Two years after the Wharton School came into being in 1881, Edmund Janes James was appointed professor of public finance and economy. Within three years, he had become its first director and, although the school did not separate from the college department of the University until 1912, under James the project for a business school connected with an academic institution was expanded to include the social sciences. Although in general James's economic theories were shared by the business community, he also showed interest in improving the conditions of the industrial worker, which led to his defense of labor unions. In his opinion, "all the Johann Mosts of the world could make no impression on the American working man if conditions made him contented with his lot." Reform was thus an important way to preempt the appeal of socialism or anarchism.

James's interest in social issues was shared by a generation of economists many of whom had, like him, received their advanced education in Germany. In the 1870s, the social sciences were developing in such universities as Berlin, Heidelberg, and Halle. In addition to the intellectual environment and the inspiration of professors like Johannes Conrad, the experience of an old-established society based on different social premises from that of the New World was a revelation to the young Americans who went to Germany to study. Among those who were most impressed by the Germans and their use of limited resources, as well as by the teachers they encountered, was Simon Nelson Patten, who first met James while they were studying at Halle. It was James who was responsible for bringing Patten to the University of Pennsylvania in 1888. If James, its first director, was responsible for laying the foundation upon which the Wharton School has been built, Patten was the first original thinker, whose teachings and writings were to bring wide reputation—or notoriety—to himself, the University of Pennsylvania, and its Wharton School.

Although James himself departed from the University of Pennsylvania in 1896 to become president first of Northwestern University and then of the University of Illinois, in Patten he bequeathed to the University a man who could be described by the president of the American Economic
Association he had helped to found, as "the most original and suggestive economist America has yet produced." He was soon identified with a new school of political economy in revolt against classical economics, and he was one of the men responsible for bringing the United States to the forefront of the social sciences. He was also in a line of economists going back to Adam Smith and earlier who treated economics as a part of moral philosophy—albeit, for Patten, the most significant part, since he considered economics as "the fiber and essence of all knowledge."

True to this tradition, Patten wrote on the subject with verve and charm, unlike the economists who succeeded him and who have been described as "a great deal less charming and a great deal more exact." If Patten's philosophical roots were in the past, however, his interests and methods were all oriented to the future. At a time when Thorstein Veblen believed that men would most likely fail to close the gap between their nature and the machine process, Patten with unwavering optimism and in the face of continual criticism ranged himself on the side of the new social order he foresaw, poles apart from the view his Yale colleague, William Graham Sumner, summarized in the title of his essay: "The Absurd Effort To Make the World Over." During a lifetime of writing and lecturing, Patten addressed himself to a wide diversity of topics in addition to economics. Mental defects, personal traits, prohibition, and evolution received his attention, along with aspects of the family and the church, heredity and education. What interested him most was "the application of economic reasoning to the practical rules for conduct for the individual, and for society, to social organization and group activity. He was quite as much a sociologist as an economist."

Patten and James shared a common background and upbringing, having each been raised on a farm in Illinois. Patten's theories were strongly influenced by the perceived contrast between his experience of the riches yielded by his paternal homestead in return for hard work and technological improvements, and the theory of scarcity of classical economics—Thomas Carlyle's "dismal science"—in which nature was viewed as niggardly, a hostile force, unsusceptible of mastery by man. As a child Patten had witnessed the effect of the transition from manual labor to farm machinery. "The wonder is not that one could see these changes and forever after believe in the unlimited power of man over nature," writes his former student, Rexford G. Tugwell, "but that there could be a generation growing up in the same knowledge who could follow blindly into the cul-de-sacs of classical English economics." As Tugwell comments: "Nature in these years had poured out her largesse in growing rivers of grain that flooded the markets of the world and Simon Patten, looking on, formulated a new philosophy to be substituted for the old philosophies of misery." The observations Patten made on his father's farm in Sandwich,
Illinois, where he had been taken soon after his birth in 1851, were reinforced by the theories which he heard expounded by another farmer’s son, Johannes Conrad, who taught at the University of Halle. Rejecting the notion that the increase of population and its obverse—the limited fertility of the land—were immutable natural phenomena, Conrad considered that each could be controlled by man. His predictions for the future were predicated on the implementation of population control and improved techniques in the science of agronomy. Although Conrad later claimed that he had learned more about economic theory from Simon Patten than from the work of any other writer on the subject, Conrad’s optimism was responsible for sparking the views of the young American who had witnessed the transition from scarcity to abundance on his father’s prairie farm in Illinois. It was Conrad who drew him from the general field of philosophy into economics for, “in Conrad’s seminar, Patten found a rational explanation for his father’s commitment to agricultural experimentation, to education, and to the restraints of the Protestant ethic.”

