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The Philosophy of Thorstein Veblen

THE PHILOSOPHY OF
Thorstein Veblen

STANLEY MATTHEW DAUGERT

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To my parents
with love and gratitude

Preface

DESPITE ITS TITLE THIS VOLUME IS NOT A COMPLETELY DEFINITIVE statement of the philosophy of Thorstein Veblen. The value of its title lies mainly in its suggestiveness and brevity. While several books and many articles on the biography, sociology, and economics of Veblen have been written, no author has dealt specifically with the very interesting and highly important problem of the genesis and growth of Veblen's critical and theoretical views in philosophical analysis and speculation, although many writers assume and concede their significance in the growth and development of Veblen's thought. This seems to indicate the need for a study of the philosophy of Thorstein Veblen.

Thus the reader will discover in this book a defense of the thesis that Veblen formulated and developed a philosophy that he applied to the analysis of human problems, but he will also find that the statement of that philosophy is partial and incomplete. There are issues of Veblen's thought that await more complete formulation and criticism. Some of these issues are suggested, others are dealt with rather briefly. In some cases the author could not see clearly the issues involved. In other cases he found his knowledge incomplete because of the lack of evidence concerning the growth of Veblen's philosophy. In still other cases he found that Veblen merely suggested various issues and problems but did not seem to have been concerned either to state them clearly or to develop their implications.

The conception for this dissertation occurred early in 1942, when it was tentatively approved by Professors Herbert W. Schneider and Horace L. Friess, of the Department of Philosophy of Columbia University. Having written a few essays to try to see more clearly the role of Immanuel Kant's and Charles S.

Peirce's philosophies in Veblen's thought, the author was obliged to interrupt the study for three and one-half years. When he was free to think about the work, he again consulted Professors Schneider and Friess, conferred with Drs. Wesley C. Mitchell, Oswald Veblen, Joseph Dorfman, and Morton White, to all of whom he owes a debt of deepest gratitude for their advice and encouragement. Needless to say, none of these men is responsible for any of the views that appear in this dissertation. The position taken and the opinions expressed are the full responsibility of the author.

His debt to his wife cannot be measured alone by her sympathy, her helpful suggestions, her typing and her corrections of the manuscript. In the course of reviewing and discussing Veblen's frequently unconventional views, the author more than once appreciated the need on the part of his audience for the patience and endurance of Job and the love of a saint.

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S. M. D.

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Introduction

MORE THAN HALF A CENTURY HAS PASSED SINCE THORSTEIN BUNDE Veblen began writing on economics, and almost a quarter of a century ago he published his last article on that subject.¹ It would be an exaggeration to say, however, that opinion is settled concerning Veblen's contribution to what he preferred to call the science of economics. Indeed, the contrary seems to be the case. Disagreement is the rule, not the exception, in discussions of Veblen's position and the bearing of "institutionalism" or "institutional economics," a theory that has come to be associated with his name. Various essays and monographs have contained the debate, but little agreement has been reached concerning what Veblen taught.²

In the belief that a knowledge of Veblen's philosophy will contribute much to an intelligent understanding of his economic theory, and solve some of the problems of Veblen's thinking, I propose to present an account of the philosophical background, the "preconceptions," to use one of his favorite words, of Veblen's writings on economics. Specifically, my aim is to examine Veblen's philosophy, to show how it grew and developed under the impact of various intellectual influences, and to point out how that philosophy conditioned his economic thought. Toward these ends those works of Veblen that primarily contain and develop his philosophy will come under examination. Not until we understand Veblen's philosophy can we assess fully the extent of his contribution to our knowledge of economic processes.

One of the chief difficulties in examining Veblen's writings is his sometimes complicated, roundabout, tortuous style of expression, a style that is at the same time associated with the analytical and speculative nature of his economics. This elaborate rhetoric,

consisting in part of bombast, satire, wit, and the use of words and expressions commonly reserved for moral judgments, but which Veblen tirelessly insists are nonmoral, "colorless," and "opaque," frequently interferes with the understanding of his significant teaching. Figuratively speaking, once this layer of rhetoric is removed, the core of Veblen's thought is more or less exposed to view. This consists of a philosophy composed of a distinguishable method, a theory of knowledge, and a view of human nature and human welfare. It is a chiefly analytical philosophy; Veblen generally reserves its expression for the support of his almost unceasing critique of economic beliefs and doctrines.

Besides the evident analytical and speculative nature of his work there are further indications that Veblen's thought extends beyond what is commonly held to be the special province of economics. A cursory examination of some of the titles of his monographs and essays will suggest thinking in a variety of subjects. Among his works, for example, one may find such titles as *The Theory of the Leisure Class*, *The Nature of Peace*, *The Higher Learning in America*, *The Instinct of Workmanship and the State of the Industrial Arts*, "The Barbarian Status of Women," "The Evolution of the Scientific Point of View," and so on. This is not to deny, of course, that these subjects are related to economics. Indeed, a significant part of Veblen's contribution to economics lies just here: in his demonstration that these matters do bear upon and are intimately connected with the science of economics.

Finally, and apart from a cursory survey of the above titles as indications of the scope of Veblen's thought, there remain in his writings certain assumptions, norms, themes, and inquiries predominantly philosophical. It would seem from this that Veblen attempted to ground his economic analysis and speculation in philosophy, and from this point of view we can best analyze his work and appreciate his contribution. Moreover, Veblen was a philosopher by early training, a fact not generally recognized nor, I think, sufficiently well covered or taken into account in most of the writings about him.

This philosophical character of Veblen's thought has not been

entirely neglected, however. It has been said, for example, that "His work as a whole is like Darwin's . . . a speculative system uniting a vast range of observations into a thoroughly consistent whole."³ Another writer concludes that "Veblen's primary concern with economic theory was to introduce a different *philosophy* rather than a distinctive method into economic thought in America."⁴ Other economists and sociologists, notably Joseph Dorfman, John S. Galsbolter, Paul T. Homan, John A. Hobson, D. R. Scott, William Jaffé, and A. L. Harris⁵ have in various places noted the philosophical tone and temper—though none has made sufficiently clear the philosophy—underlying Veblen's thinking. Where attempts have been made to outline or abstract Veblen's philosophy and to show its relations to his economic theory, disagreement has usually arisen. For example, Veblen's is a philosophy of an "absolutistic, deterministic monism" and a philosophy of "pantheistic Process" (both Teggart); it is "materialistic monism" (Scott); or it is "institutional mutationism" conceived as a theory of progress (Harris). While it may be granted that these various interpretations may not necessarily be exclusive of one another (though the evidence seems to support this conclusion), there are grounds for believing that some confusion exists concerning what Veblen taught. Without subscribing to a belief in Veblen's "uncommon genius," one cannot dismiss Leon Ardzrooni's impassioned defense of him and his related charge that Veblen has been the subject of unfortunate misunderstanding.⁶

In this work I shall attempt to trace the genesis and growth of Veblen's philosophical thought. In so doing I hope to show how Veblen was influenced by the writings of such men as Immanuel Kant, Herbert Spencer, Noah Porter, Edward Bellamy, Jacques Loeb, Charles Peirce, William James, John Dewey, and many other individuals, and to demonstrate how their thinking conditioned his philosophy of economics. In broad outline it is the story of an iconoclast and skeptic who, unreconciled to the religious domination in his Midwest communities, and apparently awakened from his Hamiltonian dogmatic slumber by the criticism of John Stuart Mill, obtained his Bachelor of Arts degree at

Carleton College and went to Johns Hopkins as a graduate student with the avowed intention of continuing the study of philosophy. There he came under the influence of George Morris' neo-Kantian idealism and Charles Sanders Peirce's work in logic. But of these two latter episodes we know far too little. The outline becomes somewhat clearer when Veblen, having remained at Johns Hopkins less than a semester, transferred to Yale. There he evidently became greatly interested in Spencer and Kant in particular, and came under the influence of Noah Porter and William Graham Sumner, particularly the former; he spent two years writing a dissertation in philosophy on the subject, "Ethical Grounds of a Doctrine of Retribution," and published an essay on Kant's *Critique of Judgment*. Another gap appears in the outline after Veblen attained his Doctor of Philosophy degree in philosophy at Yale, however, because more than seven years passed before he again published anything. When he does he has re-entered academic life, first at Cornell and shortly thereafter at Chicago, and appears to be concerned mainly with matters of political economy and economic theory, though the philosophical cast and character of his thought are quite evident. From this time we are able to trace with more or less clarity the growth of his thought as he developed and effectively applied to economic phenomena a variant of the philosophy and psychology of William James and John Dewey and their followers.

CHAPTER ONE

The Methodology of Principles of Adaptation

VEBLEN'S FIRST PUBLISHED ARTICLE, "KANT'S *Critique of Judgment*,"¹ written while he was studying philosophy at Yale University, 1882-84, under Noah Porter, Yale's president and its distinguished professor of philosophy, besides being a fairly concise account of Kant's third critique and its place in Kant's system of philosophy, has considerable importance for an appreciation of Veblen's philosophical interest and background and for an understanding of his later writing. This article was also written about the same time Veblen was writing his Doctor's dissertation in philosophy, "Ethical Grounds of a Doctrine of Retribution,"² to "find out why we need not believe in God." Both of these works give evidence that Veblen was seriously concerned with philosophical issues and problems. It has been said concerning the inquiry he made for his dissertation that he "seems thoroughly to have examined Spencer and Kant,"³ and the article on Kant's third critique testifies to a deep interest in, and a rather comprehensive familiarity with, the Kantian critical philosophy in particular. Written before the *Kritik der Urtheilskraft* had been translated into English, Veblen's analysis of what is generally considered to be Kant's most mature work was the first of its kind to appear in this country. George Howison, one of the group of St. Louis Hegelians and an outstanding teacher of philosophy, considered it a highly competent piece of work,⁴ and its acceptance by the *Journal of Speculative Philosophy* was tantamount to a recognition of its merit as a contribution to philosophical knowledge.

Veblen's article is highly important for an understanding of the genesis and development of his theory of the growth of knowledge, one of the most interesting and significant features of his philosophy. It is a commonplace that many philosophies are conditioned by their theories of knowledge; Veblen's philosophy is one of these. His account of the evolution of knowledge is unusually involved, however, because in developing his theory we find him beginning in this article with a Kantian epistemology and interpreting it in the light of evidence and arguments from the Common Sense tradition in philosophy and from a part of Charles S. Peirce's logical theory; while somewhat later epistemological elements of Spencerian evolutionism and anthropology, Hegelian dialectic, Jacques Loeb's biology, and the pragmatism of James and Dewey (somewhat in that order) are also worked into this theory, which then becomes a theory of the *growth* of knowledge. Another reason for the complicated nature of Veblen's theory is that he seldom hesitated to propound a hypothesis when he thought one was needed to organize certain data. In this chapter and the next I shall discuss the origins of Veblen's theory of knowledge and his philosophy and show how they developed under the impact of various intellectual forces. We shall begin to see in the next chapter why they are important in understanding his philosophy of economics, and in what sense they are the sources of his methodology for economic science.

In his article "*Kant's Critique of Judgment*," Veblen attempted to demonstrate briefly the relation of Kant's third critique to his two other critiques. I propose, still more briefly if possible, to summarize Veblen's argument, to comment upon it when necessary, and finally to indicate those elements in it that have special significance for Veblen's later writings. His argument begins as follows: the *Critique of Judgment* is a mean, a mediator between the *Critique of Pure Reason* and the *Critique of Practical Reason*. According to Veblen, Kant "felt the lack of coherence" between his first two critiques, and realized the need of another to connect or mediate their "results." The *Critique of Pure Reason* contains the "notion of strict determinism, according to natural law" in

the world. The *Critique of Practical Reason* contains the notion of "freedom in the person." Pure reason and practical reason are hence disparate, but not contradictory, and while "Kant found the disparity of the two indispensable, he also found that, in order to free activity, a mediation between the two was likewise indispensable."⁵ Activity must be freed because "the idea of freedom of moral action contains the requirement that the concepts of morality are to be actualised in the sphere of rational law."⁶ Morality, to be more than a fiction or a dream, must be realized in the course of nature. The free person must be able to exert a "causality on things." But even if this much is admitted, Veblen states, it is not enough. Kant had come this far in the *Critique of Practical Reason*, but "he was not satisfied with that." What is further needed is that

The action of the person must be capable of falling in with the line of activity of the causes among which it comes; otherwise it will act blindly and to no purpose. The agent must know what will be the effect of this or that action, if his activity is not to be nugatory, or worse than nugatory.⁷

This need, the "knowledge of the results of a contemplated action," cannot be supplied by simple experience, according to Veblen, whether or not we accept Kant's account of the knowledge furnished by experience in the *Critique of Pure Reason*. "Experience can, at the best, give what is or what has been, but cannot say what is to be. It gives data only, and data never go into the future unaided and of their own accord."⁸ The power of thus freeing activity to take place in the realm of natural law, Kant found, lay in the (pure) power of judgment, and the kind of judgment required, Veblen asserts, is inductive reasoning. "The power of judgment, or of reasoning, must mediate between theoretical knowledge and moral action; and the kind of judgment that is required is inductive reasoning."⁹ Veblen continues somewhat pompously:

All this is simple enough. It is so simple and is so obvious that it is difficult to see it until it has been pointed out, and

after it has been pointed out it seems to have been unnecessary to speak of it. Though Kant, in giving his reasons for undertaking the *Critique of Judgment*, speaks mainly of the indispensableness of this power of inductive reasoning for the purposes of morality, it is evident that it is no less indispensable in every other part of practical life. Today any attempt, in any science, which does not furnish us an induction, is counted good for nothing, and it is with this power of inductive reasoning that the most important part of the *Critique of Judgment* has to do.¹⁰

So far Veblen has given a short general account of the place of the third critique in Kant's system, but his emphasis upon pure judgment as inductive reasoning is not truly Kantian. This emphasis, and the sharp distinction between inductive and deductive reasoning, are parts of the tradition of the Common-Sense philosophy that Veblen studied at Carleton College as an undergraduate and later as a graduate student at Johns Hopkins and Yale. He does not mention that the distinctions of inductive and deductive reasoning are his, not those of Kant, though he indicates them by the use of brackets in the following quotation:

The Power of Judgment is, in general, the power of thinking the particular under the universal. "If the universal (the rule, the principle, the law) is given, then the judgment which subsumes the particular under it is *determinative*. [Deductive reasoning.] But if only the particular is given, for which the judgment is to find a universal, then the judgment is only *reflective*. [Inductive reasoning.]" (*Kr.d. Urtheilskraft*, ed. K. Kehrbach, 1878; *Einl.*, IV.)¹¹

From this point to the end of the essay Veblen is chiefly concerned with developing, explaining, and defining further the nature of the reflective judgment as inductive reasoning, while he continues to interpret Kant partly as a Common-Sense philosopher by means of the emphasis and the distinctions mentioned above.

In so doing Veblen takes a page to criticize certain critics of Kant, without mentioning their names, arguing that they have misinterpreted Kant.

Inasmuch as this Critique is a critique of the *pure* Power of Judgment in so far as none of the principles of its action are borrowed from elsewhere—it has to do only with the reflective judgment; for in order that the judgment be determinative, the universal which is to serve it as a rule in the work of subsumption must be *given*, and so must be present as a premise, and will condition the action of the judgment working under it.¹²

The determinative judgment is merely the “activity of the intellect in general in applying the laws given by the Understanding and Reason,” and, as such, “its action has been analyzed in the two critiques which treat of those faculties.” Since it subsumes particular data under general laws that are also data, the determinative judgment is “nothing but the activity of the Understanding in combining simple experience into a synthetic whole, under those laws of the Understanding which are a necessary condition of experience.”¹³ But the reflective judgment “passes beyond the simple data of experience and seeks a universal . . . not given in empirical cognition”; therefore, “it must proceed according to a principle not given to it from without. It has a power of self-direction, and therefore calls for a critique of its own.”¹⁴

Many of Kant’s critics, failing to bear in mind that this is the starting point of the third critique, have fallen into the error of criticizing Kant’s doctrine of Teleology “as though his starting point had been from the developed principle of Final Cause,” and as though he had “proceeded from that principle to the notion of adaptation, and thence to that of aesthetic appropriateness.” This is “precisely reversing the truth,” Veblen asserts. These critics have taken up the critique “wrong end foremost,” so it is not surprising that they find fault with it. Kant’s doctrine of Final Cause, according to Veblen, is arrived at “from a consideration of the

way in which the reflective judgment works; the nature of the reflective judgment is not deduced from a preconceived notion about finality."

What, then, is the nature of the reflective judgment? We learn from Veblen that its office is "to find unity in multiplicity, or to give unity to multiplicity." Its action is not only synthetic, but "it is to make a synthesis which shall reach beyond, and include more than what is given in simple experience." It has to find the laws to be applied to given data. It is the "faculty of search," the faculty of adding to our knowledge "something which is not and cannot be given in experience." It continually reaches "beyond the known," and grasps "at that which cannot come within experience." Its object is a synthesis, a systematization of whatever is known; and "in the attainment of a system, its procedure must be governed by some principle." This principle "cannot be given by experience" since "the result aimed at lies beyond experience." Nor is it taken from outside the power of judgment, for if such were the case "the judgment working under that principle would be determinative and not reflective." Therefore,

the principle according to which the reflective judgment proceeds must originate with the reflective judgment itself; or, in other words, it must be an *a priori* principle of the intellect, and must hold its place as a principle only in relation to the reflective judgment. It cannot be the same principle, in the same form, as any of the principles governing the other faculties.¹⁵

Having discussed the nature of the reflective judgment, Veblen passes on to consider the principle governing it. To find the nature of this principle, he asserts, we must discover the work it does. The reflective judgment generalizes and systematizes our knowledge. To systematize is but "another expression for reducing things to intelligent orders," that is, "to think things as though they had been made according to the laws of an understanding, to think them as though made by an intelligent cause." Veblen

cautions that this is not the same as thinking that things *are* made by an intelligent cause.

So much is not required by the principle. All that is required is that the things be thought as falling under a system of law according to which they adapt themselves to the laws of our understanding—that they are such in the manner of their being as they would be if they were made with a view to the exigencies of our capacity of knowing.¹⁶

Veblen then states the essential nature of the principle of the reflective judgment. "The principle of the reflective judgment is, therefore, primarily the requirement of adaptation on the part of the object to the laws of the activity of our faculties of knowledge, or, briefly, adaptation to our faculties."¹⁷

Noting that the test and sanction of the "normality" of this adaptation lies in the mind's "feeling of gratification" upon the occasion of a successful use of the reflective judgment, Veblen takes up the two "stages" in the adaptation of knowledge, the aesthetic and the logical stages. When a "simple datum" is given to the apprehension such as to conform to the normal action of our faculty of knowledge the concept that is contemplated and found adapted "is not thereby an item of knowledge which goes to make up our conception of the world system, or to make a part of any systematic or organized whole." This is the first, the aesthetic stage, in the adaptation of knowledge. As a mere datum of aesthetic apprehension the "object" makes no integral part of our knowledge of reality. The question here is not the objective validity of the concept, but "how far the concept given is suited to the normal activity of the faculty of cognition," and the test of this "can only be whether the faculties act unhampered and satisfactorily." The sole indication of such satisfactory action is a (resulting) feeling of gratification.

The object corresponding to such a concept, which pleases in its simple apprehension, is said to be beautiful, and the reflective judgment, in so far as it proceeds on the simple adap-

tation of the data of apprehension to the faculties of cognition, is aesthetic judgment. It is of a purely subjective character, and its action is not based on logical, but wholly on pathological grounds. The decision of the aesthetic judgment is made on the ground of the feeling called forth by the apprehension of the concept, and the feeling is, therefore, in this case, the only authority that has a voice in the matter.¹⁸

It follows for Veblen that there can be no objective principle of the aesthetic judgment. The principle that governs men's tastes must exert its authority "not through the means of logical argument and proof, but by an appeal to the nature of men in respect to reflective judgment in general." He quotes Kant's dictum that "the principle of taste is the subjective principle of the judgment in general," and concludes his discussion of the aesthetic judgment with the following statement: "The universal validity which a judgment in a matter of taste bespeaks can, therefore, rest only on the assumption of an essential similarity of all men in respect to the feeling involved in such a judgment."¹⁹

The data of cognition, however, may also be contemplated at the stage at which they are no longer simple data of apprehension, but as they constitute a part of our knowledge of reality. This is the logical stage in the cognition of concepts. At this stage these concepts may be considered as "entering into a system in which they must stand in relation to other data" since they are a part of our knowledge of nature. The adaptation of these concepts will be found "in the logical relations of concepts—items of empirical knowledge or laws of nature—to one another, and the conformity of these relations to the normal activity of the faculties." Since our knowledge of concepts and the relations of concepts is "conceived" to be a knowledge of real objects and their relations, the adaptation of these concepts "as standing in logical relations to one another, to the normal activity of the mind, therefore comes to be looked on as a quality of the objects contemplated." Objects are conceived to stand in such relations of dependence and interaction "as correspond to the logical relations of the concepts we have of them." Veblen emphasizes the "fact" that the connec-

tion or relation of our concepts that will be found adapted to our faculties and that "answers the requirements of their normal action" is one according to which they make a systematic, connected whole. Hence the relations of objects in the world of reality, for example, interaction and interdependence, correspond to the logical relations of our concepts.

The adaptation found, or sought to be found, in concepts when contemplated in their logical aspect, is conceived to be an adaptation of things to one another in such a way that each is at the same time the means and the end of existence of every other.²⁰

This conception of the world of reality assumes that particulars are subject to laws "of a character similar to that of logical laws according to which our mind subsumes the particular under the general." In other words, to conceive the world in the way required by the reflective judgment is to conceive it as being made to harmonize with the laws of our understanding. In conception the world "is adapted to our faculties, and therefore made by a cause working according to laws like those of our understanding, and with a view to the exigencies of our understanding in comprehending the world."²¹

This idea of a final cause, namely, the idea of what the world was to be as preceding and conditioning the world as it actually comes into existence, rests on the action of the reflective judgment, and its validity therefore extends only so far as the reflective judgment reaches. Now since the principle of the reflective judgment is the requirement of adaptation, on the part of our knowledge, to the normal action of our faculties of knowing, it is, therefore, of subjective validity only.

The finality which is attributed to external reality, on the ground of the adaptation found by the reflective judgment, is simply and only an imputed finality, and *the imputation of it to reality is based on the same ground of feeling as every other act of the reflective judgment.* [My italics.] Our imputation of finality to the things of the world, and our teleo-

logical arguments for an intelligent cause of the world, proceed on subjective grounds entirely, and give no knowledge of objective fact, and furnish no proof that is available for establishing even a probability in favor of what is claimed.²²

What is proved by the tenacity with which we cling to our teleological conception of the world is that the constitution of our intellect demands a teleological conception. The mind cannot be satisfied with its knowledge of a thing until it knows the "purpose of its coming to pass." No knowledge can be regarded as complete until the question, Why is it so? has been answered teleologically.

