

THE HISTORY OF THE ASSOCIATION FOR INSTITUTIONAL THOUGHT

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Introduction

The Association for Institutional Thought (AFIT) is an organization devoted to encouraging and fostering the development of institutional thought in extension and modification of the contributions of Thorstein Veblen, John Dewey, Clarence Ayres, John Commons, Wesley Mitchell and others. They offer their ideas and the ideas of other institutionalists as a basis for inquiry into the interrelationships of society. AFIT was officially organized on April 27, 1979 at the 21st annual conference of the Western Social Science Association held at Incline Village, Lake Tahoe, Nevada.

Institutional thought is a holistic way of thinking about science and society. It developed from the thinking of philosophers and economists but is truly an interdisciplinary approach to social science; so much so that interdisciplinary is a poor descriptive term since it carries the term discipline. Institutional thought transcends disciplines. While somewhat less than 100 in number (in 1981) AFIT's members come from most of the traditional social science disciplines such as economics, sociology, political science, social psychology, psychology and public administration. The process by which this group joined together is interesting and historically important. Its history is the subject of what follows.

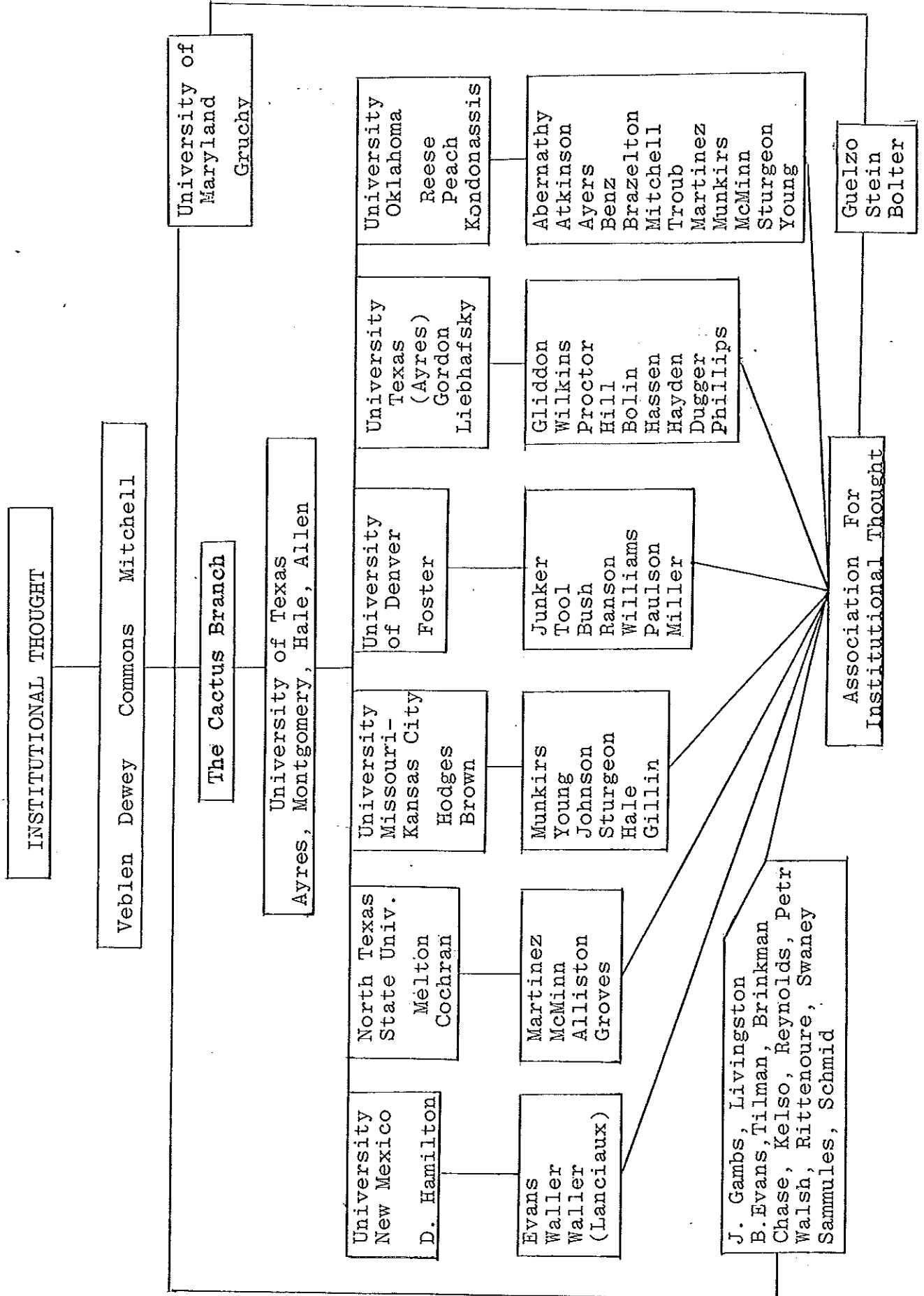
The Intellectual Heritage

AFIT's intellectual heritage is primarily what has been referred to as the cactus branch of the institutionalist school. In fact, AFIT, at least in part, resulted from the efforts to organize the geographically dispersed progeny of this branch.

Most of the people who initiated the formation of AFIT and most of those who were interested in the pre-formation years trace their intellectual roots to Clarence E. Ayres who taught at the University of Texas (hence cactus branch) and through him to Thorstein Veblen and John Dewey. The genealogy of the cactus branch now spans five generations. Beginning with Veblen and Dewey as the first generation and Ayres as the second, AFIT is mainly the creation of the third and fourth generations, i.e., the students of Ayres and the students of Ayres' students. Its members include, third, fourth and a