CHAPTER 27

Werner Sombart’s ‘Overcoming’ of Marxism

27.1 The Historical School as ‘Digestive Science’ (Rosa Luxemburg)

The ‘older historical school’ of political economy, whose members included Wilhelm Roscher (1817–94), Bruno Hildebrandt (1812–78) and Karl Knies (1821–98), emerged in the 1840s. It was a specifically ‘German’ reaction both to the French Revolution and to the ‘Western’ cosmopolitanism of classical political economy from Smith to Ricardo. It was ostensibly concerned with opposing the ‘surgical extraction’ of the economy from the ‘living body’ of popular life and the life of the state, and in particular the ‘narrow egotistic psychology’ according to which social actors are guided, in their economic behaviour, only by economic considerations, as opposed to ethical motives. If Machiavelli banished ethics from politics, Adam Smith performed the same operation for political economy, criticises Knies, who emphasises the significance of the ‘ethico-political moment’ for political economy and speaks of the discipline being ‘elevated’ to the status of a ‘moral and political science’. At first glance, this seems to represent an integral approach to studying social practices. But behind this pathos of wholeness, there lies the definition of political economy as a ‘state economy’ concerned with ‘judging men and ruling them’. The historical school developed from cameralism, which became the discipline of state science due to the Prussian path of capitalist development. Marx describes cameralism as ‘a medley of smatterings, through whose purgatory the hopeful candidate for the German bureaucracy has to pass’. And the historical school of law, a second precursor of the historical school of political economy, is discussed by him as a symptom of the ‘German state of affairs’, which involved Germany adopting not the revolutions of other countries, but their restorations, so that Germany is situated ‘below the level of history’: it is

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3 Knies 1883, pp. 438, 440.
4 Roscher, quoted in Knies 1883, p. 437.
5 Braunreuther 1978, pp. 11–12.
a ‘school of thought that legitimizes the infamy of today with the infamy of yesterday, a school that stigmatizes every cry of the serf against the knout as mere rebelliousness once the knout has aged a little and acquired a hereditary significance and a history’. In the *Theories of Surplus Value*, Marx says of Roscher’s political economy that it ‘proceeds “historically” and, with wise moderation, collects the “best” from all sources, and in doing this contradictions do not matter; on the contrary, what matters is comprehensiveness . . . All systems are thus made insipid, their edge is taken off and they are peacefully gathered together in a miscellany’. Marx calls this the vulgar economic ‘graveyard’ of political economy as a science: the more political economy is ‘perfected’, the more its empiricist ‘vulgar element’ breaks away from it and confronts it as its opposite.

Schmoller is considered the founder of the ‘younger historical school’; the theorists identified with it include (besides Sombart and Weber) Lujo Brentano, Karl Bücher, Eberhard Gothein and Georg Friedrich Knapp. The personal continuities with the Katheder socialists are not to be overlooked. In both cases, confronting Marx increasingly became the main concern, with different positions developing in a process of differentiation that was primarily determined by the various theorists’ approach to Marx’s analysis. Rosa Luxemburg characterised the younger historical school as a ‘digestive science’ whose secret cause was Marx: ‘Under the oracular ramblings of the “historical school”, one could hear the mischievous giggling of Marx’s pitiless sarcasm’. Luxemburg added that during the last quarter century (i.e. since the emergence of the younger historical school), ‘overcoming Marx’ had become a ‘favourite pastime of German professors and a tried and tested way of applying for a private lectureship in Germany’.

Much as on the practical terrain of social policy, a multi-tiered ‘passive revolution’ is enacted on the theoretical terrain of German political economy as well, with the aim of overcoming both classical political economy and the

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7 Marx and Engels 1975–2005, vol. 3, p. 177. In his discussion of Roscher, Weber also notes that the historical school of political economy is dependent on the historical school of law, placing the emphasis on the former’s telling reformulations of the latter’s positions (Weber 1988d, pp. 9–10).
9 Ibid.
10 Luxemburg 1970–5e, p. 491.