While Veblen regards this question of teleology as of "extreme importance," however, he straightway strongly qualifies its usefulness. The "affairs of everyday life" require no knowledge of "ultimate ends and purposes"; therefore, "the principle of teleology, as being the principle of conscious purpose in the world, is not indispensable in order to such knowledge of things as is required by the exigencies of life."²³ For "all purposes of utility" we could do without this "developed principle of finality." In its place Veblen suggests adopting the broad "guiding principle" of the reflective judgment, the principle of adaptation itself. He formulates this as follows:

In order to the normal action of the faculties, things must be conceived as adapted to one another so as to form a systematic totality . . . things must be conceived to be so coordinated in their action as to make up an organized whole—and the mind goes to make its knowledge of reality conform to its own normal activity; or, in other words, to find what particular cases of interaction under the law of cause and effect will stand the test of the principle of adaptation.²⁴

If someone were to ask, What logical necessity compels us to accept this *a priori* principle of adaptation? Veblen would answer that, in the first place, it makes us guess and guides our guessing in the world of phenomena; secondly, we should "never get beyond a congeries of things in space and time" without it.

It furnishes us with certain power to regulate the hodgepodge of sensible impressions we have, yet we cannot know whether it gives us knowledge of reality. Since it is subjective and *a priori*, it proceeds "on the basis of a feeling," and hence it alone can decide whether its particular "applications," its hypotheses or guesses, suit the mind. Experience alone can decide whether it "appears" that the hypotheses fit the things they are intended for.

Accordingly, Veblen asserts that "the principle of adaptation, in its logical use, is . . . the principle of inductive reasoning." The mind feels the need of bringing order and systematic coherence into the knowledge it acquires, of conceiving as adapted to one another the things about which it is engaged. This is the "motive and guiding principle of inductive reasoning." The test for deciding whether or not particular applications (inductions) are successful is a "feeling of gratification." It is, Veblen repeats, an entirely subjective test, and the consequence of the subjectivity of the principle of induction is that "the results it arrives at are only more or less probable." He concludes, however:

Yet, singular as it might seem, hardly any part of our knowledge except that got by induction is of any immediate use for practical purposes. For by induction alone can we reduce things to system and connection, and so bring particular things and events under definite laws of interaction; therefore by induction alone can we get such knowledge as will enable us to forecast the future—to tell what will take place under given circumstances and as the result of given actions—is the only knowledge which can serve as a guide in practical life, whether moral or otherwise.²⁵

Hence, it appears that in the earliest of all his published writing Veblen accepted Kant's theory of knowledge, though he sought, by critical interpretation, to modify it in several places. I wish to call particular attention to four points in Veblen's analysis and examine them closely. I hope to show that in these four points of interpretation of Kant's epistemology lie the source of much that is distinctive and characteristic in Veblen's later eco-

onomic philosophy. These points are as follows: Veblen (1) identified Kant's faculty of the pure reflective judgment with inductive reasoning; (2) sought to extend the reflective judgment as inductive reasoning beyond the domain of merely moral judgments by stressing inductive reasoning as true science, applicable everywhere in "practical life"; (3) dismissed as unimportant in the "affairs of everyday life" the question of final causes, universal teleology; and (4) introduced Charles S. Peirce's concept of the "guiding principle" into his discussion by claiming that the principle of adaptation was the guiding principle of the reflective judgment (inductive reasoning). I shall consider these four points in the following order: (4), (1), (2), (3).

(4) Veblen introduced Peirce's concept of the "guiding principle" into his discussion of Kant's *Critique of Judgment* by claiming that the principle of adaptation was the guiding principle of the reflective judgment (inductive reasoning). Peirce's lectures on "Elementary Logic" at Johns Hopkins had interested Veblen during his brief attendance there.²⁶ It is highly probable that Peirce lectured on the relations of habits of mind to the guiding principles of inference, a subject he had treated at length in the series of papers published under the broad title, "Illustrations of the Logic of Science."²⁷ Since the material in these papers is generally familiar and available to students, I shall not deal with Peirce's arguments at length, but shall confine myself to an analysis of his statements regarding the nature and function of the guiding principle. Since to my knowledge no other writers except Peirce and Veblen used the term "guiding principle" during this period, I shall assume that Peirce was Veblen's source for it. Assuming this, I shall summarize Peirce's theory of logical inference and the guiding principle and then compare the latter with Veblen's use and understanding of the term.

Peirce's theory of the guiding principle is a fundamental part of his theory of logical inference. This is clear in the following quotation:

That which determines us, from given premises, to draw one inference rather than another, is some habit of mind, whether

it be constitutional or acquired. The habit is good or otherwise, according as it produces true conclusions from true premises or not; and an inference is regarded as valid or not, without reference to the truth or falsity of its conclusion specially, but according as the habit determines it is such as to produce true conclusions in general or not. The particular habit of mind which governs this or that inference may be formulated in a proposition whose truth depends on the validity of the inference which the habit determines; and such a formula is a *guiding principle* of inference.²⁸

Habits of mind, then, are the guiding principles of inference, and and the truth of the particular mind's inference is determined directly by the mind's habitual notion of what constitutes valid inference. If in the past a particular habit consistently produced true conclusions from true premises, then it might be trusted to produce true conclusions, or, more specifically, true guiding principles in the future.

Defending his concept of the guiding principle, Peirce notes that routinized minds find it difficult to make valid inferences outside of their particular field of endeavor, and therefore "a general study of the guiding principles of reasoning would be sure to be found useful." Peirce proceeds with this study by limiting the subject matter under consideration "since almost any fact may serve as a guiding principle." This limitation, he states, may be accomplished by noting that a "division among facts" exists such that one class contains all those facts that are "absolutely essential" as guiding principles, while in the other class are those facts "which have any other interest as objects of research." More specifically, the division or distinction is between those facts that are "necessarily taken for granted in asking why a certain conclusion is thought to follow from certain premises, and those which are not implied in such a question." When the logical question is asked, the assumed facts are, for example, that there are "such states of mind as doubt and belief—that a passage from one to the other is possible, the object of thought remaining the same, and that this transition is subject to some rules by which

all minds are alike bound.”²⁹ These facts are not of much interest as a subject for determinations of truth or falsity, since they are “facts which we must already know before we can have any clear conception of reasoning at all.” On the other hand, the “rules of reasoning which are deduced from the very idea of the process are the ones which are most essential.” In other words, we can hardly overestimate the importance of the answer to the question concerning what assumptions are involved when we ask why certain conclusions follow from certain premises, because an answer to this question will exhibit the origin, power, and extent of logical reflection, the rules of reasoning, and the guiding principles of thought.

Habits of mind, our guiding principles of reasoning (both of which are names for the same process of attaining belief), are logical instruments in the search for intelligent action in the world, and as such are scientific and experimental. Since these habits of mind are guides to action, and since no other method of reasoning delivers us from the caprices and accidents of persons or ideas—thus leading us inevitably to nonrational procedures—then the final qualification is that our method should provide for universal approbation in that it will commend itself to the social impulses of every man for its “disinterestedness,” its “external permanency”—“something on which our thinking has no effect.” This is the scientific method, according to Peirce, the most useful and efficient method for fixing belief.

Having dealt briefly with Peirce’s conception of the guiding principle as he used it in this period, we now turn to Veblen’s understanding of the term. Veblen’s concept of the guiding principle is closely associated, if not identified, with Kant’s *a priori* principle of adaptation, which, as the regulative principle of the reflective judgment, is a concept that Veblen claims, as we have already seen, we must use to search for causes and effects. We might distinguish this use of the term as its transcendental *a priori* use in Veblen’s thought. But the guiding principle also has a “logical use” according to Veblen. This is its use as the prin-

ciple of inductive reasoning.³⁰ It is in this latter use of the term that Veblen seems to come closest to Peirce's view of it, but even here Veblen asserts that if a problem involved the search for a cause or an effect, the guiding principle is "beyond anything that experience gives." In other words, since "almost any fact" might serve as a guiding principle for Peirce, while in Veblen's view the guiding principle is somehow beyond facts or beyond experience, that is, transcendental, it is difficult to see the common ground of definition for both men. The conclusion suggests itself that Veblen appropriated the term for his own usage and purposes and was not concerned to examine Peirce's definition of the concept or its implications more critically.

One explanation of Veblen's use of the term guiding principle as "beyond anything that experience gives," and a clue to the source of his theory of induction-deduction, lies in his contradictory accounts of experience. Apparently following Kant's sensationalism Veblen first confines experience merely to percepts and sense impressions, or "cognitions" and "apprehensions," and contrasts these strongly with concepts given by the understanding. This narrow definition of experience prevails throughout most of his article on Kant.

In order to such a knowledge of the results of a contemplated action, the knowledge furnished by simple experience is not sufficient. Simple experience . . . cannot forecast the future. Experience can, at the best, give what is or what has been, but cannot say what is to be. It gives data only, and data never go into the future unaided and of their own accord.

The reflective judgment passes beyond the simple data of experience and seeks a universal which is not given in empirical cognition.

The reflective judgment . . . is the faculty of adding to our knowledge something which is not and cannot be given in experience.

The reflective judgment is continually reaching over beyond the known, and grasping at that which cannot come within experience. . . . As the result aimed at lies beyond experience, the principle according to which it is to proceed cannot be given by experience.

Simple experience—cognition—never has anything to say about probability; it only says what *is*.³¹

But another view of experience is expressed in the following quotations, which are taken from near the end of the essay:

All [the principle of adaptation] can do is to guide us in guessing about the given data, and then leave it to experience to credit or discredit our guesses.

Experience alone can say whether the hypothesis fits the things it is intended for; or, rather, it can say whether it appears to fit them, since, inasmuch as an hypothesis never can become an object of experience in the same sense as things are objects of experience, it can also not have that empirical certainty which belongs to our knowledge of individual things. The testimony of experience as to the validity of the hypothesis can only be of a cumulative character, and all it can do is to give it a greater or less degree of probability. It is of the nature of circumstantial evidence.³²

The contradictory nature of these accounts of experience should be apparent. If experience gives only data or facts, experience cannot “say” whether an hypothesis fits the facts, or even say whether it appears to fit them. If experience can “credit or discredit our guesses” it is obviously a process more complicated than mere cognition or apprehension, one that involves some kind of comparison of concepts and percepts, a comparison that by the first set of definitions it is unable to accomplish. Moreover, if simple experience—i.e., cognition—“never has anything to say about probability” and “only says what is,” it is difficult to see how the “testimony of experience as to the validity of a hypothesis

. . . can . . . give it a greater or less degree of probability," or to see in what sense it is "of the nature of circumstantial evidence," unless one accepts Veblen's contradictory accounts of experience as reconciling the difficulty. It is true that Veblen appears to distinguish "simple experience" from another kind of experience presumably less simple and more complex. But this distinction seems to be merely verbal, for Veblen does not even attempt to explain how it is to be understood.

To return to Veblen's guiding principle: as the principle of the reflective judgment it is "beyond experience" in the sense that while experience furnished data, the judgment furnished concepts *a priori*. Therefore, in Veblen's view the guiding principle of the judgment could not make use of any facts of experience. This points up the contrast between Peirce's and Veblen's conception of the guiding principle. Guiding principles are not yet habits of thought as they become later on in Veblen's writing. Peirce's "guiding principle" is associated with, or, better, identified with and interpreted in the light of Kant's principle of adaptation. Furthermore, since the reflective judgment in its "logical use" is identical to inductive reasoning, and since induction is guided by the same principle of adaptation, it follows for Veblen that induction, the reaching beyond phenomena for fruitful hypotheses, should be contrasted sharply with deduction, which consists of simple inferences from general statements or rules.

(1) Veblen identified Kant's faculty of the pure reflective judgment with inductive reasoning. Veblen's emphasis upon induction and his marked contrasting of induction and deduction stems partly from his early training in the Scottish Common-Sense philosophy that he acquired at Carleton College from Joseph Haven's text on mental philosophy, while at the same time Veblen's Kantian bias and perspective was probably nurtured by his study of the texts of Laurens Hickok. Veblen's close association with Noah Porter is also important in understanding his view of induction.

Joseph Haven's text substantially presented Scottish realism to American students, the author having drawn mostly upon the

work of William Hamilton, though Thomas Reid, Thomas Brown, and Dugald Stewart occasionally enter his pages. With reference to the contrast of induction with deduction spoken of above, Haven accepted the traditional distinction, and emphasized the former at the expense of the latter.³³ Laurens Hickok, whom Veblen also studied, was of a different stamp. He expounded a version of Kantian idealism in his works, and maintained a distinction between two kinds of knowledge, empirical and rational (or "transcendental" or "philosophical"), knowledge of fact and knowledge of principle.³⁴

Noah Porter, president of Yale University, also glorified induction, particularly in his address, "The Sciences of Nature *versus* The Science of Man, a Plea for the Science of Man."

The foundations of the science of nature in the last analysis are discovered in the ineradicable beliefs and convictions of the human spirit; and it is only by the earnest and careful study of this spirit that we can find them, and, having found them, can recognize them as the principles by which we interpret both nature and man. . . .

An inductive science of nature presupposes a science of induction, and a science of induction presupposes a science of man.³⁵

In its idealistic, Kantian aspects Porter's philosophy was quite similar to Hickok's, and the outlines of the Kantian conception of knowledge are traceable in Hickok, Porter, and Veblen. This outline is broadly as follows: empirical data do not provide sufficient or accurate knowledge of the world. These data must be supplemented and guided by principles furnished *a priori* by the understanding. True knowledge and hence true science begin here in the principles of the understanding that operates with the manifold of sense perceptions. Thus, by boldly identifying induction and the reflective judgment, Veblen was in effect outlining a reconciliation of the Common-Sense and Kantian philosophies. Veblen wrote the article we have been discussing while he was Porter's student. There are other aspects of it besides those just

mentioned that reflect Porter's influence.³⁶ I shall consider these aspects shortly.

(2) Veblen sought to extend the power of the reflective judgment as inductive reasoning beyond the domain of merely moral judgments by identifying inductive reasoning as true science, applicable "everywhere in practical life." In giving his reasons for undertaking the *Critique of Judgment*, Kant, according to Veblen, "speaks mainly of the indispensableness of this power of inductive reasoning for the purposes of morality." The "most important part" of that work treats of this power. But it is evident that inductive reasoning is "no less indispensable" in every other part of practical life. Today a science which does not furnish us with an induction "is counted good for nothing."

These are judgments of wide scope. The evidence for Veblen's assertions must of course be found in his conception of the place of the third critique in the Kantian philosophy, the nature of the judgment and its most important function, matters dealt with briefly above but that now must be examined more closely. Veblen's statement that the "most important part" of the *Critique of Judgment* deals with the power of judgment as inductive reasoning seems to indicate that the second part of that work was in his opinion the most vital portion, as indeed he had hinted at the beginning of his essay in the statement that the "Doctrine of Method"³⁷ was a "sketch of the way in which he conceived that the results of this *Critique* were to be made useful in the system of philosophy to which he regarded all his critical work as preliminary." It will readily be admitted that this interpretation has some plausibility, but it explains by explaining too much. In the first place, there is no evidence in Kant concerning the identity of the reflective judgment and inductive reasoning. Second, I cannot locate in Kant the source of the statement concerning the "indispensableness of the power of inductive reasoning" for the "purposes of morality." Third, I find no statement in Kant's third critique concerning what he considered to be the "most important part" of that work. It is true that Kant conceived the entire critical philosophy to be preliminary to the establishment of an Orga-

non of philosophy, as he states in several places, but all parts of the former were no less important in an examination of the possibility of experience and, in the third critique, specifically, in an examination of the possibility of judgment.

Thus, as Kant argues in his Introduction, presupposing *a priori* the objective purposiveness of nature as a transcendental principle necessary to the possibility of knowledge and hence to the possibility of our judgment of nature, the logical, cognitive function of judging according to the Idea of a purpose of nature must be distinguished from the noncognitive, aesthetic function of judging the pleasure in apprehending or contemplating nature as subjectively created. It is on this distinction that Kant bases his division of the *Critique of Judgment* into its two parts, the Critique of the Aesthetical Judgment and the Critique of the Teleological Judgment. Neither appears to be "more important" in his mind. His problem, as he conceived it, was to explain this antinomy of judgment in these two books, each of which, to repeat, deals with a distinct function of judgment, as Taste on the one hand, and as Understanding on the other.³⁸ Veblen, by deciding that the problem of inductive reasoning was the most important part of the problem of judgment, posited and gave emphasis to an un-Kantian problem at the same time as he claimed Kant as his authority. Following this, his virtual identification of induction and science, and his understanding of both as mentioned above,³⁹ has important consequences for his later work that, generally speaking, is scientific in a Common Sense-Kantian sense. That is to say, Veblen's writing—or a large part of it—becomes a kind of series of inductions or theories, proof of which he seems to expect to come not from rigorous logical analysis but from individual subjective experiences of the same phenomena.

(3) Veblen dismissed as unimportant in the "affairs of everyday life" the question of final causes, universal teleology, at the same time as he attached "extreme importance" to this question. In his statements that "for purposes of utility" Kant's principle of teleology was useless; that the "knowledge of things . . . required by the exigencies of life" could be obtained without ap-

pealing to the “developed principle of finality,” Veblen, I believe, was following the lead of Noah Porter. Besides being extremely critical of associationist psychology and the early empiricism of Comte, Mill, Bain and Spencer,⁴⁰ Porter also attacked Kant’s faculty psychology, his *a priori* metaphysics, and his ethics. He preferred to emphasize Kant’s *pragmatisch* rules of skill and prudence instead of his *a priori praktisch* rules of reason given by the Categorical Imperative, and he decisively rejected Kant’s principle of adaptation or “universal fitness” as being vague, useless, and merely formal.⁴¹ Porter’s reaction against the former figures probably fortified Veblen’s growing distrust of hedonism and utilitarianism, while Porter’s criticism of Kant led Veblen to emphasize the *practical* nature of Kant’s principle of adaptation. Yet Veblen remained wedded to Kant’s idealistic epistemology, and in particular to its universalistic teleology. The “tenacity” with which we cling to our teleological conception of the world “proves that the constitution of our intellect demands this conception” despite the admission we must make that it “produces no knowledge of objective fact.” More than a decade passed before Veblen resolved this dilemma. In later years he bitterly attacked such teleology as consisting of vague and useless “animistic” and “anthropomorphic” conceptions. Both the teleology and the principles of adaptation came to be interpreted as institutional habits of thought and action. I shall have occasion to return to each of these four major points later in this work to show their important connection with what is characteristic in Veblen’s later economic theory.

CHAPTER TWO

Cumulative Causation and the Philosophy of Evolution

WHEN VEBLEN LEFT YALE AFTER RECEIVING A DOCTOR'S DEGREE IN philosophy in 1884 for a dissertation entitled "Ethical Grounds of a Doctrine of Retribution,"¹ he returned to his parents' home in the Mid-West where he lived the following seven years. He next entered academic life as a graduate student at Cornell in 1891. In the meantime he apparently had decided not to continue studying philosophy as such, but instead to concentrate his attention on political economy. The first article marking a changed philosophical orientation in his thinking was entitled "Some Neglected Points in the Theory of Socialism."² Veblen's neo-Kantian metaphysics and epistemology now appeared to be developing into an empirico-genetic epistemology and social psychology.³

The essay on the theory of socialism was an answer to Herbert Spencer's essay, "From Freedom to Bondage,"⁴ one of Spencer's many attacks on socialism and defenses of *laissez faire* and individualism. Assuming that "in proportion as the evil decreases the denunciation of it increases," Spencer states that though there are in England "obvious improvements, joined with that increase in longevity which alone yields conclusive proof of general amelioration," yet "it is proclaimed, with increasing vehemence, that things are so bad that society must be pulled to pieces and reorganized on another plan."⁵ Evils exist, to be sure, but, according to Spencer,

It is not a question of absolute evils; it is a question of relative evils, whether the evils at present suffered are not less than the evils which would be suffered under another system

—whether efforts for mitigation along the lines thus far followed are not more likely to succeed than efforts along utterly different lines.⁶

Spencer then further assumes, with Sir Henry Maine, that men may work together in a society under two forms of control, voluntary co-operation or compulsory co-operation, *contract* or *status*. Voluntary co-operation, or contract, is the system “by which, in civilized societies, industry is now everywhere carried on.” Compulsory co-operation, or status, is the militant “regime of coercion.” This system has gradually relaxed in vigor, according to Spencer, while the system of contract has replaced it, “until at length, restraints exercised by incorporated trades having fallen into desuetude, as well as the rule of rank over rank, voluntary cooperation became the universal principle.”⁷

But like the individual who gets tired of his easy chair and seeks a hard seat to get relief, “incorporated humanity,”

Having by long struggles emancipated itself from the hard discipline of the ancient *régime*, and having discovered that the new *régime* into which it has grown, though relatively easy, is not without stresses and pains, its impatience with these prompts the wish to try another system; which other system is, in principle if not in appearance, the same as that which during past generations was escaped from with much rejoicing. For as fast as the *régime* of contract is discarded the *régime* of status is of necessity adopted. As fast as voluntary cooperation is abandoned compulsory cooperation must be substituted. Some kind of organization labor must have; and if it is not that which arises by agreement under free competition, it must be that which is imposed by authority.⁸

In the next few pages of the essay Spencer (1) illustrates this principle with evidence drawn chiefly from his conception of how a socialist *regime* would operate—chiefly by coercion, needless to say; (2) denies that “paper social systems” would last because (a) “metamorphosis,” as the “universal law,” would inevitably change the systems, transforming them into something unrecog-

nizable by their devisers; and because (b) the "regulative apparatus," as a "cardinal trait" of all advancing social organization, under socialism would be far too vast in numbers and powers, and would place the workers in an intolerably inferior position. The remainder of the essay consists chiefly of a broadside directed against the policies of the Trades Unions and the Liberal party.

In replying to this essay "in the spirit of the disciple" of Spencer (a statement not without irony, as we shall see), Veblen attacked Spencer at his most vulnerable points. He began by offering a suggestion with respect to a point "not adequately covered" in Spencer's essay. This point was "an economic ground . . . for the existing unrest that finds expression in the demands of socialist agitators." This economic ground is chiefly "a feeling abroad that the existing order of things affords an undue advantage to property, especially to owners of property whose possessions rise much above a certain rather indefinite average."⁹ Veblen lays great emphasis on this feeling, believing it to be a strong part of the motivation of "man as we find him today." He then proceeds to outline the psychology of this motivation, and it remains a guiding principle of his method throughout his life.

