

Moral Economies

Edited by Ute Frevert





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Ute Frevert

Introduction

“This economy kills”: these were the words of Pope Francis in his 2013 apostolic letter, which has been widely perceived as a general policy statement. The Pontifex Maximus found numerous supporters, among them the influential German Cardinal Reinhard Marx. In 2014 Marx passionately pleaded for a reconciliation of “markets and morals.”¹ Others, especially conservatives and financial columnists, objected and criticized the papal letter as outright and offensively Marxist or even Leninist.²

Bernie Sanders, U. S. senator and president hopeful, was not among the critics. Instead, he boldly sided with Francis when he spoke at the Pontifical Academy of Social Sciences in 2016. Using barely veiled religious language he bemoaned that “our very soul as a nation has suffered” as the market economy treated workers as “disposable cogs of the financial system” and allowed “vast inequalities of power and wealth.” He concluded his speech with an appeal to “bring the economy back under the dictates of morality and the common good.”³

The notion of a “moral economy” has thus forcefully entered public discourse and been adopted by academics in many disciplines. Since the publication of Edward P. Thompson’s seminal article on the “Moral Economy of the English Crowd” in 1971 many experts, above all in the fields of social anthropology and sociology, have used the concept for their own purposes. Some stayed close to its original meaning while others expanded the notion so as to encompass phenomena that were not directly related to economic activities and behavior.⁴

1 Reinhard Kardinal Marx, *Ordnungspolitik als Versöhnung von Markt und Moral. Potenziale und Grenzen der Freiburger Idee aus der Sicht der katholischen Soziallehre*, 17.1.2014, <https://www.erzbistum-muenchen.de/cms-media/media-26636720.pdf>.

2 Andrea Tornielli and Giacomo Galeazzi, *This Economy Kills. Pope Francis on Capitalism and Social Justice*, Collegeville, MN 2015, pp. vii f.

3 Bernie Sanders, *The Urgency of a Moral Economy. Reflections on the 25th Anniversary of Centesimus Annus*, <https://berniesanders.com/urgency-moral-economy-reflections-anniversary-centesimus-annus>.

4 It would fill many pages to cite all academic books and articles that have used the notion of moral economy since the 1970s. See, as a selection, James C. Scott, *The Moral Economy of the Peasant. Rebellion and Subsistence in Southeast Asia*, New Haven 1976; Evelyn S. Ruppert, *The Moral Economy of Cities. Shaping Good Citizens*, Toronto 2006; Stefan Svallfors, *The Moral Economy of Class. Class and Attitudes in Comparative Perspective*, Stanford 2006; Chris Hann, *Moral(ity and) Economy. Work, Workfare, and Fairness in Provincial Hungary*, in: *European Journal of Sociology* 59. 2018, pp. 225–254. Several journals have published special issues on moral economy: *Journal of Global Ethics* 11. 2015, no. 2; *Anthropological Theory* 16. 2016, no. 4. For a decidedly non-economic view on moral economy see Lorraine Daston,

For Thompson, moral economies belonged to a historical period that had not yet been tainted by capitalism. They came to the fore as soon as the new capitalist modes of production and trade clashed with traditional, paternalist modes of provision and fueled market riots during the eighteenth century. Morality, as the Marxist historian saw it, no longer played a role once capitalism became the dominant economic system.⁵

Without quoting him, Thompson echoed Karl Polanyi. In his 1944 book on “The Great Transformation,” the left-leaning Austrian emigrant had criticized *laissez faire* capitalism for destroying formerly integrated societies, in which the exchange of goods and services was embedded in a larger social and moral framework. Those societies followed the principles of reciprocity, redistribution, and household production and used manufacture and trade to allow them to flourish. Capitalism, by contrast, as it developed from the Industrial Revolution onwards, broke the ties between social and economic relations, and established the self-regulating market as its central institution.⁶

What Thompson later called the “demoralizing of the theory of trade and consumption” found its equivalent in what Polanyi observed as the “demoralization of the people.” Workers and entrepreneurs, poor and rich, allegedly lost their sense of honor and decency. While the poor were driven to the “veritable abyss of human degradation,” the better-off middle classes removed “compassion [...] from the hearts, and a stoic determination to renounce human solidarity in the name of the greatest happiness of the greatest number gained the dignity of a secular religion.”⁷

Both authors, Polanyi even more than Thompson, spoke in a highly moralizing tone. To them criticizing the new capitalist economy was tantamount to accusing it of a blatant lack of morality. Morality was translated into values like compassion, solidarity, decency, and an emotional commitment to the common or public good. Such values, in their view, had been prevailing in pre-capitalist social and economic systems. In Polanyi’s opinion they would have to be reintroduced if capitalism and “industrial civilization” were to survive.⁸

The Moral Economy of Science, in: *Osiris* 10. 1995, pp. 2–24; Didier Fassin, *Les économies morales revisitées*, in: *Annales HSS* 64. 2009, pp. 1237–1266; id., *Humanitarian Reason. A Moral History of the Present*, Berkeley 2012, pp. 7f. See also the 2018 Belknap Global Conversation at Princeton University, organized by Jeremy Adelman and Samuel Moyn, on the “idea of the moral economy” from the 18th century to the present, <https://humanities.princeton.edu/2018/01/25/spring-2018-belknap-global-conversation-announced/>.

5 Edward Palmer Thompson, *The Moral Economy of the English Crowd in the Eighteenth Century*, in: *Past & Present* 1971, no. 50, pp. 76–136, esp. p. 89.

6 Karl Polanyi, *The Great Transformation. The Political and Economic Origins of Our Time* [1944], 2nd ed., Boston 2001, esp. Part 2, I: “Satanic Mill,” pp. 35–135.

7 *Ibid.*, p. 41 and p. 107.

8 Karl Polanyi, *Our Obsolete Market Mentality. Civilization Must Find a New Thought Pattern*, in: *Commentary* 3. 1947, pp. 109–117, here p. 117. Polanyi sought to restore “the fullness of life to the person” instead of subjecting them to the “profit motive” only (pp. 115f.).

Considered against this background, the notion of a moral economy carries a strong political subtext. However it can also be employed as a heuristic lamp post that sheds light on the complicated relationship between morality and capitalist market economies. This relationship is neither one-dimensional nor historically stable. Instead, we encounter a plurality of values shaping various economic systems at different times.

As recent debates have clarified, no economic system per se is value-free. Similarly, economics has been described as “a moral science” by some of its most important representatives.⁹ As Kenneth Boulding pointed out fifty years ago, since science does not only investigate the world, but also “creates the world which it is investigating,” moral propositions and value judgments are firmly entrenched in economic theory and practice.¹⁰ They structure, give meaning and approval to or criticize economic behavior, and they can encourage collective action. Sometimes, moral issues are veiled and hidden and have to be unearthed by historical analysis. In other cases, they are openly pronounced and advertised, which makes the historian’s work easier but not superfluous. What can be observed as a moralizing tendency still has to be examined in a broader context of countervailing currents and enabling forces.

