Who Is America's Thorstein Veblen?

Thorstein Veblen is America's visionary from the midwest. While he's sometimes called an economist, Veblen held a much broader view of the evolution of modern life. He gave his readers new ways to think and talk about a rapidly changing America.

Veblen warned Americans that radical imbalances of money degrade human relationships and harm human life. He described how extreme money corrupts American institutions including higher education, government, the military, and corporations. He encouraged Americans to overcome outmoded ways of thinking, and to strive to live and let live as equals with our neighbors.

Veblen spent most of his formative years, until the age of thirty, living along the Big Woods corridor of Rice County, Minnesota, between the towns of Nerstrand and Northfield. And he spent his dying years in a house and cabin retreat in California, at the heart of today's Silicon Valley.

In the decades between, Veblen lived and worked across the country, including in Iowa, Wisconsin, Missouri, Illinois, Connecticut, Maryland, Washington, D.C., and New York. He studied and taught at Carleton College, Johns Hopkins University, Yale University, Cornell University, the University of Chicago, the University of Missouri, the New School for Social Research, and Stanford University.

Veblen wrote ten different books as well as dozens of articles. He filled his books with a total of a million words, each one placed with the precision of a poet.

Lived modern America

Veblen lived the rise of modern America. Over his lifetime (1857–1929), the scale and pace of life in America increased in every way. There were big new promises of

citizenship rights and equal protection in the US Constitution, massive migrations of people, giant cities full of strangers, mind-blowing scientific breakthroughs, new technologies, mega corporations, new ways to wield big money and big credit, new international markets and interdependence, new labor movements, and new wars that spanned the globe. Veblen believed that older economic and social theories were not fit to explain what others were calling America's Gilded Age.

When Veblen moved with his family to Minnesota at the age of eight in 1865, he was coming to the region many now associate with *Little House on the Prairie*. But the reality was more complicated. The recent US-Dakota War had ended with the largest mass execution in US history, 50 miles away in Mankato. And the land was clear for settlers because the Dakota people had been forced to leave their homelands. Veblen understood this history. In his view, Americans had failed to come to terms with the long line of horrors inflicted on native Americans. Veblen called it a "sclerosis of the American soul."

Minnesota was also recovering from the just-ended US Civil War. Veblen didn't have any personal experience of that war, but he saw some of its effects. He knew that, among others, his Norwegian farming neighbor just to the north had served in the Union Army and had lost his brother in the war. Spasms of violence also continued throughout the midwest (what Veblen called "the recrudescence of outlawry"). Veblen was on his parents' farm when the insurgent Confederates of the Jesse James Gang raided his local college town of Northfield. During and after the Civil War, the members of the James Gang famously spent years terrorizing Union loyalists.

Veblen also saw deeper scars on American society. He believed enslavement and predation in all forms degraded human life. Veblen wrote that slavery was "deeply etched into the moral tissues" of Americans and, in his view, could take generations to outgrow. Veblen made the case that slavery left a deep imprint on American big business. Elite business leaders—especially those "best people" in free states who enriched themselves on slave labor—had become skilled at severing themselves from any responsibility for wrongdoing. American business during slavery, Veblen wrote, had "learned how not to let its right hand know what its left hand is doing."

Veblen lived in an America that was adapting to the growing power of women. He admired and worked with many strong and brilliant women in his own life. Veblen's sister Emily was likely the first Norwegian woman in America to earn a college degree. But he also saw that any woman aspiring to a "self-directing" life risked being regarded as a "menace to the social order." Veblen wrote extensively about how women were understood as property to be owned, an extension of a man's life, and a "trophy" of male achievement. A woman could be expected to "unfold her life activity in response" to a man. Among the elite rich, a woman could even be made to perform the wasting of time and money, to display "conspicuous waste." A man with money to burn took pride in showing the world that he could afford to waste a woman's life.