growing number of fifth generation institutionalists. The generations concept applies to a substantial part of the heritage of the cactus branch but there are a number of instances in which an AFIT member is both a third and fourth generation student, i.e., a student of Ayres and a student of one of Ayres' students. Only that portion of the development of the cactus branch relevant to AFIT is presented here and at that it is only a brief sketch. Figure 1 should be helpful in reading what follows.

From the University of Texas and the teaching of Ayres, Robert Montgomery, E.E. Hale, Ruth Allen (and others), J. Fagg

Figure 1-The Genealogy of AFIT



Foster, John R. Hodges, Joe E. Brown, Jim E. Reese, David Hamilton, Rosser (Abe) Melton, and Kendall Cochran went to other universities to begin teaching courses.

Foster went to Denver University in 1946 where he taught until his retirement in 1976. He influenced many students including Louis Junker, Marc Tool, Paul D. Bush, Edythe Miller, William D. Williams, and Kristin Paulson, all of whom became charter members of AFIT. Hodges went to the University of Kansas City (now University of Missouri-Kansas City, UMKC) in 1946 and is teaching there as of this writing. Along with Joe E. Brown, he influenced future AFIT members John Munkirs, James Sturgeon, Ben Young, Willadee Gillin and Thomas Hale. Melton went to North Texas State University where he was joined by Kendall Cochran. They have influenced AFIT members, Robert McMinn, John Martinez, Mike Groves, and Willey Alliston. Hamilton at the University of New Mexico influenced William Waller, Mark Evans, Bernadette (Lanciaux) Waller and Jeff Baxter. Jim Reese and W. Nelson Peach went to Oklahoma University. Peach* was teaching at Texas but was fired along with Foster and Gordon for supporting labor's viewpoint in the state of Texas. The collaboration of Reese and Peach along with Alex Kondonassis created a hospitable climate for institutionalist students. Several came from schools like North Texas State, and UMKC to do doctoral work at OU.

A number of people continued teaching institutional thought at the University of Texas. Among them were Wendell Gordon,

*Peach was trained at Johns Hopkins, but after joining the faculty at Texas, took classes from Ayres and claims him as his "intellectual granddaddy".

