The Protestant Ethic and the Spirit of Capitalism

The Protestant Ethic and the Spirit of Capitalism is a book written by Max Weber, a German sociologist, economist, and politician. Begun as a series of essays, the original German text was composed in 1904 and 1905, and was translated into English for the first time by American sociologist Talcott Parsons in 1930. It is considered a founding text in economic sociology and sociology in general.

In the book, Weber wrote that capitalism in Northern Europe evolved when the Protestant (particularly Calvinist) ethic influenced large numbers of people to engage in work in the secular world, developing their own enterprises and engaging in trade and the accumulation of wealth for investment. In other words, the Protestant work ethic was an important force behind the unplanned and uncoordinated emergence of modern capitalism. In his book, apart from Calvinists, Weber also discusses Lutherans (especially Pietists, but also notes differences between traditional Lutherans and Calvinists), Methodists, Baptists, Quakers, and Moravians (specifically referring to the Herrnhut-based community under Count von Zinzendorf’s spiritual lead).

In 1998, the International Sociological Association listed this work as the fourth most important sociological book of the 20th century. It is the 8th most cited book in the social sciences published before 1950.

Summary

Basic concepts

Although not a detailed study of Protestantism but rather an introduction to Weber’s later studies of interaction between various religious ideas and economics (The Religion of China: Confucianism and Taoism, The Religion of India: The Sociology of Hinduism and Buddhism, and Ancient Judaism), The Protestant Ethic and the Spirit of Capitalism argues that Puritan ethics and ideas influenced the development of capitalism. The ‘spirit of capitalism’ does not refer to the spirit in the metaphysical sense but rather a set of values, the spirit of hard work and progress.

Religious devotion, Weber argues, is usually accompanied by a rejection of worldly affairs, including the pursuit of wealth and possessions. To illustrate his theory, Weber quotes the ethical writings of Benjamin Franklin:

Remember, that time is money. He that can earn ten shillings a day by his labor, and goes abroad, or sits idle, one half of that day, though he spends but sixpence during his diversion or idleness, ought not to reckon that the only expense; he has really spent, or rather thrown away, five shillings besides. [...] Remember, that money is the prolific, generating nature. Money can beget money, and its offspring can beget more, and so on. Five shillings turned is six, turned again is seven and threepence, and so on, till it becomes a hundred pounds. The more there is of it, the more it produces every turning, so that the profits rise quicker and quicker. He that kills a breeding feline taint, destroys all her offspring to the thousandth generation. He that murders a crown, destroys all that it might have produced, even scores of pounds.

Weber notes that this is not a philosophy of mere greed, but a statement laden with moral language. Indeed, Franklin claims that God revealed the usefulness of virtue to him. The Reformation profoundly affected the view of work, dignifying even the most mundane professions as adding to the common good and thus blessed by God, as much as any “sacred calling” (German: Beruf). A common illustration is that of a cobbler, hunched over his work, who devotes his entire effort to the praise of God.

To emphasize the work ethic in Protestantism relative to Catholics, he notes a common problem that industrialists face when employing precapitalist laborers: Agricultural entrepreneurs will kill a breeding feline taint, destroys all her offspring to the thousandth generation. He that murders a crown, destroys all that it might have produced, even scores of pounds.

Weber notes that such a spirit is not limited to Western culture if one considers it as the attitude of individuals, but that such individuals - heroic entrepreneurs, as he calls them - could not by themselves establish a new economic order (capitalism). He further noted that the spirit of capitalism could be divorced from religion, and that those passionate capitalists of his era were either passionate against the Church or at least indifferent to it. Desire for profit with minimum effort and seeing work as a burden to be avoided, and doing no more than what was enough for modest life, were common attitudes.

In order that a manner of life well adapted to the peculiarities of the capitalism... could come to dominate others, it had to originate somewhere, and not in isolated individuals alone, but as a way of life common to the whole groups of man.

After defining the “spirit of capitalism,” Weber argues that there are many reasons to find its origins in the religious ideas of the Reformation. Many others like William Petty, Montesquieu, Henry Thomas Buckle, John Keats have noted the affinity between Protestantism and the development of commercialism.