On his return to America, after receiving his doctorate from Halle, the new convert to economics did not find any employment in his chosen profession. Both he and James became schoolteachers, a not uncommon employment for followers of a discipline more often pursued by amateurs than by professional academicians in most countries apart from Germany. Moreover, Patten’s German orthodoxy was heresy in America, and he noted a pervasive atmosphere of narrow-mindedness in the United States which made for a harsh return to reality after his experiences abroad. There followed a time of frustration which, even in the case of one of the most aggressive German-trained economists, Richard Ely of Johns Hopkins, Wisconsin, and Northwestern, led to thoughts of suicide. Despite a period of protracted illness, Patten nonetheless devoted seemingly idle hours on the farm to the occupation of his life—the formulation of a corpus of original economic theory. Rexford Tugwell writes: “The story of his life is the story of a mind.” Even at this stage, according to Scott Nearing: “He lived on ideas.” Long before he finally found himself in a suitable academic environment, Patten had started to work out his general principles of economic and social change.

His first book was completed after Herculean labors and extensive revision on the part of Joseph F. Johnson, who had found work as a reporter on the Chicago Tribune. Johnson, the friend most responsible for Patten’s decision to study in Germany, described the manuscript Patten sent him as “unbelievably awful in grammar, spelling, and general construction” with an opening sentence fifteen pages long. When it was finally published, however, The Premises of Political Economy represented a break with theories of the past, a reworking of the very assumptions on which they were based. It also brought Patten an appointment, at the age of
thirty-seven, to a professorship in political economy at the University of Pennsylvania.

A few years later, Johnson, who later became dean of the school of commerce at New York University, received an appointment at the University of Pennsylvania as professor of journalism. Before his departure, Edmund James also brought in, as professors, historians John Bach McMaster, the first holder of a professorship in American history in the United States, and Edward Potts Cheyney, as well as the statistician Roland P. Falkner and Samuel M. Lindsay the sociologist. “The history of the Wharton School,” comments an observer “reflected the history of social science in America in the late nineteenth century.” Immediately after Patten’s appointment, James and he started the *University of Pennsylvania Publications in Political and Social Science*, and in 1889 they founded the American Academy of Political and Social Science with its publication, the *Annals*. Under the influence of a handful of men trained in Germany, the United States, at one bound, joined the mainstream of the developing social sciences, with the University of Pennsylvania a focal point in America.12

