

WERNER SOMBART'S *THE JEWS AND MODERN CAPITALISM*:
AN EXPANDED *ARGUMENTUM AD POPULAM*

As a pioneer in the field of comparative economic systems, Werner Sombart (1863-1941) rose to fame in Prussian intellectual circles as an influential proponent of what has been called the German Historical School of economics. Sombart, along with other members of the “last generation” of German economic historicists like Arthur Spiethoff, Max Weber, Alfred Weber, and Karl Polanyi, broke away from the conservatism of Gustav von Schmoller in favor of the thoroughgoing positivism of Wilhelm G. F. Roscher which was decidedly more Marxist. In fact, Sombart’s early writings, that included studies of Engels and Marx,¹ contributed significantly to the distance between the youngest historicists and the traditionalist heritage of Schmoller.

In contrast to the pragmatic “economic styles” of the Schmoller school, Sombart, like his contemporary Max Weber, sought the origins of capitalism in ideological rather than economic realities. According to *Der moderne Kapitalismus*,² the evolution of capitalism through its primitive, developed, and regulated phases succeeded the spread of Enlightenment ideas like the primacy of reason and the ability of humans to control the natural environment. But unlike Weber, who argued in *The Protestant Ethic and the Spirit of Capitalism* (1905) that puritanical rhetoric against covetousness actually sparked the spirit of capitalistic avarice, Sombart attributed the success of capitalism’s cupidity to the Jews of Central and Northern Europe.

¹*Friedrich Engels* (1895); *The Life Work of Karl Marx* (1909).

²Vol. I and II (1902); Vol. III (1928).

Sombart's *The Jews and Modern Capitalism* (1911) proved to be quite a success in the marketplace of early twentieth century ideologies. Not only did it contravene Weber's thesis, it tended to substantiate Sombart's reputation as a complex and controversial figure in intellectual circles. The Jews and liberals considered his work both crude and brusquely anti-Semitic, but conservatives and anti-Semites thought it too pro-Jewish. "That Sombart could incur the wrath of both antagonists," remarks Samuel Z. Klausner, "is the fate of a self-styled Olympian who disdained the postures and opinions of political leaders and ordinary scholars."³ At any rate, Sombart clearly revealed his sentiments for romantic nationalism a few years later, as evidenced by his harsh criticism of England in *Haendler und Helden* (1915). About two decades later, he openly expressed his confidence in the tenets of National Socialism, which he disclosed in *Deutschen Socialismus* (1934). Thus, *The Jews and Modern Capitalism* (*JMC*), while quirky and magniloquent by today's standards, simply presaged Sombart's transition from empirical rationalism to relativistic romanticism that, in due time, ended with his support of the Nazis.

Yet, initial critique of *JMC* presented conflictive views of Sombart's enigmatic synthesis of Jews and modern economic life. Julius Guttman and Ludwig Feuchtwanger, German-Jewish scholars, strongly disclaimed Sombart's connection of Judaism with capitalism, especially as a "quasi-commercial" contractual arrangement between the deity and humans over the tally of sins. Sombart's rationalistic approach, they felt, belittled the intrinsic mystical elements of the Jewish

³Samuel Z. Klausner, "Introduction to the Transaction Edition: A Methodological Introduction," in Werner Sombart, *The Jews and Modern Capitalism*, trans. M. Epstein (New Brunswick, NJ: Transaction Books, 1982), xv.

religion. But Franz Oppenheimer in *Die Neue Rundschau* ascribed *JMC* “ingenious,” while Rabbi D. M. Hoffman in *Die Juedische Presse* called it “the standard work for all time on Jews and Judaism.” Mordechai Epstein, a British economist who studied under Sombart and the work’s major English translator, noted: “Werner Sombart is undoubtedly one of the most striking personalities in the Germany of today.”⁴ *JMC* thus held the dubious distinction of praise and censure from both sides of the political spectrum.⁵ But in time, Jewish and other scholars found more reasons to dislike than like what they read in *JMC*.

For example, Bert F. Hoselitz lauded Sombart’s ingenious synthesis of apparently unrelated data, but he decried his cursory logic. Hoselitz indicted Sombart for his reliance on “secondary sources” (since he had no formal training in Hebrew or Jewish literature), his overemphasis on diaspora Jewry to the neglect of biblical Judaism, his lack of verification of evidentiary details, and his muddling of cause and effect. With respect to the latter, Hoselitz argued just the opposite of Sombart. Sombart rooted Jewish commercial skill a priori in Jewish rationalism, but Hoselitz countered that integrated financial activity preceded the development of Jewish legal philosophy, that sought to accommodate the needs of diaspora Jews in diverse and hostile environments. In other words, “The Jews as they were did not make capitalism but

⁴Quoted by Klausner from Epstein’s preface to the 1951 English edition. *Ibid.*, xvi.

⁵Klausner quips, “The swath he cut in institutional economics by the 1930s earned him the esteem of Germany’s political extremes. On the eve of the Nazi accession, his seventieth birthday occasioned salutes from Social Democrats and National Socialists alike.” *Ibid.*

capitalism made the Jews what they were.”⁶ But, as Klausner realizes, Sombart’s sociological framework looked for “ideal” rather than exclusive or actual factors, and that made Sombart’s historic causality much more complex than simple historic priority. Hoselitz nevertheless mistakenly imagined that *JMC* heralded a new epoch in the study of Jewish social relations. But serious students of Judaism—historians and sociologists—rarely have regarded the themes developed by Sombart in *JMC* worthy of critical analysis.

