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# SOCIAL MOBILITY AND THE AMERICAN BUSINESS ELITE—I\*

Reinhard Bendix *and* Frank W. Howton

## THE MEANING OF 'ELITE'

**T**HE COMPOSITION of the American business elite has been studied repeatedly during the last twenty years. As in studies of other 'power-wielding elites', the purpose has been to tabulate the social origin, age distribution, marital status, educational background, career patterns, and to show changes in proportion over time. The members of an elite are in this view simply indexes of excellence, for if these persons were not excellent in some way, they would not be members of an elite, and since they are, there is usually no interest to inquire further into the nature of the excellence which has made them prominent. This approach is usually associated with Vilfredo Pareto's theory of the elite, but it was given a striking formulation almost two centuries earlier, by Bernard Mandeville.

Human nature is everywhere the same: Genius, Wit and Natural Parts are always sharpened by application, and may be as much improv'd in the Practice of the meanest Villany, as they can in the Exercise of Industry or the most Heroic Virtue. There is no Station of Life, where Pride, Emulation, and the Love of Glory may not be displayed. A young Pickpocket, that makes a Jest of his Angry Prosecutor, and dextrously wheedles the old Justice into an Opinion of his Innocence, is envied by his Equals and admired by all the Fraternity. Rogues have the same passions to gratify as other Men and value themselves on their Honour and Faithfulness to one another, their Courage, Intrepidity, and other Manly Virtues, as well as People of better Professions; and in daring Enterprises, the Resolution of a Robber may be as much supported by his Pride, as that of an honest Soldier, who fights for his Country.<sup>1</sup>

The degree of excellence, not its nature, is worthy of note, according to Mandeville, and scholars who have adopted this view, have defended it on the ground that they were studying society as it really operates,

\* This is the first of two articles. In the second will be found the comparison of our findings with those of other studies of the American business elite.

unencumbered by the preferences of the observer. Heroes and Rogues get 'to the top', and the fact that we prefer the Heroes should not be allowed to obscure the importance of the Rogues.

Yet, this view, which does not propose to pass ethical judgments, is more easily stated than implemented. Studies of the American business elite have been undertaken primarily to test the hypothesis that the American social structure has become more rigid in the course of its history. This can only mean that, say, in the early nineteenth century opportunities for upward social mobility were widely available, while they have progressively decreased as we approach the modern period. This assertion would be tested by a finding which showed that in the early period proportionately more members of the business elite were recruited from families of small farmers and manual workers than was the case in the later period. However, this test would be conclusive only if it was based on a representative sample of the business elite, then and now, and such a sample presupposes an exhaustive and reliable compendium of biographical data on the members of the business elite. But such a compendium does not exist, partly because data for the earlier periods are deficient, and partly because judgments concerning the individuals who should be included in the elite are inevitably arbitrary.

Three types of judgment have been used in studies of the American business elite and it is important to be aware of their respective merits and drawbacks. In an early study of this kind a random sample of prominent businessmen was selected primarily from the persons listed in Poor's Register of Directors for 1928, thus insuring that 85 per cent of the sample were directors in companies listed on the stock exchange and doing at least half a million dollars worth of business.<sup>2</sup> By comparing the present generation of business leaders with the occupations of fathers and grandfathers an effort was made to test whether or not the social mobility of the business elite had been declining. The advantage of this approach was that it treated the problem of elite recruitment on a generational basis, thus emphasizing the importance of the family in the social mobility of the elite. Its disadvantage was that the membership of the 'business elite' was sampled only in the present, while the reference to social origins of fathers and grandfathers involved an analysis of family histories rather than a comparison of elites at different periods of American history. As a result the data on the occupations, especially of grandfathers, were bound to show a proportion of persons coming from families of farmers and workers which was higher than the corresponding figures for the business leaders of 1928. Implied in this study was the belief that it was sufficient to examine the social origin of the present business elite, in order to ascertain whether social mobility in the United States has declined or not.<sup>3</sup>

