IN considerations of the way in which commercial transactions during the Middle Ages accorded with moral laws, the significance of the direct economic power wielded by the Church on account of her great material possessions is often disregarded. The early Church accumulated little property; this was to a certain extent connected with the marked chiliastic attitude adopted during the first few centuries, and the Church was fully occupied in spreading her doctrine as widely as possible. In the late second century Clement of Alexandria not only upheld the institution of private property but declared that it was justifiable for Christians to amass large fortunes. There was a law dating from A.D. 321 allowing anyone at death to leave what property he wished to the Church. Statutes such as this favouring the incipient Church in Constantinople marked the beginning of an acquisition of wealth that in the Middle Ages was unrivalled by any other corporation or individual, and this accumulation of riches by the Church was even more marked in England than elsewhere.

The period of the Crusades brought a great increase in ecclesiastical property, for many raised money from the Church on the security of their lands and as a fair proportion never returned their lands reverted to the Church. This process went on for two centuries. In England for centuries before the Reformation the pious rich had been heaping up treasures for the clergy by gifts and endowments, and this tendency towards accumulating worldly wealth coupled with the policy of never alienating it made the Church a great business as well as religious corporation with interests touching the whole economic life of the people.

In England the Church had more economic power than elsewhere, and the power of the clergy to control economic life is manifest from the fact that they had direct control over fully fifty per cent. of the business activity of the country. In the first place it is an accepted fact that the

monasteries owned between one-quarter and one-third of the cultivated land of the country, and this land was by no means the least fertile. In addition to this absolute property in land, which, it should be noted, was not confined to the regular clergy, the parish priest would receive normally onetenth of the produce of each parish in the shape of tithe. Again each parish had a guild whose holdings of land were by the fourteenth and fifteenth centuries considerable, and the control of the guild's finances was under the direct influence of the clergy. The interior of the English parish churches before the Reformation revealed a far more lavish expenditure than in any other European country. This wealth, when added to the amount that the Church received from other sources, from money invested in industry, from rents of town property, from markets, from fisheries, and from Mass offerings, reveals the magnitude of the Church's financial activities. Thorold Rogers estimates the number of Knights' fees in the fourteenth century at 75,000, and he considers 27,000 were in the hands of the clergy.

From these considerations it is obvious that the claim of the Church in the Middle Ages to be able to control financial morality was not an idle boast, and it will be seen that for practical as well as spiritual reasons all economic activity had to conform to the laws laid down by her. No institution or individual acting on principles contrary to the Church's social teaching would have much chance of survival against so strong an economic organisation. Thus every man whatever his religious convictions had at least to make an outward show of regulating his commercial activities by the social theory approved by the Church.

Mediaeval social theory was based upon religion, and symbolism exerted a great sway. The criterion by which all economic activities and social institutions must be judged was whether they helped man to attain his final end, and everything in this world was held to be linked up with the world beyond it. The idea that worldly wealth was but a means to a spiritual end was dominant, and from that it can easily be realized how strictly all economic transaction had to conform to moral laws. Inequality between classes

was admitted and justified. "As in the Church there are different orders having distinct functions and all united in one body of which the head is Christ, so also in the social body there must be a hierarchy of classes each with its distinct functions and all animated and united by the idea of the common good." The right to property is connected with this ordained inequality of classes. Within each class all are equal, but inequality of classes is necessary for the good of the social order. The right to private property is expressly admitted by the Church, but enjoyment of such property is not an absolute right; it must be limited by the needs of others commensurate with their station in life. In cases of destitution, the taking of necessities from the property of others is not sinful, whereas withholding of one's own property from others in definite cases of need is morally wrong. All pursuit of wealth as an end in itself is unlawful, and any cases of trading with intent to make a profit beyond that necessary for the maintenance of one's customary position in society is denounced. Thus the cost of production and not laws of supply and demand determined price. In the same way rents had to be regulated by the position that the tenant was accustomed to keep up in society rather than by the demand for the farm. Wealth was largely centred in the ownership of land, and landlords were in theory trustees rather than economic adventurers.

The chief form of production in the Middle Ages was agriculture, and in an examination of the farming communities of pre-reformation days the practical applications of mediaeval social theory can be seen. In the mediaeval village there were undoubtedly instances of personal oppression and general hardships; but there is no evidence of the general enriching of one class at the expense of another, nor was there any large body of individuals without property or rights. The feudal system was based upon a variety of classes each with an equal holding of land and a recognised status. With the change from villeinage to a money economy the feudal equity of status tended to disappear, but the application of the Church's rules of morality was still for long in force.

