

MAX WEBER'S WAY FROM SOCIAL ECONOMICS TO SOCIOLOGY

ZOLTÁN OSZKÁR SZÁNTÓ¹

ABSTRACT. One of the most outstanding intellectual achievements in the history of classical thought in social sciences which have remained influential up until today are undoubtedly associated with the name of Max Weber. Through a detailed text analysis and a conceptual mapping of the logic of the argumentation, this paper sets out to offer a profound insight into the classical German sociologist's approach to science, both "early" (about 1903/4) and "late" (post-1913), in terms of some fundamental matters of epistemology and methodology. The first part of this paper investigates *social economics* in terms of its theoretical and methodological foundations and applicability, while the second part looks at *interpretive sociology* from the same perspectives, with an emphasis on the differences between the two approaches. We argue that Weber's dualist methodological attitude became explicit and dominant in his later writings. In addition, as he brought in focus the theory of social action, he not only became an explicit proponent of methodological individualism, but he also revisited and specified the logic and role of "causal explanation" and "interpretation". Interpretive sociology no longer seeks a causal explanation for individual historical events by applying nomological knowledge, but instead commits itself to finding "causally adequate" explanation for the course and consequences of different types of social actions. Interpretation, in turn, no longer means an analysis of effects concerning the cultural significance of individual historical events in a special sense, but an interpretive understanding of various types of social actions, rational or "irrational", directly or in a motivation-like manner. The paper concludes with a summary designed to highlight key legacies of Weber's oeuvre that have remained valid and valuable for any analytical and empirical research in sociology.

Keywords: Max Weber, social economics, interpretive sociology, causal explanation, interpretive understanding

¹ Institute of Communication and Sociology of Corvinus University of Budapest; z.o.szanto@uni-corvinus.hu.

Introduction²

One of the most outstanding intellectual achievements in the history of classical thought in social sciences which have remained influential up until today is undoubtedly associated with the name of Max Weber. Through a detailed text analysis and conceptual mapping of the logic of the argumentation, this paper sets out to offer a profound insight into the classical German sociologist's approach to science, both "early" (about 1903/4) and "late" (post-1913), in terms of some fundamental matters of epistemology and methodology. Weber first applied his early approach to science called *Sozialökonomik* (social economics) in his 1904/5 book entitled *The Protestant Ethic and the Spirit of Capitalism*, and spelt out the methodological foundation of his approach in his 1904 paper called *The 'objectivity' of knowledge in social science and social policy*. His later approach to science known as *Verstehende Soziologie* (interpretive sociology) was summarised in his posthumous magnum opus entitled *Economy and Society: An Outline of Interpretive Sociology*, first published in 1921/22. The conceptual and methodological foundations are well-known to be laid down in Volume 1 (*Conceptual Exposition*), especially Chapter 1 (*Basic Sociological Terms*)³. The first part of this paper I investigate *social economics* in terms of its epistemological objective, theoretical and methodological foundations, and applicability, while the second part I look at *interpretive sociology* from the same perspectives, with an emphasis on the differences between the two approaches. The paper concludes with a summary designed to highlight key-legacies of Weber's oeuvre that have remained valid and valuable for any analytical and empirical research in modern sociology.

² This paper is dedicated to the memory of our respected lecturer and dear colleague, the late László Bertalan (1941–2001), who introduced generations of Hungarian sociologists to the profound study of the social sciences in terms of theory and methodology in a series of lectures that offered us an unforgettable intellectual adventure. His unparalleled knowledge and problem sensitivity and his exceptional abilities to analyse and explain went hand in hand with his profound humbleness to science and modesty. The manuscripts of his lectures on work by the classical authors of sociology as produced by his students (e.g. László Bertalan: *Lectures on Max Weber (s.a.)*) have remained points of reference for our research projects and publications in the subject, including this paper. In putting forward my arguments, I relied on these lectures as key sources.

³ The first partial exposition of the later approach was published in 1913 (Weber (1913(1981))), but since it is anything but definitive in more than one way, it is ignored in this paper.

