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Weber's Protestant Work Ethic: A Case Study of Scottish Entrepreneurs, the Coats Family of Paisley

Abstract

The present study examines the potential of Weber's Protestant Work Ethic to illustrate the growth, development and business philosophy of J & P Coats, thread manufacturer from Paisley. The company grew from humble beginnings in 1826 to dominate the world thread market in a comparatively short period of time. The paper will begin with a synopsis of the key arguments from the Protestant Work Ethic, before moving to a summary of many of the debates, both past and recent, which have been put forward both for and against Weber's work. The review of this body of work will highlight the continued relevance of Weber's thesis. The brief history of the J & P Coats firm, and the main family members involved in its rise and progress will be provided, which will then provide a background against which Weber's theories can be examined. Finally the paper will conclude that Weber's thesis provides a rationale for understanding the development of the company, and the behaviour of its owners, which will in turn offer more contemporary validation of Weber's theories.

Keywords: *Weber, Protestant Work Ethic, Calling, Family Business, Stewardship, Scotland.*

Introduction

Max Weber is renowned for his ground-breaking work exploring the cultural influence on economic development. Weber's work is unusual not only due to its subject matter, but that it cuts across several scholarly disciplines. That he, a sociologist, saw fit to explore an historical problem has been central to many of the debates by academics and theologians.

One of the most recent academics to engage with the Weber thesis is Lough (2006), who explored Weber's ideology of how to conduct one's life, including self-examination, but noted that in reality "according to Weber, this could only mean "a rational shaping of one's whole existence in obedience to God's will."¹ Evidence of this has been provided by many authors since Weber's *The Protestant Work Ethic and the Spirit of Capitalism*, but thus far little has been provided to address the British experience in general and the business and economic history perspective in particular.

McKinstry and Ding's (2013) Business History paper re-examines the writing of Weber in light of an extensive case study, within which they explore Alex Cowan & Sons Ltd. They highlighted that Weber's Protestant Work Ethic has largely been examined by sociologists, citing Lipartito's contention that British business history is deficient in individual case studies to test Weber's thesis point by point. Crucially they cite the lack of reference to case studies into Weber's thesis in the Oxford Handbook of Business History, indicating that whilst there are numerous such studies within the sociology literature there has not been the same attention from business history literature. Marshall's 1980 work, while provides a very detailed examination of Weber from a Scottish perspective, is none the less a country case study as opposed to an individual company case study which the current study aims to provide. Marshall's study, like Weber's, depended too much on the assumption that because spiritual writers advocated the attitudes and actions of the PWE real businessmen carried them out. Pointing this assumption out was one of the major contributions of McKinstry & Ding's study, which provided empirical evidence from large and significant businesses of the PWE in operation.

McKinstry & Ding summarise by stating:

It seems logical to expect that, if appropriate archival resources were available to scholars, similar correspondences to Weber's 'Protestant Ethic' would be found, and it is thus hoped that such firms might become the subject of future research.²

The purpose of the current paper is to respond to this call and strengthen the argument that there remains a need for further studies into Weber's thesis. Studies which provide narratives on Scottish industrial families are not new to the field, but by examining the Coats firm and family in detail and then testing them against key points from the Weber thesis the current study will provide what is deficient in the business history literature both in terms of individual case studies and Scottish focus. The study will also bring forward proof of the beliefs, business practices of individuals in terms of the operations of their businesses and the existence of the PWE. Within McKinstry & Ding's conclusions they reference J & P Coats

whom they state “... combined (as did the Cowans) their evangelicalism, Liberal politics and generosity with money to endow libraries, institutions and churches in Paisley and beyond ...”, The current paper will further add to existing literature by providing a detailed exploration of the theological points contained within Weber’s hypothesis, thus enhancing the body of knowledge regarding how entrepreneurs actually behaved.

This will be undertaken by presenting one such case study, based upon the history of J & P Coats, world renowned thread manufacturers of Paisley. The firm which started life as a small mill in 1826 by James Coats Snr. grew to dominate the world thread industry, with mills and subsidiaries in over 20 countries. The company became one of the first multi-national corporations and was the largest manufacturing company on the London Stock Exchange by 1900. This growth was achieved without losing the guiding principles of ethical behaviour and religious morality which the founding family members were driven by, and is undoubtedly a suitable example to test Weber’s thesis against.

The paper will proceed with a summary of the main points from Weber’s thesis, including a selection of the debate which has resulted from his publications. This section will underline the idea that there are still gaps in the literature examining Weber’s thesis and explore the five key principles of the Protestant Ethic which were highlighted for analysis by McKinstry & Ding.³ A short history of J & P Coats Ltd.’s formative years will then be provided, focusing on their history during the 19th Century, including examination of the role of family members in the business’s early success and rapid growth. The key members of the Coats family will be examined, including some non-family members who were influential within the firm, to offer an insight into their professional and personal behaviour. The paper will be based on the history and archival material available for J & P Coats Ltd., thread manufacturers from Paisley. The Coats family were, for many decades, amongst the largest benefactors within the Paisley area. The Coats archive, held within the University of Glasgow Business Archives and Paisley Library, contains a comprehensive range of evidence on the firm’s history, including private letters and obituaries.⁴ These collective archives will be used to show the strong religious motivation behind much of the family’s behaviour, which was mirrored in the behaviour of the firm. This will in turn be compared with the pronouncements of Weber and his characterisation of ‘the Protestant Ethic’ and to substantiate the views of Lessnoff whose advocacy of the study of Scotland in relation to Weber will be discussed below. After this some conclusions will be drawn and suggestions made for further research.

Review of Weber’s Protestant Work Ethic; its Supporters and Detractors

Virtually as soon as Weber published his early article *The Protestant Ethic and the Spirit of Capitalist* in 1905 controversy ensued. The debates and controversy persisted for many years, and have continued to do so long after Weber’s death. While it is unfeasible within the scope of this paper to cover all of the details of Weber’s arguments, and indeed his detractors, a number of key points will be explored. Weber’s Protestant Work Ethic was an attempt to explore why capitalism had developed so strongly among Protestants in countries such as

Germany since the Reformation. Luther and Calvin are recognised as the leaders of the Reformation, having left the Roman Catholic Church to form new sects with their followers.

Within *The Protestant Ethic and the Spirit of Capitalism* Weber discusses how the notion of “one’s duty in a calling” or “vocation” emerged in Protestantism, and that it was these principles which most characterised the social ethic of capitalistic culture. It also came to mean the ethical duty to perform one’s work well and in a methodical manner. By viewing their work as a vocation, religious believers helped to spark modern capitalism by creating a lifestyle that embodied a new capitalist spirit. Weber states that an individual can be described as having a vocation when that individual attaches a very strong sense of purpose to his or her work, treating a vocation as “a task set by God”⁵ which has to be fulfilled, thus:

an obligation which the individual is supposed to feel and does feel toward the content of his professional activity, no matter in what it consists, in particular no matter whether it appears on the surface as a utilisation of his personal powers, or only of his material possessions (as capital).⁶

Weber finds this purpose in the Calvinist doctrine of predestination. This doctrine states in essence that, firstly the elect are saved and everyone else is damned, secondly that God has selected the chosen even before their birth and humanity has no way of knowing who will be saved, and finally that salvation cannot be earned, for if it could be, humanity would have a kind of power over God. Weber ties this Calvinist idea to the Lutheran devotion to one’s life calling, “the only way of living acceptably to God was not to surpass worldly mortality in monastic asceticism, but solely through the fulfilment of the obligations imposed upon the individual by his position in the world. That was his calling.”⁷ Luther’s doctrine of earthly calling decisively altered the Christian perception of good works and is thus vital to Weber’s thesis and the current study. One of Weber’s most important contributions was his belief not only that this calling could take place in the business world, but that it was central to the development of modern capitalism. He calls the Puritan calling “a powerful unconsciously refined arrangement for the breeding of capitalist individuals” and thus it was at the heart of his thesis.⁸

Weber’s thesis while highly intellectual is undoubtedly complex, which can make for difficult reading, however there are a number of central and related principles upon which the present study will focus. For the purposes of the current study the five principles highlighted by McKinstry and Ding have been selected as key to better examining Weber’s thesis, which can only rationally be undertaken when the main theoretical and theological points are attended to. These are the same principles which McKinstry and Ding have utilised in their study, and therefore allow the same theories to be explored. The first principle is a sense of Christian calling to one’s earthly occupation, stemming from a belief in the predestination concept. Secondly a related notion that a whole life should be spent in the service of God and therefore represents an opportunity to worship God in all areas of life, including business. Thirdly that the accumulation of wealth can be desirable as it allows acts of generosity through which God can be served, fourth that reinvestment of wealth is beneficial to all, and fifth that expenditure on self-gratification is bad.⁹