Perhaps Sombart failed to impact more forcefully the students of *religionsgeschichte* because of two factors: first, the context of his work as an economic sociologist rather than an economic historian or a religious historian;⁷ and second, the association of his work with

⁶Ibid., xvii.

⁷Georg Brodnitz notes that Sombart as historian faced two problems: first, the need “to squeeze historical facts into ill-fitting theoretical schemes”; and second, the need to account for historical progress and thereby explain a “process of perpetual change” in the *Volksgeist*. After Marx, “Sombart chose for himself a ‘sociological formulation of problems’ (*Soziologische Problemstellung*). . . . It must be conceded to Sombart that he has, indeed, been able brilliantly to analyze the phenomena of capitalism which are common to all Europe; but this capitalism of his is an abstract conception, the object of a theory. Capitalism as an object of experience has not found in him its historian, and the further his work progresses the more apparent this fact becomes.” “Bibliography: Recent Work in German Economic History (1900-1927),” *The Economic History Review* 1 (January 1928): 324-325.

Wesley C. Mitchell agrees, though a bit more favorably, that Sombart cannot be classified as an economic historian: “Mr. Sombart’s work is a cross between economic history and sociology. One thinks of him as a born theorist, remaining such notwithstanding prolonged training as an historian. Doubtless he has the defects as well as the qualities of this combination. The social psychologists assert that his analysis of mental evolution is crude; the historians assert that his details are often wrong. Like a sociologist dipping into history he often bases a congenial generalization upon scanty evidence. Like a man of documents dipping into theory he often gives the formal pedigree of an idea, when what is needed is an explanation of the conditions which gave wide currency to a habit of thought. Probably much of his work will have to be done

National Socialism and its propagandists. The lifelong work of Sombart involved the explanation of economic systems and the evolution of capitalism. From his early works on Engels and Marx to his *magnum opus*, *Der moderne Kapitalismus*, along with titles on the economic role of the Jews, the bourgeois, the German economy, social philosophy, and the socialist movement, Sombart devoted his career toward understanding the sociology or the social interrelationships of economic systems. His intellectual growth, though chided by some as a psychological proclivity for recognition and popular appeal,⁸ certainly addressed the issues of

over again. But after all deductions have been made, it may well prove true that Mr. Sombart has contributed more to the progress of economics than any German of his generation. . . . Sombart has come much nearer the goal of blending these two elements in such a fashion as to explain at once the current working and the cumulative changing of economic processes.” “Human Behavior and Economics: A Survey of Recent Literature,” *The Quarterly Journal of Economics* 29 (November 1914): 36-37.

⁸Nico Stehr and Reiner Grundmann note: “It seems plausible that his ambition to convince large audiences and his desire to play the role of a *prima donna* made him vulnerable in many directions. Above all, his drive towards recognition at any cost might explain his numerous *volte-faces*. He changed the circles from which he expected recognition several times during his career. As we have seen already, many observers remarked that he turned with the wind.” But then Stehr and Grundmann give two exceptions to this negative observation about Sombart. “Introduction: Werner Sombart,” in Werner Sombart, *Economic Life in the Modern Age*, eds. Nico Stehr and Reiner Grundmann (New Brunswick, NJ: Transaction Publishers, 2001), xiv.

As quoted by Klausner, “Introduction,” civ, Emil Ludwig seems to confirm this opinion about Sombart yet with an optimistic assessment of his former professor: “‘Sombart was the best teacher I ever came across in my life. There was not a trace of professional pomposity.’ Ludwig, writing about Sombart at Breslau, said he appeared as a revolutionary; had a reputation as a Don Juan, a holy terror to citizens; and appeared to be a socialist, which was prohibited in Prussian universities. . . . He could give a definition with classic lucidity, and understood how to resolve the most difficult array of data into concepts, and concepts into pictures. ‘He was the best teacher I ever encountered. And,’ Ludwig continues, ‘for his progressive mind and attempts to

social economics as of prime importance, so that everything else in Sombart must be viewed as subsidiary.

For example, his friendly polemic with Max Weber on the intersect of capitalism and religion highlighted Sombart's desire—his quintessential romanticism—to identify the spirit of capitalism, to illuminate its origins (notably in a people with observable and empirically verifiable religious beliefs and actions), and to investigate its potency in modern society. Sombart and Weber enjoyed a personal friendship and a working relationship in their co-editorship, along with Edgar Jaffe, of the *Archiv fuer Sozialwissenschaft und Sozialpolitik* (beginning in 1904). But this congenial collaboration undoubtedly suffered from the vigorous competition of the realpolitik world of the Prussian academy. In reality, Sombart's *JMC* was simply part of his larger corpus of studies on capitalism. But as a rational alternative to Weber's protestant explanation of the spirit of capitalism, *JMC* certainly fit with Sombart's overall plan for lifelong examination of social economic systems, and, as a pragmatic benefit, it provided Sombart with yet another opportunity to advance his professional career.

But did Sombart merely act in self-interest, or was he true to his office as *Herr Professor*?⁹ Although anxious “to present himself in public and in private as a super-intellectual,

introduce new methods in teaching, Sombart soon became known as the ‘red professor’” (from Ludwig's *Gifts of Life: A Retrospect*, 1931).

