

# FREE-MAN'S PERSPECTIVE

How Life, Liberty & Sanity Can Win

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## The Rise of Christian Capitalism



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It really would have been hard to choose two more charged words for the title of this issue. Long and bloody wars have been fought over the definition of *Christianity*, and *capitalism* has inspired its own share of bitter intellectual wars.

I will define my terms below, of course, but for the moment you'll have to indulge me. To use more precise terms than these would have left us with a title of at least ten words, and it would hardly be useful as a name for the overall concept.

No less controversial than the title itself is my recasting of Western Civilization as being, *in its essence*, Christian Capitalism. This is a statement that can be assailed from several directions at once, from "it isn't Christian anymore," to "the church was a net destructive force." The truth however, is that it *was* a Christian, capitalist civilization, and although its core is in

currently in danger, those virtues which remain are primarily Christian and/or capitalist in their origins, and the things that oppose them are generally more *destructive* than *constructive*.

The name we currently use, Western Civilization, was never a very good one. First of all, it lacks any description of the civilization's *quality*. Secondly, this civilization is *not of the West* in the most crucial ways.

As we go through this issue, I'll explain how this Christian, capitalist civilization formed, and why it is a far more ethical and just civilization than any that preceded it, in addition to being the most productive civilization on record. I think by the time we are done, you'll agree that Christian Capitalism is the right name for this civilization, no matter how many people get angry over it.

I will not, in this issue, explain how this civilization has been undermined. That will have to wait for a future issue. This month, I only want to explain what it was and how it formed; up to 1200 AD or so.

There is one other point I have to make, briefly (I hope to give it its due some other time), and that is this:

During our time, and for the last few centuries, it has been considered enlightened to criticize Western Civilization; to find and decry all its errors; to carefully strike down and ridicule both its virtues and its heroes. Let me be clear in saying that most of this has been dishonest and manipulative, and that it is a great stain upon academia.

People holding such ideas have taken traditional virtues as their enemy and have gone about to ruin people who promoted them. But much worse than this is the fact that *they did not replace the virtues they rooted out*. Instead, they have taught that all virtues (save, perhaps, agreement with themselves) are mere self-delusion.

As we examine this subject, we will be ignoring such notions.

### *CHRISTIAN & CAPITALISM*

As we proceed you'll see why these terms were necessary, so I'll make the definitions brief.

**Christian:** By *Christian*, I mean people, ideas and things associated with the *New Testament* scriptures, and by extension the Hebrew Bible (the *Old Testament*) and the Judeo-Christian tradition.

I am by no means implying that everything called "Christian" was faithful to those documents and traditions. Europe was never pure in its Christianity. However, the crucial seeds of Christian thought were broadly planted in Europe and gained a continued dominance in the minds of most Europeans. Christianity was the central store of shared myths and the central reference for ethics, conduct and life in general.

**Capitalism:** By *capitalism*, I mean free, innovative, entrepreneurial commerce. I do not mean "trying to monopolize all capital and resources," and I certainly would not apply the term to any economic system controlled by governments and/or large corporations.

### ROOTS

It is commonly held that Western Civilization has its roots in Greece and Rome, but that is primarily false. In both its economic and moral realms, Western Civilization owes almost nothing to Rome or to Greece. Even democracy – currently exalted to the point of worship – had absolutely nothing to do with our civilization for most of its run, including the entire period we will be covering in this issue. Roman law had an influence, but in varying degrees at various places and times.

The big influence on our civilization was that of the Hebrews. Obviously Christianity came from the Hebrews, but there is more to it than that. So, let's take a quick look at the religious roots of the Christian, capitalist West:

#### THE ORIGIN THAT WASN'T

It's a funny thing, but the man who is universally considered to have originated monotheism never said a word about it, so far as we know. There is no place in the Bible where Abraham says, "we must worship one God only." Monotheism actually came later; the first contribution of Abraham (and/or the Hebrews of his era), was along a different line.

The great contribution of the early Hebrews was turning spirituality from a collective endeavor into an individual endeavor. And in this regard, they stand alone in the ancient world. The noted Assyriologist Stephan Langdon pointed out the difference between the Sumerians (whose religion featured a collective relationship with the gods) and the Semitic Hebrews, writing this:

*Their emphasis of their social solidarity of religion is truly in remarkable contrast to the religious individualism of the Semite.*

I'll save the details for another time, but the Hebrews originated in Sumer, and almost certainly clashed violently with the priests of the Sumerian religion over this issue. They were, in other words, the world's first heretics. (At least so far as can be seen.)