The feeling mentioned, a feeling of "injured justice not always distinguishable from envy," is re-enforced and sustained by a feeling of "slighted manhood." Both are to a great extent of subjective origin, springing from a "consciousness of disadvantage and slight suffered by the person expressing them, and by persons whom he classes with himself." This consciousness Veblen expresses more succinctly as man's "regard for reputation," a characteristic that man "always has had, and no doubt always will have."¹⁰ One's regard for reputation "may take the noble form of striving after a good name" but "the existing organization of society does not in any way pre-eminently foster that line of its development." Instead, regard for one's reputation "means, in the average of cases, emulation." Taking this feeling, instinct, or habit (these three words are now practically synonymous in Veblen's usage) to be basic in contemporary man's psychology, he traces its myriad manifestations in the life history of a competitive in-

dustrial economy. Given the feeling of emulation in a pecuniary, *laissez-faire* economy, where economic excellence "attracts the approving regard of that society," certain developments are inevitable. Individuals will be driven toward the most easily achieved positions of dignity and self-respect. The display of wealth will be taken to be the chief token of success. One's respectability will be most satisfied when one has achieved emancipation from work and has amassed a considerable (pecuniary) fortune. One may recognize in these deductions and others derived from them some of the characteristic principle ideas and statements of *The Theory of the Leisure Class*, *The Theory of Business Enterprise*, and, indeed, of most of Veblen's later works. "The chief motive of dress is emulation—'economic emulation.' The like is true, though perhaps in less degree, of what goes to food and shelter." Emulation as a "habit of mind" in a competitive industrial society takes a pecuniary form, and pecuniary emulation often becomes the chief basis of expenditure for goods and services.

Veblen ironically concedes that economic emulation is "ignoble," but he asserts that private property and the industrial system of free competition are so bound up with it that unless the two latter systems are somehow transformed or abolished no surcease can be expected in the "struggle to keep up appearances," which according to Veblen has replaced the "struggle for existence." If private property were abolished, "the characteristic of human nature which now finds its exercise in this form of emulation, should logically find exercise in other, perhaps nobler and socially more serviceable, activities"; it is difficult to imagine it running into any line of action "more futile or less worthy of human effort." For the first time Veblen here speaks of his notion of social serviceability which as yet has no "content" except a vague dissatisfaction with emulation as a conditioning factor. Emulation seen as the "struggle to keep up appearances" is chargeable "directly or indirectly, with one-half the aggregate labor, and abstinence from labor—for the standard of respectability requires us to shun labor as well as to enjoy the fruits of it—on the part of the American

people." A shift to a system of nationalization would result in a great saving of effort, human labor. Thus, a most important part of Veblen's philosophy lies in his analysis of the psychology of emulation as it operates within the framework of a chiefly pecuniary, competitive industrial economy.

Veblen criticizes Spencer and Maine for classifying the methods of social organization under the exclusive heads of status and contract, and for assuming that nationalization necessarily evolves into a system of status. The two methods are not logically exhaustive, Veblen asserts, and there is room, theoretically, at least, for other methods. Following the tradition of Rousseau, and influenced by Spencer, he conceives of society as an organism possessing certain functions, not as a rigid organization of classes related by status or contract, each of which is exclusive of the other. Modern constitutional government of the English speaking peoples is not a system of status, a "system of subjection to personal authority,—of prescription and class distinctions, and privileges and immunities"; nor is it evolving into a system of contract or free competition. Rather it is best conceived as a "system of subjection to the will of the social organism, as expressed in an impersonal law." Subjection is "not to the person of the public functionary, but to the powers vested in him." Under modern constitutional government, then, the social organism is comparatively free to determine its political and industrial functions. In the past the English-speaking peoples have successfully nationalized their political functions, and this is reason to believe that they may nationalize their industrial functions with like success. Veblen's conception of the social organism possessing certain functions becomes another guiding principle of his philosophy.

It seems clear that at this time Veblen was quite sympathetic to the general idea of Bellamy's scheme of nationalization as contained in *Looking Backward*. His short article (some of his Cornell associates called it a "metaphysical disquisition") contained no detailed practical suggestions for working out such a plan, but developed rather a few crucial theoretical points in terms of a rebuttal of Spencer's objections to Bellamy's scheme. The irony

of Veblen's assertion that he was writing "in the spirit of the disciple" of Spencer becomes apparent when it is recognized that Spencer's arguments are more or less systematically controverted in the course of the article, and the theory of nationalization (for English-speaking peoples, to be sure) is defended and strengthened.

Soon after publishing this article Veblen departed for the University of Chicago to accept a fellowship. There he edited and managed the *Journal of Political Economy*, and in it published a number of his own book reviews and articles in the period 1892-1906. He also published two of his major works during this period, *The Theory of the Leisure Class* (1899) and *The Theory of Business Enterprise* (1904), and evidence exists that he had also written *The Higher Learning in America* but was dissuaded from publishing it until later. During these years Veblen came into direct contact with the most productive members of the pragmatic movement, John Dewey and his followers. Personal contact with such men as George H. Mead, James H. Tufts, Henry W. Stuart, Warner Fite, William I. Thomas, William Caldwell, and others suggests that Veblen was fully aware of the revolt of this group from Scottish Common-Sense, associationist, and hedonist psychologies, and of their efforts to forward a more functional, dynamic approach in psychology, sociology, and, indeed, in all of the social sciences. He was familiar with attempt of Albion Small, who claimed to follow Lester Ward, to raise sociology to the level of a scientific discipline, and he paid close attention to the work of the behaviorist biologist, Jacques Loeb. Thus while Veblen taught (his first course dealt with the history and theory of socialism) and continued his work in economics, he was constantly exposed to the influences of these men.

Most of the more systematic ideas contained in Veblen's book reviews and articles published before 1899 (the articles range in subject-matter from the price of wheat since 1867 to the "barbarian status" of women) also appear in his first book, *The Theory of the Leisure Class*. The first subtitle Veblen gave to that work—*An Economic Study in the Evolution of Institutions*—not only

fairly discloses the influence of evolutionary thinking upon him during the years, roughly, 1896-1906, but that work itself is also only one among several other pieces he wrote dealing in large part with perhaps his chief interest during this period, in Veblenian phrase, the economic bearing of evolution. Veblen's frequent use of the words "archaic" and "survival," chapter titles such as "The Conservation of Archaic Traits," "Modern Survivals of Prowess," and "Survivals of the Non-Invidious Interest," his frequent insistence upon Darwinian and Spencerian "realistic" thinking, and his equally frequent insistence upon the distinction between evolutionary and nonevolutionary science, his essays of this period, "Why is Economics Not an Evolutionary Science?" and "The Evolution of the Scientific Point of View," his search for the "origins" of various institutions—these are but a few examples proving that evolution was uppermost in his mind. The article that primarily develops his methodology at this time is "Why is Economics Not an Evolutionary Science?"¹¹ and it marks a step forward in the development of Veblen's philosophy. In it he develops his conceptions of evolution and evolutionary science, both of which assume paramount positions in his thought. I propose to discuss this article at some length in order to give a clear account of these conceptions and several closely related ones, namely, Veblen's theory of cumulative causation and his theory of institutions.

Veblen begins his article by quoting with approval a statement of the French anthropologist, Vacher de Lapouge, to the effect that "Anthropology is destined to revolutionize the political and the social sciences as radically as bacteriology has revolutionized the science of medicine," and he further asserts that economics stands in need of rehabilitation, that it is "helplessly behind the times, and unable to handle the subject-matter in a way to entitle it to a standing as a modern science." Modern sciences are evolutionary sciences, but economics is not evolutionary. An evolutionary science is a "close knit body of theory." It is a "theory of a process, of an unfolding sequence." Some economics of the past

have met this test, Veblen admits, and he cites John Stuart Mill's doctrines of production, distribution, and exchange, and Cairne's discussion of normal value, the rate of wages and international trade as being at least theories of process. These doctrines are not evolutionary, however, because they "fall short of the evolutionist's standard of adequacy." It is not that they fail to offer a theory of a process or of a "developmental relation," but that they conceive their theory in terms "alien to the evolutionist's habits of thought." The difference between the evolutionary and the pre-evolutionary sciences lies in the "terms of thought" employed in each case. The analysis "does not run back to the same ground, or appeal to the same standard of finality or adequacy" in pre-evolutionary science as contrasted with evolutionary science.

Veblen rephrases this position several times before he is content with it. The difference between the two sciences is a difference of "spiritual attitude or point of view." Between the two generations there is a difference "in the basis of valuation of the facts for the scientific purpose, or in the interest from which the facts are appreciated." He further explains that "with the earlier as with the later generation the basis of the facts handled is, in matters of detail, the causal relation which is apprehended to subsist between them." But "in their handling of the more comprehensive schemes of sequence and relation—in their definitive formulation of the results—the two generations differ." Veblen now introduces his conception of modern, that is, evolutionary, science by way of his conception of the modern scientist: "The modern scientist is unwilling to depart from the test of causal relation or quantitative sequence." This implies that economics, if it is to become an evolutionary science, must apply to the solution of all of its problems the standards of the "conservation of energy or the persistence of quantity," for the application of these standards is the "last recourse" of the scientist who insists on answers "in terms of cause and effect." In our time, Veblen states, these standards have been made available "for the handling of schemes of development and theories of a comprehensive process *by the*

notion of a cumulative causation." The "evolutionist leaders" (Veblen does not name them) are responsible for making this notion available, he states,

in their refusal to go back of the colorless sequence of phenomena and seek higher ground for their syntheses, and, on the other hand, in their having shown how this colorless impersonal sequence of cause and effect can be made use of for theory proper, by virtue of its cumulative character.¹²

Here, then, is Veblen's view of the significance of evolutionary theory for economics. It is at the base of his criticism of economic theory of the past and present, and it is found in almost all of his later works in economics. His revolt against the various "schools" of economists, the Historical School, Classical School and Austrian School is grounded in this conception. His criticism of hedonism, mere taxonomy, teleology (as progress), and certain forms of abstract thinking in economics generally comes back to this view of evolutionary science as cumulative causation. In one way or another in their accounts of sequences of phenomena the economists of these schools depart from the strict tests of mechanistic cause and effect. Causes or effects other than those directly observable in the cumulative processes are attributed to sequences of economic phenomena. Thus, "natural laws" are posited and are conceived to be coercive, causative factors in given situations. "Normal laws" are conceived in the same manner, and events that do not appear to fit the requirements of such normality are adjudged "disturbing factors." These "archaic" views of a preconception of normality or a propensity in events, well illustrated in some elaborate disciplines of faith and metaphysics, overruling Providence, order of nature, natural law, and "underlying principles," might be traced from their simplest beginnings in primitive animism.

Since the theory of cumulative causation is developed still further in the course of Veblen's essay I shall postpone a more detailed consideration of it until later in this chapter.

The second and third parts of the article¹³ develop Veblen's

methodology still further. In the second part, emphasis falls upon the evolution of the "concept of dispassionate cumulative causation" through men's habits of thought. According to Veblen, in primitive communities neither the industrial life nor the nonindustrial social life "forces upon men's attention the ruthless impersonal sweep of events that no man can withstand or deflect," such as becomes visible in "the more complex and comprehensive life process of the larger community of a later day." Animism and anthropomorphism rule the habits of thought of such archaic communities. But as time goes on and where

The circumstances which condition men's systematization of facts change in such a way as to throw the impersonal character of the sequence of events more and more into the foreground . . . the penalties for failure to apprehend facts in dispassionate terms falls surer and swifter. The sweep of events is forced home more consistently on men's minds. The guiding hand of a spiritual agency or a propensity in events becomes less readily traceable as men's knowledge of things grows ampler and more searching. In modern times, and particularly in the industrial countries, this coercive guidance of men's habits of thought in the realistic direction has been especially pronounced; and the effect shows itself in a somewhat reluctant but cumulative departure from the archaic point of view.¹⁴

Let us first consider the "vehicle" for this evolutionary concept, namely, men's habits of thought. Veblen's neo-Kantian theory of knowledge as primarily the adaptation of phenomena to the mind's power of judgment¹⁵ is now transformed by the introduction of biological evolution and adaptation. Veblen appears to be using the concept "habits of thought" as he formerly used the word "mind" to describe the process by which the adaptation of phenomena takes place. But adaptation is no longer conceived as primarily a logical or transcendental principle or process. Instead it is conceived biologically, as the response an interested being makes to his environment, his method of dealing with phe-

nomena. Veblen's epistemology, in other words, still contains a Kantian bias, though biological, rather than logical or metaphysical adaptation comes to be emphasized. In his efforts to demonstrate the evolution of the concept of dispassionate cumulative causation through men's habits of thought Veblen may be regarded as attempting to solve the problem of how knowledge arises on Kantian as well as on Spencerian premises. Thus, he is concerned with the possibility of our concepts, a Kantian problem, but only in the context of how those concepts evolve, more a Spencerian problem.~ His solution of these problems may be stated as follows: our knowledge of phenomena is possible through concepts, which may also be regarded as habits of mind or habits of thought, but since phenomena are habitually permitted to guide or coerce our concepts by impinging persistently and unremittingly (that is, cumulatively) upon our consciousness, our concepts may evolve through a change in phenomena or a change in our point of view of regarding phenomena. Ideas or concepts, that is, habits of thought, are thus not merely the passive products of our environment but are active, dynamic, and creative instruments searching for conduct adaptable to changing circumstances. Thus, to take Veblen's example, the phenomena of industrialism being in the center of men's attention for prolonged periods, their minds are gradually forced to take account of mechanical and technological processes and the causes at work in such processes. That is to say, in industrial circumstances men may gradually lose their habits of attributing causes to nonmechanical "spiritual" agencies, gain the habit of searching for explanations of industrial processes and their causes in those observable, empirical, and mechanical processes, and adapt such knowledge to their own purposes.

Veblen discusses the contrast between this evolutionary habit of thought and the "archaic" process of thought (insofar as they apply to economic theory) at some length in the second part of his essay, and he gives several specific examples of the use of the "ceremonial canons of knowledge" in economics. He follows these examples with his view of the archaic process of thought.

The ways and means and the mechanical structure of industry are formulated in a conventionalized nomenclature, and the observed motions of this mechanical apparatus are then reduced to a normalized scheme of relations. The scheme so arrived at is spiritually binding on the behavior of the phenomena contemplated. With this normalized scheme as a guide, the permutations of a given segment of the apparatus are worked out according to the values assigned the several items and features comprised in the calculation; and a ceremonially consistent formula is constructed to cover that much of the industrial field. This is the deductive method. The formula is then tested by comparison with observed permutations, by the polariscopic use of the "normal case"; and the results arrived at are thus authenticated by induction. Features of the process that do not lend themselves to interpretation in the terms of the formula are abnormal cases and are due to disturbing causes. In all this the agencies or forces causally at work in the economic life process are neatly avoided. The outcome of the method, at its best, is a body of logically consistent propositions concerning the normal relations of things—a system of economic taxonomy. At worst, it is a body of maxims for the conduct of business and a polemical discussion of disputed points of policy.¹⁶

According to Veblen, this process or method may be elaborated, and it can be demonstrated to be contained in the work of all, or nearly all, previous economists and in the work of many modern economists. This view of the economic process enables an economist to construct without misgivings a theory of such an institution as money or land ownership "without descending to a consideration of the living items concerned" except for a "convenient corroboration of his normalized scheme of symptoms."

By this method the theory of an institution or a phase of life may be stated in conventionalized terms of the apparatus whereby life is carried on, the apparatus being invested with a tendency to an equilibrium at the normal, and the theory

being a formulation of the conditions under which this putative equilibrium supervenes. In this way we have come into the usufruct of a cost-of-production theory of value which is pungently reminiscent of the time when Nature abhorred a vacuum.¹⁷

Implicit in this archaic process of thought is a “disintegrating animism,” a preconceived teleology having no reference to true causes or to the facts of economic phenomena.

The standpoint of the classical economists, in their higher or definitive syntheses and generalizations, may not inaptly be called the standpoint of ceremonial adequacy. The ultimate laws and principles which they formulated were laws of the normal or the natural, according to a preconception regarding the ends to which, in the nature of things, all things tend. In effect, this preconception imputes to things a tendency to work out what the instructed common sense of the time accepts as the adequate or worthy end of human effort. It is a projection of the accepted ideal of conduct. This ideal of conduct is made to serve as a canon of truth, to the extent that the investigator contents himself with an appeal to its legitimation for premises that run back of the facts with which he is immediately dealing, for the “controlling principles” that are conceived intangibly to underlie the process discussed, and for the “tendencies” that run beyond the situation as it lies before him.¹⁸

We may note here that Veblen seems to have changed his view concerning the problem of final causes, to which we referred in our first chapter.¹⁹ In his earliest writing, it was a question of “extreme importance” despite the fact that for “purposes of everyday life” we “could do without” knowledge of final purposes. In this essay, the theory that there is a discernible, describable purpose or end to which, in the nature of things, all things tend, is satirically associated with animistic thinking, the archaic process of thought. It is a preconception belonging in the same class as

the economists' apparatus of normal laws, natural laws, controlling principles, etc. But Veblen does not merely satirize and criticize these preconceptions. We shall now see what he proposed to take the place of unscientific animistic economics.

The third part of the essay contains Veblen's recommendations for the evolutionary (that is, causal, scientific) study of economics. In one sense, in the sense that almost all of the important distinctions of his later works may be traced back to the ideas found in this essay, it completes that part of Veblen's philosophy that we have referred to as his methodology. Veblen emphasizes four themes and devotes some attention to several other less important ones. The first theme is that *the economic process is the human process, human action*. He says: "The active material in which the economic process goes on is the human material of the industrial community," and he identifies the process of cumulative change referred to above with the "sequence of change in the methods of doing things,—the methods of dealing with the material means of life." The latter, in short, is the "economic life process" upon which economic science must concentrate its attention. In the past economists have been content to consider the material objects and circumstances, the mechanical contrivances and arrangements within any culture as "items of inert matter having a given mechanical structure and thereby serving the material ends of man." These items were scheduled and graded by the economists as "capital," this capital being considered as a "mass of material objects serviceable for human use." This is taxonomy, Veblen asserts, not a "theory of the developmental process." The latter is concerned with productive goods as "facts of human knowledge, skill, and predilection; that is to say, they are, substantially, prevalent habits of thought, and it is as such that they enter into the process of industrial development."²⁰

Moreover, the

physical properties of the materials accessible to man are constants; it is the human agent that changes,—his insight and his appreciation of what these things can be used for is what develops. The changes that take place in the mechan-

ical contrivances are an expression of changes in the human factor. Changes in the material facts breed further changes only through the human factor.²¹

For economics this means that "economic action must be the subject-matter of the science if the science is to fall into line as an evolutionary science."

The second theme Veblen develops is that the human process, human action, is a process of change in men's habits of thought. The Classical and Historical Schools of economists have not departed from the standpoint of taxonomy, and they have not attempted to make their science a "genetic account of the economic life process." The Austrian economists also fail in this study for the reason that their conception of human nature is faulty. Indeed, in

all the received formulations of economic theory, whether at the hands of English economists or those of the Continent, the human material with which the inquiry is concerned is conceived in hedonistic terms; that is to say, in terms of a passive and substantially inert and immutably given human nature.²²

This conception of human nature rests on psychological and anthropological preconceptions that were accepted by the psychological and social sciences several generations ago. Veblen describes the hedonistic conception of human nature in a humorously satirical passage:

The hedonistic conception of man is that of a lightning calculator of pleasures and pains, who oscillates like a homogeneous globule of desire of happiness under the impulse of stimuli that shift him about the area, but leave him intact. He has neither antecedent nor consequent. He is an isolated human datum, in stable equilibrium except for the buffets of the impinging forces that displace him in one direction or another. Self-imposed in elemental space, he spins symmet-

rically about his own spiritual axis until the parallelogram of forces bears down upon him, whereupon he follows the line of the resultant. When the force of the impact is spent, he comes to rest, a self-contained globule of desire as before. Spiritually, the hedonistic man is not a prime mover. He is not the seat of a process of living, except in the sense that he is subject to a series of permutations enforced upon him by circumstances external and alien to him.²³

The "later psychology," however, reinforced by "modern anthropological research," gives a different conception of human nature. In this conception man is

a coherent structure of propensities and habits which seeks realization and expression in an unfolding activity. . . . The activity is itself the substantial fact of the process, and the desires under whose guidance the action takes place are circumstances of temperament which determine the specific direction in which the activity will unfold itself in the given case.²⁴

These habits or circumstances of temperament, Veblen explains, are ultimate and definitive for the particular individual who acts under them, "so far as regards his attitude as agent in the particular action in which he is engaged." Economic science must take this into its account, but it must also *account for* these habits or circumstances of temperament as the product of growth, that is, it must be prepared to make them intelligible as evolutionary products of hereditary traits and past experience.

In the view of the science [of economics], they are elements of the existing frame of mind of the agent, and are the outcome of his antecedents and his life up to the point at which he stands. They are the products of his hereditary traits and his past experience, cumulatively wrought out under a given body of traditions, conventionalities, and material circumstances; and they afford the point of departure for the next step in the process.²⁵

Veblen follows this statement with a somewhat cumbersome definition of the "economic life process," a definition indicative of the kind of language Veblen often uses throughout his later work, a language that many persons find almost unintelligible. In view of the previous analysis, however, his definition is quite clear:

The economic life history of the individual is a cumulative process of adaptation of means to ends that cumulatively change as the process goes on, both the agent and the environment being at any point the outcome of the last process.²⁶

Veblen rephrases this sentence in the following manner: "[Man's] methods of life today are enforced upon him by his habits of life carried over from yesterday and by the circumstances left as a mechanical residue of the life of yesterday."²⁷

Not only the individual, but also the group in which the individual lives is so affected. Economic change is a change in the economic community, a "change in the community's methods of turning material things to account,"²⁸ but the manner in which such changes take place is "always and in the last resort a change in habits of thought." *Hence, human action, the human process of evolution and change, is a process of change in men's habits of thought.* This is the outcome of the second major theme developed in the third and last part of the essay under consideration.

