

Max Weber, Confucianism and Modern Capitalism

Introduction

In his writings, Max Weber argued that the Protestant work ethics and other cultural elements created by John Calvin's teaching on predetermined salvation had contributed to the emergence of modern capitalism in Western Europe while Confucianism was linked with the failure of the development of modern form of capitalism in China.

In the context of the rapid economic development of the East Asian areas influenced by Confucianism since the 1970s and the economic success of China since the 1990s, this paper will re-examine Weber's arguments on the links between Confucianism and modern capitalism. It will analyse Weber's comparison of the this and other world, world affirmation and rejection, degree of rationalisation and asceticism in Puritanism and Confucianism, as well as discuss how scholars like New Confucian thinkers Du Weiming (杜维明) and Yu Yingshi (余英时) criticised Weber's views and refuted his argument that the contribution made by Puritanism to work ethics, economic activities and the development of modern capitalism could not be found in Confucianism.

1. Weber's views on the link between Puritanism and the emergence of modern capitalism in Europe

In 1902, through intensive reading of the history, constitution and economy of monasteries, Max Weber came across the theme of 'rationality', particularly in economic life. In 1903, stimulated by the question of the origin of modern capitalism and its revolutionary power, Weber initiated the series of sociological works which later formed *The Protestant Ethic and the Spirit of Capitalism*.¹

¹ Dirk Kasler, *Max Weber: An Introduction to his Life and Work* (Cambridge, 1988) p.1, 12-13 and Gianfranco Poggi, *Weber: A Short Introduction* (Cambridge, 2006) p.8-9

In *The Protestant Ethic and the Spirit of Capitalism* (1904), Weber indicates his views on the dialectics between this world and other world in Puritanism based on the relations between French theologian and pastor John Calvin's (1509-1564) teaching of 'double predestination' and the emergence of modern capitalism in Europe.

According to Calvin's doctrine of 'double predestination', some people are predestined to eternal life and others to eternal death. Only those who are elected to salvation will be saved ('predetermined salvation'). Salvation flows from God's free mercy. Predestination is God's eternal decree by which he determined what he willed to become of each human being.²

Since salvation is predetermined solely by God's grace, humans cannot attain salvation through their own efforts. Humans can only prove that they were predestined to salvation based on their receiving and fulfilling the callings of God through worldly success and wealth.³

Weber argues that the notion of economic success as sign of salvation in Calvinism has contributed to the emergence of modern capitalist spirit and production system in Western Europe. First, it has contributed to European capitalists' strong urge and motivation to become successful in economic activities. Since the ultimate goal behind capitalists' drive for economic success is to prove their predetermined salvation instead of consumption, it has contributed to the massive capital accumulation crucial in the initial stage of economic development.

Second, it has contributed to the transformation of Europeans' attitudes from other-worldly asceticism to inner-worldly asceticism, leading to the methodical rationalisation

² "John Calvin on Predestination" in McGrath, *The Christian Theology Reader* pp.232-233

³ Max Weber, *The Protestant Ethic and the Spirit of Capitalism* (London, 1992) xvi

of life and systematized utilitarianism of living in the world and yet not be of it, producing rational aptitudes and the spirit of the vocational man, i.e. the Protestant work ethic.

Third, the tremendous tension between this-worldly and other-worldly concerns created by Calvin's doctrine of double predestination had brought about the attitudes of rational calculation and manipulation within social and economic life necessary for the growth of capitalism in the West.

Finally, the combination of inner-worldly asceticism with the world rejecting attitude of Christianity had led to the strong intention of rationally mastering and transforming the world, creating a high degree of rationalisation which contributed to modern rational capitalism in the West with the rational industrial organisation of labour and mobilisation of resources.

By comparing Puritanism with religions like Judaism, Islam, Buddhism and Hinduism, Weber argues that the inner-worldly asceticism, methodical rationalisation of life, the spirit of 'being in the world and not be of it', the tremendous tension between this-worldly and other-worldly concerns, as well as the intention of rationally mastering and transforming the world created by Calvin's teaching of double predestination, were unique among world religious systems.

2. Weber's views on the link between Confucianism and the failure of the development of modern capitalism in China

Weber has also applied his argument to Confucianism. First, Weber argues that, due to its world accommodating nature, its adjustment to the world, its orders and conventions, Confucianism lacks the path to methodical control and rationalisation of

life. The central force of a salvation religion conducive to a methodical way of life was non-existent in China due to the pacifist character of Confucianism. Chinese lacked the central, religiously determined and rational method of life which was characteristic of the Puritan. Alien to the Confucian was the peculiar confinement and repression of natural impulse which was brought about by strictly volitional and ethical rationalisation ingrained in the Puritan.⁴

Second, Weber argues that, due to its this-worldly orientation, world-affirming attitude and lack of concern for other world or the fate in afterlife, Confucianism lacks the tremendous tension between this-worldly and other-worldly concerns. That is why Confucianism fails to create a strong intention of rationally mastering and transforming the world caused by the confrontation between the transcendental world and the actual world like the confrontation between the supra-mundane God and the ethically irrational world in Puritanism. That is why Confucianism failed to bring about the attitudes of rational calculation and manipulation within social and economic life necessary to the growth of capitalism as Calvinism did in the West.⁵