Veblen grew up in an immigrant family, in a rural neighborhood of other newcomers to America. He experienced the power of a country that could grow stronger with new people and new ideas. But those immigrants also struggled to navigate America's legal system. Veblen noted that shameless elites trying "get something for nothing" often took advantage of that fact, and would prey on immigrant neighbors without consequence. Veblen observed how easy it was for political and business leaders to whip up waves of "patriotic grievance." Veblen wrote about a pattern now familiar in America: stir up popular distrust of outsiders, then put in place new immigration restrictions, deportations, border controls, limits on citizenship, and tariffs to "make the foreigner pay the tax." Veblen argued that this "system of astute depredation" didn't help regular Americans. It just protected the power of those who held extreme money.

Veblen also lived to see how modern America put new demands on natural resources. But he was not convinced that environmental destruction was necessary for technological progress. In Veblen's view, America's natural abundance was far greater than the needs of the American people. He argued that absentee elites drove the unnecessary "wasteful exhaustion" of America's natural resources for private gain. In his last book, Veblen reflected on the destruction of the Big Woods from his youth. The clearcutting of most of the Big Woods, he argued, was done for speculative financial gain by absentee

elites, not for the benefit of settlers or the American people more broadly. Veblen predicted that speculation on crude oil would go down the same path and "disembowel" America of its natural endowment, mostly for private gain.

Much of what Veblen experienced and described is now in America's past. But many of Veblen's ideas are strikingly relevant to America today.

Help for America today

Thorstein Veblen reads remarkably like a time traveler from today's world, stuck in the past. It's as though he somehow knew about the threats we would face in today's America, and so he tried to send us an early warning. Veblen's writings anticipate many phenomena we associate with the 21st century: what we now call "financialization," "automation," "gamification," and "virtualization." He wrote about dynamics we now associate with social media, including the fear of missing out (what Veblen called fear of "getting left"), social comparison (what Veblen called "invidious comparison"), and the pressure to develop a "personal brand" (what Veblen called self-"salesmanship").

Veblen developed a concept of public knowledge—what he called "the state of industrial arts"—that makes the stakes clearer for today's rise of artificial intelligence (AI). And well before the creation of "hedge funds," Veblen wrote about how small groups of people armed with extreme money could warp American life to serve their own whims and wants.

Once you filter out the old-style language and some outdated ideas, Veblen sounds like he could be alive and writing today.

In just a couple of decades after reaching the age of 40, Veblen wrote with urgency and produced 10 books:

1. *The Theory of the Leisure Class* (1899)
2. *The Theory of Business Enterprise* (1904)
3. *The Instinct of Workmanship and the State of the Industrial Arts* (1914)
4. *Imperial Germany and the Industrial Revolution* (1915)
5. *An Inquiry into The Nature of Peace and the Terms of Its Perpetuation* (1917)
6. *The Higher Learning in America* (1918)
7. *The Place of Science in Modern Civilization and Other Essays* (1919)
8. *The Vested Interests and the State of the Industrial Arts* (1919)
9. *The Engineers and the Price System* (1921)
10. *Absentee Ownership and Business Enterprise in Recent Times: The Case of America* (1923)

These plain-sounding titles concealed the wide range of topics Veblen covered in each book. Dozens of themes crisscrossed his writing, including these:

- how basic human joys—work, contact, curiosity, care—have become devalued
- how shame and judgment drive politics and economics
- how people feel pressure to put their "ability to pay" on display for others (Veblen's "conspicuous consumption")
- how old forms of predatory power threaten human life
- how nonviolent insubordination is more effective than violent rebellion
- how absentee elites "manage" the modern public with "make believe"
- how money operates in a virtual realm, disconnected from real life

- how knowledge is the most powerful input in the creation of value
- how the massive scale of modern society outstrips individual human abilities
- how human life is fundamentally interconnected
- how democratic society can be built on the spirit of "live and let live"
- how modern business acts to "sabotage" the better life that is possible for Americans
- how unchecked money produces massive waste
- how unchecked self gain threatens the health of the environment
- how race and gender are linked to predatory ownership
- how America is vulnerable to the rise of megalomaniacs

Veblen was also ahead of his time in understanding the importance of language and mental frameworks in social change. He wrote that "habits of thought" are a defining feature of any society. They're basic thinking frameworks that usually go unquestioned. They establish what is considered "normal" and "natural"—the familiar patterns that let a person "feel at home." They're the "mental furniture" and preconceptions we all inherit from the past. They set the boundaries of popular imagination and determine what facts are accepted or rejected.

