

Max Weber

ECONOMY AND SOCIETY

AN OUTLINE OF INTERPRETIVE SOCIOLOGY

Edited by Guenther Roth
and Claus Wittich

University of California Press
Berkeley • Los Angeles • London

University of California Press, Berkeley and Los Angeles, California

University of California Press, Ltd., London, England

This printing, Copyright © 1978 by The Regents of the University of California

1st printing, Copyright © 1968 by Bedminster Press Incorporated, New York.

All rights reserved. No part of this book may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording, or by any information storage and retrieval system, without permission in writing from the publishers.

Library of Congress Catalog Card Number: 74-81443

ISBN: 0-520-02824-4 (cloth)

0-520-03500-3 (paper)

Printed in the United States of America

2 3 4 5 6 7 8 9

Economy and Society is a translation of Max Weber, *Wirtschaft und Gesellschaft. Grundriss der verstehenden Soziologie*, based on the 4th German edition, Johannes Winckelmann (ed.), Tübingen: J. C. B. Mohr (Paul Siebeck), 1956, pp. 1-550, 559-822, as revised in the 1964 paperback edition (Köln-Berlin: Kiepenheuer & Witsch), with appendices from Max Weber, *Gesammelte Aufsätze zur Wissenschaftslehre*, 2nd rev. edition, Johannes Winckelmann (ed.), Tübingen: J. C. B. Mohr (Paul Siebeck), 1951, pp. 441-467 (selected passages), and Max Weber, *Gesammelte politische Schriften*, 2nd expanded edition, Johannes Winckelmann (ed.), Tübingen: J. C. B. Mohr (Paul Siebeck), 1958, pp. 294-394.

The exclusive license to make this English edition has been granted to the University of California Press by the German holder of rights, J. C. B. Mohr (Paul Siebeck), Tübingen.

The English text includes (with revisions and with addition of notes) material previously published and copyrighted by these publishers:

Beacon Press:

Ephraim Fischhoff, trans., *The Sociology of Religion* (Boston: Beacon Press, 1963), pp. 1-274. Copyright © 1963 by Beacon Press. Reprinted by arrangement with Beacon Press.

Oxford University Press:

Hans Gerth and C. Wright Mills, trans. and eds., *From Max Weber: Essays in Sociology* (New York: Oxford University Press, 1946), pp. 159-244, 253-262. Copyright 1946 by Oxford University Press, Inc. British Commonwealth rights by Routledge and Kegan Paul Ltd. Reprinted by permission.

The Free Press of Glencoe:

Ferdinand Kögler, trans., "The Household Community" and "Ethnic Groups," in Talcott Parsons et al., eds., *Theories of Society* (New York: The Free Press of Glencoe, 1961), vol. 1, pp. 296-298, 302-309. Copyright © 1961 by The Free Press of Glencoe. Reprinted by permission.

Talcott Parsons, ed. (A. M. Henderson and T. Parsons, trans.), *The Theory of Social and Economic Organization* (New York: The Free Press of Glencoe, 1964; originally published by Oxford University Press, 1947), pp. 87-423. Copyright 1947 by The Free Press of Glencoe. Reprinted by permission.

Harvard University Press:

Max Rheinstein, ed. (Edward Shils and Max Rheinstein, trans.), *Max Weber on Law in Economy and Society* (20th Century Legal Philosophy Series, Vol. VI; Cambridge, Mass.: Harvard University Press, 1954), pp. 11-348. Copyright, 1954 by the President and Fellows of Harvard College. Reprinted by permission.

Correspondence about these sections of the English translation should be directed to the above publishers. See editors' preface for details about their location in this edition.

