

Aristocratic Values and the Spirit of Capitalism in France, Great Britain, Germany and Japan

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Introduction

It is generally recognized and sufficient evidence indicates, that the economic position and performance of France and Britain have been, apart from short-term ups and downs, in the process of steady, long-term decline relative to Germany and Japan since the second half of the 19th century, particularly since World War II. This essay purports that one of the explanatory variables for this reality may be found in the chronology, the presence and the extent of transformation of bourgeois values into aristocratic values in the respective nation. This study also suggests that this process started earlier and was more widespread in France and Britain than in Germany, and that this may have led to a relatively lower level of social legitimacy of capitalism and its ethics in the former two nations than in the latter.

This value shift occurred at a certain moment in modern history when the upper segments of the industrial and commercial bourgeoisie were absorbed either directly into the aristocratic ranks or indirectly through assimilation of their values and life styles. All three European countries in this study present this commonality, though with varying degrees. It is a phenomenon to which historians of each of these countries have given a special term. In France, it is referred to as "*la trahison bourgeoise*" (bourgeois betrayal)¹⁾, in Britain as the "gentrification of the industrialists"²⁾, in Germany as "*Feudalisierung des Grossbürgertums*" (feudalization of the grand bourgeoisie)³⁾.

Japan represents a radical departure from the European pattern in that this transformation process was minimal, if not non-existent. Moreover, it was rather the aristocracy who accommodated or had to accommodate itself to bourgeois values for its sheer survival, when Japan started her industrialization during the last quarter of the 19th century. For this country, therefore, a reverse transformation of outlook and attitudes took place. One may advance that this particular Japanese situation, coupled with intense nationalism, was instrumental in enhancing the legitimacy of capitalism in Japan, thus clearing the way for her subsequent industrialization.

In the pages to follow, an attempt will be made first, to describe and analyze the said accommodation process in each of the four nations. Then, as its corollary, the development of an anticapitalistic and anti-industrial climate within French and British society will be traced based on the statements and writings of its respective opinion leaders. Finally, the commonality of the two nations will be further illustrated in terms of their negative value judgements vis-à-vis business firms and businessmen, profits, money, i.e. on bourgeois values and institutions.

I. The Process of Bourgeois Assimilation of Aristocratic Values

1 FRANCE

1) Early Diffusion of Aristocratic Values

One may safely advance that in hardly any other country of Western Europe did the process of absorption of the bourgeoisie into the aristocracy take place so early and so extensively as in France. Indeed, for Jules Michelet, the French Revolution created 34 million aristocrats.⁴⁾ As Norbert Elias maintains, French conventions of manners, affectedness, politeness, good speech and conversation etc. all first developed in the court society and became French social and national character during their continuous process of diffusion. Long before the Revolution, French aristocratic values were internalized by the middle class through the close contacts between them.⁵⁾ Goethe, coming from Germany to France in the early 1770's was quick to observe that the French life style was too aristocratic.⁶⁾

This may come as no surprise in view of the fact that France remained the center and the model of European aristocracy for centuries until well into this century. At the same time, France saw the development of her bourgeoisie from the 1730's through to the 1780's as a result of the stabilization and upward trend of agricultural prices. This had favorable consequences on both agricultural production and population levels. Road networks were improved and expanded to promote a more efficient circulation of merchandise, which in turn accelerated the emergence of the merchant and industrial bourgeoisie.⁷⁾

2) Venality of Aristocratic Titles and the Withering of the Entrepreneurial spirit

French aristocracy was open to the grand bourgeoisie and had accepted the latter into their ranks since the sixteenth century. This situation was basically a result of the chronic budget deficits of the French monarchy. Aristocratic titles and privileges were thus offered for sale to the successful upper bourgeoisie. Other ambitious bourgeoisie worked their way up the state bureaucracy to be rewarded with ennoblement. Colbert's career exemplifies this type of social ascension.