This judgment has been called into question by scholars who have

selected random samples of the business elite at different points in time. By selecting three independent samples from Moody's Manual of Investments for the years 1899, 1923 and 1948, Mabel Newcomer could analyse the changes in the social composition of the business elite over time and avoid the difficulty of a progressively curtailed sample.<sup>4</sup> Similarly, Suzanne Keller selected a total of 1,013 business executives who held positions in leading business firms in the years 1870, 1900–10 and 1950.<sup>5</sup> Compared with the Taussig and Joslyn study, the merit of this procedure is clearly that in each of the selected years or periods the business elite is sampled separately.<sup>6</sup> Though appropriate as far as it goes, this approach also implies judgments concerning the nature of elites and of social mobility in modern society. Both studies relied upon objective indexes in arriving at their respective samples of the business elite, and both studies confined themselves to the *top*-executives in the *largest* corporations. The men included in these samples undoubtedly belong to the elite, but it is not obvious that studies which *restrict* themselves to this meaning of the term will provide a reliable clue to the 'circulation of the elite'.

Such a definition assumes that the degree of upward social mobility in a society may be ascertained by determining the proportion of business leaders who have risen during their lifetime 'from the dunghill to the chariot' as William Cobbett once put it. That proportion is likely to be rather small at any time. American folklore has tended to over-emphasize spectacular careers such as that symbolized by Henry Ford. Careers of such notoriety do occur when new kinds of economic enterprise open up, and many executives from such rapidly expanding enterprises may be included, if the business elite is sampled from among executives of the *largest* corporations. But in this way it is quite possible to overstate the rapid social mobility leading to business success, for such careers do not necessarily reflect characteristics of the business elite as a whole. And it should be noted that an emphasis upon spectacular careers definitely misrepresents the social mobility which is characteristic of the society as a whole. For such mobility consists in the social and economic advancement of *large numbers of individuals* during their life time, and such advancement in the aggregate is bound to be relatively slow. Moreover, there is no reason to believe that a complete hiatus exists between these gradual advances of the many and the more rapid advances of the few. It is *prima facie* probable that in the vast majority of instances even the notable business success of an individual is based upon and facilitated by the more gradual advance of his family in preceding generations. In such cases the successful business leader already comes from a relatively well-to-do family, and his career is, therefore, an extension or accentuation of the step-by-step advances of the many.

The typical sequence probably consists of the slow build-up of an

enterprise in the first generation of a family of entrepreneurs, the consolidation and expansion of the business by the second generation, and the successful or unsuccessful efforts of subsequent generations to maintain and strengthen the position of the family.<sup>7</sup> It may be that this sequence is foreshortened under certain favourable conditions, as for example at the inception of some new branches of production or of some other novel development. Yet, such developments, even if they recur as frequently as they have in American economic history, occur in the midst of the bulk of established economic activities. Hence, the new opportunities are likely to be available only to a minority. And even if at such times ingenuity and hard work weigh heavily in the balance, it does not follow that individuals who have these qualities but lack capital resources can take advantage of the new opportunities. Studies which derive their sample of the business elite from among the *top*-executives in the *largest* corporations, tend to neglect this slow build-up of 'business success'. Moreover, other aspects of the concept 'elite' should also be considered. Since 'membership' in an elite is determined by prestige as well as income, by social and political influence as well as by the assets or gross-receipts of the firm, by strategic family connections as well as by the number of subordinates, by local or regional prominence as well as by national fame, by civic activities as well as by economic success, it is not as obvious as it seems that the *top*-executives in the largest corporations are the only or always the most representative members of the business elite.

These other, more diverse criteria are applied, albeit with considerable uncertainty, in a third type of study which derives its sample of the business elite from available biographical dictionaries. Thus, C. Wright Mills published a study which was based upon 1,464 biographical entries in the *Dictionary of American Biography (D.A.B.)*.<sup>8</sup> And this article presents data from a complementary study which is based upon 1,097 biographical entries primarily in the *National Cyclopaedia of American Biography (N.C.A.B.)*. Studies of this type leave the meaning of 'business elite' as vague as do the editorial policies which govern the biographical source-books themselves. Thus, the *D.A.B.* states editorially that persons were included who 'did something notable in the field of American life'. And Mills has commented that the business leaders included in his sample were above average in income, but not necessarily rich; some were founders of enterprises which became prominent only after their deaths; and many were probably prominent because of their political role rather than because of their success in business.<sup>9</sup> In this respect the *N.C.A.B.* appeared to be more suitable for a study of the American business elite, because its editorial policy apparently favoured the inclusion of businessmen among the biographies. An editorial statement in the first volume (1898) reads in part:

It is believed that, while literary workers should be accorded ample repre-

sentation, those who contribute so much to the material and physical welfare of the country deserve to command fuller recognition than has before been accorded them in works of this character.