⁹Leo Rogin denies that Sombart was motivated by self-interest: “For a period of at least two decades Sombart avowed himself a Marxian, in the face of obviously great hindrance to his academic advancement. Despite spectacular success as a lecturer and notable scholarly achievements, Sombart was confined for fifteen years to the lowest professorial rank at the

scholar, politician, expert, and lover” and equally ardent in his passion for “stardom” on the cultural lecture circuit,¹⁰ Sombart nevertheless typified the idealist’s devotion to the craft of typological methodology. Klausner observes that Sombart, as an empirical social scientist, organized the social world in “cultural configurations or historical individuals” and collected diverse data in order to understand “such configurations, their components and the spirit that animated them.” To Sombart, certain configurations represented “natural groups” like the German nation or the Jews. Others made up “artificial groups” or “culture complexes” such as social classes, the Jewish religion, or the capitalist system. Accordingly, “ideal type” actors—the trader, the burgher, or the capitalist entrepreneur—objectified these cultural configurations. They altered the early “germ-plasm” or “programming” of these configurations, they influenced their effective rate of growth, and they changed their basic morphology. By this process, “the new and artificial configuration of capitalism [was] born in the encounter between the Jewish and European spirits.”¹¹ Sombart of course selected concepts that expressed some sort of analogical relationship to his empirical observations. He also favored empirical indicators that seemed relevant to his cultural configurations.

provincial university of Breslau. In 1905, several years after the appearance of the first edition of *Der moderne Kapitalismus*, he was called to a professorship in Berlin, not to the University of Berlin, but to the College of Commerce (Handelshochschule).” “Werner Sombart and the Uses of Transcendentalism,” *The American Economic Review* 31 (September 1941): 493-494.

¹⁰Stehr and Grundmann, “Introduction,” xiii.

¹¹Klausner, “Introduction,” xxviii-xxix.

From the beginning of *JMC*, though, Sombart set forth three important limits. First, he recognized the benefits of typological methodology over the collecting of empirical data or what he called the statistical method. He writes:

Even the best statistics do not tell us everything; nay, often the most important aspect of what we are trying to discover is omitted. . . . The statistical method, owing to lack of information, cannot always be utilized. . . . The other method (the genetic) . . . must be used to supplement the results of statistics. What is this method? We wish to discover to what extent a group of people (the Jews) influence or have influenced the form and development of modern economic life—to discover, that is, their qualitative or, as I have already called it, their dynamic importance. We can do this best of all by enquiring whether certain characteristics that mark our modern economic life were given their first form by Jews, *i.e.*, either that some particular form of organization was first introduced by the Jews, or that some well-known business principles, now accepted on all hands as fundamental, are specific expressions of the Jewish spirit.¹²

This guiding principle basically freed Sombart from two constraints. It released him from the obligation to analyze fully any data that was contrary to his typology of the Jewish spirit as it affected the formation of modern capitalism. It also permitted him to weave together in a sociological interpretation of reality unrelated and unconnected data about the Jews that might or might not have been true according to factors of historical causality. This gave Sombart a great deal of latitude in the organization and interpretation of his evidence.

Second, Sombart conjectured a distinction between recognized or empirical causation and real or idealistic causation in the sphere of economic life. He furthermore acclaimed higher value to pragmatic application over theoretical development. He says:

¹²Sombart, *JMC*, 4-5. All quotes from *JMC* are taken from Epstein's translation, hereafter simply footnoted as *JMC*.

In many cases the people who are responsible for a fundamental idea or innovation in economic life are not always the inventors. . . . It has often been asserted that the Jews have no inventive powers; that not only technical but also economic discoveries were made by non-Jews alone, and that the Jews have always been able cleverly to utilize the ideas of others. I dissent from this general view in its entirety. We meet with Jewish inventors in the sphere of technical science, and certainly in that of economics. . . . But even if the assertion which we have mentioned were true, it would prove nothing against the view that Jews have given certain aspects of economic life the specific features they bear. In the economic world it is not so much the inventors that matter as those who are able to apply the inventions: not those who conceive ideas (*e.g.*, the hire-purchase system) as those who can utilize them in everyday life.¹³

Such explicit assumptions gave Sombart extra insulation against criticism of his application of sociological typology to problems of historic causation. But his dictum about the priority of utility over theory completely relegated the historical argument to vague sociological meanings, for example, that a class of people—the Jews—influenced particular aspects of an economic system. By such an indeterminate method, Sombart could just as easily have argued like Max Weber that another class of people—the Protestants—influenced the same aspects of the same economic system. But the tacit danger in Sombart's hermeneutic lay in its apparent sense of admiration for the Jews, namely, they possessed ingenuity and inventiveness. Sombart's note of praise literally censured the Jews in that a negative system of economics, as perceived by anti-capitalists, plagued modern European society as a result of the Jews' creative innovations. In addition, his class typology, which implied the responsibility of the entire class rather than an individual or a subset of individuals, simply parroted and reinforced popular Jewish stereotypes

¹³*JMC*, 5-6.

that led the enemies of capitalism to inveigh all the Jews as culpable for society's economic woes.

