THE WEBER PARADOX – OR:
WHAT MAX WEBER ACTUALLY SAID
ABOUT CONFUCIANISM AND CAPITALISM

HANS VAN ESS

1 The Problem

Max Weber’s *The Protestant Ethic and the Spirit of Capitalism* has been translated several times in China. Less attention has been paid, however, to his study of Confucianism and Daoism which became available to a wider Chinese academic audience only through two different translations in the mid-1990s.¹ The translations came out during a crucial period in the history of the reception of Max Weber in China: while he had been enthusiastically welcomed in the period of the so-called cultural fever of the 1980s when many Western thinkers were for the first time seriously introduced in China, during the 1990s he was increasingly reproached for having misunderstood China. For a Western sinologist the most burning question concerning Weber is, of course, whether what he had to say about China was solid,² namely that Confucianism prevented China from developing capitalism. Several authors have challenged Weber by pointing to the fact that until the eighteenth century, China was at least on an equal level with Europe and that religion was not as important a factor for development as Weber thought. The most famous example, of course, is Kenneth Pomeranz who argued that it was mainly the supply of coal that gave England and Anglo-Saxon capitalism the decisive advantage that sparked off the Industrial Revolution.³ Yet, others have criticized Pomeranz for having overlooked evidence supporting Max Weber, and the question thus remains unsettled.⁴ In China and elsewhere there have been many voices who have taken yet another road: They said that Confucianism was a cultural system that had not prevented the development of capitalism in East Asia but instead actually led to it in

¹ The translations were published by Jiangsu renmin chubanshe 江苏人民出版社 in 1993 (trans. Hong Tianfu 洪天富) and Beijing shangwu yinshuguan 北京商务印书馆 (trans. Wang Rongfen 王容芬) in 1995. See Liu Dong 2003, 207.
² Weber has been criticized as inaccurate by sinologists for a long time. The classical article that summarizes the most salient points is by van der Sprenkel 1964, 384–370. See also Adair-Toteff 2014, 80f.
³ Pomeranz 2001. Vittorio Cotesta has recently added the names of Jack Goody and Shmuel Eisenstadt as two other authors who believed that other factors were at work than Weber thought. See Cotesta 2014.
⁴ See, for example, Ingham 2015 whose main argument is that England disposed of financial institutions since the sixteenth century which were unparalleled in the world and which in China were conspicuously missing.
the same way as had the protestant ethic in Northern Europe and America.\(^5\) For some time during the first decade of the twenty-first century it was virtually impossible to attend a conference on Confucianism in China without hearing the somewhat angry remark that Max Weber had actually denied the possibility that the Chinese could develop a capitalism of their own – and that the recent past had proven him wrong.\(^6\)

For anyone who has read Weber’s study on Confucianism and Taoism\(^7\) it is obvious that Weber was up to something very different than his critics allege. It is a fundamental misunderstanding to think that Weber believed that the Chinese because of their traditional Confucian ethics could not become capitalist today. Indeed, as has been pointed out in several publications in the 2010s refuting the idea that Confucianism was the main driving force behind economic success in East Asia,\(^8\) at the end of this book he plainly stated:

The Chinese in all probability would be quite capable, probably more capable than the Japanese, of assimilating capitalism which has technically and economically been fully developed in the modern culture area. It is obviously not a question of deeming the Chinese “naturally ungifted” for the demands of capitalism. But compared to the Occident, the varied conditions which externally favored the origin of capitalism in China did not suffice to create it. Likewise capitalism did not originate in occidental or oriental Antiquity, or in India, or where Islamism held sway.\(^9\)

Obviously, what Weber wanted to do has been misunderstood by many of his critics. He was not interested in making a value judgment about the (lacking) capacity of the Chinese to develop a proper capitalism but to find out why despite many conditions that in China looked even more favorable to the development of capitalism than they did in the West, capitalism had not started to develop before the arrival of the Europeans and why it had not really seen great success there when Weber wrote his text in the second decade of the twentieth century. He was not interested in providing “complete analyses of cultures.” His studies, rather, “served him as a backdrop to his study of the Western trajectory.”\(^10\) Weber was

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\(^5\) The first critics to say this were Western scholars. See especially Berger 1987. See also Chung, Shepard, et al. 1989.