From an economic perspective, one of the most negative implications of

this venality is what Werner Sombart calls "*folies françaises des offices*" which goes together with a disdain of industrial and commercial careers. For Sombart, the French have changed little over the last centuries in this regard.⁸⁾ In fact, it is in France that the state found a particularly potent means of stifling the spirit of enterprise by the sale of "*charges*" (high-ranking administrative positions) which had been one of the principal institutions of French public life over many centuries.⁹⁾ The author of "*Le négociant patriote*" written in 1779 bitterly complains of "the deplorable tendency" of the French to lead an extravagant life, to waste their fortunes in luxuries instead of investing them in capitalistic enterprises. As a result, capital for commerce and industry could only be found at an interest rate of 5-6%, when in England and Holland the rate did not exceed 2.5 to 3%.¹⁰⁾

French monarchy was far from indifferent to the country's economic development. In fact, ennoblement was used as a means to achieve this policy. Louis XIV, for example, conferred aristocratic titles to merchants in order to stimulate foreign trade. Once they were admitted into the aristocracy, however, most of them withdrew from their business to live "*noblement*" i.e. to live a leisured life, preferring to invest their capital in land estates and administrative positions. Royal favors given to commerce, therefore, had negative results by accelerating capital outflow into non-productive investments.¹¹⁾ Thus, the bourgeois propensity to join the nobility became increasingly generalized in the 16th century, though it was already an on-going process. Approximately half a century was enough for nearly all the large merchants to be renewed.¹²⁾

Montchrétien tried to elevate the position of merchants which were "as necessary as farmers, soldiers and judges", stressing that in Venice, Genoa, Florence and in all major cities of Italy as well as in England and Holland, merchants enjoy the first rank of credibility, honor and reputation. On the contrary in France, he laments, commerce is despised and the brightest and most talented people are in the court.¹³⁾

3) The Contemporary Situation

In the 19th century, the same tendency continued. For most industrialists, their factory was a means to enrichment. Once they attained this objective, they sold it. A record in 1838 indicates that within the preceding twenty years

all the factory owners who became rich sold their assets.¹⁴⁾ According to David S. Landes, Harvard historian, the period between 1815–1870 is crucial in understanding the French spirit of enterprise. It is during this period that France experienced her industrial revolution, the outcome of which was to determine the future economic structure of that country. Landes argues that even during this period of unprecedented industrial development, business was not considered as an end in itself but a means to a final goal. That goal was to become a high-ranking civil servant, to enter into kinship relations with an aristocrat or to be raised to nobility. Social promotion of large industrialists went hand in hand with the purchase of land for investment and for prestige to the detriment of further industrialization. This trend continued at least until “la Belle Epoque” or the beginning of this century.¹⁵⁾

Thus, Alain Peyrefitte, member of the French Academy and former justice minister, described the originality of French economic development as “industrialization without an industrial revolution”. He emphasizes how many of the bourgeoisie who have succeeded, strive so hard, even today, for their sons to become civil servants rather than foreign representatives of a French firm.¹⁶⁾

2 GREAT BRITAIN

1) “The Hundred-Year Sickness”

Why was Great Britain, the first to experience the Industrial Revolution and one of the protestant nations, was also the first to show a decline in her industrial vigor? This question, which is for Martin Wiener “the leading problem of modern British history”¹⁷⁾ seems to have preoccupied a number of historians and economists in and out of Britain. At least three British historians are in agreement in dating the beginning of this decadence to the second half of the last century.

Corelli Barnett, for instance, describes the current British economic plight as “the hundred-year sickness”, for the complete pattern “set hard like concrete”, of British decline can be seen in the late nineteenth century.¹⁸⁾ That pattern, Barnett indicates, consisted of the following set of negative factors acting against the sustained development of British industry; ignorance and technical conservatism at all levels of industry, the cult of the practical man and per contra

the positive hostility towards systematic education, training and application of intellectual analysis to industrial problems, the reluctance to evolve from the scale of operation established during the early Industrial Revolution between 1760 and 1850.¹⁸⁾

Barnett is not concerned with the explanation of the sociocultural context in which the conditions for a relative industrial retardation are set. This is where other historians come into the picture.

2) The Openness of the British Aristocracy

The answer lies, for Harold Perkin, in the "capitulation" of the entrepreneurial class to the landed aristocracy. The moment entrepreneurial society fulfilled its ambition to be accepted by aristocracy, "the old virile, ascetic and radical ideal of active capital was submerged in the still older, supine, hedonistic and conservative ideal of passive property"¹⁹⁾ Compared with the French aristocracy, the British counterpart was probably more open and flexible. To start with, there was no distinction between "*noblesse d'epée*" and "*noblesse de robe*". Whilst, contrary to France where it took three generations to purify a man of his commoner origin, one generation was enough for a proprietor of a landed estate with a castle to assume the title of nobility.²⁰⁾ British landed gentry was willing to meet the big businessmen half way. What is more, the British gentry understood the benefits of business activities. As investors, they were indirectly associated with mining and industrial undertakings. This merger of the landed and business interests is illustrated by the fact that 167 noblemen, a quarter of the peerage, were directors of companies in 1896.²¹⁾