Responding to criticism of his original essays Weber reiterates that he takes the relationship between modern capitalist ethos and the modern capital system as a given, and that he was actually aiming to investigate “the correspondence between the spirit of capitalism and the doctrines of ascetic Protestantism.”¹⁰ Weber was unapologetic in the face of his numerous critiques, notably Rachfahl (1909) and Fischer (1908) who took exception to what they called his “idealistic interpretation of history”¹¹. Rachfahl was firm in his belief that Weber’s concept of the capitalist spirit was too narrow as it “... excluded motives that go beyond acquisition of wealth for its own sake such as honour and respect...”¹² Fischer was similarly concerned with the way in which ‘wordly calling’ was interpreted, contending that the concept could easily have been explained in terms of adaption to economic conditions.¹³ Others were more forgiving when exploring Weber’s approach to history, with Ghosh (2008) believing Weber’s sociological background meant he was infact “the ideal type of interdisciplinary scholar who could show new dimensions of religious history to an historically based German theological faculty...”¹⁴

Weber admits his debt to Sombart’s early work, which had stressed the importance of the “spirit of capitalism” as a guiding force in the evolution of modern capitalism. He accepted unreservedly the existence of the “spirit” Sombart identified, but sought to discover its source. Sombart had explored the role of religion in the formation of the capitalist spirit, examining the influence of both Catholic and Protestant religious doctrine on the rise of capitalism in his various works. “Wealth could be justified only when it was spent in ways pleasing to God, and so long as it did not endanger the salvation of the undertaker.”¹⁵ Sombart and Weber came from very similar backgrounds, but their respective works have come to be viewed quite differently over time. While both agree there was a ‘spirit of capitalism’ the rationale for its development was conceptualised quite differently by both. Over a number of years there were heated exchanges between Sombart and Weber, with Sombart’s work being called into question by numerous critiques, eventually responding with his 1911 text *Die Juden und das Wirtschaftsleben* and the later *Der Bourgeois* (1915), both which ascribed Judaism as the primary source of the “spirit” he had identified.

Marshall’s 1980 text explores the relationship between Sombart’s and Weber’s analyses of the genesis of modern capitalism as he believes this important issue has thus far been neglected. He highlighted the key areas of debate between the two, mainly the role of Judaism from Sombart’s view and Protestantism from Weber’s. Sombart thus arrived at a view of the world that separated good and bad: those who earn their living in an honest and productive way and those who do so by dubious means. His analysis of the causes of capitalism is thus joined by a discussion on the designation of blame. In identifying the Puritan spirit as the main cause of capitalism, Weber assigned only a minor world-historical role to the Jews. That Calvinism had ‘invented’ capitalism does not lead Weber to condemn people of this creed. And how could he, being himself deeply imbued in Protestantism?¹⁶ McKinstry & Ding are of the opinion that “Weber has no religious or denominational axe to grind.”¹⁷, but it is fair to say that the way he denounced the work of Catholic scholars, believing them to have failed to promote capitalism, provoked strong reaction.¹⁸

Marshall’s work had a Scottish focus and sought to undertake a detailed analysis, which he claimed was conducted in a manner similar to Weber’s own work, concluded that there was clear evidence of Scottish businessmen employing Christian practices and also that Christian writers and preachers were teaching the doctrines of calling in relation to business. He

concluded that he had “verified empirically what Weber hypothesized.”¹⁹ However Marshall’s work and conclusions within depend on the assumption that the writings of theologians were carried into practice by businessmen who read them, but he provides little evidence that this was in fact the case. Lessnoff’s later 1994 work contains some strong critique about what is, and perhaps more interestingly, what is not included in Weber’s thesis. Of significance to the current paper he also highlighted that Scotland was one of two countries, the Dutch Republic being the other, which have often been claimed as empirical refutations of Weber’s thesis. Scotland was also, in Lessnoff’s opinion, not given sufficient consideration by Weber.²⁰ “... it rapidly became accepted as conventional wisdom that the history of Calvinism and capitalism in Scotland provided clear refutation of Weber’s thesis.”²¹ This apparent refutation was based on a belief that as Calvinism in Scotland was not linked with any marked capitalist development it could not therefore have the causality believed to have been implicit in Weber’s work. In reality however Weber’s early work contained a clear disclaimer that he was not attempting to provide “the foolish and doctrinaire thesis” that the spirit of capitalism was derived from religion, only seeking to identify the origins of the modern capitalist mentality.²² Infact Lesnoff, Hamilton (1991) and Marshall before them had all illustrated that more detailed case study type work on the Scottish experience may well show that in reality Scotland was much more consistent with Weber’s argument than is often reported.

A number of writers have explored a similar “calling” aspect to that of Weber’s thesis, including Baxter, Robertson and Cotton.²³ Robertson believes that owing to Weber’s adoption of a sociological approach his main argument which deals with the Puritan doctrine of the “calling” cannot be sustained as it does not account for its meaning changing over time.²⁴ Perkins explores this concept from a somewhat different aspect, holding that “the main end of our lives is to serve God in the serving of man in the work of our callings”²⁵, central to which is a sense of honesty which must be employed in all dealings. That is to say that unlike Weber one who feels this calling views honesty as a restriction of profit-seeking rather than a means of maximising profits. Tawney highlights that in its later phases Puritanism insisted “the money-making, if not free from spiritual dangers, was not a danger and nothing else, but that it could be, and ought to be, carried on for the greater glory of God.”²⁶

The charity work undertaken by the members of the Coats family, coupled with commentary on their beliefs relating to these works, will be shown to demonstrate the type of stewardship discussed by Lessnoff:

The mill-owner who has a nice sense of purity in heart and life, and just comprehension of his own interests, and a conscientious concern for the well-being of his dependants, will adopt every practicable measure to raise the standard of their behaviour ... It is excessively the interest of every mill-owner to organise his moral machinery on equally sound principles with his mechanical, for otherwise he will never command the steady hands, watchful eyes, and prompt cooperation, essential to excellence of product... There is, in fact, no case in which the Gospel truth “Godliness is great gain” is more applicable than to the administration of an extensive factory.²⁷

As highlighted earlier the 2013 paper by McKinstry and Ding undertook a detailed analysis of Weber, in part to determine its ability to describe the motivations and progress of both a firm and its' owners, but also to provide empirical evidence to justify further such detailed studies. The Cowan study undertaken by McKinstry & Ding brings much to the business history arena as it provides an individual case study against which to test Weber's thesis. As discussed earlier McKinstry & Ding identified five key principles against which to test Weber's thesis, which are identified as they believed they:

“encompass the ‘pull’ of the ‘calling’ on the believer, Weber’s central point and the accelerator of capitalist activity. They also emphasise how this is ‘pushed’ into practice, in a world where the sacred and secular are now considered to be mutually inclusive, through the pursuit of profit in business, enabling charitable giving and reinvestment to take place, fuelled by personal asceticism”²⁸

It is clear that they were correct to expect some sense of calling to be shown to be driving Christians and that religious devotion is to be carried over to the secular realm of work, the first two principles they identified. The remaining three principles have as their focus the accumulation and use of money by Christians, understandably as these aspects of capital are central to Weber and any study of capitalism. The Cowan family are shown to have exhibited a generosity at both family and firm level, with charitable donations and assistance to former employees amongst their many good works.²⁹ McKinstry & Ding demonstrate very clearly that the Cowans showed the five key characteristics against which they had tested them, and demonstrated “the strength of their Christian world-view and its intimate relationship with their conduct in business”.³⁰

That McKinstry & Ding sought to provide material at the level of individual businessmen is of particular interest to the present study, which will aim to offer an equally detailed insight into those within the Coats firm.

The paper will now proceed by providing a brief history of the company and of the main Coats family members, offering an insight into their religious and moral works and how this influenced their business practice, to illustrate the concepts of stewardship and calling discussed previously.

Brief History of the J & P Coats Firm

James Coats Senior had set up his mill in Ferguslie in 1826 and his entry in the Dictionary of Scottish Business Biography records that he was successful in his venture.³¹ He began producing Canton silk and chenille shawls, but seeing that the fashion for such items was waning changed his production to sewing cotton and silk thread. James and Peter Coats took over the running of their father's Paisley thread mill in 1830, paying him an annual rent of £500. James Snr. remained in the background, giving his sons advice on items ranging from technical problems to financial matters. The brothers could not have foreseen the growth that would take place during the 60 years under examination. Although James and Peter were the founders one of their other brothers, Thomas, joined as a director a few years later. Their

younger brother, Andrew, who was trained as a lawyer eventually joined the firm as well. A family tree has been provided below to enable the reader to follow the family and their descendants.

Take in Figure I - Coats Family Tree Here.

