-in-chief of the Neuen Freien Presse, another newspaper, but apparently they missed each other. It is unclear whether the contact was established at a later point of time.

\(^{71}\) Mataja got his habilitation in 1884 from the University of Vienna, the same year he published his book Der Unternehmergegewinn, the first of several economic works. He belonged to the second generation of the Austrian School of Economics. He also made a political career, heading the trade ministry twice (Österreichische Akademie der Wissenschaften 1975: 135).
During 1885 and 1886, Rudolf was busy with his military duties and the editing of his monumental work *Die österreichisch-ungarische Monarchie in Wort und Bild*, for which he had hoped to win Carl Menger, but he declined due to his own academic and scientific workload. Only in 1887, Carl Menger agreed to be responsible for editing the economic part of Rudolf’s work.\(^2\) In April 1888 Carl Menger was invited to Rudolf’s and after not having seen him for a while, he was shocked about the appearance of the crown prince as he notes in his diary. Additionally, he noticed the quantity of alcohol Rudolf was consuming. It is the last meeting that he mentioned in his diary. They would exchange a few more letters, the last one written by Rudolf on December 3\(^{rd}\) 1888. On January 30\(^{th}\) 1889 Carl Menger notes in his diary: “I’m hearing about the death of the Crown Prince. Horrible! The poor Crown Prince. A heavy loss for Austria and all of us” (our translation). On that day, Rudolf had committed suicide together with his mistress Baroness Mary Vetsera in Mayerling. Later that day and on during the coming days, Carl Menger would write down details of Rudolf’s death in his diary. He called him an “ingenious man,” but he also complained that made a lot of sacrifices for him, for which he did not get any support for his own “purpose in life.” He notes that he dined with Rudolf about 300 times in the previous years. He states that he lost “a huge interest in life, since he is dead” (our translation). These entries are the last ones in his diary and he would never begin a new one. Carl Menger had had high hopes in the liberal Rudolf as a future leader of the Austrian-Hungarian Empire. With this in mind, he surely was disappointed that all the energy he spent in educating Rudolf was, in the end, in vain. His relationship to the aristocracy would cool down from then on, though he was invited a few times by Emperor Franz Josef and other members of the imperial family.

**Scientific Work**

His planned book on methodology suffered during the years he tutored, travelled and collaborated with Rudolf, as did his other scientific work. Though in-between he had worked on them, only in 1879 and 1880 could he concentrate on it. It was finally published in 1883 as *Untersuchungen über die Methode der Socialwissenschaften, und der Politischen Oekonomie insbesondere* and it immediately caused an uproar, leading to a criticism by the most famous representative of the German historical school, Gustav Schmoller (1998 [1883]) and thus

\(^2\) Carl Menger did not write any articles himself for this 24 volume work, but he edited the section “economic life” in six volumes which were published between 1889 and 1897, all published after Rudolf’s death. The sections Carl Menger was responsible for contained description of the economic situation in different regions of the Austro-Hungarian Monarchy, namely Salzburg, Styria, Carinthia, Carniola, Tirol, Vorarlberg, Dalmatia, Moravia, Silesia and Bohemia. Additionally, he was for some time part of the editorial committee (Das Vaterland 1892).
starting the well-known Methodenstreit. Carl Menger would publish a polemical reply to Schmoller in 1884 titled Die Irrthümer des Historismus in der Deutschen Nationalökonomie. As a contemporary observer notices, “[t]he controversy was heated and of an unnecessarily personal character” (Seager 1893: 237), but this was not unusual for Carl Menger, who seemingly enjoyed provoking others. Five years later he published a further article on methodology (Menger 1889a). That Rudolf, his methodological work as well as his university duties – he was dean of the law faculty in 1881/82 succeeding his brother Anton – took up all of his time is indicated by his other publications or, to be more precise, by the lack thereof. After the publication of his Grundsätze, Carl Menger had published several book reviews. In late 1875, shortly before becoming Rudolf’s teacher, these reviews stopped. He probably continued publishing newspaper articles anonymously. The next book review by him was published in 1882 and only after he published is methodological work, and was thus freed from a huge burden, would he publish them more often again.

