

Economics / Veblen ✓

On the Use and Abuse of Thorstein Veblen in Modern American Sociology, II:

Daniel Bell and the 'Utopianizing' of Veblen's Contribution and Its Integration by Robert Merton and C. W. Mills

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ABSTRACT. The analyses and applications of *Thorstein Veblen's social theory* by *Daniel Bell*, *Robert Merton*, and *C. Wright Mills* are criticized. Bell's analysis is deficient because it distorts Veblen's proposal for *economic reconstruction* and because it treats him as a hopelessly *utopian* theorist. Merton's use of Veblen's theory of *status emulation* by linking it with latent and manifest functions is a noteworthy accomplishment; yet Merton's utilization of Veblenian concepts is too sparing and essentially apolitical. Only the treatment of Veblen's theories by Mills is theoretically systematic and sufficiently *political* in tone. The significant import of Veblen's work for an indigenous critical theory resides in his theories of *social value*, *status emulation*, *conflict* and *cultural lag*.

I

Daniel Bell and the 'Utopianizing' of Veblen

ANOTHER EMINENT AMERICAN SOCIOLOGIST who has written on Veblen is Daniel Bell. Although not as negative in his judgments of Veblen as either Riesman or Parsons, in the final analysis Bell finds it necessary to emphasize the essentially "utopian" nature of much of Veblen's thought. To obtain a balanced view of Bell's interpretation, it is necessary to mention briefly aspects of Veblen's work he praises or incorporates into his analysis of Western societies.

Bell recognizes the partial validity of Veblen's assertions about status emulation and its impact on consumption patterns, employs Veblen's ideas regarding the "penalty of taking the lead" as this pertains to the disadvantage of early industrialization, and uses Veblen's famous distinction between business and industrial processes. He also praises Veblen's arguments that what ultimately provides direction for the economy is not the price system, but

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the value system of the culture in which the economy is embedded.¹

Bell's early radicalism has since given way to a "neoconservative" political stance.² What few suggestions for change in public policy he has made in recent years would do little to alter the existing distribution of wealth and power. Obviously Bell could not agree with Veblen's attack on absentee ownership nor could he share Veblen's egalitarian inclinations. Of more interest, however, is Bell's efforts to pin the label of utopian on Veblen for his alleged lack of realism and Bell's further claim that the utopia Veblen espoused was a dangerous one if taken seriously. In Bell's words:

Central to all this—to return to our earlier theme of the new class—is the elitist image, which was given its most mechanical shape in the doctrines of technocracy. Most of Veblen's admirers have sought to discredit similarities, but the resemblance is clear, and while Veblen's doctrines cannot be held accountable for the later phase of technocracy—which flared again briefly in 1940 as a quasi-fascist movement, replete with gray uniforms and monad symbol—the "elective affinity" between Veblenianism and technocracy is evident not only in the formal content of the ideas but in the temperamental derivatives: the qualities of inhuman scientism and formal rationalism, which in the end become an attack upon culture itself.³

Veblen is thus accused of indulging himself in the "technocratic dream," for, in Bell's eyes, he is clearly just another technocratic elitist in the tradition of Saint-Simon, Cournot, and Frederick Taylor. Furthermore,

his reiterated emphasis on technology also reveals the one-sidedness, or inadequacy, of the Veblenian system. He was indifferent to the social relations within the factory—both the elements that created bureaucracy and those that, as in the case of the engineers, made for insistence on professional status as one means of overcoming the impersonality that the rationalization of work imposes on modern life.⁴

On the whole, Bell's main complaint against Veblen was the latter's utopianism and one-sided analysis of society. Yet he manages, unlike Parsons, to find positive elements in Veblen's system. While Bell overlooks the egalitarian and democratic aspects of Veblen's thought, he does not completely ignore the contributions made by Veblen to social theory.