Third, based on his perception of the close link between modernisation and rationalisation, Weber points out that while rationalism was embodied in the spirit of Confucian and Puritan ethics (Weber perceives Confucianism's rational adjustment to the world as a 'rationalism of order'), only the Puritan rational ethic with its supramundane orientation brought economic rationalism to its consistent conclusion. Weber argues that since Confucianism lacks a strong intention of rationally transforming the world, it fails to create a high degree of rationalisation comparable to Puritanism, which he thought had

⁴ Weber, *The Religion of China: Confucianism and Taoism* (New York, 1964) p.142-5, 169-170, 243-7 and *Sociology of Religion* p.270

⁵ Weber, *The Protestant Ethic and the Spirit of Capitalism* p. xvi and *The Religion of China* p.148-150

contributed to modern rational capitalism in the West with the rational industrial organisation of labour and mobilisation of resources.⁶

Fourth, Weber argues that due to its lack of inner-worldly asceticism and methodical rationalisation of life, Confucianism lacks the religiously systematized utilitarianism peculiar to rational asceticism, the spirit of ‘living in the world and yet not be of it’ in Puritanism, which he thought had produced the spirit of the vocational man and the Protestant work ethic.⁷

Finally, Weber perceives Confucian ethics as rejecting professional specialisation, expert bureaucracy and special training. He attributes the absence of rational specialisation in the state bureaucracy of traditional China to the Confucian notion ‘a cultured man is not a tool’ (*junzi buqi* 君子不器), i.e., *junzi* (gentleman) is an end in himself and not just a means for a specified useful purpose or any functional end. Since Weber sees instrumental rationality like specialisation, professionalization and bureaucratisation as features of the modern age, he points out the lack of emphasis on law and professional specialization as elements of Confucianism which constituted barriers to the rise of capitalism in China.⁸

Based on these views, Weber suggests the link between Confucianism and the failure of the development of modern rational form of capitalism in China. He argues that since the material conditions for the development of modern industrial society were about the same in Europe, India and China in the late Medieval Period, the capitalist

⁶ Weber, *The Religion of China* p.142-5, 241, 247-9

⁷ Ibid. p.169-170, 247-9 and *Protestant Ethic and the Spirit of Capitalism* p.xvi

⁸ Ibid. p.160-1, 246, Lunyu 2.12 in *Lunyu yizhu* p.17 and Helwig Schmidt-Glintzer, “Max Weber’s interest in Confucianism” in Silke Krieger, *Confucianism and the Modernisation of China* (Mainz, 1991), p.245

development of Asian people was impeded only by tradition and not by lack of ability or will.⁹

3. Weaknesses and Criticisms of Weber's Arguments

In the late 20th Century, in view of the rapid economic development and increasing economic power of the East Asian areas influenced by Confucianism (e.g. Japan, Korea, China, Taiwan, Hong Kong and Singapore), many scholars like New Confucian thinkers Yu Yingshi and Du Weiming have reflected on and criticised Weber's views on the link between Confucianism and the failure of the development of modern rational form of capitalism as well as Weber's argument that the contributions made by Puritanism to work ethics and economic activities could not be found in Confucianism.

First, Yu points out that there was a transformation of Chan Buddhism (*chanzong* 禅宗) in China from other-worldly to this-worldly orientation since mid-Tang Period since Chan Buddhist monks had to emphasize economic activities (e.g. farming) and economic ethics (e.g. diligence and frugality) for self-subsistence purposes due to the decrease in donations to Buddhist temples after the Anshi Rebellion (*anshi zhi luan* 安史之乱 755-763). Yu suggests that Chan Buddhism's stress on economic activities and work ethics had contributed to its affirmation of the values of worldly activities, attaching a transcendental spirit and religious implication to fulfilling worldly duties.¹⁰

Yu argues that Chan Buddhism's affirmation of the positive values of this world, worldly activities and fulfilling worldly duties since the mid-Tang period has inspired Neo-Confucianism's full affirmation of worldly affairs. Yu regards the Neo-Confucian

⁹ Weber, *Sociology of Religion* p.266-9 and Tang Yijie, "Zhongguo zongjiao: guoqu yu xianzai" in: *Beijing guoji zongjiao huiyi lunwenji* p.72-74

¹⁰ Yu, *Neizai chaoyue zhilu* 内在超越之路 (Beijing, 1992) p.266-271

notion and spirit of ‘*jing* 敬’ (‘reverence’, ‘seriousness’) as a state of mind which humans’ original mind and true nature filled with heavenly principles (e.g. benevolence 仁) are realised and manifested. He thought such a state of mind created by ‘*jing*’ is also a highly concentrated mental state, which is the spiritual basis of accomplishing affairs in this world. Therefore, Yu suggests that the idea of ‘*jing*’ has contributed to ‘the spirit of revering one’s occupation’ (*jingye jingshen* 敬業精神) and the notion of ‘occupation determined by Heaven’ (*tianzhi* 天職) in Chinese society.¹¹

Based on these views, Yu argues that Neo-Confucianism’s full affirmation of worldly affairs and its spirit of ‘*jing*’ have contributed to the work ethics in China similar to Calvinism’s contribution to the Protestant work ethics in Europe.