H.H. Liebhafsky, and Carey Thompson. Several students came out of Texas after the 1940's group. Some studied with Ayres and some with Gordon et al. For example, Gregory Hayden went from Texas to Nebraska where he has influenced several students who have become AFIT members.

Each of the schools, the University of Denver, UMKC, and North Texas, which were masters degree granting schools, and the Universities of New Mexico, Oklahoma, and Texas, which are Ph.D granting schools, has had an institutionalist heritage since the 1940's or 1950's. That heritage has been renewed with the influx of later generation institutionalists. It has also been expanded to include schools such as the University of Nebraska, West Texas and East Texas State University, Boise State, California State Universities at Fresno, Sacramento and Bakersfield, Sangamon State University, Western Michigan University, Colorado State University, University of Nevada-Reno, Texas Technological University, University of Nevada-Las Vegas, Oregon State University, Portland State University and others. There are no members of the fifth generation included in Table 1, but there are six who might properly be in generation four and one-half. In order to include those in the fifth generation and some of those in generation four and one-half the genealogy has to be expanded to include at least Western Michigan University, the University of Nebraska, and Sangamon State University. The University of Missouri-Kansas City, and North Texas State would also be included in the fifth generation of the cactus branch. Each of the above named schools is presently influencing students

in the institutional tradition and several of AFIT's members have come out of these schools. In the last five to ten years most of them would be considered to be members of generation four and one-half or five.

Even though the cactus branch shares a very common heritage for many years interaction among its members was sporadic and unorganized. One of the accomplishments of AFIT has been to unite this geographically dispersed group of scholars into a more closely knit group and allow more organized and regular communication and interaction.

An important segment of AFIT is not descended from the cactus branch, though its origins (Veblen, et al.) are similar. A number of charter members of AFIT trace their roots in institutional thought back to Veblen or Commons through the University of Maryland and Allan Gruchy. Though Gruchy was not involved in the initial organizational efforts, he lent his support in later efforts. Following his lead a number of his former students and associates joined AFIT in the first years.

Another important segment of AFIT members can clearly be identified as having been influenced by the work of Veblen and Ayres, but their direct intellectual heritage is unknown to the author. This group includes a number of charter members. Members of this group are listed in Figure 1.

Thus, AFIT has provided a forum to unite not only the cactus branch, but other institutional scholars. It has helped to promote and foster inquiry on a more organized basis.

The Organization Process

There is a sense in which the organization of AFIT goes back to the late 1950's when J. Fagg Foster, Kendall Cochran, and some of their students began having "rump" sessions at the Western Social Science Association meeting (then the Rocky Mountain Social Science Association). Regrettably not much is known to the author about these sessions or their participants. But it is clear that a linkage with the WSSA was established by Foster and Cochran.

From these meetings and the linkage thus established evolved the next step in the organizations process. This step took place during the period 1970 through 1974. Again the WSSA was an integral part of the process.

In 1970 at the WSSA meetings there were seven economics sessions, one entitled Institutional Economics. The session had three participants two of whom, Glen Atkinson and Lewis Hill, later became members of AFIT. In these years there was no purposeful movement toward the formation of an institutionalist organization. But the period is important because it contains the inchoate seeds which led, cumulatively, to purposeful organization. While there was only one formal session there were a number of other institutionalists in attendance and there was a sense of anticipation that more would participate in the coming year.

TABLE 1

Participation by AFIT members in the Western Social Science Association meetings, 1970-1981.

