

Concordia Seminary - Saint Louis

## Scholarly Resources from Concordia Seminary

---

Bachelor of Divinity

Concordia Seminary Scholarship

---

7-1-1945

### Economic Aspects of Reformation

Robert Boedecker

Concordia Seminary, St. Louis, ir\_boedeckerr@csl.edu

Follow this and additional works at: <https://scholar.csl.edu/bdiv>



Part of the [History of Christianity Commons](#)

---

#### Recommended Citation

Boedecker, Robert, "Economic Aspects of Reformation" (1945). *Bachelor of Divinity*. 136.  
<https://scholar.csl.edu/bdiv/136>

This Thesis is brought to you for free and open access by the Concordia Seminary Scholarship at Scholarly Resources from Concordia Seminary. It has been accepted for inclusion in Bachelor of Divinity by an authorized administrator of Scholarly Resources from Concordia Seminary. For more information, please contact [seitzw@csl.edu](mailto:seitzw@csl.edu).

**ECONOMIC ASPECTS  
OF THE REFORMATION**

**A Thesis Presented to  
The Faculty of Concordia Seminary  
Department of Historical Theology**

**In Partial Fulfillment  
of the Requirements for the Degree  
Bachelor of Divinity**

**By  
Robert Boedecker**

**July 1945**

**Approved by:**

*Thos. Stoyer.*  
*Richard R. Cassemeyer*

## TABLE OF CONTENTS

<b>Introduction . . . . .</b>	<b>111</b>
<b>I. An Economic Picture of the Middle Ages . . . . .</b>	<b>1</b>
A. Definition of the Period . . . . .	1
B. Medieval Economic Theories . . . . .	3
C. Medieval Economic Activity . . . . .	11
<b>II. The Revival of Trade and Beginnings of Capitalism .</b>	<b>17</b>
<b>III. Capitalism and the Reformation . . . . .</b>	<b>35</b>
A. The Value of the Economic Conditions for the Reformation . . . . .	35
B. The Contribution of the Reformation to Capitalism . . . . .	48
<b>Bibliography . . . . .</b>	<b>63</b>

## Introduction

Historiography, at least as it refers to secular writers, has come a far way since its beginnings, both in motive and method. Rather its ideals have changed. Where once it strove to honor the hero or people or nation, its aim is now a dispassionate setting forth of truth. Where once it scrupled not to include all sorts of fancy, it is now discredited when fact is mingled with fiction. These are at any rate, the ideals.

In accordance with these later aims, the scope of the historian's activities has widened also. History, like life, consists of more than battles; the world which history must picture is peopled not only with heroes. Many factors combined spin the web of human activity which history seeks to record. The following pages examine but one thread in one small, but for us important, section of the web.

The economic developments which antedated and accompanied the Reformation are one phase of that movement's history. Their study is not a complete explanation. No Christian could consider such a view. Yet the economic activity of the Europe of that day did have its influence on the Reformation, while the Reformation, at the same time, left its mark on the future course of economic development. Though a minority would disagree, that interaction was inevitable and appears certain to our eyes. Nor did that come by chance. Though

with less clarity than in former periods, yet it is apparent that the hand of God was actively controlling the course of the world also in preparation for the appearance of Martin Luther. Whether his Reformation was possible in another era or not, the beginnings of the capitalistic age provided certain advantages. By surveying the economic life which preceded and accompanied Luther's work we may better understand why the Reformation came when it did and what conditions obtained to further the work of the Reformers. For, as we shall see, economic conditions were in no small measure responsible for giving the Reformation a first foothold.

## **ECONOMIC ASPECTS OF THE REFORMATION**

### **I. An Economic Picture of the Middle Ages**

#### **A. Definition of the Period**

The writing of history would be much simplified if the facts which history records could be assigned definite periods of time, though it must be admitted that that difficulty varies in degree. We can speak with some assurance of the age of the Roman Empire and assign for it dates which will be fairly acceptable. To do the same for the period we call the Middle Ages is much more difficult. And to a certain extent that date will be modified by the especial interest of the historian. Church history begins a new age during the life span of Martin Luther. The author of a history of culture will set the termination of the age much earlier. From the point of view of economics, even if all other phases of human activity are disregarded, it is difficult to set any date at all. The revival of commerce came at least with the twelfth century, though there had existed extensive commercial operations even earlier, in two sections of Europe. ✓