Finally, Sombart dismissed any interest in a single historic cause and thereby protected himself against the charge of reductionism. He writes, "In the long story of capitalism, Jewish influence forms but one chapter. Its relative importance to the others I shall show in the new edition of my *Modern Capitalism*, which I hope to have ready before long." But Sombart explained this proviso with an important exception—the elusiveness about knowing the full scope of Jewish influence. He notes:

This *caveat* will, I trust, help the general reader to a proper appreciation of the influence of Jews on modern economic life. But it must be taken in conjunction with another. If on the one hand we are to make some allowance, should our studies apparently tend to give Jews a preponderating weight in economic affairs, on the other hand, their contribution is very often even larger than we are led to believe. . . . Who today knows anything definite about the individuals, or groups, who founded this or that industry, established this or that branch of commerce, first adopted this or that business principle? And even where we are able to name these pioneers with certainty, there comes the further question, were they Jews or not?¹⁴

Sombart at this point elaborated on apostate or renegade Jews, crypto-Jews who posed as Christians or Muslims, and undercover Jews who assumed the legal protection of "some fictitious Christian person or under the protection of a 'privileged' Jew." Concerning this last kind of Jew, Sombart says:

Our enquiries will not be able to take any account of all those Jews who, prior to 1848, took an active part in the economic life of their time, but who were unknown to the authorities. The laws forbade Jews to exercise their callings. They were therefore

¹⁴*JMC*, 6-7.

compelled to do so, either undercover . . . or they were forced to resort to some other trick in order to circumvent the law. Reliable authorities are of opinion that the number of Jews who in many a town lived secretly in this way must have been exceedingly large. In the forties of last century, for example, it is said that no less than 12,000 Jews, at a moderate estimate, were to be found in Vienna. The wholesale textile trade was at that time already in their hands, and entire districts in the centre of the city were full of Jewish shops. But the official list of traders of 1845 contained in an appendix the names of only sixty-three Jews, who were described as “tolerated Jewish traders.”¹⁵

This section of Sombart’s introduction depicted the Jews as sly and crafty. As a result of their cunning, they avoided exact reckoning by the authorities, they protected their connived “legal” status in society, and they extended their influence toward control of specific sectors of the economy. The tone of Sombart’s remarks further smacked of an antiquated medieval fear about the Jews: they were everywhere, unseen, and omnipresent—a pervasive leaven.

But the absurdity of Sombart’s calculations rested in his alleged discrepancy between the “official” and the “actual” number of Jewish traders in the city of Vienna in 1845—a difference of nineteen thousand percent! Even though his guess at the total number of Jews in Vienna at the time might be close, the appearance of scientific examination at work in his pseudo-empirical comparison falsified by exaggeration the role of the Jews in Europe’s economic life. In fact, Sombart states this conclusion explicitly: “My point was to show that the number of Jews of whom we hear is less than those who actually existed. The reader should therefore bear in mind that the contribution of the Jews to the fabric of modern economic life will, of necessity, appear

¹⁵*JMC*, 9.

smaller than it was in reality.”¹⁶ Consequently, with a bit of cleverness himself, Sombart prejudiced the Jews as imbued with the capitalistic spirit, not in a small way, but “of necessity” in a far-reaching, widespread role, limited only by the imagination, assumed to be true, accepted as fact, even though unseen and unproven. This lack of empirical evidence about the Jews’ capitalistic endeavors, according to Sombart, only increased the likelihood that they were really doing what they were believed to be doing!

In part one of *JMC*, Sombart applied these three theorems of his contrived hermeneutics to various modern economic developments: the shift in the centers of economic life from southern to northwestern Europe, the vitality of international trade, the growth of modern colonies and their economic role, the foundation of the modern state, the predominance of commerce in economic life, and the evolution of the capitalistic point of view. In part two, he explained the aptitude of the Jews for modern capitalism by looking at the capitalist undertaker, the situation or “objective circumstances” of the Jews in modern societies, and the role of Jewish religion in economic life. Finally, he tackled the problem of the origin of the Jewish genius by analyzing the race problem and the peculiar vicissitudes of the Jewish people.

In these main divisions—the historical, the psychological, and the genetic—Sombart advanced his main thesis, namely (and portrayed colorfully by Paul Wander), that “modern capitalism is the objective embodiment of the peculiar racial tendencies of a hot-blooded, nomadic desert tribe—tendencies which were to gain dynamic expression only through the historic

¹⁶*JMC*, 10.

accident of contact with the racially different chilly and damp, sluggish and stable sylvan populations of the North.”¹⁷ Wander calls this “a bold but brilliant attempt to lay under tribute race-psychological and anthro-geographical theory for the explanation of outstanding economic phenomena.”¹⁸ He notes Sombart’s dual qualification of the Jews for the capitalistic enterprise: first, their objective social conditions in Europe as a scattered people, aliens among the nations, semi-citizens, and traders and merchants; and second, their subjective psyche or attributes of race and specially of religion—a rational morality by which the whole of life becomes dedicated to utilitarian purpose and commercial activity. Wander observes how Sombart regarded his own arguments as “inconclusive without the support of deductive proof.” He critiques:

Instead of showing how the mentality of the Jews of Europe is itself a product of evolution, strongly molded in certain directions by their peculiar occupational and other life-interests through a series of centuries, Sombart denies that it has undergone the slightest modification since the Jew was a nomad in the desert. While obviously aware of the peril of assuming, a priori, an “ethos” as a category of explanation, he nevertheless falls into the error of postulating four fundamental characteristics, from which all the other mental qualities and expressions of the Jew may be derived. These he enumerates as “intellectualism,” “teleologism,” “energism,” and “mobilism,” nowise suspecting that

¹⁷Paul Wander, review of *Die Juden und das Wirtschaftsleben*, by Werner Sombart, *The American Journal of Sociology* 17 (May 1912): 838. For an early review bibliography, see Max J. Kohler, review of *Randbemerkungen zu Werner Sombart’s ‘Die Juden und das Wirtschaftsleben*, by M. Steckelmacher, *The American Economic Review* 3 (March 1913): 108-109.