In 1883 and 1884 he also had an exchange of letters with Léon Walras, a French economist who had also developed an economic theory based on marginal utility, but with a mathematical method, which Carl Menger rejected. He maintained his negative attitude towards the application of mathematical methods in this exchange of letters.

In 1888/89, he was again dean of the law faculty, again succeeding his brother Anton. Additionally, the topic of a curriculum reform, which he had championed before, would become a topic again. All law departments were asked by the education ministry to give an opinion to a planned revision of the juristic study regulation. Carl Menger’s suggestions are included in two dissenting opinions, in which he argued in favour of increasing the philosophical and psychological content for law students, but he was in a minority in his faculty. He would continue his criticism in several articles during the rest of his life (Boos 1986: 59-60)

He got especially engaged in the Austrian currency problem of the time, a topic that he had observed since becoming a journalist. In 1892 an inquiry committee was installed which would hear the opinion of experts, among them Carl Menger, who favoured the introduction of gold currency (Boos 1986: 67-72) as he had done already two decades earlier. His overall suggestions were not adopted since the majority had a different view. He continued to criticise

---

73 There are many publications on the Methodenstreit and thus there is no need to discuss it in detail here.
74 Lists of Carl Menger’s publications can be found in Hayek (1970: 325-32) and Boos (1986: 196-226). Many anonymous newspaper articles are not identified, and probably never will be.
75 These letters by Carl Menger are published in Walras (1965), with another letter written in 1887.
76 In 1873, he published an article on the German monetary reform of 1871 and the Austrian monetary system (Menger 1873). This publication is missing in both Hayek’s and Boos’s list of Carl Menger’s publications.
the Austrian currency reform, which showed how important he assessed the topic and his output during this year was quite high. Boos (1986: 72) describes 1892 as the “most productive” of his professional life, a year in which he also published two articles on money. He continued publishing on money during the coming years, the topic that would be his last scientific contribution during his lifetime. He would continue writing reviews and other articles, e.g. on the occasion of the hundredth birthday of John Stuart Mill.

He was involved in political affairs thrice more. In 1898/99 he was the member of a committee of the law faculty of the University of Vienna, which had to write a report on a new stock corporation act (Das Vaterland 1898; Prager Tagblatt 1899). The second issue was a planned catholic university in Salzburg. In a survey by the Neue Freie Presse, Carl Menger (1901) vehemently opposed this idea, because it would endanger the freedom of research and teaching – as did his brother Anton Menger (1901) in the same survey. The third issue was a tax on buildings. Eugen Böhm-Bawerk, by then finance minister of Austria, initiated a survey of experts on the reform of the building tax. Carl Menger argues that the measure of any reform should be its “historical continuity” and the priority of individual rights (Boos 1986: 83-5).

He continued his own research, which led him to sociology and natural sciences, as well as ethnography and travel accounts, besides his work on a second edition of his Grundsätze. Around the turn of the century, Carl Menger worked on a huge sociological work according to his last assistant, Felix Somary (1959: 30-2), who was hired to aid in this endeavour. It was supposed to consist of several volumes. However, his health would deteriorate. Somary reports that in autumn 1901 Carl Menger doubted whether he would ever finish this sociological work. He planned to finish the first volume only in a few years. He apparently put time in planning and preparing this sociological work, but it is unclear whether he ever started writing it. If so, he seemed to have destroyed all manuscripts. For the winter term 1902/03, he asked to be released from his from the duty to give lectures and in spring 1903 he asked to be allowed to retire early, because he felt he could not cope with the duties