In the course of his 30 years at the University, Simon Patten produced in all some 20 books and over 150 articles. A large variety of subjects, from philosophy to psychology, from economic theory to industrial and social programs, were treated in a manner often so brief as to give the impression of having been condensed from longer works. Despite his productivity, many of Patten’s articles reflect a general impatience with the necessity for writing in a life concerned with action. “The place of the economist is on the firing line of civilization,” he proclaimed.14 For him, being on the forefront involved the activity of the mind. It was up to the men and women he influenced to implement his theories in a changing world. In the same presidential address on “The Making of Economic Literature” which Patten delivered in 1908 before the American Economic Association, he noted that a three-hundred-page thesis by a young doctor advanced neither the science nor the nation, unconsciously echoing arguments against the literature of science advanced earlier by both the reforming Lazzaroni in the natural sciences and progressive faculty in the medical school. In Patten’s account: “Book-making has become an art of collection and restatement that substitutes clippings and card catalogs for clear thought.” His observations of this danger besetting academic endeavors throws light on the nature of his own writing. Patten’s practice reflects his opinion, “the better the economist, the clearer, shorter and more precise are his utterances.” The diversity and sometimes contradictory nature of his work is further illuminated by his evaluation: “A book is merely the trail along which its author has gone in his search for clear expression and sharp analysis. This is of great importance to the author but of little consequence to the reader.”15
The central thesis of Patten's economic theory was the replacement of traditional assumptions of scarcity with the assumption of potential abundance. Not restricted resources, but rather their unintelligent use, constituted the principal limitation upon human welfare. Even the problem of an increasing population would be solved by technological developments and new standards of consumption, and these would revise upwards the point of diminishing returns. Unlike other economists who had paid scant attention to consumption or, like John Stuart Mill, had denied that it could have much effect on production, Patten believed that, in the dynamic society which he envisaged, consumption would obey a law of increasing utility. Habits of consumption, he claimed, are subject to the law of "survival of the fittest," and those which do not stand the test of social utility must necessarily be discarded:

The environment formed by this group of economic objects surrounding and supporting a given race changes with the several objects in which the interests of the race are centered. With the new objects come new activities and new requisites for survival. To meet these new conditions, the new motives, instincts and habits of the race are modified; new modes of thought are formed; and thus by the modification of institutions, ideals, and customs all of the characteristics of the civilization are reconstructed. These changes take place in a regular order; the series repeats itself in each environment. In its amplification and illustration lies the economic interpretation of history.\(^1\)

Faults in consumption exist at all levels of society. The consumption of luxuries by high-income groups—the "conspicuous consumption" of Thorstein Veblen—is objectionable, as is the rigidity of the general populace when they insist on food which is not necessarily produced in their region, rather than adapting their diet to the commodities readily available to them. Although he thought that generous and wise consumption would do more to reduce economic inequalities than would a more direct redistribution of wealth, Patten was alive to the advantages of cooperative economic action.

He had great influence on students and colleagues alike, but his deductive habit of mind addressed itself "not so much [to] statistical evidence as the evidence he could absorb—as it seemed to less brilliant minds—from the atmosphere."\(^2\) In defense of this method which he shared with the classicists whom he nonetheless criticized for their lack of realism, Patten asserted that "to show that a mass of facts do not correspond to the conclusions which may be drawn from a given theory does not disprove the theory. It merely indicates that some other cause is working which prevents the effects of a given theory from being shown by all the facts."\(^3\) This independence of facts or statistical evidence stems in part from the dearth of economic and social data available for analysis at the time; but, in any case, Patten was better suited temperamentally to the role of the prophet, the pioneer in uncharted territory, than to that of the

---

Simon Nelson Patten (1851–1922)
Professor of political economy at the University of Pennsylvania (1888–1916).
Born in Illinois, educated at the University of Halle, where he was influenced by the ideas of the German economist Johannes Conrad. Starting with The Premises of Political Economy (1885), which antedated his academic appointment, he wrote numerous books and articles on a wide variety of subjects, including The New Basis of Civilization (1907–1921), his most popular work aimed at a general audience. His economic theories were in revolt against classical doctrine and heralded Keynesian economics. Influential as a teacher, he included among his protégés at the University of Pennsylvania Rexford Guy Tugwell, member of Franklin D. Roosevelt's "braintrust," and Frances Perkins, the first woman member of a U.S. Cabinet.
quantifier. "Beyond the mountains and the snow," he wrote, "is a land that we may see from afar, even if we cannot enter. Better be a Moses seeing what others can enjoy than a worshipper of idols that once were gods, but now are merely crumbling clay. Any food is better than the pickled remnants of ancient creeds."19