Ultimately, however, Bell's critique of Veblen has the effect of disarming Veblen's attack on capitalism by making the assault appear utopian. Of course, this is a standard device frequently employed by those close to the political center, whether liberal or conservative, for discrediting radicalism. It takes three forms. The first is to claim that the radical's criticisms of capitalism are exaggerated or unwarranted. The second is to assert that alternative ways of organizing the social system and political economy endorsed by the radical are "unrealistic." And the third is to misconstrue the actual nature of the radical proposal for social reorganization. Bell manages to do all three.

II

Robert Merton and the Selective, Apolitical Use of Veblen

PARSONS DEPLORES the unfortunate fact "... that at present few economists and sociologists have even a modicum of interest or competence in each other's subject matter."⁵ On the same page reference is made to the "great synthetic minds" of such luminaries as Alfred Marshall and Vilfredo Pareto but no mention is made of Karl Marx and Thorstein Veblen!⁶ It is evident that while Parsons neglected, or paid only peripheral attention to, seminal thinkers such as Simmel, Mannheim, Marx and Veblen, his contemporary and former student Robert Merton took a much greater array of ideas from a broader variety of sources. Merton's skillful and judicious use of Veblenian concepts vividly demonstrates Veblen's potential for incorporation into a continually evolving and eclectic (in the non-pejorative sense) social theory.

Merton's use of Veblen is most evident in regard to the distinction between manifest and latent functions which Merton popularized in American sociology. Indeed, Merton argues that the Veblenian analysis has entered "so fully into popular thought, that these latent functions are now widely recognized."⁷ Merton's analysis in this respect bears further elaboration, for it leads to the most astute employment of Veblenian concepts in the literature of mainline American sociology.

Merton points to three of Veblen's ideas to illustrate the difference between latent and manifest functions. They are, 1) the idea of invention as the mother of necessity, 2) the notion that scientific inquiry has to do with data which are trivialities in some bearing other than the one in which they are of account, and 3) the cultural pattern of conspicuous consumption, which has unintended consequences for the consumer.⁸

It is often remarked that "necessity is the mother of invention," but Merton approves of Veblen's inversion of this idea and its role in both manifest and latent conceptualization of function. He writes that:

It is more often the case, as Veblen has remarked, that invention is the mother of necessity. The ulterior consequences of the more important mechanical inventions have been neither foreseen nor intended, though they have commonly demanded a whole series of institutional and technological adjustments.⁹

Merton also suggests, in another context, that scientific data may have had only a latent function in ordinary, everyday activity, but a manifest function when part of scientific discourse. He credits Veblen with this insight:

Thorstein Veblen has put this with typical cogency: "All this may seem like taking pains about trivialities. But the data with which any scientific inquiry has to do are trivialities in some other bearing than that one in which they are of account."¹⁰

However, Merton's most important use of Veblenian ideas resides in his

skillful explanation of status emulation from a functionalist perspective. In Merton's words:

However, says Veblen in effect, as sociologists we must go on to consider the latent functions of acquisition, accumulation and consumption, and these latent functions are remote indeed from the manifest functions. "But, it is only when taken in a sense far removed from its naive meaning (*i.e.*, manifest function) that the consumption of goods can be said to afford the incentive from which accumulation invariably proceeds." And among these latent functions, which help explain the persistence and the social location of the pattern of conspicuous consumption, is its symbolization of "pecuniary strength and so of gaining or retaining a good name." The exercise of "punctilious discrimination" in the excellence of "food, drink, shelter, service, ornaments, apparel, amusements" results not merely in direct gratifications derived from the consumption of "superior" to "inferior" articles, but also, and Veblen argues, more importantly, it results in a *heightening or reaffirmation of social status*.

The Veblenian paradox is that people buy expensive goods not so much because they are superior but because they are expensive. For it is the latent equation ("costliness = mark of higher social status") which he singles out in his functional analysis, rather than the manifest equation ("costliness = excellence of the goods").¹¹

Bearing in mind Parsons' rejection of Veblen's theory of conspicuous consumption, the startling difference between Parsons' treatment of Veblen and Merton's handling of him is apparent. Even if, for the sake of argument, one were to agree with Parsons that Veblen's works were shot through with utopianism, could he not take a concept such as conspicuous consumption, and find in it heuristic value or theoretical illumination? Parsons, we think, has dismissed Veblen too quickly, and that amounts to a loss for sociology.