Year	Location	Chairperson	Number of (Economics) Sessions	Number of Institutional ¹ Sessions	Number of AFIT members Participating
1970	Denver	Edward Claiborn	7	1	2
1971	Laramie	Richard Leftwich	-	0	2
1972	Salt Lake City	Baldwin Ranson*	10	3	6
1973	Denver	Kathleen Camin	9	1	4
1974	El Paso	Lewis Hill*	10	2	6
1975	Denver	Kendal Cochran*	10	3	9
1976 ²	Tempe	Glen Atkinson*	16	5	13
1977	Denver	Roger Troub*	15	5	19
1978	Denver	Gregory Hayden*	11	7	25
1979	Lake Tahoe	Louis Junker*	23	15	31
1980	Albuquerque	David Hamilton*	21	15	31
1981	San Diego	Paul D. Bush*	25	13	29

Source: Western Social Science Association Program, each year except 1971 and 1975. The Source for 1971 is W. D. Williams, and the source for 1975 is James I. Sturgeon, these latter two sources may be subject to some memory error. However the programs for those years were unavailable to the author.

1. Note that what is defined as an institutional session is not limited to those by that title but varies depending on participants and the authors judgement of the overall makeup of the session.
2. In this year two sessions were organized by James I. Sturgeon under the title, Evolutionary Economics; there were 6 persons who later became AFIT members who participated in these sessions. These have been added to the total for 1976.

* Denotes person who became or is an AFIT member

2/23/74
The Chairperson for the economics sessions in 1971 was Richard Leftwich from Oklahoma State University. He organized a heavily standard (or orthodox) program which had no institutional sessions and only one or two institutionalists participated. The program for that year did not have a topic which could be legitimately--or remotely--called institutional. This foreclosure no doubt led to a concerted effort to assure participation in the program in the future. Ironically the denial of formal participation to institutionalists in 1971 contributed to the movement which led to AFIT's formation.

1/26/74
The following year the WSSA meetings were held in Salt Lake City, Utah and Baldwin Ranson, a charter member of AFIT, was the economics section chairperson. One of Ranson's goals for the meetings was to assure formal participation for institutionalists in the meeting. Under his direction the program was expanded to ten economics sessions with three of them being on topics directly associated with institutional economics. There were six people who later became AFIT members on the program.

The next year, 1973, the WSSA meetings were held in Denver, Colorado. The progress of the previous year was dealt a slight set-back. The chairperson organized nine sessions, only one being "institutional" in nature. And only four future AFIT members participated in the program.

The following year reaffirmed the progress toward expanded participation started under Ranson's direction in 1972. Lewis Hill, another charter member of AFIT, was named to chair the

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economics section. Under his direction two of the ten sessions were institutional in content and six future AFIT members participated. This year was the last in what might be called the pre-organization process. After this period there was a decided change in the pace at which institutionalists participated in the WSSA meetings. There was also a perceptible change in the tone of the program. This perception was faint at first i.e., 1975, but built quickly. More sessions in the program were clearly institutional in nature and content. They carried "Institutional" in the title. Prior to this institutional sessions had to be detected as such by someone explicitly looking for institutionalist topics. For example, in the early period 1970-74, institutionalists would participate in sessions with titles such as "The Economics of Social Issues," "Public Policy" or "Environmental Issues." In fact the only way to have known that these topics were institutional in nature was to have known the people participating. After 1974 most of the sessions which were classified as institutional, for purposes of this history, carried a clear identifying title, such as, "Contributions to Institutional Thought and Method," "Thorstein Veblen and Modern Social Science," or "Institutional Theory and Practice."

It was largely due to the efforts of Baldwin Ranson, Roger Troub, Lewis Hill, Kendall Cochran, Glen Atkinson and Edythe Miller that institutionalist participation in the WSSA meeting was sustained during the early 1970's.

At the 1975 meeting of the WSSA in Denver, Kendall Cochran, the economics chairperson, organized ten sessions, three of them

were institutional in content and nine future AFIT members were on the program. This was an increase over the past year and marked the beginning of a steady increase in both the number of institutional sessions and the number of "AFIT" members on the program. The data in Table 1 shows the number of institutional sessions increased to 15 in both 1979 and 1980, and 13 in 1981, while the number of AFIT participants rose from 9 in 1973, to 31 in 1979 and 1980, and 29 in 1981. At the same time the number of economics sessions also continued to increase. This means that the growth in institutionalist participation did not crowd out the standard or orthodox sessions.