Even the Romans, who immediately preceded Christian Europe, thought it was necessary for everyone to show respect to their gods, or else all Rome would suffer. In fact, they blamed misfortunes on Christians because they wouldn't sacrifice to the gods, calling them "atheists." So, a personal relationship with the divine most definitely did *not* come from Rome or Greece.

This concept of relating to divinity as an individual has never featured in any broad culture before Christian Capitalism, which makes it different in way that mere geography never could.

Individual spirituality existed, of course, among the Hebrews in ancient Israel, but that was a small culture, removed and re-formed, and mostly contained. This culture's beliefs didn't become important until Israel was broken and nearly all of its people scattered. Judaism mattered a great deal as a portable religion, but very little as a closed, land-based culture.

What is interesting about this idea of individual spirituality is that it became not just an ethical standard, but the deep assumption of an entire civilization. Even today, westerners automatically assume that a relationship with God is something that concerns you as an individual. They do sometimes consider group relations to God (national days of prayer and so on), but the larger assumption is that *you personally*, not people who merely live in your vicinity, will pay for your sins.

The god of the Hebrews and the Christians is the god of individual souls, not the god of a territory or the god of an ethnic group. And that made a huge difference among the people who adopted this belief: they saw the world differently and they experienced themselves differently.

#### THE OTHER PIECES

Added to individual spirituality, of course, were monotheism and a large number of educational stories from Judaism and Christianity; stories with a more or less consistent moral theme, and which laid a coherent foundation for a civilization.

Think of the stories of that informed the West: Adam & Eve, Cain & Abel, Noah & The Flood, The

Exodus, Moses & The Ten Commandments, Saul & David, David & Goliath, the Good Samaritan, the raising of Lazarus, the crucifixion and resurrection, and many more. These stories were told continually between the 4<sup>th</sup> and 12<sup>th</sup> century as our civilization formed, and for centuries after.

These stories were not merely entertainment and not merely for religious services: they formed the moral universe of the European mind. And it wasn't just stained glass images in churches that conveyed this set of messages – such images were shown profligately; on tapestries, as plaques on belts and chains, and so on. Practically everyone was exposed to them and knew most of them.

For example, the cabinet shown below features images promoting Faith, Hope and Charity. Nowadays we see the best of these items in museums, and we spend a few seconds on each of them. But the owners of such items – in a world with few images and few books – would have analyzed the images and thought about them at length. These images were important to them and their ideas stuck.



I mentioned something in FMP #28 that is worth repeating here: To the average European of the middle ages, goodness was a common part of human life. They expected to see it and they did see it. Some people fell far short of that goal, of course, as some always do, but goodness was expected to exist in the world. And because goodness was expected, Europeans accepted that it was attainable by them as individuals. They might not expect to become a venerated “saint,” but they could easily see themselves as a virtuous man or woman.

And while fear of eternal damnation was more common than most of us would have preferred at this

time, even that aspect of the era's Christianity is not quite what has been reported. For example, while it is true that the people of the time were warned of the seven cardinal sins, they were also encouraged to develop the seven cardinal virtues. (They were: faith, hope, charity, prudence, justice, fortitude and temperance.)

So, regardless of the fact that some people failed to live up to the standards set by Christian teachings, these stories and virtues formed a broad moral framework, and a very potent one.

## CHRISTIANITY & SLAVERY

An interesting fact about the Christian writings is that they never forbade slavery. Nor did the Hebrew writings that went before them. Slavery was practiced universally in the pre-Christian world, and both old and new testaments of the Bible assume it.

But, even with this being the case, Christian civilization first turned away from slavery and then abolished it, being the first civilization *ever* to do so. And there is something very interesting to see from this case; it shows the profound effect of our deep beliefs; that is, our assumptions.

Consider it this way: The written rules of Christianity didn't forbid slavery, but the combined ideas of the Christian book – put into *action*, however imperfectly – *did* expel slavery.

Ideas like “love one another as I have loved you,” and “love not in word only, but in deed and in truth,” were incompatible with slavery, and eventually drove it out. Put another way: The good seeds germinated and filled a moral gap in the original sources.

While “slavery is a bad thing” is absent from the sacred writings of the Christians, everything else in their writings harmonized with slavery being bad. As a result, opposition to slavery grew and eventually conquered.