Contexts and conflicts all figure prominently in the articles collected in this volume, which originated from a 2017 workshop at the Max Planck Institute for Human Development in Berlin. The workshop brought together senior and junior historians whose research focuses on the conjunction of economic and moral issues.¹¹ Most of them work on modern societies, sharing the assumption that these societies have seen not one but many moral economies. Moral arguments and morally induced behavior have by no means left the economic sphere untouched since the eighteenth century. Instead, they have played a crucial role in shaping the way in which citizens, as producers and consumers, as subjects and objects of charity, as debtors and creditors, as self-sufficient settlers and supporters of the DIY movement, have connected moral reasoning and economic concerns.

Setting the stage, the first article investigates the concept of moral economy as it has been defined and discussed across history. It traces its political usage and links it to the widespread critique of capitalism, which is as old as capitalism itself. Yet not only proponents but also defenders of the new mode of production

9 Kenneth E. Boulding, *Economics as a Moral Science*, in: *The American Economic Review* 59. 1969, pp. 1–12; Anthony B. Atkinson, *Economics as a Moral Science*, in: *Economica* 76. 2009, pp. 791–804.

10 Boulding, *Economics*, p. 3.

11 The juniors were mostly Ph.D. students enrolled in the graduate program at the International Max Planck Research School on “Moral Economies of Modern Societies.” See <https://www.mpib-berlin.mpg.de/en/research/research-schools/imprs-moral-economies>. I thank Alexandra Esche, Jürgen Finger, Paul Franke, Natalie Lang, Sandra Maß, Brit Schlünz and Korinna Schönhärl—who, unfortunately, could not contribute to this volume—for their stimulating comments and suggestions.

used moral terms when they referred to the common good, to civilizational progress, and individual wellbeing. Moral values also pervaded social organizations that sought to deal with the (unwanted) consequences of industrial capitalism and a free market economy. The contemporary quest to re-moralize the economy thus fails to grasp the extent to which it has been firmly embedded in and surrounded by a web of morally responsible institutions and discourses since its very beginning.

Looking back at the early modern world, Laurence Fontaine distinguishes two economies that followed vastly different moral regimes: the aristocratic one, based on gift and charity, as opposed to the market economy, based on credit. While charity built on personal relationships and testified to aristocratic generosity and *bon plaisir*, credit was increasingly granted on the basis of economic performance and commitment to hard work. Both principles and practices engaged strong moral arguments as a means of self-justification. Drawing on rich source material from the eighteenth century, Fontaine shows how aristocratic practices like giving alms to beggars were increasingly put under pressure, but also were defended by rejecting bad habits of avarice attributed to capitalist merchants. In France, that crisis was resolved politically when the Revolution helped to install an economic system that heavily relied on the mechanisms of the capitalist market and its moral promise to promote liberty, equality, and universal happiness.

Moral conflicts over social and economic practices also occupy center stage in Mischa Suter's contribution. Analyzing politics of debt enforcement and debates on usury in Switzerland and Germany during the nineteenth and early twentieth centuries, he illustrates the way in which such conflicts were not simply coated in a moral language as a convenient communicative code, but were also informed by widely different views on what constituted "good" or "bad" behavior in economic matters and in society at large. Such views underwrote political campaigns against Jews, who were targeted as bearing responsibility for and benefitting from the allegedly immoral principles of industrial and financial capitalism.

Those principles were equally scrutinized—and rejected—by the German settlement movement that emerged in the 1890s and consisted of a colorful mix of land reformers, vegetarians, Zionists, and *voelkisch* actors. Anna Danilina's article sheds light on the many ways in which economic behavior was moralized in those "inner colonies," from preaching vegetarianism to doing gymnastics in order to prepare the body for useful and morally approvable work. Most settlements held on to thoroughly racialized notions of economic activity that they sought to implement in their own households and communities.

Households, as the primordial site of economic relations that were not restricted to narrowly conceived types of exchange and interaction, also featured in discourses on urban planning and the development of urban infrastructure. Investigating the case of New York City during the late nineteenth and early twentieth centuries, Björn Blaß finds that moral, economic, and political arguments for waste disposal and urban sanitation were closely linked. Middle-class women who were engaged in the municipal housekeeping movement deliberately drew

on their own experience of household cleanliness when they set out to reform “the wasteful, pernicious and disgusting practice of dumping city refuse.” Highly moralized concepts of purity—as opposed to disgust—were used to buttress women’s claim to improve society by investing in private and public hygiene. As much as demands for municipal housekeeping legitimized women’s participation in public administration and decision making, they also conveyed the image of the city as an *oikos*, in which moral, economic, and political processes were inextricably intertwined.

Similar linkages can be detected in public discourses on disabled veterans during and after the Great War. Taking the example of Cisleithanian Austria, Thomas Rohringer examines the role of work in reintegrating former soldiers into civilian life. He traces the conflicting visions of how reintegration should take place and carves out the moral dimensions attached to concepts of economic citizenship. He also discusses what was considered the moral obligation of the state to “pay back” the debt it owed those who served their country on the battlefields and returned visibly or invisibly impaired. The question as to which forms such compensation should take was thoroughly debated, with charity being relegated to private actors.

Reinhild Kreis’s contribution returns to the moral economy of private households. In post-1945 West Germany, they were not only the site of crucial economic activities, but also acted as a moralizing force with regard to those activities. The decision to either buy ready-made goods and services or to produce them carried heavy moral baggage. As the analysis of the Do-It-Yourself movement shows, this was not only a question of economic scarcity or cost efficiency. Instead, DIY was increasingly marketed as a particular way of life that was deemed to be morally superior to the culture of buying and wasting resources. Adopted by left-wing counterculture movements of the 1970s and 1980s, it has now been adopted by extreme right-wingers who show their moral repugnance towards capitalist consumer society by producing most provisions themselves.

Till Großmann introduces East German economy and society around 1960 as two spheres of intense moral controversy. Linking the workplace with the family, campaigns on the formation of the “socialist man” (and, sometimes, woman) promulgated values and moral emotions that were thought of as instrumental in creating the GDR model of a socialist society based on the shared ownership of the means of production. How these campaigns resonated in people’s experiences and attitudes, how they helped to transform gender roles and re-approached handed-down middle-class values is discussed through an analysis of letters that men and women wrote to the well-known physician and author Rudolf Neubert.