An entry in the Directors' Minute Book showed that the Directors' wanted to ensure their right to make charitable donations:

“To support or subscribe to any charitable or public object, and to give pensions, gratuities, donations, and emoluments to any person in the employment of the Company, or engaged in any business acquired by the Company, and the wives, widows, families and dependants of any such persons, and to support and subscribe to any schools, hospitals, dispensaries, dining rooms, baths, places of recreation, and any national, educational, scientific, literacy, religious, or charitable institutions or objects
...”³²

This is a clear illustration of the intent of the Directors to make donations where and when they saw fit, and to a wide range of beneficiaries.

From the inception of the business the brothers were determined to keep the business within the family. The running of the company was split equally between the four brothers, with each having an area of specific responsibility. James had learnt the thread trade from working with his father, Peter was trained in finance, Thomas was an engineer, and Andrew had a background in the law.

James Coats was the eldest of James's sons, and he had started off, rather unsuccessfully, producing shawls.³³ After this business collapsed he went to work at his father's mill at Ferguslie, and it was there that he learnt the trade. However, he suffered ill health for many years and died in 1845, only 15 years after the partnership of J & P Coats was established. Peter Coats was the co-founder along with James. He had intended to train for the clergy, but gave this up to join a Glasgow counting house.³⁴

Thomas Coats was the fourth of James Coats Snr.'s sons. In 1833 he joined his brothers James and Peter in their new business.³⁵ He had been trained as an engineer in Johnstone and it was his job to take care of all the machinery. As well as dealing with any problems which arose, he was responsible for overseeing the introduction of many of the early advances in the thread industry, for example the change from water to steam power. When James died in 1845 Thomas formed a new partnership with Peter, and was said to have become the 'full-time overall manager at Ferguslie'.

Andrew, the youngest of the brothers was the last to join the partnership. He had at first been trained as a lawyer, but felt that it would not provide the type of life he was looking for. His legal training would undoubtedly have proven very useful in the early years of the new business, and it is known that Coats had to fight several court cases in America to deal with

those who sought to imitate their products. The expertise the brothers brought to the company were invaluable and put them in a much better position than many of their counterparts. Quail has noted that a large number of family businesses have “directors were not expected to take any individual responsibility for management of parts of the business.” and that in many cases the Directors were little more than figureheads.³⁶ These statements from Quail are certainly not true of Coats, and the brothers’ technical knowledge and desire to be very hands-on was undoubtedly one of the main reasons for the firm’s success.

When the brothers took over their father’s business there were 20 employees, but in less than ten years that number had risen to almost 200.³⁷ That alone gives some idea of the scale and speed of expansion. From the start the company specialised in producing thread of an exceptionally high quality, especially their by now well-known black and white six-cord thread. By the early 1880’s the profits had already reached over £400,000, and the company was confident that this growth would continue. However, that is not to say that they were complacent, they continued to work hard and invest to ensure the company’s continued success.

While studying the first few generations of the family it can be seen that one of the most important decisions was that which led to Andrew Coats moving to America. Andrew was the only brother not to become a member of the Board, but he was instrumental in developing the American side of the business, actually living in America for nearly 20 years until the selling operation was working effectively. This was a decision which radically changed the company’s fortunes.³⁸

It is estimated that Coats accounted for almost 60% of total British exports to the USA in the mid 1800’s.³⁹ This market kept growing, and by the end of the 1850’s it is estimated that the US was responsible for up to 80% of Coats production and around 90% of their annual profits.⁴⁰ However, at this time the selling of Coats thread was still being undertaken using the services of agents. The biggest competitor which Coats faced in the US came from another Paisley manufacturer, George A Clark who had set up on his own in the States, and was also prospering.

The textile industry concentrated in a number of areas of Britain, notably Lancashire in England but by the 1830s increasingly in Glasgow, Renfrewshire and Paisley. This geographical concentration is believed to have occurred as a consequence of access to a number of crucial elements – a skilled workforce, a supply of cheap labour from Ireland and the Highlands, plentiful natural resources such as coal and water, the proximity to the trade ports on the Clyde and an increasing number of local merchants who were able to facilitate worldwide trade.⁴¹ Paisley was also fortunate to be the first centre for the manufacture of white thread, the result of the innovative process brought from Holland by Mrs Millar in 1722 which a local manufacturer soon learnt and developed as a commercial enterprise.⁴² In less than 60 years there were reported to be 120 thread mills, so the Coats and Clarks who came later were exceptionally well placed to exploit the competitive advantages which resulted from regional clustering. In addition as Blair points out that had Napoleon not stopped exporting goods to Britain, which stopped the supply of silk, then the Clarks would likely never have perfected the making of fine cotton thread, a discovery which was largely responsible for the resulting thread industry in Paisley.⁴³

Clark's began production of sewing cotton in 1806, with first mill was built at Seedhill, and by 1830 they remained the leading firm in the industry.⁴⁴ By 1867 the four Clark mills had been renamed as Anchor Mills, and construction was beginning on the Atlantic mill.⁴⁵ Like Coats, Clarks were expanding rapidly, their profits increasing by nearly 550% in under 10 years⁴⁶, and they too were expanding into America and Russia. Hunter believed that Coats may well have expanded at Ferguslie to try and compete with the expansion taking place at the Anchor mills.⁴⁷ Although both companies were growing successfully, it became clear eventually that competition and price wars would take their toll on both. However, it was noted that the competition between the two firms was "... always honourable and without bitterness...".⁴⁸ It has also been suggested that, if another thread firm were to start up, Coats and Clarks would simultaneously drop their prices until the other firm was put out of business. It can therefore be seen that they were willing to work together for the 'common good' of their respective businesses.

On 1 July 1896, Coats amalgamated with Clark & Co., along with Messrs Jonas Brook & Brothers of Meltham, and Messrs James Chadwick & Brothers of Bolton. The Minute Books speak only briefly about negotiations with the three firms, some taking place as early as 1891.⁴⁹ However, despite the fact that this move was officially a merger, in reality Coats had taken over the other three companies, having spent £1,515,690 purchasing shares in each company from July 1896 onwards, in what can be assumed was a plan to gain control.⁵⁰ In order to amalgamate, the capital of Coats was readjusted, new shares created and issued to the other companies. Additional directors were also appointed to the newly formed company. What was perhaps unusual is that each of the other companies retained their own separate existence, names, trade marks and so on, highlighted by Farnie as "...its discreet practice of preserving the nominal independence of the member firms...".⁵¹ The 'merger' with Clarks did come as something of a shock to spectators but it occurred not long after the death of one of Clarks' most influential chairmen. This reflects concerns raised by Colli, Fernandez Perez and Rose regarding family firms relying heavily on internal succession, believing that:

"...although insider succession may be important to secure some continuity, it is unlikely to have a particularly revitalizing effect on firms, whether successors are family members or those who have gained their business experience exclusively within the firm. "Insiders" may become "embedded in organizational inertia" so that change, especially structural and strategic change, will occur more rapidly with an outsider."⁵²

Colli *et al* also provide commentary from Rose on internal succession which further postulates that "... persistent internal succession (over several generations) may give a firm an inward rather than an outward-looking business culture."⁵³ This concern is certainly valid and is likely to have been the case for many British businesses, including the Clarks firm, but the Coats firm and family appear to have avoided this serious pit-fall. Campbell noting that after the amalgamation ... a large part of the world's thread industry was controlled from Paisley."⁵⁴

While this paper will focus mainly on the 19th Century history of the Coats company it is important to note that just prior to the expansion 1890 was another crucial year for the

company. In this year the company applied for limited liability status, primarily to raise funds to allow the expansion plans to go ahead. Indeed, the amount of expansion which resulted in that year was astounding, both at Paisley and abroad.

The Coats directors were also well disciplined in re-investing profits to fund this almost continuous expansion and investment. When Thomas Coats died, in 1883, it could be seen that the company had been almost entirely financed by the family itself.⁵⁵ The following table shows the rate of return on total capital and the proportion of that which was re-invested.⁵⁶

Take in Figure II here.

As well as giving a good indication of the rate of return on investment, this table also shows how much of the profits were being re-invested. Naturally, at the start more was being ploughed back in to aid expansion, but it can be seen that even in the late 1870's almost fifty percent of total profits were being retained in the business. This reinvestment was crucial to Weber's principle of Christian calling, believing that when this was adopted "respectable fortunes were made, and not lent out at interest, but always reinvested in the business."⁵⁷ While it is true that reinvestment was not unusual for British family firms there is also a large school of literature which highlighted the preoccupation of Western family firms with "short-term financial reward for material satisfaction."⁵⁸ More (1997) also explored the idea that "British firms, large or small, seem to have followed a policy of distributing the bulk of their profits to their partners or shareholders, rather than retaining them for reinvestment in the business."⁵⁹ Chandler's extensive work on management structures has noted on many occasions his belief that British firms, and family firms in particular that profit and a large income for the family were more of an incentive than the long-term growth of the firm. This was clearly not the case for Coats. The majority of the capital was provided by family members, even though not were all active in the business, with the family investing over £1.4 million in less than 15 years.⁶⁰ This was made possible to rapidly increasing profits, totalling just over £3 million in the 10 year period from 1873, which gave the family members a larger pool of funds to reinvest, and they did to the tune of almost 50% over the years discussed. Naturally when profits fell the reinvestment dipped, but as soon as profits rose again the proportion of reinvestment also increased.

