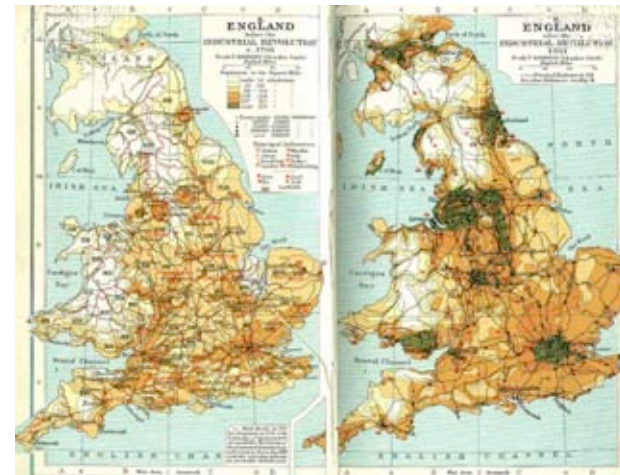


# Early Industrialization



# The Rise of 'Modernity'

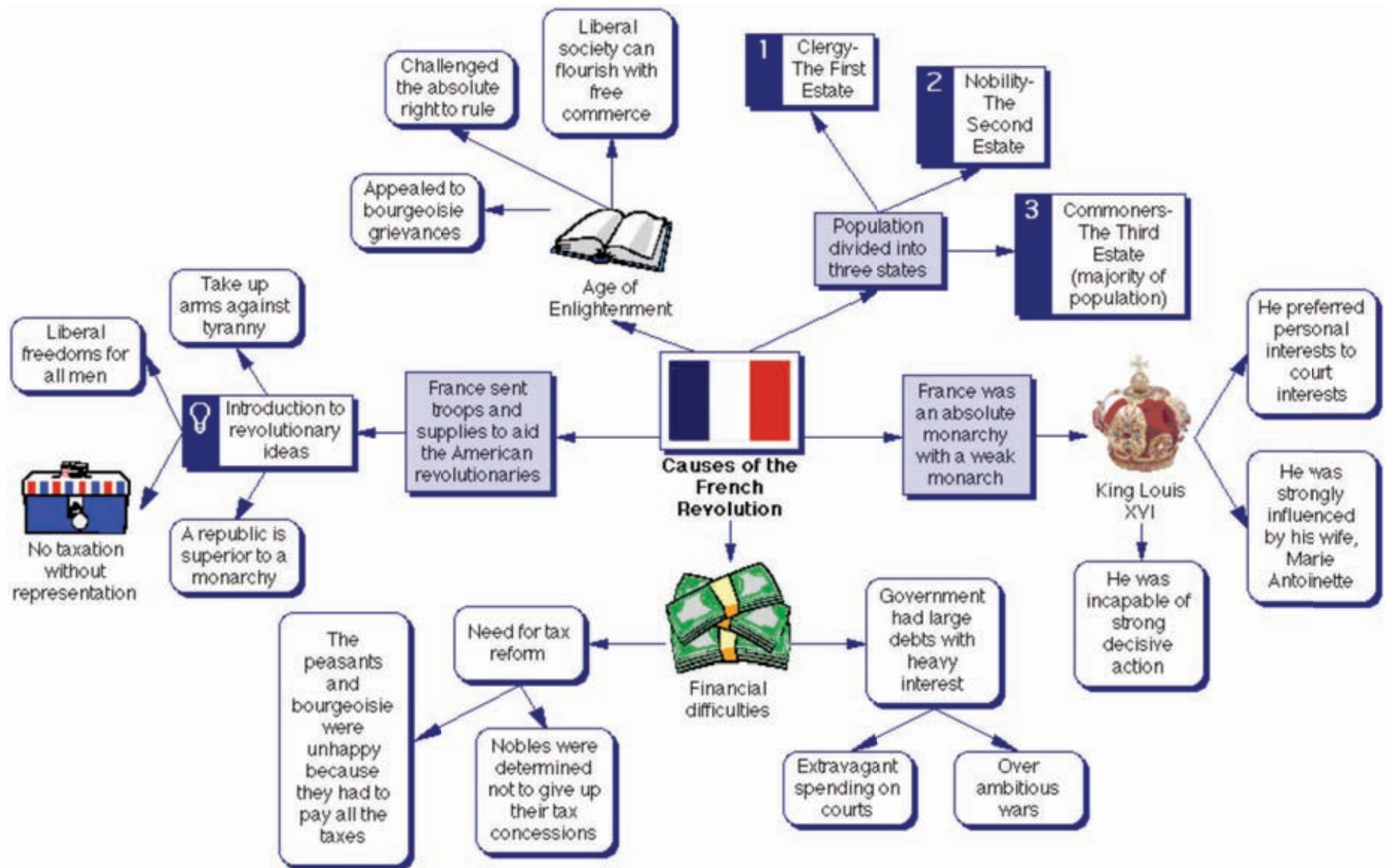
- Trade and the City (≈1300). Growing social role of the bourgeoisie. Early forms of capitalism.
- Renaissance (≈ 1400). Ancient texts and views (including 'pagan') receive attention. The cult of the individual. State power. The arts. Medici.
- Discoveries (from 1450s). Trade. New cultures. Gold and silver.
- Reformation (≈1500). Challenging the authority of the Roman church. Religious and moral responsibility of the individual. The entrepreneur. National languages, education.
- Science (from ≈1600). Rationality without God. Understanding and dominating the world. Technology.
- Industrial Revolution (from ≈ 1750). Technology. Mass production. Working class. Devaluation of land as major social resource. Capital.
- Modern Political Discourse. Natural rights. Rational state. Human rights. Democracy.
- Political Revolutions. USA, Declaration of Independence 1776; French Revolution 1789; abolition of slavery (from ≈ 1800).

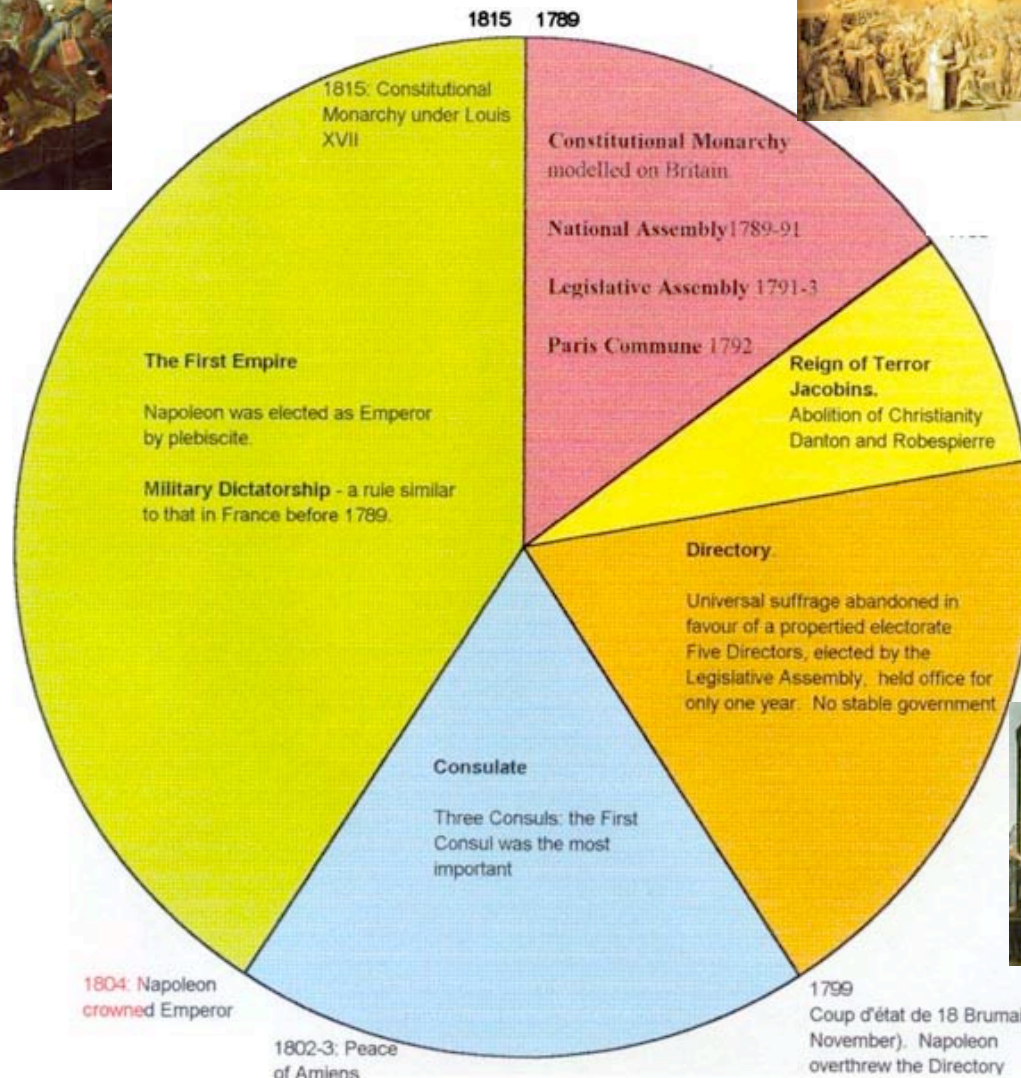
# ‘Society’: A view from 1859

- “The term society has its natural basis in the habits and views of the third estate. Aristocrats form the **courts**. Peasants and petit bourgeois meet in **pubs**, but they do not form a society. Only the third estate (partially together with the lower ranks of the aristocracy) knows forms of social interaction and coming together known as ‘society’. Wherever the **urban culture** is blossoming, society is its necessary correlate. In the courts, even small rank differences are crucial. In society, even large differences in income and social rank do not impede upon the idea of equality. How distinct its members may be, there is always the idea of **equal membership** in society, and it expresses itself in an equalizing effect on the **behaviors** and **attitudes** of its members. A society is based upon the **private life** of its members, and not easy to organize. The state cannot and should not try to control society.”