For Veblen, any real social change starts with what he called "a process of mental adaptation." Progress isn't possible with the same old language and conceptual frameworks. It takes real work to overcome outmoded habits of thought. And that's a challenge, because changes in the real world usually outpace changes in thinking. Veblen theorized that habits of thought change "only tardily and under pressure." People are usually in the uncomfortable position of relying on old language and mental frameworks to deal with new realities.

Veblen's writing on "frames of mind" and "schemes of thought" sounds much like current work in linguistics and cognitive science. Again, even though he lived and died far in the past, Veblen's ideas still connect with America today.

Not for delicate readers

While Veblen may have a lot to offer today's America, it all comes in a challenging package. His writing is dense and intricate, full of word play that can be hard to follow. And even the most sympathetic reader will find it hard to agree with all of what Veblen writes. Veblen is a true iconoclast. In his writing, he spares no cherished beliefs or symbols or institutions. There are no sacred cows. Veblen aims to question virtually all that people assume to be "business as usual" in society. And for a delicate reader, that may be an uncomfortable or upsetting experience.

Veblen offers readers a "bitter drink" as he challenges such a wide range of conventional thinking. On the one hand, he can go systematically through lists of flaws in both capitalism and socialism. He can call out organized religion as operating like the advertising industry. Then on the other hand, he can go and call the American lawn a glorified "cow pasture" or single out college sports as an especially useless waste of time.

But the hardest pill to swallow may be Veblen's refusal to reassure readers that he has a plan, and that everything will be OK. Things are *not* just going to work out for the better. Veblen saw no automatic process leading to progress and justice. There's no formula for whether and when people will be ready to make real change. And big

technology is not going to save us. If anything, Veblen said, technological advances leave individual human beings feeling more overwhelmed and helpless.

For Veblen, change in human society is an open-ended, unfolding, evolutionary process. There's no predictable way social change will happen at any particular point in time. That leaves a lot of possibilities, but no guarantees or roadmaps to follow. In Veblen's worldview, we human beings just have to keep doing the work to try to make sure our species can survive and thrive.

In this specific way, Veblen was hopeful for America. As biographer John Dos Passos put it, Veblen was always able to see America as a place with "incredibly vast possibilities for peace and plenty." The question is whether the American people will make good on the promise of America.

A humble contribution

Through the years, the Big Woods corridor has produced many great contributors. Some were political leaders. For example, Republican Al Quie ran a dairy farm that bordered the land that had been the Veblen farm. Quie went on to champion the Civil Rights Acts of the 1960s, wilderness preservation, and education, especially for disabled children. Democrat Paul Wellstone got his start in politics there, too, working with struggling neighbors in the Big Woods countryside. He founded the "Organization for a Better Rice County" in the 1970s to help build rural power. Some other contributors from the Big Woods have been woodworkers, musicians, scientists, builders, potters, and farmers.

Veblen himself knew all his work was still just one contribution to the story of America. He was never interested in claiming special status for himself, or in collecting followers. He offered language and ideas for others to take up and adapt to new realities in an ever-unfolding future.

Veblen made clear he did not want anyone to honor his life with a memorial. Even this brief sketch of his life may be going against his final wishes.

To the end, Veblen stayed grounded in the real, physical world. He spent years working on his immigrant parents' farm. He learned to make and build and craft with his hands. He kept close to nature and family and neighbors and his kids. He dealt with his own physical and mental health issues, as well as those of people he loved. When his parents died, he saw them buried in the hill of the Valley Grove Church cemetery, overlooking today's Nerstrand Big Woods State Park. And when Thorstein Veblen himself died, his body was cremated to dust and spread in the Pacific Ocean. ■

– Erik Christopher Sahlin, January 2026