Yu’s argument is similar to Robert Bellah’s (1927-) argument that Confucianism had contributed to the work ethics in Japan during the Tokugawa Period. Bellah argues that the notion of occupation (*shokubun* 職分) as the fulfilment of one’s obligations to and return for the blessings (*on* 恩) of a higher entity (e.g. superiors, family, society, nation, ancestors, Buddha...etc.) as well as a calling determined by Heaven, had contributed to Japanese people’s stress on diligence and frugality as well as their strong urge to attain success in work and commercial activities. That had contributed to the work ethics, economic rationalisation and inner-worldly asceticism in Japan during the Tokugawa Period analogous to the contribution of Calvinism’s notion of the calling to Europe in the 17th century.¹²

¹¹ Yu, *Neizai chaoyue zhilu* p.315-7

¹² Robert Bellah, *Tokugawa Religion: The Values of Pre-industrial Japan* (Illinois, 1957) p.115-6, 123, 126, 151-2

While Weber points out the Chinese kinship system and family ethos as elements of Confucianism which constituted barriers to the rise of capitalism in China, Du thought Weber has overlooked the role played by Confucian values in promoting patterns of familial and social organisation that sustain and intensify the influence of capitalism. Du argues that Confucian ethics like emphasis on family unity and submission to authority have contributed to the development of family business enterprises, which is a major driving force of the economic development of modern Chinese communities. Gordon Redding has also pointed out that the function of Confucianism in facilitating East Asian people's acceptance of authority has contributed to legitimising authority and justifying the authority relations in modern Chinese business enterprises. Du also points out Confucianism's emphasis on social harmony, learning, education and renewal as contributing factors to the economic development of East Asia.¹³

Many scholars have also pointed out the function of Confucianism in supporting the authority of the centralised state bureaucracy and facilitating the acceptance of the leadership of a bureaucratic elite. Ambrose King has pointed out that the Chinese ruler had the traditional right and duty to intervene in the socio-economic activities of society, a duty ideologically justified by the Confucian notion of cosmically based universal kingship based on the 'Mandate of Heaven' (*tianming* 天命). Du has also pointed out the Confucian idea that government assumes full and comprehensive responsibility for the well-being of people while bureaucrats are not merely government functionaries but also leaders, intellectuals and teachers of the people remains persuasive in East Asia.¹⁴ These

¹³ Du, *The Confucian World Observed: A Contemporary Discussion of Confucian Humanism in East Asia* (Hawaii, 1992) p.2, *Confucian Ethics Today: the Singapore Challenge* (Singapore, 1984) p.4-5, 12, *Confucian Traditions in East Asian Modernity: Moral Education and Economic Culture in Japan and the Four Mini-dragons*.(Harvard, 1996), p.263-4

¹⁴ Du, *Confucian Traditions in East Asian Modernity* p.231 and Krieger, *Confucianism and the*

Confucian values have contributed to the economic development of East Asia since they help to create social and political stability, while enabling active government leadership in economic development and close government-business relations, which many scholars consider crucial in the economic development processes of East Asia.

Second, in response to Weber's argument that Confucianism lacks the tremendous tension between this-worldly and other-worldly concerns in Puritanism, which he thought why it fails to create a strong intention of rationally mastering and transforming the world that creates a high degree of rationalisation, as well as the attitudes of rational calculation and manipulation within social and economic life, New Confucians argues that there is also tension between this world and other world in Confucianism.

New Confucians regard the unbridgeable gap between God and human, God's absolute separation from human and the inferiority of human nature as the characteristics of 'external transcendence' (*waizai chaoyue* 外在超越) represented by Christianity. Therefore, Yu perceives the tremendous tension between this world and other world caused by the confrontation between the supra-mundane God and the ethically irrational world felt by the Puritans as the typical psychological state of 'external transcendence'.

Therefore, Yu argues that Weber's view on the lack of tension between this world and other world in Confucianism is based on the absolute separation and sharp distinction between 'transcendence' and 'immanence' implied in 'external transcendence' as well as the assumption that Chinese people only have 'this world'. As Yu stated:

Weber's view that Chinese people stress harmony and seem to have no tension is obviously limited by the view of external transcendence. He wrongly thinks that Chinese people are living in one world and does not see that Chinese people are situated between two inseparable worlds. Although there was already division

between transcendental ideal world and real world in ancient Chinese thoughts, the relationship between these two worlds is a kind of an inseparable one and it has not formed a sharp contrast as in other cultures (韦伯认为中国人重视和谐，似乎没有什么紧张显然是受了外在超越观点的限制。他误以为中国人生活在一个世界之中，而看
不见中国人是处在不即不离两个世界之间。中国古代思想中虽也早有超越的理想世界和现实世界的分化，但这两个世界之间是一种不即不离的关系，并不像其他文化那样形成了鲜明的对照).¹⁵

If we refer to Weber's views on Chinese culture, we can find his perception of the lack of the notion of 'religion' as well as the lack of distinction between 'religious' (sacred) and 'secular' in Chinese culture. As Weber stated:

Chinese language has no special word for 'religion'. There was 'doctrine' of a school of literati and 'rites' without distinguishing whether they were religious or conventional in nature. The tension between sacred and secular law which exists in the Occident, Islam and India was completely absent in China.¹⁶

It thus supports Yu's argument that Weber's view on the lack of tension between this world and other world in Confucianism is based on the assumption of the dichotomy between religious and secular, sacred and profane, transcendence and immanence in the West, without taking into consideration the characteristics of 'immanent transcendence' (*neizai chaoyue* 内在超越) in Confucianism. It is consistent with the New Confucians' perception of the unique dialectics between religious and secular, sacred and profane, transcendence and immanence in the Confucian context.