The third theme closely follows the second: men's habits of thought are actions directed to ends. When the economist observes the continuous development, the constant flux in the life process, he finds "no definitively or absolutely worthy end of action." Science, in other words, has no place for approval or disapproval of the phenomena under its investigation. Economic science, in particular, is not concerned with worthy or unworthy actions, melioristic trends, or the like. What remains "as a hard and fast residue" in the process of economic life is the "fact of activity directed toward an objective end." Action, economic action, is teleological, in the sense that "men always and every-

where seek to do something." The empiricism of Veblen's economic science is neatly brought out in the next sentence:

What, in specific detail, they seek, is not to be answered except by a scrutiny of the details of their activity; but so long as we have to do with their life as members of the economic community, there remains the generic fact that their life is an unfolding activity of a teleological kind.²⁹

To recapitulate, three of the four themes Veblen develops are as follows: (1) the economic process is the human process, human action; (2) the human process, human evolution, is a cumulative process of change in men's habits of thought; and (3) men's habits of thought are actions directed toward specific ends. It follows, therefore, that evolutionary economic theory is properly concerned with the process of men's habits of thought as seen in their actions.³⁰

In his insistence upon the view that evolution is essentially an impersonal though teleological process of cumulative change, I believe Veblen combines and to some extent reconciles Kant's teleology with Spencer's evolutionism, and both of these with the genetic psychology of James and Dewey. The article we have been examining, and others as well,³¹ show Veblen groping for an evolutionary conception of culture without having to assume conscious forces, a conception, moreover, that would make intelligible the idea of cultural continuity. He seems to have been seeking a principle to replace Kant's metaphysical principle of adaptation, but he needed a principle that would do the same work, that is, explain or make intelligible the same phenomena. Kant's principle requires us to conceive phenomena as a totality, Veblen had written in his article on Kant.³² It is *a priori*, a regulative principle of the Understanding that enables us to form hypotheses about phenomena. Without such a principle things are known only as a "congeries," and their relation part to part can never be known. *With* such a principle as a guide our knowledge is extended to include causal relations, though experience

alone could test whether or not it “appeared” that our hypotheses or inductions concerning causal relations are successful. In the evolutionary theories of Spencer and Darwin, Veblen discovers scientific authority proving the empirical existence of the phenomena formerly “explained” or comprehended by Kant’s *a priori* principle. In other words, according to Veblen, the theory of evolution demonstrates and emphasizes, and evolution itself as a natural process exemplifies, the (empirical) cumulative, causal connection of phenomena, just as the principle of adaptation required us to assume it. He notes that this is the “impersonal, colorless sequence of phenomena” and that it is the proper domain of science and theory. The causes and effects of economic phenomena are found only within that domain. Finally, under the influence of pragmatic thought, Veblen comes to the view that this domain of impersonal sequence and cumulative causation is none other than the domain of habits of thought.

The “impersonal” character of this last view appears most clearly in the essay, “The Place of Science in Modern Civilization” (1906), where Veblen notes the similarity of *pragmatic learning* and *knowledge construed teleologically*, and then goes on to say that this “teleological aptitude” is itself *reducible to a product of unteleological natural selection*. He continues: “The teleological bent of intelligence is an hereditary trait settled upon the race *by the selective action of forces that look to no end* [my italics],³³ and he concludes that the “foundations of pragmatic intelligence are not pragmatic, nor even personal or sensible.” Veblen’s theory of cumulative causation states, in other words, that there is a genuine evolution in human life in the sense that man, as an active organic being interested in attaining certain specific ends, must discover means to attain them. These means, as well as the ends, are his problems, and by trial and error man finds means, that is, certain methods of thinking (“habits of thought”) or certain modes of conduct (“habits of action”) adaptable to circumstances for his end, and that as circumstances change he must again try, so to speak, to make peace with his environment. That he frequently succeeds in adapting himself,

in finding means and attaining his ends is beyond doubt, and thus he comes to regard himself as the cause of his success. The causes of economic change are hence cumulative in the sense that by a continuous succession of actions or attempts to solve their problems men continuously appear to themselves to succeed, and hence literally *react* to solve other problems as well, and also in the sense that the actions they find successful are formed into a pattern of habits or "principles," that is passed on to the following generation, thus establishing and guaranteeing cultural continuity.

Veblen's emphasis upon evolution as a natural, impersonal, unconscious, nonrational process, and his attempt to avoid confusing it with a process assuming conscious and personal forces leads him, then, to conceive habits of mind and guiding principles somewhat as cosmic principles, but Veblen's conception of the teleology of human action and his theory of cumulative causation remain as two of the most important parts of his methodology and his science of economics. Guiding principles cannot be understood without the idea of teleology, which for Veblen is mechanical, objective teleology in the sense explained above, culminating in (social) habits of thought and economic action. Man is a social organism, according to Veblen, by selective necessity.³⁴ Looked upon scientifically, man in his own estimation has purposes and ends, purposes and ends which (he may not appreciate) are socially and materially conditioned and adaptable. In a word, we are "institutionalized" but we think and act as though we were not.

I have attempted to show how Veblen's Kantianism was transformed under the influence of Spencer's evolutionism, and I have further indicated how this reconciliation was mediated by the genetic epistemology and psychology of pragmatism. At this point I should like to consider further and more in detail the relations of Spencer to Veblen. Spencer's demonstration of the universal law of the evolution of institutions—from "indefinite, incoherent homogeneity to definite, coherent heterogeneity"—seems to have impressed Veblen favorably, though he rebelled

against certain conclusions Spencer suggested. Veblen's first article on economics was written, according to Veblen himself, "in the spirit of the disciple" of Spencer, and while this was said ironically, as we have seen, nevertheless there is a sense in which it was true, the sense artfully suggested at one time by his comment about Spencer's critics to the effect that they "stand on Spencer's shoulders and beat him." In the same article Veblen also mentions his familiarity with the *Principles of Sociology*, the famous three-volume work that contained Spencer's "outline" for a more complete study of sociology.³⁵ As topics Spencer's work discussed domestic, ceremonial, ecclesiastical, political, and industrial institutions, and Spencer attempted to demonstrate how these institutions developed from their earliest simple forms into their later highly complicated forms under the general law of evolution. One is struck by the similarity in Veblen's method of analyzing almost the same group of institutions in *The Theory of the Leisure Class*, though Veblen not only dispenses with Spencer's mass of illustrative evidence but also cleverly undermines Spencer's conclusions, giving them virtually the contrary interpretation Spencer intended them to have.³⁶ In this period in Veblen's thinking there may also be found a counterpart of Spencer's assumption, implicit in the *Principles*, that evolution and progress are synonymous terms: "Social advance, especially as seen from the point of view of economic theory, consists in a continued progressive approach to an approximately exact 'adjustment of inner relations to outer relations.'" ³⁷ But within a few years Veblen discards this notion of progress or "advance," and begins to talk more and more about teleological, biological, and mechanical aspects of social evolution.

Yet there is little question, to repeat, that Veblen was considerably indebted to Spencer, more indebted, perhaps, than he himself would have been willing to admit. With Spencer he assumed that human beings, human societies, and human cultures, as well as plant and animal life, were subject to evolutionary growth and change. Spencer's analysis of the evolution of social institutions

in the *Principles of Sociology* may well have suggested to Veblen the possibility of dealing specifically with economic institutions in a similar manner. Veblen's theory of cumulative causation, or cumulative evolutionary institutionalism, as it is sometimes called, is Spencer's theory of "continually-accumulating modifications" interpreted somewhat more strictly and, at the same time, somewhat more broadly, that is, as habits.³⁸ Veblen's theory of the growth of knowledge is Spencer's theory of the evolution of mind, with the important difference that Veblen's "mind" is far more active, dynamic, and purposeful. Spencer's recognition of the forces of habit, prescription, custom, and tradition is reflected in Veblen's emphasis upon these as positive factors and processes conditioning and determining cultural evolution, though where Spencer gives his approval to the particular habit or custom Veblen is at times either satisfied to note or emphasize its teleological nature, or he views the habit "causally" as conducive or nonconductive to social serviceability or social efficiency. To take but one example, under the heading of "Fashion" Spencer writes:

Just as, along with the transition from compulsory cooperation to voluntary cooperation in public action, there has been a growth of the representative agency serving to express the average volition; so there has been a growth of this indefinite aggregate of wealthy and cultured people, whose *consensus* of habits rules the private life of society at large.³⁹

Veblen, it appears, concurred in the last part of this statement but used it as a datum from which he went on to demonstrate the theoretical social *unserviceability* and *inefficiency* of this "indefinite aggregate of wealthy and cultured people"—Veblen's "leisure class." In other words, it is true, according to Veblen, that the activities of the leisure class are more or less prescriptive for society at large, and that they constitute an institutional factor of great force to be reckoned with in establishing tabus, "canons" of taste and conduct, standards of living and decency, habits of emulation, etc., but it is at least questionable whether these activ-

ities contribute to the community's economic efficiency. The process of institutionalization is described by Veblen in the following passage:

Prescription presently seizes upon this conventional evidence of wealth and fixes it in men's habits of thought as something that is in itself substantially meritorious and ennobling; while productive labor at the same time and by a like process becomes in a double sense intrinsically unworthy. Prescription ends by making labor not only disreputable in the eyes of the community, but morally impossible to the noble, freeborn man, and incompatible with a worthy life.⁴⁰

This leads us to one of the most notable and distinctive features of Veblen's writing, namely, his constant practise of contrasting "institutions." I should like to consider here the point of these contrasts and their relation to Veblen's philosophy and psychology. Before listing several institutional contrasts Veblen makes or implies, however, let us take note of a few of Veblen's uses of the term "institution."

The Captain of Industry is one of the major institutions of the nineteenth century.

The evolution of social structure has been a process of natural selection of institutions.

The institution of a leisure class has an effect not only upon the social structure but also upon the individual character of the members of society.

The adaptation of habits of thought is the growth of institutions.

The scheme of institutions in force in any given community—as exemplified, *e.g.*, by the language—being of the nature of habit, is necessarily unstable and will necessarily vary incontinently with the passage of time, though it may be in a consistent manner. . . .⁴¹

It will, I think, be readily seen that in Veblen's thought institutions are not what they are commonly held to be. That is, they are

not primarily physical structures—banks, stock exchanges, hospitals, universities, or the like—though Veblen would not deny that the word “institution” may be correctly applied to these things. But primarily, according to Veblen, institutions are “in substance, prevalent habits of thought with respect to particular relations and particular functions of the individual and the community.”⁴² The institution is the individual’s (or the group’s) manner of thinking about, or way of apprehending a given relation. Moreover, the individual’s manner of conceiving this relation is determined by his “spiritual attitude” or “theory of life,” an attitude or theory that “as regards its generic features . . . is in the last analysis reducible to terms of a prevalent type of character.” Hence, institutions or institutionalism may be discussed on a number of levels. First, institutions are the more widely prevalent habits of thought in a given community concerning particular relations and particular functions of the individual and the community. Second, as habits of thought institutions are “principles,” as well as customs, canons, laws, aptitudes, etc. Third, institutions are “theories of life,” “spiritual attitudes,” or, to use a more popular term, ideologies. Fourth, institutions are the products of these habits, principles or ideologies, the specific actions or beliefs that are implied by those institutions, or result, so to speak, from their being applied. Fifth, by “reducing” these theories of life to the individuals who hold them Veblen notes that we may readily distinguish a particular type of character or personality whose thinking will be found to follow a typical, distinctive (institutional) pattern. Veblen is most fond of the first three usages, and of these the first two occur most frequently in his writing. That is to say, when he uses the word “institution,” he often qualifies or expands it in this fashion: “—that is to say, habit of thought—”; likewise when he uses the phrase “habit of thought” he often follows it with the word “principle” in parentheses; and when he uses the word “principle,” he often follows it with the phrase “habit of thought.”⁴³

We are now prepared to list certain institutional contrasts. The contrasts that follow may conveniently be regarded as institutions

in the first sense listed above, that is, as prevalent habits of thought.

Animism	Empiricism ("matter-of-fact")
Taxonomy	Evolutionism
Hegelianism	Darwinism or Spencerianism
Romanticism	Realism

The next group of contrasts may conveniently be regarded as products of the first group listed above.

Pecuniary occupations	Industrial occupations
Captain of Industry	Engineer or technologist
Captain of Erudition	Scholar
Personalism or "what one is"	Impersonalism or "what one does"

These columns may unquestionably be added to, but this listing is sufficient for the present, for the above represent some of the major empirical contrasts discernible among the institutions in contemporary civilization, according to Veblen. In his own thinking the fundamental polar contrast is between the instinct of workmanship, regarded as a "generic feature of human nature," and its opposite, the conventional aversion to useful effort, or the "impulse of sportsmanship."⁴⁴ It may also be expressed as a contrast between the social self and the empirical self, or as a distinction between "idle curiosity" and "pragmatic" action, though "pragmatic" must be understood here in a limited, popular, and, therefore, special sense.⁴⁵

What is important here is to ascertain the purpose of the distinctions and contrasts listed above, to discover what knowledge is gained in analyzing institutions by this method. When institutions are recognized and identified as habits of response to changing circumstances, or as characteristic ways of acting in given situations, a fundamental disparity is found to exist between the two terms of each contrasted pair of institutions, between the hab-

its of thought and action represented by the type of character found on each side of the above columns. The institutions listed opposite each other are irreconcilable and uncompromising. Apprehension, response and action in a given case are at war with one another.

While an individual is a complex of institutions, nonetheless he assumes a typical spiritual attitude, and possesses a theory of life that marks him off from the next individual. He is dominated and guided by one institution that sets the pattern for the other institutions of his life. There is much more than a fair possibility that a "taxonomic" habit of mind, for example, will be found present in an individual possessing related patterns of thought and behavior—Hegelian, personal, animistic—than that it will be found in an individual possessing genetic, Darwinian, impersonal habits of thought. The "scheme of life" of any society consists of the "aggregate of institutions" in force at any given time and any given place. Institutions, then, are widespread habits in a society, and may be discovered in individuals who are the living proof, so to speak, of the presence of institutions.

As a matter of course, men order their lives by these principles and, practically, entertain no question of their stability and finality. *That is what is meant by calling them institutions; they are settled habits of thought common to the generality of men.*⁴⁶

Moreover, since institutions "must change with changing circumstances, since they are of the nature of an habitual method of responding to the stimuli which these changing circumstances afford," the "development of these institutions is the development of society."⁴⁷ Veblen seldom fails to characterize and describe each institution at some length, and in this connection it is important to remember that these institutional contrasts are items of empirical knowledge in Veblen's view.

In his genuinely serviceable book, *Beyond Supply and Demand*, Dr. John Gambs attempts, among other things, to distinguish the "genuinely identifying badge" of institutionalism. He asserts that

the recognition of coercion in economic affairs is the chief (hidden) premise holding Veblen and his various followers together; that "in the main, the institutionalist has assumed that coercion is primarily the rich man's vocation and avocation."⁴⁸ Gambs deduces four corollaries from this premise: (1) the institutionalists' denial of the automatic organization of our economic system; (2) their recognition of money as the nucleus around which cluster infinitely complex forms of human behavior; (3) their distinction between pecuniary and industrial employments; and (4) "Veblen's constant awareness of changing institutional life as an important ingredient of what he named 'evolutionary economics,' and 'evolutionary' was what he himself thought was distinctive about his economic writing."

Though the idea of coercion is undeniably present in Veblen's work, I believe Gambs fails to appreciate the true nature of Veblen's genetic methodology. This is responsible for a certain amount of overemphasis on Gambs' part. Veblen's psychology was intimately connected with his methodology. It follows from what I have said that Veblen arrives at the doctrine of coercion from a consideration of the evolution of economic life and from an analysis of man's psychology in a pecuniary economy, a psychology that has roots in Kantian epistemology, among other things. Veblen recognizes coercion in economic life, to be sure, but he does not merely assume it. It is no "hidden premise." It is rather a conclusion buttressed by a consistent methodology. It is not merely posited; it is examined and defended. Gambs reverses the direction of Veblen's thinking. We are likely to believe that Veblen was not aware of his assumptions and that he gave unwarranted emphasis to this one in particular. The truth is that coercion arises because of the psychology underlying man's actions within a highly individualistic, competitive system. A pattern of invidious distinctions and institutions is evolved out of the reaction. Men believe that they have few opportunities to "gain a good fame" or a good name outside of the system. Coercion follows their attempts to satisfy this "need." Such are some of the guiding principles of Veblen's thinking. By not examining the

evolution of these principles in Veblen's philosophy more closely Gambs is prone to misrepresent Veblen's position.

This reversal and misunderstanding of the character and continuity of Veblen's thinking seems to be responsible also for Gambs' false emphasis upon the "implicit principles" of Veblen's methodology. Thus, when he comes to discuss Veblen's methodology, which he divides into explicit and implicit principles, its "most interesting part" is to be found in its implicit principles; the explicit ones "have become well known." Among the latter Gambs recognizes (1) the principles of evolutionary science; (2) the insistence upon "opaque fact" and the "uprooting of animism in economic thought"; (3) the relative lack of ideological bias; and (4) the emphasis on function rather than structure.⁴⁹ When he discusses the implicit principles, he states that Veblen "was as much addicted to the notion of dialectical change as to that of evolutionary development." I do not deny that Veblen's thought contains a Hegelian emphasis. I assert that this is by no means the most characteristic, or the "most interesting," part of Veblen's thought. No one can read Veblen's criticism of Hegel and Marx⁵⁰ without concluding that Veblen had little use for Hegelian, neo-Hegelian, or Marxian dialectics as workable theories of economic change.

In his account of Veblen's psychology Gambs again fastens on to a theory that is not at all typically Veblenian, the theory of mechanical determinism. Gambs phrases the problem as follows:

The question at issue, stated in appropriate psychological terms, seems to be whether contact with the machine process deepens man's ability to make contact with reality, to eschew animism, ideological bias, unfounded hopes, self-directed or unsublimated aggression, unconstructive satisfactions. Psychoanalysts face this problem daily, and one of their chief tasks is to help their patients maintain contact with the real external world and turn bootless aggression into constructive channels. Despite their use in this process of occupational therapy and their insistence on the role of work and even muscular work in fruitful living, none has, as far as I know,

recommended the boring mill, the drill press, or the automatic screw machine.⁵¹

I venture to suggest that Gambs asks the wrong question. It appears that the question turns rather on man's response to what he can see are the *products* of the machine. It is from these in their marvelous abundance that man (and Veblen) comes to appreciate technology and the machine, that he is profoundly influenced by its working processes. I do not believe that Veblen was as naïve or as literal-minded as Gambs seems to think he was. Veblen spills out of the narrow mold of mere mechanical determinism, as I have tried to show elsewhere.

Finally, Gambs exaggerates the "utopian bias" in Veblen's make-up. This was responsible, Gambs implies, for his partly "mistaking" the causes of economic change. Gambs is willing to concede that Veblen's theory of evolutionary change is "partly right," but apparently only on the grounds that the theory itself was evolved from Veblen's "strong utopian bias," not on the grounds that the theory is consistent and illuminating, that its psychology and methodology offer sharp and powerful tools for economic analysis. According to Gambs, Veblen was "partly wrong" in postulating this theory because "as an economist, rather than as a prophet or dreamer—as a mere economist—his acceptance of coercion as a basic means of acquiring wealth was his really grand theme."⁵² If my view of Veblen is correct, this was not his "really grand theme," though it is an important deduction from his premises. Nor is Veblen's thinking to be atomized into "prophetic," "dreaming," and "economical" categories. When was Veblen ever a "mere economist"?

Veblen's institutional contrasts remind one of William James' lectures on pragmatism, particularly the Lowell series of 1907-08. In the first of these lectures, entitled "The Present Dilemma of Philosophy," James maintained that "temperaments with their cravings and refusals do determine men in their philosophies and always will," and he listed in two columns, respectively entitled the "tender-minded" and "tough-minded," the traits or temperaments common to each.⁵³ The similarity of James' and Veblen's con-

trasts, and the spirit and direction of their discussions are indicative of the recognition each gives to the force of temperament (which Veblen uses synonymously with "habit"), the strength of particular points of view in individuals as expressions of their philosophy or their customary manner or method of knowing things. In each discussion there is implied, and elsewhere in their writings there is made explicit, the teleology of belief, temperament, or habit leading to action and further thought, the heart of pragmatism as formulated by Peirce, James, and Dewey.

In discussing Veblen's evolutionism, we are led to consider Charles Darwin's significance in Veblen's thought. It appears that Darwin's theories had a somewhat indirect influence on Veblen's work, if we take Veblen's word. He states that although Darwin's name is generally associated as a "catch-word" with the change in the method and direction of science, it is aimless to inquire whether or not Darwin himself was responsible for the change.

This use of Darwin's name does not imply that this epoch of science is mainly Darwin's work. What merit may belong to Darwin, specifically, in these premises, is a question which need not detain the argument. He may, by way of creative initiative, have had more or less to do with shaping the course of things scientific. Or, if you choose, his voice may even be taken as only one of the noises which the wheels of civilization make when they go 'round. But by scientifically colloquial usage we have come to speak of pre-Darwinian and post-Darwinian science, and to appreciate that there is a significant difference in the point of view between the scientific era which preceded and that which followed the epoch to which his name belongs.⁵⁴

The important thing to notice, according to Veblen, is that modern, post-Darwinian science takes "as an (unavowed) postulate the fact of consecutive change." Inquiry in modern science "always centers upon some manner of process," and has moved away from merely taxonomic schemes of classification and definition. The postulate that things change consecutively is a metaphysical

preconception, unproven and unprovable;⁵⁵ but though it cannot be proven, nevertheless, science as a matter of logical necessity must use this concept, substantially the concept of causation, as the basis of a systematic knowledge of phenomena. In other words the new emphasis of "Darwinian" science lies in the fact that

The process of causation, the interval of instability and transition between initial cause and definitive effect, has come to take the first place in the inquiry; instead of that consummation in which the causal effect was once presumed to come to rest. . . . Modern science is becoming substantially a theory of the process of consecutive change, which is taken as a sequence of cumulative change, realized to be self-continuing or self-propagating and to have no final term. Questions of a primordial beginning and a definitive outcome have fallen into abeyance within the modern sciences, and such questions are in a fair way to lose all claim to consideration at the hands of the scientists. Modern science is ceasing to occupy itself with the natural laws—the codified rules of the game of causation—and is concerning itself wholly with what has taken place and what is taking place.⁵⁶

It will be noticed here that Veblen's thought has undergone a change. In the period 1896-1906 Veblen's evolutionism for one thing involved searching for the origins of various institutions to show their "economic bearing." *The Theory of the Leisure Class* was for the most part concerned with a Spencerlike analysis of the origins of various institutions and "usages," and with tracing the "survivals" of those institutions and usages. It is often difficult to avoid the implication that the survivals Veblen speaks of in that book are stupid, useless, and worthless *because* they originated in predatory, barbarian, ritualistic, or animistic practises, as the case may be. Now (1908), however, Veblen means to avoid this genetic fallacy by denying that science is properly concerned with "primordial beginnings," though his philosophy of science and culture recognizes the evolution of the scientific point of view out of these "archaic" institutions.