¹⁸Wander, review, 838.

these traits may themselves be in large measure the result of prolonged political incapacity and of religious isolation whether compulsory or voluntary.¹⁹

Wander concludes that some of Sombart's judgments in *JMC* exhibited "the marks of a closet-philosophy."²⁰

Epstein conversely congratulates Sombart for his intense study of Judaism's original sources in order to shed "new light on an old problem."²¹ Epstein calls "most interesting" Sombart's explication of the Jew's "well-marked characteristics which make him essentially fitted for planting and extending modern capitalism." He lauds *JMC* as a "brilliant contribution . . . to the study of an important problem in economic history."²² Max J. Kohler also believes that *JMC* merited a "large measure of acceptance" as a "very important work" of a credible author, even though it showed Sombart's "anti-Jewish leanings . . . obvious in some unsympathetic chapters." Kohler finds the work a "thorough study of hundreds of specialized, little-known books and monographs in almost every language." He sees as "particularly interesting"

¹⁹Ibid., 840-841.

²⁰Ibid.

²¹Mordechai Epstein, review of *Die Juden und das Wirtschaftsleben*, by Werner Sombart, *The Economic Journal* 21 (September 1911): 446. Werner E. Mosse explains the importance of the debate between Sombart and Weber: "This was the first and, to-date, most systematic attempt to elucidate some of the reasons for the palpably disproportionate prominence . . . of Jews and people of Jewish extraction at the highest level of economic activity, more particularly in Germany." "Judaism, Jews and Capitalism: Weber, Sombart and Beyond," *Leo Baeck Yearbook* 24 (1979): 3.

²²Epstein, review, 446-447.

Sombart's sketch of the evolution of Jewish involvement in the various modern centers of commercial activity. But he judges *JMC* an incomplete work, since Sombart failed to take notice of Roscher's "Die Juden im Mittelalter," Gross' "Exchequer of the Jews of England in the Middle Ages," and Caro's *Sozial- und Wirtschaftsgeschichte der Juden*. Kohler as well belittles Sombart's aversive speculations about the Jewish religion.²³

Israel Cohen similarly seems to appreciate Sombart's masterful accumulation of detailed information on the commercial engagement of Jews as "wholesale or retail traders, bankers, or financiers, shippers of trans-oceanic trade or carriers of local wares, war contractors or dealers in old masters, founders of newspapers or organisers of international exhibitions." But he too laments Sombart's "fanciful idea that the Jew owes his commercial aptitude to the influence of his religion." Cohen quips, "Dr. Ruppin and Dr. Zollschan are nearer the truth in declaring that the Jew has no specific business capacity, but that his general intellectual equipment finds a fertile field of activity in a vocation demanding mobility and originality of thought and promptness of action. . . . The Jew is of a speculative and calculating turn of mind; he is quick to comprehend, and he has enterprise, initiative, and foresight; he is a keen competitor, a hard bargainer, a capable organiser, and has known how to develop and utilise the art of advertisement: all attributes of supreme value in the commercial struggle."²⁴

²³Max J. Kohler, review of *Die Juden und das Wirtschaftsleben*, by Werner Sombart, *The American Economic Review* 2 (March 1912): 81-84.

²⁴Israel Cohen, "The Economic Activities of Modern Jewry," *The Economic Journal* 24 (March 1914): 42-43.

But the sharpest criticism of Sombart's *JMC* came from Ellis Rivkin of Hebrew Union College-Jewish Institute of Religion in Cincinnati.²⁵ Unlike the other reviewers aforementioned, Rivkin's judgment benefitted from post-Holocaust hindsight. Rivkin concedes the importance of Sombart's work only for "its contribution to the development of 'scientific' anti-Semitism and for its utilization of a subjective methodology peculiarly appropriate for scholarship in totalitarian societies." Rivkin bemoans that the republication of Epstein's English translation of *JMC* with a new introduction by Bert F. Hoselitz credited it as "something of a scholarly classic." Rivkin, though, plans to set the matter straight: Sombart's anti-Semitic motivation biased his methodology; his major thesis that nomadic Jews created the spirit of capitalism was "strictly gratuitous"; and his unprovable assertions smacked of blatant arbitrariness. Rivkin scolds: "His empiric evidence, even when not absolutely false—which it frequently is—is merely a scholarly facade to give an appearance of objective scholarship, since his assertions about the character of Jewish religion, the racial predisposition of Jews to capitalism, and the inherent genius of the Jew for money making, sharp dealing, and commodity production, derive from intuitive bias, not from the evidence."²⁶

²⁵Ellis Rivkin, review of *The Jews and Modern Capitalism*, by Werner Sombart. *The Journal of Economic History* 12 (Spring 1952): 174-175.

²⁶Ibid. But see Aryei Fishman's study of orthodox kibbutzim that supports some influence of Jewish political ethics on economic modernization: "Our study strongly suggests that the Jewish religious ethic is expressed more in the political than in the economic sphere. In other words, it is the political ethic of Judaism that appears to impel this religion towards modernization. Judaism's political ethic thus appears to serve as the functional equivalent of the

Rivkin nevertheless does not wish to deny all Jewish influence in the development of capitalism. He only wants to dissociate the rise of capitalism from anything to be found in the racial characteristics or the religion of the Jewish people. To the contrary, he affirms:

It derived from certain antecedent historical factors that enabled Jews in certain areas to participate in the emergence of that commercial capitalism which was coming into existence quite independently of special Jewish aptitude or genius. Far from encouraging the new capitalistic spirit, medieval Judaism, like medieval Catholicism, was a serious deterrent; and as modern capitalism developed, precisely those Jews imbued with the new spirit sought to modify radically the very Judaism which, according to Sombart, was the repository of the capitalistic spirit! How very little Jews and Judaism affected the emergence of modern capitalism is irrefutably demonstrated by the fact that modern capitalism did not arise in Mesopotamia, Syria, Egypt, Asia Minor, or Palestine, despite the active participation of the Jews in the economic life of these areas and despite Sombart's insistence that this part of the world was the birthplace of the capitalistic spirit.²⁷

Rivkin concludes that Sombart wanted “to blame the Jews” for a “system he did not like,” and that, unfortunately, his conclusions gave German anti-Semitism a “scholarly backing” that abetted the Nazis in their rise to power.