Yu argues that there is also tension between this world and other world in Confucianism. Nevertheless, due to the inseparability of the transcendental and actual world in Confucianism, the tension is internal instead of external.¹⁷ Yu has illustrated the internal tension between other (transcendental) world and this world in Confucianism based on the Neo-Confucian notions of the inseparability and tension between

¹⁵ Yu, *Neizai chaoyue zhilu* p.245-6, 249, 260

¹⁶ Weber, *The Religion of China* p.142-5, 149

¹⁷ Yu, *Neizai chaoyue zhilu* p.305

‘principles’ (*li* 理) and ‘matters’ (*qi* 氣), ‘nature of mandate of Heaven’ (*tianming zhi xing* 天命之性) and ‘nature of essence of matter’ (*qizhi zhi xing* 氣質之性), as well as ‘principles of Heaven’ (*tianli* 天理) and ‘human desires’ (*renyu* 人欲). As he stated:

Cheng Yi and Zhu Xi raised the distinction between ‘nature of Heavenly mandate’ and ‘essential nature of matter’ to settle the problem of principles of Heaven and human desires through resolving the conflict between good and evil human nature. ‘Nature of Heavenly mandate’ is Mencius’ good human nature and ‘essential nature of matter’ is Xunzi’s evil human nature. ‘Nature of Heavenly mandate’ and ‘essential nature of matter’ can never be separated but the former must continuously conquer the latter. That is the concrete place where principles of Heaven control human desires. Abnormal or excessive life desires are in opposition to the principles of Heaven. Zhu Xi describes the relation between principles of Heaven and human desires as a long term war. The view of weak principles and strong matters can best highlight how great the tension between Neo-Confucian ethics and this is. Since the world of principles and the world of matters are inseparable and Neo-Confucian ethics do not allow Daoism’s escaping the world and further do not allow Buddhism’s abandoning the world, the sage establishes teaching precisely to make people control matters with principles (程朱之所以提出[天命之性]和[气质之性]的分别便是要通过对性善和性恶之争的消解安顿天理与人欲的问题。天命之性即是孟子的性善，气质之性即是荀子的性恶。天命之性和气质之性永不能分离，然而前者又必须不断地去征服后者，这便是天理克制人欲的具体下手之处。不正常或过分的生命欲望和天理处于互相对立的地位。朱子把天理和人欲的关系描写成一种长期的拉锯战争。理弱气强的观点最能显出新儒家伦理与此之间的紧张是何等巨大。由于理世界气世界是不即不离的，新儒家伦理又不容许道家的逃世，更不容许佛家出世，圣人立教正是要人助理以制气)。¹⁸

Du’s view that Confucianism participates in and links with this world while criticising and rejecting it can also support Yu’s argument that there is tension between this world and other world in Confucianism. The only difference is that the tension in Confucianism arises internally (ways and principles of Heaven internalised in humans) while the tension in Puritanism arises externally (transcendent God separated from human).

Third, based on their views that there is also tension between this world and other world in Confucianism, New Confucians refute Weber’s view that Confucianism lacks the notion and intention of rationally transforming the world.

¹⁸ Ibid. p.306-312

Du suggests that despite Confucianism's active participation in worldly affairs and links with the world, the gap between Confucian values and ideals as well as the social political rules of games have distanced Confucianism from the social political power structure and the actual functioning of the world. Such a unique relationship between Confucianism and the world has given Confucianism an advantageous position and strong spirit of transforming the world from within. As Du stated:

Confucianism transforms politics by the moral power and influence of education, ways of being a human, teaching and social practice instead of constructing an ideal world by political power. Confucian scholars are outside politics but their critical nature and sense of

participation are very strong. They also have a very strong sense of alienation towards political power. Confucianism has different types of links with real society and politics, but it also has relative distance from real social political power structure. Confucianism cannot leave this world but we do not belong to this world because there are conflicts between the power structure this world represents and the principles of the human world which we understand it should have (儒家从教育，做人道理，教化，思想和社会实践的道德力量影响来转化政治而不是依赖政治权力来塑造理想世界。儒家的士在政治以外但批判性和参与感都很强，对政治权力的异化感也很强。既和现实社会和政治发生各种不同的联系，又和现实社会政治权力结构有相当的距离。儒家不能离开这个世界，但是我们并不属于这个世界，因为这个世界所代表的权力结构与我们所了解的人文世界应该有的原则是有冲突的).¹⁹

Therefore, Du asserts the transformative nature of Confucianism and refutes Weber's view that Confucianism is not transformative. He argues that Confucianism has the function of transforming the world like other religious systems. Based on Confucianism's involvement in the world while having a strong intention of transforming it from within, Du perceives Confucianism as transforming the world by actively participating in worldly affairs similar to Puritanism. As Du stated:

By remaining within the human order as a member of the human race, one is choosing to transform the world into a moral order through active personal participation. In this sense, the Confucian ethic is compatible with a number of other ethical systems and major religious traditions.²⁰

¹⁹ Du, *Xiandai jingshen yu Rujia chuantong* p.394-397, 413, 425

²⁰ Du, *Confucian Ethics Today* p.92

Yu also argues that the Neo-Confucian notions of controlling and mastering the ‘essential nature of matter’ by ‘nature of Heavenly mandate’, ‘human desires’ by ‘principles of Heaven’ and ‘matters’ by ‘principles’ indicate Confucianism’s attitude of positive transformation of this world based on the ways and principles of Heaven. It thus refutes Weber’s view that Confucianism only adapts and adjusts to the world as it is.²¹

Moreover, although Confucianism stresses establishing and maintaining social political order, it does not advocate adjusting and adapting to the existing social political systems as they are. Since Heaven is perceived as the source of human orders and moral values in Confucianism, Confucians always try to match the ways of human with the ways of Heaven to attain ‘the unity of Heaven and human’. Therefore, if the existing social political order and system deviate from the ways of Heaven, Confucians would try to transform them instead of adjusting and adapting to them. That explains why New Confucians refute Weber’s view on Confucianism’s rational adjustment and adaptation to the world, while they argue that Confucianism is also transformative. As Yu stated:

The basic attitude of Confucianism towards this world has never been passive adaptation, but is positive transformation (儒家对此世的基本态度从来不是消极的适应而是积极的改变).²²

Fourth, New Confucians criticise Weber’s view that Confucianism lacks the path to inner-worldly asceticism, rational methodical control of life, the spirit of ‘living in the world and not be of it’, as well as the repression of natural impulse by ethical rationalisation in Puritanism, which Weber thought had produced the spirit of the vocational man and Protestant work ethic that contributed to the emergence of modern capitalism in Europe.

²¹ Yu, *Neizai chaoyue zhilu* p.305-6

²² Yu, *Neizai chaoyue zhilu* p.308-312

Based on his views that Confucianism is both world affirming and world rejecting, this-worldly but with aspiration to the ways of Heaven, participating in the actual world while criticising and rejecting it based on the ideals and values of the transcendental world, Du suggests that there is also spirit of 'living in the world but not belonging to it' in Confucianism.

Yu's interpretation of the Neo-Confucian notions of 'controlling human desires by principles of Heaven' as well as 'preserving the principles of Heaven and removing human desires' (存天理, 去人欲) as the tension between transcendental world and this world in Confucianism also indicates that there is the idea of controlling bad elements in human nature and repressing natural impulses with transcendental values and principles in Confucianism.

Du and Yu's views indicate that Confucianism also has the paths to inner-worldly asceticism, rational methodical control of life as well as repression of natural impulse as Puritanism. Nevertheless, due to the differences between Confucian immanent transcendence and Christian external transcendence, these paths are based on the notions of the transcendental ways and principles of Heaven internalised in humans instead of external transcendent God, salvation and afterlife in Puritanism.

Fifth, many scholars thought it is problematic to apply Weber's thesis in the context of Confucianism due to the weaknesses in Weber's arguments on Protestant ethics' contribution to modern capitalism.

Yu has pointed out that Protestant ethics is only a condition for the spiritual aspect of capitalism and one of the contributing spiritual factors in the initial stage of the emergence of modern capitalism. As he stated:

Protestant ethics is only the necessary condition for the spiritual aspect of this unique capitalism. It is neither the adequate condition, nor the only basis. Moreover, the functioning of this spiritual factor was only limited to that stage at which modern capitalism emerged. When the immense benefits brought by capitalist economy were widely known by people, religious motives were rendered insignificant (新教伦理只是这一特殊资本主义的精神层面的必需条件，既非充足条件，更非唯一的根据。而且这一精神因子之发挥作用也仅仅限于现代资本主义刚刚兴起的那个阶段。等到资本主义经济所带来的巨大利益已为人所共知时，宗教的动机便退居无足轻重的地位了)。²³

Xu Peiming has also suggested that the function of religion as a contributing spiritual factor to economic development was limited to the initial stage of modern capitalism. Since the fame, reputation, status and power associated with wealth are enough to create capitalists' strong urge and motivation to become successful in economic activities and pursue more wealth in the mature stage of capitalism, there is no need to look for capitalist spirit in religious ethics.