VOLUME TWO
ECONOMY
AND
SOCIETY

Part Two, chapters VIII to XVI

Translators: EPHRAIM FISCHOFF
HANS GERTH
A. M. HENDERSON
FERDINAND KOLEGAR
C. WRIGHT MILLS
TALCOTT PARSONS
MAX RHEINSTEIN
GUENTHER ROTH
EDWARD SHILS
CLAUS WITTICH

List of Abbreviations

Some of the extant translations were extensively annotated by the original translators. This annotation was to the largest part retained, and in some cases complemented by the editors; we also used some of the annotation provided for the 4th German edition of *Wirtschaft und Gesellschaft* by Johannes Winckelmann. The unsigned notes in Part One, chs. I–III are by Talcott Parsons, in Part Two, chs. VII–VIII by Max Rheinstein, and elsewhere by one of the editors as identified at the head of each section of notes. The following abbreviations were used to identify the authors of other notes:

(GM): Hans Gerth and C. Wright Mills

(R): Guenther Roth

(Rh): Max Rheinstein

(W): Johannes Winckelmann

(Wi): Claus Wittich

In the editorial notes, a number of abbreviations were used for works (or translations of works) by Max Weber; these are listed below. A group of further bibliographical abbreviations used only in Max Rheinstein's annotation to the "Sociology of Law" is given in Part Two, ch. VIII:i, n. 1 (pp. 658–661 below).

AfS or *Archiv*

Archiv für Sozialwissenschaft und Sozialpolitik. Tübingen: J. C. B. Mohr (Paul Siebeck). (A scholarly periodical edited by Max Weber, Edgar Jaffé and Werner Sombart from 1904 on.)

Agrargeschichte

Die römische Agrargeschichte in ihrer Bedeutung für das Staats- und Privatrecht. Stuttgart: Ferdinand Enke, 1891. (Weber's second dissertation.)

"Agrarverhältnisse"

"Agrarverhältnisse im Altertum," in *Handwörterbuch der Staats-*

wissenschaften, 3rd ed., I (1909), 52-188. Reprinted in *GAzSW*, 1-288. (Page references are to this reprint.)

Ancient Judaism or AJ

Ancient Judaism. Translated and edited by Hans H. Gerth and Don Martindale. Glencoe, Ill.: The Free Press, 1952. (A translation of "Das antike Judentum," Part III of "Die Wirtschaftsethik der Weltreligionen," first published in *AfS*, 1917-19, and of a posthumously published study, "Die Pharisäer," both in *GAzRS*, III.)

Economic History

General Economic History. Translated by Frank H. Knight. London and New York: Allen & Unwin, 1927; paperback re-issue, New York: Collier Books, 1961. (A translation of *Wirtschaftsgeschichte*. Page references in ch. VIII are to the 1927 edition, elsewhere to the 1961 paperback.)

Fischhoff

The Sociology of Religion. Translated by Ephraim Fischhoff, with an introduction by Talcott Parsons. Boston: Beacon Press, 1963.

GAzRS

Gesammelte Aufsätze zur Religionssoziologie. 3 vols. Tübingen: J. C. B. Mohr (Paul Siebeck), 1920-21; unchanged re-issue 1922-23.

GAzSS

Gesammelte Aufsätze zur Soziologie und Sozialpolitik. Tübingen: J. C. B. Mohr (Paul Siebeck), 1924.

GAzSW

Gesammelte Aufsätze zur Sozial- und Wirtschaftsgeschichte. Tübingen: J. C. B. Mohr (Paul Siebeck), 1924.

GAzW

Gesammelte Aufsätze zur Wissenschaftslehre. 2nd ed. revised and expanded by Johannes Winckelmann. Tübingen: J. C. B. Mohr (Paul Siebeck), 1951. (1st ed. 1922.)

Gerth and Mills

From Max Weber: Essays in Sociology. Translated and edited by Hans H. Gerth and C. Wright Mills. New York: Oxford University Press, 1946.

GPS

Gesammelte Politische Schriften. 2nd ed. revised and expanded by Johannes Winckelmann, with an introduction by Theodor Heuss. Tübingen: J. C. B. Mohr (Paul Siebeck), 1958. (1st ed. München: Drei Masken Verlag, 1921.)

Handelsgesellschaften

Zur Geschichte der Handelsgesellschaften in Mittelalter. (Nach

südeuropäischen Quellen). Stuttgart: Ferdinand Enke, 1889. Reprinted in *GAzSW*, 312-443. (Page references are to the reprint. This was Weber's first dissertation.)

Protestant Ethic

The Protestant Ethic and the Spirit of Capitalism. Translated by Talcott Parsons, with a foreword by R. H. Tawney. New York: Charles Scribner's Sons, 1958 (first publ. London, 1930). (A translation of "Die protestantische Ethik und der Geist des Kapitalismus," *GAzRS*, I, 1-206; first published in *AfS*, 1904-05.)