Moreover, "causation" in the earlier period spoken of above referred exclusively to observable phenomena, and Veblen, as we have seen, was fond of illustrating his theory of cumulative causation by speaking of the "causes at work" in mechanical, industrial, technological, and even evolutionary process. In this later period causation is a metaphysical category men use as a matter of "logical necessity" in dealing with phenomena. Mind, that is, men's habits of thought, must use such a concept to make the world and its processes intelligible. It is an "unproven and unprovable" postulate, but we must continue to use it as if it had a reference to empirical phenomena, for by its use we gain at least a *systematic* knowledge. This, of course, is Kantian criticism once again, though now associated with evolutionism, for habits of thought are not only causal agencies but are also parts of a process of change, the cumulative adaptation to new circumstances, the sequence of repeated trials and errors in time, a sequence having "no final term." The "ultra-modern" view (as Veblen calls it) of science implied in this position is a new emphasis in Veblen's philosophy, an emphasis that appears to grow out of further reflection on matters we have already discussed, that is, the Kantian critical philosophy, the theory of knowledge and science, evolutionism as cumulative causation and institutionalism, pragmatism and the "later psychology," and it leads Veblen to a theory of the place of scientific knowledge in civilization. I shall discuss this theory in another place.

Veblen's philosophy, which consisted in part of a genetic, institutional methodology, originating in a skeptical reaction to Scottish Common Sense, in neo-Kantian criticism, and Spencerian evolutionism, attempted to turn economics away from mere taxonomy, hedonism, "pecuniary logic," and special pleading, and attempted to dispel the confusion of evolution with "improvement," "melioration," and "progress." While there is still more to Veblen's philosophy than this rather systematic methodology (the next two chapters will deal more fully with his view of human nature and his social psychology, and his emphasis on science and technology), no one feature receives more attention or is developed

at greater length than this. It is evident in almost all of Veblen's writing, which, in general, is concerned with the analysis and the theory of institutions. Institutions, as we have seen, are selected habits of thought, more or less widespread social habits discoverable empirically in men's habits of action, and since these are the proper concern of a scientific economics, according to Veblen, his attention is constantly directed towards and focused upon them. Though he fused a number of other ideas to it, Veblen's methodology—as seen in his unique and most characteristic theories of evolutionary institutional economics, economic action, culture, science, and technology—is kept substantially intact as he applies it to the analysis of the contradictions and absurdities of economic doctrines and to the paradoxes of contemporary economy. An examination of his philosophy proves that he assimilated many other ideas—from psychology, anthropology, biology, and social history, for example—and reworked them into the frame we have already examined. We turn now to a closer examination of Veblen's social psychology that he used not so much as a tool but more as a battering ram to help break down the citadel of classical economics, which, according to him, stood virtually unscarred and unshaken by the assaults of evolution and the "later psychology."

CHAPTER THREE

Human Nature and the Social Psychology of Interests

VEBLEN'S ESSAY ON THE THEORY OF SOCIALISM, WHICH WE EXAMINED in the previous chapter chiefly in connection with his philosophy of evolution and the theory of cumulative causation, also contains the first expression of his psychology.¹ He begins to assert this psychology simply, if dogmatically and didactically, in several key paragraphs of that essay, paragraphs that are curiously revealing for an understanding of Veblen and his later work. I say "curiously" because, for one thing, Veblen thereafter seldom wrote as clearly and directly.

To review briefly the psychology involved in his analysis of the effects of private property and modern industrial organization under a system of free competition: Veblen begins by assuming man's regard for his reputation as one of his chief motives, "a characteristic that man always has had and no doubt always will have."² This drive or interest may be satisfied in society in several ways, but in the average of cases the "existing organization of society" fosters only one form of its satisfaction, namely, emulation, defined as "the striving to be, and more immediately to be thought to be, better than one's neighbor." Modern society is a society in which "competition without prescription" is predominant. It is also "preeminently an industrial, economic society." Industrial success, that is to say, "economic excellence," most readily "attracts the approving regard of that society." Since the existing institutions of society form patterns of behavior, set the tone and show the direction of living for the average person, and, further, since in our society "industrial success" has come to mean

“pecuniary success,” it is toward the latter that many of us turn our attention.

To be sure, Veblen asserts, integrity and personal worth “will count for something, now as always,” but a “person of moderate pretensions and opportunities, such as the average of us are” cannot penetrate far enough into the very wide environment to which he is exposed in modern society to satisfy “even a very modest craving for respectability.” To sustain his self-respect and his dignity under the eyes of people who are not socially one’s immediate neighbors, he must display the “token of economic worth,” which “coincides pretty closely with economic success.” An individual’s worth is commonly expressed in dollars, and though the expression “does not convey the idea that moral or other personal excellence is to be measured in terms of money,” nevertheless, it very distinctly conveys the idea that “the fact of his possessing many dollars is very much to his credit.” Moreover, except in cases of extraordinary excellence, “efficiency in any direction which is not immediately of industrial importance, and does not redound to a person’s economic benefit, is not of great value as a means of respectability.” The conclusion Veblen draws is that “economic success in our day is the most widely accepted as well as the most readily ascertainable measure of esteem . . . This will hold with still greater force in a generation which is born into a world already encrusted with this habit of mind.”³

It appears here that habits of mind are relative to given states of society, and that habits grow along with the growth of society. Many, if not most, individuals are shaped by the pattern of that growth, and no doubt further shape it by their own activities. But a world “encrusted” with given habits, given ideals of worth and success, will inevitably transmit these to the next generation. How does emulation fit into this process?

In answering this question Veblen turns to the history, that is, the experience, of the United States during the Industrial Revolution. Economic emulation “is not anything new; nor did modern industry invent it.” In the United States, however, the system of free competition has “accentuated” this form of emulation by

exalting the industrial activity of man above the rank which it held under more primitive forms of social organization, and by in great measure cutting off other forms of emulation from the chance of efficiently ministering to the craving for a good fame.⁴

Modern industrial development under *laissez faire* has tended, then,

to intensify emulation and the jealousy that goes with emulation, and to focus the emulation and the jealousy on the possession and enjoyment of material goods. The ground of the [socialists'] unrest . . . is, very largely, jealousy,—envy, if you choose; and the ground of this particular form of jealousy, that makes for socialism, is to be found in the institution of private property. With private property, under modern conditions, this jealousy and unrest are unavoidable.⁵

Economic, that is, pecuniary emulation, which is human jealousy writ large under the institution of private property and free competition, arises out of the interplay of these three factors. As long as all three are present in the experiences of individuals, so long will a general unrest prevail. Each factor works to sustain the others in their operation, and the effect is cumulative. Modern industrial organization, one of the most notable forms of private property, as a feature of the individual's environment, first of all narrows the scope of emulation, as we have seen, to its economic form, leaving but little freedom for the individual to satisfy his "regard for reputation" in other ways. Secondly, and at the same time, it has made the means of sustenance and comfort so much easier to obtain "as very materially to widen the margin of human exertion than can be devoted to the purposes of emulation." Thirdly, by "increasing the freedom of movement of the individual, and widening the environment" to which the individual is exposed,⁶ modern industrial organization has "increased the relative efficiency of the economic means of winning respect through a show of expenditure for personal comforts."

Viewed as a problem involving human nature and conduct, Veblen notes at once that emulation cannot be separated from the institution of private property. Under that institution human nature develops into the "craving to compare favorably with his neighbor" in property. One who possesses less, will, on the average, be jealous of one who possesses more; and "more" means not more than the average share, but "more than the share of the person who makes the comparison." Socialistic unrest arises out of this sentiment, which "favors, in a vague way, a readjustment adverse to the interests of those who possess more, and adverse to the possibility of legitimately possessing or enjoying 'more.'"

Thus, man's regard for reputation is diverted—perverted, in Veblen's opinion—under modern conditions into emulation, which is manifest as economic, that is, pecuniary emulation, a struggle to obtain more wealth, or the appearance of more wealth, than the next man. It is "not the sole motive nor the most important feature of modern industrial life, although it is "in the foreground, and it pervades the structure of modern society more thoroughly perhaps than any other equally powerful moral factor." It is "one of the causes, if not the chief cause, of the existing unrest and dissatisfaction with things as they are."

Veblen's treatment of the psychology of emulation reflects his general view of human nature at this time. In the article we have just examined, Veblen uses the circumlocution "human nature being what it is" at least three times, and the reader is tempted to ask, "What is it?" Veblen's answer, as we have seen, is that the "regard for reputation" is one of its chief elements. It may take any of several forms, for example, the "noble form" of striving after a good name; but under the conditions of our modern competitive, industrial civilization it is forced to develop as economic emulation, which as Veblen later asserts, is "virtually equivalent to . . . conspicuous waste" in one form or another.⁷

There is much more to his account of human nature than this, however. Since one of Veblen's favorite methods of exhibiting and analyzing the problems involved in a subject matter is the genetic method of institutionalism, it should not be surprising to find two human natures in Veblen's philosophy, an "original," and

one developed or evolved from the original through a series of cultural changes affecting the habits of the original. Veblen finds it necessary to treat this theme of "original human nature" in several places, for in many cases it determines his conceptions of contemporary human nature, the nature of the evolutionary process of selective adaptation, the growth of institutions, and so on.

In his Introduction to *The Theory of the Leisure Class* Veblen assumed an initially peaceable stage of primitive culture and human nature, and promised to argue the *psychological* grounds of its existence in a later chapter.⁸ He attempts to make good this promise in the chapter entitled "The Conservation of Archaic Traits," where we find the following:

The conditions under which men lived in the most primitive stages of associated life that can properly be called human, seem to have been of a peaceful kind; and the character—the temperament and spiritual attitude—of men under these early conditions of environment and institutions seems to have been of a peaceful and unaggressive, not to say indolent, cast. For the immediate purpose this peaceable cultural stage may be taken to mark the initial phase of social development. So far as concerns the present argument, the dominant spiritual feature of this presumptive initial phase of culture seems to have been unreflecting, unformulated sense of group solidarity, largely expressing itself in a complacent, but by no means strenuous, sympathy with all facility of human life, and an uneasy revulsion against apprehended inhibition or futility of life.

Through its ubiquitous presence in the habits of thoughts of the ante-predatory savage man, this pervading but uneager sense of the generically useful seems to have exercised an appreciable constraining force upon life and upon the manner of his habitual contact with other members of the group.⁹

The evidence for the above theory cannot be found in "usages and views in vogue . . . whether in civilized or in rude communities," but rather in "psychological survivals, in the way of

persistent and pervading traits of human character." The traits survive "in an especial degree among those ethnic elements which were crowded into the background during the predatory culture." Here, then, is another theory, a theory of cultural growth or cultural stages, purporting to establish the survival of certain traits. As the predatory stage of culture is being established, the "conditions of success . . . [and] . . . survival" change, and the dominant spiritual attitude of the group changes, bringing a "different range of aptitudes and propensities into the position of legitimate dominance in the accepted scheme of life." The reason assigned for the change from a peaceful, primitive stage of culture to a predatory, barbarian stage is that the struggle for existence changed from a "struggle of the group against a non-human environment to a struggle against human environment." This change was marked by "increasing antagonism and consciousness of antagonism" between the individual members of the group. Among the surviving "archaic" traits of the peaceable culture are the "instinct of race solidarity which we call conscience, including the sense of truthfulness and equity, and the instinct of workmanship, in its naive, non-invidious expression."¹⁰ Along with these "economic virtues," primitive human nature had many shortcomings, namely, "weakness, inefficiency, lack of initiative and ingenuity, and a yielding and indolent amiability, together with a lively but inconsequential animistic sense."

Under the guidance of what Veblen calls "the later biological and psychological science" human nature "must be restated in terms of habit," so that the "traits" just discussed become "habits" in this view. Thus, in the predatory stage of life, a change occurs in the "requirements of the successful human character," for new exigencies demand the adaptation of men's habits of thought. "Altered stimuli" must produce a new group of habitual responses, for the older methods of response are no longer adequate "in terms of facility of life" under the newer conditions. A relative absence of antagonism or differentiation of interests characterized the earlier situation, but a constantly more intense and narrow emulation marks the later predatory period. Hence,

The traits which characterise the predatory and subsequent stages of culture, and which indicate the types of man best fitted to survive under the regime of status, are (in their primary expression) ferocity, self-seeking, clannishness and disingenuousness—a free resort to force and fraud.¹¹

Under the “severe and protracted discipline of the regime of competition” the “selection of ethnic types has acted to give a somewhat pronounced dominance to these traits of character, by favoring the survival of those ethnic elements which are most richly endowed in these respects.” The predatory nature has survived in modern civilization, in other words, being better fitted to the conditions of the scheme of living under *laissez faire*. The earlier-acquired, “more generic habits,” never cease to have “some usefulness for the purposes of the life of the collectivity,” but they have been pushed into the background. This, of course, was turning Spencerianism against Spencer.

As habituations neither nature changes very readily. The predatory and peaceful human natures have this in common, that as “exercises in habituation” they do not change unless their stimuli or experiences change, and, according to Veblen, it is notorious that the stimuli and experiences that have generated the predatory nature have not changed for hundreds of years. Thus, while human nature may be discussed universally in terms of interests, responses to stimuli, habits, and experiences, nevertheless, two conflicting natures have evolved in the course of human history, and according to Veblen will most likely share the unfolding of that history between them.

The theme of human nature as an outcome of habituations and responses to stimuli is sounded again and again in Veblen’s later writing, so that even in his last monograph we find the following:

The chain of responses to the impact of changing circumstances runs on as a course of progressive habituation, and the resulting average run of blended habits will necessarily shift and bend its course to follow the progressive displace-

ment of its constituent elements. It follows that the upshot of this progressive habituation, which goes to create the standards of conduct, will change cumulatively from day to day by fluctuating variations. But always and everywhere men like to believe that their own particular standards of conduct are fixed in the nature of things, so that to each people their own established scheme of usages, in law and morals, is immutably right and good, in principle.

. . . Any established scheme of law and morals is an outgrowth of custom, of past habituation, and is bound to change incontinently in the course of further habituation. It is an empirical creation, a system of habits of thought induced by past habits of life, which have been induced by the drive of those material circumstances under which these human generations have been living in the past. And this system of habits of thoughts (law and custom) is, at the best, in a state of moving equilibrium, forever subject to readjustment and derangement by further habituation induced by further changes in those material circumstances that condition the community's habits of life.

When seen in a longer historical perspective and with a consequent greater detachment of observation any deliberate revision of the received scheme of law and morals will appear all the more patently to be a work of casual drift and an outcome of fortuitous habituation—Forced Movements, Tropisms, and Animal Conduct. Such in effect has been the growth of nationalism in recent times, as well as of the progressively expanded rights of absentee ownership during the same period.¹²

Moreover, the theme of dual human nature is also implied throughout this same volume. National integrity (or nationalism), business interests and statesmanship are characteristically predatory concerns arising out of predatory habits; science and

technology have their genesis in peaceful habits, in the idle curiosity, and the instinct of workmanship.

In Veblen's mind there is always this connection between the organizations of society, the kinds of environment—the complete system of “outer relations”—and the somewhat lonely, helpless individuals who are born into them, that those individuals seldom learn to resist these influences effectively. This is one of the greatest tragedies in the human drama. Veblen resigned himself to this conclusion rather early in life; an almost Schopenhaurian sense of futility can be felt throughout much of his work, as if he and his fellowmen were forever battling immense, uncontrollable forces to little purpose. One may also note here the similarity of Veblen's resignation and William Graham Sumner's “desperate naturalism,” as one writer characterizes Sumner's philosophy. Veblen's is a kind of desperate evolutionism. Perfect adjustment—equilibration, in Spencer's language—is never achieved because of the constant cumulative change in both the “inner” and “outer” relations.¹³

But despite the hopeless task of achieving such adjustment, despite the many obstacles (such as the leisure class, the absentee owners, etc., who respond only tardily to the “altered general situation”), it nevertheless remains true that man continues to attempt to alter his life and the conditions of his living. This is perhaps the most fundamental fact in man's psychology. Human action, and hence economic action, is thus “teleological in the sense that *men always and everywhere seek to do something* [my italics].”¹⁴ As a matter of “selective necessity” man is an agent. “He is, in his own apprehension, a center of unfolding, impulsive activity—‘teleological’ activity. He is an agent seeking in every act the accomplishment of some concrete, objective, impersonal end.”¹⁵ This is the “generic fact” with which the science of economics must begin. Human nature is generically economic, for the moment man acts, no matter how he acts, his actions guide the cumulative growth and influence the formation not only of economic institutions but also of all cultural institutions in some

measure. In the social environment men's actions necessarily impinge upon and affect other men's actions. Men are not isolated beings. They are parts of a larger whole, the social organism, whose institutions influence them and whose institutions they themselves influence.

This theory of teleological action, which is at the same time a theory of social and economic action, brings us back to the theory of cumulative causation. We have seen in the previous chapter that Veblen developed the outlines of an evolutionary, institutional methodology for economic theory by 1906, and we noted that evolutionism was apparent in his thinking as early as 1896. In examining the essay "Why Is Economics Not an Evolutionary Science?" we said that there were four main themes in the last part of that work, and we discussed three of them: (1) the economic process is the human process, human action; (2) the human process, human evolution, is a cumulative change in men's habits of thought; and (3) men's habits of thought are actions directed to specific ends.¹⁶ The fourth theme Veblen develops in this essay is, briefly, that the economic interest of individuals is only vaguely isolable, and acts only in conjunction with other interests of the individual. Man is an organic agent, a complex of habits of thought whose action or expression is affected by all his other habits of life; and his propensity in one direction is only "passably isolable." Economic institutions impinge on, and are impinged upon, by such other interests (habits, propensities, tempers) as the sexual, humanitarian, aesthetic, devotional, etc., so that "all institutions may be said to be in some measure economic institutions." This is necessarily the case, according to Veblen, since the "base of action—the point of departure—at any step in the process is the entire organic complex of habits of thought that have been shaped by the past process." The conclusion for economic theory is as follows:

There is, therefore, no neatly isolable range of cultural phenomena that can be rigorously set apart under the head of economic institutions although a category of "economic in-

stitutions" may be of service as a convenient caption, comprising those institutions in which the economic interest most immediately and consistently finds expression, and which most immediately and with the least limitation are of an economic bearing.¹⁷

Veblen then proceeds to assign the economic interest a prominent position in the growth of culture. He states as a fact that man's interest in, man's habits and actions dealing with, the material means of life—economic forces, in short—largely dominate and shape the growth of culture.¹⁸ Hence, an evolutionary economics must be "the theory of process of cultural growth as determined by the economic interest, a theory of a cumulative sequence of economic institutions stated in terms of the process itself." This theory of cultural evolution as conditioned by economic activities and economic interests is one of Veblen's most important contributions to the analysis and theory, and hence to the understanding, of human institutions in civilization.

Veblen's theory of the economic interest, then, is derived from several sources. It originates partly and perhaps most fundamentally in the teleological theory of action. It is also implied in the theory of cumulative causation in the sense that in his evolution man gains the interest, that is, the habit, of seeking economic causes of phenomena. Veblen's organicism, as a part of the theory of cumulative causation, also implies the theory of interests since man as an organic being is a "complex" of habits whose "expression" is "affected by all his other habits of life"; therefore, all institutions may be said to be economic institutions "in some measure." Veblen's theory of the "instinct" of workmanship, implies the theory of economic interest in the sense that man is possessed of a "taste for effective work, and a distaste of futile effort." He has a "sense of the merit of serviceability or efficiency and of the demerit of futility, waste, or incapacity," causing him to approve workmanship and creative effort and to deprecate waste in all forms. The theory of the economic interest or economic action is the foundation for Veblen's so-called "economic

determinism.” Broadly speaking, man’s interest in the material means of life is the most powerful force adapting and adjusting the institutions of our modern civilization. Economic analysis and theory must take account of this fact if it intends to be evolutionary and realistic.

There can be little doubt that Marx was partly responsible for shaping Veblen’s economic determinism, although Veblen is critical of Marx and the Marxists, more so of the latter for their misplaced emphasis on class interests. In an address that was to be delivered before the American Economic Association in 1900 on the subject, “Industrial and Pecuniary Employments,” he wrote:

For the present it is the vogue to hold that economic life, broadly, conditions the rest of social organization or the constitution of society. The vogue of the proposition will serve as excuse for going into an examination of the grounds on which it may be justified, as it is scarcely necessary to persuade any economist that it has substantial merits even if he may not accept it in unqualified form. What the Marxists have named the “Materialistic Conception of History” is assented to with less and less qualification by those who make the growth of culture their subject of inquiry. This materialistic conception says that institutions are shaped by economic conditions; but, as it left the hands of the Marxists, and as it still functions in the hands of many who knew not Marx, it has very little to say regarding the efficient force, the channels, or the methods by which the economic situation is conceived to have its effect upon institutions. What answer the early Marxists gave to this question, of how the economic situation shapes institutions was to the effect that the causal connection lies through a selfish, calculating class interest. But, while class interest may count for much in the outcome, this answer is plainly not a competent one, since, for one thing, institutions by no means change with the alacrity which the sole efficiency of a reasoned class interest would require.¹⁹

Veblen goes on, of course, to present his theory of cultural evolution as determined by individual's habits of thought (the "channels") as in turn adapted and shaped (the "method") by material circumstances (the "efficient force"), in this case the "discipline of daily life." We need not go on with the argument except to note that he concludes that this discipline has been responsible for civilization having developed the sharp (empirical) distinction between industrial employments on the one hand and pecuniary employments on the other.

In many places Veblen devotes considerable attention to certain human instincts, particularly to the instincts of workmanship, idle curiosity, and the "parental bent." One cannot help noticing that Veblen is not always precise in his use of the term "instinct." Instincts are habits, tempers, senses, bents, propensities, proclivities, drives, motives, tendencies, interests, and so on. What is the explanation of Veblen's practice of lumping these terms together, or of so broadening the use of the word "instinct" as to cover any impulse whatever—a reasoned decision to act in a certain way, a perfectly blind, irrational response to stimulus, and a habitual manner of performing a certain deed? I believe part of the answer to this question lies in Veblen's broad appreciation of the nature of man, in his tendency to look upon him as not only an institutionalized being whose instincts and interests are frequently, so to speak, congealed into habits by the social environment or by the "fabric of institutions," but also as an indiscrete, organic, rational being who is capable of reasoning out the need of changes or modifications in social, political, or economic functions and structures, and who further attempts to modify his "coherent structure of propensities and habits" to adapt his constantly changing environment to his ends. These "rationalizations" of interests in turn become institutionalized in conduct so that these two broad kinds of institutions will be found in force in most societies. We can, in other words, distinguish two parts of Veblen's evolutionary social psychology. One is based upon the theories of teleological action and cumulative causation and is concerned with the genesis and institutionalization of interests;

the other is neo-Kantian and deals with the rationalization of interests, the process of discovering means to accomplish the ends set by the "instinctive proclivities." Thus, while instincts are simple "irreducible traits of human nature," nevertheless, they are seldom, if ever, found as such. They assign "the ends of life . . . the purposes to be achieved," but the "ways and means of accomplishing those things . . . are a matter of intelligence." Intelligence, as the "apparatus of ways and means available for the pursuit of whatever may be worth seeking" is, according to Veblen, substantially a "matter of tradition out of the past, a legacy of habits of thought accumulated through the experience of past generations." The theory of instincts becomes, in effect, a theory of interests.