Notice, on the other hand, Merton's careful analysis of Veblen's famous concept. Rather than reject it out of hand, Merton removes it from its "utopian" environment and puts it to work. He refines the notion, gives it greater precision, and applies it to a number of situations—with the felicitous outcome that social theory has been enriched.¹²

However, by treating Veblen as a functionalist, Merton allows himself to ignore the political significance of his work. Thus Veblen's radical critique of capitalism is simply absorbed into mainline sociology. Merton's emphasis on function rather than structure is a device for stripping Veblen of radical import and ultimately rendering his work conservative. While a sympathetic critic of Veblen such as Merton may praise and utilize him, Merton nonetheless "deradicalizes" Veblen's most important ideas.

III

C. Wright Mills and the Radical Use of Veblen

VEBLEN PROBABLY HAD A GREATER IMPACT on C. Wright Mills' analysis of American society than any other American thinker for Mills viewed Veblen

as "the best critic of America that America has produced," and contended that "his biases are the most fruitful that have appeared in the literature of American social protest."¹³ A few years later Mills exceeded his earlier praise in writing that "Veblen . . . is the best social scientist America has produced."¹⁴ Mills was one of the few American sociologists of his time to grasp Veblen's importance adequately and at the same time incorporate Veblenian ideas in a novel way in his own work. As the American Marxist Leo Huberman once wrote in a letter to Mills, "You are saying what needs to be said in a way that has not been done since Veblen. You are, in fact, our current Veblen. I respect you for it—and so, I think, will history."¹⁵

IV

Status Emulation

MILLS USED VEBLÉN'S THEORY of status emulation at length in his writings on various topics. Status emulation has long been regarded as an important contribution of Veblen to social theory and in his words it means that:

the leisure class stands at the head of the social structure in point of reputability; and its manner of life and its standards of worth, therefore, afford the norm of reputability for the community . . . the observance of these standards . . . becomes incumbent upon all classes lower in the scale. . . . The result is that the members of each stratum accept as their ideal of decency the scheme of life in vogue in the next higher stratum, and bend their energies to live up to that ideal.¹⁶

Veblen believes individual and collective character structure evolves in terms of the models available for imitation. Leaders are models of behavior and as such are sources of values. Mills, too, understands the emulative tendency to have political consequences. The use he makes of this insight is particularly evident in his discussion of the meaning for leadership of the "higher immorality" and the structure of "organized irresponsibility." He places blame for the deplorable state of public life on the moral decrepitude and political irresponsibility of American leaders for those who are politically active naturally emulate the most "successful" and visible leaders.

Veblen believed that status emulation rather than class analysis is often a better key to understanding the psychology of classes. For example, the struggle for existence has been changed into a "struggle to keep up appearances"—a struggle in which the appearance of success is becoming more important than the substance of success. Mills found Veblen's ideas of emulative consumption, ostentatious display and conspicuous exemption from useful labor, full of insight for understanding the psychology of the new middle classes.

Veblen argued that the ordinary basis of self-respect was the respect shown to one by his neighbors. Only persons with a deviant temperament could

retain their self-respect when faced with the long run disesteem of their cohorts. Mills elaborated on this theme in *White Collar* and in so doing reiterated Veblen's point that one does not impress others:

except by unremitting demonstration of ability to pay. That is practically the only means which the average of us have of impressing our respectability on the many to whom we are personally unknown, but whose transitory good opinion we would so gladly enjoy. So it comes about that the appearance of success is very much to be desired, and is even in many cases preferred to the substance . . . the means of sustenance and comfort [has become] so much easier to obtain as very materially to widen the margin of human exertion that can be devoted to purposes of emulation.¹⁷