And in a written communication the publishers declare that 'special attention has been given to industrial biographies'. Though such an emphasis commends the *N.C.A.B.* as a source-book in the present context it should be clear that generally speaking studies based on biographical dictionaries also have their drawbacks. While they will tend to avoid giving to the concept 'business elite' a clearcut and highly restricted meaning, they will only be as good as the biographical source material in the dictionaries themselves and that is frequently not good enough.

It is apparent, then, that a purely empirical study of the American business elite is beset with difficulties, which can only be partially overcome. Moreover, such study is necessarily limited by the assumptions or judgments which enter into the definition of the 'business elite' and hence into the data included in the sample. The full measure of our uncertainty with regard to the meaning of 'business elite' is revealed if one states in schematic fashion the alternative meanings the term might have. A minority of markedly successful business leaders may be said to constitute at any one time a finite number of individuals, composed of those who were already members of the elite at a previous time, of those who have entered it since then, and minus those who have since departed from it. Since the fluctuation in the composition of the elite depends upon the last two categories of individuals, we may ignore the first group. And since we are interested in whether or not access to the elite has increased or decreased, we may consider the 'flow' into and out of the elite on the three assumptions that its size is a constant, an increasing or a decreasing proportion of the population. The accompanying figure (1) represents the possible combinations. Since we cannot determine the changes in the proportion between business elite and population, we can only state that access to the elite increases under the conditions specified as Type I and decreases under those specified as Type III. And it should be noted that so far no study has been undertaken with regard to individuals or families who have 'left' the business elite, the 'departees' of our chart.

The repeated studies of the American business elite and its changing composition during the last twenty years cannot be said to have solved the definitional and methodological problems discussed above. Nevertheless, certain proximate judgments can be based on their findings, and it is fortunate that we now have available two studies which relate contemporary samples of business leaders to their fathers and grandfathers, two studies based on the careers of business leaders in the largest corporations sampled for different years, and two studies based upon a sample derived from biographical dictionaries. The purpose of the

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present article is, therefore, to present our findings concerning the social composition of the American business elite, based on the data derived from the *National Cyclopaedia* and then to make a comparative analysis of the findings in these six studies.<sup>10</sup>

Types of flows of Entrants and Departees:	High Turnover:	Moderate Turnover:	Low Turnover:
Type I: Stock of elite increasing proportion of society			
Entrants from nonelite Departees to nonelite	Increasing rate Increasing at a lower rate; or constant rate; or decreasing rate	Constant rate Decreasing rate	Decreasing rate Virtually none
Type II: Stock of elite constant proportion of society			
Entrants from nonelite Departees to nonelite	Increasing rate Increasing rate	Constant rate Constant rate	Decreasing rate Decreasing rate
Type III: Stock of elite decreasing proportion of society			
Entrants from nonelite Departees to nonelite	Increasing rate Increasing at faster rate	Constant rate Increasing rate	Decreasing rate Decreasing rate; or constant rate; or increasing rate

FIG. I. SECULAR RELATIONSHIPS BETWEEN EXPANDING, CONSTANT, AND CONTRACTING STOCKS OF ELITES AND THE RATES OF FLOW OF ENTRANTS AND DEPARTEES TO THE ELITE

AMERICAN BUSINESS LEADERS RE-EXAMINED

For the purposes of this study we took a random sample of every ninth businessman who was born between 1771 and 1920 and whose biography was contained in the *National Cyclopaedia of American Biography*. On this basis we obtained 887 usable biographies of businessmen. The *National Cyclopaedia* did not, as it turned out, contain a sufficient number of usable biographies for the earliest and the latest period. Consequently, supplementary data were obtained from the *Dictionary of American Biography* (100 subjects born between 1771 and 1800) and from *Current Biography* (110 subjects born between 1881 and 1920).<sup>11</sup>