\(^6\) For this view, see, for example, Fang Deng 2016.

\(^7\) Max Weber embarked on this project in 1910 and published his first results in 1913. The study in its final shape appeared only in 1920. See Schluchter 2014, 11f and Schmidt-Glintzer 1989, 12–17 (this is the edition that this article will henceforth refer to when quoting Weber’s study on Confucianism and Daoism). Compare also Radkau 2005, 715–736, esp. 718, for Weber’s interest in the Orient that according to Marianne Weber began in 1911.

\(^8\) See, for example, Schluchter 2014, 24; Schmidt 2011, 25. Schmidt wants to compare what Berger asserts with “what Weber actually said about Confucianism” (abstract on p. 11).


\(^10\) Schluchter 2014, 23.
convinced that Confucianism had been the main obstacle to the indigenous development of capitalism in imperial China. That Asian countries, which are said to still maintain a Confucian influence today, seem to have developed economically at a greater pace than others has been called the “Weber paradox”: “Confucianism cannot be both a hindrance to and a promoter of modern capitalism at the same time.”

2 Weber’s Essay on Confucianism and Taoism

What Weber termed the “favorable conditions” of China can be understood only by those who have read the previous parts of his book, and it does seem necessary here to recapitulate his argument first before dealing with the assumption of a “paradox.” In his introduction to the “economic ethic of world religions” Weber starts out with general observations in which he wants “to shell out the ‘path-leading elements’ in the conduct of life of those social layers which influenced practical ethics of a given religion most.” Interestingly, although he seems to understand Confucianism as a religion, in this general introduction he uses categories that mostly do not apply to Confucianism. Hence he does not talk about Confucianism there very much. Thus the reader gets the impression that Weber started his project of world religions with Confucian ethics because due to its utter lack of a transcendent moment it differed from Protestantism most. Chinese thought does not inspire this introduction at all.

The study on Confucianism and Taoism proper is divided into two parts, the first one of which comprises four chapters entitled “Sociological Basics” or, in Gerth’s translation “Sociological Foundations.” In the first part Weber remarks that the growth of possession of precious metals and the enormous growth of population during the Ming period should have led to a challenge to tradition but in fact actually reinforced it. In the second part of the sociological basics he adds that his central problem in understanding the Chinese case was that the population grew but that the state could not make use of that development for the purpose of a better fiscal system that would have given it the chance to invest in promising economic areas. According to him, when the feudal order was abolished with the

11 Schlucht 2014, 24. Don S. Zang 2014 argues that Weber’s “real tragedy” came when “China’s legal theorists turned against him by treating him as an icon for Eurocentrism” (p. 33). According to Zang, China’s rise is accompanied by its increasing nationalism which makes Weber criticism an “anti-modern project camouflaged in postmodern terms.” Zang’s argument may be boiled down to the point that the Weber paradox is actually an invention growing out of mainland Chinese national pride, not out of scientific or scholarly reasoning.

12 Compare with the introduction in Weber 1951 by C. K. Yang, xx–xxviii.

13 Weber 1989, 86. My translation; the general introduction was not translated in Weber 1951.

14 Weber 1951, 12; Weber 1989, 147.

unification of the empire in 221 BCE the officials began to take over the system. They competed with each other for sinecures, a competition that as in most other cultures, and which has been described above, led to the reinforcement of tradition. Any change of tradition was a danger to sinecure interests. The one and only great exception to this rule is, according to Weber, the modern Occident. Here, competition for economic power forced the state to rationalize its economy and its economic politics. In Europe there were strong forces beyond the state itself that the princes could link up with or which could even demote them as in the five great European revolutions in Italy during the twelfth and thirteenth centuries, in the Netherlands in the sixteenth, in England during the seventeenth, and in America and in France during the eighteenth century. Did, he asks, these forces not exist in China?16

This question leads him to examine the administration of the state and agriculture in the third part of his sociological basics of China. Weber begins this part with a remarkable statement about the Chinese:

The intense acquisitiveness of the Chinese has undoubtedly been highly developed for a long time. This drive and the unscrupulous competitiveness toward sib outsiders [sic!] were incomparably strong among the Chinese. The only possible exceptions to it were the monopolistic guilds of the wholesale and especially the overseas-traders. Ethically, their acquisitiveness was strongly tempered for reasons of business.