Rechtssoziologie

Rechtssoziologie. Newly edited from the manuscript with an introduction by Johannes Winckelmann. ("Soziologische Texte," vol. 2.) Neuwied: Hermann Luchterhand Verlag, 1960 (2nd rev. ed. 1967). (This is the German edition of the "Sociology of Law" underlying the revised translation in Part Two, ch. VIII, below.)

Religion of China

The Religion of China. Confucianism and Taoism. Translated and edited by Hans H. Gerth. New edition, with an introduction by C. K. Yang. New York: Macmillan, 1964 (1st ed. Free Press, 1951). (A translation of "Konfuzianismus und Taoismus," Part I of "Die Wirtschaftsethik der Weltreligionen," first published in *AfS*, 1916, reprinted in *GAzRS*, I, 276-536.)

Religion of India

The Religion of India. The Sociology of Hinduism and Buddhism. Translated and edited by Hans H. Gerth and Don Martindale. Glencoe, Ill.: The Free Press, 1958. (A translation of "Hinduismus und Buddhismus," Part II of "Die Wirtschaftsethik der Weltreligionen," first published in *AfS*, 1916-17, reprinted in *GAzRS*, II.)

Rheinstein and Shils

Max Weber on Law in Economy and Society. Translated by Edward Shils and Max Rheinstein, edited and annotated by Rheinstein. Cambridge, Mass.: Harvard University Press, 1954.

Shils and Finch

The Methodology of the Social Sciences. Translated and edited by Edward A. Shils and Henry A. Finch. Glencoe, Ill.: The Free Press, 1949. (A translation of three methodological essays, "Die 'Objektivität' sozialwissenschaftlicher und sozialpolitischer Erkenntnis," *AfS*, 1904; "Kritische Studien auf dem Gebiet kulturwissenschaftlicher Logik," *AfS*, 1906; "Der Sinn der 'Wertfreiheit' der soziologischen und ökonomischen Wissenschaften," *Logos*, 1917/18; reprinted in *GAzW*, 146-214, 215-290, 475-526.)

Theory

The Theory of Social and Economic Organization. Translated by A. M. Henderson and Talcott Parsons, edited with an introduction by Parsons. New York: The Free Press, 1964 (first publ. New York: Oxford University Press, 1947).

Wirtschaftsgeschichte or Universalgeschichte

Wirtschaftsgeschichte. Abriss der universalen Sozial- und Wirtschaftsgeschichte. Edited from lecture scripts by Siegmund Hellmann and Melchior Palyi. München: Duncker & Humblot, 1923. (2nd ed. 1924; 3rd rev. ed. by Johannes Winckelmann, 1958.)

WuG and WuG-Studienausgabe

Wirtschaft und Gesellschaft. Grundriss der verstehenden Soziologie. 4th edition, revised and arranged by Johannes Winckelmann. 2 vols. Tübingen: J. C. B. Mohr (Paul Siebeck), 1956. *WuG-Studienausgabe* refers to the licensed paperback edition (2 vols.; Köln-Berlin: Kiepenheuer & Witsch, 1964) which already incorporates some of Winckelmann's further revisions for the forthcoming definitive 5th German edition.

Preface to the 1978 Re-issue

After several years of being out of print, during which time it rapidly attained the status of a bibliophilic rarity, *Economy and Society* is now for the first time available in this country and abroad as a hardcover and a paperback, thanks to the cooperation of the American publishers who have separately published segments of the work in older versions.

The present re-issue is identical with our 1968 edition, although some errata are eliminated. In the meantime, Professor Johannes Winckelmann, on whose fourth German edition of 1956 and 1964 our own edition is based, has completed his fifth and final edition with three hundred pages of annotations—a feat that only a member of his scholarly generation could have accomplished (Tübingen: Mohr-Siebeck, 1976). When the English editors prepared their own edition, they cooperated closely with Winckelmann in clarifying many dubious passages in the posthumously published work and in identifying literary and historical references, but unfortunately, the new annotations of the fifth edition could not be included in the present English re-issue.