J.C. Bluntschli, Deutsches Staats-Wörterbuch, 1859











1789



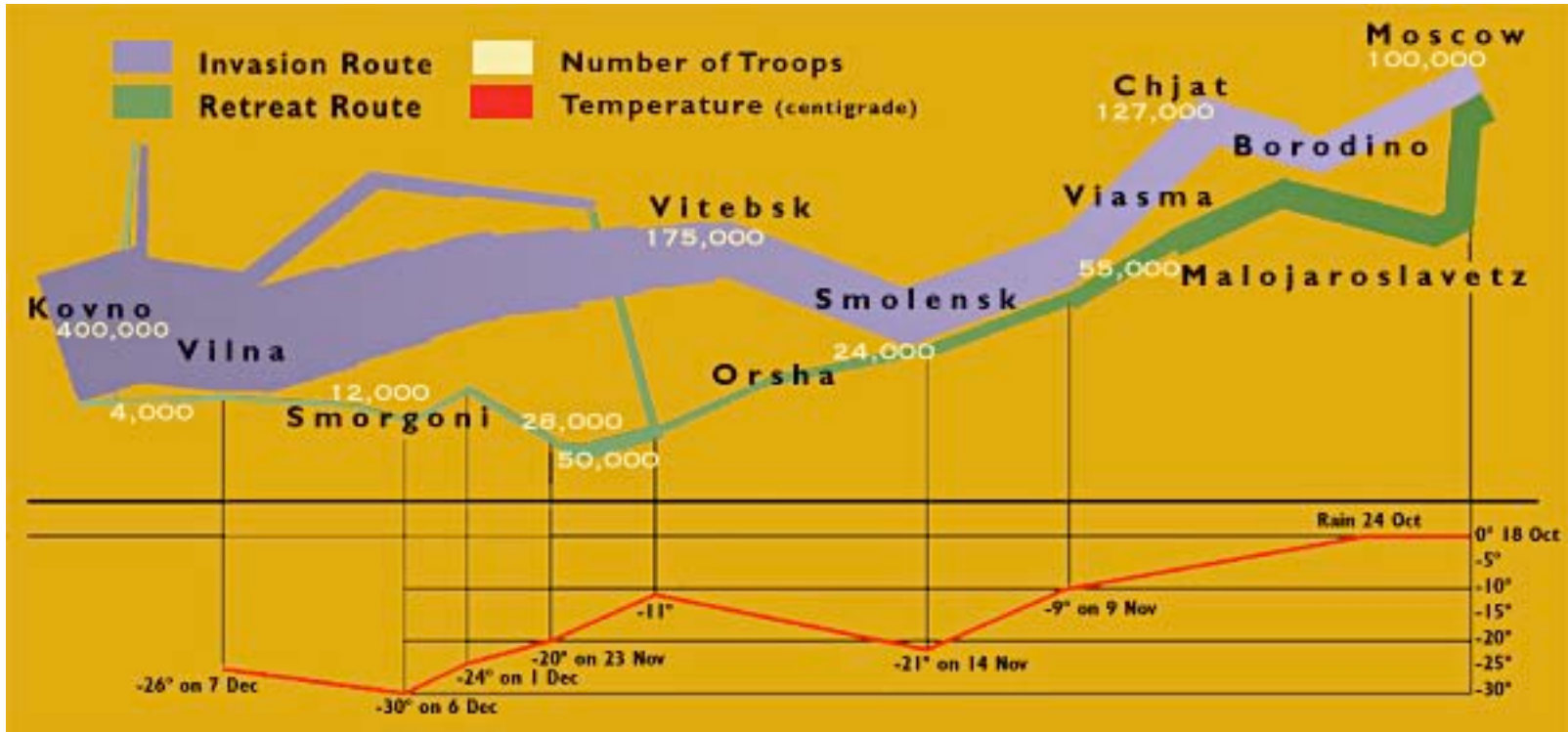
1812



1815



# The Russian Campaign 1812





# Germany in the 19<sup>th</sup> Century

- German states had been participating in warfare against Revolutionary France.
- Napoleon ends the almost 1000 year old history of the **Holy Roman Empire** (1803). By following old French policy, he tries to weaken and divide Germany.
- The French victory over **Prussia** leads to a search for reforms (military, education, government).
- Napoleon's defeat 1812 leads to the rise of German national sentiments. The **nation** and the **demos** are on the rise.
- The Vienna Congress (1815) tries to re-establish peace and the old powers. The German confederation (Deutscher Bund) includes parts of Austria. From now on, the question of a 'big' or a 'small' Germany arises.
- Prussia, gaining the (catholic) Rhine Province, is on the rise in Germany. Conflicts with Austria on the horizon.
- Politically, Napoleon's defeat leads to a **stagnation** of the democratic process in Germany.
- **Industrialization** and **urbanization** start. A new working class arises, especially in the cities and in the Rhine province (coal, steel) is in the making.
- The **Revolution of 1848** (First National Assembly in Frankfurt am Main) is neither successful in establishing the political rights of the bourgeoisie nor in creating a modern nation state.
- Only after successful wars against Austria (1866) and France (1870) does the first modern German nation state (**Deutsches Reich**) come into existence. Proclaimed in Versailles, it is the 'small' German solution with Prussian dominance and a strong emperor—a parliament, but no democracy.
- Germany experiences rapid **industrialization** and gains even some **colonies** by the 1880s (Togo



# Main Problems of the 19<sup>th</sup> Century Society (in Europe)

1. After Feudalism and Absolutism: What should a post-revolutionary, industrial society look like in terms of its basic **social structures** and **mechanisms**?
  - Re-feudalization
  - Modernized Social Estates
  - Market Liberalism ('Manchester Capitalism')
  - Socialism
2. How should a 'modern' society be governed in terms of its **political constitution**?
  - (Constitutional) monarchy
  - Representative democracy (exclusive: only the rich)
  - Representative democracy (inclusive: every adult)
3. What **type of state** should European societies live in?
  - Modernized versions of the Ancien Régime
  - Nation state (centralized, homogeneous society)
  - Nation state (decentralized, heterogeneous society)
4. What **political power structure** and institutions should Europe have?
  - Hegemony (England, France, Germany...)
  - Balance of powers (England, France, Germany...)
  - Balance of fear or of trust
5. What is the role and future of Europe's **colonies**?
  - Resource base and power symbols of modern nations with basically no rights
  - Resource base and power symbols of modern nations with restricted rights (and some education)

# Auguste Comte

(1798-1857)



- Born and educated in a 'highly Roman Catholic family' in southern France.
- Visited the *École Royale Polytechnique* in Paris (1814-1816)
  - Educational 'child' of the French Revolution
  - Education of military and civil **engineers** for the public service
  - **Republican spirit**; many professors politically active; temporarily closed down in 1816 (bad period anyway: ► Waterloo; political end of **Napoleon**; 'Holy Alliance')
- Temporary cooperation with **Saint-Simon** (1760-1825), a utopian social reformer (industry, finance, and science against the feudal powers).
- 1820s: *Cours de philosophie positive* (private lectures). Often sick (nerves!); educational jobs, no professorship.
- 1844: In love with **Clotilde de Vaux**; she does not fully answer his love and dies from tuberculosis.
- Since then: religious and mystic feelings dominate his thoughts.
- He further develops his *Système de politique positive, ou traité de sociologie instituant la religion de l'Humanité* (1851-54). Tries to ally with the Jesuit order against 'the anarchistic invasion of the Western delirium'.



# Auguste Comte

(1798-1857)



- Invents 'Positivism' and 'Sociology' (the latter 1838 in his IV. Volume of 'Cours de Philosophie Positive')
- The 'Encyclopedic Law':
  - Human knowledge is organic (encyclopedic; εν: Greek for all, totality; κυκλόσ: Greek for circle, closed system) in nature; aims at a totality or a system of knowledge.
  - The evolution of the encyclopedic knowledge follows the complexity of subjects: simple things first, more complex things later.
  - Complexity hierarchy of sciences:
    - Mathematics
    - Astronomy
    - Physics
    - Chemistry
    - Biology
    - Sociology
- The 'Law of the Three Phases'
  - The history of sciences and all human history is subject to a similar sequence of phases:
    1. Theological phase: God(s) as explanatory entities and social point of reference. Military.
    2. Metaphysical phase: Abstract, unobservable entities as basics for explanation. Jurisdiction.
    3. Positive phase: Observable entities and laws (relations between observables) as basic. Industry.
- Positivist Sociology
  - Study the laws of social static and dynamic
  - Use this knowledge for political planning (sociologists as engineers) (understanding ► foresight ► planning) (*voir pour prévoir*)

# A small example for the aftermath of Auguste Comte: The Brazilian Flag

- The Brazilian flag depicts the rainforest (green) and the natural richness (gold). The stars in the blue center (Southern Cross) symbolize the states.
- The green motto *Ordem e Progresso* (Order and Progress) was added by several of the people involved in the military coup d'état that deposed the monarchy and proclaimed Brazil a republic; they were followers of the ideas of Comte's thoughts.
- Before, the empire flag symbolized in green the Imperial House of Braganza of Pedro I, the first Emperor of Brazil. The yellow represented the Habsburg Imperial Family of Empress Leopoldina, his first wife.
- In 1891, a Temple of Positivism is opened in Rio de Janeiro. Comte's thoughts are taught in schools. Green is the positivists' favorite color...



*The Empire Flag (1822-1889)*



*The actual Flag (since 1889)*

## Auguste Comte

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### LAW OF THREE STAGES (of explanation)

“From the study of the development of human intelligence, in all directions, and through all times, the discovery arises of a great fundamental law, to which it is necessarily subject, and which has a solid foundation of proof, both in the facts of our organization and in our historical experience. The law is this:—that each of our leading conceptions—each branch of our knowledge—passes successively through three different theoretical conditions: the Theological, or fictitious; the Metaphysical, or abstract; and the Scientific, or positive.”

*Positive Philosophy* , p 25

## Auguste Comte

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### Three Stages of Explanation: examples

Question	Theological	Metaphysical	Positive
Why does a rock fall?	God (or a spirit) wills it	nature of heavy objects to fall	law of gravity
Why is there disease?	punishment for sin	life is nasty, brutish, short	virus, bacteria
Why are there wars?	gods toy with mortals; evil warmongers	human nature: territorial, will to power, libidinal	????