3) Erosion of Bourgeois Values

The process of bourgeois integration into aristocracy through intermarriage and "old boy ties" started in earnest after the 1850's when capital came to outweigh land in value and when big businessmen as a class surpassed the landed class in wealth and numbers.²²⁾ This entry of leading industrialists into the nobility was officially sanctioned after 1880 when the first peerages for continuing industrialists were created.²³⁾

Perkin argues that the consequences of this decline of the entrepreneurial ideal are double-sided. It meant a dilution of the credibility accorded to large industrialists by other classes. More importantly, however, it caused a decline

in the degree of faith and self-confidence of the businessmen themselves.²⁴⁾ Parallel to this identity crisis for the industrialists, traditional economic individualism had increasingly to give way to state intervention to protect the weak as well as the common good. Thus, during the 1860's, the protection of the public at large began to have more priority than entrepreneurial freedom. The deepening misery of the working class and a series of unscrupulous frauds by capitalists, such as adulteration, invited mounting attack on capitalism. In 1861, it was demonstrated by a lecturer at the Royal Society of Arts that 87% of the bread and 74% of the milk sold in London were adulterated. In response to this situation, it was the children of its business middle class who felt a sense of guilt.²⁵⁾

4) Accelerator of Bourgeois Gentrification

Thus, by 1880, the business bourgeoisie was losing self-confidence in its traditional entrepreneurial ideal. In his well-known book which has become almost "a cult book in management education circles in Britain",²⁶⁾ Wiener follows a similar path of reasoning. For him, there were in fact two capitalisms in Britain; capitalism of the aristocracy and capitalism of the bourgeoisie. The former was basically rentier, not entrepreneurial or productive. If Britain never had a straightforwardly bourgeois or industrial elite, Wiener suggests, it was because the bourgeoisie accommodated itself to aristocracy. This "civilizing of the bourgeoisie" was one of the most important internal checks upon British economic growth and was responsible for industrial behavior "suspicious of change, reluctant to innovate, energetic only in maintaining the status quo".²⁷⁾ According to Wiener, the situation in Britain was particularly propitious to this accommodation process because her industrialization was, unlike in Germany and Japan, an indigenous evolution. As such, the transition from feudality to modernity was relatively smooth and mild. The new industrial value system was more easily assimilated to existing social values. For Wiener, it is this "peaceful gradualism" that legitimized the pre-modern and anti-modern sentiments and worked as a self-limiting element against Britain's industrial development.²⁸⁾

3 GERMANY

1) Separation of Aristocracy and Bourgeoisie

The German pattern of interrelationships between bourgeoisie and aristocracy is considerably different from those of France and Britain already described. The German particularity may be attributed to three factors: one, stricter barriers of entry for bourgeoisie into aristocracy; two, self-respect and self-assurance of large industrialists and their close self-identification with their factories and workers; three, ardent nationalism. These factors are related to a common origin: Germany's political and economic retardation. As a latecomer, Germany did not have a bourgeois class as solidly developed as in France and Britain to contest the political and economic hegemony of the aristocracy. Until the middle of the 19th century, the German bourgeoisie essentially consisted of small factory operators and merchants who stood no comparison with their French and British counterparts already wielding decisive political and social influence.²⁹⁾ Under the circumstances, it is no surprise that the German aristocracy did not have important bourgeois worthy of accepting into their class. This underdeveloped bourgeoisie coupled with the stringent attitude of Prussian nobility toward status distinction resulted in a relatively sharp separation between these classes.