In late Roman times, Christians like Gregory of Nyssa (335-394 AD) argued against slavery, as did John Chrysostom (347–407), Acacius of Amida (400-425) and St. Patrick (415-493). Chrysostom, for example, said that slavery was “the fruit of covetousness, of extravagance, of insatiable greediness.”

By the 11<sup>th</sup> century, the slavery which had been massive in the Roman empire was vanishing altogether. The Domesday census of England (1086) found that only about 10% of the population were slaves. All slave trading was forbidden in England a few years later in 1102.

Slavery popped back up later, in the remote areas of the new world and with non-Christians as its victims, but it was contained there, and it was very clearly religious Christians who brought an end to slavery in the United States. (*Not* the national government.) Religious Christians had done the same thing for the British Empire three decades earlier.

There may be no higher praise that can be given to Western Civilization – to Christian Capitalism – than this:

*The rules of the Christian book didn't condemn slavery, but the morality embedded in a Christian civilization did.*

YEAH, BUT...

I know that praising medieval Christianity is unheard of nowadays. Millions of people think they know that it was a dark, evil time, and that the church is what made it all bad. That being so, I will take a moment to deal with troubled reactions. Here are a few important points:

- I am discussing the early years of the Middle Ages, the years that saw the rise of Christian Capitalism, from roughly 400 to 1200 AD. It was only at the end of this era that Rome could really assert control. It wasn't until 1054, for example, that the Orthodox churches separated from the Roman Church, primarily because the position of Pope had become a problem.
- I am talking about average Europeans in their towns and in their fields. It is a common but serious error to assume that the individual members of a group can be defined by the leaders of that group. That is false: *the leaders are nearly always worse than the members*.
- There were thousands of priests, monks, nuns and lay church members who were good men and women; who spent their lives helping the people of their parish; who did not abuse children, who did not hand over witches to be burned; who worked to feed the hungry, to support the widow and orphan, to guide the errant child and to strengthen the struggling adult. These people are utterly ignored by most history books, but they existed and they mattered.
- By the 1600s, states were taking over from the Church as the dominant power in Europe. And since power relies more on legitimacy than on force, they had to make the previous legitimate entity – the Church – look bad. Since that time, there has been a never-ending stream of propaganda to make government look good, by making the Church and religion look bad. The Church was guilty of many crimes, of course, but governments and their friends weren't really concerned with justice; rather, they needed to increase their legitimacy and to eliminate the legitimacy of the Church. (And they succeeded.)
- Serfdom, ugly as it was, was not universal and it was *not* slavery. There were many types of serfdom, and people moved between them. Serfs had specified rights and often held to them rather than leaving serfdom. Moreover, many people lived in towns. Some were members of craftsmen's guilds, others were long-distance traders. The famous churchman Thomas Becket makes a good example: His grandfather had been either a small landowner or a petty knight, recently come from Normandy. His father, Gilbert, began his adult life as a merchant (probably selling textiles), and by the 1120s he was living on rental income from his properties in London. All of that, very obviously, was nothing like serfdom.
- Beside everything above, people could run away from their situation if they wanted to. (It is only in the past century that escape has been effectively suppressed.) There were no fenced borders or identity documents in pre-modern times; if you wanted to leave badly enough, you could probably run away and start fresh, never to be forcibly returned.

Now, let's proceed.

## RADICAL ECONOMICS

What is not often understood about slavery is that it was the foundation of *economics* in the old world. It was very certainly the economic foundation of Greece and Rome, for example.

When analyzing economic systems, a good historian will ask, “what was done with the surplus?” And slavery was almost entirely about surplus. It was a type of *enforced thrift*.

An undeveloped man, left to himself, will spend almost all of what he earns. If he earns more than he requires for food and shelter (that is, he gains some *surplus*), he'll likely spend it on luxuries, frivolities or worse. Until he develops a strong character, little of his surplus will remain for other uses.

A slave, on the other hand, never holds his earnings in his hands and therefore cannot spend his

surplus. All surplus is transferred to his or her owner.

And as we showed last month in FMP #32, it was precisely this kind of surplus that made Rome rich and expansive. For that reason, Greeks and Romans would have defended slavery as necessary for the economic benefit of all. And they *did* increase prosperity for everyone in the empire, including most of the slaves... if you can ignore the massive injustice of slavery itself, of course.