Industry and capacity for work among the Chinese have always been considered unsurpassed. The merchant guilds, as we have seen, were more powerful than in other countries and their autonomy was practically unlimited.17

This is a wonderful description of what Western merchants reported back home from China in the beginning of the twentieth century but which may also have been a Chinese self-description of the time.18 It is important to note, however, that what Weber describes is not a description of “capitalism” but one of the perceived Chinese disposition to trade and commerce. Together with the huge growth in population, Weber goes on, China had a very good chance to develop capitalism. That it actually did not take place he ascribes to the fact that, different from England during the eighteenth century, the percentage of the rural population did not decrease but actually increased (and different from Germany’s east, there were no large agricultural businesses but just plot businesses) and that meat remained a luxury just as was described by Mencius in the third century BCE. Patrimonial bureaucratization corresponded to the equalitarian leveling tendency. Without the concentration of land for agriculture, there was no need for technological improvements. What

18 See, for example, the remarks made by Arthur Smith on “Industry” in chapter III of Smith 1894, 27f and 33f.
China was lacking, according to Weber, was a social layer between the peasants and the literati-officials, a feudal intermediary stratum as that existed in the medieval West. In the fourth part of the sociological basics Weber concludes that there were no freedom rights for individuals because the state did not need them as urgently as in Europe. Here, for the first time, war is mentioned as a driving force for development. As European states and statelets led so many wars against each other, princes needed money. Unlike the Chinese emperor, they had to compete for volatile capital and that empowered individuals living in their realm and led to capitalist phenomena conditioned through war loans and commissions for war purposes which did not appear in China. That Confucianism was basically pacifistic was a factor which Weber mentioned several times later on in his treatise. All this may have been written shortly before or during World War I – and one wonders whether Weber thought that Confucian pacifism, admirable as it was, actually had helped China or whether it had been an obstacle to its modernization.

Why individuals were inclined to obey in China is the topic of Weber’s fifth chapter, the first chapter of part two which comprises chapters five and six and has the title “Orthodoxy”. It examines the stratum of the literati with their specific Confucian ethos. As he states, while everything said before was just basic knowledge on China, this is the real topic of his essay. Weber was interested in something similar to what Chinese historians were looking for during the famous “sprouts of capitalism” debate that in China had been started by no less than Mao Zedong himself in 1939 and that had been conducted during the Hundred Flowers Movement in 1957, the contributors of which were purged in the Anti-Rightist Movement and the Cultural Revolution. In the early years of Deng Xiaoping’s Reform and Opening Movement several important publications on this topic appeared – only that Weber, contrary to his Chinese successors, had found only very rudimentary capitalist sprouts in China. To him it was important to find out why despite the many favorable conditions that have been outlined above this was the case. The obvious reason was a “Chinese ethos” that was carried by officials and official candidates.

According to Weber, social rank was much more determined in China by education than by wealth. As experts in ritual the literati were the dominant social stratum. Different from other cultures, they did not come from noble clans that provided priests but

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20 Weber 1951, 103; Weber 1989, 283f.
21 Interestingly this is just how the current Chinese government describes Chinese politics.
24 Just as the Chinese historians were seeking the “sprouts of capitalism,” it is interesting that Weber spoke of the “sprouts” or “germs” (Keime) of capitalism on the first page of chapter IV of the sociological basics (Weber 1989, 372), while Gerth translated this as “rudimentary” (Gerth, 1951, 84).
were actually descendants of feudal families that had emerged before the feudal system was abolished in 221 BCE. They created the ethos of official duty and “public weal” (trans. Gerth). That education was used as a means to serve the prince was the obvious difference to education in ancient India or in the Hellenistic world. When the empire was unified, states no longer competed for literati; rather, literati competed for offices. The result was the Confucian doctrine with its strong emphasis on service. Erudition was a matter that requires a certain age and wisdom, and since “war is a matter of the youth,” the free development of the literati spirit came to an end. No sexagenarios de ponte in China— and it is impossible not to feel here the spirit of Heraklitos’s polemos pater panton (war is the father of everything) and without it nothing moves on. Although I do feel that Weber admired the way a group of officials managed to make their own educational ideas the standard for ruling the state, he also saw this as the crucial element that finally made capitalist development in China, as it had taken place in Europe, impossible. Charisma was replaced by tradition, virtue substituted war. While the examination system was the method by which the ruler of the whole managed to prevent the literati from becoming an interest group of its own, pacifism was the standard for the selection process.