One reason that more institutionalists had the opportunity to participate was that the chairperson of the economics section either became, or was, a member of AFIT. In fact, all sections between 1972 and 1982, excepting 1973, were chaired by an AFIT member.

The first organizational rumblings which eventually gave birth to AFIT began in April, 1975, at the WSSA meeting in Denver. Gregory Hayden and William Hildred announced and convened a "rump" session for anyone interested in institutional thought. The session was held in a guest room at the Cosmopolitan Hotel and about twenty people attended. Professor George W. Zinke from the University of Colorado discussed his ideas on the modern U.S. economy. Included in this discussion was his proposal to regulate the forty or so "key" industries. After Zinke's presentation, Hayden and Hildred initiated a discussion on organizing a regional branch of the Association for

Evolutionary Economics (AFEE). Two objectives of the proposed organization were to bring institutionalists together and to influence some of AFEE's programs. William D. Williams and James Sturgeon volunteered, along with Hayden and Hildred, to take steps toward some type of organization involving institutionalists.

In the months following that meeting concerted efforts were made to contact institutionalists in various parts of the country and discuss with them ways of organizing and communicating. The most readily available forum was the WSSA meeting and other regional meetings.

At the 1976 WSSA meeting in Tempe, Arizona there were several sessions covering topics in institutional thought. Under AFEE's auspices, Sturgeon and Williams organized two evolutionary economics sessions. In addition to these sessions a number of informal discussions took place concerning the problems of institutionalists. Mostly, however, the meeting served to involve more institutionalists. For that purpose - involving more institutionalists - a session was organized at Western Economics Association (WEA) in June of 1976. This session was on an Institutional View of Finance Capitalism. John Munkirs gave a lengthy paper on "The Evolution of Finance Capitalism," and Ben Young gave one on "Technological Exploitation in Mexico." Following their presentations an audience of perhaps forty people had a lively discussion. This meeting is of interest because it expanded the circle of participation. A short story about this meeting may help convey the growing sense of excitement that was occurring as more people began to be involved.

Both presentations were controversial and highly critical of orthodox theory to say the least. During the program Williams elaborated on the institutionalists' critique of both capitalism and socialism. He also introduced the concept of the four generations of the cactus branch, i.e., Veblen, then Ayres, Ayres' students, and the student of Ayres' students. With a fairly large audience it seemed almost impossible to avoid irritating or offending someone. As the session progressed one fellow seemed to be stirring in his chair with a somewhat pained expression on his face, seemingly dismayed and unhappy about the ideas being discussed. From the author's vantage point it seemed at some point he would surely have to raise his voice in protest. Near the end of the discussion he spoke, and with due apologies for memory here is what he said, "Well, I guess I must be..." (I remember thinking - here it comes, neoclassical "truth") "...from generation 3 1/2 - since I studied with one of Ayres students and with Ayres. And I just want to say that I haven't had so much fun since I left Austin." That man was Bill Wilkins, a student of Joe Brown and later Ayres. He had not been offended, quite the opposite. Later he wrote to Brown telling him how much he had enjoyed the session and meeting some of his (Brown's) other students.

The two regional meetings, WSSA and WEA, in 1976, were important in attracting the attention and participation of institutionalists. Institutionalists who had not previously met or known of each other met for the first time. Others renewed acquaintances. For example, the Tempe meetings were the first at

which Williams, Junker, Hayden, Sturgeon, Hodges, Atkinson, Ranson, Hill, Cochran, Hamilton, Troub, Young and others were all present. The San Francisco meeting brought together Wilkins, Bush, Tool, Munkirs, Ayers, Atkinson, Sturgeon, Young, Williams and others. Some members of these groups knew each other before and had even gone to school together, but the groups had not previously been together.