The apparent lack of system which prevails among his theories is one reason that there is no clearly defined area in which Patten's ideas predominate. The views disseminated in the many articles he wrote remain separate and incomplete, and he was repeatedly unsuccessful in his effort to create a synthesis. In the opinion of his contemporaries, help was needed to bring "into a systematic whole his various thoughts."20 At the same time, one effect of his modesty, which his students found an admirable quality of his teaching, was his readiness to admit to error and to change his opinion in the face of a convincing argument against one of his tenets.21 Whatever the reason, it is all too easy to distill contradictory views from the extensive body of his expressed opinion. He advocated governmental welfare provisions, yet his proposals for the care of the destitute in some ways hark back to the English Poor Law of 1834. He believed in the development of resources to the optimum extent for the welfare of society, but favored a protective tariff. In general, his conviction that economic principles were relative, without meaning except with reference to particular societies and situations, impeded his ability to develop his ideas into a logical system of economics.

Perhaps one reason that Patten is remembered as a great teacher is precisely because no rigid or facile statement of doctrine could be adopted by his students, and they were therefore constrained to search out the truth for themselves. When he was asked his opinion of his instructors, sociologist Samuel McCune Lindsay described James as "more like the Prussian drill master," while, in his view, Simon Patten was "by all odds, the greatest teacher I have ever known, and [he] had something that no school of pedagogy has yet been able to reproduce—a gift of sympathetic understanding of his pupils and ability to make them think."22 Contrary to the usual methods of the time, Patten "welcomed a question as a thirsty traveler welcomes water." In contrast, one of his colleagues, when interrupted by a question, "looked about with the terror one sees in a wild rabbit who has heard a twig snap in the thicket."23 The fact was that Patten never actually lectured, but proceeded rather by the Socratic method: "His remarks were intended to evoke a reply. His aim was to arouse mental activity." Once his students had formulated their opinion on paper, Patten would readily have consigned the written examination to the wastebasket had there not been the necessity for providing grades. For students raised in the belief that "the perfect parrot was the perfect pupil," contact with Patten at the University of Pennsylvania could not fail to have a lasting impact. His inspiration was such that a large number of his
students were won over from business to the social sciences. At the turn of the century those who "liked their professors to stay on the campus, and were uneasy when they crossed the Schuylkill, and came down into the city" were disconcerted to see the Wharton School "taking boys who might grow into good businessmen, and converting them instead into social experts and engineers ... of a new order."

Patten's teaching method involving a dialogue with students, a sharing with them in a mutual quest for knowledge, may have appeared idiosyncratic in those days. In the classroom, Patten simply ignored current practice: he had no time for formal discipline, or even the notion that the function of the lecturer might be to impart information. He seldom presented systems of thought other than his own. By inviting attention through a discussion of whatever was of particular concern to himself at any given moment, he demonstrated the capital importance in intellectual training of stimulating the student's interest through contact with a mind in action rather than merely communicating a known body of facts to him. If Patten was ahead of his time, the effectiveness of his teaching was soon recognized by the students who sat at his feet and returned to him for counsel after graduation. His presence contributed to the way the University of Pennsylvania and its Wharton School developed in the early years of the century, fulfilling the expressed hope of Joseph Wharton, on whose generosity the school was founded, that it would be concerned with social and moral as well as business issues. At the same time, the school's programs of management and political economy were emulated by "scores if not hundreds of other colleges and universities throughout the country."

One of the causes which Patten championed, for personal reasons as much as because it was consistent with his other policy positions, was equal suffrage. In reply to a journalist's inquiry about his attitude to "the woman suffrage question," he smilingly denied being a convert to the cause. As far as he could remember, he had believed in it since the days when he was a little boy in Sandwich, Illinois. Indeed, he recalled having made a statement to that effect to his mother after hearing Anna Dickinson speak at the close of the Civil War. He was conspicuous in his advocacy of female rights, appearing in parades under the banner of "Votes for Women" and responding to all the ridicule and reproach he encountered with the calm conviction that time would demonstrate the justice of this cause.

