VEBLEN, THE INSIDER – AT LEAST IN THE FIRST HALF OF HIS LIFE

Charles CAMIC, *Veblen: The Making of an Economist Who Unmade Economics* (Cambridge, Mass., Harvard University Press, 2020, 504 p.)

In autumn 1874, the 17-year-old son of recent immigrants from Norway and his 26-year-old brother, Andrew, enrolled at Carleton College in Northfield, Minnesota. Andrew had previously worked as a schoolteacher and eventually became a professor of physics at the University of Iowa. Carleton College was a small and newly founded post-secondary school aimed at preparing ministers to serve the still growing number of Scandinavian immigrants in the region. The freshman's name was Thorstein Bunde Veblen (1857–1929).

His parents neither pressed him nor his older brother to become ministers but accepted their children's undirected interest. They were also sufficiently well-off to pay for the above average education of their nine children, including three who graduated from college. This prosperity and openness towards education were quite remarkable for a farming family. Back in Norway, the prospects of the Veblen parents were so limited that the two joined a group of young people searching for a better life in the New World. Interestingly enough, after their arrival these new immigrants behaved like rural entrepreneurs, buying cheap land, cultivating it and selling it afterwards, repeating the process with the profits they made. This was a new type of behavior for the Veblen family.

One of Veblen's teachers at Carleton was John Bates Clark (1847–1938), 10 years his senior, who had earned this first academic position after 3 years at the University of Heidelberg in southwest Germany, a university that saw the emergence of a well-known school of economics. Veblen became acquainted with economics through Clark, who later became a founding figure of a new direction in economics known as marginalism. Some historians of economic thought[1] list Clark on par with the more prominent Léon Walras (1834-1910), William Jevons (1835-1882), and Carl Menger (1840-1921). Clark and Veblen

[1] Harald HAGEMANN, 2011, "John Bates Clark (1847-1938)," *in* Heinz D. Kurz, ed., *Klassiker des ökonomischen Denkens Band 2: Von Vilfredo Pareto bis Amartya Sen* (München, C. H. Beck: 9-25); Marlies SCHÜTZ, 2016, "John Bates Clark (1847-1938)," *in* G. Faccarello and H. D. Kurz, ed., *Handbook on the History of Economic Analysis Volume I* (Cheltenham, Edward Elgar: 320-322).

Christian FLECK, Institute of Advanced Studies, Vienna, Austria [fleck@ihs.ac.at]

European Journal of Sociology, 62, 3 (2021), pp. 478–484—0003-9756/21/0000-900$07.50per art + $0.10 per page
 [doi: 10.1017/S0003975622000017].

remained close throughout their lifetime despite their divergences in economic theory.

Eighteen years later, the no longer young Midwesterner obtained his first appointment as an "academic man" (Camic prefers the gender-neutral term, "professional academic") at the newly established University of Chicago. In between Veblen had amassed a well-stocked and highly diverse portfolio of academic competencies (and spent some years recovering from an unknown illness at the family's farm). He mastered several languages (including Norwegian, English, German, Latin, Islandic), read philosophy, history, anthropology, sociology and economics, and added a second graduate degree after his Ph.D. at Yale in 1884. He did not finish his second Ph.D. at Cornell because of the Chicago job offer.

During his years of study, he encountered several renowned American scholars: sociologist William Graham Sumner, philosopher Charles Saunders Pierce, economists Clark and Richard T. Ely, to name only those whose fame still echoes in the 21st century. In addition to the influence of his immediate teachers, Veblen admired Charles Darwin and his social science propagandist Herbert Spencer. He was also familiar with European socialist literature, not only because he translated Ferdinand Lasalle. Veblen therefore embarked on his career on the basis of a broad familiarity with all branches of what were then the unified social sciences. Camic presents all sources of influence on the young Norwegian-American by presenting his teachers and their publications at this time. He is less concerned with the broader intellectual movements that contributed to Veblen's intellectual portfolio, such as socialism[2], Darwinian evolutionism and eugenics, the endemic racism masked as anthropology.