In what follows Weber describes all the aspects of the examination and official system that, on the one hand, served to preserve the interests of those who had or desired sinecures but, on the other hand, had prevented a rationalization of the Chinese economy and the fiscal system. The education system followed a middle path, one in which writing was more important than speaking. Calculating had no importance at all, there were no holy teachers under whom there were mundane specializations of knowledge. There was no feudal concept of honor, just the idea of xiao (filial piety). Short terms of office prevented officials from developing strategies to rationalize and improve the economic situation in their places of duty. Military power was held down by the pacifistic Confucian literati. In short, Weber saw in China a hermetic system at play that prevented any change.

There are some obvious problems with this description, most importantly, of course, that the examination system was highly competitive. We may, however, acknowledge in favor of Weber’s interpretation that it was a clever move to outsource competition that would have led to a potentially productive internal struggle from the economy to the examination system where it was checked by the state itself. The result was just “sublimated empiricism.” Other problems in Weber’s description are more difficult to explain in his favor: It is, for example, interesting to note that Weber perceived a growing stability of the Chinese

26 Compare with Weischenberg and Kaiseser 2015.
economy during the seventeenth century,\textsuperscript{30} which he contrasts with the economic problems England suffered from during the same period. Pomeranz and others would ask: Where did this stability come from all of a sudden, and why did the Chinese system work so well while it did not rationalize, a step that later on would lead to the introduction of capitalism in Europe? Of course, lacking in-depth academic research on China’s historical epochs did not allow Weber to qualify his arguments. For example, he could not yet know how much change the Mongol period had induced. The fall of the Ming dynasty during the seventeenth century, the stability of which he praised so much, may also have had something to do with an economy that did not work as well as he thought. Instead of bringing forth competition, the invasion – and the war that it entailed – of foreign conquerors, who saw the examination system as it was as a good means to win the hearts of the Chinese literati, may have reinforced this system instead of developing it, although Weber thought that war was a necessary element in the development of capitalism. Weber, of course, had not yet heard the word “peace dividend,” although in his concluding remarks he does state that the almost entire lack of organization for war in recent times paved the way for high capitalism in North America.\textsuperscript{31}

Yet, in spite of many obvious inaccuracies Weber’s idea that the Chinese educational and examination system may have had something to do with a certain immunity of the literati to technical innovations remains intriguing. In his sixth chapter, the second chapter of part two, he goes one step further when he discusses the “Confucian life orientation” that was committed to intellectual rationalism, unchallenged by religious powers, and characterized by a total lack of the unequal religious qualification of man. Again, Weber understands the struggle between two powers, in this case religion and the state, as the driving force behind innovation. He does, of course, acknowledge that there were inventions that had been made in China. But China lacked a systematical approach to science as well as to jurisprudence as had been created during the Renaissance period in Italy when the empirical knowledge of artisans was paired with rationalistic ambition to bring artisanship to the higher level of science.\textsuperscript{32} He acknowledges the “refined virtuosity” of Chinese art but understands its products as accidental because there was no incentive for technicians to gain recognition for their inventions and no rational ambition to turn technical improvements systematically into an official career. For that, one had just to solve the educational problem with self-cultivation as its goal. The Confucian just wanted to be redeemed from the “undignified barbarism” that “social rudeness” meant,\textsuperscript{33} and to engage in acquisition was ethically questionable and a breach of professional etiquette.\textsuperscript{34}