Even if we limit our discussion to this one phase,

economic activity, we find ourselves confronted with another difficulty. The revival of commerce and trade, and especially its workings in modern form, was not contemporaneous in all of Europe. A date acceptable for Italy will not conform to the facts insofar as England or France or particularly Germany are concerned. We find an advanced stage of economic activity in Italy while the England of the same date remains largely an agricultural nation. As Pirenne says,

Certainly capitalism and large-scale commerce, which was at once its cause and its effect, did not appear at the same date in all countries and were not developed everywhere with the same vigor. In this respect Germany beyond the Rhine was unquestionably behind Western Europe and above all, Italy.<sup>1</sup>

But even with that we have not reached the end of the difficulties. Besides those restrictions, we find in many ways an almost imperceptible progression from one period into the next. Capitalistic conduct appears beside that which surely belongs to the earlier age.

Yet for the sake of clarity in our study it would be well to find some criterion by which we may set the bounds separating the Middle Ages from the modern period. Perhaps that can best be done from a negative viewpoint--the lack of the spirit of capitalism and the motivation by which it became dominant. For finance and trade were foreign to the medieval world. As Tawney points out, in re finance and trade:

---

1. Pirenne, Henri, Economic and Social History of Medieval Europe, p. 163.

Comparatively late intruders in a world dominated by conceptions hammered out in a pre-commercial age, they were never fitted harmoniously into the medieval synthesis, and ultimately, when they grew to their full stature, were to contribute to its overthrow.<sup>2</sup>

Thus considered, the typically medieval conduct of economic activities ended with the sixteenth century. After that time, first, did different ideals and a resultant different practise gain wide acceptance. With the Age of the Reformation, particularly its Calvinistic section, capitalism began its conquest--for reasons which we shall later present. But it should also be noted immediately, for future discussion, that here too Luther first provided the material upon which Calvin acted.

In the following we attempt to picture the Middle Ages, as regards both economic theory and practice. It is a general picture covering the seven centuries preceding the Reformation. We do not attempt to trace in chronological sequence the development of economic theories nor of the feudal system. Rather in harmony with the above, we briefly define the spirit of the Middle Ages and the life which it engendered.

### B. Medieval Economic Theories

What theories lay behind the economic activities of the Middle Ages? It may be objected immediately that this course of procedure is an arbitrary one. The moral principles governing economics set down by Aquinas were certainly as much molded by as molding the economic activities of his day. Thus it was

---

2. Tawney, R.H., Religion and the Rise of Capitalism, p. 23.

also with his successors, and certainly with the Reformers. It is again clarity and simplicity which guides us--first a discussion of the spirit of the age, then, that spirit translated into action.

We must begin with two ideas modifying all, not only economic life in the Middle Ages. The first, found also in the Byzantine empire at an earlier date, was Justinian's ideal of "one state, one law, one church." This ideal of unity appears always in the Middle Ages, at least in the background. It was the ideal promoted by the Roman Church, whose intended complement was the Holy Roman Empire. Externally the church came close to the realization of its ideal--one capital city, one head, one hierarchy, one faith, one ritual. The Scripture, the fathers, the tradition, were reduced to one system approved by the Church. Actually, of course, there were breaks in this unity. Yet it can be said that the unity lasted, in a general way, till the Reformation broke its power.

As we have said, it was attempted to carry the ideal over into the state: one pope and one emperor, complementary, together like sun and moon, a logically perfect system. But, in spite of imperial claims, the political unity was never achieved. Yet in a sense it was. It is true, as every reader of history is aware, that in the earlier Middle Ages European society was horizontally divided. Prelates, princes, higher and lower nobility, felt a kinship and common aim reaching beyond any national boundaries. Only as nationalism later

rose, was this feeling broken down.

The ideal of unity is illustrated in the analogy commonly used then to describe society, the analogy of the human body. There are differences among men, yet they are bound together in one society.

Ideally conceived, society is an organism of different grades, and human activities form a hierarchy of functions, which differ in kind and in significance, but each of which is of value on its own plane, provided that it is governed, however remotely, by the end which is common to all.<sup>3</sup>

There we have both the ideal and its motivation. Society is a unit, because it has a common goal. That goal, of course, is salvation, the arrival in heaven. For that reason the Church could more nearly attain the ideal of unity, since the end of that unity fell in its sphere. But we can go even beyond this unity of persons toward one goal.