Moreover, based on his comparative analysis of different religions like Judaism, Islam, Daoism, Buddhism, Christianity and Jainism, Xu has identified elements against accumulating wealth in this world in different religious doctrines. In Christianity, it is indicated in Jesus' saying "Do not store up riches for yourselves here on earth where moths and rust destroy and robbers break in and steal. Instead, store up riches for yourselves in heaven, where moths and rust cannot destroy and robbers cannot break in and steal". Based on this, Xu criticises Weber for focusing on Calvin's teaching of double predestination while neglecting the overall contradiction between religious teaching and wealth accumulation.²⁴

²³ Yu, *Neizai chaoyue zhilu* p.243-5

²⁴ Matthew 6: 19-21 in *Good News Bible*, New Testament p.8 and Xu Peiming 徐佩明, "Zongjiao yu caifu: liangzhe maodun guanxi zhi tantao 宗教與財富:两者矛盾關係之探討" in: *Zhongguo zongjiao lunli yu xiandaihua* 中國宗教倫理與現代化 (Hong Kong, 1991) p.251-253

Malcolm MacKinnon has also criticised Weber's claim on the uniqueness of Calvinism in its this-worldly orientation as well as its rationalising influence on Western culture and contribution to the capitalist spirit. As MacKinnon points out, Weber fails to realise the revolutionary transformation of Calvin's thought throughout the 17th century, which unequivocally points the ultimate value to the world beyond. The Protestant ethic makes no recognisable contribution to the capitalist spirit. Weber's deliberation on the rationalisation of the Western world can be rejected since the wellspring of formal rationality does not reside in the irrational strivings of the Puritan.²⁵

Moreover, when Weber uses the unique cultural traits created by Calvin's doctrine of double predestination to explain why the modern capitalist spirit and system first emerged in Europe but not in other parts of the world, he has made the assumption that other parts of the world had the same potential of developing modern forms of capitalism in that historical period. This assumption is indicated in Weber's view that the material conditions for the development of modern industrial society were about the same in Europe, India and China in the late Medieval Period, while the capitalistic development of Asian people was impeded only by the presence among them of rigid tradition and not by any lack of ability or will.²⁶

Nevertheless, Yu has pointed out that the emergence of modern forms of capitalism was a unique historical experience of the West, which was the combination of many unique and non-repeatable historical factors (e.g. the discovery of American continent). Therefore, Yu criticizes the assumption that modern capitalism is a universal and inevitable stage of development which all societies must go through. As he stated:

²⁵ MacKinnon, "Calvinism and the Infallible Assurance of Grace: The Weber Thesis Reconsidered" pp.165-171

²⁶ Weber, *Sociology of Religion* p.266-9

Is Confucian ethics a supporting force or an obstacle to the development of capitalism in East Asia? This kind of question is somehow built on an unexamined assumption, namely that Western modern form of capitalism is a historical stage which every society must go through.

It wrongly considers the emergence of modern Western capitalism a must in history, regarding the unique historical experience of the West as an absolute universal rule of human societies. Tawney has pointed out that the most important factor in the development of capitalism in 16th and 17th century Holland and England is not religious activities but economic activities, particularly the discovery of American continent. The discovery of American continent can only happen once in human history. That cannot be the historical stage which non-Western societies must go through (儒家伦理对于资本主义在东亚的发展究竟是一种助力还是障碍? 这样的问题多少是建立在一个未经检验的假定之上, 即西方现代式的资本主义是每一个社会所必经的历史阶段。误认现代西方资本主义的出现是历史的必然, 把西方的特殊历史经验当作人类社会绝对的普遍规律。陶奈指出 16 和 17 世纪荷兰和英国的资本主义的发展, 其最重要的因素不是宗教而是经济活动, 尤其是美洲的发现。美洲的发现在人类历史上只能出现一次, 这就更不是西方以外的社会所必经的历史阶段了).²⁷

Yu's argument indicates the weakness in Weber's assumption that other parts of the world had the same potential of developing a modern form of capitalism in the historical period when it first emerged in Europe. Based on his research on the ethics and economic activities of the 'Confucian merchants' (*rushang* 儒商) in the Ming Period (*Mingdai* 明代 1368-1644) and Qing Period (*Qingdai* 清代 1644-1911), Yu has argued in "Contemporary Chinese Religious Ethics and Merchant Spirit" ("Zhongguo jinshi zongjiao lunli yu shangren jingshen 中国近世宗教伦理与商人精神") that it is problematic to apply Weber's thesis in the East Asian context and suggests Confucianism's link with the development of modern capitalism. As Yu stated:

The factors behind the emergence of modern Western capitalism, whether they are incidental or necessary, are all internal and based in Western culture. If Western powers had not come to the East, according to Chinese society's original trend of development, we do not have sufficient reason to determine whether this unique form of capitalism has emerged or will emerge in China. Therefore, we cannot apply Weber's theory and raise the question on the relations between Confucian ethics and the emergence of East Asian capitalism (现代西方资本主义的兴起, 无论是偶然还是必然的因素都是内在于西方文化而成立的。如果西方的力量没有东来, 依照中国社会原有的发展趋势, 我们并没有充足的理由可以断定这种特殊形态的资本主义已经或即将在中国萌芽。因此, 我们不能套用韦伯的理

²⁷ Yu, *Neizai chaoyue zhilu* p.243-5

论，贸然提出儒家伦理与东亚资本主义的兴起有什么关系这样的问题。²⁸

Yu's view that if Western power had not come to China, China would not have developed modern forms of capitalism because of its different historical trajectory is similar to Liang Shuming's (梁漱铭 1893-1988) view that China would not have developed industry, democracy and science in one thousand years if there were no encounter with the West due to its different direction of cultural development. In Liang's view, modern Western culture represents the conquest of natural environment to satisfy basic desires while traditional Chinese culture represents the development of ethics and morality, as well as the pursuit of the harmony between humans, between humans and nature to attain inner contentment of life.²⁹

Finally, Weber's views indicate his lack of sufficient understanding of Chinese culture and Confucianism.

