

# Tabur

**Yearbook for European History, Society,  
Culture and Thought**

**Economy & Culture**



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## **Tabur**

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## Table of Contents

Yotam Hotam, **Forward to the fifth Edition** / 7

### **Economy and Culture** / 9

Sharon Gordon & Gideon Reuveni, **"Economy" as a New Field of Study** / 11

Simon J. Cook, **Society and Culture in the History of British Political Economy** / 23

Adam Raz, **The Entrepreneur, the Speculator and Crisis of Capitalism** / 41

Jonathan R. Zatlil, **Money and Socialism: Economic Planning and the End of the GDR** / 69

Shlomit Flint, **Economy, Religion and Identity – The Jewish Lithuanian Orthodox ("Misnagdim") Communities in Jerusalem and London** / 95

Hartmut Berghoff, **Trust and the Construction of Markets in the Industrialization and Globalization of the Nineteenth Century** / 125

### **Articles** / 149

Yaron Girsh, & Gad Yair, **"Theology in the Guise of Pedagogy": Nietzsche's Educational Philosophy as a Discourse of Redemption** / 151

Daniel Behar, **Knights of the Woeful Countenance: Italy, Italians and the Mediterranean in Heinrich Heine's *Reisebilder*** / 173

Itzhak Benyamini & Yotam Hotam, **Towards "Critical Theology": A Manifesto** / 193

## Abstracts

### 'Economy' as a New Field of Study

This introductory essay explores the threefold conjunction between history, culture, and the economy. It starts with a brief discussion of different conceptualizations of the nature of this relationship alluding not only to the difficulties of fixing the ontological status of each domain, but more significantly to the various meanings assigned to the terms "economy" and "culture" and how they inform our perception of the nexus between these realms. This exploration does not imply that such notions are mere constructions detached from the "real world", but rather suggests that we should be more receptive to how these distinctions operate and constantly negotiate the boundaries between these realms. Thus, culture and the economy emerged as two powerful ideas whose continued use (or eclipse) has significant consequences for how we organize and understand the social process. History offers an excellent venue for exploring such notions. The aim of the essays presented in this introduction is to demonstrate how seeing the economy as culture provides new ways to read history.

Sharon Gordon, The R. Koebner Minerva Center for German History, The Hebrew University of Jerusalem, sharon.gordon@mail.huji.ac.il.

Gideon Reuveni, Centre for German Jewish Studies, University of Sussex, g.reuveni@sussex.ac.uk.

### Society and Culture in the History of British Political Economy

Economics has become a reductive science that postulates a utility-maximizing individual abstracted from any and all social and cultural contexts. Today, both the friends and the enemies of this science agree in projecting this reductionism onto the history of mainstream economics. The present essay rescues the history of political economy from such standard reductionist histories. It does so by pointing

out some of the profound and substantial roles played by ideas of culture within the writings of two acknowledged giants of the history of economics, Adam Smith and Alfred Marshall. The first part of the paper makes use of some recent revisionist intellectual history that situates Smith's *Wealth of Nations* within his larger project of illuminating the historical, political, moral as well as economic dimensions of modern commercial society. The second part presents some of my own research on Marshall, and shows how his transformation of classical into neo-classical economics arose by way of an injection of a conception of culture into the body of classical economic theory.

Simon J. Cook, Independent Scholar, simonjohncook@gmail.com.

### The Entrepreneur, the Speculator and Crisis of Capitalism

The article analyzes the contrast existing in capitalist society between entrepreneurship and speculation and which is disclosed by the opposition between circulation (money-dealing) capital and capital engaged in production. While a new value is created in the "real" economy that relates to productive capital, circulation capital – represented by the banks and the financial system – does not produce values. The latter rather distributes values that have been created in the field of the "real" economy. The article describes how the economic contrast between productive and circulation capital is expressed in the positions taken by Theodor Herzl and William Bryan at the turn of the nineteenth century. It shows how these statesmen identified the deflationary role of the operation of financiers in Europe and the U.S. In doing so, the paper further shows, these statesmen identified the financiers as the "enemies" of their movements (Zionism for Herzl and the Populist fraction and its allies in the Democratic party in the U.S for Bryan). The paper then argues that the conflict in capitalist society is the key to the understanding of the global economic crisis of recent years, thus highlighting the role of finance capital in the crisis.