Table I summarizes our findings concerning the parental background of prominent businessmen (i.e. their father's occupation) at different periods in American history. It is notable that since 1801 a majority of prominent businessmen have come from families already well-

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established economically. Moreover, if we add the proportion of businessmen whose fathers were 'gentry farmers'<sup>12</sup> to those coming

TABLE I

Percentage Distributions of the American Business Elite Born in Specified Years, by Father's Occupation

Father's Occupation	Year of Birth				
	1771-1800	1801-1830	1831-1860	1861-1890	1891-1920
Total <sup>a</sup>	100	100	100	100	100
Businessmen	40	52	66	70	69
Gentry Farmers	25	11	3	3	5
Sub-total	65	63	69	73	74
Master Craftsmen and Small Entrepreneurs	9	4	3	1	—
Professionals	3	12	11	12	11
Government Officials <sup>b</sup>	4	7	3	3	3
White Collar Workers (Includes Foremen)	7	2	2	3	6
Sub-total	23	25	19	19	20
Farmers	12	11	10	6	4
Manual Workers	—	2	1	2	3
Sub-total	12	13	11	8	7
Number of Subjects	125	89	360	380	143
Information Available	91	56	225	281	106
Information not Available	34	33	135	99	37
Percentage for whom Information was not Available	27	37	37	26	26

<sup>a</sup> Details do not always add to totals because of rounding.

<sup>b</sup> Includes a few school officials and army officers.

from families of businessmen, it becomes clear that throughout the time span, about two-thirds of each generation of successful businessmen have enjoyed a very favourable family background.<sup>13</sup> The data



show the well-known decline in the proportion of business leaders coming from a farm-background. But it may be noted that the especially marked decline of 'gentry farmers' was made up by proportionate increase of business-leaders coming from families of businessmen with the result that the overall proportion of business leaders coming from well-to-do families has remained relatively stable (between 63 and 74 per cent). The second sub-total in Table 1 which comprises the business leaders coming from families in the middle class or lower middle class, shows a similar overall stability, though the figures give some indication of the declining importance of craftsmen and small entrepreneurs and the increasing importance of professionals. Finally, the proportion of business leaders coming from families of workers and small farmers has also remained relatively stable.

This interpretation of the data presented in Table 1 has not placed much reliance on relatively small percentage differences. Such caution is indicated because it is difficult to interpret the occupational group of the fathers, especially in the early periods. At best, this is an uncertain index of the family's economic position. The case of the Remington family may be cited by way of illustration. The *National Cyclopaedia* describes Eliphalet Remington, Senr. (?-1828) as

... a mechanic ... who set up a (power) forge (circa 1800) ... and carried on the manufacture of rude agricultural implements ... and did horse-shoeing and general repair work for farmers.

His son, Eliphalet Remington, Junr., as a youth

... forged a gun barrel for himself from some scraps of iron, ... took it to a gunsmith to be rifled, ... who thereupon praised the barrel so highly that young Remington was encouraged to make others. The Remingtons [i.e., Remington, Senr. and Junr., as well as the latter's three sons] soon set up a rifling machine of their own.

And in 1829 the family set up a complete rifle manufactory in a new location made favourable by the building of the Erie Canal. From then until the end of the Civil War the enterprise prospered, largely owing to government contracts. Remington, Junr., died in 1861 and the business was taken over by his eldest son, Philo Remington. For another decade the enterprise prospered even though government contracts came to an end with the close of the Civil War. However, with the end of the Franco-Prussian War (1871) the arms business fell off, and the effort to shift to other lines, especially agricultural implements, typewriters and electrical appliances, was unsuccessful. Though the name continued to be used, the main plants of the Remington enterprises were sold at auction in the 1880's.