But, for Mills, the most tragic aspect of the emulatory process described by Veblen is that individuals do not want to change the emulatory system, but to be integrated into it. For in terms of happiness "to believe that they (the rich) are unhappy would probably be un-American. For if they are not happy, then the very terms of success in America, the very aspirations of all sound men, lead to ashes rather than to fruit."¹⁸

Thus the emulatory problem is circular. The power elite set the standards and the rest of the social order uses these standards as criteria of their success. If they achieve this success, and become members of the elite, they in turn adopt the same values. Thus it is imperative for the radical political intellectual to reconstruct reality for others. Mills and Veblen hoped to break out of the elite-manipulated cycle of value circularity by undermining establishment definitions of social reality.

By the 1950s the American system of status emulation was more complex than in the 1890s when Veblen first set forth his theory.¹⁹ Mills, in using status emulation as part of his power elite theory, recognized this when he argued that local society now looked to the cities of the Social Register, to corporations and the national centers of political and military power as emulatory models. Local society has thus become a satellite of a vastly more complex status system.²⁰ In particular the position held in the national corporation had become an important basis for the satisfaction of status claims. It was the organized power center of the owning classes. The propertied and managerial elites of the urban upper class, as well as local society, now looked to the corporation in claiming and in assigning prestige to one another.²¹

The national scope of the status system was made possible by the rise of the new media of mass communication which centralized the means of publicity. This was maintained by a celebrity system based on competition, but organized as a business with the stars being selected and formed by the mass media for a profit. Thus there was a discrepancy between the national hierarchy of status and the hierarchies of wealth and power. This situation was historically unprecedented since status has always been used to convert power

into authority and thereby protect power from challenge. This caused Mills to ask "In due course will not those Americans who are celebrated come to coincide more clearly with those who are the most powerful among them?"²² Here Mills' analysis of status and power attained its Veblenian climax:

In America this star system is carried to the point where a man who can knock a small white ball into a series of holes in the ground with more efficiency and skill than anyone else thereby gains social access to the President of the United States. It is carried to the point where a chattering radio and television entertainer becomes the hunting chum of leading industrial executives, cabinet members, and the higher military. It does not seem to matter what the man is the very best at; so long as he has won out in competition over all others, he is celebrated.²³

Both Veblen and Mills recognized the unsuccessful attempts of outsiders to enter the status system. In Veblen's time this involved small farmers who wished to become absentee owners while, for Mills, it meant labor leaders who wanted to be part of the power elite.²⁴ Neither believed that these outsiders would fully succeed in their quest for, they could engage in intensive status emulation without becoming part of the main power system. For these groups status emulation was a form of false consciousness.

An important theme in Mills' work on the American middle class is the role that status emulation plays in its use of leisure time and in its consumption patterns. For Mills believed that the leisure of middle class citizens was consumed in attempts to satisfy their status claims. The use of leisure had been made hollow by status emulation especially in large urban areas where the breakdown of community made the realm of leisure and consumption even more crucial for status.²⁵ Those who are disturbed by the recreational vehicles strewn about the landscape of their suburban tracts may nod with gratification at the attack of Veblen and Mills on conspicuous consumption as a main American feature of status emulation.

V

The Power Elite: Origins and Parallels

WHAT IS MOST APPARENT in Veblen's analysis of the modern State is its basically exploitative and manipulative nature. For Veblen government in America is largely a tool of the vested interests and an instrument of predation. This became a central idea of obvious importance in Mills' theory of the power elite.²⁶ Mills' rejection of prevailing views of power and his long term opposition to liberalism are thus linked with Veblen's theory of the modern State. Although Veblen's theory is a "ruling class" theory as contrasted with Mills' "ruling elite" theory, they achieve a similarity of outlook.