Figure II provides details of the growth in profits and capital. Partners' capital is shown to have increased rapidly in the early years, more than trebling during the first 25 years. Capital was used to finance rapid expansion, all without any public issue, including new mills in Paisley and Pawtucket (USA) fully equipped with the latest plant and machinery.

Take in Figure III here.

While the figures contained in Figure III show that the organisation was enjoying profitability and expansion this was not achieved at the expense of the employees. There remains a

pervasive impression that mills and factories of this period were “sweat shops”, one which appears false when examining Coats. Coats were reported to have been well respected employers, with Hunter recalling they “labour relations in the mills had been remarkably good – much better than those of the cotton industry in general.”⁶¹ There is a record of only one industrial dispute in the 1890’s when the introduction of new machinery cause the spinners to strike, and a track record of offering employment to disabled ex-servicemen even if they had not previously been in their employ.⁶² Paisley was, at the time struggling with a growing population, inadequate housing and drainage and high levels of sickness and mortality. It is fair to say that by the 1870s the prosperity, employment and social life of the town relied on the policies of the Coats and Clarks families, and it will be shown in the following section that they recognised a religious and social duty to provide such charity where it was needed and deserved.

Churchmanship of the Coats Family

The five related principles from Weber’s work were explored earlier, with the most pertinent to the current study being the sense of Christian calling and its impact on capitalistic business. Calvinists view that “labour must ... be performed as if it were an absolute end in itself, a calling.”⁶³ was cited by Weber and is crucial to the ideology that a business life could be used to demonstrate Christian election by undertaking good works. It is necessary at this juncture to examine the Coats family’s religious background, in order that their compliance with this principle can be demonstrated.

Akin to other Scottish Protestant Christians of the time, Baptists were very conservative and adopted the opinions of a particularly strict form of Calvinism. Calvin’s work was viewed by many of his later followers to contain a frank idealisation of the life of the trader, as the service of God and the training-ground of the soul.⁶⁴ Weber places a large significance on the following Bible quotation from 2 Peter 1:10 “labour with all diligence to make our calling and election sure”, which McKinstry & Ding highlight as very important to Christians and Calvinists alike. More’s work on the Industrial Age in 1989 explored the role that Baptists were seen to have played in the Industrial Revolution, and concluded that while they were a ‘dissenting group’ they had a special role in economic growth. He believed this was true as they possessed the psychological characteristics which “enhanced entrepreneurs’ desire to make money”.⁶⁵ Baptists are therefore a very important grouping and worthy of further investigation, making J & P Coats an ideal case study given their Baptist faith and the entrepreneurial success.

Green examined the changing beliefs of Calvin’s followers, summarising that:

Discarding the suspicion of economic motives, which had been as characteristic of the reformers as of mediaeval theologians, Puritanism in its later phases added a halo of ethical sanctification to the appeal of economic expediency, and offered a moral creed, in which the duties of religion and the calls of business ended their long estrangement in an unanticipated reconciliation.⁶⁶

The Coats family were, for many generations devout Baptists. Dr. Jarvis Coats, a cousin of the thread manufacturers was a well-known Govan pastor. It is also interesting to examine the writings of another cousin, Joseph Coats, who regularly discussed his religious thoughts in his diary, including a very telling passage when he was contemplating his career, "I have a strong faith in Providence, which means God, who will arrange my life as it is right, if only I have trust in Him."⁶⁷ This reflection shows a clear parallel to Weber's notions of calling and predestination.

The family members associated with the company show a similar level of reflection on their religious beliefs. Andrew Coats, when reminiscing on his childhood, discussing his father James and was proud to conclude that he was "... strict in their religious observations, and knew how to use the good things of life without abusing them."⁶⁸ This quotation is telling as it speaks to a restraint in both consumption and expenditure, and is an echo of Weber's view that capitalism requires restraint, or "at least a rational tempering"⁶⁹, from the immediate personal consumption of wealth in order that surpluses may be accumulated to facilitate further production of capital. Morrison extends this by exploring the notion that Weber showed that with Calvin's doctrine including self-restraint, prudent saving, time-thrift and rejection of luxury he had essentially created "a psychological vehicle which stressed a type of conduct that was compatible with church doctrine, and in some cases even an exaggerated form of it."⁷⁰

A similarly high regard was shown for his mother, whom he described as "... one of the nearest approaches that frail humanity can afford to the highest ideal of a Christian."⁷¹ He also reflected on being brought up in a strict Baptist household, talking of the time spent at Church, listening to two sermons every Sunday and musing over concerns that Sunday was made a day of penance and therefore "hateful and repugnant instead of attractive in a child's eyes."⁷² In addition to providing an interesting observation into the Baptist upbringing it is also shows that Andrew was reflecting on his religious experience.

Thomas Coats was a devout member of the Baptist Church and in common with many other members of the family Thomas was a philanthropist. The breadth of his concern reflected the way in which the Coats family used their resources and their position to improve the amenities available to the population of Paisley and its environment. As well as expanding their textile business - well into the 20th century - they were committed to the improvement of public education and health and what we might now refer to as the living environment of Paisley. Underpinning this was a Christian faith which kept the family at the heart of the religious life of the town. It was recorded that by 1858 J&P Coats were donating to the Baptist Evangelical Society, and while there is no record of the amount given it was one quarter of their annual income.⁷³

Thomas's entry within the Dictionary of Scottish Business Biography is revealing in its affirmation that he, along with other family members, felt that as major employers "this left need and opportunities for charity and for the use of private wealth both within the firm and for public betterment..."⁷⁴. He had a strong sense of responsibility to provide this betterment of society, in particular local charities, institutions, worldwide disaster funds and a long-

standing relationship with the Baptist Church. While there is no complete list in existence of the many donations it is clear that the sums involved were large, for example £1,000 was donated to the site of the Ferguslie School and over £4,000 to local schools associated with his chairmanship of the town's school board. The sum may only have been a very small percentage of his wealth, but in the 1870s these were large sums, and vast for the charitable organisations which they helped. Scholarly donations were carried on in particular by James Jnr., Thomas's eldest son. He was regarded as having an "almost single-minded obsession with getting the population of Scotland to read, sending libraries to churches, barracks, and every lighthouse in the country. He went so far as to pay for opticians to visit all of the libraries and supply glasses where required and sent lecturers in to give talks in hopes of stimulating a desire for reading and learning amongst those who may not have been interested previously. The town of Paisley was gifted the Fountain Gardens in 1868 and an observatory in 1882, both of which remain as a lasting testament to Thomas's devotion to the town and its population. An excerpt from The 'Old Paisley' Papers also speaks of Thomas's sense of responsibility when they say:

No man, perhaps, was ever more deeply conscious of the serious responsibility resting upon him as the custodian of extraordinary wealth, to see that that wealth was judiciously expended. He knew the evils of indiscriminate charity, and was careful accordingly.⁷⁵

The Coats family, in honour of Thomas paid for the building of Thomas Coats Memorial Church in Paisley, which began with a budget of £20,000 but eventually took around £150,000 to build. The Church remains a magnificently grand gothic structure, a permanent reminder of the love felt for Thomas by his family and indeed by the wider community. It is interesting to note however that the very nature of the family's religion meant the construction of this wonderful piece of architecture was fraught with difficulty. The Baptist Quarterly reported at the time:

A dead man's family had set the agenda for their future worship and church life. Could that possibly be a recipe for Baptist life? The competing architects, none of them Baptists, had wrestled with the bones of the problem and their solutions spoke first to the emotions. That was natural and safe. Their Gothic idioms, their towers and spires, were sure reference points, even for Scottish Baptists, but they served no practical, working use, however satisfactory their aesthetic, memorial appeal.⁷⁶

The contradictory nature of the family's wishes set against the Baptist way of life reflects the fifth principle of Weber's arguments relating to a belief that one should be free to make profit but should not be spent on self gratification.⁷⁷ This building, to be marvelled at as a monument to one rich man by his family, must also be judged by its aptness for purpose. "For this memorial takes shape as the house for the gathered Christian fellowship which formed that rich man's view."⁷⁸ The architect Hippolyte Jean Blanc, ensured in his design that form followed function, the leading principle behind the Gothic revival of the 19th Century, thus the Church was designed to be much more than simply visually appealing.⁷⁹ The architect designed the Church in such a way as to ensure it related to the community and allowed them to worship in both richness of décor and convenience of style. It was not simply a millionaire's memorial, but a visual signal to the world that the town of Paisley was full of possibilities, for the Coats family and the firm had grown with the town and its people. Set against the grand Church and the public funeral was a very real sense that the public in Paisley recognised a personal loss on Thomas's death, his good works had touched so many,

none more so that the children of the town who numbered over 8,000 during the funeral procession.⁸⁰