The principles of social economics⁴

To start my argumentation, here is a quote from Weber on the nature of the logic of social economic reasoning⁵ as follows:

To the extent that our science traces back and causally imputes *economic* cultural phenomena to individual – economic or non-economic – causes, it seeks 'historical' knowledge. To the extent that it traces [the course of] *one* specific element of cultural phenomena – the economic one – as culturally significant or important through the most diverse cultural contexts, it seeks to *interpret* history from a specific point of view. (Weber 1904(2012): 110)

From this passage it clearly follows that, according to Weber, social economics has two autonomous but closely related cognitive objectives. Specifically, a professional of this discipline seeks to achieve (1) a *causal explanation* of individual historical phenomena and (2) an *interpretation of their cultural significance*. In other words, the representatives of social economics perform the tasks of traditional historians and of special interpretation of history at the same time. For Weber social economics is a combination of historical studies and historical interpretation. This duality recurs throughout his arguments, as reflected by the following two quotes:

... we now designate the scientific investigation of the *general cultural significance and importance of the social-economic structure of human communities*, and of their historical forms of organization (Weber 1904(2012): 110)

We want to understand *the distinctive character* of the reality of the life in which we are placed and which surrounds us – on the one hand: the interrelation and the cultural *significance and importance* of its individual elements as they manifest themselves today; and, on the other: the reasons why the [se elements] historically developed as they did and not otherwise. (Weber 1904(2012): 114)

⁴ This analysis relies on the paper '*Objectivity*' in *Social Science* (Weber 1904(2012): 100-138). In his book on Weber's ideas about economic sociology, Richard Swedberg (1998) revisits the description of the relationship between social economics and economic sociology in detail and dedicates an entire article to social economics in *The Max Weber Dictionary* (cf. Swedberg-Agevall (2016: 316-7)).

⁵ According to Weber, the *object* of knowledge in social economics, viewed as a cultural science, covers phenomena whose cultural significance derives from their economic aspects. These include (1) "economic" ... processes and institutions, (2) "economically relevant" phenomena, and (3) economically *conditioned* phenomena. (Weber 1904(2012): 109).

The most concise exposition reads as follows:

... the *aim* of social-economic inquiry as we understand it – that is to say: knowledge of *reality* with respect to its cultural *significance* and its causal interconnectedness ... (Weber 1904(2012): 115)

Let b indicate an individual historical event for which social economics seeks to find a causal explanation. We want to become familiar with this phenomenon, say the emergence of the spirit of capitalism, from some subjective—typically extra-scientific—perspective of value and we work hard to find its root cause, specifically protestant ethics⁶, which we shall indicate with the letter a for the sake of simplicity:

Figure 1. Simple causal link



Source: Authors' illustration.

In terms of causal explanations used in historical cognition, Weber follows the classical route, arguing for the use of the established scientific explanation, now also called the *covering law model*⁷, which is based on familiarity with and the application of regularities (laws) and is exempt from subjective criteria:

... if the causal knowledge of the historian consists in the *imputation* of concrete effects to concrete causes, then it is simply not *possible* [for him] to perform a *valid* [causal] imputation of some individual effect without making use of “nomological” knowledge – knowledge of the regularities of causal relationships. (Weber 1904(2012):118)

⁶ According to Weber’s well-known fundamental hypothesis, the spirit of capitalism as “... an ethically coloured maxim for the conduct of life” (Weber 1904/05(2005): 17) derives from protestant ethics: “One of the fundamental elements of the spirit of modern capitalism, and not only of that but of all modern culture: rational conduct on the basis of the idea of the calling, was born—that is what this discussion has sought to demonstrate—from the spirit of Christian asceticism” (Weber 1904/05(2005): 122-23).

⁷ The Covering Law Model was proposed by Carl Gustav Hempel (Hempel 1965), making a distinction between two basic instances of scientific explanation: deductive-nomological and inductive-probabilistic (cf. von Wright (1971).) From the perspective of analytical sociology, Peter Hedström reformulated the former in terms of the implication “If all A are B” and “x is A”, then “x is B”, and the latter in terms of the implication “If most A are B” and “x is A” (p), then “x is likely to be B” (with probability p)” (Hedström 2005: 14-5). However, Hedström also pointed out, quoting Georg Henrik von Wright in agreement, that the inductive-probabilistic model, strictly speaking, does not explain what happened but rather “... it justifies certain expectations and predictions” (von Wright 1971: 14).

Indeed, he goes as far as suggesting that there is hardly any relevant logical difference between causal explanations for natural and social phenomena:

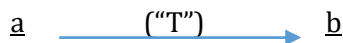
... the knowledge [that we are seeking] is of course purely *causal*, in exactly the same sense as knowledge of significant individual natural occurrences that have a qualitative character. (Weber 1904(2012): 120)

At the same time, he introduces a major restriction for the “laws” that are involved in causal explanations as used in social economics. Specifically, he believed these links should be viewed more as “rule-like” rather than strictly “law-like”. In other words, the nature of these patterns is not deterministic but rather probabilistic:

... we are here always – and this also, without exception, holds for all so-called “economic laws” – dealing not with “laws” in the narrower and precise sense employed by the natural sciences, but with *adequate* causal connections expressed in the form of regularities ... (Weber 1904(2012): 118)