Several important Weber translations have appeared since 1968. Edith E. Graber translated Weber's essay "On Some Categories of Interpretive Sociology" (M.A. thesis, Department of Sociology, University of Oklahoma, 1970). This essay, the most important definitions of which appear here in Appendix I, was a fragmentary first draft of the general conceptual underpinnings for the work, but Weber decided to publish it separately in 1913. Just before conceiving the idea of *Economy and Society* Weber finished his great encyclopedic essay on the economic and political history of antiquity, which Alfred Heuss, one of the most respected German classicists, has called "the most original and illuminating study yet made of the economic and social development of antiquity." This work, discussed here in relation to *Economy and Society* in the introduction (xlii–lvii), has now been translated by R. I. Frank under the title *The Agrarian Sociology of Ancient Civilizations* (London: New Left Books, 1976).

Most of Weber's methodological critiques, which prepared the way for the positive formulation of his sociology in *Economy and Society*, have now

been translated. Guy Oakes translated and edited Roscher and Knies: *The Logical Problems of Historical Economics* (New York: The Free Press, 1976) and *Critique of Stammer* (New York: The Free Press, 1977). An excursus on the Stammer critique is found in *Economy and Society*, pp. 325-32 below. Oakes has also translated and edited Georg Simmel's *The Problems of the Philosophy of History* (New York: The Free Press, 1977), to which Weber refers in his prefatory note to ch. I, p. 3 below. Louis Schneider translated "Marginal Utility Theory and the So-Called Fundamental Law of Psychophysics," *Social Science Quarterly*, 56:1, 1975, 21-36. This leaves untranslated only Weber's demolition of the "energeticist" theories of culture of the famed chemist and natural philosopher Wilhelm Ostwald, and some scattered but important methodological observations in his substantive writings.

The 1968 introduction by Roth was intended in part as a supplement to Reinhard Bendix's *Max Weber: An Intellectual Portrait* (1960), which for the first time presented comprehensively the substance of Weber's comparative sociology of politics, law and religion as it is found in *Economy and Society* and the *Collected Essays in the Sociology of Religion* (containing the studies of the Protestant ethic and sects in relation to the spirit of capitalism and in contrast to the religious and social order of China, India and Ancient Judaism). This well-known study too was re-issued in 1978 by the University of California Press with a new introduction by Roth, which covers the Weber literature accumulated since 1960. One further yield from Bendix's and Roth's concern with Weber was a joint volume, *Scholarship and Partisanship*, also published by the University of California Press in 1971. Moreover, Roth has continued his methodological exploration of *Economy and Society* in three other essays, "Socio-Historical Model and Developmental Theory," *American Sociological Review*, 40:2, April 75, 148-57; "History and Sociology," *British Journal of Sociology*, 27:3, Sept. 76, 306-18; and "Religion and Revolutionary Beliefs," *Social Forces*, 55:2, Dec. 76, 257-72.

An up-to-date bibliography of the almost limitless secondary literature is Constans Seyfarth and Gert Schmidt, eds., *Max Weber Bibliographie: Eine Dokumentation der Sekundärliteratur* (Stuttgart: Enke, 1977), 208 pp. For the latest bibliography of Weber's own writings, see Dirk Käsler, "Max-Weber-Bibliographie," *Kölner Zeitschrift für Soziologie*, 27:4, 1975, 703-30.

For the present re-issue the editors are greatly indebted to the unflagging interest and efforts of Mr. Grant Barnes of the University of California Press and to the support of Mr. Georg Siebeck, of the firm of Mohr-Siebeck in Tübingen, the German publisher of Weber's works.

Finally, we dedicate with sorrow this edition to the memory of Carolyn Cain Roth (1934-1975), who for several years lived with the burden of our intense labors, showing great forbearance and retaining the salutary distance of an artistic vision, which should always balance the sober concerns of scholarship.

BAINBRIDGE ISLAND, WASHINGTON

Guenther Roth

Scarsdale, New York

Claus Wittich

February 1977

Preface

This is the first complete English edition of *Economy and Society*. All hitherto unavailable chapters and sections have been translated and the annotation has been considerably expanded. The Appendix contains a brief terminological supplement and one of Weber's major political essays. All previously translated parts used here have been thoroughly revised and many passages have been rewritten. The original translators of these chapters are absolved from all responsibility for the present version of their work. We would like to thank Ephraim Fischhoff for going over our revision of his translation of the "Sociology of Religion" (Part Two, ch. VI) and for making further suggestions and offering other help. However, he too should not be held responsible for the final version.