They share the view that members of the ruling group have similar social backgrounds, a common ideology, an urge for power, the ability to com-

municate effectively with each other to achieve, and direct access to positions of institutional power. Although they differ in their attribution and location of institutional power, this can be explained by the fact that Veblen's last analysis is based on the early 1920s, whereas Mills' theory was articulated in the 1950s. Mills had the advantage of being able to view both the enhanced position of the executive branch of the federal government brought about by the New Deal, and the militarization of American society due to the Cold War. To corporate power, which was the core of Veblen's ruling class thesis, Mills added the power of both the officer corps in the military apparatus and that of the President, his cabinet, and about 1500 of the top appointed officials in the executive branch of the Federal Government.

Mills' view of the different levels of power can also be compared with Veblen's. For Mills there were three broad levels of power that were distinguishable although they were becoming increasingly unified and coordinated. At the top existed an elite whose power probably exceeded that of any small group in history with the possible exception of the group in the Kremlin. The middle levels were a drifting set of stalemated forces which no longer linked the bottom with the top. The bottom was politically fragmented and increasingly powerless while beginning to emerge as a mass society. The decision-making power was now embedded in the top level economic, military and political institutions, which were developing a greater and greater ability to use and shape other social institutions.

For Veblen corporate enterprise had increasingly become an organized power concentrate competing with unorganized consumers. The upper levels of power were a cohesive, but not monolithic monopoly, competing with deadlocked interest groups at the middle levels of power and with the politically fragmented masses at the bottom of American society. It is evident that in constructing his hierarchical theory of power with a power elite at the top, stalemated interest groups in the middle, and mass society at the bottom, Mills drew upon Veblen's analysis of the American system.

As a social theorist Veblen was plainly too radical to suit the tastes and purposes of much of American "mainstream sociology." To the extent that Parsonian equilibrium theory exerted such a powerful influence on post-World War II sociology, the Veblenian ceremonial-technological dichotomy was rejected as "value-laden" and thus ideologically unacceptable. Given the hegemony of conventional ideas over corporate and government-sponsored research and proposals, an approach utilizing Veblenian concepts will not appear attractive to social theorists.

Many, if not the great majority of social scientists, see their role as "objective" fact gatherers and theorists, and to proceed along Veblenian lines,

would in their understanding, distort what they perceive as their true calling. Veblen's radical approach would require that they become social critics—which could well result in a loss of professional status, government support, and academic security.

What would become of such disciplines as sociology, economics and political science should the elite figures in those areas critically research topics such as absentee ownership, corporate advertising, waste, militarism, and imperialism along Veblenian lines? The consequences would probably be similar in terms of their impact on professional careers as if these social scientists had decided to adopt a Marxian approach.

We have shown how dominant figures in American sociology responded to Veblen with the result that his radical critique was, on the whole, defused and made out to be the work of an alienated and eccentric utopian whose theories deserved to be consigned to the museum of antiquarian ideas. It was Mills alone among prominent American sociologists who made a systematic effort to apply Veblen's social theory in a contemporary setting without deradicalizing it.

VI

Veblen's Present Theoretical Significance

VEBLEN'S SOCIAL VALUE THEORY has theoretical import for contemporary social theory because it is explicitly prescriptive. Despite Veblen's occasional tongue-in-cheek posturing in favor of scientific objectivity and value-free inquiry, he was essentially a moralist and social critic. But why is his moralizing instructive to social theorists? The answer lies in his values *per se*, the way he embeds value in his social theory, and his methodological approach to valuation itself.

Veblen has appropriate values for our historical epoch in that he stresses equality, avoidance of waste, and the importance of science and peace. This point can be illustrated by linking it with his theory of status emulation. In an age of diminishing natural resources and increasing damage to the ecology, it is important to recognize the futility of emulatory consumption patterns which not only waste non-renewable resources but also produce an externality-intensive and thus more polluted society. It was Veblen's claim in the 1920s that half the national productive effort went to provide goods and services that were consumed for reasons of emulation and were thus sheer waste. A social value theory impregnated with Veblenism would sanction the satisfaction of consumer desires that were functionally and biologically justifiable, but conserve scarce resources by avoiding consumption for emulatory purposes.