Concluding an intense intellectual exchange, the notion of moral economies has been found epistemologically useful and challenging for historical research. First, the notion itself has a history that can be traced back to the early modern period. It reflects both the importance of what was then known as the “moral sense” and the conflicting views on economic activities that went beyond the allegedly *doux commerce* and its civilizing impact. It therefore invites historians

to analyze the changing meanings of “the moral” and “the economic” as well as their various connections and hybridity. However change and variety should not be restricted to their temporal dimension. Moral economies have been identified in manifold regions of the world, from Southeast Asian peasant societies to contemporary Turkey, China and Africa.¹²

Second, all existing research points towards the pivotal role of conflict in bringing moral arguments to the fore. On the one hand, conflicts over economic matters like wages or prices are often associated with moral claims. On the other hand, such claims are not only voiced by one particular group, as E. P. Thompson implied. Instead, moral justifications are provided by all the stakeholders. While one might feel tempted to dismiss these justifications as mere alibis or window dressing, they actually help to confirm and sustain morality as a general communicative code. They might relate to different moral orders, but they can also express diverging interpretations of the same moral reference system.

Third, studying moral economies through conflicts enables historians to examine how specific moral convictions and emotions are formed and shaped by education and experience. Education here refers to broader processes of formation that include school curricula as well as public media. Experience is meant to encompass social involvement in organizations and institutions that themselves work with and towards a certain moral repertoire. As social scientists and psychologists remind us, people are not born moral. They rather acquire moral emotions and perceptions during the course of their lives, in historically distinct ways that are dependent on factors like social class, gender, race, and religion.

Finally, engagement with moral economies as a topic of historical research allows historians to connect with contemporary conflicts and debates. This presents both opportunities and risks. The opportunities lay in the fact that historians can inform, maybe even enlighten their society on the presumed novelty and specificity of current matters viewed against the longer trajectories of moral-economic dispute and struggle. By considering the present in a historical perspective they can provide analytical clarity and distance. The risk involved is that historians might get enmeshed in their own experience as contemporaries, and fail to neatly distinguish between moral economies as prescriptive or analytical. Early on, colleagues have fallen into this trap. Criticism of their work might help future colleagues to avoid it.

12 Johanna Siméant, Three Bodies of Moral Economy. The Diffusion of a Concept, in: *Journal of Global Ethics* 11. 2015, pp. 163–175; Jean-Pierre Olivier de Sardan, A Moral Economy of Corruption in Africa?, in: *Journal of Modern African Studies* 37. 1999, pp. 25–52.

Ute Frevert

Moral Economies, Present and Past

Social Practices and Intellectual Controversies

Abstract: This article investigates the concept of moral economy, tracing its political usage in the widespread critique of capitalism across history. Yet not only proponents but also defenders of the new mode of production used moral terms when they referred to the common good, to civilizational progress, and individual wellbeing. Moral values also pervaded social organizations that sought to deal with the (unwanted) consequences of industrial capitalism and a free market economy. The contemporary quest to re-moralize the economy thus fails to grasp the extent to which, since its very beginning, it has been firmly embedded in and surrounded by a web of morally responsible institutions.

Current political discourse seems to be obsessed with morals. In political negotiation and decision-making processes as well as in public opinion, questions of morality loom large. Europe's recent refugee problem has been widely discussed in moralizing terms, and so have political approaches to the Greek sovereign debt crisis starting in 2010. Since 2013, the "Moral Monday" movement against social injustice has been spreading through the United States.¹ Protest groups of different political leanings increasingly engage moral language to express their concerns in "moral economy" frameworks.² During and after his presidential bid, U.S. Senator Bernie Sanders continuously called for a "moral economy" instead of a system that produces "stark inequality and injustice." He defined the new economy as "one that says, 'In the wealthiest country in the history of the world, all our people should be able to live with dignity and security.'"³

- 1 Cathy Lynn Grossmann, "Moral Monday" Expands to a Week of Social Justice Action across U.S., in: *The Washington Post*, 19.8.2014.
- 2 Susana Narotzky, *Between Inequality and Injustice. Dignity as a Motive for Mobilization during the Crisis*, in: *History and Anthropology* 27. 2016, pp. 74–92, using Spanish cases. How economic and moral struggles are intertwined and fuel right-wing populism has been marvelously studied by Arlie Russell Hochschild, *Strangers in Their Own Land. Anger and Mourning on the American Right*, New York 2016.
- 3 Anon., *Bernie Sanders Calls for a "Moral Economy" at the Vatican*, 15.4.2016, <https://www.bbc.com/news/world-us-canada-36057229>; Bryan Anderson, *Bernie Sanders Pushes for a "Moral Economy" during the Duke University Visit*, 19.4.2018, <https://www.newsobserver.com/news/politics-government/article209386109.html>.

Following the financial crisis of 2007–08, the behavior of major banks, in particular, has been under close scrutiny, with sharp criticism of excessive bonuses even for those who performed poorly. In her former position as France's finance minister, Christine Lagarde described the explosion in executive pay as “scandalous,” and Jean-Claude Juncker, as President of the European Commission's Eurogroup of finance ministers, spoke of a “social scourge.”⁴ Using strong and morally charged language, politicians sought to prompt businesses to establish and maintain ‘good’ standards of corporate governance. At the same time it was feared that inappropriate levels of income would destroy public trust, as much as they strengthened the recipients' tendency to engage in risky and often unethical behavior.⁵ Public trust also suffered when CEOs earned huge sums after making thousands of employees redundant. According to Peter Montagnon, director of investment affairs at the Association of British Insurers, this was “bad for the reputation of capitalism.”⁶

Since Montagnon also served as Associate Director at the Institute of Business Ethics, he was well versed in the role of ethics in the public view and performance of capitalism. The ethical dimensions of doing business have been increasingly debated since the 1970s, within major corporations and the academia. The more economists like Milton Friedman, widely regarded as the “giant” in libertarian economics, preached the gospel of unfettered economic activity and free-market capitalism, the more entrepreneurs and CEOs seemed to be concerned with ethic codes and social responsibility. At first sight, this blatantly contradicted Friedman's advice. Asked if “*corporate executives*, provided they stay within the law, have responsibilities in their business activities other than to make as much money for their stockholders as possible,” his answer was “no, they do not.”⁷ In his opinion, businesses were not supposed to have any social or moral responsibilities at all.

As long as they acted in their own self-interest however, Friedman did not “summon much indignation.”⁸ In fact, it turned out that businesses could indeed make good money by complying with social and moral expectations. Demonstrating their concern for fair production and trade, fighting pollution, eliminating discrimination, and subscribing to non-exploitative business ethics

4 Anon., Pay Attention, in: *The Economist*, 14.6.2008, pp. 81 f., here p. 81.

5 Nassim Nicholas Taleb, How Bank Bonuses Let Us All Down, in: *The Financial Times*, 25.2.2009, p. 13; Thomas Donaldson, Three Ethical Roots of the Economic Crisis, in: *Journal of Business Ethics* 106. 2012, pp. 5–8; Lynne M. Andersson and Thomas S. Bateman, Cynicism in the Workplace. Some Causes and Effects, in: *Journal of Organizational Behavior* 18. 1997, pp. 449–469; Horacio Ortiz, “Dans ses tendances, l'industrie financière ne se trompe pas, mais elle exagère toujours.” Enjeux moraux dans les pratiques professionnelles de la finance, in: Didier Fassin and Jean-Sébastien Eideliman (eds.), *Économies morales contemporaines*, Paris 2012, pp. 53–72.

