

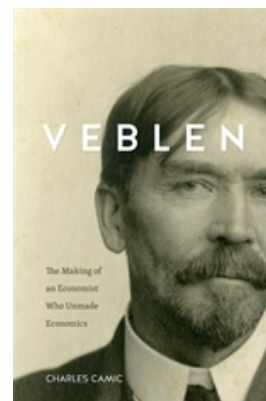
Book Review: Veblen: The Making of an Economist Who Unmade Economics by Charles Camic

*In **Veblen: The Making of an Economist Who Unmade Economics**, Charles Camic challenges the longstanding portrayal of economic theorist Thorstein Veblen as a maverick outsider. Tracing the development of Veblen's intellectual practices and affiliations, Camic instead finds an academic who was distinctly an insider, yet who turned his orthodox training against prevailing opinion. Offering an excellent account of how Veblen arrived at his influential contributions to economic theory and paying close attention to how abstract ideas get embedded in institutions and practices, this book is a worthy model for historians of the social sciences and sociologists of knowledge, writes **Geoffrey Mead**.*

This review originally appeared on [LSE Review of Books](#). If you would like to contribute to the series, please contact the managing editor of LSE Review of Books, Dr Rosemary Deller, at lsereviewofbooks@lse.ac.uk

Veblen: The Making of an Economist Who Unmade Economics. Charles Camic. Harvard University Press. 2020.

For some time it has been routine to portray Thorstein Veblen as an isolated maverick, on the outside looking in to late-nineteenth-century America, offering a satire of its 'leisure class' and penchant for 'conspicuous consumption'. [C. Wright Mills](#) relates the standard picture, describing Veblen as 'the outsider, and his work the intellectual elaboration of a felt condition'. But is this reputation justified? In his new intellectual biography, [Veblen: The Making of an Economist Who Unmade Economics](#), Charles Camic argues that if we trace the development of Veblen's concrete intellectual practices and his affiliations, we find an academic who was distinctly an insider, 'a solidly anchored professional academic of the modern day' (290) – though one who turned his orthodox training against prevailing opinion.



In the book, Camic presents economist Veblen as a creature of the nineteenth century. As Veblen came to intellectual maturity, he would witness a steep increase in the nation's production output, as well as a concurrent rise in the frequency of market shocks and political protest against them, with protesters blaming a new organisational form – the corporation – for these shocks (185-94). Camic is at home in this time period, as a sociologist of knowledge who has long studied the development of the American social sciences from the late-nineteenth to mid-twentieth centuries. In [recent years](#), he has attempted to articulate his approach systematically, identifying an interest in the concrete and mundane 'knowledge practices' that social scientists employ in their work. This interest is clearly visible in the present book, *Veblen*, which shows Camic embedding the economist historically while closely attending to Veblen's concrete intellectual practices.

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The specific practices Veblen acquired and implemented reappear regularly throughout Camic's book. Specifically, they are a general evolutionary approach, a way of framing society as an organic whole (rather than an atomistic collection of individuals), an 'adulation of science' (180) and a moral valorisation of productive activity over nonproductive activity. Together, these practical principles constitute the central elements of Veblen's intellectual repertoire, echoing throughout his life (41). The value put on productive activity, for example, is as present in his Norwegian-American household as it is in the University of Chicago Political Economy department. This helps Camic avoid the kind of intellectual history that would settle with Veblen simply inhaling the ideas that were 'in the air' at the time. Rather, Camic shows how these ideas – manifesting themselves in different forms – are active at each point along the journey throughout Veblen's life.

Camic's story begins with Veblen's parents, rural Norwegians who emigrated to the United States in 1847 and settled in rural Wisconsin. They then moved their family of ten to Minnesota in 1865, where Thorstein was raised and educated, formally and informally. Amidst heavy theological disputes between Norwegian Lutherans and a family farm that cherished productivity, Veblen was, without knowing it, forging his intellectual tools and orientation to the world (64). Camic focuses on Veblen's early formal education, inferring its content from the textbooks used at the time, which drilled into pupils moral lessons about work and productivity. Sunday school presented a similar scene: the memorisation of lessons extolling labour and condemning sloth inculcated moral ideals as practical principles (72). What is important for Camic here is that Veblen began to acquire his practical principles early and that the means of doing so – drills and training – are identified.