A number of extant translations were completely replaced: in Part One, ch. IV, "Status Groups and Classes"; in Part Two, ch. III:3, "The Regulation of Sexual Relations in the Household," ch. IV:3, "The Oikos," ch. XIV:i-ii, "Charisma and Its Transformations," and ch. XVI, "The City." This last book-length chapter was newly translated by Wittich; all other new translations were first done by Roth. Our strategy of translation is explained in the Introduction.

The following earlier translations of sections of *Wirtschaft und Gesellschaft* have been used and revised with the permission of the publishers, which is gratefully acknowledged.

Ephraim Fischhoff, trans., *The Sociology of Religion* (Boston: Beacon Press, 1963), pp. 1-274; now Part Two, ch. VI;

Hans Gerth and C. Wright Mills, trans. and eds., *From Max Weber: Essays in Sociology* (New York: Oxford University Press, 1946), pp. 159-244, 253-262; now Part Two, chs. IX:3-6, XI, and XIV:iii;

Ferdinand Kögler, trans., "The Household Community" and "Ethnic

- Groups," in Talcott Parsons *et al.*, eds., *Theories of Society* (New York: The Free Press of Glencoe, 1961), vol. I, pp. 296-298, 302-309; now Part Two, ch. III:1, ch. IV:2, and ch. V:2;
- Talcott Parsons, ed. (A. M. Henderson and T. Parsons, trans.), *The Theory of Social and Economic Organization* (New York: The Free Press of Glencoe, 1964; originally published by Oxford University Press, 1947), pp. 87-423; now Part One, chs. I-III;
- Max Rheinstein, ed. (Edward Shils and Max Rheinstein, trans.), *Max Weber on Law in Economy and Society* (Cambridge, Mass.: Harvard University Press, 1954), pp. 11-348; now Part Two, ch. I, chs. VII-VIII, ch. IX:1-2, and ch. X.

Without the dedication and hard labor of the previous translators the present edition might never have been undertaken. Hans Gerth, who spent a singular amount of time on the translation of Weber's works, deserves special recognition. The broadest contribution to the reception of Weber's thought has clearly been made by Talcott Parsons' translations and writings.

Our special gratitude goes to Prof. Johannes Winckelmann, the German editor of Weber's works and head of the Max Weber Institute at the University of Munich, who gave us access to his text revisions for the forthcoming 5th edition of *Wirtschaft und Gesellschaft* and always freely shared his thoughts on textual and other problems.

Finally, we want to thank Hans L. Zetterberg, who combines scholarship and entrepreneurship; he held out the challenge, patiently waited for the manuscript, and then saw it through to its publication. We are also grateful to Mr. Robert Palmer for preparing the index and to Mr. Sidney Solomon of the Free Press for supervising the technical preparation of the work and for designing the volumes.

BERLIN AND NEW YORK

March 1968

Guenther Roth

Claus Wittich

SUMMARY CONTENTS

LIST OF ABBREVIATIONS xxv

VOLUME I

PREFACE TO THE 1978 RE-ISSUE xxix

PREFACE xxxi

INTRODUCTION by Guenther Roth xxxiii

PART ONE: CONCEPTUAL EXPOSITION

- I. Basic Sociological Terms 3
- II. Sociological Categories of Economic Action 63
- III. The Types of Legitimate Domination 212
- IV. Status Groups and Classes 302

PART TWO: THE ECONOMY AND THE ARENA OF NORMATIVE AND DE FACTO POWERS

- I. The Economy and Social Norms 311
- II. The Economic Relationships of Organized Groups 339
- III. Household, Neighborhood and Kin Group 356
- IV. Household, Enterprise and Oikos 370
- V. Ethnic Groups 385
- VI. Religious Groups (The Sociology of Religion) 399
- VII. The Market: Its Impersonality and Ethic (Fragment) 635