For Elias, this particular aloofness of German aristocracy is without doubt determined by narrowness of mind and lower standards of material welfare of both social groups in that country. In order to maintain their privileged social existence, German noblemen set higher barriers of entry against the bourgeoisie by insisting on "*Ahnenprobe*" (proof of nobility). Thus, the German bourgeoisie did not have the opportunity, as in France and Britain, to be integrated into the aristocracy through wealth accumulation. One major corollary of this tight status separation is the juxtaposition of two distinct sets of values. Against bourgeois "*Leistungswert*" (value of performance; what one can do) was opposed aristocratic "*Seinwert*" (value of personal attribute; what one is). This contrast was to exercise a decisive power in shaping the dichotomy of the German national character.³⁰⁾

Thus, until 1870, only several bankers and industrialists from the Rheinland were raised to the nobility. The resistance of the aristocracy against "*gesch-*

wollene Briefadel” (inflated paper nobility) was too strong.³¹⁾ For example, one of the most important industrialists not only of Germany but of entire Europe, Alfred Krupp, the founder of a steel and armament empire, was looked down upon by noblemen as a “*Schmied*” (blacksmith).³²⁾

2) Self-respect of the Industrial Bourgeoisie

On the other hand, historical evidence seems to indicate that German industrialists were more closely identified with their business and their workers than their French and British counterparts. Listen, for instance, to the words of Alfred Krupp; “I regard my factory as my child and a well brought-up one at that, whose behavior provides me with happiness. Who would not dedicate to it as much energy as possible?”³³⁾ And to Werner Siemens, founder of one of the world’s top electric enterprises, who said in 1861 that “day and night” he employed himself with the destiny of his business and employees and that “this preoccupation is the most important for me in examining all problems . . . , My guiding principle is to found a lasting firm which might become, perhaps under my children’s management, a global firm à la Rothschild and make our name known all over the world! Everyone should be willing to make his personal sacrifice to realize this grand objective, when he feels fit for the task.”

Jürgen Kocka, German historian, stresses how many other founders and owner-managers of that era (the middle of the 19th century) justified such permanent effort for their business within the context of their family to which these businessmen felt deeply and closely bound up. They had thus, Kocka continues, a long-term perspective which enabled them to forego short-term advantages in favor of their business success in the long run.³⁴⁾

From such single-minded dedication of German businessmen to their enterprise, it is difficult to imagine the more or less half-hearted involvement of French and British industrialists to many of whom business was a vehicle for attaining the ultimate social status of aristocracy. The self-confidence and the sense of importance of German industrialists found different sorts of rewards. They treated their establishments as a closed territory like the gentry’s landed estates and as a “life and production community” (*Produktions- und Lebensgemeinschaft*). They behaved themselves as veritable “Herr im Hause”, master of the house, as god, king and state and felt responsible for their business

entity and workers as the trustee of state and christianity. They were to be considerate, sincere and generous toward their employees but demanded from them, in exchange, absolute obedience and loyalty.³⁵⁾ Thus, German entrepreneurs seem to have retained much longer and more intensely their traditional bourgeois values in comparison with their French and British colleagues.

Another eloquent expression of the pride of German businessmen is their aloof attitude toward ennoblement. A case in point is again Alfred Krupp who declined the offer of an aristocratic title from the Imperial government, saying that nobility and industry do not get along very well. This is more than just an isolated case, for he was the model of the entire bourgeoisie, industrial and commercial, of Germany from the middle to the latter half of the 19th century. He exemplified bourgeois efficiency and accomplishment. Other iron and steel magnates such as Hoesch, Röchling, Kirchdorf, Thyssen followed suit and refused the honor of ennoblement. For them personal freedom and independence counted more than titles and decorations. Through their sheer personal drive and talents they succeeded in attaining power and social recognition. Their pride and satisfaction were more than enough.³⁶⁾ If Germany made spectacular progress between 1870 and 1914 in terms of iron and steel production and steel power consumption to surpass France and Britain, it was, to a large extent, thanks to her entrepreneurial prowess which in turn was a reflection of religious ethics such as duty and work, belief in progress, close attachment to their enterprise, and their demonstrated success in pursuing profit and power.³⁷⁾

It must be added, however, that the gradual absorption of the bourgeoisie by the aristocracy did take place in Germany as well, particularly after the proclamation of the German Reich in 1871. From this perspective, it is a symbolic and significant fact that Bertha Krupp, grand daughter of Alfred Krupp who refused ennoblement as we have already seen, was married to an aristocrat, Gustav Baron von Bohlen und Halbach. The victory over France enhanced the prestige and credibility of German aristocracy. Mounting pressure from the growing socialist movement also provided another major motivation for a merger between the hitherto separated classes. The impact of this "*Niederlage*" (capitulation) of the bourgeoisie, however, seems to have come later and to have been less pervasive than in France and Britain for the reasons already

described. In fact, most of the enobled industrialists continued their business activities. Many of them are still found active today. Siemens, Thyssen, Merck, Henschel, Borsig are several examples.