\textsuperscript{30} Weber 1951, 137; Weber 1989, 326.
\textsuperscript{31} Weber 1951, 249; Weber 1989, 477.
\textsuperscript{32} Weber 1951, 151; Weber 1989, 343f.
\textsuperscript{33} Weber 1951, 156; Weber 1989, 351.
\textsuperscript{34} Weber 1951, 158; Weber 1989, 354.
Of course, Weber’s findings have been challenged by sinologists with superior knowledge with detail that was not at his disposition.\(^{35}\) But in the end, it is impressive to see that what has become known as the “Needham Question,” which asked why despite favorable conditions the Industrial Revolution did not take place in China,\(^{36}\) had actually been asked decades before Needham. Needham has to be credited with the creation of an enormous project that has shown how much the world owes to technical innovations made in the Chinese past, but an intelligent answer to his question was given by Max Weber long before him, although the specific conditions of the European exception to the universal rule, which should be considered as the real problem, probably still need reflection. Despite different answers provided recently by Pomeranz and others, Weber’s solution in the end remains the most logical: The real problem, according to Weber, was that a religion that redeemed the Confucian from mundane concerns – and from the state – did not exist in China.\(^{37}\) Confucian rational ethics had reduced the natural human tension against the world to an absolute minimum.\(^{38}\) But he also says that all these were probably purely historical and cultural influences, not inborn characteristics.\(^{39}\) The good Confucian was a human being that was well-adjusted to the conditions of the world, a combination of useful individual traits but not a systematic unity.\(^{40}\) “Life remained a series of occurrences. It did

\(^{35}\) A good example of such criticism launched on the basis of enhanced knowledge is the articles assembled by Schluchter 1983.

\(^{36}\) Needham 1969, 16, 190.


\(^{38}\) Weber 1951, 227; Weber 1989, 452. The attempt by Chung, Shepard, et al. 1989, 311–315, to find similar tensions and their release in Confucianism that they understand as the major philosophical and ethical creed of the Chinese and East Asian tradition, remains unsatisfying because it misses Weber’s point that religion in the West provided a space that the individual could withdraw from. Chung, Shepard, et al. rely on Metzger 1977 in thinking that the tension between the ideal of the two principles of ren 仁 (humaneness) and zhongyong 中庸 (equilibrium and harmony) and reality is the same as the tension between religion and the world in the West. But this argument misses Weber’s crucial point, namely that these principles did not actually separate the Chinese individual from the state and hence cannot be compared to the influence that religion exerted on it in the West. Barbalet 2017, 32–41, also thinks that Weber’s characterization of Confucianism “is a distortion” (p. 33) and tries to show that there is a “tension” in the Confucian individual as well. But he fails to recognize that Weber’s analysis concerns a time in which Confucianism had not led to the development of capitalism. Whether today’s success of capitalism in Asian societies is indeed linked to Confucianism remains to be proven.

\(^{39}\) Weber 1951, 231; Weber 1989, 455: “Hence, one has to reckon with the possibility that many of the Chinese traits which are considered innate may be the products of purely historical and cultural influences.”

\(^{40}\) Weber 1951, 235; Weber 1989, 460.
not become a whole placed methodically under a transcendental goal.”\footnote{Weber 1951, 235; Weber 1989, 461.} Confucian “world optimism” removed the pessimistic – but, according to Weber, productive – tension between the world and its beyond worldly predestination. A Confucian did not have to improve the world as it was already “the best of all possible worlds”;\footnote{Weber 1951, 227; Weber 1989, 451.} Leibniz,\footnote{Leibniz 1710.} whom Weber quotes here without mentioning his name, was, of course, strongly influenced by the image that the Jesuits had painted of Confucianism. The Confucian just had to remove bad influences on an intrinsically good system, while the protestant was living in a world full of sins that could not be removed.

3 Conclusion

As stated above, Weber never denied that the Chinese would be able to develop a full-fledged capitalism once the favorable conditions that they had always had were given free rein. His interest was in finding a valid explanation of why capitalism had historically(!) developed in Europe, but not in China. He did not postulate that his findings, for which he had to rely on the little that European sinologists had written on his subject at that point,\footnote{On the sources of Weber, see Sunar 2014, 88–89. As Peter Kuhfus has pointed out to me, Weber may also have relied on Chinese voices such as those by Chen Huanzhang 陳煥章 (1880–1933). Compare this also to Mak 2019, 108 n. 33.} would have an eternal value that would exclude the Chinese from capitalism in the future.\footnote{Compare with Li Jin 1994, who points out that Weber did not speak of a cultural determinism when discussing Confucianism. Li Jin also points to the fact that Asian countries which were influenced by Confucianism had been changed by special social conditions when they succeeded in introducing capitalism.} According to Weber, the Chinese just had to get rid of those elements that had prevented them from having capitalism, namely the Confucian ethos on the one hand and its social anchoring on the other.