Charles Camic recounts Veblen's coming of age in a highly detailed, well researched work that contains quite a spin. He proves false the often-preached saga of Veblen as the outsider. Camic's *Veblen* is the very opposite: an early product of the newly differentiated academic discipline of economics to which Veblen contributed not only articles and book reviews but was also managing editor of one of its first professional journals, the Chicago-based *Journal of Political Economy*. He was a teacher, advisor, and participant in the regular get-togethers of its members. The only feature Veblen lacked was the grand tour to Europe (and

[2] Lewis A. Coser claimed that Edward Bellamy had a strong impact on Veblen's thinking [Pages 289-290, *in* Lewis A. Coser, (1971) 1977, *Masters of Sociological Thought: Ideas in Historical and Social Context* (New York, Harcourt Brace Jovanovich)]; Camic rejects this interpretation, although it does so on the basis of unsatisfactory arguments [221 and 317].

https://doi.org/10.1017/S0003975622000017 Published online by Cambridge University Press

Camic is also silent on the attitudes of Veblen's WASP colleagues to the man with an immigrant's background).

Present day sociologists may be aware of Veblen's 1899 book, *The Theory of the Leisure Class*, and some of the telling concepts he coined there: conspicuous consumption, trophy women, to name but two. I confess that my own familiarity with Veblen had not gone much further: founding head of institutionalism in economics, controversialist, academic wanderer through all corners of America's higher education system, a man who even made it into one of the ground-breaking American novels of the 1920s, John Dos Passos's *USA trilogy*.[3] All readers therefore have a lot to learn from this very well-written book.

Camic strictly confines his study to the early Veblen. It took me a while to realize that the publisher's claim of a "bold new biography of the thinker who demolished accepted economic theories"[4] was somewhat misleading. Camic stops his story of Veblen's life and the interpretation of his writings after his second dismissal from a faculty in 1909. The last two decades of his life are summarily described in the last chapter, indicating that the author has no intention of publishing a second volume to complete his idol's biography.

It could be argued that Camic's *Veblen* does not fall into the category of a biography because of its lack of consideration of Veblen's inner life. There is no detailed examination or even presentation of Veblen's thoughts about himself, his goals or the crossroads of his own life. Of course, none of Veblen's personal papers or letters have survived. However, I would argue that sociologists are not well-prepared to write about individuals and their personal reflections. Camic provides proof of this professional blind spot, page after page.

Two forces led to Veblen being driven out of the prestigious Chicago and Stanford institutions. Veblen's first wife did not accept his request for divorce. She began a revenge campaign, writing letters to his superiors about alleged infidelities, some of which may have been exaggerated. They fell on the open ears of the founding president of the University of Chicago, William Rainey Harper, who was just one year older than Veblen. Harper had his own quarrels with Veblen, who was disappointed with his low salary and lack of promotion within the faculty. At that time, Chicago had a 7-step academic career model, and Veblen did not get beyond level 4 [257]. In addition, a chapter of Veblen's manuscript for

[3] John Dos Passos, *The 42nd Parallel* (1930), *1919* (1932), and *The Big Money* (1936), published together in one volume titled *USA* by Modern Library in 1937.

[4] HUP's website: https://www.hup.harvard.edu/catalog.php?isbn=9780674659728.

his second book, *The Theory of the Business Enterprise* [1904], angered Chicago's boss. Veblen criticized university presidents as "captains of erudition" [277], which did little to please Harper. Most probably, the publisher did not reveal this backstage intrigue to Veblen but used marketing reasons as a pretext for a shorter version of the book. The deleted chapter finally came out in 1918 as *The Higher Learning in America: A Memorandum on the Conduct of Universities by Business Men*. The subtitle reveals the thesis, and the text itself proves Veblen to be a nonconformist-at-large.

Leaving Chicago for Stanford could be seen as a step up the prestige ladder of America's universities. Once settled there, Veblen became involved with a married woman and his enraged first wife started blackmailing him again. After two years in California,Veblen was forced to resign. Thence began his downward mobility as a professional academic, Camic decided against any analysis of this later period.