Peter Coats (later Sir Peter Coats) had given up the clergy to train as a merchant and enter the family business. Despite being at the forefront of the companies development and expansion Peter decided, in 1856, to scale back his involvement and while still hugely influential was effectively part-time from then on. Undoubtedly this allowed Peter more time for his leisure pursuits, but it also afforded him more time to redistribute his wealth, with the Andrew's biography recording that he explained "I wish to give away my money in my lifetime. It is a great pleasure to me to do it. And it is better, I think, to give it with your own hand, than after you are dead."⁸¹ The New York Times, in their obituary to Sir Peter Coats wrote:

Sir Peter Coats was one of a family of ten sons, whose father, James Coats, founded the great thread industry at Paisley. In the hands of his partner, Thomas, and himself the 'Ferguslie Mills' became one of the largest thread manufacturers in the world. The elder brother, Peter, was the financier of the firm. The benevolence of both grew with their wealth. The gifts of the brothers to the people of Paisley alone were significant. Peter's took the shape of a free public library at a cost of \$500,000, and to it chiefly is due his title, which was granted in 1869 (March 11 1890).

That the New York Times saw fit to run an obituary illustrates the importance of the Coats, Peter Coats' charity work and involvement in local organisations, while highlighting the important role religion played in his life thus: "He was also deeply involved in religious activities ... he built two churches, one of which was located in the state of Auchendrane in memory of his wife."⁸² The knighthood bestowed upon Peter by Queen Victoria was awarded for his philanthropy, in particular the gift to the town of the library and museum.

The obituary the Paisley Daily Express ran when Peter died spent some time talking of his religious beliefs, and concluded that:

He regarded himself as only a steward of the goods with which, by God's blessing on his industry and enterprise he was endowed. He did not narrow his influence by refusing to live in accordance with the position to which God had called him ...⁸³

The eulogy given at Peter's funeral was equally revealing in its description of the type of man he was viewed as. He was described as "... a cheerful spirit, and cheerful because contented." and "He enjoyed what he had with a thankful spirit", and this vision of someone grateful for what he had is very telling as to what kind of man he was. The passage referring to him resting as simply "transferring his energies from commerce to philanthropy" suggests that it was his belief that he had a duty to spend his time both earning money and distributing it to others less fortunate.

His faith **completely** guided how he lived his life, with the minister describing him **thus** "... the blessedness of the man who feared the Lord always." and being well known as a man full of faith and of good works who gave "largely to all schemes connected with religion." It is important to note that his generosity was not seen to be driven by a desire for recognition, rather borne out of a strong calling to help others, and a belief that God had given him a great pleasure in helping his fellow creatures. One of the most telling passages contains the following, "After his love of God came his love to man, and his love to man was the channel

through which his love to God found chief expression.”⁸⁴ – a prime example of Weber’s idea of ‘one’s duty in a calling’ and ‘social ethic of capital culture’.

Peter’s second son, Peter Jnr. clearly took after his father, being cited as being deeply involved in religious activities. Kim provides the following observations:

He was the leading light of the Wallneuk Mission for more than 40 years; he was particularly concerned with the welfare of the children connected with the Mission, regularly conducting a Sunday School class and maintaining a large home for the children during holidays at Largs. As a result of his successful activities, the Mission was later raised to a congregation associated with the United Free Church...⁸⁵

Peter Jnr. took his involvement with the Mission very seriously, he was Treasurer for a number of years and it is said he could name all of the 500 plus children who came to the Mission and presented each with a Christmas gift on an annual basis. When Peter died in 1913 at the age of 71 he left his fortune in trust to charity.⁸⁶

Archibald Coats, second son of Peter Coats is recorded as having a similar deep religious devotion. Despite being part of the second generation of the Coats family he gained a senior position fairly quickly due to the increasing age and reduced involvement of his father, becoming Ferguslie Mill’s established leader. He is recorded as having less involvement in public life but retained his family’s strong ties to charitable organisations. Like his brother Peter Jnr. he gave generously to a range of charitable organisations, and also had strong links to the Church. One of his most significant roles, outwith the firm, was Archibald’s links to the Unionist Association. Not only was he vice-president of the Association, but in 1903 helped to pay for a renovation of St James United Free Church in Paisley. His eulogy gave a clear insight into the way he helped the Church “No one took a deeper interest than he in the building of this sanctuary. He did not try to serve God with what cost him little ... In the splendid appointment of this holy place he has left an enduring memorial of his zeal for the House of God.”⁸⁷ Hunter claims that the help to renovate the Church came after a trip to the Holy Land with one of his brothers.⁸⁸ While regarded as having a shyer disposition than other Coats family members Archibald still maintained the same close sense of religious, moral and social responsibility.

Whilst Peter and Archibald were only two of Peter’s children they are, from an examination of the archive, representative of the way in which later generations of the family continued the association with the Church, charity, and used their wealth to help causes close to their heart. A revealing quotation attributed to one of Thomas’s granddaughters, reproduced in the Baptist Quarterly, tells us that she referred to herself as “... only a tradesman’s daughter.” and spoke of “... the aristocracy was played out and that God had arranged for their economic eclipse to coincide with the decline of their morals.”⁸⁹ Both of these comments show a continued sense of religious morality and an insight into a family whose strong values continued despite vastly increased personal wealth.

James Coats was interested in matters of public concern, and public-spirited in his support of movements of progress and betterment, while many charitable institutions and organizations

knew him as a generous sympathiser. James Coats was philanthropic towards the wider community, but also provided private support for Ferguslie employees, in particular the sick and retired.⁹⁰ Each year he paid for elderly workers to travel to and stay in Arran for a month, crucially paying their wages whilst they were away to ensure no hardship to their family.⁹¹ He is also known to have financed several other ventures such as sewing classes, cooking schools and a variety of other activities to enhance the lives of the employees. James Coats Jnr., of Ferguslie House, continued much of his father's charitable work, but also gave in a different way. He had bales of Harris Tweed woven, hence giving work to the islanders, and passed to a tailor in Paisley who was instructed to make suits for young men in the town. Among other items, he had boots and school bags made for children and hats and scarves knitted for cabbies; the list is endless.⁹²

The Coats family, it would seem, not only lived their lives a certain way but chose to enter into business with others of a similar mind-set. Colli et al, within their 2003 paper reflect on "The notion that family firms are embedded within social networks of trust implies that shared values and attitudes influence both family and business behaviour."⁹³ One of the most important partnerships Coats engaged in was with the Clark family, and evidence from biographies and local history shows that they too were extremely religious and socially conscious.⁹⁴

The people of Paisley had long wanted a community hall. In 1872 John Clark's brother James began collecting subscriptions to raise the funds to build one. In 1873, James heard that his brother, George Aitken Clark, had died in America and had willed £20,000 to build Paisley a town hall in his memory. The Clark family returned the subscriptions already collected, and declared that they would meet the cost in full. The hall would be named the George A Clark Hall. By 1879 building had begun. James gifted £10,000 to the Paisley Infirmary, and a further £56,500 left to charitable and religious societies in his will. George Clark himself left £20,000 to the University of Glasgow to fund four scholarships and numerous smaller donations to causes throughout Paisley, a donation worth almost £2 million at current prices.

Like his brothers John Clark was extremely wealthy and a generous philanthropist. He donated a large sum to the building of the George A Clark town hall in Paisley discussed above and bequeathed £10,000 to the Paisley Infirmary. This was from a total donation of £66,500 left to charitable and religious societies in his will. In Largs, the home of his summer residence, 'Curling Hall', he paid for the building of the hospital, repaired the Esplanade and gave £30,000 for a new United Presbyterian Church. One of his long-running donations involved taking over the funding and running of the Largs soup kitchen, providing over 10,000 meals each winter for women and children, even sending doctors to visit regularly to ensure any health problems were diagnosed and treated as quickly as possible. To the south of Largs, at West Kilbride, he largely funded the Paisley Convalescence Home.⁹⁵

The introduction of any non-family members was considered carefully, and any new Director or Board members had to meet high standards. Otto Ernest Philippi was one of the most influential Directors in the company's history, and became such as a result of the family's respect and trust in him. While no records remain related to any charitable works he may have undertaken it is well documented that in his later life he set about to create a "model village" in his adopted home at Crawley.