Paul R. Mendes-Flohr also attributes to Sombart's *Judenbuch* the “imputation of the ‘original sin’ of capitalism to Jewry” but with the “implied absolvment of *Deutschtum* from that

Protestant economic ethic.” “Judaism and Modernization: The Case of the Religious Kibbutzim,” *Social Forces* 62 (September 1983): 31.

²⁷Rivkin, review, 175. Mosse concurs that religion “provided a negative rather than a positive incentive to Jewish economic activity.” But he also admits that economic impact of certain traits of Jewish culture (i.e., dietary laws, sobriety, communication media, and the family) can be difficult to measure. He writes: “The structure and role of the Jewish family, and particularly the place of the woman, also in business affairs, remains largely unexplored.” “Judaism, Jews and Capitalism,” 10-13.

sin” which eased Sombart’s own intellectual struggle with Germany’s rapid modernization.²⁸

Plainly, Sombart wrote *JMC* as an alternative to Weber’s thesis about the influence of puritanical behavior on modern economics.²⁹ But the real issue, according to Mendes-Flohr, lay elsewhere rather than “another Weberesque contribution to the debate on religion and economic behaviour” or simply “to honour the Jews” (so H. R. Trevor-Roper). Mendes-Flohr traces Sombart’s intellectual journey through his involvement in the *Verein fuer Sozialpolitik*, his acceptance of “moderate Marxism,”³⁰ and then his embrace of National Socialism. Early in his career, Sombart’s realized that *Deutschtum*, with its value of *Pflicht* and *Teilmensch* (both in Sombart’s view integral to the capitalist spirit), was liable for the rise of capitalism in Germany and left him bitter and alienated. He kept up over time, though, his aversion to capitalism and developed a

²⁸Paul R. Mendes-Flohr, “Werner Sombart’s *The Jews and Modern Capitalism: An Analysis of its Ideological Premises*,” *Leo Baeck Yearbook* 21 (1976): 87-107.

²⁹“Max Weber’s study of the importance of Puritanism for the capitalistic system was the impetus that sent me to consider the importance of the Jew, especially as I felt that the dominating ideas of Puritanism which were so powerful in capitalism were more perfectly developed in Judaism. . . . A complete comparison of the two ‘isms’ is not within my province here. But I believe that if it were made, it would be seen that there is an almost unique identity of view between Judaism and Puritanism, at least, on those point which we have investigated. In both will be found the preponderance of religious interests, the idea of divine rewards and punishments, asceticism *within* the world, the close relationship between religion and business, the arithmetical conception of sin, and, above all, the rationalization of life. . . . Puritanism *is* Judaism.” *JMC*, 248-249.

³⁰According to Arthur Mitzman, this was a *volte-face* by Sombart to establish his own distinct identity in the *Verein* from that of his venerated father, Anton Ludwig Sombart: “By assuming an intellectual position radically different from his father’s the son achieved his individuality.” Mendes-Flohr, “Werner Sombart’s *The Jews and Modern Capitalism*,” 89-90.

“‘strategy’ of reconciliation with *Deutschtum*.”³¹ Sombart divided the capitalistic spirit into two parts: the entrepreneurial side, which as a feature of the *Volkgeist* showed positive traits, versus the bourgeois or “trader” element, which as the epitome of the “Jewish species” represented “the spirit of Moloch” and obsession with the “money value” of both market and commerce.³² By bifurcation of the capitalist spirit, Sombart effectively reconciled with *Deutschtum*, since *Judentum* was “intrinsically responsible for bourgeois capitalism,” and this gave Sombart his justification for publication, originally in serial format, of *JMC*.³³

Given this *raison d’etre* for *JMC*, Mendes-Flohr consequently cuts Sombart no slack. As a “pseudo-scholarly hoax” (according to David S. Landes), with faulty logic and tendentious data, Sombart’s stock-in-trade “synoptic schematisation of historical phenomena” about the Jews’ economic ethos (in the tradition of Wilhelm Roscher³⁴) should have been rejected immediately. Mendes-Flohr can only surmise why it was not: “Perhaps the respectful reception awarded to Sombart’s *Judenbuch* is an eloquent commentary on the dangerous pretentiousness of

³¹See Sombart’s “Der kapitalistische Unternehmer” in *Archiv fuer Sozialwissenschaft und Sozialpolitik* 29 (1909).

³²Mendes-Flohr notes that “Sombart’s understanding of the bourgeois spirit was . . . informed by Ferdinand Toennies’s conception of the *gesellschaftliche* man.” “Werner Sombart’s *The Jews and Modern Capitalism*,” 93.

³³*Ibid.*, 93, 107.

³⁴So Toni Oelsner: “Due to Roscher’s authority, his thesis crystallizing earlier opinion became an intrinsic part of historical and economic thought, which both Sombart and Weber were further to elaborate.” “The Place of the Jews in Economic History as viewed by German Scholars: A critical-comparative Analysis,” *Leo Baeck Yearbook* 7 (1962): 187.