6 Anon., Pay Attention, p. 81.

7 Milton Friedman Responds, in: *Business and Society Review* 1. 1972, pp. 5–16, here p. 6.

8 Milton Friedman, The Social Responsibility of Business Is to Increase Its Profits, in: *The New York Times Magazine*, 13.9.1970, reprinted in Walther C. Zimmerli et al. (eds.), *Corporate Ethics and Corporate Governance*, Berlin 2007, pp. 173–178.

ultimately proved to be in a corporation's best interest. In contrast to Friedman's predictions—that such concerns and practices would harm the “foundation of a free society” and lead to “pure and unadulterated socialism”—they helped to stabilize capitalist modes of making profit and securing economic growth. They staged, one might say, capitalism as a moral economy and thus invested in its good reputation.

For academics other than economists, there is much to be learnt from such moral “window-dressing,” as Friedman disdainfully called it. Over the last few years, sociologists, in particular, have become keenly interested in the moral order capitalism rests upon, as well as in the phenomenon of moralized markets.⁹ They have pointed to the social and cultural embeddedness of markets that allows for strong moral claims to be made on both producer and consumer behavior.¹⁰ They have studied the moral valuation of marketable as against non-marketable goods, like blood, organ or egg and sperm donations.¹¹ They have paid attention to concepts of fairness and justice and their moral underpinnings.¹² And they have analyzed the social organization of illegal markets and the extent to which moral issues defined what was deemed legal or illegal.¹³

Historians, by contrast, have rarely raised their voices in the debate.¹⁴ This comes as a surprise for three reasons: first, the notion of moral economy is itself a historical one, forged during the eighteenth century. Second, it was reintroduced into historiography in the 1970s by Edward P. Thompson's promisingly attractive

- 9 Marion Fourcade, *The Fly and the Cookie. Alignment and Unhinging in 21st-Century Capitalism*, in: *Socio-Economic Review* 15. 2017, pp. 661–678; ead. and Kieran Healy, *Moral Views of Market Society*, in: *Annual Review of Sociology* 33. 2007, pp. 285–311; Nico Stehr et al. (eds.), *The Moralization of Markets*, New Brunswick 2006. As to earlier examples of moralized markets, see Viviana A. Rotman Zelizer, *Morals and Markets. The Development of Life Insurance in the United States*, New York 1979; ead., *Pricing the Priceless Child. The Changing Social Value of Children*, Princeton 1985.
- 10 Jens Beckert, *Beyond the Market. The Social Foundations of Economic Efficiency*, Princeton 2002; id., *The Moral Embeddedness of Markets*, in: Betsy Jane Clary et al. (eds.), *Ethics and the Market. Insights from Social Economics*, London 2006, pp. 11–25; id., *The Ambivalent Role of Morality on Markets*, in: Stehr, *Moralization*, pp. 109–128.
- 11 Kieran Healy, *Last Best Gifts. Altruism and the Market for Human Blood and Organs*, Chicago 2006; Rene Almeling, *Sex Cells. The Medical Market for Eggs and Sperm*, Berkeley 2011; Debra Satz, *Why Some Things Should Not Be for Sale. The Moral Limits of Markets*, New York 2010.
- 12 See, from the viewpoint of political philosophy, Michael J. Sandel, *Justice. What's the Right Thing to Do?*, London 2009; id., *What Money Can't Buy. The Moral Limits of Markets*, London 2013; id., *Market Reasoning as Moral Reasoning. Why Economists Should Re-Engage with Political Philosophy*, in: *Journal of Economic Perspectives* 27. 2013, no. 4, pp. 121–140.
- 13 Jens Beckert and Matías Dewey (eds.), *The Architecture of Illegal Markets. Towards an Economic Sociology of Illegality in the Economy*, Oxford 2017; Philippe Steiner and Marie Trespeuch (eds.), *Marchés contestés. Quand le marché rencontre la morale*, Toulouse 2014.
- 14 For a recent proposal to establish what they misleadingly refer to as “moral history” see Habbo Knoch and Benjamin Möckel, *Moral History. Überlegungen zu einer Geschichte des Moralischen im “langen” 20. Jahrhundert*, in: *ZF* 14. 2017, pp. 93–111, though with scant reference to economic matters.

interventions. Third, it has found strong reverberations in adjacent disciplines, especially in social anthropology, which has lent it a lasting intellectual presence.¹⁵ Why then should historians remain aloof when the rest of society, as well as their colleagues in the social sciences and political philosophy, have embarked on a lively discussion of how markets and morals go together or not? What can they contribute to the discussion?

I. Moral Economies, Historically Defined

Morals, as suggested by the first edition of the “Encyclopaedia Britannica” (EB) in 1771, were thought to be permeating all sectors of society. Experiencing “reciprocal sympathy” in the family served as the first link “of the moral chain” that led to “agency, freedom, manhood.” As much as men were “formed into families, drawn into particular communities, and all united, as by a common league, into one system or body, whose members feel and sympathize one with another,” they were connected by a shared “moral sense” or conscience. Since individual feelings darted “into the hearts of others” and raised “correspondent feelings there,” men were well prepared “for society and the delightful interchange of friendly sentiment and duties.” These duties were primarily defined as filial, fraternal, spousal, and paternal obligations. Duties of friendship followed suit, and so did duties towards neighbors and, finally, strangers, among them commercial partners and competitors. The latter comprised issues like fair-dealing, sincerity in concluding contracts, and fidelity to secure such contracts.¹⁶

In short, human beings were conceived of as “moral agents” whose “moral sense” enabled them to distinguish clearly between “approveable, or blameable” actions. Defined as “perceptions or determinations,” the moral sense functioned without explicit “reasoning” and was “antecedent to views of interest.” It led “to a conduct beneficial to the public, and useful to the private system.” It implied the “abhorrence of fraud and falsehood” and the “disapprobation of knavery, injustice, ingratitude, meanness of spirit, cowardice, cruelty and indecorum.”

15 It has even reached out to fields other than economic exchange and interaction, as in Lorraine Daston’s article on The Moral Economy of Science, in: *Osiris* 10. 1995, pp. 2–24, or Didier Fassin’s work on humanitarianism and French immigration policies (Compassion and Repression. The Moral Economy of Immigration Policies in France, in: *Cultural Anthropology* 20. 2005, pp. 362–387; *Humanitarian Reason. A Moral History of the Present*, Berkeley 2012, pp. 7 ff.). Such extensions will remain beyond the scope of this article.