The relevance of this brief sketch in the present context consists in two points: the first Remington made the first steps towards establishing a family enterprise which was an important enabling factor for his

son but which clearly did not constitute business success in the accepted sense of that word. His son, Remington, Junr., was clearly a successful entrepreneur who owed part of his achievement to the start his father had made, but whose entrepreneurial achievement was for the most part his own. Moreover, the oldest son of Remington, Junr., was apparently responsible for the decline of the family enterprise, or at any rate this decline occurred while he headed the enterprise. Now, in categorizing such a case for purposes of statistical tabulation we will have to neglect two of its aspects: we would treat both Remington, Junr., and his son, Philo, as sons of manufacturers, although Remington, Junr., was the son of a small manufacturer who enlarged his father's enterprise into a major business, while Philo was the son of a major manufacturer who headed the firm at the time of its dissolution. However, both Remington, Junr., and Philo Remington were prominent businessmen.

The case illustrates that our findings concerning the favourable family background of successive generations of prominent businessmen is equivocal. Remington, Senr., was obviously more than just a craftsman, but in categorizing him as a manufacturer we equate his position with that of his son, which is misleading. This uncertain meaning of 'father's occupation' as an index of family background suggests that findings such as those cited above are at best a rough approximation. Fortunately, it is possible to check this approximation in one respect.

It will be noted that we could not obtain information on father's occupation in 338 out of 1,097 or 31 per cent of our cases. This is hardly surprising when one considers that the major objective of the biographies is to give a resume of the subject's career rather than information on his parental family. Our guess was that information on father's occupation was included when it was readily available, and that it was more readily available where the father was in a non-manual occupation. Hence we expected that our data over-represented those cases in which the subject's family background was relatively well-to-do. In order to check this possibility we compared all cases in which we *did not* obtain information on the occupation of the father with all those in which we did have this information. This comparison was made in terms of the first job which our subjects held and in terms of their respective educational attainment. It is admittedly tenuous to infer the family background of an individual from the fact that his first job was 'manual' or 'lower white collar' and from the fact that he had little education. Yet, it is probable that the person, whose parents are well-to-do, has more education and begins his career in a 'higher' occupation than the person whose parents are poor. And accordingly we might expect that the sons of fathers whose occupation was recorded, had more education and better first jobs than the sons of fathers whose occupation was not recorded. This did not prove to be the case, since

we found only small and random differences between the two groups.

There is another index which points to the same conclusion. For the 338 subjects whose father's occupation was unknown we were able, in 55 per cent of these cases, to ascertain 'other enabling circumstances'. These circumstances refer to the fact that the family is 'old' or wealthy or the father is well-established, even though his occupation is not known, or again that the subject's in-laws are well-established. We found that such enabling circumstances were present for 61 out of 112 subjects (54 per cent) who were born before 1845, and for 123 out of 226 subjects (55 per cent) who were born after 1845. Hence it is apparent that of those whose father's occupation was *unknown* a considerable proportion came from relatively well-to-do families, even though many of them began their careers in 'low status' positions.

In so far as these checks of the internal consistency of the data are conclusive, we can infer that the data presented in Table 1 do *not* over-represent the proportion of business leaders coming from well-to-do families. A similar conclusion seems to follow from our data on the educational attainment of our subjects (Table 2). The tabulation of these data reveals more than the secular trend towards higher education. Prior to the Civil War a majority of prominent businessmen were educated in private schools, high schools and business or vocational schools. If it is remembered that attendance at private or high schools was then largely equivalent to attendance at college today, it becomes apparent that the education of businessmen has been more important throughout than is conventionally assumed. Indeed, more than one third of each generation received either private schooling or a college education, a fact which is clearly at variance with the common notion that businessmen were not 'in need' of higher education until at least the turn of the century, if not indeed until the 1920's. And if we examine the figures for the Post-Civil-War period it is rather striking to discover that in that era of the Robber Barons well over half of the subjects, who were to become prominent businessmen, went to colleges, while another 26 per cent attended private schools, high schools, or vocational schools.

