The Protestant Ethic and the Spirit of Capitalism

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*The Protestant Ethic and the Spirit of Capitalism* is a book written by Max Weber, a German economist and sociologist in 1904 and 1905 that began as a series of essays. The original edition was in German and was entitled: *Die protestantische Ethik und der 'Geist' des Kapitalismus*. An English translation was made in 1930 by Talcott Parsons, and several editions have been released.

Weber wrote that capitalism 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 ethic was a force behind an unplanned and uncoordinated mass action that led to the development of capitalism. This idea is also known as "the Weber thesis".

**Book contents**

It is argued that the book should not be viewed as a detailed study of Protestantism but rather as an introduction into Weber's later works, especially his studies of interaction between various religious ideas and economics.

In *The Protestant Ethic and the Spirit of Capitalism*, Weber puts forward the thesis that Puritan ethics and ideas had influenced the development of capitalism. However, religious devotion was usually accompanied by rejection of worldly affairs, including the pursuit of wealth and possessions. Why was that not the case with Protestantism? Weber addresses this apparent paradox in the book.

He defines spirit of capitalism as the ideas and habits that favour the rational pursuit of economic gain. Weber points out 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). The most common tendencies were the greed for profit with minimum effort and the idea that work was a curse and burden to be avoided especially when it exceeded what was enough for modest life. As he wrote in his essays:

*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 observers like William Petty.
Montesquieu, Henry Thomas Buckle, John Keats, and others have commented on the affinity between Protestantism and the development of commercialism.

Weber shows that certain types of Protestantism favoured rational pursuit of economic gain and that worldly activities had been given positive spiritual and moral meaning. It was not the goal of those religious ideas, but rather a byproduct — the inherent logic of those doctrines and the advice based upon them both directly and indirectly encouraged planning and self-denial in the pursuit of economic gain.

Weber traced the origins of the Protestant ethic to the Reformation. In his opinion, under the Roman Catholic Church, an individual could be assured of salvation by belief in the church's sacraments and the authority of its hierarchy. However, the Reformation had effectively removed such assurances.

From a purely technical and theological viewpoint, the Reformation did not remove assurances of salvation (see sola gratia). However, 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. Worldly success became one measure of salvation. Anticipating Adam Smith (but using a very different argument), Luther had made an early endorsement of the division of labor that was beginning to develop in Europe. Therefore, according to Weber's reading of Luther, a "vocation" from God was no longer limited to the clergy or church, but applied to any occupation or trade.

However, Weber saw the fulfillment of the Protestant ethic not in Lutheranism, which he dismissed as a rather servile religion, but in Calvinistic forms of Christianity. The "paradox" Weber found was, in simple terms:

- According to the new Protestant religions, an individual was religiously compelled to follow a secular vocation with as much zeal as possible. A person living according to this worldview was more likely to accumulate money.
- However, the new religions (in particular, Calvinism and other more austere Protestant sects) effectively forbade any traditional method of actually using any money gained through this work. The purchasing of luxuries or items to make one's life more pleasurable was considered a sin. Donations to an individual's church or congregation was 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 because a lack of worldly success was seen as a combination of laziness or divine disfavor.

The manner in which this paradox was resolved, Weber argued, was the investment of this money, which gave an extreme boost to nascent capitalism.
By the time he wrote this essay, Weber believed that the religious underpinnings of the Protestant ethic had largely gone from society. In particular, he cited the writing 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.

Weber maintained that while Puritan religious ideas had had a major influence on the development of economic order in Europe and United States, they were not the only factor (others included the rationalism in scientific pursuit, merging observation with mathematics, science of scholarship and jurisprudence, rational systematisation of government administration and economic enterprise). In the end, the study of Protestant ethic, according to Weber, merely explored one phase of the emancipation from magic, that disenchantment of the world that he regarded as the distinguishing peculiarity of Western culture.

Weber stated in the last of the endnotes that he abandoned research into Protestantism because his colleague Ernst Troeltsch, a professional theologian, had initiated work on the book The Social Teachings of the Christian Churches and Sects. Another reason for Weber's decision was that Troeltsch's essay had provided the perspective for a broad comparison of religion and society, which he continued in his later works (the study of 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. At some point this rational ends outgrew and became unreliant 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.

The essay can also be interpreted as one of Weber's criticisms of Karl Marx and his theories. While Marx held, generally speaking, that all human institutions - including religion - were based on economic foundations, The Protestant Ethic turns this theory on its head by implying that a religious movement fostered capitalism, not the other way around.

**Spirit of capitalism**

The first, and probably most vital, feature of the spirit of capitalism was that it invested “economizing” with high moral significance. The individual engages in capitalistic economizing not only for the expediency of making a living, but in the expectation that such activity would test his inner resources and thus affirm his moral worth. In this regard, the American novelist Walker Percy observed, “As long as I am getting rich, I feel well. It is my Presbyterian blood.”

A major effect of this spirit, as Durkheim noted, is that the entrepreneur performs his tasks with an earnestness of purpose that places them at the center of his life, and endows them with intrinsic dignity. There is nothing degrading about them. Such an approach to monetary gain is markedly different from the sordid passion of greed, for monetary gain was not to be used for luxury or self-indulgent bodily comfort, but rather was to be saved, and accumulated. Neither
could the resulting frugality be mistaken for miserliness, as the accumulated resources were to be reinvested in worthy enterprises. The spirit of capitalism constituted a sort of moral “habitus” which burdened the possessor of money with a steward’s obligation toward his own possessions.

Likewise, the individual entrepreneur isn’t allowed to become overly absorbed into or preoccupied with himself. His existence revolves around an objective concern outside himself, which unceasingly demands his devotion and thus, becomes a test of his self-worth. By its very nature, these economic practices require reference to a goal; however, increase in capital becomes the ultimate point of reference.

Ultimately, the point of the spirit of capitalism is to attribute moral significance to entrepreneurial activity and lend meaning to the existence of those committed to it.


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