He then extended his operations to the village. He offered to buy the cottages, acquired most of them, rebuilt and modernised them and rented them, in some cases

to the families he had brought them from, at rents determined by himself, which took account of the size and circumstances of the individual families; he set up a village shop which sold at wholesale prices subsidised by himself, and a new village hall, roller skating rink, a bowling green and other amenities; he closed one of the two pubs and rebuilt the other.⁹⁶

This detailed record illustrates that while Philippi may have had an exacting and at times demanding nature there was much more to his character than most recognised, leading Hunter to summarise that he was “a more than awesome figure to all concerned.”⁹⁷ The nature of Philippi’s endeavour at Crawley echoes the work of Robert Owen at New Lanark, another entrepreneur who was dedicated to use his position for the betterment of his local community. Upon his death Philippi’s wealth was £184,058, fairly modest amongst the millionaires of Coats, but also an important reflection that he chose to spend so much of his own money helping others in the last years of his life rather than accumulating it for his own estate. The high level of stewardship shown by Philippi here is similar in many respects to that shown by the Coats and Clarks families.

As we have now established the religious background of the key members associated with the business it is now necessary to explore how this was translated to their working lives, and how the business continued their concern for those in need. This will then allow the Weber thesis to be tested in detail.

The Coats Firm and its Parallels with Weber’s Thesis

As illustrated when discussing the history of the firm the Coats family’s control of the business was for many years almost absolute, thus it is to be expected that the firm was operated in accordance with the strong religious and moral beliefs of the family. The Directors’ minute book includes details of the donations which were agreed upon, which can be seen were made at each monthly meeting. The donations were not the same each month, but an examination of several years shows that many of the donations were repeated on a monthly basis – in particular the Bible Translation Society, the Bible Society and the Peace Society. An extract from the September 1889 minutes is provided below:

The following donations were noted viz:

J W All Uniform, Paris	£50
Bible Translation Society	£50
Mauricewood Colliery Disaster	£25
Peace Society	£50
Continental Society	£20
Religion Tract Society	£20
Bible Society	£20 ⁹⁸

The amounts were substantial for the time, in today's money a single monthly donation to the Bible Society would be worth just under £1,800. When you consider that a similar sum was donated month after month for several years it is clear that the company, and ultimately the family, were fully committed and staunch supporters of a range of organisations.

Lack of complete archival material means that it is not possible to determine the percentage of donations compared to wealth at death of the majority of the family examined, but it has been shown that donations were large for the time and continued for the life-time of each family member and were continued in various guises by their successors. It is also not possible to correlate donations for charitable donations versus donations to religious organisations, though some aspects are more widely detailed. Church building was widespread amongst the family members and represented a large portion of their philanthropy, encompassing personal donations and those made through the company. An interesting example comes from the Directors' Minutes of 18th Sept. 1888, where a request for assistance had been received from the British & Foreign Bible Society. There was discussion surrounding the Society but the Directors concluded that this request was not to be entertained by the Board, not because they did not support it, but as they felt "... it being considered that this was an object which should be supported by private effort."⁹⁹ Subsequent minutes show that future requests were similarly rejected, this time on the basis that donations were already being made privately.

Education appears to have been the second largest individual area of donation over time, with several family members enabling school building and providing long-term donations for equipment and school clothing. The focus on bettering the lives and education of children was inspired by a real desire to improve conditions within their communities coupled with concern for the prospects of future generations. Lastly it is important to note that much of the Coats giving met the Christian principle of anonymity, which cannot be evaluated. This point was reinforced by Brian Coats, who during an email interview commented that "Our family have been notoriously quiet about 'blowing their own trumpets' ..."¹⁰⁰

Concern was not reserved for those in the wider community however, with good employee relations a further testament to the family's values, helped by working conditions which were of a high standard and enjoying up-to-date facilities for the time. It has been documented that the conditions in the Paisley mills were even from the early days considered excellent for the time, so much so that American commentators exploring factory conditions used Paisley as an example. Notably, American statistician Carroll Davidson Wright in 1880 reported that "The factories at Paisley are excellent evidences of the good influence which comes from proper interest in employees. The works of the Messrs. Clark and of the Messrs Coats are moral establishments"¹⁰¹ Working hours compared well with other industries, and employees enjoyed such facilities as canteens, which date from the 1880's, hot baths, dwelling houses, hostels for girls and medical and fire services. Long service was acknowledged from the late 19th century, as early as 1886 amounts being paid were shown as 'Old Workers now Pensions', allowances granted from just over £100 up to £200.¹⁰² A formal Pension scheme was introduced in 1920, but this was being given serious consideration for quite some time prior to this. In 1902 an excerpt from the Directors' Meeting held on 18th May reported that to date there were 208 former employees receiving a pension allowance, and to that point payments had reached £5,934, which prompted debate

and a decision to “set aside from the profits of prosperous years amounts sufficient to form a pension fund , the income of which would in the course of years cover the outlay on pensions which it is anticipated will grow considerably larger.”¹⁰³ An interesting example, which illustrates the care shown to employees present and past, can be found within the Minute Book covering 1885. It was reported that serious thought had been given to the case of a traveller for the firm who had recently passed away, the committee heard that he had “... 4 or 5 children, with an invalid daughter ...” who would not be able to support themselves. The decision was taken to set aside £300 to the widow and family”¹⁰⁴. This was a substantial amount in 1885, in today’s terms it is over £30,000, which shows the attitude and moral responsibility felt by the company, and links to personal donations made by James Coats and other family members over time. There are multiple examples of generosity such as this, usually in connection with an employee who has died in service, but on other occasions providing financial assistance to staff who have been let go but then find themselves unable to gain new employment, in several such cases deciding it was appropriate to provide ½ of their former salary until such times as they were re-employed.¹⁰⁵ The Directors went so far as to provide support for the Greenock Home of the Aged, purely on the basis that it had “...afforded shelter and assistance to some of the old employees of the company.”¹⁰⁶

Formally opened on 10th January 1887 by Peter Coats, Junior, Chairman of the School Committee, was the Half-Timers' School, specially build by J & P Coats for the education of the half time workers in Ferguslie Mills. Before this, the girls had been attending schools scattered throughout Paisley and district. The ages of the pupils were between 10 and 13 years and within a 2 week period, they would work and be educated in equal proportion’s of time. In its construction, no expense was spared and all modern arrangements of the time were introduced for the comfort of the scholars and for the efficient carrying on of their work. Apart from medical centres in both Mills the Company offered and organised a number of medical welfare benefits such as small-pox vaccinations for which each employee was paid £1 to receive. While outwith the period of the current study it is also worthy of note that in 1910 Coats built a Sanatorium in Paisley (formally opened in 1911), designed with large windows to let in fresh air and glass roof sections for light, which was used for many years to aid ailing workers.¹⁰⁷

The value placed in their employees by the Coats family is evident from the many and various benefits they provided. The level of benefits provided were not out of line with other large organisations of the time, with the predominantly Calvinist employers placing a great deal of importance on the ability to read the Bible and being concerned with the notion that any ‘bad characteristics’ should be eradicated from the factory.¹⁰⁸ This meant that many large manufacturers in Scotland are reported to have provided Sunday schools, health benefits, schools, housing and religious instruction in much the same manner as Coats. What makes the Coats and Clarks behaviour different is three-fold. Firstly they provided these services free of worker contribution. Secondly they continued to provide all of these benefits, and more, after there was a sharp decline in such provision in Scotland in general. Cooke finds that “... the arrival of the limited liability company, often combined with the tendency towards monopoly and the amalgamation of firms...” were all key factors in this decline. By 1896 Coats had been affected by all of these conditions, but the level of employee benefits and support not only continued but grew. Lastly that the company benefits were often in the

same areas as personal family donations illustrates that these were causes they were genuinely passionate about and reflected the religious and moral values at the heart of the family, driving them to be fair-minded and generous.

It is of course possible that many of these benefits were provided for more rational business reasons, but if this were the case the scale would not likely have been as large, and the benefits would not have been so far-reaching, for example paid holidays and very generous pension payments before these were popular amongst employers. Tawney discusses the ideology of a Christian employer and found that they "... must not desire to get another's goods or labour for less than it is worth", while simultaneously carrying out their trade "... in the spirit of one who is conducting a public service; he must order it for the advantage of his neighbour ... as much as his own."¹⁰⁹ These Christian principles were most certainly employed within the Coats organisation.

Concluding Discussion

It can therefore be seen that the Coats family and the firm they founded, J & P Coats, showed the five key principles of the 'Protestant Work Ethic' discussed earlier. The study has therefore provided more detailed material against which to test Weber's theory than has been provided by authors such as Marshall and Lessnoff. It has further illustrated how entrepreneurs actually behaved, a limitation of existing work which was highlighted earlier.