The evidence cited so far points strongly to the favoured social and economic background of all those whose later careers placed them in the American business elite. And since the proportion of business leaders coming from 'middle class' and 'working class' families has not changed greatly over time, our overall finding is that the recruitment of the American Business Elite has remained remarkably stable. We may attempt to allow for the tenuousness of the categories we have had to work with, by assuming that between 10 and 20 per cent of the successful businessmen have come from families in which the father was a worker, craftsman, small entrepreneur, lower white collar employee or small farmer.<sup>14</sup> Such a result is still at variance with the popular im-

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pression that during the early industrial development opportunities for spectacular upward mobility were readily available to an individual during his own lifetime, while these opportunities have declined markedly with the advance of industrialization. Our data allow us, therefore, to question the validity of a doctrine which draws its strength from the folk-lore of the American frontier and from the thriving

TABLE 2

Percentage Distribution of the American Business Elite Born in Specified Years by Level of Education Attained

Level of Education Attained	Year of Birth				
	1771-1800	1801-1830	1831-1860	1860-1890	1891-1920
Total	100	100	100	100	100
Colleges: Graduated	22	8	15	39	67
College: Did not graduate	10	8	13	18	17
High School, Business School, or Private School	51	51	46	26	11
Grammar School or less <sup>a</sup>	17	33	26	17	5
Number of Subjects	125	89	360	380	143
Information Available	69	63	318	359	136
Information not Available	56	26	42	21	7
Percentage for whom information was not available	45 <sup>b</sup>	29 <sup>b</sup>	12	6	5

<sup>a</sup> Includes subjects described as having had 'little' education, 'only a few years', etc.

<sup>b</sup> We are not able to correct for the cases for which we have no information concerning the education of our subjects. It is, therefore, possible that the proportion of subjects with little educational background is under-represented in the period 1771-1830. Even then the number of subjects who have had high school or college education was 57 out of 125 in 1771-1800 and 42 out of 89 in 1801-30, or a little less than one-half. However, it is improbable that *all* those subjects for whom we lack information had only an elementary education.

business civilization of the late nineteenth century. For according to this amalgamation of classical economic liberalism with a popularized Darwinian doctrine the successful businessman had proved himself to be the fittest in the struggle for survival. Such a doctrine could have carried little conviction, if it had been widely known that economic success was greatly facilitated in most cases by the influence of a favourable family background. Instead, selected instances of the 'rags to riches' story,

liberally embellished by wishful thinking, were fashioned into a symbol of American society in keeping with its ideological equalitarianism.<sup>15</sup>

## NOTES

<sup>1</sup> B. Mandeville, 'An Essay on Charity and Charity Schools', in F. B. Kaye (ed.), *The Fable of the Bees* (Oxford: At the Clarendon Press, 1924), I, p. 275.

<sup>2</sup> F. W. Taussig and C. S. Joslyn, *American Business Leaders* (New York: Macmillan, 1932). Cf. Also the recent replication of this study by W. Lloyd Warner and James C. Abegglen, *Occupational Mobility in American Business and Industry, 1928-1952* (Minneapolis: University of Minnesota Press, 1955).

<sup>3</sup> Similar comments apply to the study by Warner and Abegglen, *loc. cit.* Aside from comparing present business leaders with their fathers and grandfathers Warner makes genuine comparisons between the 1952 and the 1928 elite. It may also be noted that the inclusion of Vice-presidents, Secretaries, Treasurers and Controllers in the Warner as in the Taussig samples gives a rather broad interpretation of the concept 'business elite' as does the inclusion of medium-sized enterprises. In Taussig's 1928 samples 56.4 per cent of the respondents held positions in companies with a gross annual income of \$4.9 million or less; in Warner's 1952 sample 43.6 per cent of the respondents held positions in companies with a gross annual income of \$49.9 million or less. Also, the fluctuations of gross annual income are considerable without necessarily affecting the leading position of a company.

<sup>4</sup> M. Newcomer, 'The Chief Executive of Large Business Corporations', *Explorations in Entrepreneurial History*, V (October 1952), pp. 1-34, and the full report of this study in Mabel Newcomer, *The Big Business Executive* (New York: Columbia University Press, 1955).

<sup>5</sup> Suzanne Keller, *The Social Origins and Career Lines of Three Generations of American Business Leaders* (Unpublished Ph.D. dissertation, Columbia University; New York, 1953).