The following year, 1977, the WSSA meetings were in Denver, and institutionalist participation was up markedly. Many of those who had attended both the WSSA and WEA the year before gathered at these meetings. The program had more institutionalist participants than previously. In addition, a luncheon was organized as a forum for those interested in formally discussing various aspects of continued participation at the meetings and forming an organization.

During 1976 and 1977 the contacts established at earlier meeting and at the WEA were strengthened and some new ones were initiated. Bill Williams, who had gotten a pilots license, flew around the country (at his own expense) to talk to institutionalists about many things including organizing a group. He visited Tool and Bush in California, Munkirs and Ayers in Illinois, Junker in Michigan, and Sturgeon in Missouri. These visits served to strengthen the interest in organizing. They also helped to plan sessions at future WSSA and WEA meetings.

The WSSA meetings returned to Denver the following year. Past participants were joined by an influx of new ones. The

number of institutional sessions had grown to seven and those on the program numbered twenty-five. Prior to the meetings a letter was sent to about eighty people announcing an organizational meeting and inviting their participation. The letter included a post card to be returned which asked the respondents to indicate if they would attend, were interested but could not attend, or were not interested in the organization. Twenty-four cards were returned, all indicating interest. Additionally, at least six letters were returned. Three raised questions and concerns about another organization, while the others favored it and had some suggestions for organizing the group.

From 1975 to 1978 the organizational emphasis drifted away from forming an AFEE regional branch to forming a new and separate organization. This was not, it seems, a completely conscious decision, but rather a consensus which emerged over the years.

On April 28, 1978, at the Radisson Hotel in Denver, the first formal organizational meeting was held. About 36 people attended. The group agreed to form a new association and even though the formal organization did not take place until the next year this marked the founding of AFIT.

The group identified three general purposes for the new association:

1. to provide a formal mechanism to insure the continuation of institutional sessions in association with the WSSA
2. to provide a clearing house vehicle to exchange ideas and papers in the area of institutional analysis

3. to refine, extend, and publicize institutional theory and policy.

No dues were established but \$99 was collected as "seed money" and there were additional contributions later in the year.

The group elected a steering committee composed of Gregory Hayden, Louis Junker, John Munkirs, Kristin Paulson, Baldwin Ranson, James Sturgeon and Marc Tool. The committee was to undertake two charges:

1. to prepare the necessary materials in draft form to organize a new association and;
2. to draft a statement of comments and concerns about the policies of AFEE and the handling of the Journal of Economic Issues.

There was, however, general agreement among the group that the new organization was not intended to compete with or supplant AFEE. Most indicated their intention to continue to support AFEE.

One reason for the statement to AFEE was to attempt to clarify the role of the new organization and to voice some of the members concerns. Throughout the period from 1975 on there was a thread of dissatisfaction with the organized forums which ran through the group. Some of this dissatisfaction centered around AFEE. Some in the WSSA group (later AFIT) wished to form an alternative to AFEE, others wanted to organize informally to redirect some of AFEE's activities, others wanted both. Most saw no objection to another organization representing institutionalists. Perhaps the sentiment of the group was best expressed by

David Hamilton, who said that he saw, "nothing wrong with having two institutionalist associations and journals, in fact I look forward to the prospect."

After the founding meeting a letter was sent to 75 or 80 people inviting their participation in the new organization and requesting their input for the report to be given at the AFEE Board of Directors meeting. In August, 1978, at the AFEE Board meeting in Chicago a report, prepared by James Sturgeon, and based primarily on the responses to the letter, was read. The report detailed a number of concerns held by the WSSA group about the direction and purposes of AFEE. The report stirred a lively discussion and several suggestions were entertained. The report is on file with the Secretary-Treasurer of AFIT.

The remainder of the efforts of the steering committee were aimed at organizing. Louis Junker had been named to head the economics section at the WSSA meetings in 1979. He took the responsibility to organize the "AFIT" section as well. Other efforts centered around drafting a constitution and arranging for a meeting to formally organize.