The first principle has been clearly demonstrated, with a clear sense of Christian calling being shown to have driven much of the lives and work of the family members. The second principle, that a whole life should be spent in the service of God, can be seen by virtue of the numerous records of the family members combining their religious and work lives and the concern they showed whilst doing so. Financial figures have shown that wealth was accumulated, but more importantly that large amounts were given away, a clear validation of the third principle. Details relating to profits and reinvestment illustrate the high level of reinvestment in both the company and its workforce, key to the fourth principle as described. Lastly comes the notion that expenditure on self-gratification was bad, which has been discussed at various junctures. It is true that the family eventually bought large country estates, boats and the like, but that was not at the expense of a very real concern for the community. The issue of gentrification has already been explored in relation to the Coats family (Kininmonth, 2008), which contradicts the traditional view of authors such as Chandler and Wiener who claim that British industry was held back by the family firm, which Chandler in particular believed resulted in a lower entrepreneurial spirit and eventually industrial decline.¹¹⁰ While this type of expenditure was certainly evidenced within J&P Coats the firm as a whole, and latter generations of the family in particular, continued a great deal of philanthropy, benefits for their employees, and support for the wider community. The experience of building Coats Memorial Church is the best example of the way in which the family wrestled with this very issue, wishing to make a large gesture which was clearly very expensive, but being mindful of the nature of the community and how this would be perceived.

As discussed previously Weber's thesis remains controversial within the literature, with as many detractors as supporters. While some authors such as Rachfahl (1909) and Fischer (1908) took issue with what they felt was Weber's idealistic interpretation of history other more recent commentators have been more forgiving of his approach (Ghosh, 2008). His central belief that Luther's calling was central to the development of modern capitalism, and the role he attributed to Protestantism provoked heated debate. Those authors who have explored Weber's work in a Scottish context, with the exception of McKinstry & Ding, have done so in a broad way, rather than at the level of individual businessmen. Marshall's work provided little evidence to support his theory that businessmen carried into practice the writings of theologians. In a similar vein Lessnoff's work correctly highlighted Scotland as worthy of further study, and concluded that it did in-fact **display** the causality Weber discussed, but looked at the country as a whole as opposed to individual firms or entrepreneurial families.

Marshall's work as noted earlier points out that Scotland has long been cited as a refutation of Weber's thesis. This was borne out of a belief by Tawney, Robertson, Henderson and others that despite Scotland remaining a Calvinist country its economy remained economically backward until the 19th Century.¹¹¹ This was disputed by Marshall who stated that "Weber's argument has been dismissed too hastily and on the strength of what may be seen to be largely irrelevant evidence."¹¹² Whilst it is true that Scotland did not experience large-scale economic growth throughout the 17th Century it can be argued that there is no evidence to suggest this was due to a lack of the modern capitalist ethos, rather that there was not yet the necessary structural preconditions to allow this to growth to happen.

The current study has sought to provide evidence of the links with a religious family and their entrepreneurial behaviour. By testing Weber's thesis at the level of key points against one family and firm the current study as therefore sought to take this Scottish focused literature much further, and demonstrate that there remains a need for further study to allow a deeper understanding of Weber and his continued relevance to business historians.

Many of the authors who disagree with Weber's work do so on the basis of a lack of agreement on the genesis of the entrepreneurial spirit. The Coats family are a prime example of a family which had no long-standing entrepreneurial roots, with James Coats Snr. being the first of the family to own his own business. In common with McKinstry & Ding's study of Alex Cowan & Sons Ltd. Coats have no business roots stretching back to the seventeenth century. Therefore it can be seen that there does not in-fact have to be a line of Christian entrepreneurs in order for the Protestant Work Ethic to be transmitted, rather that where spiritual and religious foundations were in place, the Christian entrepreneurship would successfully emerge.

Turner argued that if Marx views religion as an agent of social control Weber offers the concept of religion as a source of social change¹¹³. The strong religious views of the Coats family, and others they worked closely with, coupled with the great philanthropy they undertook make them a prime example of this theory. As discussed earlier, the town of Paisley and its residents owe a great debt to the Coats family, for it would be difficult to find

an organisation or association which did not have a Coats or Clarks' name on its committee during the 19th Century. These associations varied from the Philosophical Society to that of the Paisley Society for the Reclamation of Fallen Women. Underpinning the work of the Coats family was a Christian faith which saw them remain at the heart of the religious life of the town. The wider Coats family contributed to the construction and renovation of three churches over and above Thomas Coats Memorial Church, for instance Sir George Coats of Glen Tanar building the Church of St. Thomas of Aboyne. They were also a number of large donations towards the restoration of Paisley Abbey.

It is of note that employee benefits such as health care and pensions were continued long after other employers had scaled back their efforts in this area. The continued support speaks to the familys' religious beliefs, links to the thoughts of Tawney, and exemplify the Christian employer. The work on the Cowan's by McKinstry & Ding similarly highlight this extended provision, demonstrating that "By this stage in British history, the world had changed and many of the areas in which the Cowans had shown their generosity had not been taken over by the state, such as factory conditions, education or housing, leaving only extramural outlets for charity..."¹¹⁴ It is clear that employers such as the Coats and the Cowans gave because they wanted to, not simply as a business practice.

The writings of Andrew Coats and his cousin Joseph Coats illustrated that not only were they perceived by others as religious men, but were actively contemplating their own faith, in particular how it affected their life and work on a daily basis. The personal writings of the family must of course be viewed with a degree of scepticism, mindful that there may be a degree of hypocrisy in their worldview. There is a great deal within the current paper to show the extent of the generosity of the family and their concern for others, which are not normally the characteristics of hypocrites. The recollections of those who knew these men do support the view that they were indeed as deeply religious as they professed. These were not men who used religion and charitable deeds as a public relations exercise, but who truly felt that they had a duty and a stewardship responsibility to those around them and took this very earnestly.

The arguments put forward show that the Coats family had a strong sense of the "calling" that Weber and others have discussed at length. It is also acts as a case study to show that other writers may have been incorrect in many of their criticisms of Weber. Robertson for example asserted that "I wish to show that the spirit of capitalism has arisen rather from the material conditions of civilisation than from some religious impulse."¹¹⁵, but in the Coats' case it seems clear that there was a very strong link between their success in business and their sincere spirituality. The Coats family continued to exemplify the Protestant Work Ethic as a result of their original Christian principles which the family maintained throughout the period of this study and beyond.

It is anticipated that further detailed case studies of this nature would illustrate more Scots entrepreneurs behaving in a similar way, and further justify a resurgence of interest amongst business historians in Weber's work.

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- ¹ Lough, p. 44.
- ² McKinstry & Ding, p.736.
- ³ *Ibid*, p. 723.
- ⁴ University of Glasgow Business Archive, collection UGD199 and Paisley Museum Coats collection have both been used here. UGD199, from the University Archives, contains a large volume of material, rich in accounting and financial data, but also personnel records and information relating to the running of several of the families households. The archive contained within Paisley Library contains more family history material, including eulogies, obituaries. The Glasgow University Business Archive additionally hold a copy of Hunter's unpublished three volume history of the company, which was kept unseen by Hunter until its acquisition by the archive, and the Paisley Museum archives contain a number of unpublished books written by the family themselves.
- ⁵ Weber, p.79.
- ⁶ *Ibid*, p.54.
- ⁷ *Ibid*, p.80.
- ⁸ Weber, 1924, p.314.
- ⁹ McKinstry & Ding, p.723.
- ¹⁰ Weber, p579-581.
- ¹¹ Marshall, p. 20.
- ¹² Chalcraft and Harrington, Part III, p.2
- ¹³ *Ibid*, Part I, p. 1.
- ¹⁴ Ghosh, p. 211.
- ¹⁵ Sombart, contained in Green, p. 37.
- ¹⁶ Grundmann & Stehr, p. 269.
- ¹⁷ McKinstry & Ding, p.723.
- ¹⁸ *Ibid*, p. 723.
- ¹⁹ Marshall, p.221-222.
- ²⁰ Lessnoff, p. 31.
- ²¹ Marshall, p. 29.
- ²² Morris, p. 66.
- ²³ Cotton, p.152.
- ²⁴ Robertson, contained in Green, p. 71.
- ²⁵ Contained in Lessnoff p. 32.
- ²⁶ Tawney, p.238.
- ²⁷ Lessnoff, p. 104.
- ²⁸ McKinstry & Ding, p.723.
- ²⁹ *Ibid*, p.733.
- ³⁰ *Ibid*, p.722.
- ³¹ *Dictionary of Scottish Business Biography*, p.332.
- ³² UGD199/1/1/1 – Directors' Minute Book.
- ³³ Kim, Dong-Woon, From a Family Partnership to a Corporate Company: J & P Coats, Thread Manufacturers, *Textile History*, 25 (2), 1994, p.187.
- ³⁴ A. Coats, *From the Cottage to the Castle*, priv. 1893., Pt I, pp.46-7.
- ³⁵ *Dictionary of Scottish Business Biography*, p.332.
- ³⁶ Quail, p.4.
- ³⁷ *Ibid*, p. 332.
- ³⁸ Blair, p. 49.
- ³⁹ *Dictionary of Scottish Business Biography*, p. 332.
- ⁴⁰ Cairncross, & Hunter, J.B.K., p. 159.
- ⁴¹ Cooke, p. 28.
- ⁴² Anderson, p.703.
- ⁴³ Blair, p.37.
- ⁴⁴ Cairncross & Hunter, p. 158.
- ⁴⁵ *Dictionary of Scottish Business Biography*, p. 326.
- ⁴⁶ *Ibid*, p. 327.
- ⁴⁷ *Ibid*, p.333.
- ⁴⁸ Blair, p. 41.
- ⁴⁹ UGD199/1/1/2, Directors' Minute Book.