VOLUME 2

- VIII. Economy and Law (The Sociology of Law) 641
- IX. Political Communities 901
- X. Domination and Legitimacy 941
- XI. Bureaucracy 956

- XII. Patriarchalism and Patrimonialism 1006
 XIII. Feudalism, *Ständestaat* and Patrimonialism 1070
 XIV. Charisma and Its Transformation 1111
 XV. Political and Hierocratic Domination 1158
 XVI. The City (Non-Legitimate Domination) 1212

APPENDICES

- I. Types of Social Action and Groups 1375
 II. Parliament and Government in a Reconstructed Germany 1381

INDEX

- Scholars iii
 Historical Names v
 Subjects xxi

ANALYTICAL CONTENTS

LIST OF ABBREVIATIONS

xxv

VOLUME I

PREFACE TO THE 1978 RE-ISSUE

xxix

PREFACE

xxxi

INTRODUCTION by *Guenther Roth*

xxxiii

1. A Claim xxxiii
2. Sociological Theory, Comparative Study and Historical Explanation xxxv
3. The Legal Forms of Medieval Trading Enterprises xl
4. Economic and Political Power in Ancient Germanic History xlii
5. The Roman Empire and Imperial Germany xlvi
6. The Economic Theory of Antiquity l
7. A Political Typology of Antiquity liv
8. Weber's Vision of the Future and His Academic Politics lvii
9. The Planning of *Economy and Society* lxii
10. The Structure of *Economy and Society* lxvi
 - I. PART TWO: THE EARLIER PART lxvii
 - Ch. I: The Economy and Social Norms—On Stammerer lxvii
 - Ch. II: On Marx, Michels and Sombart lxix
 - Chs. III–V: The Relatively Universal Groups lxxiii
 - Ch. VI: The Sociology of Religion lxxvi
 - Ch. VII: The Market, Its Impersonality and Ethic lxxx
 - Ch. VIII: The Sociology of Law lxxxi
 - Ch. IX: Political Community and State lxxxiv
 - Chs. X–XVI: The Sociology of Domination lxxxviii
 - (A) The Theory of Modern Democracy xcii
 - (B) The Dimensions of Rulership xciii
 - (C) The Terminology of Domination xciv
 - (D) The City: Usurpation and Revolution xcvi
 - II. PART ONE: THE LATER PART c
11. Weber's Political Writings civ
12. On Editing and Translating *Economy and Society* cvii
13. Acknowledgements cx

Part One: CONCEPTUAL EXPOSITION

Chapter I

BASIC SOCIOLOGICAL TERMS

3

Prefatory Note 3

1. The Definitions of Sociology and of Social Action 4
 - A. Methodological Foundations 4
 - B. Social Action 22
2. Types of Social Action 24
3. The Concept of Social Relationship 26
4. Types of Action Orientation: Usage, Custom, Self-Interest 29
5. Legitimate Order 31
6. Types of Legitimate Order: Convention and Law 33
7. Bases of Legitimacy: Tradition, Faith, Enactment 36
8. Conflict, Competition, Selection 38
9. Communal and Associative Relationships 40
10. Open and Closed Relationships 43
11. The Imputation of Social Action: Representation and Mutual Responsibility 46
12. The Organization 48
13. Consensual and Imposed Order in Organizations 50
14. Administrative and Regulative Order 51
15. Enterprise, Formal Organization, Voluntary and Compulsory Association 52
16. Power and Domination 53
17. Political and Hierocratic Organizations 54

Notes 56

Chapter II

SOCIOLOGICAL CATEGORIES OF ECONOMIC ACTION

63

Prefatory Note 63

1. The Concept of Economic Action 63
2. The Concept of Utility 68
3. Modes of the Economic Orientation of Action 69
4. Typical Measures of Rational Economic Action 71
5. Types of Economic Organizations 74
6. Media of Exchange, Means of Payment, Money 75
7. The Primary Consequences of the Use of Money. Credit 80
8. The Market 82
9. Formal and Substantive Rationality of Economic Action 85
10. The Rationality of Monetary Accounting, Management and Budgeting 86
11. The Concept and Types of Profit-Making. The Role of Capital 90
12. Calculations in Kind 100
13. Substantive Conditions of Formal Rationality in a Money Economy 107