For these considerations, we can continue our schematic figure in the following way, where the letter “T” as a symbol of regularities appears between inverted commas to express the above restriction. Specifically, the answer to the question *What is the cause of b? (Why b?)* is that the cause of b, by virtue of the regular link “T”, is a (It is b because it is a, as it is “T”). To stay with Weber’s example, the cause of the emergence of the spirit of capitalism (b) should be identified in Protestantism (a), where the regularity ensuring the link between cause and effect (“law”) appears in the long process of education⁸ (“T”):

Figure 2. Explanation of a simple causal link



Source: Author’s illustration.

Once you have managed to identify the cause of b, the next stage in social economic cognition is to assess the cultural significance of b which, in turn, is the responsibility of historical interpretation. Such assessment requires the scholar to find appropriate answers to the scientific question *What effects*

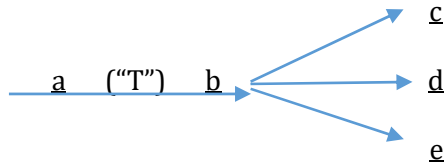
⁸ In Weber’s words, “... such an attitude ... can only be the product of a long and arduous process of education.” (Weber 1904/05(2005): 25)

did *b* have on certain historical phenomena that are regarded as culturally significant (*c, d, e, ...*)⁹? To continue with Weber's example: How did the spirit of capitalism affect the emergence and operation of classical modern capitalism in the West (*c*)¹⁰? However, attributing cultural significance to historical phenomena is only a matter of value criteria:

The relation of reality to value ideas which lend it significance, and the selection and ordering, according to their cultural *significance*, of the parts of reality coloured by this [value relation] form an approach that is completely heterogeneous and disparate from [that of] analysing reality with a view to finding *laws*, and ordering it in general concepts. No necessary logical relations exist between those two kinds of intellectual ordering of reality. (Weber 1904(2012): 117)

In the light of this, our schematic figure will now look like this:

Figure 3. Explanation of a simple causal link and its interpretations



Source: Author's illustration.

Another key difference between the inquiries of historical studies and historical interpretation is that a given historical phenomenon only admits one empirically adequate causal explanation, whereas the question about the cultural significance ("historical effects") of such phenomenon can be answered in multiple ways. This is because the same historical phenomenon can have more than one equivalent interpretation:

... it is possible (or rather: it must be regarded as certain) that more than one utopia of this kind – in fact, surely a great many – can be drawn up

⁹ In this sense, it is fair to view historical interpretation as a special historical impact study.

¹⁰ To quote Weber, "The origin of this type of life also extends in certain roots, like so many aspects of the spirit of capitalism, back into the Middle Ages. But it was in the ethic of ascetic Protestantism that it first found a consistent ethical foundation. Its significance for the development of capitalism is obvious." (Weber 1904/05(2005): 115). He goes on to claim, "... the full economic effect of those great religious movements ... lay above all in their ascetic educative influence ..." (Weber 1904/05(2005): 119).

in any given case. *None* of these utopias will resemble any other, and, even more definitely, *none* of them will be observable in empirical reality as an actually prevailing ordering of social conditions; but *each* of them will claim to represent the “idea” of capitalist culture, and *each* of them *can* advance this claim, insofar as each of them in fact [contains] certain features of our culture that are *significant* in their *distinctive character* and that have been selected from reality and combined into a consistent ideal image. (Weber 1904(2012): 125)

The reason for this difference is, on the one hand, that each historical phenomenon may affect many other phenomena and in multiple ways. On the other hand, each historical causal explanation is offered for an event which concluded in the past. The factors belonging to the boundary conditions of the phenomenon under review (i.e. a) no longer admit new factors, only such, at best, that have been unknown so far. In this case, however, we must produce a new explanation and reject the old one. By contrast, a historical interpretation may take into consideration another set of events as the given phenomenon may affect events regarded as culturally significant that will only unfold in the future.

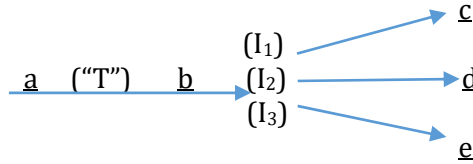
According to Weber, any interpretation of historical phenomena should use ideal types as a methodological means:

... any careful examination of the conceptual elements of historical accounts will show that, as soon as the historian attempts to go beyond merely registering the existence of concrete relationships, and to determine the *cultural significance* of an individual event, however simple – to “characterize” it – he works, and *has to work*, with concepts that can only be defined strictly and unambiguously in ideal types. (Weber 1904(2012): 126)

From a methodological perspective, then, the causal explanation for historical phenomena is based on regular correlations (“laws”), whereas the exploration (“interpretation”) of their cultural significance relies on ideal types.