Basis                      revelation                      reason                      observation

stages occur in our individual lives:  
“ontogeny recapitulates phylogeny”



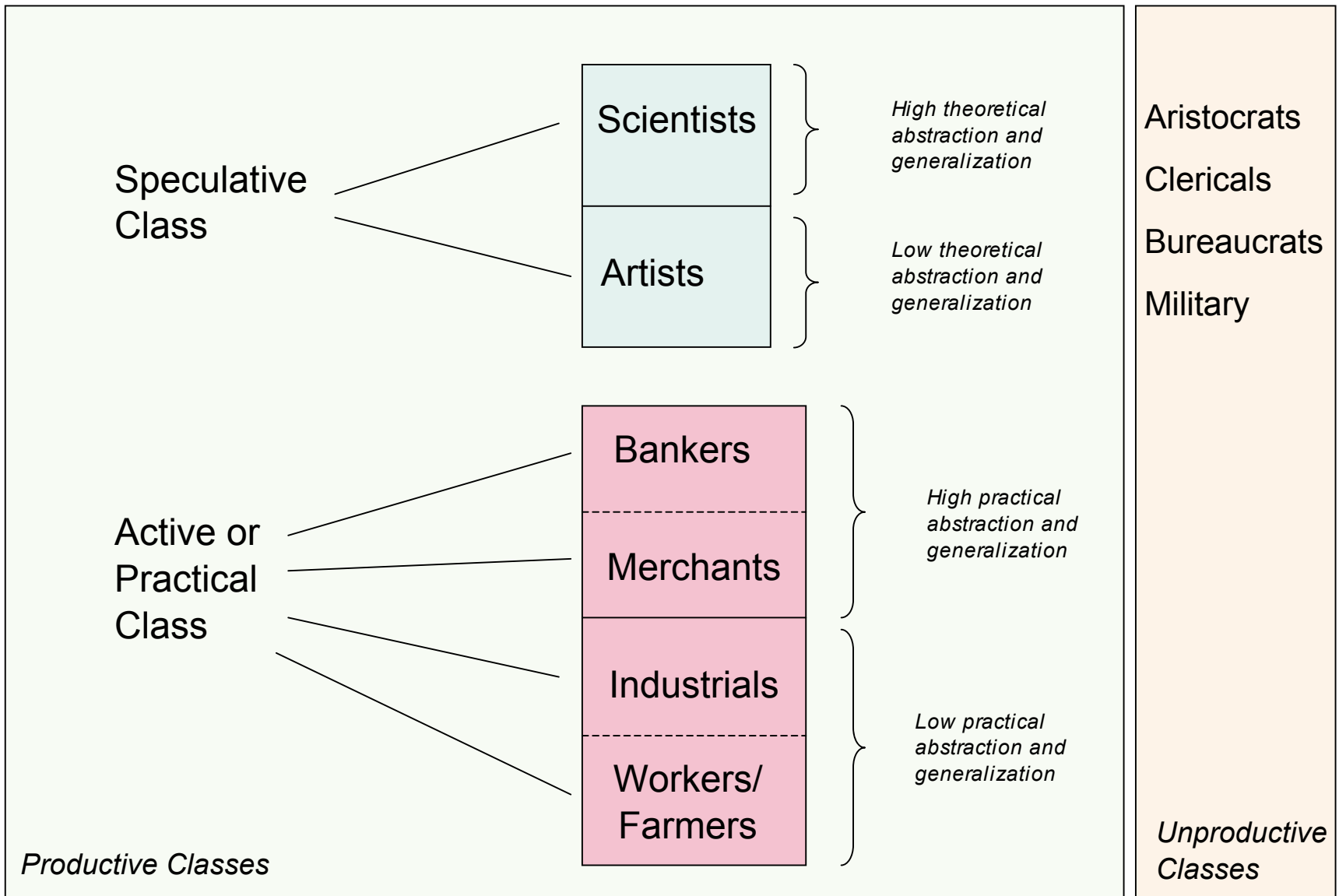
# Auguste Comte

(1798-1857)



- The **crisis** after the French Revolution is a result of the theological and metaphysical phases not yet fully replaced by the positive phase.
- The term '**positive**' is referring to:
  - **Facts** instead of opinions or illusions
  - The **useful** instead of useless things
  - **Certainty** instead of uncertainty
  - The **exact** instead of the vague
  - The **constructive** instead of the destructive
- There is **progress** in human history. This progress follows an order (Three Phase Law). We cannot change this order, but rather shorten the appearance of phases and the costs of change (role of sociology!).
- The main domain of social change is a **moral** or **spiritual** one: the thoughts and opinions (cf. *l'esprit des lois*) people have is decisive.
- **Science** is a neutral and objective domain, and the positive science of society (=sociology) is determined to lead modern societies to a better (positive, happy) future, balancing the needs of **progress** and **order**.

# The modern class structure according to Comte





# Karl Marx

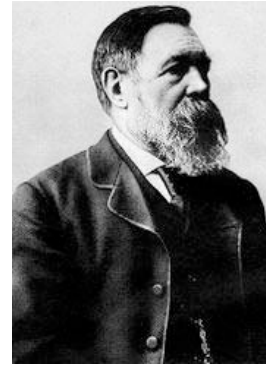
(1818-1883)



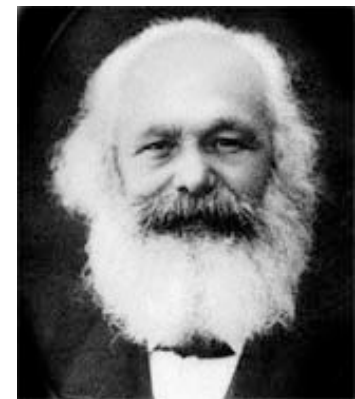
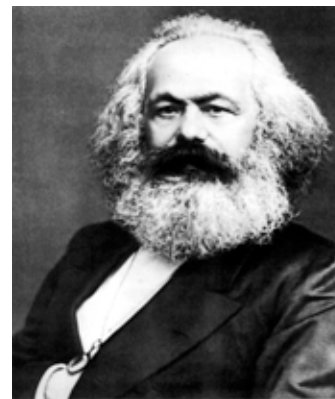
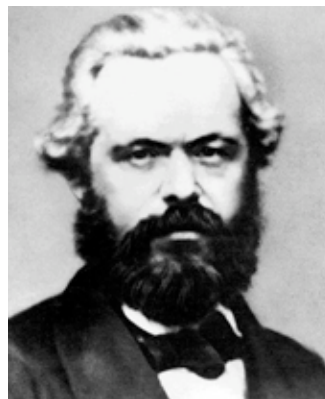
- Inventor of Marxism (although: “*Moi, je ne suis pas Marxiste*”); dislikes Comte and his positivistic sociology.
- Born 1818 in the then Prussian Rhine Province (Trier); Jewish ancestors, conversion to Protestantism during generation of father.
- As a student (Bonn, Berlin) influenced by Hegel and the left-wing Hegelians (especially Feuerbach). Early and lifelong friendship with Friedrich Engels, a well-endowed son of an entrepreneur from Wuppertal.
- Doctoral dissertation in philosophy (1839): *Differenz der demokritischen und epikureischen Naturphilosophie*. Sympathizes with materialism.
- Early political writings on questions of poverty, the situation of the working classes, and the political system of modern states (Prussia).
- Participates in the German Revolution of 1848 as a left-wing author and party leader (Communism), has to leave the country after the defeat of the revolution (first Paris and Brussels, then London, the place he will die).
- Dedicates his time (and Engels' money) mainly to write ‘his book’ on Political Economy. This takes several years and versions. The final one is known as ‘Das Kapital’ (Capital), first volume in 1867, second volume in 1872, third volume (incomplete) in 1883.
- Politically active in the constitution of the German, British and international labor movement (co-founder of the First Socialist International Movement).
- Incredible theoretical and political influence during the 20<sup>th</sup> century (Socialist Parties, Russian Revolution, Western Marxism, Students’ Movement 1968, Third World Marxist Movements, Cuba, Vietnam, China, Eastern Europe.)
- After the end of communism, Marx is often treated as a ‘dead dog’ (used by Marx to characterize his contemporaries’ attitude towards Hegel).



Friedrich Engels, 1820 (Barmen) – 1895 (London)



Karl Marx, 1818 (Trier) – 1883 (London)





# Karl Marx

(1818-1883)



- Marx' main opus (Capital) bears the subtitle 'Critique of Political Economy'. **Political Economy** comes from authors like
  - **François Quesnay** (1720-1789): *Tableau Economique*. An economic analysis of the French society from a modern capitalist point of view, including an analysis of social classes and their economic exchange relations. Feudals are part of the 'unproductive class'.
  - **Adam Smith** (1723-1790): *The Wealth of Nations*. An economic (and subtly moral) analysis of the English economy, the sources of wealth (theoretically: sources of value - land, labor, capital, practically: the correct economic policy), and the best way to preserve it by economic policy (trade, taxation etc.).
  - **David Ricardo** (1772-1823): *Principles of Political Economy*. In part a critique of Smith, less explicitly moral, land is weakened as a source/constituent of economic value. Class relations do play a more prominent role.
- Marx' class analysis, a core piece of what might be termed his 'sociology', is embedded in an extensive analysis of core elements of **modern capitalism**: the commodity, of exchange and money, of use and exchange value, of 'commodity fetishism', of the basic 'mechanism' of modern capitalism (M-C-M'), of various forms of capital (industrial, trade...), and of the historical evolution of modern capitalism.
- Unfortunately, the chapter on **classes** in his third volume of 'Capital' has not been completed by Marx. He distinguishes three major classes in modern capitalism: capitalists, workers, and land owners (cf. Ricardo). On the other hand, in the rest of his book, Marx operates with the 'basic contradiction' between capital and labor. Main criterion is the property (disposition of) the resource: capital or labor force

# Some Principles of Marx (I)

1. It is not the ideal, spiritual or moral order that determines reality (what reality is (ontology), and how we perceive it (=epistemology), it is the material (**Materialism**) (Against Hegel, but also Comte).
2. Reality is governed by dynamical contradictions, and only a method allowing for contradictions is able to deal with reality (**Dialectical Materialism**; positive role for Hegel).
3. The main goal of philosophy and science is not (only) understanding, but (revolutionary) **change**.

“The philosophers have only interpreted the world, in various ways; the point is to change it.” (Feuerbach Thesis No. 11)

4. Human history is coined and pushed ahead by **social contradictions**, the main one being class conflict (latent) and class struggle (manifest). Comte’s ‘order’ is latent conflict, Comte’s ‘progress’ is revolution.