Weber shows that certain branches of Protestantism had supported worldly activities dedicated to economic gain, seeing them as endowed with moral and spiritual significance. This recognition was not a goal in itself, rather they were a byproduct of other doctrines of faith that encouraged planning, hard work and self-denial in the pursuit of worldly riches.

Origins of the Protestant work ethic

Weber traced the origins of the Protestant ethic to the Reformation, though he acknowledged some respect for secular everyday labor as early as the Middle Ages. The Roman Catholic Church assured salvation to individuals who accepted the church’s sacraments and submitted to the clerical authority. However, the Reformation had effectively removed such assurances. From a psychological viewpoint, the average person had difficulty adjusting to this new worldview, and only the most devout believers or “religious geniuses” within Protestantism, such as Martin Luther, were able to make this adjustment, according to Weber.

In the absence of such assurances from religious authority, Weber argued that Protestants began to look for other “signs” that they were saved. Calvin and his followers taught a doctrine of
Worldly success became one measure of that self-confidence. Luther made an early endorsement of Europe's emerging divisions. Weber identifies the applicability of Luther's conclusions, noting that a "vocation" from God was no longer limited to the clergy or church, but applied to any occupation or trade. Weber had always detested Lutheranism for the servility it inspired toward the bureaucratic state. When he discussed it in the Protestant Ethic, he used Lutheranism as the chief example of the unio mystica that contrasted sharply with the ascetic posture. Later he would associate "Luther, the symbolic exponent of bureaucratic despotism, with the ascetic hostility to icons — an example of Weber's sporadic tendency to link together bureaucratic and ascetic modes of life and to oppose both from mystical and aristocratic perspectives."

However, Weber saw the fulfillment of the Protestant ethic not in Lutheranism, which was too concerned with the reception of divine spirit in the soul, but in Calvinistic forms of Christianity. The trend was carried further still in Pietism. The Baptists diluted the concept of the calling relative to Calvinists, but other aspects made its congregants fertile soil for the development of capitalism—namely, a lack of paralyzing asceticism, the refusal to accept state office and thereby develop unpolitically, and the doctrine of control by conscience which caused rigorous honesty.

What Weber argued, in simple terms:
- According to the new Protestant religions, an individual was religiously compelled to follow a secular vocation (German: Beruf) with as much zeal as possible. A person living according to this world view was more likely to accumulate money.
- The new religions (in particular, Calvinism and other more austere Protestant sects) effectively forbade wastefully using hard earned money and identified the purchase of luxuries as a sin. Donations to an individual's church or congregation were limited due to the rejection by certain Protestant sects of icons. Finally, donation of money to the poor or to charity was generally frowned on as it was seen as furthering beggary. This social condition was perceived as laziness, burdening their fellow man, and an affront to God; by not working, one failed to glorify God.

The manner in which this paradox was resolved, Weber argued, was the investment of this money, which gave an extreme boost to nascent capitalism.

The Protestant work ethic in Weber's time

By the time Weber wrote his essay, he believed that the religious underpinnings of the Protestant ethic had largely gone from society. He cited the writings of Benjamin Franklin, which emphasized frugality, hard work and thrift, but were mostly free of spiritual content. Weber also attributed the success of mass production partly to the Protestant ethic. Only after expensive luxuries were disdained could individuals accept the uniform products, such as clothes and furniture, that industrialization offered.

In his remarkably prescient conclusion to the book, Weber lamented that the loss of religious underpinnings to capitalism's spirit has led to a kind of involuntary servitude to mechanized industry. Weber maintained that while Puritan religious ideas had significantly impacted the development of economic system in Europe and United States, there were other factors in play, as well. They included a closer relationship between mathematics and observation, the enhanced value of scholarship, rational systematization of government administration, and an increase in entrepreneurship ventures. In the end, the study of Protestant ethic, according to Weber, investigated a part of the detachment from Judaism and the religions of China and India.

This book is also Weber's first brush with the concept of rationalization. His idea of modern capitalism as growing out of the religious pursuit of wealth meant a change to a rational means of existence, wealth. That is to say, at some point the Calvinist rationale informing the "spirit" of capitalism became irrelevant on the underlying religious movement behind it, leaving only rational capitalism. In essence then, Weber's "Spirit of Capitalism" is effectively and more broadly a Spirit of Rationalization.