---

77 The education minister of the time raised Menger’s salary from 1893 onwards due to the “excellent accomplishments”, among them his participation in the inquiry committee.
78 Each law faculty of Austrian universities were requested by the Austrian government to write a report on a questionnaire concerning the stock corporation act.
79 Carl Menger was convinced by the young Felix Somary that he hired him as an assistant, when he began his university studies, even though a university degree was normally required for assistants; therefore, Somary was only inofficially his assistant.
80 Among the topics that should have been covered by this sociological work, which Somary could recall a few decades later, were Christianity, Latin America, North America, Byzantium, Russia, Europe, law of nations, a sociology of ruling and oppressed peoples, nomads, Jews, Armenians.
81 He released Somary from his duties, because he did not want to burden a young student with such an extensive work. He arranged for him to become the assistant of Eugen Philippovich (Somary 1959: 32).
of a university professor. He suffered from neurasthenia and from an aural disease. In 1904, he gave some lectures as honorary professor at the University of Vienna, his last academic engagement. He also continued to keep up with his former students and received them regularly to discuss with them (Hayek 1934: 417). By the time, he had made himself a name not only in Austria but also abroad. Several awards were bestowed upon him for his scientific career and he became member of several scientific associations.82 For his 70th birthday in 1910, economists from all over the world send signed photographs of themselves as a gift; more than three hundred according to a contemporary newspaper report (Neue Freie Presse 1910).83 On his 80th birthday in 1920, he became the first (honorary) doctor of political sciences (Staatswissenschaften) at the University of Vienna.

Additionally, he was appointed Hofrat in 1896, an honorary title of the Austrian state. In 1900, he was appointed to be a life-long member of the Austrian upper house, the Herrenhaus, where he would not participate actively and there is no instance known when he stood out there.

As a teacher, Carl Menger was much revered and his students seemed generally to have liked him, as uniformly positive reports by his followers as well as by visitors to Vienna at the time reveal (Mahaim 1889; Saint-Marc 1892; Seager 1893). As we have discussed before, during his academic life, Carl Menger was most keen to promote was the quality of teaching and education, both in schools in general and in economics at the university in general. However, most of his initiatives to that end were unsuccessful. But he himself was innovative in his teaching as his seminar shows. He wanted to educate his students to become independent and critical thinkers, not merely able to repeat acquired knowledge; a goal that was apparently not shared by all his colleagues. Additionally, he supported his students as is shown for example by him providing for scholarships for stays abroad.84 At least once he would make a donation for the Asylverein der Wiener Universität, which supported students from poor families, especially in housing (Das Vaterland 1885). Additionally, he granted his

---

82 These included an honorary doctorate from the universities of Prague and Budapest. Among the scientific associations he became member of are the Académie des Sciences Morales et Politiques, the Reale Accademia dei Lincei, the American Academy of Political and Social Sciences and the Institut de Sociologie, whose first president he would be.

83 This newspaper article contains a long list of congratulants. The collection of photographs was later given by Karl Menger to John Hopkins University, from which his son Fred M. Menger had graduated. The list on the website of the library of John Hopkins includes more than 200 photographs (http://old.library.jhu.edu/collections/specialcollections/manuscripts/nsregisters/ns153.html).

84 The only known instance that he probably acted against the interest of students was as dean in 1882 when he forbade the selling of lecture transcripts. As a newspaper at the time noticed this was in the interest of the professors who could hope to sell more of their own textbooks (Morgen-Post 1882). However, Carl Menger himself would not profit from this decision because he had not written a textbook.
students access to his extensive library, which has been described by a visiting students as “a boon of inestimable value” (Seager 1893: 257)

**Personal life**

In the life of Carl Menger, his personal life is probably the least explored territory. As to his interests and hobbies, not much is known. As discussed already, he was a bibliophile and had a great interest in antiquary books and accumulated a huge library during his lifetime. The part of his library which was acquired by Hitotsubashi University alone contained about 19,100 volumes.85