To summarise the preceding sections, once we have found b worthy of cognition from some value criterion, we explore a as its root cause. The method we use for that is the causal explanation based on “laws” (“T”). We can only produce a single adequate causal explanation. This is followed by the interpretation of the cultural significance of the given phenomenon: by using ideal types (I₁, I₂, I₃) we look at the ways in which it affected other historical events regarded as culturally significant (c, d, e). We can produce multiple adequate historical interpretations. This completes our schematic figure which summarises the logic of social economic cognition:

Figure 4. Ideal types and interpretations of a simple causal link



Source: Author’s illustration.

Weber defines the concepts of “laws” and “ideal types” and their epistemological functions according to the criteria of social economics as follows:

Knowledge of what is general is never of value to us in the cultural sciences for its own sake. (Weber 1904(2012): 119)

For all these purposes, the availability of clear concepts and the knowledge of those (hypothetical) “laws” would obviously be of great value as a heuristic instrument – but *only* as such; indeed, it would be quite indispensable for that purpose. (Weber 1904(2012): 116)

These considerations clearly show that, according to Weber’s early approach, neither laws nor ideal types have an autonomous “cognitive” content, and that they are only used as means of social economic cognition¹¹. In this sense, Weber clearly supported epistemological instrumentalism in this period. As part of his argumentation, he repeatedly calls all trends aimed at formulating laws with an autonomous cognitive content “naturalism” in a special sense and seriously challenges them¹², thereby implicitly rejecting this epistemological point of view.

From this starting point Weber arrives at the idea of interpretive sociology, which brings about a change in his approach to science in multiple essential ways, as readily seen by a detailed analysis of his approach developed after 1913.

¹¹ To reflect this in our schematic figure, we put the capital letters that stand for both laws and ideal types between brackets.

¹² Weber repeatedly talks about naturalistic dogma and naturalistic prejudice, cf. “...the naturalistic prejudice, according to which the aim of the social sciences must be to reduce reality to “laws” ...” (Weber 1904(2012): 131)

The methodology of interpretive sociology

The definition of sociology, well-known from the first sentence of *Economy and Society*, already suggests that Weber revised his views in multiple essential ways:

Sociology ... is a science concerning itself with the interpretive understanding of social action and thereby with a causal explanation of its course and consequences. (Weber 1921/22(1978): 4)

On the one hand, this no longer discusses the interpretation of the cultural significance of historical phenomena. On the other hand, the description of the autonomous epistemological objective of sociology assigns a key role to the concept of "social action" and the method of "interpretive understanding". Thereby the scope of sociology becomes extremely wide as opposed to social economics and even more general to include all sorts of social action, looking at more than the three types of historical phenomena which derive their cultural significance from their economic aspects. Another sign that the concept of social action comes to the centre of attention is that it is intimately linked to both interpretive understanding and causal explanation. Weber justifies this primarily with the peculiarity of sociological cognition:

In the case of social collectivities ... we are in a position to go beyond merely demonstrating functional relationships and uniformities. We can accomplish something which is never attainable in the natural sciences, namely the subjective understanding of the action of the component individuals. The natural sciences on the other hand cannot do this, being limited to the formulation of causal uniformities in objects and events and the explanation of individual facts by applying them. ... This additional achievement of explanation by interpretive understanding, as distinguished from external observation, is of course attained only at a price—the more hypothetical and fragmentary character of its results. Nevertheless, subjective understanding is the specific characteristic of sociological knowledge. (Weber 1921/22(1978): 15)

The distinct subjects of natural sciences and social sciences result in an essential difference between their respective concepts, theories, and methods. The former are primarily capable of observation and causal explanation, whereas the latter are also capable of interpretive understanding beyond observation and causal explanation. In other words, Weber's interpretive sociology is already an instance of explicit support for the anti-naturalism of scientific theory and

methodological dualism, with an emphasis on the thematic and methodological differences between the two branches of science¹³. Such differences, in turn, can primarily be identified in the conceptual definition of action, social action, and social relations, and in the use of the special methods of interpretive understanding.