It is only by avoiding any reference to Veblen's later years that Camic is able to maintain his primary thesis, which is repeated a little too often in the 360 pages: Veblen was a mainstream economist but no outsider! However, after Veblen was forced to accept appointments at less prestigious universities, and when he started writing for non-academic publications, he definitely became an outsider.

Camic is right in saying that there was not a causal relationship between Veblen's inferior social status and his supposed demanding cultural background, on the one hand, and the 1899 book on the other. However, those who had linked Veblen's social status to his most prominent book were mistaken only with regard to the direction of the causal arrow. If Veblen was not an outsider when he wrote *Theory of Leisure Class*, why then did he use a terminology unlike that of a professional academic? And is a value-laden language that reminds many readers of a satirist compatible with the status of a mainstream economist? Or should one consider that Veblen had always been a nonconformist who grew up in mainstream circles but demonstrated his idiosyncratic style from the earliest publications onwards? These questions remain unanswered in Camic's *Veblen*.

Furthermore, one wonders how the explanation of Veblen's "unmaking" ability could be designed when one accepts the mainstream thesis. How was it possible that someone working his way up the ladder of the newly emerging field of economics would so intentionally provoke his peers and elders? Claiming Veblen's centrality raises the question of why this author wrote and argued so differently, and why he wanted to provoke his peers. At the time, this might have been explained by the

argument that he was a genius. Veblen himself was very much aware of this all-explaining concept when he wrote to his older brother about the reactions to his first book: "Opinion seems to be divided as to whether I am a knave or a fool, though there are some who make out that the book is a work of genius." [326] Harvard economist Frank Taussig is quoted by Camic as attributing Veblen with genius status [367]. However, in the second decade of the 21st century, no serious-minded sociologist would consider even hypothetically the explanatory use of such a concept.

The present reviewer has two further reservations. Camic rightly considers Veblen, his *Theory of Leisure Class* and other publications written in the 1890s as contributions within the discourses of his discipline's peers. This makes Veblen's work slightly less impressive, at least for sociologists who learn from Camic that several of the innovative propositions of the *Theory of Leisure Class* deviated only slightly from the mainstream. However, that raises the question of what his subtitle, "an Economist Who Unmade Economics", might mean. We know that the term "unmade" appears only on the book's cover and imprint page. Did Camic simply give in to pressure by Harvard University Press who wished a more controversialist presentation of a book on someone notoriously known for his outsiderness? Camic did not elaborate on the subtitle but suggests that this was Veblen's role. If Camic had placed his subject in the context of the 1900 economic debates, the overblown presentation of Veblen as someone who turned around the discipline of economics would not have been tenable.[5]

As a mainstream sociologist, Camic could not avoid writing a chapter on (his) "theoretical and historical scaffolding" [30-54] where he presents his points of view. This leads to both a general and specific remark: why does an author writing about someone he greatly esteems need to develop a theory of "knowledge-making"? Furthermore, what Camic presents is anything but a theory. Terms such as repetition-with-variation, knowledge producers, reservoir, field, and practices are elaborated but none of them results in anything that approaches an explanation, an explanatory sketch, or a social mechanism. For example, the first mentioned term, repetition-with-variation, appears 30 times in the book but I found only two instances where the agent(s) who repeat were named or where the

[5] Two papers ignored by Camic may be sufficient to support my criticism: Robert DIMAND, 1998, "Fisher and Veblen: Two Paths for American Economics," *Journal of the History of Economic Thought*, 20 (4): 449-465; and Avi J. COHEN, 2014, "Veblen Contra Clark and Fisher: Veblen-Robinson-Harcourt lineages in capital controversies and beyond," *Cambridge Journal of Economics*, 38 (6): 1493–1515.

variation they supposedly made was described.[6] On page 189, Camic considers whether Veblen's professors were involved in this practice, ultimately referring to their work as "actually an abyss of incommensurables". The second instance refers to the period when Veblen joined Chicago, the microenvironment of which is presented in the following quote: "the university was set up to exert a booster effect on Veblen through the process of repetition-with-variation. Not only were faculty members in many different fields around the university using a knowledge-making repertoire much like the one Veblen had been practicing for years, but they were continually transposing it to fit new situations and adapting, rejiggering, and stretching it to serve new purposes. When Veblen did the same, he was in good local company." [270].