German bourgeois life, and in particular on the self-deprecatory posture of German Jewry?" At the most, *JMC* just continued a "long folk-cum-academic debate" with perhaps its "most comprehensive statement" to date.³⁵

With his avowal of "paucity and inconclusiveness of statistical data associating Jews and commerce" and through a "maze of inferential and deductive paralogisms," Sombart successfully expanded the *argumentum ad populum* about Jewish complicity in the "guilt" of capitalism. He aggrandized the medieval notion about Jews as money-lenders, Higher Criticism's idea of Jewish religion as external and legalistic, and the phenomenological construct of the Jewish people's nomadic soul and mathematical genius. With its "rhapsody of sophistic effusions" and "scholarly guise" to "thinly veil its appeal to the stereotypic image of the Jew as a man of commerce and money trade," Sombart's Germanophilia fully realized its liberation from "the kindred trio of Capitalism, Liberalism, and Judaism."³⁶ To conclude, Sombart ended *JMC* with a

³⁵Mendes-Flohr, "Werner Sombart's *The Jews and Modern Capitalism*," 94-96. Oelsner also observes that a "folk-psychological frame of the growth of peoples comparable to an individual's life-span" fits "well to picture the Jews as the commercial teachers of the younger nations, as those who initiated the medieval world into the practice of trade. This overgrowing role of the Jews in the emergence of medieval commerce was transferred by Sombart to the modern age of capitalism, the folk-psychological premises racially extended, with the origins in ancient Jewish history." "The Place of the Jews in Economic History," 184.

³⁶Mendes-Flohr, "Werner Sombart's *The Jews and Modern Capitalism*," 97-102. Compare Lindley M. Keasbey's evaluation of Sombart's *JMC*, *Luxury and Capitalism*, and *War and Capitalism*, in which Sombart respectively explains the "overtowering importance" of the "old Jewish God, Jehovah" and "the all but equal influence exerted by the other 'God-heads' of the capitalistic trinity: Luxury and War." Review of *Luxus und Kapitalismus* and *Krieg und Kapitalismus*, by Werner Sombart, *Political Science Quarterly* 29 (September 1914): 531.

hymn, included in the German edition but not in the English translation, that venerated the virtues of the Nordic over the Jewish race.³⁷

But, in Mendes-Flohr's opinion, Sombart's reconciliation with *Deutschtum* did not find its completion until his publication of *Der Bourgeois: zur Geistesgeschichte des modernen Wirtschaftsmenschen* (1913), which gave definition to the bold, heroic endeavors of the German people (*Heldenvolk*) in contradistinction to the miserly, peddler traits of the Jews (*Haendlervolk*). After the outbreak of the Great War, which enthused Sombart's belief in the old German hero-spirit, he penned *Haendler und Helden* (1915) in which he "transferred the opprobrious designation of *Haendlervolk* from the Jews to the English."³⁸ But did this shift in emphasis mean that Sombart's anti-Jewishness represented just a literary device, something inconsequential? Mendes-Flohr thinks not and for three basic reasons: first, the endemic presence of anti-Semitism among German's academic elite; second, Sombart's likely membership in Adolf Stoecker's Protestant Social Congress; and third, Sombart's antipathy toward Jewry in his *Die Zukunft der Juden* (1912) and his involvement in the National Socialist party. For Mendes-Flohr, there is no

³⁷Mendes-Flohr, "Werner Sombart's *The Jews and Modern Capitalism*," 102.

³⁸Mendes-Flohr sees in this "temporary transference" of the guilt of bourgeois capitalism to England, if not "the purely expedient nature of Sombart's anti-Jewishness," at least "the functional nature of antisemitism in general." "Werner Sombart's *The Jews and Modern Capitalism*," 104, 106. In part, this tendency to accuse came from a "pathetic awareness of Germany's spiritual isolation. Many echoed the protest of the distinguished economist and social philosopher, Werner Sombart: 'We understand all foreign peoples; but none of them understands us, and none can understand us.'" Leon W. Fuller, "The War of 1914 as Interpreted by German Intellectuals," *The Journal of Modern History* 14 (June 1942): 147.

doubt that Sombart's *JMC* was meant to incriminate the Jews for bourgeois capitalism's part in "the spiritual malaise of *fin de siecle* Germany."³⁹

In contrast to pre-World War II estimates of Sombart,⁴⁰ Mendes-Flohr's study surely compels a negative view of *JMC* as well as Sombart as an anti-Semite. After the war, students of religious sociology and economic history began to regard the Weber-Sombart dialogue as something curious and either excused or neglected it.⁴¹ They later acknowledged Sombart's affiliation with National Socialism and quickly discredited or censured him. Sombart studies as a result fell into disrepute and have been resurrected just recently by Friedrich Lenger in the first biography, published in 1994, to examine Sombart's entire life.⁴²

³⁹Mendes-Flohr, "Werner Sombart's *The Jews and Modern Capitalism*," 102-107.

⁴⁰Sombart was not uncontroversial in his earlier years: "He was at the forefront in a scholarly debate that raged in the first years of the century over the historical significance of capitalism. He also delivered the German academy's most sustained critique of Marxism and was known in socialist circles as the bourgeois scholar who tried to 'kill Marx' intellectually. But the controversiality of his own intellectual career, the charges of dilettantism, and the ideological migrations that registered in the prodigious corpus of his scholarship took a high toll on his reputation and encouraged his neglect at the hands of later scholars." Roger Chickering, review of *Werner Sombart, 1863-1941: Eine Biographie*, by Friedrich Lenger, *The Journal of Modern History* 67 (December 1995): 970.