It was frequently for their connection with women that Patten's economic and social theories made headlines in the popular press. His notion that women should contribute to the economy of the family by working and, in another connection, that women wage-earners should be encouraged as consumers led to outraged or sarcastic responses. "Man for breadwinner and woman for the homeworker is the true relation of life," responded a local Pennsylvania newspaper, and Patten was criticized both
for suggesting that married women constituted the new leisured class and for wishing them to be household drudges; for encouraging girls to be spendthrifts and proposing that they should support their husbands.\textsuperscript{29} In his obituary in the Philadelphia \textit{Bulletin} in 1922 he was even held responsible for “the first faint beginnings . . . that have brought the flapper of today.”\textsuperscript{30}

One response to Patten’s view that women should take their place in the labor force was the observation: “It is as natural for a real man to wish to support his wife as it is for water to flow down hill.” This, along with other statements of a woman’s right not to work, was attributed to none other than Charlotte Kimball Patten. When his pretty wife, twenty years his junior, divorced Patten after five years of marriage, the press gleefully recorded the failure of the professor’s attempts to implement his economic theories in his own home. Readers were again reminded of his personal record some years later when he claimed that divorce was a direct result of the dependent status of women. Later still, a Midwestern journalist dismissed his opinions as those of a celibate professor and indeed, after his divorce in 1909, Patten lived a solitary existence which led Tugwell, to call him “one among the lonely souls of earth.”\textsuperscript{31} But with his earlier students, Samuel McCune Lindsay recalls, there existed a bond of friendship and intimacy which persisted “in the case of an ever-widening circle of students from every succeeding class” until his retirement in 1917.\textsuperscript{32}

Patten’s last years were clouded by another incident which was also reported with eager interest and a measure of Schadenfreude by the press. The optimistic doctrines which he had propounded did not take into consideration the possibility of a return to warfare which, according to some reformers earlier in the century, would no longer plague a society advancing towards a future of economic reform and social justice. With the outbreak of World War I, Patten refused to join the ranks of those who considered the Germans as barbarians when, for him, they were the inhabitants of the land of enlightenment where the professor, not the Kaiser, controlled the thought—a thought which had recognized the implications of the transition from scarcity to abundance.

Even after events had made American neutrality—strongly advocated by Patten—an impossibility he continued to point out the dangers of suppressing the civilized intellectualism which existed side by side with the element of brutality in Germany. In a speech before the Philomathian Society, the University’s student literary society, in March of 1917, he emphasized the existence of “two Germanies”; meanwhile the economic considerations, never far removed from his social theory, made a brief appearance when he attributed Teutonic independence to the introduction of the sturdy potato into the diet of Northern Prussia. In his speech, he compared America to Rome at the time of Carthage and declared: “We should take heed from the result of that struggle and of many similar ones
that to overcome people by force means not only their demoralization, but also that of the conquerors. A month after this address had been delivered at the University, Patten was associated with a pacifist rally which was canceled by the Philadelphia authorities. A few days later, he received a letter from the trustees of the University of Pennsylvania informing him that, since he had reached the statutory age of retirement, his contract would not be renewed the following year. Patten had no doubt that his unpopular attitude was responsible for this action which was not then common practice. Amid such headlines as: “Pacifist Professor Forced To Resign,” the trustees continued to deny any cause other than Patten’s having reached his sixty-fifth birthday, a position from which they never departed thereafter.

On this occasion, Patten did not bring his case before the newly formed American Association of University Professors as he had two years earlier in championing the cause of his colleague Scott Nearing. The dismissal of the young assistant professor because of his public stand against established interests had led to a bitter conflict at the University. Patten’s attempt to enlist the support of the Association on the grounds of academic freedom had been unsuccessful at the time. Patten’s own logic was commonly held to be “the fount and origin of the doctrines against vested interests ... said to be rife in the faculty of the Wharton School.” In the view attributed to the trustees by the press: “The young fellows are the cubs; Patten is the old lion. You cannot deal with the Nearings until you have reckoned with the teacher of the Nearings.” According to this report, Patten’s public statements on the war provided the perfect opportunity to “put him down.” The ensuing faculty revolt against the ousting of a scholar and teacher of Patten’s reputation went unnoticed; by an ironical twist of fortune, “the protest was submerged in the excitement over American entry into the war, which occurred on the day it was published.” In 1973, William L. Day, as chairman of the trustees, on behalf of the board and on the recommendation of the president and the faculty, reinstated Scott Nearing as a member of the faculty.