Adam Raz, Department of Political Science, Tel Aviv University, adam3raz@gmail.com.

### Money and Socialism: Economic Planning and the End of the GDR

In their quest to free society from the economic exploitation and social alienation caused by capitalism, Soviet-style regimes embarked on ambitious projects aimed at completely recasting society. In East Germany, the communist party sought to create a society of moral plenty and Edenic riches by decommodifying money.

Although inspired by Marx's critique of the power of money to distort social and sexual relations, the East German communist party ignored Marx's warning that eliminating money would not transform society. Instead, the party followed non-Marxist traditions of socialism that aimed at uncoupling social wealth from money. Using representative examples of market failure in production and consumption, this essay examines how the party's deep-seated hostility to money not only failed to eliminate social alienation but also undercut East German economic growth. The resulting shortages of consumer goods estranged ordinary people from the socialist state, encouraging them to flout the state's control over economic transactions by engaging in black-market trade. Despite the party's utopian ideals, moreover, its policies created new social divisions. The gap between theory and praxis was most evident in the party's treatment of women, which fell short of its emancipatory rhetoric. To redress these imbalances, the party adopted stopgap measures that reinstated the importance of money and the market. Whether awarding bonuses to saleswomen in retail stores or permitting East Germans to purchase consumer goods with West German money, the communist party's response devalued the meaning of socialism while institutionalizing the very power of money against which Marx had warned.

Jonathan R. Zatin, History Department/Kilachand Honors College, Boston University, [jzatin@bu.edu](mailto:jzatin@bu.edu).

#### **Economy, Religion and Identity – The Jewish Lithuanian Orthodox ('Misnagdim') Communities in Jerusalem and London**

The paper examines the role of identity and identification in the economic context of the Lithuanian Orthodox communities in Jerusalem and London. Over the generations, the need to balance between the collective body of Jewish law that guides religious practice and the reality that affects the individuals' lifestyle has created an existential tension that threatens the preservation of the community. Mainly, the need for livelihood invites a comparison and competition with neighboring groups and affects the individuals and their connection to the community. The paper focuses on identification of three Powerful Socio-Affiliation, Organizational and Spatial mechanisms at the household level. Taken together, these mechanisms illuminate the relationship between the individual and his/hers community and provide an insight into processes materializing at dense inner-city neighborhoods shared by differing groups.

Shlomit Flint, Centre for Advanced Spatial Analysis (CASA) University College London, [flint.sh@gmail.com](mailto:flint.sh@gmail.com).

#### **Trust and the Construction of Markets in the Industrialization and Globalization of the 19th Century**

Trust is a central category for economic processes which enables the very function of markets. Every market exchange, fraught with risk, presupposes trust in the exchange partners' promises. A seller who delivers goods before receiving payment, for example, trusts in the purchaser's willingness and ability to pay. This essay focuses on trust. It discusses, first, the economic and sociological theories of trust. It then turns to an empirical assessment of how economic actors in the nineteenth century responded to the growing insecurity that accompanied the rapid expansion of markets in an era of industrialization and globalization. In doing so, the paper describes five types of trust-creating strategies. The first is institutionalized trust, i.e., the role of law and the state in creating rules-based trust. The second is a social kinship that religious communities, for example, used to overcome distrust in anonymous markets. The third is made of hybrid forms of cooperation between market and hierarchy that also gained importance by combining elements of market and non-market transactions. The fourth is made of commercial guardians of trust and risk analysts, such as insurance companies and credit rating agencies, who established themselves and successfully offered their services to and from a fast-growing client base. The fifth relates to the economic actors who found ways to link their reputations to the quality of their goods and services. These actors had therefore very high incentives to deliver on these promises. Within this context, branding and the creation of trademarks provided an effective solution for these actors because "trademarks are trustmarks".

Hartmut Berghoff, German Historical Institute in Washington D.C. and the University of Göttingen in Germany, [berghoff@ghi-dc.org](mailto:berghoff@ghi-dc.org).