This observation leads us to an interesting problem. In 1905, just very briefly before Max Weber wrote his study on Confucianism and Taoism, the Manchu government of China, in a desperate attempt to prevent its own demise, had abolished the Confucian examination system with its heavy reliance on knowledge of the canonical scriptures of Confucianism. When Weber wrote, the system that he described was thus not in place anymore, something that he must have known but that he did not write about and apparently was not interested in. He may have expected the arrival of capitalism in China because what he had described as the Confucian universe was not in existence anymore. In reality, the Weber paradox never existed.
Although Max Weber laid so much emphasis on the aspect of transcendency and of redemption, he never really explained why he actually did count Confucianism among the “world religions.” Overall, he must have understood religions as social systems which men could not leave even when not believing in their values anymore. Such social systems were linked to institutions. It is important not to forget that there are two aspects that traditionally made up Confucianism as a social system: its values on the one hand and its social functioning related to institutions in society on the other. Weber did not without purpose describe the social basics of Confucianism in four chapters. Although the Confucian life orientation may be the central subject of his book, it is crucially important to connect it to the social basis in which it was anchored – without this basis there would not have been a Confucian ethic.

Several years ago, boldly claiming that China today is not a Confucian country, I tried to compare Confucianism to Islam and to establish some pillars that grounded this system of thought in the earth, as the five pillars of Islam (creed, prayer, fast, alms, and the hajj) have done to this day. In a much more abstract sense than is true for Islam I discovered only three pillars: the state’s veneration of Confucius in its own cult, the popular veneration of Confucius in prayers and in Confucian temples on a local level, and participation in the state education system with the palace examination based on canonical scriptures at its apex. All those pillars, maybe with the exception of the popular veneration of Confucius, have collapsed at the beginning of the twentieth century – and a visit to the annual ceremonies marking Confucius’s birthday on September the 28th in Qufu did not inspire much confidence that state veneration will actually be truly revived. Politicians in mainland China ideally have had an education as engineers at either Tsinghua or Shanghai Jiao Tong University. Li Keqiang, who got a law degree from Peking University, is an exception to this rule. One thing, however, stands out as absolutely clear, namely that Confucian scriptures are just a supplement to a modern Western-inspired education in China today, and certainly not the basis of learning as they were in Confucian China.

While certain Confucian values have without doubt been preserved in many Asian countries and may have also been an important element in the introduction of capitalism in these countries, the institutional basis of what Weber described as “Confucian” no longer...

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46 Van Ess 2003.
47 Which, however, came under strong attack after 1949 in mainland China. It has, of course, seen a revival there since the Reform and Opening Movement of Deng Xiaoping. On popular Confucianism, compare with Billioud 2014.
48 The ceremonies that I myself witnessed in 2014 were held with musical instruments with which music could not actually be played and featured a pig made out of plastic displayed as a sacrificial animal.
existed when capitalism started to take hold, just as it no longer exists in China today—and just as, we may add, the strong relationship between capitalists and the Church, which, according to Weber, once created capitalism, no longer exists in the West either.\textsuperscript{49} Thus there may be Confucian remnants in social behavior in China and there may also be individual persons who understand themselves as Confucians because they believe in Confucian values and the necessity to uphold or revive them. But the crucial element, namely a Confucian system that relies on traditional patterns for recruiting the elite of the state, does not exist at any level. Competition is possible now beyond a state system that recruits the elite by the standard of Confucian texts,\textsuperscript{50} and Chinese capitalists do not necessarily need to be pacifist as their Confucian predecessors were according to the Weberian understanding. This has also led to the emergence of institutions in the financial sector that did not exist in imperial China and that are indispensable for the proper functioning of a modern economy. So maybe Max Weber was proven right much more than his modern critics would realize: Between the lines he had in an almost prophetical way predicted that once China had broken the chains of Confucian social practice and rewarded specialized knowledge it could actually develop an industry that is at least partially driven by the rules of capitalist interests.

References


\textsuperscript{49} Compare with Zhou Ming and Zhou Nihua 2002, 5.
\textsuperscript{50} It is tempting to speculate that the heavy reliance on the texts of Marxist thinkers may have had a similarly stifling influence on socialist China before the Deng Xiaoping era as had the examination system in imperial times. Marxist texts, of course, still remain standard knowledge in China, but they are far from the only criterion for the selection of cadres and even less so of the economic elite.