The matter, and in a great degree the measure, in which the instinctive ends of life are worked out under any given cultural situation is somewhat closely conditioned by these elements of habit, which so fall into shape as an accepted scheme of life. The instinctive proclivities are essentially simple and look to the attainment of some concrete objective end; but in detail the ends so sought are many and diverse, and the ways and means by which they may be sought are similarly diverse and various, involving endless recourse to expedients, adaptations, and concessive adjustment between several proclivities that are all sufficiently urgent.

The logic of ways and means falls into conventional lines and acquires the consistency of custom and prescription, and so takes on an institutional character and force.²⁰

In their "working out" in the growth of institutions instincts cross, blend, overlap, neutralize and reinforce one another. Veblen criticizes James and McDougall for interpreting instincts discretely. He finds Loeb's view of them more satisfactory.

The most convincing view of these phenomena throws the instinctive proclivities into close relation with the tropismatic sensibilities and brings them, in the physiological respect, into the same general class with the latter.²¹

Here Veblen meant to distinguish an instinct from a teleological action and from what he also calls a "pragmatic" action. The basis of the distinction lies in the character of the response of the "agent." If the response was idle, blind, unpurposive, mechanical, and tropismatic, then the response was also impersonal, and instinctive in the correct sense. If the response was purposive, conscious, or "pragmatic," however, it would not do to call it instinctive.²² In making this distinction Veblen could now use James' and McDougall's instincts to account for pragmatic, teleological, and personal behavior, while at the same time he could still insist on a certain amount of impersonal (idle, tropismatic, unconscious) action in human conduct. This kind of action is reflected in the impersonal character of the instinct of workmanship and in his metaphysics of habit, which we have discussed in another place.

Another explanation for Veblen's apparently confusing the meanings of the terms listed above lies in his deliberate attempt to regard desires, interests, temperaments, bents, proclivities, and the like, as guiding principles for evolutionary science. In a preceding section we spoke of this in connection with the significance of the "later psychology" for evolutionary science.²³ There we saw that in the attempt to construct an evolutionary science, in the attempt to make habits, desires, and "circumstances of temperament" *intelligible as evolutionary products*, Veblen insisted that they must be regarded as (1) elements of the *existing frame of mind of the agent*; (2) products of the agent's "hereditary traits and his past experience, cumulatively wrought out under a given body of traditions, conventionalities, and material circumstances"; (3) the "point of departure for the next step in the process." The existing frame of mind of the agent, while it is correctly regarded as the evolutionary product of hereditary traits and past experience, is thus also the point of departure, the body of guiding principles, in the view of economic science, for the individual's next step in the (evolutionary) process. In other words Veblen seems to have felt that the principles of social psychology could be regarded as the principles of the methodology

that he suggested and in part developed for economic science. He thought that these principles were clearly applicable to the problems not only of economic science, but also to all problems of social science, if they were viewed both as evolutionary products of past experience and as guiding principles for future experience.

While it will perhaps be granted that the theory of the economic interest is implied both in Veblen's teleological theory of action, in the theory of cultural evolution and the instinct of workmanship, it is quite likely that the sociology and social psychology of certain members of the Chicago group, notably John Dewey and William Thomas, and the work of Lester Ward also led Veblen along this path of man's "interests," though it should be kept in mind that these men were likewise indebted to Veblen. The history of the activities of the Chicago school of philosophers, psychologists, and sociologists at least reveals a systematic search for a social psychology to supplant the inadequate associationist, hedonist, and faculty psychologies left in this country as a residue of the concentration upon Common-Sense, utilitarianism, and Kantian metaphysical faculties. An important part of this search was concerned with the effort to establish the true relations between the individual's interests and desires and his ends. Dewey's social psychology, which attempted to supply this need, proposed to show how

the purely immediate personal adjustment of habit to direct satisfaction, in the savage, became transformed through the introduction of impersonal generalized objective instrumentalities and ends; how it ceased to be immediate and became loaded and surcharged with a content which forced personal want, initiative, effort and satisfaction further and further apart, putting all kinds of social divisions of labor, intermediate agencies and objective contents between them. This is the problem of the formation of mental patterns appropriate to agricultural, military, professional and technological and trade pursuits, and the reconstruction and overlaying of the original hunting schema.²⁴

A truly biological point of view, according to Dewey, would look upon mind as at least an "organ of service for the control of environment 'in relation to the ends of the life process," and the most obvious place to look for its functioning in social groups was in the occupations of the individuals of those groups:

Occupations determine the fundamental modes of activity, and hence control the formation and use of habits. These habits, in turn, are something more than practical and overt. "Apperceptive masses" and associational tracts of necessity conform to the dominant activities. The occupations determine the chief modes of satisfaction, the standards of success and failure. Hence they furnish the working classifications and definitions of value; they control the desire processes. Moreover, they decide the sets of objects and relations that are important, and thereby provide the content or material of attention, and the qualities that are interestingly significant. The directions given to mental life thereby extend to emotional and intellectual characteristics. So fundamental and pervasive is the group of occupational activities that it affords the scheme or pattern of the structural organization of mental traits. Occupations integrate special elements into a functioning whole.²⁵

The above paragraph may as well have been written by Veblen, so close is it to his thinking. Veblen probably would have substituted the word "institutions" for Dewey's phrase, "sets of objects and relations."²⁶

Though it was less important than that of the Chicago group, Lester Ward's influence might have persisted in Veblen's thought in his emphasis upon the practical nature of intelligence in the social environment, the diminishing part played in the evolution of civilization by brute force and the increasing part played by mind. But not mind as a self-acting "psychic" principle, as Ward supposed. Veblen's "mind" is more habit-guided and behavioristic than Ward's. It is also more truly evolutionary, in the sense

that it is a natural, not, as in Ward's psychology, an artificial adapting and adaptable mechanism.

The evolution of society is substantially a process of mental adaptation on the part of individuals under the stress of circumstances which will no longer tolerate habits of thought formed under and conforming to a different set of circumstances in the past.²⁷

In dealing with the growth of "canons of conduct" and the development of institutions Veblen at least shares Ward's view that these are products of associated living, collective life, but of course this view was widely shared by the Chicago group. Veblen rebelled, however, against Ward's Meliorism. Science, he tirelessly repeated, had no place for such a conception.

It will be noted that the view of mind expressed in the previous quotation from Veblen's writing is similar to the theory of mind proposed by Dewey in the article, "The Interpretation of the Savage Mind," both of them being genetic theories, and both emphasizing the part played by habit in the growth and functioning of intelligence. There is a difference between the theories of Veblen and Dewey, however, or, more accurately, there are differences in their theories. I suggest that the chief difference is that Veblen's theory lays greater emphasis upon the evolutionary character of mind, and also gives more recognition to the forces of habit and institutions in the growth of mind than Dewey's theory. Where Veblen speaks of "mental adaptation" (as in the previous quotation) and "selective adaptation," Dewey speaks of "intelligence" and "experience." Veblen very seldom uses the word "intelligence" in his "evolutionary period," and where he does it is to be understood as denoting mental "habituations" and "traits." Man is thus a kind of psychical mechanism in Veblen's view of him, albeit a living, evolving, adapting mechanism remarkably guided by habits.

But, with or without mitigation, the scheme of life which men perforce adopt under the exigencies of an advanced industrial situation shapes their habits of thought on the side of

their behavior, and thereby shapes their habits of thought to some extent for all purposes. Each individual is but a single complex of habits of thought, and the same psychical mechanism that expresses itself in one direction as conduct expresses itself in another direction as knowledge. The habits of thought formed in the one connection, in response to stimuli that call for a response in terms of conduct, must, therefore, have their effect when the same individual comes to respond to stimuli that call for a response in terms of knowledge. The scheme of thought or of knowledge is in good part a reverberation of the scheme of life. So that, after all has been said, it remains true that with the growth of industrial organization and efficiency there must, by selection and by adaptation, supervene a greater resort to the mechanical or dispassionate method of apprehending facts.²⁸

Hence, Veblen and Dewey treat the knowledge-situation somewhat differently. The "psychical mechanism" is thus more environment-centered, and in this sense, more behavioristic and more institutionalized in Veblen. As a complex of habits of thought it has, as we have seen in the previous quotation, at least two modes of response to stimuli, one in conduct and the other in knowledge. In Dewey's thought, as seen especially in his later work, *Human Nature and Conduct*, knowledge and conduct are *interactions* between the self and the environment. Knowledge or intelligence for Dewey may precede environmental changes, so that the knowledge problem is solved by using ideas as instruments to effect changes. Knowledge or mental adaptation for Veblen generally *follows* a change in environment, so that for him the knowledge problem consists of catching up with the given change. From the point of view of economic theory, as Veblen puts it, social advance consists of "an adjustment of inner relations to outer relations," since a

readjustment of men's inner habits of thought to conform with the exigencies of an altered situation is in any case made only tardily and reluctantly, and only under the coercion

exercised by a situation which has made the accredited[✓] views untenable.²⁹

Veblen probably accepted his friend William Thomas' theory of the evolution of interests of civilized man out of primitive man's preoccupation with food, sex, and aesthetic interests, but he would have added that other factors condition primitive man's institutional life, such as his idle curiosity, his instinct of workmanship, and even its unserviceable counterpart, his instinct of sportsmanship, all of which interests and instincts Veblen tended to lump together rather uncritically as mankind's "material interests." Moreover, about the time (1909) that Thomas published *Social Origins* Veblen had begun to turn his back on the study of origins, and had begun to turn toward "what is taking place."³⁰ The search for *primordial* origins, he felt, yielded fewer and fewer returns.

While Veblen's psychology illuminates his conception of human nature, as we have seen, his growing conception of human nature broadens that psychology. Veblen's view of human nature as teleological, and the inferences he draws from this position, serve to outline further the evolution of his theory of knowledge and his social psychology. Since human nature is essentially active and purposeful, and further since man's activities guide the growth not only of economic but also of all other cultural institutions, all of man's habits are formed in the transactions between his activity and his environment, which, of course, includes others' habits and activities. Man's habits of life, the issue of these transactions, so to speak, determine his habits of thought as well.

This question of a scientific point of view, of a particular attitude and animus in matters of knowledge, is a question of the formation of habits of thought; and habits of thought are an outcome of habits of life.³¹

Further on, Veblen is even more emphatic in this view and in the view that theories of knowledge are not *sui generis*: "The scheme of life, *within which lies the scheme of knowledge* [my

italics], is a consensus of habits in the individuals which make up the community.”³²

Since knowledge is chiefly regarded as a product of given cultural situations, it follows for Veblen that the growth and form of knowledge depends upon the “changing circumstances of life, and therefore of habituation” among the people whose knowledge is being investigated. Thus, it is important for Veblen to discover how cultures accomplish this, to examine what features in them foster the kinds of knowledge that characterize those cultures:

The cultural scheme of the community is a complex of the habits of life and of thought prevalent among the members of the community. It makes up a more or less congruous and balanced whole, and carries within it a more or less consistent habitual attitude toward matters of knowledge—more or less consistent according as the community’s cultural scheme is more or less congruous throughout the body of the population; and this in its turn is in the main a question of how nearly uniform or consonant are the circumstances of experience and tradition to which the several classes and members of the community are subject.³³

In his account of the evolution of the scientific point of view as a scheme of knowledge current in our culture and in all cultures to some extent, Veblen attempts to demonstrate this thesis. The growth of a scientific point of view must be explained genetically, he states, for modern science “demands a genetic account of the phenomena with which it deals,” and a genetic inquiry into the scientific point of view “will have to make up its account with the earlier phases of cultural growth.” This involves no less than an analysis of the life history of human culture, Veblen asserts, an analysis that he does not propose to carry out even in its sketchiest outlines. Instead, he proposes to review “certain scattered questions and salient points in this life history.”

Before going on with this question of the evolution of knowledges, it is worthwhile to mention that with few exceptions the pattern of the essay under consideration is virtually duplicated

throughout the remainder of Veblen's essays and, indeed, in several of his monographs. That is to say, the essays are generally composed of at least three distinct sections. The first section consists of a statement of the subject or problem, and the method or methods previously used to examine that subject or problem. The second section consists of a genetic account of knowledge-through-culture, a sociopsychological analysis of the "life-history" of culture and knowledge. The third section, a conclusion, most often attempts to prove that contemporary theoretical knowledge, particularly in economics, but in other subjects as well, has not freed itself from the "preconceptions" of an earlier—pre-Darwinian—science or scheme of knowledge, which criticism Veblen follows with recommendations for a realistic, Darwinian, scientific inquiry into the given problem.

To proceed with the "salient points" in the evolution of the scheme of knowledge known as science: there is

fair ground for presuming that out of . . . norms and systems in the remoter ages of our own antecedents have grown up the systems of knowledge cultivated by the peoples of history and by their representatives now living.³⁴

What this "fair ground" is we are not told, but it appears that Veblen accepted part of the evidence for distinguishing relative stages in the growth of knowledge and culture described by Spencer and the American sociologists, Ward and Small. I say "part of" advisedly, for in this as in most other matters Veblen is no slavish follower. With his acceptance of the evidence for distinguishing certain stages in the evolution of knowledge, he inserts his own important qualification, itself amounting to another theory. Thus, for example, Powell may be correct in his account of the animistic scheme of knowledge shared by primitive peoples; that

in their higher generalizations, in what Powell calls their "sophiology", it appears that the primitive peoples are guided by animistic norms; that they make up their cosmological

schemes, and the like, in terms of personal or quasi-personal activity, and the whole is thrown into something of a dramatic form. Etc., etc.

However, according to Veblen,

There always runs along by the side of these dramaturgic life-histories, and underlying them, an obscure system of generalizations in terms of matter-of-fact. The system of matter-of-fact generalizations, or theories, is obscurer than the dramatic generalizations only in the sense that it is left in the background as being less picturesque and of less vital interest, not in the sense of being less familiar, less adequately apprehended, or less secure.³⁵

This may seem trivial, Veblen asserts, but "the data with which any scientific inquiry has to do are trivialities in some other bearing than the one in which they are of account." Indeed, these "trivialities" account for the fact that

in all succeeding phases of culture, developmentally subsequent to the primitive phase . . . there is found a similar or analogous division of knowledge between a higher range of theoretical explanations of phenomena, an ornate scheme of things on the one hand, and such an obscure range of matter-of-fact generalizations as is here spoken of, on the other.³⁶

Finally, we are given a fair statement of Veblen's theory of the growth of scientific knowledge set in his theory of the growth of knowledge:

The evolution of the scientific point of view is a matter of the shifting fortunes which have in the course of cultural growth overtaken the one and the other of these two divergent methods of apprehending and systematizing the facts of experience.³⁷

Hence, it appears that Veblen here proposes a theory of knowledge and a theory of scientific knowledge based partly upon the sociology of Spencer, Ward, and Small, partly upon his own apprehension of primitive experience and human nature. Like hu-

man nature, knowledge has evolved out of culture as a dualism, that is, as a growth of two "ranges" of apprehension, animism on the one hand, and matter-of-fact generalization on the other. The "historians of human culture" (we are not told who these historians are) have passed over the latter of the two methods of knowledge, because the "higher levels of speculative generalization" are more impressive in their mutations, draw men more readily into controversy and analysis, give rise to schools of thought, and afford the creative spirit more scope.

It is worthy of note that the higher theoretical knowledge may be consistent with itself and consistent with the community's traditions and habits of mind, but not thereby be consistent with the "material actualities of life in the community." Yet it is still controlled, checked, and guided by the community's habits of life; it is itself an "integral part of the scheme of life and is an outcome of the habituation enforced by experience." The intervention of the "fabric of institutions" between the material actualities and the speculative scheme of phenomena is responsible for cutting off speculation from the "refractory phenomena of brute creation," and the "habitual material (industrial) occupations." Veblen's meaning, in other words, is that the habits of thought and habits of life that are more widespread, more in the foreground of experience, such habits as are commonly formed in law, politics, religion, and morals, or formed by taste, custom, and tradition, more easily and readily get attached in men's minds to their more theoretical knowledge, which "reflects" the institutional scheme of law, politics, religion, tradition, and so on. This is particularly the case in communities organized on a coercive plan, with well-marked ruling and subject classes. The interesting and important institutions in men's minds, "those institutions which fill a large angle in men's vision and carry a great force of authenticity," are the institutions of "coercive control, differential authority and subjection, personal dignity and consequence"; and hence,

speculative generalizations, the institutions of the realm of knowledge, are created in the image of these social institu-

tions of *status and personal force* [my italics], and fall into a scheme drawn after the plan of the code of honor.³⁸

On the other hand, the "work-day generalizations" concomitantly fall further into the background of men's minds, into a deeper obscurity "answering to the depth of indignity to which workman-like efficiency sinks under such a cultural scheme; and they can touch and check the current speculative knowledge only remotely and incidentally."

The conclusion Veblen draws from this analysis is that

under such a bifurcate scheme of culture, with its concomitant two-cleft systematization of knowledge, "reality" is likely to be widely dissociated from fact—that is to say, the realities and verities which are accepted as authentic and convincing on the plane of speculative generalization; while science has no show—that is to say, science in the modern sense of the term which implies a close contact, if not a coincidence, of reality with fact.³⁹

If, however, the institutional fabric, the community's scheme of life, changes so as to throw into the foreground of men's attention the workday experiences, and centers habitual interests on the "immediate material relations of men to the brute actualities," then the gap between theoretical knowledge and "work-day generalization of fact" is more likely to close, and the two ranges of knowledge are likely to meet on common ground. In such an event, science has a chance to arise.

What it implied in this position is a "degree of interdependence between the cultural situation and the state of theoretical inquiry." The remainder of the essay under consideration illustrates this view with evidence drawn from the cultures of the American (Pueblo and Middle West) Indians, the early Hebrews, and medieval Christendom; the handicraft system and system of natural rights of western Europe; and the Industrial Revolution in Britain. The last few paragraphs deal with the relatively recent "technological ascendancy of the machine-process." Its discipline

stands out clearly in the technological scheme since the Industrial Revolution first began, but it has not yet entirely "remodeled the current preconceptions as to what goes on in the current of phenomena whose changes excite the scientific curiosity," especially in those sciences which "lie farther afield from the technological domain," and which, therefore, "in point of habituation, are remoter from the center of the disturbance." In ethics, political science, and economics many of the norms of the regime of handicraft still exercise control; and "very much" of the institutional preconceptions of natural rights is not only still intact, but there is scarcely any ground for expecting its obsolescence. Something even more ancient than the preconceptions of the regime of handicraft and natural right survive in these subjects: the "evolutionary process of cumulative causation . . . is infused with a preternatural, beneficent trend, so that 'evolution' is conceived to mean amelioration or 'improvement.'" Whether the "metaphysics of the machine technology" will ever supersede the "metaphysics of the code of honor" in these sciences is open to question.

The essay just examined fairly exemplifies the nature of Veblen's thinking on such matters as the growth of knowledge (as a dualism), the interdependence of the cultural situation and the state of theoretical inquiry, the indiscrete, organic nature of institutions, and the bearing of evolution upon all of these. These same themes are discussed at more or less length in a great number of other places in Veblen's writing, which fairly indicates the importance they have in his thought.⁴⁰ These themes, and the themes of human nature as teleological and guided by interests, constitute a broad social psychology that sheds light on the evolution and dissolution, the persistence and force of instincts, habits, beliefs, and actions—in a word, of the institutions—in and of society. It is an empirical psychology that attempts to account for such apparently diverse activities as man's search for a livelihood and his most abstract speculations, although, as Veblen would say, it is "drawn chiefly for the purposes of economics." It is a genetic instinct-habit psychology that sees in man a fund of basic, irreducible drives (the idle curiosity being the most important of

these) and a great number of habituations enforced by daily living, the "circumstances of life," and the "fabric of institutions." It is a behavioristic psychology in that it recognizes the role of the stimulus-response pattern in human life, though it is not so materialistic as to insist that all of men's thoughts and actions are reducible to those terms. Thus it is also a pragmatic psychology that assumes as its guiding principle the activity of ideas and habits leading to specific ends.

Hence, Veblen's social psychology has its origins in many things: a theory of the evolution of knowledge, which in turn depends upon a theory of evolution, and particularly upon a theory of human, cultural evolution; it also has roots in a broad conception of the nature of man, in an acceptance of empiricism as a tool of investigation in a pluralistic world, and finally in an acceptance of the central theses of pragmatism, that ideas are plans of action, that habits of thought are habits of action directed to ends.

CHAPTER FOUR

Human Welfare, Science and Technology

ABOUT THE TIME VEBLLEN LEFT THE UNIVERSITY OF CHICAGO FOR Stanford, or shortly before that, there appears to have been growing in his mind the conviction that scientific knowledge represented a genuine development, a real growth in human culture, and that properly understood and used, that is, technologically applied, such knowledge might help us to control the processes in which natural forces are engaged to achieve at least the material welfare of society. This conviction of the place of science in modern civilization we may conveniently call Veblen's philosophy of science, and it is dealt with in several essays and monographs between the years 1906 and 1924. In this chapter, I propose to show how this philosophy grew out of Veblen's previous thinking, how Veblen's theory of knowledge, philosophy of evolution and social organicism are related to it, and further, how this conception of science leads Veblen to a radical view of technology, a new type of radical instrumentalism.