Apart from this, he spent a lot of time in the famous Viennese Kaffeehäuser, as notes in his diary suggest. According to Sieghart (1932: 20) he was part of a group that met each afternoon in the coffeehouse Ronacher next to the university, to which his brother Anton also belonged. His relation to his brother Anton seemed to have been very close and their lives would cross often, starting from their joint time at school, especially in Opava, where both became familiar with freethinking literature and developed a sense of rebellion against authorities (on Anton Menger, see Grünberg 1909: 31-2). As a young student, Anton Menger worked on a system of logic (Grünberg 1909: 47), as had Carl Menger. They lived together for some time in Vienna, worked shortly in the same law office and later in the some faculty at the University of Vienna and also spent some of their free time together. Anton Menger voluntarily retired early in 1899 as would Carl Menger shortly after. At the end of their lives, both suffered poor eyesight. They both had similar interest. Anton Menger also collected a huge library that was valued by their colleagues and students.86 Their eagerness to collect books might have resulted from the library of their father, which they spent much time in during their childhood, as Carl Menger would remember late in his life (quoted in Feilbogen 1911: 56). Politically, they were not as far apart as it might seem. Carl Menger was a liberal, while Anton Menger was a socialist. However, both were both democratic and anti-communistic.87 Both sided generally with the poor, were generally opposed to the Church and the aristocracy and fought prejudices such as anti-Semitism. Additionally, they shared they were rather German friendly, coming from a German-Bohemian family. During their time as

---

85 In 1911, Carl Menger stated that had about 25,000 volumes (quoted in Feilbogen 1911: 56).
86 Anton Menger’s library contained about 16,000 volumes of socialist literature. After his death, he bequeathed it to the University of Vienna. It was lost during World War II (Müller 1994). Anton Menger amassed some wealth which was to be used after his death for the foundation Anton-Menger-Bibliothek, whose task it was to reprint certain writing of older authors. These were democratic political writings, unorthodox theological writings and socialist economic writings (Grünberg 1909: 48)
87 Anton Menger had an aversion against Marx, both scientifically and because he saw in him a plagiarist, who copied his ideas from others without acknowledging it.
students, both became nationally orientated, but this nationalistic fervour was of a short period of time (for Anton Menger, see Grünberg 1909: 34). They would remain concerned about German minorities in the Slavic parts of the Austrian empire. In 1897, they both signed a declaration by Viennese professors against the language ordinance in Bohemia that required from civil servants there to speak both German and Czech, thereby affecting the German speaking University of Prague (Prager Tagblatt 1897). However, above all, they shared the view that science had to be committed to the truth and they both championed independence of science.

Besides his bibliophile interest, Carl Menger developed another passion, fishing. In his diary he mentions that he spent the autumn 1880 in Bad Ischl fishing, the first mentioning of it. Maybe he started it as a result of his health problems, because it would lead him away from his sitting at his desk. He went regularly on fishing trips and at least once he went together with Crown Prince Rudolf. In the mid-1880s, he became active in the Austrian Fishing Society (Österreichischer Fischereiverein), which was under the protectorate of Rudolf, and became a member of its committee (Oesterreichische Forst-Zeitung 1884; Das Vaterland 1886). From 1880/81 onward, he spent one month each year in the spa town Meran during the semester break.

Mina

Carl Menger had a long-term domestic partner, Hermine “Mina” Andermann. None of his obituaries would mention that he had a partner and fathered a child. His fatherhood was not a secret, but the mother of his child long remained unnoticed. While researching for her biography of Carl Menger in the 1980s, Boos was unable to figure out her family name, and even misspelled her first name as “Hermina” (1986: 89n). Even in the editor’s introduction to Karl Menger’s posthumously published autobiography Reminiscences of the Vienna Circle and the Mathematical Colloquium, her name is misspelled as “Hermione.”