3) Nationalism as the Legitimator of Capitalism and Industry

Nationalism is another element that distinguishes Germany from France and Britain. German nationalism is of particular importance inasmuch as business and industry were not only legitimized but, what is more, elevated to an activity indispensable to the promotion of the national interest. Herein lies a significant commonality between Germany and Japan, as will be illustrated later for the case of Japan. Indeed, nationalism may be regarded as a common denominator of the two latecomer nations. For Germany one may say that nationalism worked as a check on the incipient assimilation process of bourgeois values into aristocratic ones, which was starting, as has been shown, from the 1870's onwards. In Germany, the attitude toward industry as a means of national aggrandizement was already visible in the first half of the 19th century. The development of the "*vaterländische Industrie*" (fatherland's industry) was sworn in each German state before the revolution of March 1848.³⁸⁾ This ideology was pushed forward with particular fervor in Prussia to stimulate entrepreneurial activities. Nationalistic sentiments further intensified after the German victory in the Franco-Prussian war of 1870-71 and are presumed to have lent themselves to counter further gentrification of the German bourgeoisie.

4 JAPAN

1) Strict Maintenance of Social Orders

Japan's process of modernity shares, from the stance of this study, at least three commonalities with Germany: the late start of industrialization, strict separation of bourgeoisie and aristocracy, and vehement nationalism. These elements are different aspects of the same historical reality; the economic and political backwardness of the two nations relative to the other early-starters. Among the four countries of this study, however, Japan is the newest arrival. As such, Japan was essentially a feudalistic nation when she had to undertake her modernization. The social order in which the samurai class was the ruling

class, followed by farmers, craftsmen and merchants in descending order in terms of status hierarchy, was rigorously maintained. The merchant bourgeoisie was thus relegated to the lowest status and was despised by the other classes for their alleged duplicity and self-interest. The contempt in which merchants were held may be well understood by an anecdote written by Yukichi Fukuzawa, the most influential spokesman of modernization, in his autobiography. His father, a lower samurai aristocrat, was shocked when he learned that his son was working on multiplications at his school. He exclaimed in fury "it is abominable that innocent children should be taught to use numbers, the tools of merchants!"³⁹⁾

Each status had to observe its specific life style. Wealthy merchants who exceeded the tolerated limit of their pomp and extravagance had to face a total confiscation of their assets. This, of course, was convenient for the ruling aristocracy which was increasingly indebted to them and pressed for money. Inter-marriage between the samurai aristocracy and merchant bourgeoisie was thus out of the question. Even if it had been possible, few of the bourgeoisie would have been tempted to do so because of the very austere, stringent, and precarious life style of the samurai class. The lot of the samurai was even pitied by other classes because a samurai was under the obligation to die at any moment for his master and because his stoic and more than simple life style was often forced on him by poverty.

Aristocracy and bourgeoisie in Japan, therefore, remained almost totally separated until the Meiji Restoration. If there was any accommodation, it was the samurai aristocracy who, deprived of its feudal privileges after the Revolution, had to assimilate bourgeois values in order to assure its subsistence. It is commonplace to say that Japan's rapid industrialization is not conceivable without the contribution of this class, particularly its lower strata. It should be stressed here that both power and wealth were not concentrated in the hands of aristocracy like in Western Europe. In feudal Japan, political power was certainly wielded by the ruling class, but wealth belonged to the merchant bourgeoisie. Thus, the life style of the Japanese aristocracy was far from the splendor and magnificence of its European counterparts.

2) Nationalism as the Nexus between Feudal and Modern Values

Then, in 1853, the first American challenge came (and it continues to come), when commodore Perry demanded the Tokugawa government to open the port (not the market). The rest is history. What ensued is the emergence of an intense nationalism which was provoked by a fear of Japan's possible loss of her territorial integrity. In contrast to German nationalism, the Japanese version was all the more intense as Japan was in a state of semi-colonialization. Full restitution of the right of jurisprudence over foreign residents in Japan was not realized until the last decade of the 19th century, whilst, only at the beginning of this century, in 1911 to be exact, could she restore her autonomy over customs duties.

