

# Veblen and mill essay example

[Business](#), [Company](#)



Peculiar emulation means strive to reach a position that has been reached by other people in the society in order to be in the same standard of living. This was a concept explained by Veblen to explain the issues that relate to the middle level class people and the rich in the society. In the early stages of history, pecuniary emulation was mostly practiced by the middle earning group who tried to reach the position of the wealthy people. Wealth in the past was in the form of accumulation of assets such as gold and silver. The middle level people therefore tried to emulate this position by working harder and by exchanging other commodities in exchange for metals. According to Veblen, the desire to own wealth was brought about by the need to surpass the position held by the wealthy people.

When people cannot buy goods on emulative basis, then it means that they are not wealthy. This literally means that these people may be in the middle income level since they don't have the capacity to reach the position held by the wealthy people in the society. Conspicuous consumption is a term used to refer to the practice of trying to purchase expensive and luxurious goods to show others that one has a lot of wealth. This affects social classes since it creates competition in the wealthy class, leading to the desire to accumulate more wealth to avoid being surpassed by the less wealthy people. The people practicing conspicuous consumption usually have an intention of making people aware that they have a high standard of living.

## **Mill**

Mill argued that finance and religion are not related to each other. This literally means that religious beliefs do not affect financial decisions adversely. One of the justifications that mill made on profits was that the risk

involved in businesses largely affects the profits of an organization. This means that when there are more risks in a firm, there is anticipation that the profits will not be high. Mill's justification of interest shows that the consequences of what human beings do outline the interests of a person. For instance, people who have the interest of getting known by the society may do this by purchasing wealthy materials to capture their attention. Wal-Mart store is a large enterprise that serves global customers with its products and services. Its principles are common in the global business environment due to the awareness created by this store to the global customers.

There are three major Wal-Mart Principles. The first one states that the store should offer high quality services to its customers at relatively low prices.

The second one stipulates that the corporation has a dedication to the management as well as the owners. The third principle states that the corporation owes some commitment to the country in which it is situated.

There are other facts which account for the differences in the level of profitability in companies. One of them is the quality of the products and services produced by the companies. The other factor is the size of the organizations. Ideally, a large firm is likely to earn more profits than a small firm due to higher production capacity and economies of scale in production.

The third factor is the management. The management level of various companies is different. This means that there will be differences in the decisions made by the management of various companies. This translates to different financial results that lead to differences in the level of profitability in the companies.