Weber has correctly pointed out the inner-worldly nature of Confucianism, its preoccupation with affairs of this world, its lack of concern for spirits and afterlife.³⁰ Nevertheless, Weber fails to realise that despite its inner-worldly nature, Confucianism contains the ideals and values of the transcendental (other) world of 'ways (principles) of Heaven' while humans' unity with 'Heaven', which is the transcendent in Confucianism similar to 'God' in Christianity, is a key notion in Confucianism.

In a similar way, Weber has correctly pointed out Confucianism's world accommodating nature, its rational adjustment to the world and its orders, as well as attributed this to Confucians' belief in the existence of a cosmic order.³¹

²⁸ Yu, "Zhongguo jinshi zongjiao lunli yu shangren jingshen" in *Neizai chaoyue zhilu* p.243-5

²⁹ Guy Alitto, *The last Confucian : Liang Shu-ming and the Chinese Dilemma of Modernity* (Berkeley, 1979) p.105, 121, 122

³⁰ Weber, *The Religion of China* p.142-5, 155

³¹ *Ibid.* p.149

However, Weber fails to realise that despite its world accommodating nature and adjustment to the world, Confucianism is not wholly world affirming and it does not accept the world as it is. Although Confucianism stresses the good origin of human nature based on the notion that human's true nature is given by Heaven, it does not believe that human nature is naturally inclined towards good and it also identifies evil elements in human nature.

Weber also fails to realize that although Confucians adapt and adjust to the moral order of this world, when the existing social political order and system have deviated from the ways of Heaven, Confucians will try to transform them by criticising and rejecting the actual world based on the transcendental ways and principles of Heaven.

Moreover, Weber fails to realise that China's lack of the force of salvation religion and the notion of anthropomorphic God does not imply that there is no mechanism conducive to rational methodical control of life and repression of natural impulses similar to Protestant ethics in Chinese culture. The stress on self-cultivation in *The Great Learning* (*Daxue* 大学), the notion 'The gentleman is cautious and fearful where he cannot be seen and heard' (君子戒慎其所不睹, 恐懼乎其所不聞) in *The Doctrine of the Mean* (*Zhongyong* 中庸), as well as the Neo-Confucian notions of controlling the 'essential nature of matter' by the 'nature of Heavenly mandate' and 'human desires' by 'principles of Heaven' indicate that there are also mechanisms of methodically controlling and ethically rationalising life, repressing natural impulses, controlling human desires and suppressing bad human instincts in Confucianism. The only difference is that the mechanisms in Confucianism are based on the notion of transcendental ways of Heaven instead of the notions of God, salvation and afterlife in Puritanism.

Weber's insufficient understanding of Chinese culture and Confucianism explains why he fails to see that there are also elements in Confucianism which are conducive to work ethics, economic activities and rationalisation.

4. Conclusion

In this paper, I have discussed Max Weber's argument that the cultural elements in Puritanism created by John Calvin's teaching on predetermined salvation had contributed to the emergence of modern capitalism in Western Europe, while Confucianism was linked with the failure of the development of modern capitalism in China since these cultural elements could not be found in Confucianism. I have then discussed how various scholars, in view of the increasing economic power of Confucian East Asia, criticise Weber's views and point out the weaknesses in his arguments, suggesting how elements in Confucianism have contributed to the economic development process of East Asia.

Nevertheless, if there are so many elements in Confucianism which are favourable to economic development, why did large scale economic development and modern capitalism take place in East Asia only in the later part of the 20th century but not before it? Why did China have so many problems in the process of modernisation and meeting the challenge of modern western countries in the 19th century when she was so Confucian? Why did Weber and Chinese intellectuals in the early 20th Century (e.g. Chen Duxiu 陈独秀 1879-1942) regard Confucian values and notions to be stumbling blocks for modernisation and the development of a modern capitalist economy in China?³²

³² See Chen Duxiu, "The way of Confucius and modern life 孔子之道與現代生活" (1916) in *New Youth 新青年* Volume 2 No. 3, 4

To what extent was Confucianism linked with the failure of the development of capitalism in pre-modern China and to what extent it has contributed to the rapid economic development of East Asia and China since the late 20th Century? How does that indicate the limit of Weber's arguments on Confucianism and modern capitalism?

First, although Confucianism contains elements positive to economic development (e.g. its this-worldly, pragmatic and rational orientation), these elements can only positively influence the course of economic development if they are in the right institutional settings. The emergence of a pro-economic development institutional settings (e.g. pro-economic development government institutions and policies) in East Asian countries and the integration of Chinese economy with the global capitalist system in the late 20th century (e.g. the economic reform of China since 1979 and its joining the WTO in 2001) explains why, while Weber perceives Confucianism as a cause of the failure of the emergence of modern capitalism in pre-modern China, Confucianism became a contributing factor to the development of modern capitalism in East Asia since the late 20th Century.³³

Second, while Weber claims that Confucianism failed to create a sense of activism about worldly affairs, a drive to success in worldly activity and dynamism in economic activity, the this-worldly and world-affirming orientation of Confucianism and its lack of concern for other-worldly matters have actually contributed to Chinese people's pragmatism as well as their strong focus on worldly affairs, worldly interests and worldly success. As Zhang Taiyan (章太炎 1869-1936) has pointed out, it is in the nature of