Carl Menger never left any notes on his friends or on his love life. The only note on Mina that survived is a short sentence in his diary in October 1888: “Become acquainted with M.” According to Karl Menger, not even he knew how exactly his parents had met and they apparently did not talk about their past to him. He summarised what he knew or figured out about their relationship, which he called “peculiar”, in two pages, which we discovered in the Karl Menger Papers. They were supposed to be part of a later, but unwritten, chapter of the biography of his father. From autobiographical short stories of his mother, Karl Menger
derived how they met.\textsuperscript{88} Carl Menger, 48-year-old at the time, met the 19-year-old Mina on one of his fishing trips. She appeared on stage during the play \textit{Waise von Lowood} in a small city, where he supposedly saw her. It is however, unclear, how exactly they got to know each other. Mina’s mother was, according to Karl Menger, a woman with modern ideas, who had emancipated herself from her husband and flew to Vienna with her small daughter Mina. There, she married a Croatian officer and run a telegraph office. She died in 1885, before Mina got to know Carl Menger. Shortly after meeting with Mina, Carl Menger tried to get her a job at the Viennese \textit{Burgtheater}, but her petite appearance and her limited power of voice made her unsuitable for a big stage. Instead she became bank clerk at the Viennese bank \textit{Merkur}. But she would only stay there for a short time, instead helping Carl Menger with his works. She started during the early 1890s, when Carl was published several essays on the Austrian currency. Apparently, Carl Menger’s handwriting caused problems for the printers, but Mina could easily decipher them. Thus, she started copying all the manuscripts for him. From then on, she devoted her life to Carl Menger. She became acquainted to his library and took charge of it, updating the catalogue and created a handwritten complete catalogue in book form, which, according to Karl Menger, is kept at Hitotsubashi University.\textsuperscript{89} Mina would later negotiate with this university about selling Carl Menger’s library. Additionally, Mina was an author herself. Karl Menger describes his mother as talented in many respects, but especially in writing. She published contribution, some of them on current issues, in newspapers, using the pseudonym Mina Ander. According to Karl Menger, she had great observation skills. Carl Menger and Mina travelled together to Belgium, Switzerland and several times to Italy during the 1890s. In January 13\textsuperscript{th} 1902, their son Karl Menger was born, out of wedlock. But Emperor Franz Josef would declare their son legitimate \textit{per rescriptum principis}. When he got older, Carl Menger’s eyes weakened and Mina would read to him. She nursed him when he was ill and during the last decade of his life, she would run the household.

Carl Menger died on February 21 1926 at his home surrounded by Mina and his son Karl. Mina, even though she was much younger, died only a few years after him. It is, however, unclear why they would never marry. It has been suggested that Mina was Jewish, 

\textsuperscript{88} These autobiographical writings are not part of the papers at Duke University and are probably still in possession of the Menger family.

\textsuperscript{89} Since little is known about Mina and her relationship to Carl, some authors seem to have speculated on how they met. Sigmund (2015: 183) claims that Mina was responsible to catalogue Carl Menger’s library and that his how they got to know each other. He also indicates that they became a couple only right before Karl Menger’s births. Skousen (2009: 183) maintains that Mina might have been Carl Menger’s housekeeper and that his how they met.
while Carl Menger was catholic. However, according to Karl Menger, Mina’s mother of cathersically baptised. He did not mention the religion of his mother, but if this information is right, it seems unlikely that Mina was Jewish. Another possible that has been suggested is that Mina might have been divorced, but there is no proof to that claim. Since Carl Menger got to know Mina when she was still very young, this seems rather unlikely. Others have argued that the huge age gap was scandalous and that is why they never made it official. Another reason could be that both were, or saw themselves, as modern and atheists, who did not want to marry religiously. As mentioned above, Carl Menger was rather critical of the concept of marriage and argued that it will become superfluous.90

Political views

Carl Menger was never politically active. This was not disadvantageous, because political inactivity was a condition to become tutor of Crown Prince Rudolf in the first place (Hamann 2005: 58). He did often express his political opinions, most notably as a journalist and when discussing political issues with Rudolf. As Karl Menger reports, he would, however, sympathise with the German-liberal party, who he would vote for at every election throughout his life. Carl Menger supported the main goals of this party, namely a liberal legislation and the unification of all nationalities of the Empire under German leadership. Karl Menger states that Carl Menger never joined a party. However, there seemed to have been a short exception. When he was appointed for the Herrenhaus in 1900, he joined the German liberal party, which was also called Verfassungsparie, and entered its fraction in the Herrenhaus (Prager Tagblatt 1900a).91 His membership of this party was not for a long time; in an overview over the members of the Austrian Herrenhaus in 1907 he is listed as independent (Kolmer 1907).92