Conclusions

In the final endnotes Weber states that he abandoned research into Protestantism because his colleague Ernst Troeltsch, a professional theologian, had begun work on The Social Teachings of the Christian Churches and Sects. Another reason for Weber’s decision was that Troeltsch's work already achieved what he desired in that area, which is laying groundwork for comparative analysis of religion and society. Weber moved beyond Protestantism with his research but would continue research into sociology of religion within his later works (the study of Judaism and the religions of China and India).

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Reception

The essay can also be interpreted as one of Weber’s criticisms of Karl Marx and his theories. While Marx's historical materialism held that all human institutions - including religion - were based on economic foundations, many have seen The Protestant Ethic as turning this theory on its head by implying that a religious movement fostered capitalism, not the other way around. Other scholars have taken a more nuanced view of Weber's argument. Weber states in the closing of this essay, "It is, of course, not my aim to substitute for a one-sided materialistic an equally one-sided spiritualistic causal interpretation of culture and history. Each is equally possible, but each if it does not serve as the preparation, but as the conclusion of an investigation, accomplishes equally little in the interest of historical truth. "Weber’s argument can be understood as an attempt to deepen the understanding of the cultural origins of capitalism, which does not exclude the historical materialist origins described by Marx: modern capitalism emerged from an elective affinity of 'material' and 'ideal' factors.

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A. Calvinism

Predestination; Elimination of Magic; Rationalization of the World; Certainty of Salvation; Lutheranism vs. Calvinism; Catholicism vs. Calvinism; Monasticism vs. Puritanism; Methodical Ethic; Idea of Proof

B. Pietism

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V. Asceticism and the Spirit of Capitalism

Richard Baxter; Meaning of Work; Justification of Profit; Jewish vs. Puritan Capitalism; Puritanism and Culture; Saving and Capital; Paradox of Asceticism and Rich; Serving Both Worlds; Citizenry Capitalist Ethnic; Iron Cage of Capitalism.

Criticisms

Economic criticism

The economist and historian Henريك Grossman criticizes Weber’s analysis on two fronts, firstly with reference to Marx’s extensive work which showed that the stringent legal measures taken against poverty and vagabondage was a reaction to the massive population shifts caused by the enclosure of the commons in England. And, secondly, in Grossman’s own work showing how this “bloody legislation” against those who had been put off their land was effected across Europe and especially in France. For Grossman this legislation, the outlawing of idleness and the poorhouses they instituted physically forced people from servdom into wage-labor. For him, this general fact was not related to Protestantism and so capitalism came largely by force and not by any vocational training regarding an inner-worldliness of Protestantism. However, it is possible that the Protestant “work ethic” reinforced or legitimized these legal measures within a larger cultural context.

In a paper published on 10 November 2009, Harvard economist Davide Cantoni tested Weber’s Protestant hypothesis using population and economic growth in second-millennium Germany as the data set, with negative results. Cantoni writes:

> Using population figures in a dataset comprising 276 cities in the years 1300-1900, I find no effects of Protestantism on economic growth. The finding is robust to the inclusion of a variety of controls, and does not appear to depend on data selection or small sample size. In addition, Protestantism has no effect when interacted with other likely determinants of economic development. I also analyze the endogeneity of religious choice; instrumental variables estimates of the effects of Protestantism are similar to the OLS results.

However, Cantoni uses city size, and not relative real wage growth, which was the Weber thesis, as his “main dependent variable” (Cantoni, 2).

Other recent scholarship continues to find valid Protestant Ethic effects both in historical and contemporary development patterns.

Dudley and Blum write:

> Evidence of falling wages in Catholic cities and rising wages in Protestant cities between 1500 and 1750, during the spread of literacy in the vernacular, is inconsistent with most theoretical models of economic growth. In The Protestant Ethic, Weber suggested an alternative explanation based on culture. Here, a theoretical model confirms that a small change in the subjective cost of cooperating with strangers can generate a profound transformation in trading networks. In explaining urban growth in early-modern Europe, specifications compatible with human-capital versions of the neoclassical model and endogenous-growth theory are rejected in favor of a “small-world” formulation based on the Weber thesis.