16 *Moral Philosophy, or Morals*, in: *Encyclopaedia Britannica*, 1st ed., vol. 3, Edinburgh 1771, pp. 270–309, here pp. 270–272, p. 274 and p. 291. The entry in the 7th edition of 1842 (vol. 15, pp. 456–489) remained almost identical. Authors and editors of the EB were committed to the ideas of the Scottish Enlightenment and frankly borrowed from other contemporary sources (Michael Levy et al., *Encyclopaedia Britannica*, <https://www.britannica.com/topic/Encyclopaedia-Britannica-English-language-reference-work>).

Positively, it meant a “sense of candor and veracity,” of “fidelity, justice, gratitude, greatness of mind, fortitude, clemency, decorum.” The latter were esteemed as virtues, that is, as a “conduct conformable to reason.” Such conduct relied on an “order and oeconomy of powers and passions” that prompted human beings “to attract and pursue good, or to repel and avoid ill.” The “moral good” thus lay “in the right conduct of the several senses and passions, or their just proportion and accommodation to their respective objects and relations.”¹⁷

Should those objects and relations be situated in the sphere of commercial connections, individuals were morally obliged to refrain from fraud and dishonesty, instead displaying virtuous dispositions. A “moral economy” might therefore be defined as a system of economic interactions and transactions whose agents behaved in a morally acceptable way. Interestingly, however, this was not how contemporaries used the term. Theologians liked to talk about moral economy as reflecting the divine order of the universe. They frequently spoke about the “moral oeconomy of God” alluding to divine judgment over human immorality. Other authors kept closer to the EB’s definition of moral sense and discovered a “moral oeconomy” in the harmony of the human will as being equally determined by passion and reason. When Immanuel Kant’s “Die Religion innerhalb der Grenzen der bloßen Vernunft” of 1793/94 found an English edition four decades later, his phrase “Angemessenheit des Lebenswandels” was translated as “the moral economy of man.”¹⁸

It was only in the 1830s that the term migrated into the economic sphere. By now the latter had visibly emerged as a separate realm of human agency. Older notions going back to Aristotle had stressed the embeddedness of economic activities that formed part of the *oikos* as an extended household. This was how many authors had used the word “economy,” be it in the translation of the Kantian *Lebenswandel* (literally the way to conduct one’s life) or in Francis Hutcheson’s 1728 “oeconomy” of passions “which would constitute the most happy State of each Person, and promote the greatest Good in the whole.” “Oeconomy” here meant to keep those passions in a “just ballance,” which was exactly what the 1771 EB entry had in mind.¹⁹ Starting in the later eighteenth century such broader

17 Ibid., p. 274, pp. 276 f., p. 279 and p. 283. As to the essential link between sensibility and moral sense, see Jessica Riskin, *Science in the Age of Sensibility. The Sentimental Empiricists of the French Enlightenment*, Chicago 2002, pp. 1 ff.

18 Norbert Götz, “Moral Economy.” Its Conceptual History and Analytical Prospects, in: *Journal of Global Ethics* 11. 2015, pp. 147–162, here pp. 149 f.

19 Francis Hutcheson, *An Essay on the Nature and Conduct of the Passions and Affections, with Illustrations on the Moral Sense*, ed. Aaron Garrett, Indianapolis 2002, p. 47. Recent adoptions of the term, like those by Daston and Fassin, among others, seem to apply such broad notion of economy rather than buying into the more narrowly defined term. See Fassin’s definition of moral economies as “la production, la répartition, la circulation et l’utilisation des sentiments moraux, des émotions et des valeurs, des normes et des obligations dans l’espace social” (*Les économies morales revisitées*, in: *Annales HSS* 64. 2009, pp. 1237–1266, here p. 1257). This is criticized by Chris Hann who insists on either using the proper notion of economy or dropping the term altogether: *Moral(ity and) Economy. Work, Workfare, and Fairness in Provincial*

notions of economy were succeeded by views that emphasized the independence and autonomy of economic behavior, and restricted its scope to the production and exchange of goods and services.²⁰ Only under these new conditions did it make sense to explicitly connect the moral and the economic sphere. In ancient thought, as Norbert Götz pointed out, this would have been redundant and tautological.²¹ The modern concept of the economy, however, invited philosophers, economists, and others to think about its moral dimension.

In his 1835 study of the “Philosophy of Manufactures,” Andrew Ure investigated the “moral economy of the factory system” alongside its scientific and commercial aspects. A few years later, an anonymous author wrote about the “political and moral economy of socialism” in Robert Owen’s journal *New Moral World*. In his own newspaper *National Reformer*, the Chartist James Bronterre O’Brien distinguished the “political economy” of production and profit accumulation from the “moral economy” of reproduction. Charging “large capitalists” and the “division of labour” with creating “the inferior human being” tied to a “single and fixed occupation,” Bronterre praised the “domestic virtues which were wont to dwell in the farmer’s house when flax spinning, weaving and knitting were social and happy occupations.”²²

To Bronterre, as well as Friedrich Engels and Karl Marx, the modern factory system had unhinged the previous moral order. According to the Communist Manifesto of 1848 capitalism and its principal agent, the bourgeoisie, had

put an end to all feudal, patriarchal, idyllic relations. It has pitilessly torn asunder the motley feudal ties that bound man to his ‘natural superiors’, and has left remaining no other nexus between man and man than naked self-interest, than callous ‘cash payment’. It has drowned the most heavenly ecstasies of religious fervour, of chivalrous enthusiasm, of philistine sentimentalism, in the icy water of egotistical calculation. It has resolved personal worth into exchange value, and in place of the numberless indefeasible chartered freedoms, has set up that single, unconscionable freedom—Free Trade [...] The bourgeoisie has torn away from the family its sentimental veil, and has reduced the family relation to a mere money relation.²³

Hungary, in: *European Journal of Sociology* 59. 2018, pp. 225–254, here pp. 229f. Similarly, Andrew Sayer, *Approaching Moral Economy*, in: Stehr, *Moralization*, pp. 77–97, defines “moral economy” as “the study of how economic activities of all kinds are influenced and structured by moral dispositions and norms, and how in turn those norms may be compromised, overridden or reinforced by economic pressures” (p. 78). See also Jaime Palomera and Theodora Vetta, *Moral Economy. Rethinking a Radical Concept*, in: *Anthropological Theory* 16. 2016, pp. 413–432, who claim to bring “capital accumulation” and class back into the term.

20 Johannes Burkhardt et al., *Wirtschaft*, in: Otto Brunner et al. (eds.), *Geschichtliche Grundbegriffe*, vol. 7, Stuttgart 1992, pp. 511–594.

21 Götz, “Moral Economy,” p. 148.

22 Quoted in *ibid.*, p. 151.

23 Karl Marx and Frederick Engels, *Manifesto of the Communist Party*, in: *id.*, *Collected Works*, vol. 6: *Marx and Engels: 1845–48*, New York 1976, pp. 477–519, here pp. 486f.