Japan found herself in a formidable dilemma shortly after she embarked on the road to modernity. On the one hand, she had to build up military as well economic strength to be as equal to the Western powers as possible. On the other hand, remnants of a feudal disdain of business activities were still vivid. Nationalism thus provided a powerful means of integrating this mutually exclusive set of value orientations. Nationalism and industrialism, as Tohata says, were thus closely bound together.⁴⁰⁾

Yukichi Fukuzawa and Eiichi Shibusawa are two towering figures who played a decisive role in reconciling anti-business feudal ethics with the entrepreneurial spirit in the name of national interest. For Fukuzawa, the vital question was the independence of Japan. Commerce and industry were redefined as a powerful means to this ultimate goal. Private interest was not only justified but heightened as an instrument serving the common national cause. For him, whoever strives to obtain even the smallest amount of money to manage his business successfully is indeed contributing to the national objective, even if he may be doing this for his retirement, for his children or even out of sheer stinginess.⁴¹⁾ In an effort to prepare the Japanese for business, Fukuzawa founded Keio University which was to turn out a number of top business leaders during the crucial stage of early industrialization.

While Fukuzawa exercised a far-reaching influence through his writings, speeches and university education, Shibusawa was directly engaged in business to enhance its social status. His ingenuity lay in the fact that he established

an ideological link between confucian feudal doctrines and the legitimacy of modern private business and profit motives. To do this, he relied on one of the famous passages from the *Annalects of Confucius*, which goes: "Wealth and rank are what every man desires; but if they can only be retained to the detriment of the Way he professes, he must relinquish them."⁴²⁾

Shibusawa stressed that Confucius, perceived by the public as the incarnation of anti-economic feudal morality, never denounced money and profit but only dishonest means of obtaining it.⁴³⁾ This is why he is referred to as a businessman with a book of Confucius. He further advanced that such wealth is legitimate only insofar as it is compatible with the national interest. Shibusawa played a vital role in channelling the capital held by the aristocracy into emerging industrial enterprises. In Japan, therefore, the stream of capital was from aristocracy into bourgeoisie, the reverse of what happened in France and Britain.

The emphasis on the convergence of private interest and national interest flows like a red thread through the history of Japan's industrial development even up to this date. Grandiose and somewhat naively idealistic creeds and "philosophy" of management of many Japanese firms stressing "national prosperity" are but one form of manifestation of this need for the social justification of private business. This point is illustrated in a recent statement by Shoichiro Toyota, chief executive of Toyota, which in essence may be summarized as follows: a multinational firm does not hesitate to sacrifice national interest in favor of the firm's interest. Toyota will never be a multinational, because the company does not accept such behavior.⁴⁴⁾

II. Anticapitalism and Its Expressions in France and Britain Today

In the preceding chapter, it has been suggested that both France and Britain experienced earlier and more extensively the transformation of bourgeois norms into aristocratic standards, whereas this was not the case with Germany and Japan. In this chapter, an attempt will be made to demonstrate the presence of anticapitalistic and anti-industrial climates in France and Britain as a major corollary of the said value shift.

1) French and British Perceptions of Their Capitalism

One of the striking facts about the French economy, at least from a Japanese viewpoint, is that a number of Frenchmen do not consider it as full-fledged capitalism. Raymond Barre, professor of economy and former prime minister, deplored the fact that it would take another twenty years before France had a modern economy.⁴⁵⁾ The same view is voiced even by business executives. Alain Minc, director of finance at Saint-Gobain-Pont-à-Mousson, believes that France has demonstrated her pre-capitalist and preindustrial traits even during the period of the highest economic growth rate in her history.⁴⁶⁾ Another business manager, Jean-Daniel Le Franc, agrees with Minc by suggesting that French society has not as yet “digested” modern industrial civilization.⁴⁷⁾ A well-known economic journalist writes in his best-selling book that today’s economic and social reality of France reminds one of her “medieval ages”.⁴⁸⁾ Fernand Braudel, historian of international fame, goes so far as to affirm that France is not a capitalist nation and that even among business executives there are few capitalists.⁴⁹⁾ For Alain Duhamel, political journalist, the French possess neither economic sense nor industrial consciousness. They have acquired, he continues, these attitudes only recently and that by necessity rather than by instinct, under constraint rather than by taste, and by reason rather than by passion. Duhamel concludes that the economic psychology of the French people is conservative and reactionary, inspiring that of pre-industrial society.⁵⁰⁾ Finally, Alain Peyrefitte, affirms that the French have never assimilated over the last three centuries, a mental framework amenable to economic prosperity, because of the “anti-economic prejudice” common to catholic nations.⁵¹⁾