Revisionist criticism

H. M. Robertson, in his book Aspects of Economic Individualism, argued against the historical and religious claims of Weber. Robertson points out that capitalism began to flourish not in Britain, but in 14th century Italy, a decidedly different epoch. Since this is true, then the rise of capitalism cannot be attributed to Adam Smith, the Protestant Reformation, etc. In fact, Robertson goes further, and states that what happened in Britain was rather a retrogression from what was achieved in Italy centuries earlier.

Looking at the history of the development of economic thought, Robertson shows that Adam Smith and David Ricardo did not found economic science de novo. In fact, liberal economic theory was developed by French and Italian Catholics, who were influenced by the Scholastics. The British economic thought was rather a step backwards since it espoused the Labor Theory of Value, which had already been proved incorrect by the School of Salamanca.

Other criticism

It has recently been suggested that Protestantism has indeed influenced positively the capitalist development of respective social systems not so much through the “Protestant ethics” but rather through the promotion of literacy.

Becker and Wossmann at the University of Munich, as well as Andrew Korotayev and Daria Khaltourina at the Russian Academy of Sciences, showed that literacy levels differing in religious areas can sufficiently explain the economic gaps cited by Weber. The results were supported even under a concentric diffusion model of Protestantism using distance from Wittenberg as a measure and within a larger cultural context.

Support

In 1958, American sociologist Gerhard Lenski conducted an empirical inquiry into “religion’s impact on politics, economics, and family life” in the Detroit, Mich., area. It revealed, among other insights, that there were significant differences between Catholics on the one hand and (white) Protestants and Jews on the other hand with respect to economics and the sciences. Lenski’s data supported basic hypotheses of Weber’s work. The Protestant Ethic and the Spirit of Capitalism. According to Lenski, “the contribution of Protestantism to material progress have been largely unintended by-products of certain distinctive Protestant traits. This was a central point in Weber’s theory.” Lenski noted that more than a hundred years prior to Weber, John Wesley, one of the founders of the Methodist church, had observed that “diligence and frugality” made Methodists wealthy. “In an early era, Protestant asceticism and dedication to work, as noted both by Wesley and Weber, seem to have been important patterns of action contributing to economic progress. Both facilitated the accumulation of capital, so critically important to the economic growth and development of nations.”

German theologian Friedrich Wilhelm Graf notes; “Sociologists of religion like Peter L. Berger and David Martin have interpreted the Protestant revolution in Latin America as implicit support of basic elements of Weber’s thesis. […] At any rate, many pious persons there interpret their transition from the Roman Catholic church to Protestant Pentecostal congregations in terms of a moral idea that promises long-term economic gains through strong innerworldly asceticism. The strict ascetic self-discipline that has been successfully institutionalized in the Pentecostal congregations, the readiness to work more and with greater effort and to take less leisurely attitudes lead many Pentecostal Christians to believe that their new faith in God is supported by their economic successes.”

See also

- Anglo-Saxon economy
- Disenchantment
- Iron cage
- Merton thesis
- Prosperity theology
- Protestant work ethic
- Rationalization
- Social evolutionism

References
Further reading


External links

- Online web version of the text
- Complete German text
- Complete text archive of The Protestant Ethic and the Spirit of Capitalism.
- The Protestant Ethic and the Spirit of Capitalism as 'prosperity classic', Commentary by Tom Butler-Bowdon
- 'Protestant Ethic Thesis' at the Swatos' Encyclopedia of Religion and Society
- Benjamin, Franklin (1748), Advice to a Young Tradesman

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Popular Artists
This is a review essay of the volume of the Max Weber Gesamtausgabe which contains the version of Die protestantische Ethik und der "Geist" des Kapitalismus that was published in the Archiv für Sozialwissenschaft und Sozialpolitik in 1904-1905. This volume also contains the major criticisms of Weber's work and his replies. The Protestant Ethic and the Spirit of Capitalism (German: Die protestantische Ethik und der Geist des Kapitalismus) is a book written by Max Weber, a German sociologist, economist, and politician. Begun as a series of essays, the original German text was composed in 1904 and 1905, and was translated into English for the first time by American sociologist Talcott Parsons in 1930. It is considered a founding text in economic sociology and sociology in general.