

Extended version of "The Captain: The Travelogues and Twisted Science of Thorstein Veblen," *International Journal of Social Economics*, Vol. 33, 2006.

Scandinavian Nemesis

How IKEA Came to Believe Veblen's Nordic Ideal

Abstract — Thorstein Veblen, the most important social scientist of the modern era, owes his greatness to having been the first modern, unconfessed, explorer of the *spiritual world*, whose uncharted domains he mapped with a view to laying the foundations of economic analysis. He seemed to imply that the path to justice, beauty and the common good for mankind could only be traversed by a breed free from the taint of barbarous animism, superstitious trepidation, and unreasoning fear. The good and the beautiful could be expected to come only of a stock of men and women that understood social life in terms of peace, the arts and sciences, and the betterment of their lot by way of technological discovery. The fortune of the group would thus hinge on the tabulated forecasts of a council of engineers, whose task is a proper handling of the machine industry. A world without salesmanship, finance, business, invidious comparison, dynastic rule, Catholic rococo and Judeo-Christian tyranny is the Nordic Utopia of Scandinavian deliverance envisaged by Veblen to remedy the failures of Southern European anthropomorphic worship and Anglo-American Mammonism. Yet, IKEA, the late success-story from Sweden, has made good the Veblenian promises of aesthetic purity and thrift not through the dictates of engineers-kings, but within the very corporate arrangement that Veblen had analyzed, and vehemently condemned throughout his life.

1. *The Narrative of Thorstein Bunde Veblen of Manitowoc County*

...He would be sure to keep me awake until almost light, telling me stories of the natives of the Island of Tinian, and other places he had visited in his travels. At last I could not help being interested in what he said, and by degrees I felt the greatest desire to go to sea...

E. A. Poe, *The Narrative of Arthur Gordon Pym of Nantucket*.¹

And so at last, taken with a fascination for the travelogues of latter-day anthropologists —a fascination far exceeding the boundaries of mere scientific curiosity—, Thorstein Bunde Veblen of Manitowoc County, Wisconsin, the son of immigrant Norse, hoisted jib and mainsail, kept full, and started boldly out to sea. While the professionals of economics indulged on firm land their simulated circumnavigation round capes of futile taxonomy, flanking reefs of hedonistic indeterminacyⁱ, and running aground of shoal “maxims for the conduct of business,”ⁱⁱ he secretly set about planning his own voyage.

ⁱ “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 the stimuli that shift him about the area, but leave him intact...He is an isolated, definitive human datum, in stable equilibrium except for the buffets of the impinging forces that displace him in one direction or another” [Veblen [24], p. 139].

ⁱⁱ “The outcome of the method [of classical economics], at its best, is a body of logically consistent propositions concerning the normal relations of things —a system of economic taxonomy. At its worst, it is a body of maxims for the conduct of business and a polemical discussion of disputed points of policy” [Veblen [24], p. 135].