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- ⁵⁰ UGD199/1/202/1, Investment Register 1.
- ⁵¹ Farnie, p.80.
- ⁵² Colli, Fernandez Perez and Rose, p. 57.
- ⁵³ *Ibid*, p.34.
- ⁵⁴ Campbell, p. 59.
- ⁵⁵ Kim, p.190.
- ⁵⁶ Cairncross & Hunter, p. 169.
- ⁵⁷ Weber, 1984, p.68.
- ⁵⁸ Church, p. 25.
- ⁵⁹ More, p. 146.
- ⁶⁰ UGD199/1/1/1 – Director’s Minute Book.
- ⁶¹ UDG 199//37/20 - Hunter, Vol.1.
- ⁶² *Six-Cord Thread*, p. 23 and *Dictionary of Scottish Business Biography*, p. 333.
- ⁶³ Weber, 1984, p.62.
- ⁶⁴ Tawney, p.238.
- ⁶⁵ More, p. 74.
- ⁶⁶ Tawney, contained in Green, p. 51.
- ⁶⁷ Coats, p. 11.
- ⁶⁸ *From the Cottage to the Castle*, p. 8.
- ⁶⁹ Weber, p. 17.
- ⁷⁰ Morrison, p. 324.
- ⁷¹ *Ibdi*, p.26.
- ⁷² *Ibdi*, p. 33.
- ⁷³ <http://www.theology.co.uk>.
- ⁷⁴ *Dictionary of Scottish Business Biography*, p. 334.
- ⁷⁵ Paisley Daily Express, 18th February 1918.
- ⁷⁶ Baptist Quarterly, p. 31.
- ⁷⁷ Weber, p. 175-77.
- ⁷⁸ Baptist Quarterly, p. 36.
- ⁷⁹ [http://www.amazon.co.uk/The-Gothic-Revival-World -Art/dp/0500203598/ref=pd_bxgy_b_text_y/280-1353957-9937762](http://www.amazon.co.uk/The-Gothic-Revival-World-Art/dp/0500203598/ref=pd_bxgy_b_text_y/280-1353957-9937762).
- ⁸⁰ Paisley Daily Express, 18th February 1918.
- ⁸¹ Coats, p.297.
- ⁸² Kim, p.190.
- ⁸³ Paisley Daily Express, 11th February 1918.
- ⁸⁴ *Ibid*.
- ⁸⁵ Kim, p.202.
- ⁸⁶ UGD199/1/1/3 – Directors’ Minute Book
- ⁸⁷ Coats Biographies, Vo. 1, B/Coa PC1713 O/S.
- ⁸⁸ *Dictionary of Scottish Business Biography*, p. 332.
- ⁸⁹ Baptist Quarterly, p. 1.
- ⁹⁰ Hunter, p. 19.
- ⁹¹ Paisley Daily Express, 2nd December 1884.
- ⁹² Hunter, p. 22.
- ⁹³ Colli, Fernandez Perez and Rose, p. 33.
- ⁹⁴ Balir and Renfrewshire Local History Forum Journal, Vol.15, 2009.
- ⁹⁵ Largs & Millport Weekly News, October 10 2007.
- ⁹⁶ *Dictionary of Scottish Business Biography*, p. 392.
- ⁹⁷ Hunter, p.392.
- ⁹⁸ UGD199/1/1/1, Directors’ Minute Book.
- ⁹⁹ *Ibid*.
- ¹⁰⁰ Email interview conducted on 12th July 2015/
- ¹⁰¹ Wright, p.69.
- ¹⁰² UDG199/1/1/1 – Directors’ Minute Book.
- ¹⁰³ UGD199/1/1/2 – Directors’ Minute Book.
- ¹⁰⁴ *Ibid*.
- ¹⁰⁵ UGD199/1/1/1 – Directors’ Minute Book.
- ¹⁰⁶ UGD199/1/1/2 – Directors’ Minute Book.
- ¹⁰⁷ www.lapwinglodge.org.uk, accessed 12/11/2015

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- ¹⁰⁸ Cooke, p. 71.
¹⁰⁹ Tawney, p.221.
¹¹⁰ Kininmonth, p.52 and Chandler, p.240.
¹¹¹ Marshall, p. 419.
¹¹² *Ibid*, p. 420.
¹¹³ Tucker, p.64.
¹¹⁴ McKinstry & Ding, p. 733.
¹¹⁵ Robertson, contained in Green, p.67.

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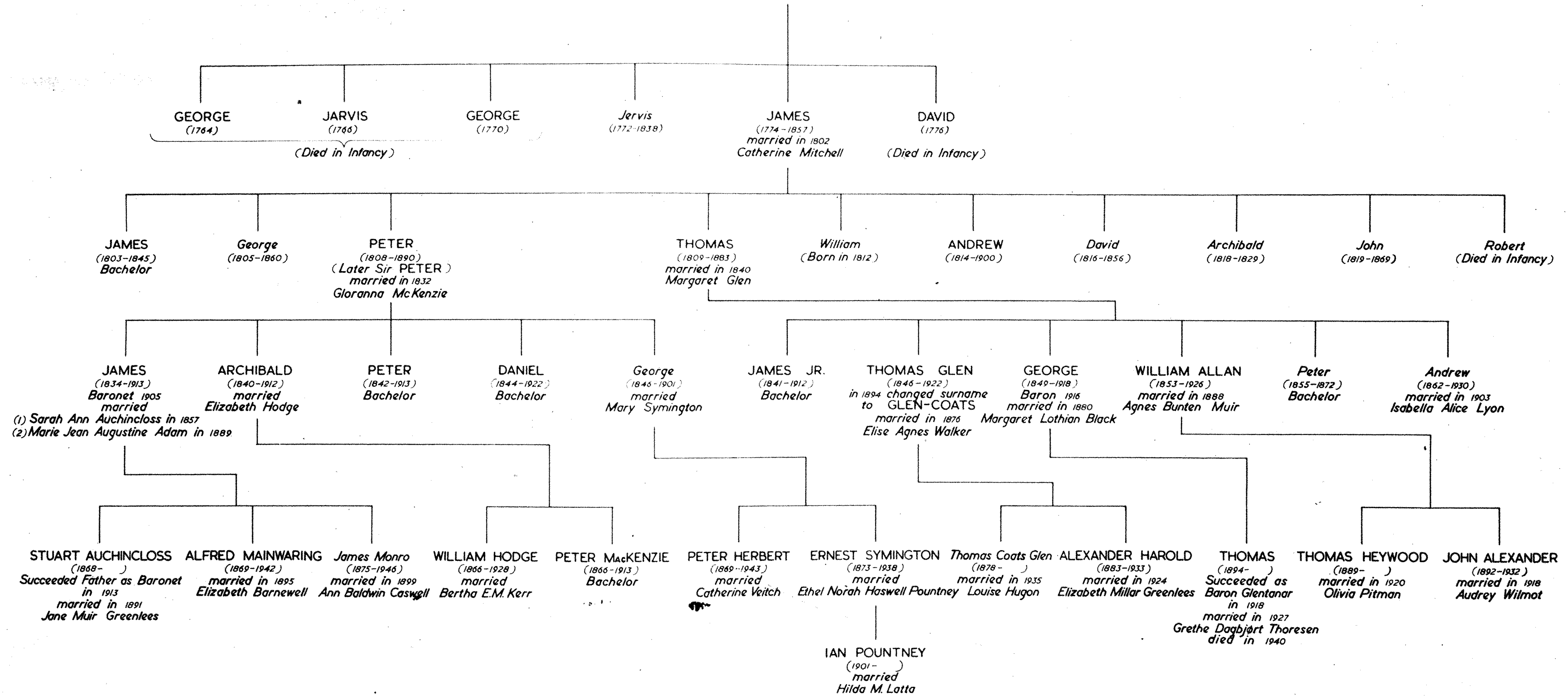
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COATS FAMILY TREE

GEORGE COATS married Catherine Heywood
Born in 1743 in 1763



DATE	DATE	DATE	DATE	DATE	MILL	SUB-HEADING	SCALE	DATE
					DESCRIPTION			

MANUFACTURING DIVISION PLAN No.