In Britain, almost identical words and phrases are used to indicate a bleak atmosphere for capitalism. In a much quoted statement, Keith Joseph declared: “Britain never had a capitalist ruling class or a stable haute bourgeoisie. As a result, capitalist or bourgeois values have never shaped thought and institutions as they have in some other countries; instead values which originated in feudal times have persisted and have even been absorbed into socialist thinking.”⁵²⁾

2) Anticapitalism and Its Implications

At the root of this commonality between France and Britain there seems

to lie anticapitalism. For Pierre Birnbaum, a Sorbonnes political scientist, anticapitalism is the most widely-shared concept in French society since the 19th century.⁵³⁾ Pierre Rosanvallon, economist, echoes this with a similar categorical statement that anticapitalism is at the center of French civilization.⁵⁴⁾ In Britain, though the same word does not seem to be used as often as in France, the social climate would amount to a similar situation. Economic and social ramifications of anticapitalism are diverse and they affect the central nervous system of the most important agent of modern capitalism: business enterprises and their managers. It takes such forms as indifference or even hostility toward the economy, industry, business and businessmen, profit, money, market, competition, and technical and organizational innovations. A logical consequence is lukewarm entrepreneurial drive, plus status anxiety or lack of self-confidence amongst business leaders. The other side of this coin is the disproportionately higher social prestige of civil servants, aversion of risk, and avoidance of "high-pressure" life styles in favor of a balanced life, which ultimately results in the not too flattering economic performances of France and Britain.

We now turn our eyes to a few of the manifestations of this anticapitalist mentality in both countries.

(1) Anti-industrialism

France and Britain seem to exhibit the same tendency of looking down upon manufacturing industry. In France, the official analysis by the Ministry of Industry comes to the following conclusion: "Industry is still detested by the French. Too few of them undertake to create or develop an industrial business. Few parents wish an industrial career for their children. Public service, education and independant professions are more attractive to the youth than industry."⁵⁵⁾ In the same report, the then Minister of Industry, Jean-Pierre Chevenement, gives probably one of the best summaries of French anti-industrialism and its root causes: "We the French are still, up to this date, under a counter-industrial burden which has a tradition of several centuries. Ancient catholic and anti-commercial aristocratic values, too many rentier bourgeois and civil servants but too few entrepreneurs, anti-industrial mentality of an old nation attached to land; we have said everything on this 'French ideology' which accompanies with it social inequality and class antagonism."⁵⁶⁾

In Britain, the hostile climate to industry seems to be hardly different from France. "Industry is a leper" quotes Graham Turner and affirms that "the ambivalence about the value of industry is reflected throughout British society. It is apparent in the low regard in which business is held compared with university teaching or the higher echelons of the public service."⁵⁷⁾ He further quotes a businessman's statement that many of under-graduates and post-graduates feel industry is dishonest and run by people who are simply out to make money for themselves.⁵⁸⁾

(2) Profit as Taboo

One of the immediate repercussions of anticapitalism is a negative outlook on profit, and by extension, on money and material wealth in general. Among the four nations of this study, it is probably in France that profit is under the most violent attack. Anti-profit sentiments in France have been nurtured for centuries by catholicism, buttressed by aristocracy and consummated by marxism. Even compared with the Italians, another catholic nation, the French harbor, according to an Italian observer, a far more intense contempt for money and a sense of shame for material success.⁵⁹⁾ From a businessman's viewpoint, Le Franc affirms that profit is a word in the form of a bomb and its explosive potential will not disappear unless profit itself disappears. One amusing consequence of this, according to him, is a business practice to show profit in Francs and deficits in centimes.⁶⁰⁾ Octave G  linier, a prominent management consultant, confirms that profit and competition are two notions that French civilization will not accept.⁶¹⁾ Money has always been regarded with suspicion and wears an immoral overtone.⁶²⁾ French society condemns industrialists who make money as "vampires" of the workers' blood.⁶³⁾ Profit "debases", money "corrupts"; material success is dubious and tolerated only after several generations.⁶⁴⁾ Money is, in short, "the last taboo" of French society.⁶⁵⁾