Weber’s well-known theory of social action and typology (Weber 1921/22(1978): 1§ (II)) comprises the three basic concepts mentioned above. An action is a—usually observable—behaviour to which the agent/agents attach(es) a subjective meaning. Where an agent acts with reference to others in terms of the subjective meaning of his or her action and conforms to (an)other person’s/persons’ behaviour, he or she performs a social action. Two (or more) agents have a social relationship if they adjust their actions to each other. A social relationship is, then, a symmetric social action. The following table summarises the pure types (“ideal types”) of (social) action in terms of motives¹⁴:

Table 1. Ideal types of social action in Max Weber’s theory

	The action has its meaning in the success beyond the action (“expected gain”)	The action has its meaning in itself
The action is CONSCIOUS (purposeful, consistent)	(1) Purely instrumentally rational	(2) Purely value-rational
The action is SPONTANEOUS (non-purposeful, non-consistent)	(4.1) Purely traditional 1	(3) Purely affective-emotional (4.2) Purely traditional 2

Source: Author’s synthesis.

¹³ This fundamental difference is sometimes discussed in the literature of the philosophy of science as the duality of positivism and hermeneutics, cf. von Wright (1971, Chapter 1). By way of reference and without any claim to comprehensiveness, of the classical authors of sociology Auguste Comte and Émile Durkheim supported the naturalism of scientific theory with an inclination to positivism while Karl Marx did so relying on essentialism.

¹⁴ To my mind, Weber used the terms *ideal type* and *pure type* interchangeably. The definition of the logic of ideal types in *Economy and Society* is essentially the same as that previously proposed in *Objectivity*. By contrast, there is an essential deviation from previous ideas in terms of the role ideal types have in cognition and of the stress shift to (instrumentally and value) rational ideal types. For more on the function of Weber’s ideal types in sociological research cf. Swedberg (2017).

The literature sometimes mentions the ideal type of purely instrumentally rational action as a precedent of the theory of rational choice and game theory¹⁵ as it only lays the emphasis on the inquiry into actions aimed at profit maximisation and cost minimisation in the modern sense of both terms. By contrast, the ideal type of purely value-rational action allows for the conceptualisation of forms of behaviour that a) follow assumed norms, b) obey legitimate orders and c) support assumed issues. Purely affective-emotional actions have their subjective meanings in themselves and the main motives are a variety of spontaneous sentiments. Finally, the essential difference between the two subtypes of purely traditional actions is that, in the former case, previously instrumentally rational actions while, in the latter case, previously value-rational actions become routine activities¹⁶.

Nevertheless, the ideal types of actions are conceptual constructs that are used to achieve goals in sociological research, primarily designed to categorise and order empirical actions. Indeed, they can enter into multiple combinations in the observed actions. In other words, it may be important to identify "mixed" types when we are looking at actions that are, for instance, partly instrumentally rational and partly value-rational, or partly affective-emotional and partly value-rational (Weber 1921/22(1978): 25-6). Examples of the former include considerations of utility, i.e. actions that conform to norms or orders motivated by promised rewards and punishments while examples of the latter include emotions that are consciously cherished and kept alive (e.g. romantic love). In the case of the conscious maintenance and preservation of traditions, there is a mixture of value-rational and traditional actions (4.2).

Weber (1921/22(1978): 4-11) looks at four different types of interpretive understanding, as presented in Table 1. On the one hand, he makes a distinction, by virtue of the evidence of understanding, between (A.1) rational and (A.2) emotionally empathic ("irrational") understanding. On the other hand, he makes a distinction between (B.1) direct (observational) and (B.2) explanatory (motivation-like) understanding. In rational understanding, we essentially perform an "intellectual" reconstruction of the types and parameters of the

¹⁵ Cf. the view of Peter Abell (2000: 223): "Rational choice or action theory may be understood as one possible interpretation of Weber's program." Cf. Norkus 2000. Also note that Peter Hedström looks at Weber as a precursor of analytical sociology (Hedström 2005: 6) and that Mark Granovetter starts his argumentation in his book which synthesises the basic principles of modern economic sociology with Weber's definition of economic action (Granovetter 2017: 1-2, 20).

¹⁶ Weber describes this difference in the duality of *usage* and *custom* (Weber 1921/22(1978): 29-31). An example of the latter is any behaviour that conforms to the norms of Protestant ethics where its religious foundation already sinks into oblivion whereas an example of the former can be the elements of car driving that become routine over time.

agent(s) and action with logical or mathematical means, i.e. as in a model. Weber primarily uses A.1 to analyse instrumentally and value-rational actions. By contrast, in the case of emotionally empathic understanding, the person seeking an understanding experiences his or her own state of mind or that of others (emotions, passions, etc.), even more than once. Weber finds A.2 most suitable for the examination of affective-emotional actions.