Karl Menger would label his father “a liberal, to conservatism leaning economist” (our translation). For one, though he was a convinced liberal, he would emphasise the need of a conservative party, for example in his pamphlet with Rudolf. More important, however, is that he would in general argue in favour of continuity and small changes, rather than interruptions or even revolutions. His view on the reform of the building tax is an example. He argued that the measure of any such reform should be “historical continuity” and his proposed changed were rather incremental. In Crown Prince Rudolf, he met another liberal-

---

90 This is even more plausible considering that his brother Anton apparently also had a long domestic partner without ever marrying her (Grünberg 1909: 47).
91 This is also reported in an obituary in 1921, which however indicates, that Carl Menger stayed in the Verfassungsparie (Bohemia 1921).
92 It is unclear why Carl Menger left the party again; maybe he disagreed with some of their policies or leaders at the time, or he left because he did not plan to become actively involved in the upper house.
minded person, who was, however not more radical in his liberalism.\textsuperscript{93} Indeed, he would be the moderating influence on him and during their collaborations.

Carl Menger disapproved of the aristocracy and the church, especially to their privileges, and he rejected all kinds of paternalism. He was also strongly against anti-Semitism, as was Crown Prince Rudolf. His liberal views in general and on anti-Semitism in particular are probably the reason why Carl Menger himself was the target of anti-Semitic attacks by German nationalistic and conservative circles, as was his brother Anton. When German conservative newspaper \textit{Österreichischer Volksfreund} complained in 1889 about the alleged Judaization of the University of Vienna, both Mengers were listed as Jews.\textsuperscript{94} They tried to correct this view by stating that they were non-Jewish and had no Jewish family members. This would not convince the German conservatives who claimed that the behaviour and the views of both Carl and Anton Menger would strongly indicate either real or adapted Jewishness (\textit{Das Vaterland} 1889)). Carl Menger became the target of anti-Semitic attacks again a few years later, when he was involved in the discussion about the future of the Austrian currency, whereby he favoured a gold standard for Austria. This was depicted by German conservative circles as proof that he was working for the “Jewish haute finance”, which would allegedly benefit from such a policy (\textit{Deutsches Volksblatt} 1892b, 1892a).

Carl Menger was a convinced democrat. When he was working for different newspapers, he still felt the urge to found his own, democratic newspaper, which would be available to the masses due to its low price, much lower as existing newspaper in Vienna at the time. There, he would argue in favour of the working class and the poor, as Karl Menger would emphasise. Unlike his brother Anton, he was not far from being a socialist, but his liberalism led him to side with the poor and less privileged rather than with the rich. He generally welcomed everything that improved the conditions of these classes. This might be influenced by his childhood memory of his grandparents’ estate in Maniowy, Apparently, the peasants working for his grandparents enjoyed comparatively good conditions and Carl Menger’s grandfather, Josef Geržabek, was respected as the judge of his domain. According to Karl Menger, one of Carl Menger’s earliest childhood memories was from 1846, when there was a peasants’ revolt in Galicia. Peasants were rebelling against their oppressive lords. This revolt came after a severe hike in prices resulting from several bad harvests. By the time, the young Carl was living with his family in Biała, 120 km away from their grandparents’

\textsuperscript{93} Some of the conservatives around Rudolf blamed Carl Menger for his atheistic, democratic and republican worldview, but by the time Carl Menger became Rudolf’s teacher, Rudolf already championed all these positions. As Hamann (2005: 81) argues Carl Menger could only influence Rudolf in particular matters.

\textsuperscript{94} This view was repeated by the \textit{Volkszeitung}. 

36
estate and they worried about their fate. One day a wayfarer, who had been in Maniowy presented compliments and news from the grandparents. There had been rioting around Maniowy, but not at the grandparents’ estate. Instead, in gratitude for their good treatment, the peasants of this estate had established a guard to protect the Geržabeks against possible attacks from strolling peasants from neighbouring estates. According to Karl Menger, his father would remember this joyful day throughout his life. In his newspaper article with Rudolf on the domain of Archduke Albrecht, discussed above, he would emphasise the good conditions of the peasants and workers there.