Am I overstating the matter when I conclude that the theoretical chapters in biographies written by sociologists are shallow add-ons? Interestingly enough, the 20+ pages of Camic's theorizing pay tribute to some of his friends and contemporaries but ignore others that better fit the concepts. Ludwik Fleck (I bear no relationship to this namesake) and his concepts of thought collective and thought style would have made better exemplars, not least because Veblen himself argued in favor of collectivities rather than singularities in his articles that anticipated the sociology of knowledge.

Good books challenge readers and invite them to raise questions that are not sufficiently addressed by the text they are reading. Camic's *Veblen* is a very good book on the intellectual context in which Veblen began his academic career. As such, "The Theory of the Leisure Class in Context" would have been a much more appropriate title.

As this review appears in a European journal, a final remark on Veblen's status outside the United States is fitting. Even in the US, Veblen's status is contested. In present day economics, Veblen is seen as the quintessential nonconformist/outsider/non-mainstreamer/heterodox member of this discipline. As such, he earned a respectable reputation, measurable by his appearance in handbooks, encyclopedias, and textbooks. In American sociology, Veblen's representation is much weaker, with only some of the standard histories paying tribute to him as the author of the *Theory of the Leisure Class* in particular.[7]

[6] Camic's reconstruction of the trajectory of this concept is much more persuasive than his application in *Veblen*: Charles CAMIC, 2011, "Repetition with Variation: A Mertonian Inquiry into a Lost Mertonian Concept," *in* Y. Elkana, A. Szigeti and G. Lissauer, eds, *Concepts and the Social Order: Robert K. Merton and the Future of Sociology* (Budapest, Central European University Press: 165-188).

[7] Veblen is prominently portraited in Arthur K. Davis's article [1968], Coser,'s

https://doi.org/10.1017/S0003975622000017 Published online by Cambridge University Press

Leading European social scientists in Veblen's day more or less ignored his publications. That was the case for Emile Durkheim, John Maynard Keynes, Werner Sombart, and Max Weber. Following generations more or less followed the same path. Camic's *Veblen* and attempts by like-minded Veblenites and heterodoxians will not change that.[8] Nevertheless, Thorstein Veblen will remain a social critic of the Gilded Age, and the originator of some telling concepts that analyze and criticize excesses of consumerism, exposing those who get "something for nothing."

CHRISTIAN FLECK

one [(1971) 1977] and Dorothy Ross's book [1991], but ignored in Pitirim Sorokin's [1928], Neil J. Smelser and Paul B. Baltes' [2001], Stephen P. Turner [2014], ones and sidelined in Craig Calhoun' book, [2007]. Cf. Arthur K. DAVIS, 1968, "Veblen, Thorstein," *in* D. L. Sills, ed., *International Encyclopedia of the Social Sciences*, (New York, MacMillan: 303-308); COSER, (1971) 1977 [cf. *infra* note 2: 263-302]; Dorothy ROSS, 1991, *The Origins of American Social Science* (Cambridge, Cambridge University Press); Pitirim SOROKIN, 1928, *Contemporary Sociological Theories* (New York, Harper & Row); Neil J. SMELSER and Paul B. BALTES, eds, 2001, *International Encyclopedia of the Social & Behavioral Sciences* (Amsterdam, Elsevier); Stephen P. TURNER, 2014, *American Sociology: From Pre-Disciplinary to Post-Normal* (Basingstoke, Palgrave Pivot); Craig CALHOUN, ed., 2007, *Sociology in America: A History* (Chicago, University of Chicago Press).

[8] The "International Thorstein Veblen Association", founded in 1994, seems to have stopped its activities after the death of its founder Arthur J. Vidich in 2006.

https://doi.org/10.1017/S0003975622000017 Published online by Cambridge University Press