I cannot point to a single ancient culture that forbade slavery. Perhaps I've missed something, but I don't know of anything before Europe where slavery was not normal. So, for Europe to expel the slavery it inherited from Rome was a monumental change. To the ancients, it would have seemed a radical and insane experiment. But it wouldn't have been the *morality* of the experiment that the ancients would have condemned – it would have been the *economic* aspects.

What Europe did – slowly and because of their Christian principles, not because of a conscious plan – was to develop personal thrift and to replace the enforced thrift of slavery with *profit*. Under a new system that was eventually tagged *capitalism*, thrift and creativity generated surplus, and no human beings had to be enslaved.

Capitalism (again, see my definition) was not entirely new, of course. The ancient traders we mentioned in FMP #20 practiced a type of capitalism. A few others, like the Phoenicians, had elements of capitalism in their civilizations. (And all were considered dirty for it.) But no complete economic system based upon the creative application of materials and methods had ever been dared before. No one seems even to have considered it.

We can see this new economic system coming into form in the historical record. For example:

- Historian Marvin Becker surveyed an area of Tuscany and found that before 1000 AD, 80-85% of recorded transactions (primarily land deals) were in the form of gift exchanges and donations. By 1150, however, monetary sales accounted for 75% of all transactions.
- Professor Hendrek Spruyt explains how the official church had to adapt: *The church gradually developed a perspective that justified mercantile activity, and other previously illicit trades, by focusing on the intentions of the actors. If actors had the intent to further the common good, then the activity was acceptable.*

## FORMATION

The transformation of Europe from a massively slave-based culture to a Christian capitalist culture was slow and incremental. There was no single moment when Rome ended and Europe began. The “fall of Rome” in schoolbooks is set at 476 AD because that's when the official Roman scepter was returned to Constantinople, but the event was almost trivial to the people of the time. The city of Rome continued quite normally until the Gothic wars brought it to ruin, between 536 and 552.

While Rome existed, the people of Europe thought in Roman terms. Once the center broke, however, that was no longer possible and they had to face the world directly; to develop new ways of life. That is a hard emotional change, and it took centuries to complete. But once the new Europeans were mentally self-reliant, a new type of civilization took shape: a civilization more interested in progress than dominance, and in production rather than conquest.

It is important to understand that the people who are usually thought of as “taking over Rome” were *not ethnic peoples*. The Lombards, for example, were *not* an ethnic group from a certain place; they were a group of unrelated families and individuals who had come together, *recently and by choice*. The same

is true of the Vandals, Goths, Ostragoths, Visigoths, Franks and Saxons.

Exactly how these groups formed is currently unknown. It is highly likely that they contained many runaway or abandoned slaves. They may also have contained Romans who had run away from the abuses of the Empire. (These show up in the historical record under the name *Bagaudae*.)

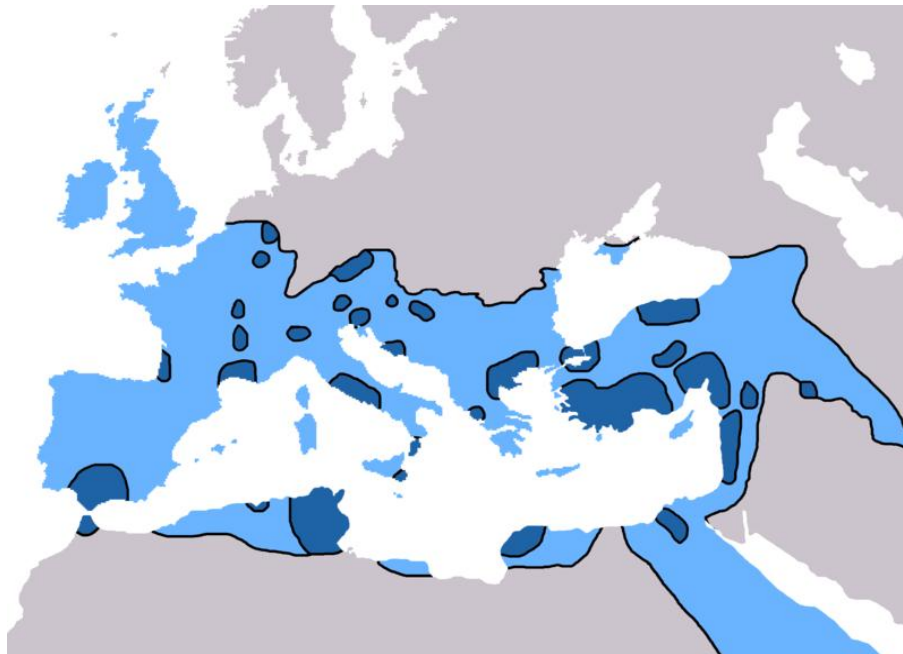
The fact that these groups had come together by choice points out a first transformative change: They had to learn, at their very beginning, to cooperate with each other in the absence of a dominating overseer. That is a potent and enduring lesson. Cooperation without an overseer absolutely requires personal responsibility, which then generates self-esteem. Because these “barbarians” wouldn't let go of self-reliance, they made an essential contribution to the new civilization. (Romans had lost this virtue under the Empire.)

