

Max Weber, the Austrians, and Me

By Peter J. Boettke*

Max Weber is arguably the most influential social scientist of all time. A quick glance at Google Scholar will reveal that he has over 378k citations, while Karl Marx has over 372k, and John Maynard Keynes records over 102k. Weber was an economist, a historian, and, of course, a sociologist. In many ways, it can easily be argued that he was the founder of the field of economic sociology. Not Karl Polanyi and his idea of embeddedness, nor Joseph Schumpeter and his ideas of creative destruction and social change, but Weber and his tripartite distinction between pure economic theory, economic sociology, and historical analysis (Swedberg 1998; Kolev 2018; Kolev 2020). In developing his “interpretative sociology,” Weber sat both within the Austrian School of Economics and their adherence to methodological individualism and marginal analysis, and the German Historical School and their emphasis on the unique political, legal, and cultural influences that shape economic activity.

Depending on how one reads that claim, Ludwig Lachmann’s declaration in his review of Ludwig von Mises’s *Human Action* that “[i]n reading this book we must never forget that it is the work of Max Weber that is being carried on here” (1951, 413) will be viewed as obvious or absurd.¹ To me, it was always obvious. My first exposure to Weber was as an undergraduate at Grove City College. In my junior year, I was asked to join an advanced study group consisting of visiting graduate students from Europe and Latin America that were working on their MA or PhD under the supervision of my economics professor Hans Sennholz. I was the only undergraduate student admitted into the group at that time. During my senior year, I wrote a paper on

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¹ See also Hayek’s description of Mises and his relationship to Weber first published in 1978 as the introduction to the German edition of Mises’s *Notes and Recollections*, and subsequently republished in Vol. 4 of Hayek’s *Collected Works: The Fortunes of Liberalism* (1992, 153–154). As Hayek explains, Mises was to his mind “without doubt one of the most important economists of his generation,” but this created an extreme puzzle. Mises was always an outsider, despite being “one of the most original thinkers of our time in the field of economics and social philosophy.” He was, Hayek argues, more akin to thinkers like Voltaire or Montesquieu, Tocqueville and John Stuart Mill, and his work provided a “global interpretation of social development” that was only comparable to the work of “Max Weber, with whom he was connected by a rare mutual respect,” though Mises had the superior analysis in this account of social development because “Mises had the advantage of a genuine knowledge of economic theory.”