In the first place all the land in the Midland-Block¹ of England was farmed under the Teutonic open field system. This was a peculiar field system, and implied important communal rights. It involved an interdependence and observance of the customary rights of others that perhaps more than anything else reflects the mediaeval outlook, and it prescribed a limitation of the open field farmer's enjoyment of his property by the needs of his neighbour that would be impractical to-day. The arable holdings were divided over three fields, and intricately intermixed so as to secure to each tenant an equal amount of each type of soil found in the parish. The grassland and meadow land were managed in common, and the fallow field and all the arable fields after harvest were kept for communal grazing. Such a field system meant that the interests of all the members of the community were fused, and each man's property had to be limited by his neighbour's. For this reason any transition to capitalist farming in the fifteenth century aroused a storm of abuse, and landlords had to insert clauses in the leases of large farmers that they would not take any action calculated to injure the interests of the smaller open field farmers. The mediæval open field community was dependent upon the good-will and unity of all its members, and there was no place for farmers who did not believe in the Church's social teaching and who wished to promote their individual prosperity regardless of the result upon the other members of the community.

Another proof of the unity and interdependence of the open field community was the universality of the guild system. Up to the sixteenth century every parish had its guild. The parish guilds were the benefit societies of the Middle Ages. They had often large holdings of land and other property and with their wealth systematically relieved poverty. In addition they fulfilled the function which in modern times trade unions with less success endeavour to

¹ The Midland Counties down to the South Coast—excluding East Anglia, Kent and the Thames Basin, Devon and Cornwall, Wales and Durham, Northumberland, Cumberland, Westmoreland.

exercise. They were unions of all the members of the farming community, and each guildsman bound himself to help his needy brother in distress. Thus up to the time of the confiscation of their property in the sixteenth century the guilds were able to steady the price of labour, and with the assistance of the direct almsgiving of the monastery or the parish were able effectively to diminish pauperism. The moneys of the guilds or the ecclesiastics were reserved for centuries as the exclusive birthright of the needy, and until the Reformation the peasantry were secure in the knowledge that a portion of the accumulated wealth of centuries was inalienably held for their relief in case of destitution.

From this and similar evidence there is little doubt that the social theory of the Middle Ages as expressed by the teaching of the Church was more than an abstract philosophy, and that it was reflected in the organisation of society as far as agricultural communities are concerned. The open field Saxon system, the typical product of the Middle Ages, implied an interdependence that was impractical without the acceptance of a corporate responsibility. The religious guilds brought the exercise of religion into the sphere of social duty and regarded as their natural function duties which to-day are inadequately fulfilled by separate and even disparate organisations. Nearly one-half of the land of England was concentrated in ecclesiastical hands, and all landowners instead of regarding their property solely as a source of money income entered into a co-operative partnership with the peasant farmers. Such was the social organisation of England prior to the sixteenth century, and it was "an organisation showing the essential unity of a Christian Kingdom governed on Catholic principles."

The Reformation was not primarily a social nor an economic movement, and it did not at once uproot traditional social theory. The early reformers reiterated the social teaching of the Catholic Church with even greater vehemence. A contemporary has remarked that Luther was as vehement against usury as against the Pope. In spite of the example of economic greed set by Henry VIII in the confiscation of the wealth of the monasteries, both in his

reign and in that of Edward VI great efforts were made to perpetuate the old social ideal. But the Protestant continuance of Catholic social theory was inevitably vitiated by the reservation of private judgment. Until the sixteenth century economics, far from being a separate science, was just another branch of ethics. But the Protestant Church by upholding the thesis of private judgment destroyed in fact the only sound basis of enforcing its excellent ethical code. which latter was therefore doomed sooner or later to sink to the level of merely theoretic philosophy. Thus in spite of the almost exaggerated ethical orthodoxy of the early Protestant preachers, the first beginnings of a more individualistic social theory were apparent soon after the Reforma-The Church having abrogated its right to be the tion. ultimate authority in matters of economic conduct, the entire regulation of social organisation was left to the State, and it is not surprising that in spite of the high ideals of the social thinkers the Reformation was followed by a fall in commercial morality.