“The history of all hitherto existing society is the history of class struggles.” (The Communist Manifesto, Chap. 1)

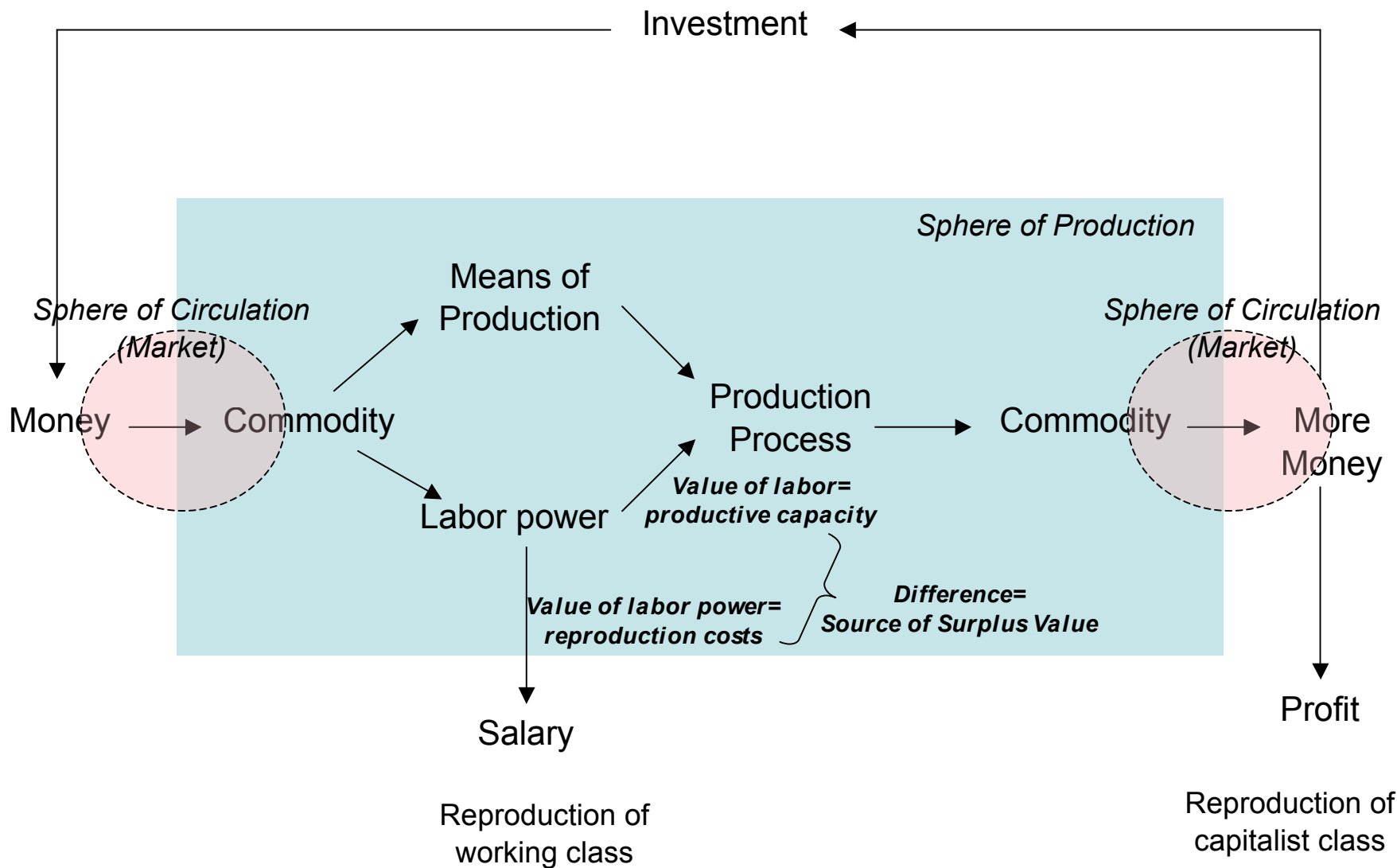
# Some Principles of Marx (II)

5. Class conflicts are driven by the dynamical process (extreme: contradiction) of **productive forces** (=technology, human capital) and **production relations** (=structures of ownership and control).
6. There is **progress** in history as far as there is the contradictory evolution of new basic forms of production relations:
  - Early Communism
  - Ancient Slavery
  - Asiatic Mode of Production
  - Feudalism
  - Capitalism
  - Socialism/Communism
7. Modern capitalism is the most **progressive** and **dynamic** form of human society. It will destroy (i) all historical remnants of feudalism etc., but also (ii) all other production relations in other parts of the world (see India). We are witnessing the coming of a global capitalist society (mid 1800s).
8. Capitalism, as any other form of 'pre-history', will be subject to its own contradictions, and thus be overthrown by the new progressive class, the **proletariat**.
9. By becoming aware of its own exploitation, the fragmented and unorganized modern proletariat will evolve to a 'class for itself' (► Hegel: *An sich* versus *Für sich*). Its economic and political class organization (labor unions, party) will catalyze this process and lead to a **revolution**.
10. After the revolution, **communism** will satisfy everybody's needs and wants, and end the class struggle of history for good.

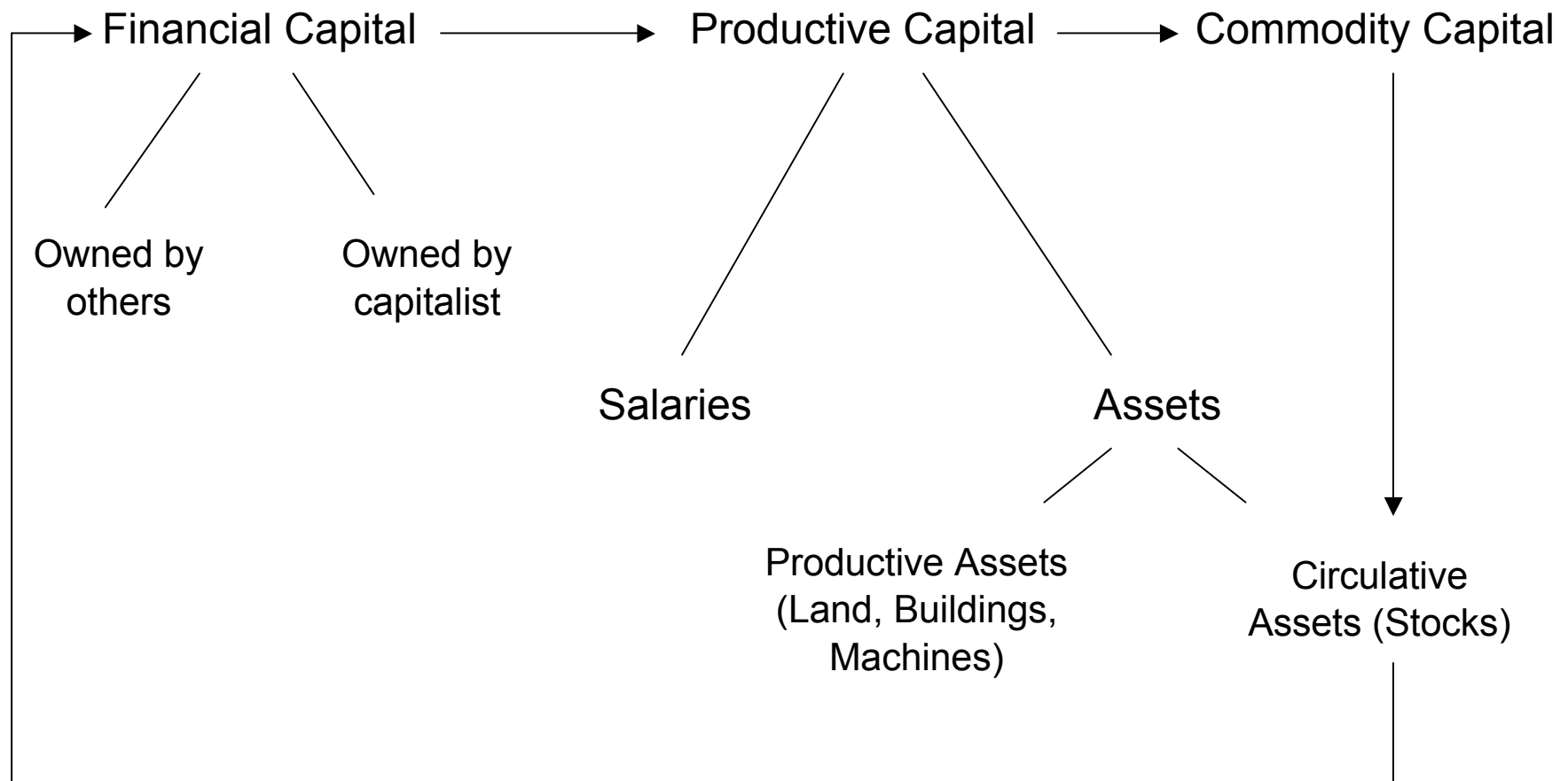


# Capitalism

- Feudal agriculture is no longer the core source/type of production (Industrial Revolution; as with Comte)
- The majority of small farmers and artisans have been 'freed' from their means of production ('Original accumulation').
- They are forced to sell their skills on the labor market (proletariat).
- There is a class of people (capitalists) that owns the means of production and purchasing 'free' labor on the labor market. By commanding and controlling the means of production, this class is the ruling one.
- Profit seeking is the main driver for capitalists, and they are forced to do so by the competition process.
- The goods produced are sold as commodities on markets. Everything is a commodity, even human labor and abilities. The exchange value dominates our world and minds as something 'natural' ('Commodity Fetishism' ► Critical Theory)
- Capitalism is revolutionary and global.
- The modern nation state is the adequate form of political regulation for capitalism. However, it is not neutral, but an instrument of domination.