³³ Tang Yijie, "Zhongguo zongjiao: guoqu yu xianzai" in *Beijing guoji zongjiao huiyi lunwenji* p.93-94

Chinese people to attend to political matters, daily needs and works and that they are not concerned with things beyond this life and things.³⁴

Such strong urge to achieve worldly interests and success has contributed to Chinese people's attitudes of rational calculation and manipulation in social life as Calvinism did in the West. Such attitudes failed to contribute to the growth of capitalism in pre-modern China because the traditional social structure (scholar officials as the highest and merchants as the lowest social class), civil service examination, bureaucratic system and negative attitudes towards merchants and commercial activities in pre-modern China had led Chinese people to political instead of commercial careers. However, with the emergence of pro-economic development institutional settings, government policies as well as attitudes in favour of business people and activities in East Asian countries in the late 20th Century, Chinese peoples' attitudes of rational calculation and manipulation became a favourable factor to the growth of modern capitalism in China and East Asian Chinese communities.

Finally, in explaining why Confucianism ceases to be a negative factor of the economic development of East Asia, some scholars have attributed this to the weakening and decline of certain Confucian ethics and values in modern East Asia. King has suggested that Confucianism in the early 20th Century has long been deconstructed, and the cultural systems of modern East Asian societies are now a mixture of indigenous values and Western influences. For example, the disappearance of traditional Confucian negative attitudes towards merchants, the entrepreneurial spirit, commercial activities and innovation have stimulated commercial activities and the spirit of capitalism.

³⁴ Du, *The Confucian World Observed* p.2 and *Complete Works of Zhang Taiyan Volume 4* (Shanghai Renmin, 1985) p.194-5

Based on such a view, Robert MacFarquhar has suggested that one reason why the economic development of Mainland China lacked behind other East Asian countries from the 1950s to 1970s was the government's attempt to reproduce in Marxist-Leninist form the old Confucian state with all its hindrances to economic development (e.g. negative attitudes towards entrepreneurial spirit, commercial activities and innovations).³⁵

MacFarquhar's view explains why the economy of Mainland China lacked behind other ethnic Chinese communities in East Asia (e.g. Hong Kong, Taiwan and Singapore) before its adoption of a state policy which favoured economic growth, commercial activities and entrepreneurship in 1979, even though Mainland Chinese people are also influenced by Confucian ethics and values. It also supports the view that Confucianism could positively influence the course of economic development only in the right institutional settings.

Ambrose King's suggested link between the emergence of 'rationalistic traditionalism' in Hong Kong and its rapid economic development since the 1950s can also support the view that Confucianism became a contributing factor to the economic development of East Asia due to the weakening of Confucian ethics and values which are negative to economic development, and the preservation of those which are conducive to it, in the second half of the 20th Century.

King has suggested that in the process of economic development of Hong Kong, local Chinese people have adopted a pragmatic, rationalistic and instrumental attitude toward traditional values. That is, they have selectively preserved Confucian values which have extrinsic usefulness in pursuing economic goals (e.g. social harmony and

³⁵ The Institute of East Asian philosophies (1988), *Forum on the Role of Culture in Industrial Asia: The Relationship Between Confucian Ethics and Modernisation* p.33, 39

emphasis on education), while removing those values which hinder such a pursuit (e.g. negative attitudes on commerce). This reconstruction of the traditional value system in favour of economic and instrumental rationality has contributed to economic growth. Since the emergence of 'rationalistic traditionalism' is a general cultural phenomenon in Confucian East Asia, we can use it as an explanatory factor of the economic success of other East Asian Confucian societies as well.³⁶

Due to Chinese people's strong urge and desire to develop the economy, improve living standard and pursue material wealth since the late 20th Century, they were willing to remove, modify and rationalize traditional values and systems (many of them based on Confucian ethical principles) which were negative to economic development. For example, traditional social constraints on Chinese women were modified or removed so that they could participate in the labour force (e.g. the female migrant factory workers in China), as well as take up entrepreneurial, managerial and professional works. The traditional Chinese patrimonial management style was also modified based on modern management systems and practical needs in order to increase the efficiency and competitiveness of Chinese family business firms. At the same time, ethnic Chinese people have preserved those traditional values and systems which are favourable to economic development. For example, the traditional cohesiveness and unity of the family as well as kinship and social networks are preserved because they contribute to the flourishing of family business enterprises and 'network capitalism' (business transactions among ethnic Chinese across national borders based on kinship and social networks), which is the driving force of the economies of Chinese communities in East Asia.

³⁶ Du, *Confucian Traditions in East Asian Modernity* p.261, 270

Modern Chinese people's selective preservation, modification, rationalisation and removal of traditional values in their process of economic development can explain why elements of Confucianism which were regarded by Max Weber as barriers to the emergence of modern capitalism and obstacles to the development of modern capitalist economy in pre-modern China (e.g. Confucian ethics' rejection of professional specialisation and expert bureaucracy) can be removed or transformed into the contributing factors to the economic development of East Asian Chinese communities (e.g. traditional Chinese family system, relations and ethos) in the late 20th Century.

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