We may perhaps best begin our account of Veblen's philosophy of science by exhibiting several statements from the essay, "The Place of Science in Modern Civilization," directly bearing on his position. Having approved with slight reservation the view that modern Christendom is superior to "any and all other systems of civilized life" since it has a "decisive practical advantage" over all previous cultural schemes, Veblen holds that matter-of-fact scientific knowledge is responsible for this superiority:

Modern civilization is peculiarly matter-of-fact. It contains many elements that are not of this character, but these other

elements do not belong exclusively or characteristically to it. The modern civilized peoples are in a peculiar degree capable of an impersonal, dispassionate insight into the material facts with which mankind has to deal. The apex of cultural growth is at this point. Compared with this trait the rest of what is comprised in the cultural scheme is adventitious, or at best is a by-product of this hard-headed apprehension of facts. This quality may be a matter of habit or of racial endowment, or it may be an outcome of both; but whatever be the explanation of its prevalence, the immediate consequence is much the same for the growth of civilization. A civilization which is dominated by this matter-of-fact insight must prevail against any cultural scheme that lacks this element. This characteristic of western civilization comes to a head in modern science, and finds its material expression in the technology of the machine industry. In these things modern culture is creative and self-sufficient; and these being given, the rest of what may seem characteristic in western civilization follows by easy consequence. The cultural structure clusters about this body of matter-of-fact knowledge as its substantial core. Whatever is not consonant with these opaque creations of science is an intrusive feature in the modern scheme, borrowed or standing over from the barbarian past.¹

In the same essay he asserts that

On any large question which is to be disposed of for good and all the final appeal is by common consent taken to the scientist. The solution offered in the name of science is decisive so long as it is not set aside by a still more searching scientific inquiry. This state of things may not be altogether fortunate, but such is the fact. There are other, older grounds of finality that may conceivably be better, nobler, worthier, more profound, more beautiful. It might conceivably be preferable, as a matter of cultural ideals, to leave the last word with the lawyer, the duelist, the priest, the moralist, or the

college of heraldry. In past times people have been content to leave their weightiest questions to the decision of some one or other of these tribunals, and, it cannot be denied, with very happy results in those respects that were then looked to with the greatest solicitude. But whatever the common-sense of earlier generations may have held in this respect, modern common-sense holds that the scientist's answer is the only ultimately true one. In the last resort enlightened common-sense sticks by the opaque truth and refuses to go behind the returns given by the tangible facts.²

It is characteristic of Veblen to state his reservations.

Quasi lignum vitae in paradiso Dei, et quasi lucerna fulgoris in domo Domini, such is the place of science in modern civilization. This latter-day faith in matter-of-fact knowledge may be well grounded or it may not. It has come about that men assign it this high place, perhaps idolatrously, perhaps to the detriment of the best and most intimate interests of the race. There is room for much more than a vague doubt that this cult of science is not altogether a wholesome growth—that the unmitigated quest of knowledge, of this matter-of-fact kind, makes for race-deterioration and discomfort on the whole, both in its immediate effects upon the spiritual life of mankind, and in the material consequences that follow from a great advance in matter-of-fact knowledge.³

The questions Veblen asks after this section are some of those we must also ask of Veblen's philosophy: How has this cult of scientific knowledge arisen? What are its cultural antecedents? How far is it in consonance with hereditary human nature? and, What is the nature of its hold on the convictions of civilized men?

To answer these questions we must return to Veblen's theory of knowledge. We saw in the previous chapter that knowledge has arisen, according to Veblen's theory of evolution, as a dualistic growth, as the evolution of two "ranges" of apprehension. Scientific knowledge now appears to be the product of one of these ranges, whose genesis is in the idle curiosity, or as Veblen also

terms it, a "more or less irrelevant attention," closely related to the "aptitude for play." This knowledge is contrasted with "pragmatic" or "barbarian" knowledge, or "wordly wisdom," which is teleological knowledge.

The "idle curiosity" is something new in Veblen's thinking in 1906, though it seems to have been developed from his conception of the instinct of workmanship. Veblen had begun to feel the inconsistency, I believe, in trying to reconcile the instinct of workmanship, which he used to account for the evolution of those useful, serviceable, efficient, and economic activities and institutions of mankind, with the "instinct of sportsmanship," which he used to account for those futile, unserviceable, inefficient, and uneconomic activities that Veblen believed unquestionably appeared in civilization. His method of resolving this conflict was to argue that the latter instinct grew out of the former when the former was "contaminated" by the change in the circumstances of group life.⁴ But obviously if an instinct could be contaminated in such fashion it would no longer be accurate to call it an instinct. Furthermore, on the assumption that human nature is composed of at least two instincts having completely opposing functions, one could hardly be regarded as "more generic" than the other, since one could as well assume either as "fundamental" or "primary," which would be logically absurd. Hence Veblen sought something even more generic, more fundamental than either of these two instincts. He discovered it in the idle curiosity, which he appears to have found partly in Jacques Loeb's investigations (though as I shall directly show he seems to have attempted to show Loeb the logical necessity for assuming the idle curiosity), in Groos' concept of play, and in Spencer's psychology. The instinct of workmanship plays only a minor role in Veblen's psychology after 1906, though Veblen retained it for polemical purposes, and even as late as 1914 published a work ostensibly devoted to explaining its nature. It was long since dated in his thinking, however. The reader searches in vain for a psychology of which the *instinct* of workmanship forms a part in *The Instinct of Workmanship and The State of the Industrial Arts*. He finds,

rather, a "sense" of workmanship, one "profoundly biased by habituation" at that. "Workmanlike habits" are frequently spoken of, and workmanship is conceived to be enforced by material circumstances. Workmanship is frequently used as a synonym for "handicraft," and it is also shown to be closely related to "animistic" thinking.⁵ The rationalization of the instinct of workmanship was just about complete by the time Veblen wrote his book about it, and the idle curiosity took its place as the foundation of scientific knowledge.

Veblen's argument for the existence of the idle curiosity is developed by way of his defense of the impersonal character of intelligence and his attack on "pragmatism." The "latter-day psychologists" are scientifically correct in viewing learning as "pragmatic," and in postulating the activity of ideas, Veblen asserts, but

while knowledge is construed in teleological terms, in terms of personal interest and attention, this teleological aptitude is itself reducible to a product of unteleological natural selection. The teleological bent of intelligence is an hereditary trait settled upon the race by the selective action of forces that look to no end. The foundations of pragmatic intelligence are not pragmatic, nor even personal or sensible.⁶

Intelligence is most evidently impersonal on the "lower levels" of life. According to Veblen, Loeb has shown that in the psychology of that life that lies "below the threshold of intelligence" we find an aimless but unwavering motor response to stimulus. It is only by a figure of speech, he asserts, that we can call such responses "pragmatic" and the responder an "agent."⁷ But higher in the scale of sensibility and nervous complication "instincts work to a somewhat similar outcome."

On the human plane, intelligence (the selective effect of inhibitive complication) may throw the response into the form of a reasoned line of conduct looking to an outcome that shall be expedient for the agent. This is naïve pragmatism of the developed kind. There is no longer a question but that

the responding organism is an "agent" and that his intelligent response to stimulus is of a teleological character.⁸

"*But that is not all,*" Veblen characteristically declares, and he introduces his theory of the idle curiosity.

The inhibitive nervous complication may also detach another chain of response to the given stimulus, which does not spend itself in a line of motor conduct and does not fall into a system of uses. Pragmatically speaking, this outlying chain of response is unintended and irrelevant. Except in urgent cases, such an idle response seems commonly to be present as a subsidiary phenomenon. If credence is given to the view that intelligence is, in its elements, of the nature of an inhibitive selection, it seems necessary to assume some such chain of idle and irrelevant response to account for the further course of the elements eliminated in giving the motor response the character of a reasoned line of conduct. So that associated with the pragmatic attention there is found more or less of an irrelevant attention, or idle curiosity.⁹

Veblen notes the close relation of the idle curiosity to the "aptitude for play," and while he cites Groos' and Spencer's works in this connection he does not go into this relation at any length.

I find it difficult to follow Veblen's reasoning in these pages. In arguing for the "impersonal character of intelligence" (itself a confusing concept) Veblen appears to be emphasizing the non-conscious, nonrational nature of evolution, a cosmic process not guided by intelligence, a theme I have dealt with in previous pages. His identification of the "outcomes" of animal tropisms and human instincts, a kind of reductionist behaviorism, is only one example of his attempt to view evolution as an unteleological process guided by the *selective* action of forces that, paradoxically, "look to no end." Another difficulty is his definition of intelligence as the selective effect of inhibitive nervous complication. Yet, Veblen speaks of the teleology of human action and rationalizes human instincts, which in effect imply that selection is

conscious and evolution is rational. Here again, then, we see at work the two chief influences on Veblen's thought, Spencerian evolutionism and Kantian transcendentalism, which he never quite succeeded in reconciling in his own philosophy.

What has Veblen's theory of the idle curiosity to do with the "cultural antecedents" of scientific knowledge, its "consonance with hereditary human nature" and its place in modern civilization? I have already suggested Veblen's answer. Scientific knowledge simply arises out of the idle curiosity; idle curiosity is the foundation of scientific knowledge.¹⁰ Veblen's polemic on this point covers a score of pages. He begins by tracing the functioning of the idle curiosity in primitive and savage societies, through the Middle Ages and the work of the Schoolmen to modern times. Then he also swiftly traces the growth of "barbarian pragmatism" through the same periods of history. What emerges is a philosophy of science whose chief elements are the theory of idle curiosity, institutionalism as a theory of culture, and the theory of technology. The following quotations illustrate Veblen's position:

Under the guidance of the idle curiosity . . . there has been a continued advance toward a more and more comprehensive system of knowledge. With the advance in intelligence and experience there come closer observation and more detailed analysis of facts. . . .

. . . The higher generalizations take their color from the broader features of the current scheme of life. The habits of thought that rule in the working out of a system of knowledge are such as are fostered by the more impressive affairs of life, by the institutional structure under which the community lives. So long as the ruling institutions are those of blood-relationship, descent, and clannish discrimination, so long are the canons of knowledge of the same complexion.

With the advent of modern times a change comes over the nature of the inquiries and formulations worked out under the guidance of the idle curiosity—which from this epoch is

often spoken of as the scientific spirit. The change in question is closely correlated with an analogous change in institutions and habits of life, particularly with the changes which the modern era brings in industry and in the economic organization of society . . . In the life of the new era conceptions of authentic rank and differential dignity have grown weaker in practical affairs, and notions of preferential reality and authentic tradition similarly count for less in the new science . . .

The changes in the cultural situation which seem to have had the most serious consequences for the methods and animus of scientific inquiry are those changes that took place in the field of industry, . . . in early modern times . . . a fact of relatively greater preponderance, more of a tone-giving factor, than it was under the régime of feudal status. It is the characteristic trait of the modern culture. . . .

Since the machine technology has made great advances, during the nineteenth century, and has become a cultural force of wide-reaching consequence, the formulations of science have made another move in the direction of impersonal matter-of-fact. The machine process has displaced the workman as the archetype in whose image causation is conceived by the scientific investigators. . . .

. . . In so far as it touches the aims and the animus of scientific inquiry, as seen from the point of view of the scientist, it is a wholly fortuitous and insubstantial coincidence that much of the knowledge gained under machine made canons of research can be turned to practical account. *Much of this knowledge is useful, or can be made so, by applying it to the control of the processes in which natural forces are engaged. This employment of scientific knowledge for useful ends is technology, in the broad sense in which the term includes, besides the machine industry proper, such branches of practise as engineering, agriculture, medicine, sanitation and economic reforms.* [My italics.]¹¹

While scientific theory does not necessarily include these, practical, technological ends within its scope, the institutions under whose guidance the scientist works are those imposed by modern technology, "through habituation to its requirements"; therefore, his results are "available for the technological purpose."

His canons of validity are made for him by the cultural situation; they are habits of thought imposed on him by the scheme of life current in the community in which he lives; and under modern conditions this scheme of life is largely machine-made. *In the modern culture, industry, industrial processes, and industrial products have progressively gained on humanity, until these creations of man's ingenuity have latterly come to take the dominant place in the cultural scheme; and it is not too much to say that they have become the chief force in shaping men's daily life, and therefore the chief factor in shaping men's habits of thought.* [My italics.] Hence men have learned to think in the terms in which the technological processes act. This is particularly true of those men who by virtue of a peculiarly strong susceptibility in this direction become addicted to that habit of matter-of-fact inquiry that constitutes scientific research.¹²

Modern technologists and scientists use the same range of concepts, think in the same terms, and apply the same tests of validity, according to Veblen, hence the easy partnership between the two. Both are impersonal and disinterested, both interpret phenomena in mechanical and objective terms, both are empirical, matter-of-fact.

Human welfare is also dependent upon the will of the social organism, for the social organism has created and holds in common the state of the industrial arts, the technological processes that function in industry. "The technology—the state of the industrial arts—which takes effect in this mechanical industry is in an eminent sense a joint stock of knowledge and experience held in common by the civilized peoples."¹³ This theory of the social organism, and the sociology of knowledge, has roots, we have

seen, in Spencer's philosophy, though Peirce's view of scientific method may also have been a source of Veblen's theory. According to Peirce, the character of knowledge is such that it depends upon the doubts of an indefinite, infinite community, and truth in action is that which survives those infinite real living doubts and experiences.

Different minds may set out with the most antagonistic views, but the processes of investigation carry them by a force outside themselves to one and the same conclusion. This activity of thought by which we are carried, not where we wish, but to a fore-ordained goal, is like the operation of destiny. No modification of the point of view taken, no selection of other facts for study, no natural bent of mind even, can enable a man to escape the predestinate opinion which is fated to be ultimately agreed to by all who investigate is what we mean by the truth, and the object represented in this opinion is the real. That is the way I would explain reality.¹⁴

Our perverse natures may postpone the settlement or resolution of opinion, Peirce states, and even an arbitrary opinion may come, as a result, to be universally accepted as long as the human race should exist.

Yet even that would not change the nature of the belief, which alone could be the result of investigation carried sufficiently far; and if, after the extinction of our race, another should give rise with faculties and disposition for investigation, that true opinion must be the one which they would ultimately come to.¹⁵

Peirce continues:

"Truth crushed to earth shall rise again," and the opinion which would finally result from investigation does not depend on how anybody may actually think. But the reality of that which is real does depend on the real fact that investigation is destined to lead, if continued long enough, to a belief in it.¹⁶

According to Peirce's examination, therefore, not only does the character of truth depend upon the doubts of an indefinite, infinite community, but truth in action is that which survives those infinite real living doubts and experiences.

Veblen's view of scientific knowledge is as follows:

This question of a scientific point of view, of a particular attitude and animus in matters of knowledge, is a question of the formation of habits of thought; and habits of thought are an outcome of habits of life. A scientific point of view is a consensus of habits of thought current in the community, and the scientist is constrained to believe that this consensus is formed in response to a more or less consistent discipline of habituation to which the community is subjected, and that the consensus can extend only so far and maintain its force only so long as the discipline of habituation exercised by the circumstances of life enforces it and backs it up.¹⁷

To turn now to the pragmatic emphasis, which is closely associated with the empiricism and technologism evident in the previous paragraphs, in Veblen's philosophy of science: the essay we have been considering thus far also contains Veblen's first extended discussion of pragmatism. Though it appears in this essay that Veblen rejects pragmatism, a careful reading proves this is not the case. Despite such statements as

What distinguishes the present in these premises is (1) that the primacy in the cultural scheme has passed from pragmatism to a disinterested inquiry whose motive is idle curiosity. . . .

Pragmatism creates nothing but maxims of expedient conduct. Science creates nothing but theories.

Pragmatism's intellectual output is a body of shrewd rules of conduct, in great part designed to take advantage of human infirmity. . . .¹⁸

Veblen is emphatically *not* quarreling with the central theses of the pragmatism of Peirce, James, or Dewey. It is clear that Veblen is here deliberately assigning a special and limited meaning to the term. Near the beginning of the essay a footnote contains this admission:

“Pragmatic” is here used *in a more restricted sense* [my italics] than the distinctively pragmatic school of modern psychologists would commonly assign the term. “Pragmatic,” “teleological” and the like terms *have been extended* [my italics] to cover imputation of purpose as well as conversion to use. It is not intended to criticise this ambiguous use of terms, nor to correct it, but the terms are here used in the latter sense, which alone belongs to them by force of early usage and etymology. “Pragmatic” knowledge, therefore, is such as is designed to serve an expedient end for the knower, and is here contrasted with the imputation of expedient conduct to the facts observed. The reason for preserving this distinction is simply the present need of a simple term by which to mark the distinction between worldly wisdom and idle learning.¹⁹

Another footnote further on re-emphasizes the fact that Veblen has in mind this limited and somewhat popular use of the term. Moreover, Veblen does not only *not* reject the pragmatism of the men mentioned above, but what is more in the same essay he specifically *accepts* their solution of the epistemological problem:

In dealing with pedagogical problems and the theory of education, current psychology is nearly at one in saying that all learning is of a “pragmatic” character; that knowledge is inchoate action inchoately directed to an end; that all knowledge is “functional”; that it is of the nature of use. This, of course, is only a corollary under the main postulate of the latter-day psychologists, whose catchword is that The Idea is essentially active. *There is no need of quarrelling with this “pragmatic” school of psychologists. Their aphorisms may not contain the whole truth, perhaps, but at least it goes nearer*

to the heart of the epistemological problem than any earlier formulation. [My italics.] It may confidently be said to do so because, for one thing, its argument meets the requirements of modern science. It is such a concept as matter-of-fact science can make effective use of; it is drawn in terms which are, in the last analysis, of an impersonal, not to say, tropismatic, character; such as is demanded by science, with its insistence on opaque cause and effect.²⁰

In good pragmatic fashion Veblen applies this functional conception of ideas to science itself, and arrives at a radical technology, a type of radical instrumentalism. It involves, as we have already seen, the employment of scientific knowledge for useful ends, a technology in the broad sense that includes not only the machine industry, but engineering, agriculture, medicine, sanitation, and economic reforms.

There is, of course, a theory of value implicit in Veblen's philosophy. It is expressed on those occasions on which Veblen defines the "economic point of view." An early expression of his theory appears in *The Theory of the Leisure Class*:

The various elements are taken up from the point of view of economic theory, and the traits discussed are gauged and graded with regard to their immediate economic bearing on the facility of the collective life process. That is to say, these phenomena are here apprehended from the economic point of view and are valued with respect to their direct action in furtherance or hindrance of a more perfect adjustment of the human collectivity to the environment and to the institutional structure required by the economic situation of the collectivity for the present and for the immediate future.²¹

In the preceding pages I have tried to show that in this period Veblen's philosophy centered upon evolution, the principle of adaptation, and cumulative causation, so it is not surprising that his theory of value should also be centered on adaptation and the evolutionary life process. It seeks to answer the question, What must be the course of evolution of the economic process of the

community to assure its serviceability to all its members? or, simply, Are our institutions generally adapted to us, and, if not, what should we do to see that they are? The view of social serviceability implicit in these questions, the view that the adjustment of the collectivity to the environment (the "facility of the collective life process") requires controlling and planning action on the part of the members of society, for all the members, is a broad genetic-utilitarian theory of value. Veblen's so-called "philosophy of waste" comes in at this point: whatever does not contribute to such adaptation or adjustment is wasteful or uneconomic in the broadest sense. This theory is modified, however, as Veblen's philosophy develops, and we can distinguish in his later philosophy of science (as seen, for example, in the previous paragraph) an instrumental or technological theory that finds positive value in the function of scientific ideas and theories, in their technological application to the material and institutional, that is, the economic, problems of human existence.

From 1906 to 1924 Veblen concentrates his attention on technology. He attempts to prove the thesis that the state of the industrial arts in civilization is accountable to the "instinct" of workmanship and its "contamination," in *The Instinct of Workmanship and the State of the Industrial Arts*,—with, I think, limited success. In *Imperial Germany and the Industrial Revolution* the rehabilitation of Germany as a dynastic State from the time of Frederick the Great to the time of William II is accounted for chiefly on the grounds of Germany's having borrowed from the English-speaking peoples, and particularly from England itself, the advanced technology, the modern state of the industrial arts, without having taken also the characteristic institutions that had grown up concomitantly with the growth of that industry among the English.²² Discouraging on "Peace and Neutrality," he writes:

The modern industrial occupations, the modern technology, and that modern empirical science that runs so close to the frontiers of technology, all work at cross purposes with the received preconceptions of the nationalist order; and in a more pronounced degree they are at cross purposes with that

dynastic order of preconceptions that converges on Imperial dominion. . . . The profoundest and most meritorious truths of dynastic politics can on no provocation and by no sleight of hand be brought within the logic of that system of knowledge and appraisal of values by which the mechanistic technology proceeds. Within the premises of this modern mechanistic industry and science all the best values and verities of the dynastic order are simply "incompetent, irrelevant and impertinent."²³

As I have said, this philosophy of science and technology is most characteristic of Veblen's writing after the year 1906. Taken in conjunction with his behavioristic-pragmatic psychology, his organicism and institutionalism it leads to some important conclusions in Veblen's philosophical economics. For example, it leads him to "disallow" the "systems" of absentee ownership, property rights, class perquisites, free income, and so on:

The training given by the mechanical industries and strengthened by the experiences of daily life in a mechanically organized community lends no support to prescriptive rights of ownership, class perquisites, and free income. This training bends the mental attitude of the common man at cross purposes with the established system of rights, and makes it easy for him to deny their validity so soon as there is sufficient provocation.²⁴

It is perhaps chiefly responsible for Veblen's internationalist and cosmopolitan doctrine of economics.

The modern industrial system is worldwide, and the modern technological knowledge is no respecter of national frontiers. The best efforts of legislators, police, and business men, bent on confining the knowledge and use of the modern industrial arts within national frontiers, has been able to accomplish nothing more to the point than a partial and transient restriction on minor details. Such success as these endeavors in restraint of technological knowledge have met

with has effected nothing better than a slight retardation of the advance and diffusion of such knowledge among the civilized nations. Quite patently, these measures . . . have been detrimental to all the peoples concerned, in that they have lowered the aggregate industrial efficiency of the peoples concerned without increasing the efficiency, wealth, or well-being of any one of them . . .

As an industrial unit, the nation is out of date. This will have to be the point of departure for the incoming new order. And the New Order will take effect only so far and so soon as men are content to make up their account with this change of base that is enforced by the new complexion of the material circumstances which condition human intercourse. Life and material well-being are bound up with the effectual working of the industrial system; and the industrial system is of an international character—or it should perhaps rather be said that it is of a cosmopolitan character, under an order of things in which the nation has no place or value.²⁵

It also leads him to set a high value on the place of science in modern civilization.

In point of fact, the sober common-sense of civilized mankind accepts no other end of endeavor [but science] as self-sufficient and ultimate. That such is the case seems to be due chiefly to the ubiquitous presence of the machine technology and its creations in the life of modern communities. And so long as the machine process continues to hold its dominant place as a disciplinary factor in modern culture, so long must the spiritual and intellectual life of this cultural era maintain the character which the machine process gives it.²⁶

Our science is relatively new, Veblen asserts, and therefore it has not yet demonstrated all of its latent capacities. When it does, when society permits its engineers, technologists, and scientists to plan and control the economy of the world, then only will a deliberate, rational scheme of management and production for the welfare of the peoples of the world come into being.