# Forms of Capital

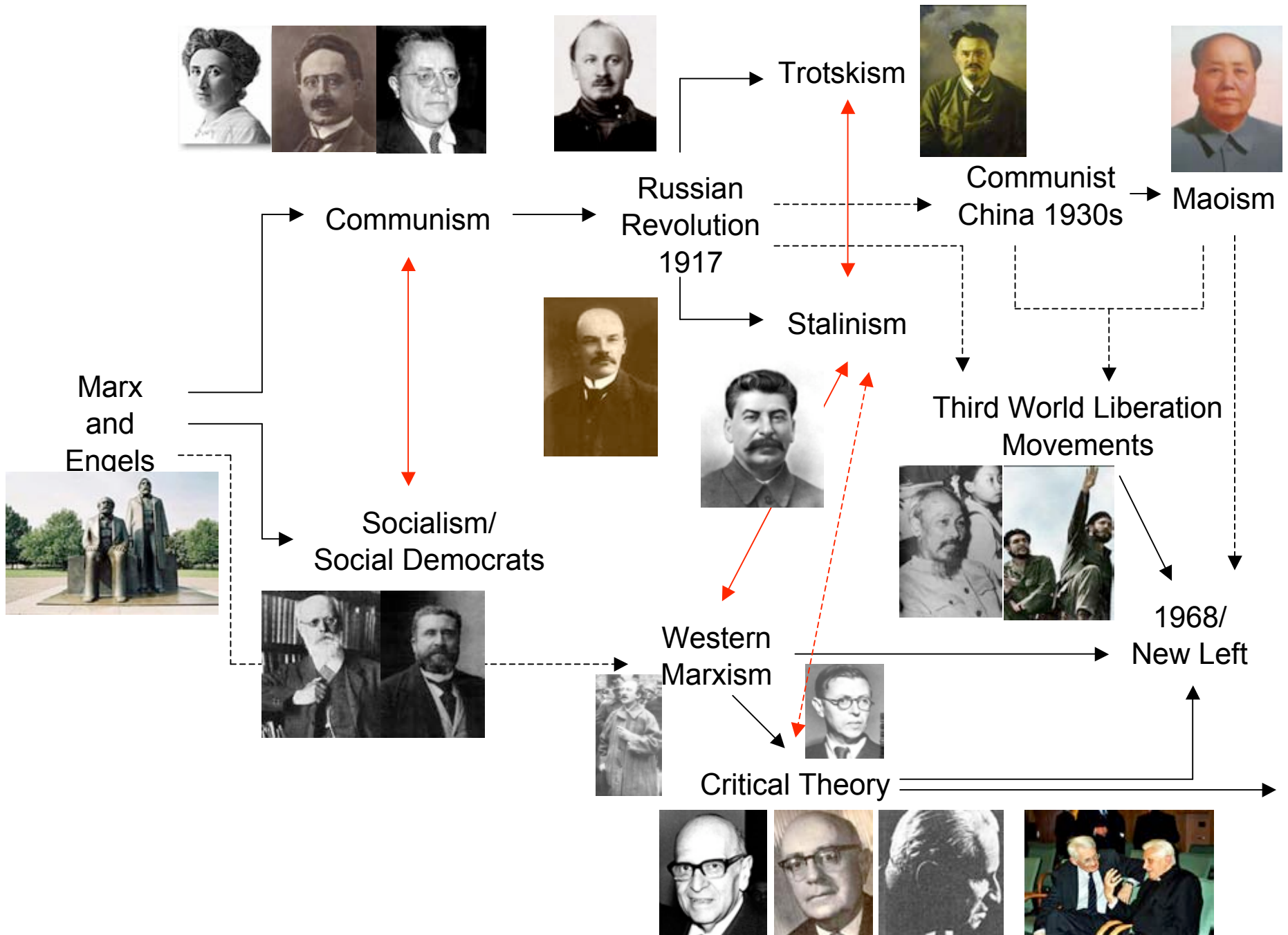


# Elements of Marx' Class Theory

- **Core piece** of his work: links analysis and politics. Base of Marx' historical impact.
- **Fragment**. Open to interpretation and (politically motivated) debate.
- Constitutive **principles**:
  - Relation to means of production (possession or non-possession)
  - Functional elements (division of labor, hierarchy, degree of control)
  - Class consciousness (degree of integration and action)
- Three major **means of production**, three major **sources of income** (revenue), three major **social classes**:

– Labor power	▶ Salary	▶ Working Class
– Capital	▶ Profit	▶ Capitalist Class
– Land	▶ Rent	▶ Land Owner Class
- **Major** conflict: Capital versus Labor. Major mechanism: surplus appropriation (exploitation). Economic **crises** will lead to an **impoverishment** and a unification of the proletariat.
- Problem of the **middle classes** (internal differentiation of labor and capital), and of **mixed classes** (smallholder farmers: owning land and working) (▶ modern sociology, following Max Weber)







# Karl Marx

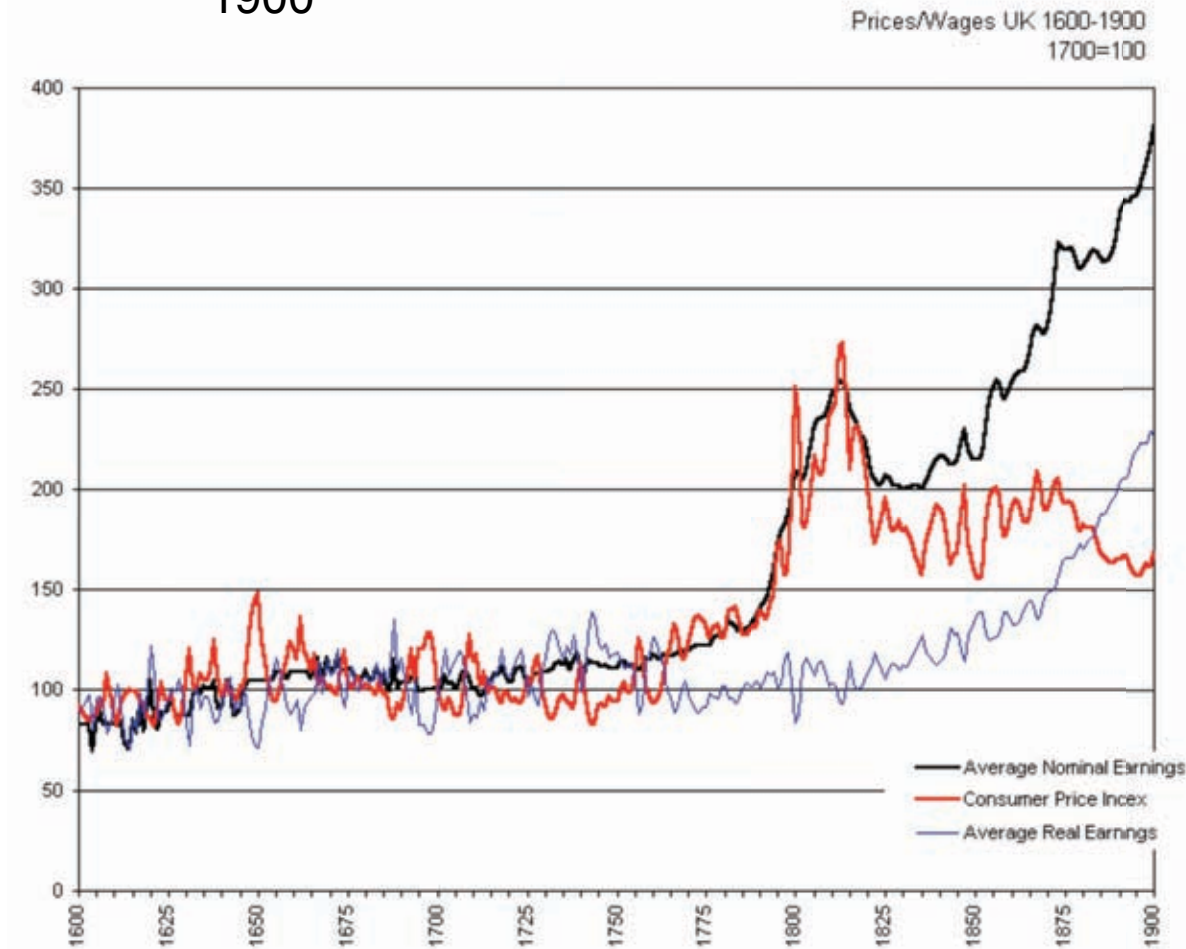
(1818-1883)



- What has shown to be **problematic** or **critical** with Marxism?
  - The coherent picture of human history as a **universal and law-like** succession of progressive historical formations, given the plurality of societies and the complexity of historical processes.
  - The double **character** of Marx' theory as both empirical and 'metaphysical' (► 'Law of falling rate of profit')
  - The theory of **surplus value** as the only source of growth, given the role of technology and science (► Shareholder Capitalism: People raise profits by firing staff).
  - The contradiction and **crisis** dominated view on modern capitalism given its obvious ability to survive and renew itself (► New Growth Regimes, Varieties of Capitalism).
  - The unifying and revolution-oriented view on the **proletariat**, given its plural structure and relative prosperity.
  - The negative (domination-oriented) view on the modern nation **state** and **democracy**.
  - A more or less latent tendency to install an **avant-garde party** with **totalitarian** tendencies.

## Real Wages in the U.K., 1600-1900

## Weekly Working Hours in Germany, 1871-1913



Year	Weekly working hours
1871	72
1873	68
1889	65
1900	61
1910	57
1913	55,5

	U.K.	U.S.	Japan	U.K.	U.S.	Japan
	Gross Stock of Machinery and Equipment Per Capita (1990 \$)			Gross Stock of Non-Residential Structures Per Capita (1990 \$)		
1820	92	87	n.a.	1,074	1,094	n.a.
1870	334	489	94a	2,509	3,686	593
1913	878	2,749	329	3,215	14,696	852
1950	2,122	6,110	1,381	3,412	17,211	1,929
1973	6,203	10,762	6,431	9,585	24,366	12,778
1998	11,953	25,153	29,987	21,066	35,810	49,042

Capital endowment is growing

Public infrastructure is growing, especially in the later period

(Fossil) energy consumption grows

	Primary Energy Consumption Per Capita (tons of oil equiv.)			Average Years of Education Per Person Employed*		
1820	0.61	2.45b	0.20	2.00	1.75	1.50
1870	2.21	2.45	0.20	4.44	3.92	1.50
1913	3.24	4.47	0.42	8.82	7.86	5.36
1950	3.14	5.68	0.54	10.60	11.27	9.11
1973	3.93	8.19	2.98	11.66	14.58	12.09
1998	3.89	8.15	4.04	15.10	19.46	16.03

People become more skilled and more educated

	Land Area Per Capita (hectares)			Exports Per Capita (1990 \$)		
1820	1.48	48.1	1.23	53	25	0
1870	1.00	23.4	1.11	390	62	2
1913	0.69	9.6	0.74	862	197	33
1950	0.48	6.2	0.44	781	283	42
1973	0.43	4.4	0.35	1,684	824	875
1998	0.41	3.5	0.30	4,680	2,755	2,736

Population density is on the rise

	Hours Worked Per Head of Population			GDP Per Man-hour (1990 \$)		
1820	1,153	968	1,598	1.49	1.30	0.42
1870	1,251	1,084	1,598	2.55	2.25	0.46
1913	1,181	1,036	1,290	4.31	5.12	1.08
1950	904	756	925	7.93	12.65	2.08
1973	750	704	988	15.97	23.72	11.57
1998	657	791	905	27.45	34.55	22.54

The economy is globalizing

Working hours are reduced, especially in the later period

Notes: (a) 1890; (b) 1850; \*equivalent years of primary education.