Throughout his life he would consider the fate of the poor and would even judge policies on how they affected them. His works on economic theory and methodology did not change his point of view. Even late in his life, he would such policies according to their effects on the poorer parts of the population. During the debate of the Austrian currency problems, he rejected any solution that would favour the debtors and harm the creditors, because such an “anti-social-political” because they would disadvantage the less well-off. Similar his presentation to the commission reforming the building tax was led by the principle of how injustices that disadvantaged the poor and the lower and middle classes of homeowners could be corrected (Boos 1986: 84). Another example is his stance on contemporary tax laws. A newspaper reported on a lecture by Carl Menger on finance, in which he had criticised the tax exemption on Sparcassen deposits, because they were abused by owners of big capitals. He also argued against a general tax exemption of wages; such an exemption should only be for the ordinary person, not recipients of high wages (Reichspost 1896). This care for the poor distinguished Carl Menger from other Austrian liberals at the time, who in general were elitist and represented the interests of the propertied and educated bourgeoisie (Bled 1989: 29).

However, at the same time, he opposed socialist and even social democratic policies. He is convinced about that an unequal distribution of wealth would be good for the society. In his notes, he predicts the downfall of a society in which everybody would have the same. This side of him is less obvious in his economic theory. The reason thereto is that he wants to explain economic life and its deeper causes. Reforms or care of the poor, though laudable, were not part of an economic theory, which he was dealing with. But as his time editing the Wiener Tagblatt shows, he supported and demanded public institutions such as libraries that could benefit the poor, who were in many respects disadvantaged. When, at the turn of the century, a newspaper asks important personalities about what they saw as the most important
event or development in the nineteenth century, Carl Menger would answer the social-political legislation (Prager Tagblatt 1900b: 11).⁹⁵

One issue that divides economists since the beginning of economic science is the question of free trade. Carl Menger did not deal with free or even with international trade in his *Grundsätze*. In his early notes as a student, he had argued that free trade is not the best option for each country. He would keep his position that there was no general solution valid for each nation but that each policy, including trade policies, would differ from case to case. In an newspaper article written on the occasion of the hundredth birthday of Friedrich List, he argued that List was right to argue for protective tariffs due to the political and economical situation of Germany at the time (Menger 1889b).⁹⁶

In the memorandum he had to write before becoming Rudolf’s tutor, he also outlined how political economics is broadly divided into two groups, namely supporters of free trade and supporters of protectionism. He explained that the former would anticipate that unaffected, individual economic self-interest would lead to the best economic result. The latter would assume, based on experience, that in some cases the individual interest conflict with the interests of the economy. Carl Menger argues that a better label for both groups would be individualists and ethicists. The former have one economic programme that his valid in all countries and the state is granted only the role as a spectator. Ethicists would examine the economic conditions in each country before advising an economic policy. Carl Menger describes himself as a moderate ethicist, probably to distance himself from classical political economists.⁹⁷

This might seem surprising, because Carl Menger’s approach to economic theory was to discover the universal principals of economic behaviour. However, when it comes to economic policy, Carl Menger was far from arguing that there are universal policies which should be implemented worldwide. The question of free trade was a question of economic policy not economic theory. He argued that policy decision should never be based on simplifications but should be considered carefully and individually according to the situation of a country. In economic matters, he was convinced that people behaved egoistically, driven by self-interest and therefore, an economic theory had to be based on this behaviour. However, he would not always value the outcome of such behaviour and state that in some

---

⁹⁵ The *Prager Tagblatt*, which reported on this survey by a Viennese newspaper, introduced Carl Menger as a social-policy maker and political economist.

⁹⁶ The newspaper article was published on August 6th 1889, not September 6th as Boos (1986: 211) states.