⁴¹See Mosse, "Judaism, Jews and Capitalism," 13-14. He decries the fact that "past explanations, whether in terms of religion, race, class or ideology have lost such usefulness as they may once have possessed." He suggests the need for new methodologies and careful analysis of minorities, such as Jewish elites, to make relevant once again studies on Judaism and capitalism.

⁴²See Colin Loader, review of *Werner Sombart, 1863-1941: Eine Biographie*, by Friedrich Lenger, *The American Historical Review* 100 (June 1995): 917-918.

It certainly is appropriate to judge Sombart's *JMC* by the context of his whole life, and there can be little doubt as to his anti-Jewish tendencies. Even as early as 1912, when he published *Die Zukunft der Juden*, Sombart defended discrimination against the Jews on the basis of German self-protection.⁴³ For him, Jews represented a "foreign element" in German society "incompatible with *Deutschum*." He credited the liberal cure that "time will heal the wounds of antisemitism" to a mistaken premise, since "all men are not, as the English would have it, equal." He naturally assumed that hatred of Jews would continue as long as Jews existed, so the problem of antisemitism belonged to the Jews alone.⁴⁴ Predictably, Sombart seemed genuinely annoyed by Arthur Landsberger's persistence that he clarify his *Judenpolitik*.⁴⁵ But the *Judenfrage* would not go away; Sombart was a player and had to take a stand.

That Sombart, toward the end of his life, stood for National Socialism is undisputably confirmed by his *Deutschen Socialismus*. Was this embrace of Naziism a repudiation by Sombart of earlier ideas? Leo Rogin argues that Sombart did not convert or surrender to Naziism, but rather he espoused it. He considers as proof Sombart's courage and independence throughout his career, his fidelity to "certain vital aspects" of National Socialism's reconstitution

⁴³For a benign evaluation (i.e., Sombart disfavored Jewish assimilation because "he values variety of true human species . . . he thinks the species Jew of high worth"), see J. H. Clapham, review of *Die Zukunft der Juden*, by Werner Sombart, *The Economic Journal* 22 (June 1912): 294-296.

⁴⁴Mendes-Flohr, "Werner Sombart's *The Jews and Modern Capitalism*," 105-106.

⁴⁵In Landsberger's *Judentaufen* (1912).

of society even before Hitler's ascendancy, and the overall temperament and social perspective of Sombart.⁴⁶

Abram L. Harris agrees with this view of Sombart's compatibility with Naziism. He observes that "the old German dream of empire, expressed in such shibboleths as *Drang nach Osten*, *Deutschland ueber Alles*, *Mitteleuropa*, and *Lebensraum*, is an essential ingredient of Sombart's 'purely-German socialism.'"⁴⁷ Harris sagaciously highlights four broad areas of common ground between Sombart's views and the Nazi party program: "(1) the repudiation of nineteenth-century liberalism and its 'atomistic' or individualistic conception of society; (2) the idealization of the Middle Ages; (3) the proposal to reconstruct society on the model of estates; and (4) folk nationalism and its corollary, pan-Germanism."⁴⁸ He believes that such agreement was not at all accidental, and that, in a sense, Sombart and Naziism both "evolved under the stress of the same pattern of thought," or, in other words, they evolved together. As Harris suggests, "this pattern of thought exerted a potent influence on Sombart's theory of economic development, and his National Socialism which coincides with the party program is a natural climax to that theory."⁴⁹

⁴⁶Rogin, "Werner Sombart and the Uses of Transcendentalism," 493.

⁴⁷Abram L. Harris, "Sombart and German (National) Socialism," *The Journal of Political Economy* 50 (December 1942): 814.

⁴⁸*Ibid.*, 815-816.

⁴⁹*Ibid.* In fact, so much so, that Wilhelm Ropke frankly finds Sombart's *Deutscher Sozialismus* patently bellicose: "It is not to be marvelled at, however, that, in Fascist countries,

But Sombart's personal helpfulness of Jews, particularly academics, certainly complicates the logical leap from Sombart the National Socialist to Sombart the anti-Semite. Klausner mentions the large number of Jews among Sombart's associates—colleagues, students, and translators. Edgar Jaffe co-edited the *Archiv* with Sombart and Weber. Mordechai Epstein studied with Sombart and became his principal English translator. Emil Lederer had Sombart's support to succeed Professor Julius Hirsch at the University of Berlin. Even Salo W. Baron reminisced: "I can personally testify that during Hitler's persecution of the Jews, I received from him more than one letter of recommendation for a Jewish pupil who was forced to leave the Third Reich and come to the United States."⁵⁰

Klausner says that Werner Krause, in the *German Democratic Republic*, disavowed *JMC* as an anti-Semitic book. But it linked the Jews to capitalism, and, when capitalism became the enemy of fascism, Sombart became an accessory. According to Krause, Sombart had no scruples about it—he succumbed to the Nazi terror! Regardless, even if a substantial difference between Sombart's personal life and his published work can be inferred, the fact remains that the basic

there are writers who, going even further than the military planners, demand the militarisation of the whole society, though it will surprise those who have not followed his recent literary activity, to find a man like Werner Sombart in this group. . . . If Sombart, at the end of his academic career, has come to the final conclusion that his country must be turned into one large barrack-yard, it will be futile to argue with him and to tell him that he is demanding something inhuman." "Fascist Economics," *Economica* 2 (new series, February 1935): 94.

⁵⁰As quoted by Klausner, "Introduction," cv.

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thesis of *JMC* perpetuated the old *argumentum ad populum* about Jewish complicity in the “guilt” of capitalism. In *JMC*, Sombart expanded the popular accusation against the Jews.

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