In his 1844/45 publication on “The Condition of the Working-Class in England” Engels also juxtaposed the preindustrial moral world to the world of industrial manufacturing. Before the introduction of machinery, he wrote, weavers led a “passably comfortable,” “righteous and peaceful life in all piety and probity.” They could determine their working hours, found recreation in the garden or field, took part in the games of their neighbors, and were physically strong and healthy. “They were ‘respectable’ people, good husbands and fathers, led moral lives because they had no temptation to be immoral.” In their “unquestioning humility,” they regarded the squire as their “natural superior” and “gave him all honour.” Such “cosily romantic” existence was abruptly brought to an end by the industrial revolution. It rendered workers “machines pure and simple” and deprived them of “the last trace of independent activity.”²⁴

This work of destruction, however, ultimately served a beneficial purpose. The old regime, as Engels described it, might have felt cozy and romantic. But in fact, it was “not worthy of human beings” since it separated them from the “mighty movement which, beyond their horizon, was sweeping through mankind.” This movement was about the emancipation of all human beings from any kind of exploitation, be it “feudal” or capitalist. It forced everyone to “think and demand a position worthy of men,” thus complying with “the universal interests of mankind.”²⁵ In a similar vein, in his 1858 “Outlines of the Critique of Political Economy” (*Grundrisse*), Marx celebrated the “GREAT CIVILIZING INFLUENCE OF CAPITAL” (in capital letters). Under this influence, bourgeois society surpassed all previous stages of development. Moving “beyond the traditional satisfaction of existing needs and the reproduction of old ways of life confined within long-established and complacently accepted limits,” capital was “destructive towards, and constantly revolutionises, all this.” It tore down the “barriers which impede the development of the productive forces, the extension of the range of needs, the differentiation of production, and the exploitation and exchange of all natural and spiritual powers.”²⁶ In the end, however, capitalism would itself be destroyed by its own contradictions, giving way to a communist society with an altogether different moral order and economy.

24 Frederick Engels, *The Condition of the Working-Class in England*, in: Karl Marx and id., *Collected Works*, vol. 4: Marx and Engels: 1844–45, New York 1975, pp. 295–596, here pp. 307–309.

25 *Ibid.*, p. 309.

26 Karl Marx, *Outlines of the Critique of Political Economy (Rough Draft of 1857–58)*, in: id. and Frederick Engels, *Collected Works*, vol. 28: Marx: 1857–61, New York 1986, pp. 49–537, here pp. 336 f. See Jürgen Kocka, *Capitalism. A Short History*, Princeton 2016, pp. 7–16, for a concise summary of Marx’s understanding of capitalism, followed by equally helpful passages on Weber and Schumpeter.

II. Economic Theories and Moral Arguments

As we know, Marx failed miserably in his predictions. Still, he presented a critical analysis of capitalism that has proven to be immensely influential and in many ways still holds its ground. But why did he, in 1858, revoke his early moral critique of capitalism? Acknowledging a civilizing influence meant, in contemporary semantics, accepting its moral superiority. Every time the proponents of colonialism spoke of their country's civilizing mission, for instance, they alluded to the "improvement" or "betterment" of the colonized country whose "moral and material progress" would include the refinement of manners, emotions, and values.²⁷

Marx and Engels clearly detested capitalism and yet applauded it as the necessary step towards communism and the final liberation of mankind from exploitation and alienation. Cloaking their critique in highly moralized language and denouncing the capitalist bourgeoisie's "naked self-interest" and "egotistical calculation" went along with celebrating pre-capitalist, or, as they put it, feudal social relations and exchange. Even though such "patriarchal" modes of interaction and communication had been no less exploitative and humiliating (which was disclosed at the end of the argument), they initially got extolled as "idyllic" and praised as expressing chivalry, enthusiasm, and sentiment, all positively connoted. This might just have been a Manichaeic way to strengthen the argument about capitalism's evil and morally reprehensible cast. Still, it resonated with the vivid contemporary mood of mourning the world that was lost to capitalist development and progress.²⁸

On the other hand, progress was appreciated and embraced even by its most fervent critics. Marx and Engels supported capitalism's tendency to universalize and expand globally, thus transcending narrow localism and regionalism. They acclaimed the liberation of human ingenuity and the explorative curiosity of the time. They even seemed to admire capital's resoluteness to eliminate "religious and political illusions," and stood by its principle of "naked, shameless, direct, brutal exploitation."²⁹ This positive evaluation might have been due to the hope that through its sheer and undisguised brutality capitalism would provoke resistance

27 Damien Tricoire, *The Enlightenment and the Politics of Civilization. Self-Colonization, Catholicism, and Assimilationism in Eighteenth-Century France*, in: id. (ed.), *Enlightened Colonialism. Civilization Narratives and Imperial Politics in the Age of Reason*, Cham 2017, pp. 25–45; Michael Mann, "Torchbearers Upon the Path of Progress." *Britain's Ideology of a "Moral and Material Progress" in India. An Introductory Essay*, in: Harald Fischer-Tiné and Michael Mann (eds.), *Colonialism as Civilizing Mission. Cultural Ideology in British India*, London 2004, pp. 1–26.

28 For conservatives' criticism of capitalist markets, see Jerry Z. Muller, *The Mind and the Market. Capitalism in Western Thought*, New York 2002, ch. 4: "Justus Möser. The Market as Destroyer of Culture," pp. 84–103, and ch. 5: "Edmund Burke. Commerce, Conservatism, and the Intellectuals," pp. 104–138.

29 Marx, *Outlines*, p. 336; Marx and Engels, *Manifesto*, p. 487.

and thus expedite its final downfall. But it also showed how greatly impressed the two German radicals were by the explosion of productivity and the promises this held for the future.

Such promises had first been given by Adam Smith, in his 1776 work on “The Wealth of Nations.”³⁰ He had famously argued that the principles of self-interest and division of labor were spurring economic development, with free markets and free trade at its very core. At first sight, morals were conspicuously absent. According to one of his most frequently quoted lines, “it is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love.”³¹ Still, in the long run, such self-love and self-interest would produce wealth, freedom, and justice for all. In some ways, this resonated with Bernard Mandeville’s treatise on private vices engendering public benefits.³² Yet while in the early eighteenth century Mandeville had condemned the vice of ruthless vanity and naked egoism, Smith deliberately refrained from moral criticism. Instead, he pointed to the ability of free markets to coordinate people’s behavior in a way that everyone would gain in material and immaterial terms. Compared to the manifold restrictions of economic activity of former times, free markets were lauded as mechanisms that would ultimately bring about more freedom and happiness for all and even spur the advent of a civil society.³³ In this sense, they could be called moral.