⁹⁷ Another indication that he saw himself more in the tradition of at least some of the German economists rather than in the tradition of Classical (British) School of economics is that he dedicated his *Grundsätze* to Wilhelm Roscher.
cases, such an outcome is opposite to the societal or national welfare. Therefore, political and other decision had to be based not only on economic considerations. This view would separate him from most classical political economists, as he himself noticed.98

Carl Menger has, however, been misinterpreted in many ways, both during his lifetime and after. One reason that his scholarly work has been misrepresented is that it was not widely known. Karl Menger calls it an “idiosyncrasy” that his father did not allow any reprints of his two main works, after the first editions had been sold out and become hard to get a hold of. He would not even agree to translations of his Grundsätze.99 The reason hereto is that he, from early on, wanted to write an improved and enlarged second edition, an endeavour he never finished. This meant, however, that his ideas spread only slowly and especially in the English speaking world would become known mainly through the works of his pupils Böhm-Bawerk and Wieser, which were however not always identical with his own.100

Karl Menger suggests that the lack of availability of his writings might also have been the reason why Carl Menger’s social-political views were often misinterpreted. The conservative Archduke Albrecht, an influential figure at the imperial court seemed to have seen in Carl Menger a socialist. At a time when members of the German historical school were labelled Kathedersozialisten (academic socialists), this label was sometimes used for Karl Menger himself, even though Menger clearly distanced himself from this school and had might many intellectual enemies among them. Members of the German historical school, for their part, would insult him by calling him a “Manchester liberal”, as did Gustav Schmoller, his adversary in the Methodenstreit.101 Some even saw in him a doctrinal liberalist and argued that he would work for the interests of capitalism and capital owner that he would lack sympathy for the poor. He fiercely rejected such accusations.

Carl Menger was a man of science. He declined a promising journalistic career as well as a career as civil servant, in order to devote himself to science, even though this was financially less attractive.102 He encouraged his students to think on their own. A huge part of his life was dedicated to the study of not only economics but all sorts of sciences, in order to

98 In a diary entry from the time he started teaching Crown Prince Rudolf, he noted that Rudolf seemed to consider egoism as the sole driving force of human behaviour. Carl Menger assessed this negatively, but he added that this would help with teaching economic theory.

99 According to Karl Menger there were only two translations during Carl Menger’s lifetime: a Russian one that Carl Menger could not prevent and an Italian one that was wrest from him.

100 In an obituary of Böhm-Bawerk, Carl Menger praises him, but he criticises some of his theoretical aspects (1915).

101 Schmoller claimed that Carl Menger shared a “Manchester-like aversion against every deliberate activity by a collective societal institution” (1998 [1883]: 173).

102 He later told his son that he could easily have become a millionaire had he stayed on at the Wiener Tagblatt. Karl Menger reports, however, that he would say this without any regret about his decision to leave journalism.
reform political economics from its ground. As Karl Menger concluded, his aim was scientific knowledge and he tried to treat all scientific problems in a non-doctrinaire way. His ideal, as Hamann (2005: 82) argued, was that of a man without prejudice.

References

Archival Material
Gottfried Haberler Papers (GHP), Hoover Institution Archives at Stanford University, Collection Number: 95048
Friedrich A. von Hayek Papers (FHP), Hoover Institution Archives at Stanford University, Collection Number: 86002.
Carl Menger Papers (CMP), David M. Rubenstein Rare Book & Manuscript Library at Duke University, Collection Number: RL.00887.
Karl Menger Papers (KMP), David M. Rubenstein Rare Book & Manuscript Library at Duke University, Collection Number: RL.00888.

Newspaper articles
Das Vaterland. (1883). Zur Förderung wissenschaftlicher und literarischer Leistungen. Vol. 24, No. 83, 27.03.1883, p. 3
Prager Tagblatt. (1897). Die Kundgebung der Wiener Universitäts-Professoren. Vol. 21, No. 158, 08.06.1897, p. 3.
Prager Tagblatt. (1900a). Die Verfassungspartei des Herrenhauses. Vol. 24, No. 63, 05.03.1900, p. 3.
Prager Tagblatt. (1900b). Kleine Chronik. Vol. 24, No. 1, 02.01.1900, p. 11.

Literature