Lastly, it is important when a society is confronted with what John Dewey calls "problematic situations" that its radical theorists not conceal the value premises of their own theories because an indigenous critical theory would thus consist of unacknowledged or, worse yet, unrecognized value criteria. Veblen's work rests on overt value judgments about the nature of the good society and in this sense is impeccable.

Veblen is unquestionably a conflict theorist, but his theory of conflict is rooted not in Marx's labor theory of value but in his own ceremonial-technological dichotomy which focuses on the differences between business and industrial pursuits or making money versus making useful goods. This is more appropriate in advanced industrial society in that it does not simplistically pit class against exploiting class. Instead, it facilitates the emergence of a more sophisticated kind of class analysis—one that recognized the varying ways in which different social strata use one another without ignoring the contributions made by so-called "petty bourgeois" to the larger social good.

Veblen believed it was impossible to measure "objectively" the economic contributions of small businessmen, farmers, and intellectuals or any other social class. He suggests that we focus on the extent to which these groups aid in fulfilling broader social values such as altruism, craftsmanship, and intellectual pursuits instead of narrowly emphasizing their economic contribution.

Veblen's theory of cultural lag differs from several variants of the theory found in consensus, structural-functional, or pluralist theories in explicitly assuming that certain groups benefit from avoidance of change. As C. Wright Mills argued long ago, political liberals tend to assume that sooner or later the superstructure will adjust incrementally to the base without undue disharmony or friction. However, in the Veblenian paradigm, vested interests and vested ideas are linked together, since those with something to protect ideologically and materially will seek to preserve the status quo.

In Veblen's view, the mere recognition that science and technology progress while major social institutions "lag" behind means little unless it is understood that some groups will win and others lose by the failure or success of institutions to "adapt." Cultural lag is thus a power phenomenon in which conflicting social strata play a zero-sum game rather than an adjustive process in which almost everyone benefits by harmonious accommodation.

Of course, whoever dominates the State apparatus is likely to be the winner of power conflicts, whether they are the result of cultural lag or not. In the age of Ronald Reagan with a business-dominated administration in power, it is essential to recognize how small the shift has been in power-wealth-status relationships since Veblen's death in 1929. Veblen saw little difference be-

tween the two main political parties, since both served the interests of the plutocracy while maintaining the illusion that they existed for the common good. On the basis of his theory it can be predicted that in the calculable future the business community and its ideological satellites will continue to dominate the power system.

But there are intellectual trends which counteract capitalist domination. With the aid of Mills, Veblen, and C. B. MacPherson a more adequate indigenous critical theory may yet emerge.²⁷ Abroad, Antonio Gramsci and, more recently, Jurgen Habermas, the most important contemporary representative of the Frankfurt School, have pinpointed the importance of the idea of ideological hegemony. To Veblen's credit, his analysis skillfully links ideological control with status emulation, power domination, and economic exploitation. He thus provides a model worthy of critical emulation, for few have managed to link these variables successfully in their analyses of American society. His was an historically-rooted macrosociology which critical theory should incorporate into its own emerging paradigm. Unfortunately, many American theorists who consciously labor in the vineyards of critical thought continue to ignore Veblen's work.²⁸