Veblen's training continues through his extended university life: from a Classics undergraduate education at nearby Carleton College, to philosophy graduate training at Johns Hopkins University and Yale, before final studies in political economy at Cornell and the University of Chicago (following a half-decade away suffering from a mysterious illness) (185). As institutions following a research-oriented German model, Veblen's universities shared a number of features. Furthermore, they all furnished Veblen with mentors of some regard (Camic counts eleven of them).

At this time, the university sector was undergoing dramatic growth, with an increase in positions giving Veblen 'a chance to become part of the new generation of Americans who were in the process of creating and defining the "professional academic"' (104). Veblen's path was lit by his mentors, who possessed and transmitted some version of the overarching practical principles that traverse Veblen's intellectual life: an evolutionary and organic perspective, a valorisation of science and productivity as well as a taste for iconoclasm. In particular, though, Veblen appears to have been marked by two political economists: John Bates Clark at Carleton and James Laurence Laughlin at Cornell and The University of Chicago.

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Through these teachers, Veblen would develop skills to wrestle with marginal utility theory, his main theoretical target in his 1899 [The Theory of the Leisure Class](#). At Chicago, Veblen's teacher Laughlin 'worked one-on-one with advanced students like Veblen, pushing them to become "economic scientists" who would conduct "independent research" and "think independently"' (223). With this emphasis on independence, Laughlin transmitted to his student a predilection for iconoclasm, which Veblen channelled as he attacked marginal utility theory. The theory, in ascendance as Veblen solidified his position within the field, was also an affront to the principles that he had practised for decades: it was ahistorical and atomistic (notions at odds with science as Veblen knew it (359)), and it valorised nonproductive 'pecuniary' work, parasitical on productive labour.

Adherents to the marginal utility theory attempted to answer the pressing social question of how wealth was distributed and how fair it was. The marginalists' answer, given by Veblen's early teacher J.B. Clark, was that any income received was proportionate to what a given 'factor' contributed to the product (whether that factor was labour, capital or the entrepreneur who coordinates them). This explanation casts capital and the entrepreneur alongside the worker as 'inherently productive' (288). Veblen's family background, religious education and moral philosophy training would have led him, on the contrary, to see them as predatory.

While the marginalist explanation was inaccurate, as Veblen saw it, people acted as if it *were* accurate, as if wealthy entrepreneurs deserved their share. This gave rise to a desire to imitate them, to *appear* successful through visible expenditure of goods and leisure time (294). As these resources become ostentatiously wasted rather than being directed towards a productive endeavour, economic behaviour is underpinned by a 'nonproductivity' principle. The 'leisure class' Veblen scrutinises and skewers expends wealth that it derives from nonproductive 'pecuniary employments', occupations dealing with [ownership, acquisition and accumulation](#). Thus is born, against the marginalist justification of wealth distribution, Veblen's 'own nonproductivity theory of distribution' (312).

Camic provides an excellent account of how Veblen arrived at this contribution to economic theory, which put nonproductive activity at the core of economic behaviour. The book convincingly shows that Veblen brought a status and skills cherished *within* the field of economics to the problem of the origins and justice of wealth distribution. That is, he 'was involved in it from the inside, not looking down on it from Olympus as a detached spectator or iconoclastic outsider' (290). In the fine detail the book gives, we see an intellectual world saturated with reverence for science, evolution and organicism. With Camic's close attention to how such abstract ideas get embedded in institutions and practices, there is a worthy model for historians of the social sciences and sociologists of knowledge.

Note: This review gives the views of the author, and not the position of the LSE Impact Blog, or of the London School of Economics.

Image Credit: 2. EAST (FRONT) AND NORTH SIDE ELEVATIONS, LOOKING SOUTHWEST – Thorstein Veblen Farmstead, House, Section 12, Wheeling Township, Nerstrand, Rice County, MN ([Library of Congress, no known copyright restrictions](#)).