That meeting was held at the Hyatt Hotel at Incline Village, Nevada on April 28, 1979. It was at that meeting that the Association for Institutional Thought (AFIT) was officially organized. About 30 people were present. Though there were more present some inadvertently did not sign the "attendance" sheet. The names of those who signed are listed in Appendix 1.

Allan Gruchy and John Gambs were invited to attend the organizational meeting and conference. They, along with David

Hamilton, J. Fagg Foster, Joe Brown and eight others were the founders of AFEE when they met in Washington, D. C. on December 28, 1959. Both were past presidents of AFEE and had become dissatisfied with its direction and purpose. They are well known institutionalists of long standing and came to the meeting to lend their counsel and support to the new organization.

The meeting began with a general discussion of AFIT's purposes and background, and then turned quickly to the constitution.

One item of discussion was the name of the organization. The draft constitution proposed the name - Association of Institutional Thought. The issue of whether it should be broadened to include theory and policy was raised. John Gambs, one of the founders of AFEE, spoke to this issue. He related that when AFEE was named, the word Evolutionary was selected because of Veblen's use of the term to describe his economics. This Gambs thought had turned out to be a mistake. He urged the group to include the word Institutional in the title of the organization. Allan Gruchy joined him in this view. Sturgeon indicated that the term Thought in the title was intended to include both theory and policy and to prevent a restriction to economics, i.e., to broaden it into all social thought. The name was left unchanged.

The draft constitution was modified in three ways. First there was an addition to Article 2, Purpose and Objectives. This addition served to expand and clarify the Article. The expansion was aimed at removing the possible interpretation that the purpose was the dogmatic adherence to past institutional analysis.

The clarification indicated that the body of Thought being fostered and extended was that of Veblen, Dewey, Ayres, Commons, Mitchell and others in that heritage.

Second there was a deletion from Article 3, Membership. This article raised a controversy over the membership process. Some viewed the draft article as containing an exclusivity provision. The Article was changed to remove this interpretation.

The third change centered on the drafting and passing of policy resolutions. There was not really a controversy but the language could not be explicitly agreed upon by the group. It was decided to delete Article 8 and have the Directing Board redraft it for future consideration.

With these changes the Constitution was approved. The next item of business was the election of the Directing Board. With little discussion the president, vice president, secretary-treasurer and other board members were elected. The first AFIT Directing Board was Marc Tool, president, David Hamilton, vice-president, James Sturgeon, secretary-treasurer. Gregory Hayden and Louis Junker were elected as members at-large. Other nominees for the board were Michael Ayers, John Munkirs and Baldwin Ranson.

After the election of the Board the first official action was to appoint John Gambs and Allan Gruchy Honorary Sponsors. The Members also promptly and unanimously passed a resolution naming J. Fagg Foster and W. Nelson Peach Honorary Presidents.

The Board held its first meeting the next day and began planning for the future of AFIT. During the first year 73 members joined. The charter members are listed in Appendix 2. Most of those who joined are decidedly the progeny of the cactus branch. But within the first year the membership base began to expand to include those whose major influence was John Commons and several of Allan Gruchy's students at the University of Maryland.

There was a steady increase in the number of institutionalists attracted to the WSSA meetings in the years prior to the formation of AFIT. And they enthusiastically responded to the sessions and other activities at the meetings. A number of them traveled great lengths, some at their own expense, to attend the meetings. It is a tribute to their concern and dedication to institutional thought. This has continued in the years since AFIT's founding. Not only have more institutionalists been on the program each year, more have attended without being on the program. Additionally, the programs show that other heterodox thinkers have been drawn toward the forum created by institutionalists at the WSSA. AFIT has fostered the growth of institutional scholarship and it has encouraged and created a forum for others with non-orthodox ideas. What is past is prologue.