#### **'Theology in the Guise of Pedagogy': Nietzsche's Educational Philosophy as a Discourse of Redemption**

The past decade has witnessed growing awareness to the place of latent theological dimensions in modern secular thought. Surprisingly, such hidden theological motives are also apparent in the scholarship of Friedrich Nietzsche - the philosopher who announced the death of God. In this paper we show that Nietzsche's writings on education are based on religious notions which went unnoticed. In order to fill this void, we analyze Nietzsche's educational writings as a theological discourse that in the center of which stands the question of redemption through education and culture. In continuing a long tradition of German intellectual discussion, which draws on ancient theological and philosophical discourses, Nietzsche continues searching - like his predecessors - after justification for meaningful human existence. He argues that the rational, democratic and pragmatic orientations of

modernity endanger the human spirit. Consequently, it is the duty of education to free individuals from modernity's lost meaning by enabling aristocratic paths for salvation. This salvation from modernity's ills depends on human and authentic educators who present models for ideal being. This interpretation of Nietzsche's hidden theology adds to our general understanding of Nietzsche's work while bringing into view the pervasive intrusion of theology into modern secular thought.

Yaron Girsh, The Department of Sociology and Anthropology, The Hebrew University of Jerusalem, yarongir@gmail.com.

Gad Yair, The Department of Sociology and Anthropology, The Hebrew University of Jerusalem, msyairg@mscc.huji.ac.il.

#### **Knights of the Woeful Countenance: Italy, Italians and the Mediterranean in Heinrich Heine's *Reisebilder***

This paper focuses on Heinrich Heine imagery of Italy. Through a critical reading of Heine's imagery, the paper illuminates the rigidity of social stratification in Prussia. Foreshadowing the modernists of the early 20th century, Heine evoked the heterogeneous Mediterranean cultural space as an alternative to the ills he saw in the Nation State, namely the consecration of a ruling élite dominating the masses through a narrow understanding of culture and identity.

Heine, the paper shows, travelled south of the Alps to explore not only Italy but also the German romantic fascination with Italy. His journey was ignited by Heine's critique of German superficiality and smugness. This critique, however, remains embedded also in the way he perceived the Italians as the contrary pole to the Germans, i.e., noble people of profound historical suffering. The paper shows that in contrast to Goethe, Heine's Italian journey was not about harmonizing the classic heritage with the current reality, or man with nature. Though Heine's image of the Italians was informed by their historical circumstances, alongside the appearance of their manners, gestures and artistic tastes, he was also critical of the undercurrents beneath these appearances. The classical archetypes of art and literature are still present in Heine's mind, yet their presence creates a variety of interruptions that became material for his keen sense of humor. At this stage of his career Heine still had hopes that literature could be a vehicle of social and political change, regarding himself as a soldier in the battle for emancipation. This conception of himself and his work should be placed in the context of his Italian journey. Moreover, the pluralistic inclusiveness so natural, in Heine's mind, to the society of a Mediterranean culture of merchants, could also embrace Heine's ambivalent relation with his Jewish origins.

Daniel Behar, German Language and Literature, The Hebrew University of

Jerusalem, Behardan2@gmail.com.

#### **Towards 'Critical Theology' – A Manifesto**

In the last years critical thought and theological discourse have been challenging each other in continental thought, as they share mutual themes alongside contesting motivations. Against this broad background, this manifesto presents a possible formula of 'critical theology' which negotiates between the critical and the theological fields of inquiry. Stemming from the contemporary Israeli framework of religion, society and political imagination, the formula points to the difference between the call to critically navigate in the theological field of meanings, and the call to faithfully adopt its message; between the call "to the call" of theology, and the call "of" theology. By doing so the manifesto aims at presenting theology as the original realm of non-religious, perhaps even un-religious, critique, and not as its adversary, while nonetheless maintaining "the religious" as such. Critical theology, the manifesto suggests, is a social and political challenge of our time in which religion and religiosity returned to the forefront of the social, political and cultural world.

Itzhak Biniamini, Bezalel, Jerusalem, and the University of Haifa, itzhak.beniamini@gmail.com.

Yotam Hotam, Faculty of Education, The University of Haifa, yhotam@gmail.com.