Notes

1. Daniel Bell, *The Coming of Post-Industrial Society* (New York: Basic Books, 1973), p. 279. See also, Bell, *The Winding Passage* (Cambridge, Mass.: Abt Books, 1980), pp. 69, 112, 133, 176, 262-63.
2. On this point, see Peter Steinfels' analysis of Bell in his *The Neoconservatives* (New York: Simon and Schuster, 1979), pp. 161-87.
3. Daniel Bell, "Veblen and the New Class," *American Scholar*, 32 (Autumn, 1963), p. 638. Bell's claim that Veblen was a technocratic elitist is challenged by Rick Tilman, "Veblen's Ideal Political Economy and Its Critics," *American Journal of Economics and Sociology*, 31 (July 1972), pp. 307-17.
4. Daniel Bell, "Veblen and the New Class," p. 634.
5. Talcott Parsons and Neil J. Smelser, *Economy and Society*, (Glencoe: The Free Press, 1956), p. 309.
6. *Ibid.*
7. Robert Merton, *Social Theory and Social Structure* (New York: The Free Press, 1958).
8. See Robert Merton, *Science, Technology and Society in Seventeenth Century England* (New York: Howard Fertig, 1970), p. 158; Merton, *Social Theory and Social Structure*, p. 151.
9. Merton, *Science, Technology and Society in Seventeenth Century England*, p. 158.
10. Merton, *Social Theory and Social Structure*, p. 97.
11. *Ibid.*, p. 70.
12. See also pp. 8-27 of *Social Theory and Social Structure* wherein Merton illuminates the differences between rediscovery and prediscoversy, and anticipations and adumbrations. He specifically mentions the case of Veblen's notion of "trained incapacity" as having been anticipated by one Philip Hamerton in 1873, but elaborated more fully by Veblen, and then "picked up, developed and applied by later sociologists." Merton also refers to "J. J. Spengler's painstaking

examination of [Arthur] Lovejoy's claim that Mandeville's *Fable of the Bees* (1714) had anticipated all of Veblen's principal ideas advanced in *The Theory of the Leisure Class*. Rather than taking superficial resemblance as evidence enough, Spengler subjects the two sets of ideas to thoroughgoing analysis, thus exhibiting the profound differences as well as the occasional similarities between them. In so doing, he shows how "initially small but functionally consequential differences of formulation eventuate in different theoretical implications which are then followed up and developed by successors." The Spengler article was published in *Weltwirtschaftliches Archiv: Zeitschrift des Instituts für Weltwirtschaft an der Universität Kiel*, Vol. 82, No. 1 (1959), pp. 35-67. We concur in Merton's estimate of the value of the Spengler article. Based on Merton's analysis, it can be argued that critics of Veblen, such as Riesman and Parsons, have failed to appreciate the originality of his contributions.

13. Mills, introduction to Veblen's *The Theory of the Leisure Class* (New York: Mentor Books, 1953), pp. vi, xii.

14. Mills, *Images of Man* (New York: George Braziller, 1970), p. 13.

15. Leo Huberman to Mills, 4 April, 1958, Mills Collection. (The C. Wright Mills Collection of which this letter is a part is housed in the Texas Barker History Archive, University of Texas, Austin.) A detailed analysis of the impact of Veblen on Mills as well as Mills' critique of Veblen is found in Rick Tilman's *C. Wright Mills* (forthcoming, Pennsylvania State Univ. Press).

16. Veblen, *The Theory of the Leisure Class*, p. 70.

17. As quoted in Mills, *White Collar* (New York: Oxford Univ. Press, 1968), p. 256.

18. Mills, *The Power Elite* (New York: Oxford Univ. Press, 1968), p. 164.

19. *Ibid.*, p. 88.

20. *Ibid.*, p. 46.

21. *Ibid.*, p. 85.

22. *Ibid.*, p. 91.

23. *Ibid.*, p. 74.

24. Compare Veblen's *Absentee Ownership and Business Enterprise in Recent Times*, p. 130, and Mills, *The Power Elite*, p. 262.

25. Mills, *White Collar*, pp. 256-57.

26. Compare Veblen's analysis of American government in *Absentee Ownership and Business Enterprise in Modern Times* with Mills' *The Power Elite*.

27. See J. L. Simich and Rick Tilman, "Critical Theory and Institutional Economics: Frankfurt's Encounter with Veblen," *Journal of Economic Issues*, 14 (September 1980), pp. 631-47, and Simich and Tilman, "Thorstein Veblen and His Marxist Critics: An Interpretive Review," *History of Political Economy*, 14 (Fall, 1982).

28. See, for example, Trent Schroyer's *The Critique of Domination: The Origins and Development of Critical Theory* (New York: George Braziller, 1973), which cites Veblen only once in passing and ignores his social theory.