Markets might also be thought of as moral in that they improved people’s “conduct” and rendered it “beneficial to the public, and useful to the private system,” as the EB had put it.³⁴ “Whenever commerce is introduced into any country, probity and punctuality always accompany it,” Smith stated approvingly. “Of all the nations of Europe, the Dutch, the most commercial, are the most faithful to their word.”³⁵ This was Smith’s version of the *doux commerce* argument that has often been traced back to Montesquieu’s “Spirit of the Laws” from 1748: “Everywhere there is commerce, there are gentle mores,” since commerce “polishes and softens barbarous mores, as we see every day.”³⁶ But the argument is even older than that. In Samuel Ricard’s 1704 “*Traité Général du Commerce*,” which saw many editions and foreign translations, commerce was applauded for its civilizing impact:

It affects the feeling of men so strongly that it makes him who was proud and haughty suddenly turn supple, bending and serviceable. Through commerce, man learns to

30 Lisa Herzog, *Inventing the Market. Smith, Hegel, and Political Theory*, Oxford 2013; Emma Rothschild, *Economic Sentiments. Adam Smith, Condorcet, and the Enlightenment*, Cambridge, MA 2001.

31 Adam Smith, *The Wealth of Nations*, ed. Andrew Skinner, Harmondsworth 1973, p. 119.

32 Bernard Mandeville, *The Fable of the Bees. Of Private Vices, Public Benefits, with a Commentary Critical, Historical, and Explanatory*, ed. Frederick Benjamin Kaye, Oxford 1924.

33 Pierre Rosanvallon, *Le libéralisme économique. Histoire de l’idée de marché*, Paris 1989.

34 *Moral Philosophy*, in: *Encyclopaedia Britannica*, p. 279.

35 Adam Smith, *Lectures on Jurisprudence*, eds. Ronald L. Meek et al., Oxford 1978, p. 538.

36 Montesquieu, *The Spirit of the Laws*, eds. Anne M. Cohler et al., Cambridge 1989, p. 338.

deliberate, to be honest, to acquire manners, to be prudent and reserved in both talk and action. Sensing the necessity to be wise and honest in order to succeed, he flees vice, or at least his demeanor exhibits decency and seriousness so as not to arouse any adverse judgement on the part of present and future acquaintances; he would not dare make a spectacle of himself for fear of damaging his credit standing.³⁷

Through commerce, Ricard wrote, all other “moral and physical passions are superseded by interest which is its basis and mobilizing force.”³⁸ This argument is also encountered in Albert Hirschman’s 1977 book “The Passions and the Interests.” To Hirschman, the concept of interest served to “oppose and bridle such other passions as ambition, lust for power, or sexual lust.” It helped to make human behavior predictable and constant, in contrast to passions, which were deemed volatile, incalculable, and episodic. As soon as passions were moulded into interests, they could act as a “civilizing medium” instead of being socially disruptive and destructive.³⁹

Four decades earlier than Hirschman, John Maynard Keynes, the most renowned economist of his time, had made a similar observation:

Dangerous human proclivities can be canalised into comparatively harmless channels by the existence of opportunities for money-making and private wealth, which, if they cannot be satisfied in this way, may find their outlet in cruelty, the reckless pursuit of personal power and authority, and other forms of self-aggrandisement.⁴⁰

Here again, market activities were considered morally beneficial. They not only helped to coordinate people’s economic pursuits, therefore proving to be “useful to the private system” with happiness as its ultimate goal. They also delivered public benefits as they protected the social body from the destructive forces of individual passions, transforming the latter into civilized, respectful conduct.

37 The translation is Albert Hirschman’s (Rival Views of Market Society, in: id., Rival Views of Market Society and Other Recent Essays, Cambridge, MA 1992, pp. 105–141, here p. 108).

38 Samuel Ricard, *Traité Général du Commerce*, revised ed., vol. 2, Amsterdam 1781, p. 463 (my translation): Without commerce, “les hommes seroient encore dans la plus affreuse barbarie. Le Commerce les attache les uns aux autres par une utilité réciproque & fait taire chez eux toutes les autres passions morales & physiques pour faire place à l’intérêt qui en est la base & le mobile.”

39 Albert O. Hirschman, *The Passions and the Interests. Political Arguments for Capitalism before its Triumph*, Princeton 1977, p. 41, passim. A more recent endorsement of this view is Deirdre McCloskey, *The Bourgeois Virtues. Ethics for an Age of Commerce*, Chicago 2006. See also her *Bourgeois Dignity. Why Economics Can’t Explain the Modern World*, Chicago 2010, and *Bourgeois Equality. How Ideas, Not Capital or Institutions, Enriched the World*, Chicago 2016. As to other pro-market arguments, see Lisa Herzog, *Markets*, in: Edward N. Zalta (ed.), *The Stanford Encyclopedia of Philosophy* (Fall 2017 Edition), <https://plato.stanford.edu/archives/fall2017/entries/markets/>.

40 John Maynard Keynes, *The General Theory of Employment, Interest and Money* [1936], London 1960, p. 374.

The way in which the market operated, however, was determined by factors beyond morals. At least this was what classical economic theory postulated. According to John Stuart Mill's writings of 1844, this theory was exclusively concerned with man "as a being who desires to possess wealth, and who is capable of judging on the comparative efficacy of means for obtaining that end." Only through "entire abstraction of every other human passion or motive" could political economy successfully establish itself as an independent and autonomous field of academic research during the nineteenth and twentieth centuries.⁴¹

Of course, Mill was well aware that people did not always act in the way they were supposed to. As much as Smith in his earlier treatise on "The Theory of Moral Sentiments" knew about the power of sympathy in fostering social cooperation and communication, Mill cited "those laws of human nature" that called forth "the *affections*, the *conscience*, or feeling of duty, and the love of *approbation*" among human beings. No political economist, Mill claimed, "was ever so absurd as to suppose that mankind are really thus constituted," i. e. "determined, by the necessity of his nature, to prefer a greater portion of wealth to a smaller in all cases." Economic science, though, had to "necessarily proceed" in this mode of narrow determinism in order to reach proper conclusions in its own field. Needless to say that in other fields other "laws" pertained.⁴²

To define the economic field as special, unique, independent, and separate from others served different ends. As much as it expressed the desire of academics to prove, establish, and monopolize their professional expertise, it accompanied and enhanced the process of functional differentiation that characterized the advent of modernity. Moreover, it co-produced the illusion that human activity could be neatly divided into different segments, with each segment obeying different "laws" and criteria. What Mill had called "*conscience*, or feeling of duty" was thus, in theory, excluded from the economic sphere and might instead find its place in religious charity or welfare work.