In the sixteenth century there were two marked appropriations of property by the Crown, and each transferred property from the poor to the rich. Under Henry VIII the monasteries were dissolved, and their property passed for the most part into private hands. Under Edward VI the lands and property of all the guilds outside London were seized by the Crown. The effect of the transference of the landed property of the monasteries was to create a new class of large landowners, who did not inherit with their property the corporate idea of mediæval agriculture and who regarded their estates rather as providing a money income than entailing important social duties. The confiscation of the guild property robbed the poor of their safeguard against pauperism, and for the first time in history the price of agricultural labour was defenceless against the inexorable law of supply and demand. The confiscation of both the guild and monastic property was carried out without any thought of the use to which this wealth had formerly been put in relieving poverty and distress. Cardinal Gasquet brought to light information which lays bare the attitude

adopted by the Crown towards this expropriation. By examining original documents in the Record Office he has proved that the plunder of the poor by those in power was a deliberate and premeditated act. In many instances the report of the commissioners sent to inquire into the possessions of the guilds shows that they fully noted and proposed to exempt from confiscation all portions of the corporate property of any guild charged with payment on behalf of the poor. In every instance where such a proposal was made, the Crown official through whose hand the report passed has drawn his pen through this human recommendation and intimated that the Crown, not recognising any such right on the part of the poor, would take possession of the entire property. It was in the same spirit that the confiscation of monastic property was accomplished.

In this way the poor of this country lost much property that had for centuries been reserved for their own use. By the dissolution of the monasteries, the alienation of tithes, the confiscation of the property of the guilds and even the introduction of married clergy, the peasant was deprived of the sources from which any deficiency in his weekly budget could formerly have been repaired. It is a significant fact that the first legislation for the relief of pauperism in this country dates from after the dissolution of the monasteries; but the most noteworthy legislation from our point of view is that concerning rates of pay for labourers. Thorold Rogers, the pioneer of economic historians, has carried out a detailed study of the laws concerning the wages of agricultural workers after the Reformation, and he has come to the considered opinion that there was a conspiracy on the part of landowners to reduce wages to starvation rates in order to increase agricultural rents. By Elizabeth's Statute of Labourers the justices were empowered to revise rates of wages according to the cheapness or dearness of the necessities of life, and Rogers has proved that the assessments found between the years 1563 and 1725 invariably prescribed rates of pay which reduced wages to a famine level while the assessments of the century before were, considering prices, exceedingly liberal. Justices were invariably land-

owners, and their incomes would benefit from low wages, which opened the way to increased rents. As a result of these assessments rents tended for the next two centuries to be increased at the expense of wages, until at the end of the eighteenth century the latter had sunk so low that the wages of even whole-time workers had to be subscribed out of the poor rates. Thus the Reformation undoubtedly heralded the beginning of a new economic era wherein the rich increased their property at the expense of the poor. With the disappearance of the Catholic Church in England as a restraining force upon man's avarice, the propertied classes have tended to act as if the acceptance of the right to private property meant an unlimited and unconditioned enjoyment of all they have or can seize.

In the Middle Ages the strict adherence of all economic activity to the social ideal and to a moral line of conduct undoubtedly hindered production. Under the feudal system everything had to be subordinated to the mediaeval ideals of the distribution of wealth. The organisation of farming, the staple industry of the country, suffered from an inefficient labour service system that was the result of exact obedience to accepted social theory. After the Reformation and coincident with the increase in the circulation of money ideals were sacrificed at the altar of increased production, and the State took no notice of the accompanying sacrifice of justice to the increase of individual wealth. By the end of the sixteenth century religion and morality had become for the State only an instrumental good, and expediency instead of moral law dictated social legislation to a large extent.

From that time until now the accumulation of wealth and material possessions has tended to become more and more the universal aim, and politicians and philosophers have insisted on the absolute character of the right to private property so that the obligation to limit the enjoyment of property on account of the claims of others has been thrust into the background. In the struggle for greater efficiency and increased production the rights of large classes of individuals have been overlooked, and our present admittedly

higher standard of living has been accomplished only by tyranny, by the subjugation of large classes and by the establishment of a proletariat during the intervening cen-Since this nation abandoned Catholicism the old turies. unity of endeavour has been lost and has been replaced by endless competition and unrest. The old order by its strict obedience to the claims of class and justice undoubtedly impeded the advance towards greater material well-being and a higher general standard of living, and it is not to be denied that the mediæval social theory was marred in practice by many instances of injustice and destitution. In view of this many have argued that its abandonment by the State for the principle of expediency has conferred such benefits upon the English nation, in the shape of increased wealth and social services, that it has more than justified itself; and they assert that any state trying to live up to an ideal of that sort will fall a victim to the extravagance of visionaries and the rapacity of exploiters. To this there is only one reply. The policy of expediency must be based upon the Machiaevellian assumption that man is intrinsically bad, and no state founded on this false assumption can have real or lasting success.

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