Simon Patten, according to Scott Nearing, was a man who “had few followers and no disciples; but of loving students and of friends, a host.” Even Rexford Tugwell, who considered the theories of the professor with whom he had studied at the University of Pennsylvania as the greatest single influence on his thought, never felt that Patten was cut out to lead a group or found a school. “The Patten method,” he writes, “was a way of genius and so highly individualized that only by the remotest chance could the permutations or juxtaposition have thrown together a group who could have functioned in his way.” What Patten did succeed in doing was to direct the interest of his students to areas which they might not otherwise have known or considered. While he was at the Wharton School, Tugwell was exposed to the idea that planning and management could and should
be applied as much to public activities as to the private sector. One of the lessons he learned before he went on to become an imaginative adviser and distinguished administrator under President Franklin D. Roosevelt was that public investment can compensate for gaps in levels of private investment where the aim is to stabilize the national economy. The first academic after Woodrow Wilson to play a central policy role in the government of the United States, Tugwell demonstrated a pragmatism which reflected his mentor’s view that men could make an efficient adjustment to their environment through planning. The reforms which he proposed as necessary and feasible also reflect the optimism which was a necessary part of Patten’s economic theory and which caused Tugwell to appear to some contemporaries as a typical product of an ivory tower.38

If Patten was instrumental in directing Tugwell towards service through government, in the course of which he held among other posts the governorship of Puerto Rico, there was another professional field in which his influence was particularly strongly felt. True to his practice of finding things that needed doing and passing them on to those he considered best suited to perform the tasks, he had already brought the field of social welfare to the attention of others among his students before the turn of the century.39 “Patten’s central theme, that the goal of social action was adjustment to the economy of abundance, has become so basic to modern social work that details about his influence are no longer known,” writes an observer, and the fact that he seems to have coined the term “social work,” or, at the least, to have played a part in its adoption in preference to others, has been forgotten.40 With the development of this field, graduates associated with Patten went on to hold positions of major influence. Samuel M. Lindsay became professor of social welfare at Columbia, and Edward T. Devine’s first position at the New York Charity Organization Society, obtained with the help of Patten, led to a quarter of a century as the leading philanthropic executive in America. It was also through his assistance that Frances Perkins, who did graduate work with Patten at the University, started her outstanding career. She was later to become Secretary of Labor under Roosevelt and the first woman ever to be a member of the cabinet.

Patten’s own articles on the philosophy of social action and on economics were primarily directed towards specialists. But he came to realize that it was necessary to reach a larger audience, and at fifty he set himself the task of making his economic and social theories readable.41 A series of lectures given in 1905 was published in what became his most popular work, The New Basis of Civilization.42 Although eight editions of the book made his views familiar to an ever-widening public, he nonetheless remained the prophet rather than the leader of the movement he had supported with such energy. In 1912, when the Progressive party included in its platform some of the social ideals so earnestly advocated by Patten,
he preferred to remain loyal to the party of Lincoln. He cast his vote for Taft even though his most intimate friends and disciples were supporting Theodore Roosevelt. When one of the "Patten men" complained to him of his inconsistency, Patten justified his preference with the words: "When the torchlights pass by and the band plays, I’m one of the boys of ’61."

In general, Patten was read but misunderstood during his lifetime. His economic theories were in advance of his time, and the implications of those theories were frequently obscured by the variety of means he proposed in the hope of realizing an economy of abundance more rapidly. It has taken more time than Patten had at his disposal for his economic tenets to become respected. In the generation after his death, Lord Keynes and an increasing number of economists and social scientists proclaimed ideas similar to those of Patten, the pioneer, who, during his lifetime, trod alone where few had been and few would consciously follow. His thought nonetheless provides a bridge between the world of John Stuart Mill and the age of John Maynard Keynes: born in time to experience Lincoln’s America and Bismarck’s Germany, he heralded the economic and social developments of the New Deal.