### THE DECENTRALIZED TIME

The 'Dark Ages' period of 500-900 AD was a time of reordering. As mentioned above, it takes time for people to adjust to the loss of the “great empire” that was a central focus of their daily thoughts. (The “Dark Age of the Greeks,” 1200-800 BC, also featured this readjustment period.)

During this time, units of rulership reset to very small levels and people moved from place to place to find better arrangements. Farming never stopped, nor did jewelry-making and other specialties. No one built monuments, but they did build houses and barns. People read sermons and books, or had them read to them. Literature was written, though less than before. It was a time when people closely examined philosophical and religious ideas. Europe had been fully pagan, and voluntarily changing to Christianity required a lot of argument and convincing, and took centuries to complete.

The map below shows the spread of Christianity from 325 AD (dark blue) to 600 AD (light blue). And note that this shows only the first half of the Christianization of Europe. Large northern areas still remained pagan at 600 AD.



As the civilization solidified, by 1000 AD or thereabouts, it had characteristics that grew out of this



*decentralized reset* period, including these:

### **Rulership**

Rulership was focused on individuals and families, not on territory. These days we assume that rulership was always strictly territorially based, but that was not so in the early middle ages. This was a society based upon personal relationships. Historian Joseph Strayer describes the political organization of the time as,

*a fragmentation of political authority, public power in private hands, and a military system in which an essential part of the armed forces is secured through private contracts.*

There was also immense inter-connectivity: The same noble might owe services and allegiance to more than one ruler. One medieval noble named John Toul had allegiances to four different lords, and complained about the situation in this way (edited and condensed):

*If Grandpre goes to war with Champagne for his personal grievances, I must personally assist Grandpre, but I must also send knights to Champagne.*

*But if Grandpre goes to war with Champagne on behalf of his friends, I must personally assist Champagne, and send one knight to Grandpre.*

There were many cases like this, and thousands of small, interconnected ruling hierarchies. One historian determined that there were one thousand castles at around this time, only in the area that we now think of as Germany. Each one of those was owned by a local noble who had personal allegiance and obligation to one or more other lords. I think you can see why *decentralized* is no over-statement.

The condition lasted for a long time. For example, historian R.W. Harris found that as late as the 17<sup>th</sup> century, the German region,

*consisted of well over 300 separate States; there were over 200 ruling princes, some ruling more than one State; there were 51 Free Towns, and in addition nearly 1,500 Free Knights, a special medieval curiosity, each ruling a tiny state with an average of 300 subjects.*

### **Religion**

As mentioned above, the Roman church was not all-powerful during this era. They certainly had great influence, but there were plenty of people who differed with their opinions, such as Arian Christians and the Orthodox churches. The Roman church also lacked physical power. Their desperation was apparent in the mid-8<sup>th</sup> century, when they were busy using forgery tricks like the *Donation of Constantine* and *Saint Peter's Letter To Pepin* to gain lands and power.

Most modern people think of monasteries as especially loyal church enterprises, but that was seldom the case. Monasticism was, from its beginnings, quite separate from authority, even anti-authority in many cases. Through the Middle Ages, monasteries remained far more independent than the church would have liked. Local clergy complained about them for this reason. Moreover, monasteries ran farms, manufacturing and other commercial endeavors, as well as being beneficiaries in many people's wills; they were independent financial powers.

Furthermore, it was very difficult for the church to respond to problems before they spun out of

control. As late as the 14<sup>th</sup> century, they were unable to corral the early protestant John Wycliffe. He made a great deal of trouble for the church, who went so far as to hold a synod to condemn his teachings. But before they could marshal their assets and come after him directly, he grew old and died of natural causes.