In Britain, similar anti-profit feelings are expressed though in a less vocal manner. According to Turner, the aims of business and particularly the profit motive are still viewed with considerable suspicion and its activities arouse a widespread distaste on the Right as well as on the Left, and is still largely cut off from the rest of society.⁶⁶⁾ Turner continues that the accumulation of fortunes through trade and commerce has not traditionally been conferred the highest

social status until consecrated by membership of the landed classes.⁶⁷⁾ The well-bred Englishman, Turner maintains, has commonly been taught that it is bad form to talk about "money matters" and that industry is merely concerned with making money. Thus anybody who made money was considered a bit of a Jew and they are not first-class citizens.⁶⁸⁾

(3) Low Social Esteem of Business and Businessmen

It seems only natural that the said negative attitudes toward profit and industry should lead to a low social legitimacy of business and its managers. In the eyes of the French, they are "a necessary evil" and are men who have committed "the original sin."⁶⁹⁾ Top executives of large corporations are particularly liable to assaults; they are, in the public opinion, inherently corrupt, immoral and are suspected of lavishing painfully accumulated wealth of the workers on gorgeous dinners, yachts and mistresses.⁷⁰⁾ Business managers are regarded as exploiters when the firm realizes earnings, but accused of incompetency when they incur deficits.⁷¹⁾ For de Calan, former banker and vice president of CNPF, the national organization of French top executives, this social animosity amounts to "anti-executive racism" because they are the more depreciated and maltreated, the better they do their job. They end up in losing self-confidence, and self-respect as well as the courage to identify themselves as business managers.⁷²⁾

In Britain, once again, the tone is quite similar, though less caustic. The old tradition that "A gentleman does not indulge in trade" lingers on, writes Michael Shanks. Too many industrialists, he thinks, have a totally unjustified inferiority complex.⁷³⁾

CONCLUSION

For Norbert Elias, one should not only think of christianity and the Roman heritage but also of aristocratic society as a basic common note and a deeper unifying force of the diverse national traditions of Europe.⁷⁴⁾ Indeed, as Henri Lefebvre affirms, there is nothing left but the debris of the ancient dominant class of Europe but this debris will not disappear. The blood, the past, the original, he argues, still remain the supreme values.⁷⁵⁾ Echoing this statement, a French weekly magazine recently gave an account of the "ten roots of the

sickness” of French society, one of which was “nostalgia toward monarchy.”⁷⁶⁾ The continuity of aristocratic values down to present-day France and Europe is also demonstrated by two historians who wrote about the Ancien Régime. For them, what characterizes France and other parts of the Old World is that a large number of its extremely wealthy classes have rediscovered and resuscitated, distinctions and honors of the Ancien Régime . . . particularly the nobility.⁷⁷⁾

Japan would be an exception because here aristocracy has almost ceased to be a reality and has become a symbol of anachronism. Aristocratic standards are not, however, the only inhibiting agent of capitalism and industry and their underlying values. Increased material well-being can also affect them. From this perspective, the dramatic fall of work motivation in West Germany over the last several years is of particular significance. According to German sociologists, “the traditional protestant, capitalistic and individualistic work and ‘calling’ ethics find themselves in a crisis”. This recent value shift in West Germany, they suggest, is comparable to “the revolutionary change of two hundred years ago when the agricultural-based values were given up in favor capitalistic and individualistic orientation.”⁷⁸⁾

Nor will Japan be spared from this long-term evolution. The question for the Japanese would be, then, how much they will have accomplished, before this apparently inevitable decline of bourgeois norms will set in.

- 1) This essay is an extension of my previous publications on European business management. The Japanese readers may refer to “*Seio Kigyo no Hasso to Kodo*” (Ideology and Behavior of Western European Enterprises), Diamond, Tokyo, 1979 for a brief account of bourgeois assimilation of aristocratic values in Britain, France and Germany (pp. 69–70, 79). A more detailed coverage on the French process of bourgeois gentrification may be found in “*France Kigyo no Hasso to Kodo*” (Ideology and Behavior of French Enterprises), Diamond, 1984, pp. 36–49. For a specific French-Japanese comparison on the subject, see my doctoral thesis defended at Université de Montpellier in March 1985, “*Contribution à l’analyse comparée des valeurs socio-culturelles du capitalisme au Japon et en France*”
- 2) A part of this paper was presented at a bimonthly staff seminar of International University of Japan on June 12, 1985 under the chair-personship of Professor F. Kumagai. The author expresses his thanks for the stimulating questions and comments received from the international faculty members.

- 3) Translation of all non-English quotations is mine, unless otherwise indicated.

NOTES

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