Weber puts rational understanding in the foreground from a methodological perspective but does not propose its exclusive use in any way. Also, he rejects rationalism in social ontological and normative terms. In other words, he does not think that instrumentally rational actions are predominant in social life or that the spread of instrumentally rational actions is desirable in any sense:

It is a tremendous misunderstanding to think that an “individualistic” *method* should involve what is in any conceivable sense an individualistic system of *values*. It is as important to avoid this error as the related one which confuses the unavoidable tendency of sociological concepts to assume a rationalistic character with a belief in the predominance of rational motives, or even a positive valuation of rationalism. (Weber 1921/22 (1978): 18)

The direct (observational) understanding of a given action (B.1) means the exploration of its subjectively intended meaning whereas its explanatory understanding (B.2) means the exploration of its motive. In essence, the former seeks an adequate response to the question *What is X doing?* whereas the latter does so with *Why is X doing Y?*, where X stands for the agent and Y stands for X’s intended meaningful behaviour, i.e. action. Using the two foregoing criteria at the same time, the following table offers a simple reproduction of Weber’s original examples (Weber 1921/22(1978): 8-9):

Table 2. Types of rational and irrational understanding of social action in Max Weber’s theories

	A.1	A.2
B.1	direct rational understanding of ideas and actions (e.g. $2 \times 2 = 4$, ill. felling, closing a door, hunting)	direct “irrational” understanding of emotions and passions (e.g. burst of anger)
B.2	(e.g. $2 \times 2 = 4$ in the context of a commercial calculation, scientific proof, technical calculation, or felling to earn a wage or satisfy one’s own needs, as a hobby, or using arms upon an order to defeat the enemy)	motivation-like “irrational” understanding of emotions and passions (e.g. felling to vent anger, or using arms for vengeance, jealousy or anger caused by vanity or hurt pride)

Source: Author’s synthesis.

Now how does Weber relate interpretive understanding and causal explanation? Firstly, he clarifies what explanation means in general for a sociologist:

... for a science which is concerned with the subjective meaning of action, explanation requires a grasp of the complex of meaning in which an actual course of understandable action thus interpreted belongs. (Weber 1921/22(1978): 9)

Afterwards, he looks at interpretive understanding as a peculiar causal hypothesis:

Every interpretation attempts to attain clarity and certainty, but no matter how clear an interpretation as such appears to be from the point of view of meaning, it cannot on this account claim to be the causally valid interpretation. On this level it must remain only a peculiarly plausible hypothesis. (Weber 1921/22(1978): 9)

Finally, he views motive as the "cause" of action to arrive at a definition of the specific form of causal explanation:

A motive is a complex of subjective meaning which seems to the actor himself or to the observer an adequate ground for the conduct in question. The interpretation of a coherent course of conduct is "subjectively adequate" (or 'adequate on the level of meaning'), insofar as, according to our habitual modes of thought and feeling, its component parts taken in their mutual relation are recognized to constitute a "typical" complex of meaning. (...) The interpretation of a sequence of events will on the other hand be called *causally* adequate insofar as, according to established generalizations from experience, there is a probability that it will always actually occur in the same way. (...) Thus causal explanation depends on being able to determine that there is a probability, which in the rare ideal case can be numerically stated, but is always in some sense calculable, that a given observable event (overt or subjective) will be followed or accompanied by another event. (Weber 1921/22(1978): 10-11)

In sum, this combination of understanding and explanation enables us to look at the course and consequences of social action in their entirety and to end up identifying "causally adequate" and probabilistically regular empirical relations¹⁷, thereby achieving a fundamental goal of sociological cognition. By this, Weber clearly breaks away from his previous approach to science and adopts epistemological realism: both the regularities and the ideal types of

¹⁷ Richard Swedberg (2006: 133) reconstructs the methodology of Weber's interpretive sociology in the context of economic sociology and offers a detailed analysis of four interrelated components: "(1) interpretive understanding (2) of social action (3) to causally explain (4) its course and consequences".

social actions have autonomous cognitive contents. It is in the description of the fundamental difference between sociological and historical cognition where he spells out most markedly that

(...) sociology seeks to formulate type concepts and generalized uniformities of empirical process. This distinguishes it from history, which is oriented to the causal analysis and explanation of individual actions, structures, and personalities possessing cultural significance. (Weber 1921-22(1978): 19)

Here the concept of ideal type is no longer revisited merely as a methodological means of historical interpretation but it is also discussed as a substantive result of sociological cognition¹⁸. This is so even if ideal types continue to be abstract, albeit clear and accurate, conceptual constructs designed to order and categorise real phenomena, while performing an important heuristic function:

The more sharply and precisely the ideal type has been constructed, thus the more abstract and unrealistic in this sense it is, the better it is able to perform its functions in formulating terminology, classifications, and hypotheses. (Weber 1921/22 (1978): 21)

Bringing the idea of social action in focus has another important consequence for sociological cognition: sociological research must give an explicit response to the relationships between the micro and the macro levels of analysis. In other words, there is a need to identify the potential links between individual attributes displayed by individuals and collective attributes displayed by social collectives (e.g. communities, associations, organisations, institutions, classes, status groups, etc.). In responding to this question, Weber clearly adopts methodological individualism as he believes that sociologists should look at the relationships between individual attributes, and between individual attributes and collective attributes¹⁹. Let \underline{p} be the motive (“cause”) of social action \underline{q} , and \underline{r}_1 , \underline{r}_2 and \underline{r}_3 the consequences of \underline{q} :

¹⁸ Richard Swedberg (2017) gives a detailed presentation of the potential application of ideal types in sociological research.

¹⁹ The well-known macro-micro-macro scheme of methodological individualism developed by James Coleman (1986, 1990), illustrated by the arguments put forward in Weber’s *Protestant Ethics*, includes not only the above named two relations but also macro-micro mechanisms. Peter Hedström and Richard Swedberg (1998: 21-3) call macro-micro mechanisms situational, micro-micro mechanisms action-formation, and micro-macro mechanisms transformational mechanisms. For a comprehensive analysis of methodological individualism cf. Udenh (2001). The representatives of analytical sociology improved the above scheme by making a distinction between causal type macro-micro and micro-micro relations, and supervenience type micro-macro relations. They view the former as diachronic and “cause-to-an-effect” and the latter as synchronic and “parts-to-a-whole” relations (Hedström-Bearman 2009: 9-13).

Figure 5. The micro and macro levels of analysis in Max Weber's theory



Source: Author's illustration.

The interpretive understanding of a social action needs to look at the micro level relations between the motive and the social action, whereas a causal explanation of the intended and unintended effects of the social action needs to look at the micro-macro relations between the consequences and the social action²⁰.

Finally, it should be pointed out that Weber overtly rejects the psychologically motivated version of methodological individualism and instead, in full harmony with his later approach to social theory and methodology, he commits himself to a version inspired by action theory. In other words, he rejects psychological reductionism and finds that the reductionism to action theory is a scientifically fruitful approach for sociology instead:

[It] (...) demonstrates how erroneous it is to regard any kind of psychology as the ultimate foundation of the sociological interpretation of action.
(Weber 1921-22 (1978): 19)

Conclusion

In this paper, I argued that Max Weber's approach to the nature of cognition in social sciences went through important changes from his early views to his later writings, in many ways. My intention was to shed some light on the differences between social economics and interpretive sociology from various perspectives, making an effort to offer the most thorough and detailed reconstruction of the message of the original texts.

In doing so, I have shown that in Weber's later work epistemological realism replaced epistemological instrumentalism, and his dualist methodological

²⁰ As has been mentioned in the context of rationalism, it should be emphasised again that Weber's methodological individualism should not be confused with individualism in ontological and normative terms (cf. the quote on page 10.) As another brief aside, among classical sociologists, Auguste Comte, Karl Marx and Émile Durkheim clearly represented various types of methodological collectivism. They believed that the task of sociology is, roughly speaking, to find out (1) how collective attributes affect each other, and (2) how collective attributes determine individual attributes.

attitude became explicit and dominant in these later writings. In addition, as he brought in focus the theory of social action, he not only became an explicit proponent of methodological individualism, but also revisited and specified the logic and role of “causal explanation” and “interpretation”. Interpretive sociology no longer seeks a causal explanation for individual historical events by applying nomological knowledge but commits itself to finding a “causally adequate” explanation for the course and consequences of different types of social actions. Interpretation, in turn, no longer means an analysis of effects concerning the cultural significance of individual historical events in a special sense but an interpretive understanding of various types of social actions, rationally or “irrationally”, directly or indirectly, tracing also the subjective motivational frames of intentionality associated with actions. A summary of such major differences is offered in Table 3.

Table 3. Social economics versus interpretive sociology in Max Weber’s theory

	Social economics (Weber’s early approach)	Interpretive sociology (Weber’s later approach)
Epistemological position	instrumentalism, implicit/weak anti-naturalism	realism, explicit/strong anti-naturalism
Methodological position	implicit/weak dualism	explicit/strong dualism
Relationship between the levels of analysis	implicit/weak methodological individualism	explicit/strong methodological individualism
Causal explanation	+ (explanandum: individual historical events)	+ (explanandum: course and consequences of social ac)
Interpretation	+ (scope: individual historical events)	-
Interpretive understanding	-	+ (types: rational-empathic, direct-explanatory)

Source: Author’s synthesis.