<sup>6</sup> In the case of the Newcomer study 9 business executives overlapped between the samples for 1899 and 1923 and 30 overlapped between 1923 and 1948. The total sample was 799.

<sup>7</sup> Cf. J. Schumpeter, *Imperialism and*

*Social Classes* (New York: Augustus Kelley, 1951), pp. 148-62 for an emphasis on the generational aspect of social mobility. See also F. Redlich, *History of American Business Leaders* (Ann Arbor: Edwards Brothers, 1940), I, pp. 22-30, and Warner and Abegglen, *op. cit.*, pp. 61-8.

<sup>8</sup> C. W. Mills, 'The American Business Elite: A Collective Portrait', *The Tasks of Economic History* (Supplementary issue to the *Journal of Economic History*), V (December, 1945), pp. 20-44.

<sup>9</sup> *Ibid.*, p. 20.

<sup>10</sup> Comparisons between these four studies and the results of Taussig and Warner are handicapped by the fact that the latter test mobility over time by comparing the present generation of business leaders with their fathers and grandfathers. However, Warner's 1952 and Taussig's 1928 results are comparable and will be utilized. We shall treat these two studies as one which may be compared with the other four studies here examined, since the Taussig-Warner data show a genuine trend only by comparing the 1952 with the 1928 sample of business leaders. This comparative analysis will be presented in a second article in the March, 1958 number.

<sup>11</sup> The supplementary data derived from the *Dictionary of American Biography* comprise all subjects born between 1771 and 1800, whose biographies did not duplicate those contained in the *Cyclopaedia* and were sufficiently detailed and specific to be usable. The supplementary data derived from *Current Biography* were obtained by selecting all biographies of businessmen, beginning with the 1952 edition and going back to the 1945 edition, provided that the subject was born after 1890 and that it was not already included in our original sample from the *Cyclopaedia*.

<sup>12</sup> In classifying the biographical data of the *National Cyclopaedia* an attempt was made to separate out very prosperous farmers. All cases in which such prosperity was clearly indicated were included under the category of 'gentry farmer'.

<sup>13</sup> This finding is in keeping with recent

studies of entrepreneurship in the early nineteenth century. According to these studies success in business enterprise was much more dependent upon family connections than had been assumed previously. See especially R. K. Lamb, 'The Entrepreneur and the Community', in W. Miller, ed., *Men in Business* (Cambridge: Harvard University Press, 1952), pp. 91-119.

<sup>14</sup> In making this assumption we have considered that the proportion of business leaders coming from 'non-elite' families has varied between 27 and 38 per cent since the end of the eighteenth century, but that only a portion of these families were likely to be poor.

<sup>15</sup> As is often the case, this symbol had some relation to social fact. The data reported above have been analysed also in terms of the changing career patterns of American business leaders. By classifying these patterns under the three headings of 'entrepreneur', 'bureaucrat' and 'heir' it was shown that between the generation born at the end of the eighteenth century and the generation born after 1891 the proportion of 'entrepreneurial' business leaders declined from 76 per

cent to 18 per cent, while the proportion of 'bureaucratic' business leaders increased from 5 per cent to 48 per cent. During the same period the 'heirs' increased from 19 per cent to 34 per cent. Further data on career-patterns and an explanation of these categories are given in Reinhard Bendix, *Work and Authority in Industry* (New York: John Wiley & Sons, 1956), pp. 228-36, 251-3. It may be added that even the cultural symbol of the 'entrepreneurial' career was essentially ambiguous. Professor Wohl has shown that the original Horatio Alger stories had for their heroes individuals who were frugal and hard-working, to be sure, but whose success was invariably the result of accidents, rather than of personal achievement. See R. R. Wohl, 'The "Rags to Riches Story": An Episode in Secular Idealism', in R. Bendix and S. M. Lipset, eds., *Class, Status and Power* (Glencoe: The Free Press, 1953), pp. 388-95.

Cf. also the general discussion of ideological equalitarianism in S. M. Lipset and Reinhard Bendix, *Social Mobility in an Industrial Society* (forthcoming). The present essay is a chapter in that volume.