### **Legitimacy Battles**

All rulers require taxes of one sort or another. Without them, their operations would stop almost instantly. But to collect taxes, you must be seen as a “legitimate” taxer; people must feel that it is 'right' to let you take their money. (Taxation by mere force is a very expensive proposition.) But during this era, the various rulers were not seen as legitimate on their own; they were legitimate only so far as they were seen to serve God's will.

There were endless fights between nobles and bishops as Christian Capitalism formed. And if the king went against the church too hard, he could get slapped down. For example, after King Henry II of England had Thomas Becket murdered, he was forced to walk to Canterbury Cathedral in sackcloth and ashes and to be flogged by monks. Had he not done this, the church would have turned publicly against him. Lords could have withheld what they owed him and could have attacked him with impunity.

The crucial thing about decentralization was that *it allowed new ideas to develop on their own, with no single power who could enforce conformity.*

When conformity can be enforced, and when a thick, tight mindset rules, new ideas are punished before they can be spread – not because they are wrong, but simply because they are different from the ones that everyone already holds. (I think we are all familiar with this in our time.)

It was because of this decentralization that a truly new mentality could take shape in Europe.

### **SELF-RESPONSIBILITY**

By the 12<sup>th</sup> century – when the ideas forming Christian Capitalism had spread and matured – the Europeans began seeing to their own needs and making things that they wanted. They relied on themselves, trusted themselves, and innovated without seeking permission.

For example:

- Free-lance teachers like Peter Abelard taught in schools, fields, or wherever they could, and people flocked to them. A great desire for learning caught fire. Along the way, universities (much different from modern institutions) formed, spontaneously, all across Europe in the 11<sup>th</sup> and 12<sup>th</sup> centuries.
- The Hanseatic League of northern cities recreated long-distance trading on a strictly commercial, capitalistic model, going so far as forcing kings and princes to exempt them from taxes.
- New types of law, such as *lex mercatoria* (the Law Merchant) were created by and for merchants and trade fairs.

Europe's self-responsible people built a high-trust culture on most of the continent; one in which you could rely on other people to do the right thing nearly all of the time. You could expect responsibility and a certain level of competence of other people, and not be frequently disappointed.

After this new set of assumptions and expectations took broad root, Europe changed fairly quickly, and

commerce spread prosperity, without enslaving anyone. Again: *Personal thrift and profit replaced slavery as the source of surplus.*

And since the new type of commerce required adaptation and innovation, new inventions began to emerge. For example:

- Windmills. (In England, by 1185.)
- Paper. (Spain, around 1100.)
- Rudders on boats. (By 1180.)
- Metal astrolabes. (Spain, by 980.)
- Modern (Hindu) numbers. (1202.)
- Magnetic compasses. (England, 1187.)

These were soon followed by spinning wheels, eyeglasses and a long stream of other commercial innovations. Through the middle of the 13<sup>th</sup> century, Roger Bacon wrote on the scientific method and the intelligent use of nature.

More importantly, people assumed cooperation, complained when others failed to cooperate, and presumed that they related to each other as co-dominant individuals, even if having different vocations. For example, during the Peasant's Revolt of 1381, the peasants fully accepted that the king had a right to his vocation as protector, but they also felt justified in demanding that he pursue his vocation fairly. The fact that they were peasants and the king a lord was a difference in vocation, not in standing before God.

#### THE NEW THING

By the end of the 12<sup>th</sup> century, Rome was gone, as were the centuries of adapting to its loss. A new set of assumptions about the world had come into place, it had taken broad effect, and the Europeans were confident in their new way of life.

There were, of course, many problems that existed at this time, as there are at all times. Human *families* are never uniform among their members, and much less so an entire *civilization*. There were many stray threads of development, some good and some bad. There were people trying to hold to old or foreign ways. There were people who pretended to be what they were not. There were manipulators and power-mongers and drunkards and the violent and the distracted and the simply confused.

In other words, the people of the new European civilization were just like people of any other time. But what they had at this moment was a clear, basic culture: A distinct set of ideas that were being handed down from generation to generation.

Europe was now a new thing. For all its flaws, it was definitely Christian and it had clearly become capitalist. And that was enough to propel the world forward, better and further than it had ever been.

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See you next month.

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