Source: Maddison 2005

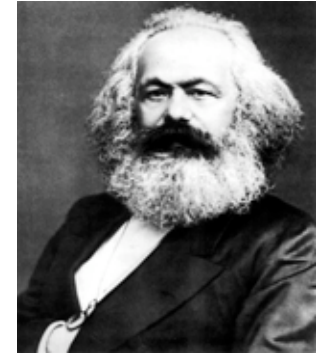
Productivity growth is huge





# Karl Marx

(1818-1883)



- What **remains** from Marx after the 'end' of socialism?
  - The **political economy** approach to modern capitalism, i.e. to embed economic structures and processes in a wider social system
  - A **historical view** on modern capitalism.
  - Stressing the highly **dynamic nature** of modern capitalism.
  - Stressing the **global impact** or character of modern capitalism.
  - A **non-harmonious view** on modern capitalism, stressing conflicts and the moving character of (some) contradictions or tensions. (► Restituting Hegel's view on the productive role of contradictions)
  - Stressing the **social function** of the (social) sciences.
  - After the end of socialism ('cold war'), **capitalism** has proved to be the dominant socio-economic system. It still remains an open question as to how socially **stable** and ecologically **sustainable** it will be.

# Germany during the 19<sup>th</sup> Century

- After the Vienna Congress (1815), the 'German Question' remains open: The European powers (England, France, Russia) do not want a unified nation state in the center of Europe, but Germans debate about two solutions: (1) The 'Great German Solution' (including the German speaking peoples of the Austrian Empire; (2) The 'Small German Solution' (excluding the Austrian Empire).
- In 1848/49, Europe experiences **revolutions** (France, Austria, Poland, Italy, Germany). Main goals: constitution, right to vote, social situation of the working poor, nation state. Main ideology: political liberalism.
- The German Revolution ends in 1849 due to the powerlessness of the Frankfurt Parliament, and the unwillingness of Prussia to become a catalyst of a nation state. Results: political resignation; reactionary rule; bourgeoisie concentrates on economy; national question still open.
- The **Crimean War** (1853-1856) between Russia and an alliance of France and England (Prussia neutral) opens up a window of opportunity for 'Germany'.
- Only after successful wars against Austria (1866) and France (1870) does the first modern German nation state (**Deutsches Reich**) come into existence. Proclaimed in Versailles, it is the 'small' German solution with Prussian dominance and a strong emperor—a parliament, but no democracy.
- The main protagonist of this unification (Bismarck) wants to expand Prussian dominance, but in the result, Prussia is swallowed up by Germany.
- Germany experiences rapid **industrialization** and gains even some **colonies** by the 1880s (Togo, Cameroon, East Africa, Southwest Africa). It evolves as an important European power.
- Major **conflicts**:



'Germany' as part of the  
Deutscher Bund, since 1815



Deutsches Reich, since 1871

# Main Problems of the 19<sup>th</sup> Century Society (in Europe)—and the German Solution since 1871

1. After Feudalism and Absolutism: What should a post-revolutionary, industrial society look like in terms of its basic **social structures** and **mechanisms**?

- Re-feudalization
- Modernized Social Estates
- Market Liberalism ('Manchester Capitalism')
- Socialism

**State moderated class society  
with feudal privileges**

2. How should a 'modern' society be governed in terms of its **political constitution**?

- (Constitutional) monarchy
- Representative democracy (exclusive: only the rich)
- Representative democracy (inclusive: every adult)

**Pseudo-Constitutional Monarchy  
with a weak parliament**

3. What **type of state** should European societies live in?

- Modernized versions of the Ancien Régime
- Nation state (centralized, homogeneous society)
- Nation state (decentralized, heterogeneous society)

**Nation state ('small Germany')  
with a rather homogeneous  
society and federalism**

4. What **political power structure** and institutions should Europe have?

- Hegemony (England, France, Germany...)
- Balance of powers (England, France, Germany...)
- Balance of fear or of trust

**Balance of power; new: Central  
Europe has a strong center**

5. What is the role and future of Europe's **colonies**?

- Resource base and power symbols of modern nations with basically no rights
- Resource base and power symbols of modern nations with restricted rights (and some education)

**Resource base and power  
symbols with basically no rights**

# Early Sociology in 19<sup>th</sup> Century Germany

- Background: Coupling of political and economic thought (Polizey, Kameralismus); close relation to political practice.
- **Robert von Mohl** (1799-1875). Political and law professor. In contact with socialist ideas; preventing political revolutions by social reform; tries to separate 'society' from 'state' and 'private/economy'.
- **Lorenz von Stein** (1815-1890). Law, Political Economy. "Der Sozialismus und Kommunismus des heutigen Frankreich. Ein Beitrag zur Zeitgeschichte." (1842) (► Social and political situation in France important; sociological analysis clearly linked to contemporary history). Reform of the state or revolution.
- **Ferdinand Tönnies** (1855-1936). "Gemeinschaft und Gesellschaft. Grundbegriffe der reinen Soziologie" (1887)

## **Gemeinschaft**

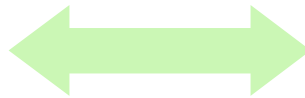
Shared Values & Traditions  
Organic

Family  
Tribe  
Friendship  
Voluntary Associations  
Soccer Club

## **Gesellschaft**

Common Interests  
Artificial

Enterprise  
City  
Weak Ties  
Markets  
Shareholder Meeting



- 'Werturteilsstreit' (Debate about Value Statements) in German Social Sciences (esp. Political Economy) of the late 1900s:

## **Schmoller** (Historical School, Berlin)

Social Sciences have a historical basis  
Social Rules are limited generalizations  
Humans follow various 'logics of action'  
The Capitalist Economy is historically embedded history  
The Social Scientist should engage himself  
neutral observer



## **Menger** (Marginal School, Vienna)

Social Sciences develop universal laws  
Social Rules have an axiomatic character  
Humans are self-interested, rational beings  
The Capitalist Economy is the final result of

The Social Scientist is a value



# Max Weber

1864-1920



- Born 1864 in Erfurt (Thuringen); protestant family with good standing. Mother Calvinist, father lawyer (and less religious). Family moves to Berlin 1869.
- From 1882: Studies law (history, economics, philosophy, theology) in Heidelberg, later Straßburg and Goettingen, since 1887 Berlin
- Doctoral Dissertation 1889 in Berlin (*Die Geschichte der mittelalterlichen Handelsgesellschaft*, The History of Commercial Partnerships in the Middle Ages). 1892 Habilitation thesis (*Die römische Agrargeschichte in ihrer Bedeutung für das Staats- und Privatrecht*, Roman Agrarian History and its Meaning for Public and Private Law).
- 1893: Marriage with Marianne Schnitger (an early feminist and law theorist); no kids; later: affairs with other women (Else Jaffé, Mina Tobler).
- 1894: Professor for Political Economy, Freiburg
- 1897: Successor of his academic teacher, Karl Knies, at Heidelberg University (Political Economy).
- 1898: Nervous breakdown; psychic illness; no teaching until 1917.
- 1904: Co-Editor (Sombart, Jaffé) of the journal *Archiv für Sozialwissenschaft und Sozialpolitik*
- 1909: Founding member of the German Sociological Association (DGS) (leaves it 1914)
- 1919: Professor (Political Economy) in Munich. Advisor to the German government (Versailles; Weimar Constitution)
- 1920: Dies from influenza in Munich.
- First book published in English language: *General Economic History* (1927), translated by Frank Knight, a



Max Weber and his brothers, 1879



1894



Max Weber in Heidelberg, 1917

# Max Weber: Major Works

1864-1920



- 1889: Die Geschichte der mittelalterlichen Handelsgesellschaft (Diss.) (learns Italian and Spanish)
- 1892: Die römische Agrargeschichte in ihrer Bedeutung für das Staats- und Privatrecht (Habil.); Die Lage der ostelbischen Landarbeiter (Empirical Inquiry in East and West Prussia; early milestone in empirical research)
- 1895: Der Nationalstaat und die Volkswirtschaftspolitik (Inaugural Speech as Professor)
- 1896: Die sozialen Gründe des Untergangs der antiken Kultur
- 1904: Die 'Objektivität' sozialwissenschaftlicher und sozialpolitischer Erkenntnis
- 1905: Die protestantische Ethik und der Geist des Kapitalismus
- 1906: Articles on USA and Russia (► Russian Revolution of 1905; learns Russian)
- 1909: Agrarverhältnisse im Altertum und Antike Agrarforschung
- 1910: Energetische Sozialtheorien
- 1911-1920: Work on Wirtschaft und Gesellschaft. Grundriß der Sozialökonomik
- 1913: Über einige Kategorien der verstehenden Soziologie
- 1916: Musiksoziologie
- 1915-17: Die Wirtschaftsethik der Weltreligionen
- 1917: Der Sozialismus; Zur Psychophysik der industriellen Arbeit
- 1918: Über den Sinn der 'Wertfreiheit' der soziologischen und ökonomischen Wissenschaften
- 1919: Wissenschaft als Beruf and Politik als Beruf