Yet not all economists shared this opinion. In the 1890s, Gustav Schmoller, head of the Younger Historical School of National Economics in Germany, underlined the degree to which the economy remained part of social life in general. According to Schmoller, every economic phenomenon, such as the increase in grain prices or wages, bore traces of people's "feelings, motives and actions" and was shaped by "morals and institutions." Historical knowledge was necessary in order to account for those institutions and moral attitudes. The assumption that a

41 John Stuart Mill, On the Definition of Political Economy; and on the Method of Investigation Proper to It, in: id., Essays on Some Unsettled Questions of Political Economy, London 1844, pp. 120–164, here p. 137. See, for Mill, Joseph Persky, The Ethology of Homo Economicus, in: Journal of Economic Perspectives 9. 1995, pp. 221–231. As a critique, see Samuel Bowles, The Moral Economy. Why Good Incentives Are No Substitute for Good Citizens, New Haven 2016, pp. 75 f.

42 Adam Smith, The Theory of Moral Sentiments [1759], Amherst 2000; Mill, Definition, p. 134 and pp. 137–139.

person was an individual exclusively governed by egotistical interests and selfish preferences was synonymous with misreading the complex frames of reference in which human motives and “drives” were formed and acted upon. Even when it came to acquisitive impulses (*Erwerbstrieb*) and the desire to get rich and richer, substantial differences could be identified within and among various nations, social milieus, and cultures.⁴³

This view was strengthened by anthropological fieldwork conducted since the early twentieth century. In 1922, Bronislaw Malinowski published his widely influential ethnography of the Trobriand Islands in the Western Pacific. He had placed special emphasis on studying patterns of reciprocity and exchange in gifts, payments, and transactions that dominated culture and society. By no means were such transactions purely economic, in the modern sense of the word, in that they affected the satisfaction of a person’s material wants. As Richard Thurnwald confirmed, gains or the desire to make profit were virtually absent in “primitive communities.” In Margaret Mead’s observation, men’s and women’s “ordinary economic affiliations” were neither separate nor independent from other parts of their lives. Instead, the give-and-take of goods and services was firmly embedded in a complex web of social relationships and conformed to shared norms of what was morally acceptable and unacceptable.⁴⁴

Against this background of “primitive” as well as other pre-modern societies, the modern world looked strikingly different. At least this is how, in 1944, Karl Polanyi approached “The Great Transformation” that had allegedly taken place during the long nineteenth century and started with England’s industrial revolution. The emergence of a liberal market economy, he argued, rendered it possible to perceive the economy as a distinct and autonomous sphere. By getting rid of its former social embeddedness, the economy could now be—and was—regarded as independent from other types of human relations. According to classical economic theory this amounted to a huge liberation and explosion of economic activities. However, as Polanyi pointed out, it also meant a sharp social and moral rupture. The market functioned as an “unfeeling mechanism” that threw many into poverty while it made a few others exorbitantly rich. In Polanyi’s account, the industrial revolution figured as the “veritable abyss of human degradation,”

43 Gustav von Schmoller, *Die Volkswirtschaft, die Volkswirtschaftslehre und ihre Methode* [1893], Frankfurt 1949, p. 12, pp. 15f., p. 31, p. 44 and p. 56. See Erik Grimmer-Solem, *The Rise of Historical Economics and Social Reform in Germany 1864–1894*, Oxford 2003, esp. ch. 4: “Empirical Knowledge and the Reform of Society, 1864–1872,” pp. 127–168.

44 Bronislaw Malinowski, *Argonauts of the Western Pacific. An Account of Native Enterprise and Adventure in the Archipelagoes of Melanesian New Guinea*, London 1922, esp. ch. 6: “Launching of a Canoe and Ceremonial Visiting—Tribal Economics in the Trobriands,” pp. 146–194; Richard Thurnwald, *Economics in Primitive Communities*, Berkeley 1932; Margaret Mead, *The Arapesh of New Guinea*, in: ead. (ed.), *Cooperation and Competition among Primitive Peoples*, New York 1937, pp. 20–50, here p. 31. Their work was later cited by Karl Polanyi (see below).

as an “avalanche of social dislocation” whose dangerous consequences were never really addressed and overcome.⁴⁵

III. Moral Economies Reviewed: E. P. Thompson and beyond

Describing the market and its operations as “unfeeling,” Polanyi made a strong moral statement. Lacking affections like sympathy, pity, or compassion—what Smith had formerly called “moral sentiments”—was tantamount to lacking morality. This reproach had already been brought up by Marx and Engels and other early critics of capitalist markets. It nearly always went hand in hand with the implicit or explicit praise of pre-capitalist conditions as being more moral, i.e. more acceptable in terms of the common good and individual happiness. This kind of moral-amoral juxtaposition never became obsolete. It lived on in orthodox Marxist historiography and its contention that the industrial revolution had raised the level of poverty and spurred large-scale pauperization.⁴⁶ It also reverberated in the work of Edward P. Thompson, a non-dogmatic Marxist historian who published his soon famous study on “The Making of the English Working Class” in 1963, to be followed, eight years later, by an influential article on “The Moral Economy of the English Crowd.”⁴⁷

Up to this very day, the article has instigated wide interest in the concept of moral economy, academic as well as political. In the 1970s and 80s, it was often read as a reminder of anti-capitalist protest during the early years of industrialization.⁴⁸ According to Thompson such protest was rooted in older beliefs about reciprocity and provision. Studying food riots in the eighteenth century, he rejected the dominant opinion of economic historians (informed by classical-neoclassical thought) that those riots were the logical outcome of unemployment and high food prices. Criticizing this interpretation for its “abbreviated view of economic

45 Karl Polanyi, *The Great Transformation. The Political and Economic Origins of Our Time* [1944], Boston 2001, pp. 41 f. and p. 87. See also id., *Aristotle Discovers the Economy*, in: id. et al. (eds.), *Trade and Market in the Early Empires*, Glencoe, IL 1957, pp. 64–94. For an intellectual history approach to Polanyi’s work, see Tim Rogan, *The Moral Economists*. R. H. Tawney, Karl Polanyi, E. P. Thompson, and the Critique of Capitalism, Princeton 2017, ch. 2: “Karl Polanyi,” pp. 51–91.

46 For an orthodox-dogmatic marxist view, see Jürgen Kuczynski, *Die Geschichte der Lage der Arbeiter unter dem Kapitalismus*, vol. 1: 1789–1849, Berlin 1961; vol. 2: 1849–1870, Berlin 1962.

47 Edward P. Thompson, *The Making of the English Working Class*, London 1963; id., *The Moral Economy of the English Crowd in the Eighteenth Century*, in: *Past & Present* 1971, no. 50, pp. 76–136. See Rogan, *Moral Economists*, ch. 4: “E. P. Thompson,” pp. 133–183.

48 For a critique of Thompson’s political bias see Chris Hann, *Moral Economy*, in: Keith Hart et al. (eds.), *The Human Economy. A Citizen’s Guide*, Cambridge 2010, pp. 187–198; Manfred Gailus and Thomas Lindenberger, *Zwanzig Jahre “moralische Ökonomie.” Ein sozialhistorisches Konzept ist volljährig geworden*, in: *GG* 20. 1994, pp. 469–477.