The technology—the state of the industrial arts . . . requires the use of trained and instructed workmen—born, bred, trained and instructed at the cost of the people at large. So also it requires, with a continually more exacting insistence, a corps of highly trained and specially gifted experts, of divers and various kinds. These too, are born, bred and trained at the cost of the community at large, and they draw their requisite special knowledge from the community's joint stock of accumulated experience. These expert men, technologists, engineers, or whatever name may best suit them, make up the indispensable General Staff of the industrial system; and without their immediate and unremitting guidance and correction the industrial system will not work. It is a mechanically organized structure of technical processes designed, installed and conducted by these production engineers. Without them and their constant attention the industrial equipment, the mechanical appliances of industry, will foot up to just so much junk. The material welfare of the community is unreservedly bound up with the due working of this industrial system, and therefore with its unreserved control by the engineers, who are alone competent to manage it. To do their work as it should be done these men of the industrial general staff must have a free hand, unhampered by commercial considerations and reservations; for the production of the goods and services needed by the community they neither need nor are they in any degree benefited by any supervision or interference from the side of the owners.²⁷

In considering the sources of Veblen's interest in technological and machine processes, it is safe to say that he viewed them historically as products of the Industrial Revolution, empirically as a matter-of-fact heritage of human skill and invention, psychologically as precipitates of a "hard-headed apprehension of facts." It was also evident to him that much of what we are wont to call our "culture" consists of these processes operating on a large scale.

Not only does it consist of them, however, it is dominated by them.

Within the comprehensive situation of today there is this new factor, the machine process. . . . [It] pervades the modern life and dominates it in a mechanical sense. Its dominance is seen in the enforcement of precise mechanical measurements and adjustments and the reduction of all manner of things, purposes and acts, necessities, conveniences, and amenities of life, to standard units.²⁸

Veblen analyzes the “disciplinary effects” of this process in some detail, and he attempts to show how it sets the pace for the people who are involved in guiding and tending it, how it helps to inculcate thinking “in terms of opaque, impersonal cause and effect,” and how it may replace conventional standards of thought, standards formerly based upon “immemorial custom, authenticity, or authoritative enactment.” Veblen is sometimes inclined to exaggerate these disciplinary effects, yet he seems to do so intentionally, with the full knowledge that what he says about them does not cover every individual case.

Important as the disciplinary effect of the machine process may be, what is even more important is Veblen’s view that the present state of the industrial arts is easily and fully capable of providing for human needs. In fact, he asserts, modern industry is “inordinately productive.” There is no sound technological reason why humanity must do without essential needs, why it must suffer periodic crises and depressions. The resources for solving the economic problems of human needs, human wants, and human desires *exist*. It remains for us to plan to use these resources intelligently, to solve these problems scientifically, equitably, and economically.

Notes

INTRODUCTION

1. Veblen's first published article on economics was "Some Neglected Points in the Theory of Socialism," *Annals of the American Academy of Political and Social Science* (1891), pp. 345-62, republished in *The Place of Science in Modern Civilization* (New York, 1942), pp. 387-408. This was not, however, the first article he had written on economics; while at Yale (1882-84) he won a prize with an essay on the use of an anticipated surplus of funds in the United States Treasury. His last published article on economics was "Economic Theory in the Calculable Future," *American Economic Review*, XV, No. 1, Supplement (1925), republished in *Essays in Our Changing Order*, ed. Leon Ardzrooni (New York, 1934), pp. 3-15.

2. The essays mentioned are contained chiefly in the pages of the *Journal of Political Economy*, *The Quarterly Journal of Economics*, and the *American Economic Review* since 1929, the year of Veblen's death.

3. "Thorstein Veblen," introductory essay in *What Veblen Taught*, ed. Wesley C. Mitchell (New York, 1936), p. xxxvi.

4. R. V. Teggart, "Thorstein Veblen: a Chapter in American Economic Thought," *University of California Publications*, XI (1932-35), p. 64.

5. See the Bibliography at the end of this work for the writings of these men.

6. Introductory essay in *Essays in Our Changing Order*, pp. v-xv.

I THE METHODOLOGY OF PRINCIPLES OF ADAPTATION

1. *Journal of Speculative Philosophy*, XVIII (July, 1884). Republished in *Essays in Our Changing Order*, pp. 175-93.

2. No copy of this work has been located.
3. Joseph Dorfman, *Thorstein Veblen and His America* (New York, 1935), p. 46.
4. *Ibid.*, p. 51.
5. *Essays in Our Changing Order*, p. 175.
6. *Ibid.*, p. 176.
7. *Ibid.*
8. *Ibid.*
9. *Ibid.*
10. *Ibid.*, pp. 176-77.
11. *Ibid.*, pp. 177-78.
12. *Ibid.*, p. 178.
13. *Ibid.*
14. *Ibid.*
15. *Ibid.*, p. 180.
16. *Ibid.*
17. *Ibid.*, pp. 180-81.
18. *Ibid.*, pp. 182-83.
19. *Ibid.*, p. 183.
20. *Ibid.*, p. 184.
21. *Ibid.*, p. 185.
22. *Ibid.*, p. 186.
23. *Ibid.*
24. *Ibid.*, p. 189.
25. *Ibid.*, p. 193.
26. Dorfman, *Thorstein Veblen and His America*, p. 41.
27. In the *Popular Science Monthly* (1877-78). Cf. Paul Weiss and Charles Hartshorne (eds.), *The Collected Papers of Charles S. Peirce* (Cambridge, 1931-35), 5.358-410.
28. *Collected Papers . . . Pierce*, 5.367.
29. *Ibid.*, 5.369.
30. *Essays in Our Changing Order*, p. 191.
31. *Ibid.*, pp. 176, 178, 179, 179-80, 188-89.
32. *Ibid.*, pp. 189-90, 190-91.
33. Joseph Haven, *Mental Philosophy* (Boston, 1857), pp. 194-209. Next to James McCosh, Haven was "the most persistent ex-

ponent of the Scottish tradition" in America. Herbert W. Schneider, *A History of American Philosophy* (New York, 1946), p. 256.

34. Laurens Hickok's idealism may be found in his *Rational Psychology* (Schenectady, 1854), *Rational Cosmology* (New York, 1858), and the revised (Seelye) edition of his *Empirical Psychology* (Boston, 1882), though the prefaces to the first and second editions of the last-named work also draw the distinction between a pure science based upon "necessary and universal Ideas, which must determine all mental activity in every capacity," and an empirical science based upon experience.

35. Joseph Blau, *American Philosophic Addresses, 1700-1900* (New York, 1946), pp. 463-64. This same theme occurs in Noah Porter's monumental critical history and exposition of the "intellect," *The Human Intellect* (New York, 1868), p. 26, where he speaks of the processes of perception and reasoning as being as real as and "more worthy of confidence and respect" than the natural phenomena of electricity and gravitation, "as it is by means of perception and reasoning that we know gravitation and electricity." Psychology, as the science of the soul, is the "science of induction itself" (p. 52).

36. Porter and Veblen apparently were very friendly. Veblen was "Porter's chum" according to one report, and both men could frequently be seen discussing philosophy during their walks around the Yale campus. Porter recommended Veblen as a "very accomplished scholar" and a student of "critical ability" during his two and one-half year's study with him. Dorfman, *Thorstein Veblen and His America*, p. 153. This was high praise from the "greatest and most erudite of the professors of philosophy" of his time. Schneider, *A History of American Philosophy*, p. 245.

37. Presumably the section "Methodology of the Teleological Judgment," the last division (Appendix in the second edition) of Part II of the *Critique of Judgment*.

38. *Critique of Judgment*, trans. T. K. Abbot (London, 1879), p. 36.

39. *Supra*, pp. 7-8, 15-17, 23.

40. Cf. his address "The Sciences of Nature *versus* The Science

108 Notes: Cumulative Causation and the Philosophy of Evolution of Man, a Plea for the Science of Man," in Blau, *American Philosophic Addresses*, pp. 456-80.

41. Noah Porter, *Kant's Ethics* (Chicago, 1886), pp. 184-231; *Elements of Moral Science* (New York, 1885), pp. 136-38.

2 CUMULATIVE CAUSATION AND THE PHILOSOPHY OF EVOLUTION

1. No copy of this work has been located. According to Dorfman, however, "In this inquiry Veblen seems thoroughly to have examined Spencer and Kant." Dorfman, *Thorstein Veblen and His America*, p. 47.

2. *Annals of the American Academy of Political and Social Science*, II, 1892. Republished in *The Place of Science in Modern Civilization* (New York, 1942), pp. 387-408.

3. The influences contributing toward this change and toward the concomitant change from philosophy to political economy are singularly difficult to isolate, first, because little is known about Veblen's activities during the seven years he was absent from academic life, and, second, no evidence appears that he published anything. The available evidence indicates that he read rather widely in the works of Kant, Spencer, John Stuart Mill, James Martineau, Ferdinand LaSalle, Lester Ward, David Ritchie, Edward Bellamy, and William James, though it appears likely that he read a great deal more. This, taken in conjunction with certain other biographical and historical facts—the corroding effects of his unemployment, the long talks on politics with his father, and his quickened interest in the politics of the Mid-West, the depression of the eighties, the effect of Bellamy's *Looking Backward* (which his wife wrote was "the turning point in our lives")—suggests that Veblen became primarily interested in reflecting more and more on pressing contemporary political, social, and economic problems. But Veblen did not abandon philosophical speculation, on the contrary, he approached it with a renewed spirit from another direction.

4. Introductory essay of *A Plea for Liberty, an Argument against Socialism and Socialistic Legislation*, ed. Thomas Mackay (London, 1891).

5. *Ibid.*, p. 4.

6. *Ibid.*, p. 5.

7. *Ibid.*, p. 10.

8. *Ibid.*

9. *The Place of Science in Modern Civilization*, p. 390.

10. Two years previously William James very strongly emphasized the nature and effect of this feeling in his chapter on "instinct." "Nine-tenths of the work of the world is done by it." *Principles of Psychology* (New York, 1890), II, 409. He also discussed it in his chapter on the "Consciousness of Self," where he regarded its presence as proof of our possessing a "social self," and where he cites Locke's "club-opinion" as identical. *Ibid.*, I, 292-96.

11. Republished in *The Place of Science in Modern Civilization*, pp. 56-81.

12. *Ibid.*, p. 61.

13. *Ibid.*, pp. 62-70, 70-81.

14. *Ibid.*, p. 63.

15. *Supra*, pp. 11-16, and point (1), pp. 21-23.

16. *Ibid.*, pp. 66-67.

17. *Ibid.*, p. 66.

18. *Ibid.*, pp. 65-66.

19. *Supra*, pp. 16, 24-25, point (3).

20. *The Place of Science in Modern Civilization*, p. 71.

21. *Ibid.*, pp. 71-72.

22. *Ibid.*, p. 73.

23. *Ibid.*, pp. 73-74.

24. *Ibid.*, p. 74.

25. *Ibid.*

26. *Ibid.*, pp. 74-75.

27. *Ibid.*, p. 75.

28. Note how the community—the social organism—is held responsible for economic change. This is an indication of Veblen's pioneering in the sociology of knowledge.

29. *The Place of Science in Modern Civilization*, p. 75.

30. I will discuss Veblen's fourth theme in the next chapter. Cf. *infra*, p. 68.

31. Notably the three articles with the running title, "The Preconceptions of Economic Science," *The Place of Science in Modern Civilization*, pp. 82-180.

32. *Supra*, pp. 14-15.

33. *The Place of Science in Modern Civilization*, p. 5.

34. *Essays in Our Changing Order*, p. 85.

35. *The Place of Science in Modern Civilization*, p. 401.

36. On this point see Joseph Dorfman, "The Satire of Thorstein Veblen's 'The Theory of the Leisure Class,'" *Political Science Quarterly*, XLVII (1932), 363-409.

37. *The Theory of the Leisure Class* (New York, 1934), p. 192. Compare Spencer: "Life is the continuous adjustment of internal relations to external relations." *Principles of Biology* (New York, 1910), I, 99, and *First Principles* (New York, 1890), p. 138. "Actual progress consists in those internal modifications of which this increased knowledge [of the greater number of facts known and laws understood] is the expression." *Universal Progress* (New York, 1865), p. 2.

38. In connection with Veblen's conception of cumulative causation see Spencer, *Principles of Psychology*, par. 207; *Principles of Sociology*, introductory remarks to the chapter "Industrial Institutions," where the illustration of the snowball appears; and the *Synthetic Philosophy*, passim; Charles Peirce's theory of evolution as habit formation, *Collected Papers . . . Peirce*, 5.358-410; the cumulative mediation of the response by the stimulus in Dewey, "The Reflex Arc Concept," *Psychological Review*, III (1896), 357-70.

39. *Principles of Sociology*, II, 215.

40. *The Theory of the Leisure Class*, p. 41.

41. *Absentee Ownership and Business Enterprise in Recent Times* (New York, 1945), p. 101; *The Theory of the Leisure Class*, p. 188; *ibid.*, p. 212; *ibid.*, p. 213; *Imperial Germany and the Industrial Revolution* (New York, 1942), p. 5.

42. *The Theory of the Leisure Class*, p. 190.

43. *Ibid.*, p. 191; *The Place of Science in Modern Civilization*, pp. 333, 361; *Absentee Ownership*, pp. 13, 206. As guiding principles, institutions are thus traceable to the Kantian principle of adaptation. See point 4, *supra*, pp. 16-21.

44. "The Instinct of Workmanship and the Irksomeness of Labor," *Essays in Our Changing Order*, pp. 80, 82.

45. Cf. *infra*, pp. 88-93, for a discussion of Veblen's use of this term. The word "idle" is also misleading, for the "idle" curiosity is surprisingly active.

46. "The Limitations of Marginal Utility," *The Place of Science in Modern Civilization*, p. 239.

47. *The Theory of the Leisure Class*, p. 190.

48. John Gambs, *Beyond Supply and Demand* (New York, 1946), p. 12.

49. *Ibid.*, p. 55.

50. "The Economics of Karl Marx and His Followers" (in two parts), *The Place of Science in Modern Civilization*, pp. 408-56.

51. Gambs, *Beyond Supply and Demand*, p. 45.

52. *Ibid.*, p. 22.

53. *Pragmatism* (New York, 1907), p. 12.

54. "The Evolution of the Scientific Point of View," *The Place of Science in Modern Civilization*, p. 36.

55. *Ibid.*, pp. 33-36, n. 2.

56. *Ibid.*, pp. 37-38.

3 HUMAN NATURE AND THE SOCIAL PSYCHOLOGY OF INTERESTS

1. "Some Neglected Points in the Theory of Socialism," *The Place of Science in Modern Civilization*, esp. pp. 392-400.

2. Cf. also: "With the exception of the instinct of self-preservation, the propensity for emulation is probably the strongest and most alert and persistent of the economic motives proper." *The Theory of the Leisure Class*, p. 110.

3. *The Place of Science in Modern Civilization*, p. 394.

4. *Ibid.*, p. 395.

5. *Ibid.*, p. 397.

6. *I.e.*, by "increasing the number of persons before whose

eyes each one carries on his own life, and, *pari passu*, decreasing the chances which such persons have of awarding their esteem on any other basis than that of immediate appearances." *Ibid.*, p. 396.

7. *The Theory of the Leisure Class*, p. 110.

8. *Ibid.*, pp. 18-21.

9. *Ibid.*, pp. 219-20.

10. *Ibid.*, p. 221. The source of this speculative anthropology in Veblen is, curiously enough, in Spencer, but the uses Veblen makes of Spencer's data and system of anthropology are distinctly opposite of Spencer's uses. In his excellent article on "The Satire of Thorstein Veblen's 'Theory of the Leisure Class'" *Political Science Quarterly*, XLVII (1932), 363-409, Dr. Dorfman demonstrates in some detail how Veblen succeeded in using Spencer's materials to reverse Spencer's argument that society was evolving progressively and inevitably from a system of status to a system of contract. Veblen achieved this in part simply by assuming with Spencer that a predatory stage of culture came into existence after the culture of the peaceful savage, and then by denying Spencer's contention that contemporary culture was best characterized as progressively taking on the features of a system of free contract. Rather, it is *still* best conceived as a militant coercive system, according to Veblen, and *The Theory of the Leisure Class* offered (Spencer's) evidence to prove that it was *thus* most accurately characterized and conceived. This perhaps explains (but of course does not validate) Veblen's logic regarding the change from peace to predation.

11. *The Theory of the Leisure Class*, p. 225.

12. *Absentee Ownership*, pp. 16, 18, 19-20. A note is appended to the last quotation, part of which credits Jacques Loeb with the "form of words" used in the first sentence of the quotation. Dewey's *Human Nature and Conduct* (which appeared the same year as Veblen's volume) is cited after the second sentence of the first quotation by its title only.

13. *The Theory of the Leisure Class*, pp. 192-96, 207.

14. *The Place of Science in Modern Civilization*, p. 75.

15. *The Theory of the Leisure Class*, p. 15. The second sentence of this quotation is also contained *verbatim* in "The Instinct of Workmanship and the Irsomeness of Labor," *Essays in Our Changing Order*, p. 81.

16. Cf. *supra*, p. 43.

17. *The Place of Science in Modern Civilization*, p. 77.

18. *Ibid.*, pp. 76-77. Cf. "The forces which make for a readjustment of institutions, especially in the case of a modern industrial community, are, in the last analysis, almost entirely of an economic nature." "The forces which count toward a readjustment of institutions in any modern industrial community are chiefly economic forces; or more specifically, these forces take the form of pecuniary pressure." *The Theory of the Leisure Class*, pp. 193, 195-96.

19. *The Place of Science in Modern Civilization*, pp. 313-14.

20. *The Instinct of Workmanship* (New York, 1914), pp. 6-7.

21. *Ibid.*, p. 9.

22. *The Place of Science in Modern Civilization*, pp. 5-7.

23. *Supra*, p. 41.

24. John Dewey, "The Interpretation of the Savage Mind," *Psychological Review*, IX (1902), 229-30.

25. *Ibid.*, pp. 219-20.

26. It is not unlikely that Veblen's work, particularly *The Theory of the Leisure Class*, which was published three years before Dewey's article, was one of the major sources of Dewey's concern with occupational interests. William I. Thomas, who, according to Dewey, was coauthor of "The Interpretation of the Savage Mind," was Veblen's friend, and Thomas and Veblen often exchanged ideas.

27. *The Theory of the Leisure Class*, p. 192.

28. *The Place of Science in Modern Civilization*, p. 105. The work of the biologist Jacques Loeb, Veblen's friend at Chicago, probably influenced him in this behavioristic conception, but Veblen's Peircean and neo-Kantian cosmology of habit, as we have seen, is even more basic in Veblen's behavioristic psychology.

29. *The Theory of the Leisure Class*, p. 192.

30. Cf. *supra*, p. 56. Another indication of this change in Veblen's thought lies in the fact that about this time he changed the subtitle of *The Theory of the Leisure Class* from *An Economic Study in the Evolution of Institutions* to *An Economic Study of Institutions*.

31. *The Place of Science in Modern Civilization*, p. 38.

32. *Ibid.*, p. 39.

33. *Ibid.*

34. *Ibid.*, p. 40.

35. *Ibid.*, p. 41.

36. *Ibid.*, p. 42.

37. *Ibid.*, pp. 42-43. Cf. *The Theory of the Leisure Class*, pp. 101-2.

38. *The Place of Science in Modern Civilization*, p. 45.

39. *Ibid.*

40. Among the other essays that primarily contain these themes are: "Why Is Economics Not an Evolutionary Science?" "The Preconceptions of Economic Science, I," "The Place of Science in Modern Civilization." Veblen's monographs give somewhat less attention to these themes only because they are generally assumed throughout the discussion: *e.g.*, *The Theory of the Leisure Class*, *passim*, particularly the chapter entitled "The Belief in Luck" (pp. 276-92), which contains Veblen's first enunciation of his theory of the growth of knowledge; *The Instinct of Workmanship*, *passim*, particularly p. 39. A number of other essays depend for their comprehension in these matters upon the position just analyzed: *e.g.*, "The Preconceptions of Economic Science, II & III," "Industrial and Pecuniary Employments," and even "The Limitations of Marginal Utility."

4 HUMAN WELFARE, SCIENCE, AND TECHNOLOGY

1. "The Place of Science in Modern Civilization," *The Place of Science in Modern Civilization*, pp. 1-2.

2. *Ibid.*, pp. 3-4. Cf. also "The Evolution of the Scientific Point of View," *ibid.*, pp. 40-55.

3. *Ibid.*, p. 4.

4. *The Theory of the Leisure Class*, pp. 16, 33, 41, 93, *et passim*.
5. *The Instinct of Workmanship*, pp. 175-77, 213, 217, 291-92, 303.
6. *The Place of Science in Modern Civilization*, p. 5.
7. It is perhaps only by a similar figure of speech that Veblen can correctly refer to the *psychology* of life lying below the "threshold of intelligence."
8. *Ibid.*, p. 6.
9. *Ibid.*, pp. 6-7.
10. While Loeb accepted Veblen's "instinct of workmanship" (Cf. *The Physiology of the Brain* [New York and London, 1907], p. 197 n.), there is no evidence that he accepted the idle curiosity.
11. *The Place of Science in Modern Civilization*, pp. 9-10, 12-13, 15-16.
12. *Ibid.*, p. 17.
13. *The Engineers and the Price System* (New York, 1944), p. 68.
14. *Collected Papers* . . . Peirce, 5.407.
15. *Ibid.*, 5.408.
16. *Ibid.*
17. *The Place of Science in Modern Civilization*, p. 39.
18. *Ibid.*, p. 19.
19. *Ibid.*, pp. 8-9, n. 5. In speaking of the "force of early usage and etymology," Veblen probably had Kant's use of the term "pragmatisch" in mind.
20. *Ibid.*, p. 5.
21. *The Theory of the Leisure Class*, pp. 265-66.
22. *Imperial Germany and the Industrial Revolution*, esp. pp. 78-87, 174-210. Veblen saw the opportunity of Japan in the same light. "The Opportunity of Japan," *Essays in Our Changing Order*, pp. 248-66.
23. *The Nature of Peace* (New York, 1917), pp. 197-98.
24. *Essays in Our Changing Order*, p. 405. Cf. also *The Engineers and the Price System*, pp. 156-62, where Veblen argues that a "cancelment" of the rights of absentee ownership alone will

have “secondary effects,” which, by implication, will disallow the “systems” mentioned above.

25. *Essays in Our Changing Order*, pp. 385, 388-89.

26. *The Place of Science in Modern Civilization*, p. 30.

27. *The Engineers and the Price System*, pp. 68-70.

28. *The Theory of Business Enterprise*, p. 305.

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