Sociological Methodology

Economic Sociology

Economic History

Agrarian Sociology

Sociology of Industrial Relations

Environmental Sociology

Sociology of Religion

Sociology of the Social Sciences

Sociology of Arts

Political Sociology

# Max Weber

1864-1920



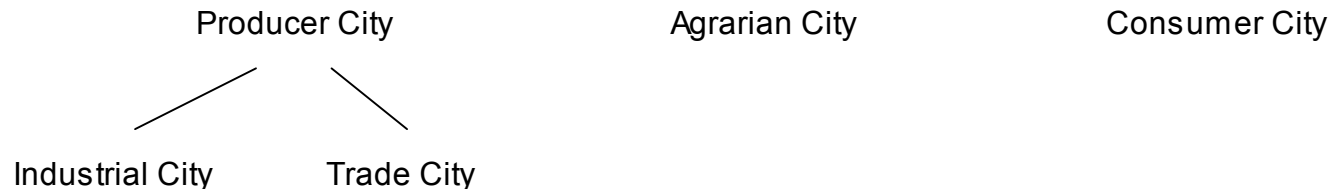
- Doctoral Dissertation 1889 in Berlin (*Die Geschichte der mittelalterlichen Handelsgesellschaft*; The History of Commercial Partnerships in the Middle Ages).
  - Main question: What are the necessary and sufficient conditions for the appearance of a core institution of modern capitalism, the commercial partnership (or trading company). Not a theory about the socio-economics of modern capitalism as a whole, nor of the ‘normative’ basis of modern capitalism.
    1. The presence of a **legal entity**, a **firm** having legal personality, for the conduct of business;
    2. The existence of **joint** or **solidarity liability**, especially with regard to creditors or third parties;
    3. The provision in the enterprise of a “**separate fund**” or **joint assets**, permitting a distinction between joint and personal financial responsibilities.
  - These conditions had not been met in ancient Rome (knows 1, lacks 2 and 3), although quantitatively there were more ‘capitalist’ turnovers than in the middle ages. As a transitional phenomenon, one finds 1-3 in the ‘adventure capitalism’ of overseas traders in Italian (and other Mediterranean) cities (► Crusades). But a full fledged institution is found in more stable trading cities in the inlands, such as **Florence** or **Pisa**. The **household** emerges as an economically active unit, not only as a place for reproduction and a kinship community (*Gesellschaft*, not only *Gemeinschaft*). Implies a shift from patriarchic structures to the joint decision making of equals.
  - The book offers a not (yet) formalized understanding rational economic action in situations of risk uncertainty and imperfect information

# Max Weber

1864-1920



- As part of his encompassing theory of modern capitalism, Weber looks at the occidental (European) city—and tries to compare/contrast it to other city types in time and space.
- Starting point is the somehow paradoxical fact that modern capitalist institutions (commercial partnerships/trade societies; households as economic agents; work ethics, free labor...) did not arise from the ancient Roman cities, although from the point of view of general economic activity, greed, Roman Law and general civilization level, the Roman city would have been a very promising candidate.
- Besides economic institutions, Weber is interested in the evolution of the city as a political actor, contributing to the evolution of the modern state. The latter implies the restriction of the power of territorial rulers (dukes, kings...), and the emergence of 'independent' cities is a necessary precondition.



- Important element of the occidental city: the citizen as a free and equal 'brother'; connubium, commercium, commensalitas. Urban solidarity enables a free, 'anonymous' market (► compare Ibn Khaldun!)

# Max Weber

1864-1920



A famous definition by Max Weber (1920):

“Sociology shall mean: a science that **understands** social action, and **by this** wants to **causally explain** its course and effects.”

(By the way: Lost in translation: “Sociology is a science which attempts to understand social action **through** a causal explanation of its course and effects.” Chicago University Web source)

- Sociology is a science. Science is about (causal) explanation. Causal explanations ‘deduce’ single events (*explanandum*) from (1) general laws/rules ( $A \rightarrow B$ ) and (2) boundary conditions in time and space ( $B_{(i)}$ ). (1) and (2) together make up the *explanans*.
- Main elements of causal explanations in sociology are:
  - **Social action**
  - **Course** of social action
  - **Effects** of social action
- The funny thing: causal explanation in sociology is possible only via the interpretative route (understanding of social action). Distinguishes it from the natural sciences. You don’t need to understand an apple in order to explain its falling down.



# Social Action

- (Social) Action  $\neq$  (Animal) Behavior
- **Action:** The acting individual(s) attaches a **subjective meaning** to a behavior (external or internal behavior, failure or refrain).
- **Social Action:** The acting individual takes account of the **behavior of others** and is thereby oriented in its course.
- **Meaning:**
  - a) **Factual/empirical** meaning
    - i. the subjective meaning of the **factual** or **historical case** of a particular actor
    - ii. the **average** or **approximate** subjective meaning attributable to a mass of actors
  - b) **Conceptually constructed** pure type of thought ( $\neq$  'correct' meaning in a scientific or 'true' meaning in metaphysical sense)
- **Understanding:** The interpretative grasp of meaning
  - a) the **actually intended** meaning for concrete action
  - b) the **average** of, or an approximation to, the actually intended meaning
  - c) the meaning appropriate to a scientifically constructed pure type (an **ideal type**)

# Typology of Social Action

“Social action, like other forms of action, may be classified in the following four types of orientation:

- (1) **End-rational action** strives for the actor's own ends through expectations of the behavior of other person or objects in the external situation. This action makes use of these expectation as ‘conditions’ or ‘means’ for rationally calculated ends.
- (2) **Value-rational action** orients to purely a certain behavior for its own sake through the conscious belief in its unconditional value (ethical, aesthetic, religious or other meaningful value). Such value does not depend on its result.
- (3) **Affectual**, especially emotional, action is conditioned by affection and states of emotion.
- (4) **Traditional** action is conditioned by accustomed habituation.”

Weber: Economy and Society, I § 1 II

# Types of action

	Means	Ends	Outcomes	Values	Traditions	Emotions
Zweckrational						
Wertrational						
Affektual						
Traditional						

# Types of social action:

## Domains of Application

- **End-rational:** Purposeful action, 'calculating' means according to their ability to achieve a (given) goal (outcome).
  - Economy
  - Pragmatic politics, social organizations
  - Technology
  - Everyday life
- **Value-rational:** Value oriented action, oriented towards an (absolute) goal, widely neglecting means and outcomes
  - Religion, arts
  - Ideological politics, social movements
  - Everyday life
- **Affectual:** Oriented towards emotions and affects of the actor, widely neglecting goals, means, and outcomes
  - Everyday life (family, friends, consumption)
  - Emotional politics
  - Religion, arts
- **Traditional:** Oriented towards customs and habits. Widely neglecting values, goals, means, and outcomes.
  - Everyday life (family, kinship)
  - Economy
  - Bureaucracy
  - Religion

# Types of Action: Two Examples

	Al Qaeda	Environmental Behavior
<b>End-rational</b>	Fundamentalists have clear political goals, but limited means. They analyze the vulnerability of their enemies and select the most efficient strategy.	Humans need nature to survive. Environmental protection is prudent action, an attempt to optimize human-nature interactions with regard to sustainable survival.
<b>Value-rational</b>	Fundamentalists adhere to absolute values (derived from their interpretation of the Koran) and accept even unmoral means and consequences.	Humans are committed to nature and the value of natural integrity. Their environmental behavior is an expression of their (moral) valuation of nature.
<b>Affectual</b>	Fundamentalism stems from the experience of neglect and contempt by others, and terrorist acts are a revenge, and a means for recovering self-esteem and respect.	Humans have sympathy with natural beings, and feel threatened by environmental destruction. Love and fear govern their environmental behavior.
<b>Traditional</b>	Fundamentalism is a restricted and traditional version of Islamic culture. Terrorist acts are acts of cultural defense or re-establishment of superiority.	Appreciating nature and an intact environment is deeply rooted in every human culture and society. Pro-environmental behavior simply follows that cultural routine.



# Max Weber's Class Theory: A Standard Interpretation

- The transition from feudal society can be interpreted as a transition 'from status to contract' (Talcott Parsons); i.e. from a system of social inequality defined by innate and inherited ranks in a hierarchical status system (remember the caricature of feudalism in lecture 3) to a system based upon individual achievements and mutual exchange (somehow envisioned by Comte and Marx).
- In Max Weber's work, this corresponds to the distinction between status (*Stände*) and class (*Klassen*):

## Status

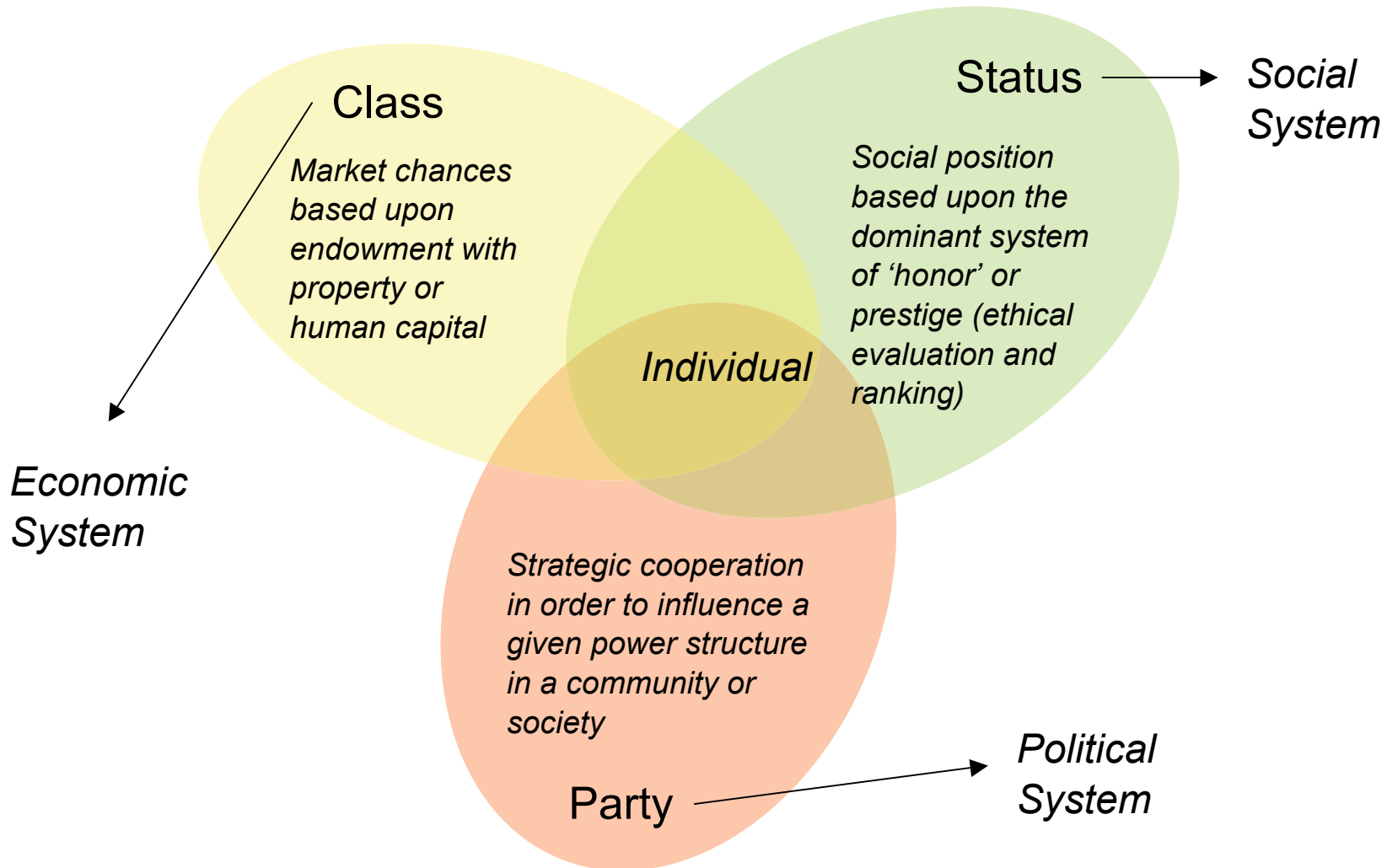
Hierarchical  
Birth  
Consumption  
Honor  
Gemeinschaft