In conclusion, we briefly point out that Weber's later approach is in harmony in many ways with the four general characteristics of analytical sociology as proposed by Peter Hedström (2005: 1-6): explanation – dissection and abstraction – precision and clarity – action. Weber's interpretive sociology represents the traditions of classical social sciences which seek to offer a scientific explanation. Even the interpretive understanding of social action appears as a special form of explanation. The consistent use of ideal types in sociological reasoning is one of the most comprehensive and still influential classical experiments of the method of abstraction, and a precursor of the spread of model like inquiries in modern social sciences. It is also fair to say that the definitions, explications and classifications spelt out in Volume 1 of *Economy and Society* are so accurate, univocal and clear, not to mention the comprehensive nature of sociological categorisation, that they can only be emulated by the trends of the latest analytical and mathematical sociology. On the other hand, bringing the idea of social action in focus consciously and thereby promoting methodological individualism has had a great impact on important trends of modern social sciences and thus has greatly contributed to the development of sociological research up until today.

REFERENCES

- Abell, P. (2000). "Sociological Theory and Rational Choice Theory", in B.S. Turner (ed.), *The Blackwell Companion to Social Theory*, Oxford: Blackwell, pp. 223-244.
- Coleman, J. S. (1986). *Social Theory, Social Research, and a Theory of Action*. *American Journal of Sociology*, 91:1287-1335.
- Coleman, J. S. (1990). *The Foundations of Social Theory*. Cambridge, MA: Harvard University Press.
- Bertalan, L. (s.a.) (1984): *Lectures on Max Weber*. Manuscript lecture notes.
- Granovetter, M. (2017). *Society and Economy. Framework and Principles*. Cambridge, Mass.: Belknap Press.
- Hedström, P. (2005). *Dissecting the Social. On the Principles of Analytical Sociology*. Cambridge: CUP.
- Hedström, P. – Swedberg, R. (1998). Social Mechanisms: An Introductory Essay. In P. Hedström – R. Swedberg (eds.), *Social Mechanisms: An Analytical Approach to Social Theory*, Cambridge: CUP, pp. 1-31.
- Hedström, P. – P. Bearman (2009). "What is Analytical Sociology All About? An Introductory Essay", in Hedström – Bearman (eds.), *The Oxford Handbook of Analytical Sociology*, Oxford: Oxford University Press, pp. 3-24.
- Hempel, C. G. (1965). *Aspects of Scientific Explanation*. New York: Free Press.

- Merton, R. K. (1936). The Unanticipated Consequences of Purposive Social Action. *American Sociological Review*, 1: 894-904.
- Norkus, Z. (2000). Max Weber's Interpretive Sociology and Rational Choice Approach, *Rationality and Society*, 12: 259-282.
- Swedberg, R. (1998). *Max Weber and the Idea of Economic Sociology*. Princeton: Princeton University Press.
- Swedberg, R. (2006). Verstehende Wirtschaftssoziologie? On the Relationship between Max Weber's "Basic Sociological Concepts" and his Economic Sociology. *Max Weber Studies*, Beiheft 1: 121-134.
- Swedberg, R. (2017). How to Use Max Weber's Ideal Type in Sociological Analysis. *Journal of Classical Sociology*, 2017: 1-16.
- Swedberg, R. – Agevall, O. (2016). *The Max Weber Dictionary. Key Words and Central Concepts*. Second edition, Stanford: Stanford University Press.
- Udenh, L. (2001). *Methodological Individualism: Background, History and Meaning*, London: Routledge.
- Weber, M. (1904(2012)). The objectivity of knowledge in social science and social policy. In H. H. Bruun and S. Whimster (eds.), *Max Weber: Collected Methodological Writings*, Trans. H. H. Bruun, London – New York: Routledge, pp. 100-138.
- Weber, M. (1904/05(2005)). *The Protestant Ethic and the Spirit of Capitalism*. Trans. T. Parsons, London – New York, Routledge.
- Weber, M. (1913(1981)). Some Categories of Interpretive Sociology," Trans. Edith E. Graber, *Sociological Quarterly* 22, no. 2: 151-80.
- Weber, M. (1921/22(1978)). *Economy and Society. The Outlines of Interpretive Sociology*. In G. Roth – C. Wittich, Trans. Ephraim Fischoff et al., Berkeley: University of California Press.
- Von Wright, G. H. (1971). *Explanation and Understanding*. Ithaca, NY: Cornell University Press.