## Class

Functional  
Achievement  
Production  
Money  
Gesellschaft

- Problems with that interpretation:
  - Class, Status, and Party (systemic, interpretation)
  - Consumption a modern phenomenon too
  - Honor a modern phenomenon too

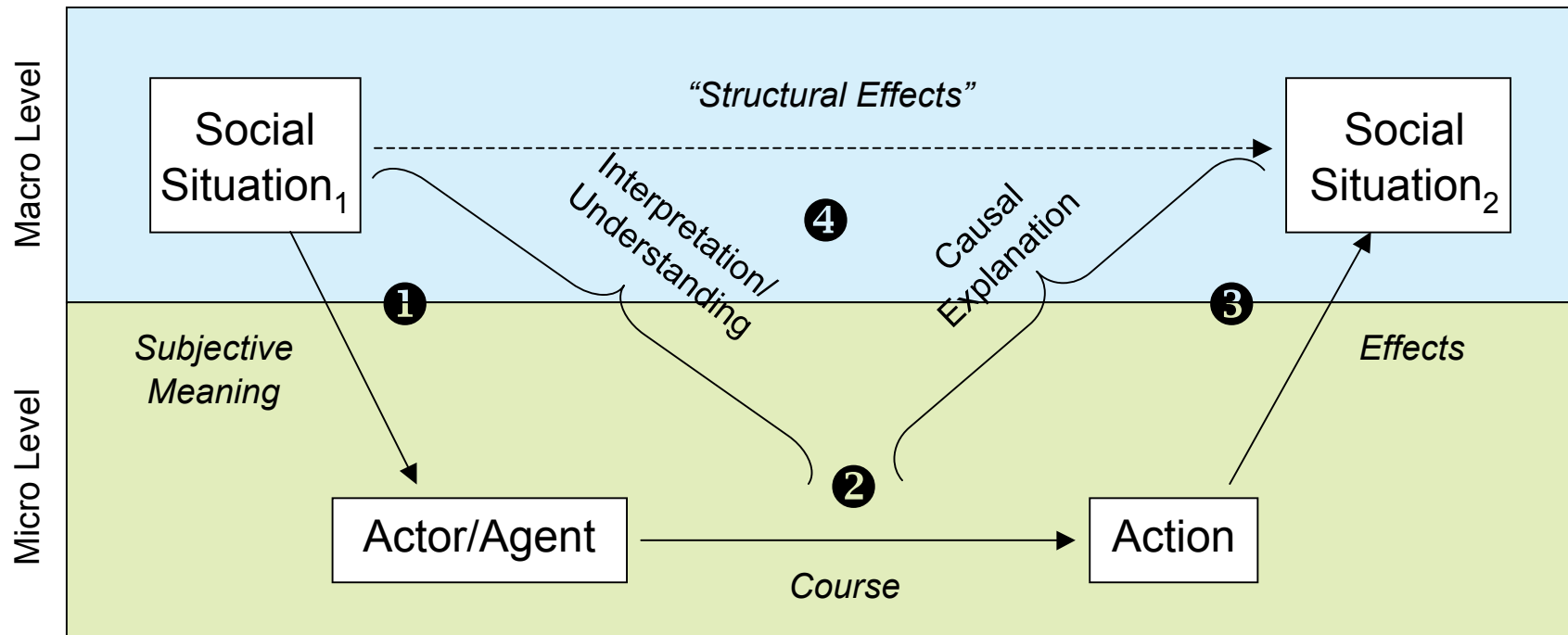
# Max Weber's Class Theory: An Alternative Interpretation



# Weber's Class Theory: Continued and Corrected

- Weber defines class positions by
  - Market positions (purely economic)
  - In an individualistic manner (myriads of market chances)
- Here he distinguishes:
  - **Property Class** (*Besitzklasse*): Differences in property dominate the class difference
  - **Acquisitive Class** (*Erwerbsklasse*): Differences in market chances for goods or services dominate class differences
  - **Social Class** (*Soziale Klasse*): The totality of class situations between a change (in or beyond a generation) is usually possible. (Implicitly: Between social classes social mobility is not (easily) possible). W. names 4 social classes in modern society:
    - (1) the **working class** as a whole
    - (2) the **petty bourgeoisie**
    - (3) the propertyless **intelligentsia** and **technical specialists**
    - (4) those **privileged** through property and education.
- But: Social Classes need both market (class, production) and status (status, honor, consumption) dimensions in order to exist as social realities.
- In an empirical inquiry, W. is interested in the consequences of working conditions of industry workers on: family life, education, leisure and amusement, habits of sociability, food and drink habits, intellectual and aesthetical interests, reading habits, attitudes towards religious and political issues (► Pierre Bourdieu and Modern Lifestyle Research)

# The basic model of sociological explanation (Coleman 1990 and Esser 1993)



**1 Logic of situation:** Reconstruction of the interpretation of the situation by the actor/agent.  
► First order observation vs. theory of interpretation.

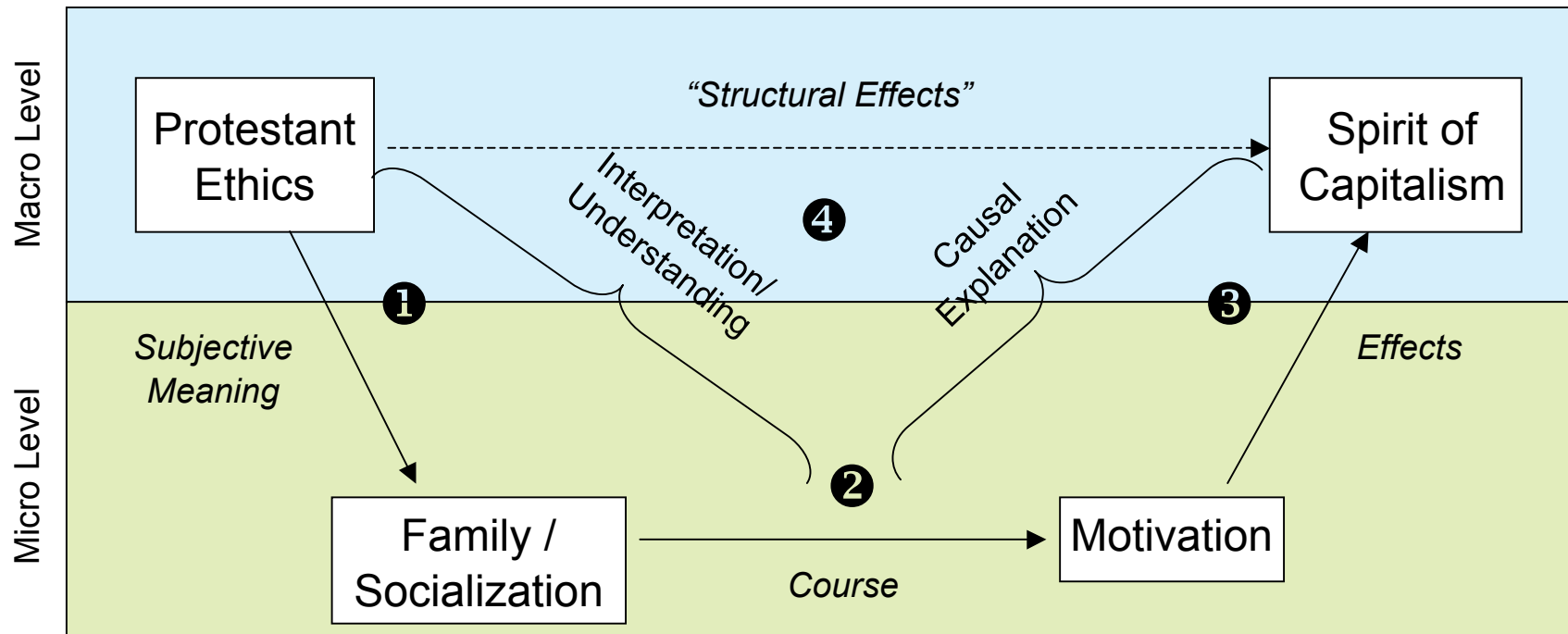
**2 Logic of selection:** Explanation of the selection/implementation of alternatives by the actor/agent. ► Theory of Action vs. theory of agency.

**3 Logic of aggregation:** Explanation of aggregated outcomes/effects of (intentional) action/agency.

**4 Logic of structural changes:** 'Explaining' structural changes at the macro level by leaving aside (but taking into account) micro level processes & actions.

# Protestant Ethics and the Spirit of Capitalism

(David McClelland, 1961, in reading Max Weber, 1904)



- 1** **Logic of situation:** Protestant fathers (and mothers?) change their view of education, especially of grace and human achievement.
- 2** **Logic of selection:** Protestant fathers (and mothers?) educate their children in the new spirit, internalizing norms and values.
- 3** **Logic of aggregation:** New generations of entrepreneurs and other key professions change the way they do business.
- 4** **Logic of structural changes:** The protestant ethics has changed the spirit of capitalism.