In the Middle Ages all activities of life have one end. The one church in the wider sense is that area in which the end is reached. The one church in the narrower sense is the hierarchy which is the guide to that end.<sup>4</sup> Thus, from the unity directed at one goal we come to a third point, the rule of religion in life. The thought that economic activity lay outside the scope of morality was foreign to the medieval mind. Religion, or more correctly the Church, has authority in every phase of human activity. There is what Tawney calls "the temper which seeks a synthesis of the external order and

---

3. Tawney, op. cit., p. 21.

4. Tawney, op. cit., p. 20.

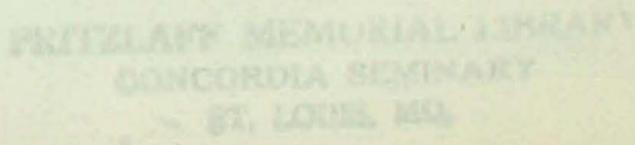
the religion of the spirit."<sup>5</sup> The same author finds, even as late as 1500, that "the typical controversy is carried on in terms of morality and religion as regularly and inevitably as two centuries later it is conducted in terms of economic expediency."<sup>6</sup> Religion, in medieval thought, embraces all human activities. To be sure, that religion was often a mechanical thing. Actually the thought was that the authority of the Church extended over all human activities.

It is not to be inferred, however, that Luther and, later, Calvin in their break with Rome wanted a break with such a view. That is, for them too, religion covered the whole of life. But they approached the matter differently. Their quarrel was with the second basic idea of the Middle Ages, asceticism. Luther and Calvin accepted the world as a sphere in which to carry out the Christian precepts. The attitude of the Roman church may be called otherworldly, or perhaps better, unworldly. Life was better the more it broke away from the world and material things. That spirit, and the church which fostered it, could not be a friend to capitalistic endeavor.

Its ascetic ideal, which was perfectly suited to an agricultural civilization, made it always suspicious of social changes...Its prohibition of interest was to weigh heavily on the economic life of later centuries. It prevented the merchants from growing rich with a free conscience and from reconciling the practice of business with the precepts of religion.

---

5. Ibid., p. 19.  
 6. Ibid., p. 9.  
 7. Firenne, op. cit., p. 29.



Unity and asceticism, then, are the keynotes. What was their effect on theory in the special field of economics?

The ideal of asceticism should have ruled out such activity entirely. But no one went so far, since the necessity of trade and commerce was apparent. The ideal of unity, was, however, carried over. No matter what the activity, it is to subserve the good of all. The tradesman is one part of the body and functions for the benefit of the whole body. Not economic self-interest, but mutual, even if varying, obligations, are the rule.

Religion, too, extends into this field. Aquinas and others emphasize this moral aspect: the medieval laborer and tradesman is to be governed by a good intention. He must do honest work. The work must not be evil, either absolutely or relatively. (E.g., what is permitted others, may not be permitted a monk.) The workman must respect the festivals set by the church. We shall find other examples in the following.

Thirdly, in one sense asceticism was also transferred to economic activities. Men engaged in such pursuits could not completely shun the world, but to a degree they could be ascetics. They might engage in trade, or any other worldly activity, but only to provide for their sustenance. The merchant "was dominated by the sustenance idea."<sup>8</sup> That

---

8. Nussbaum, Frederick L., A History of the Economic Institutions of Modern Europe, p. 20.

idea, expressed later by Luther,<sup>9</sup> was common property in the Middle Ages. And it was acted upon. There was little profit-seeking. But how much that was the result of religion and how much the lack of opportunities for trade it is difficult to say.

This section should yet include a few remarks regarding medieval views on specific phases of economics. As an earlier quotation has pointed out, the medieval church was opposed to usury, under which term was included all interest. For the medieval theorist, as also to later writers such as Luther, it seemed a perversion of the natural order for money to be in itself productive. Man was to work with his hands and receive a recompense for that labor. This does not mean that the rulers of the church refused to both pay and receive interest. For that matter, lay writers such as Chaucer and Dante, and even the English laws, were more strict as regards usury than the Roman church.<sup>10</sup> But the fact that there were critics of these practices within the church shows that usury was, in theory, foreign to the Middle Ages. And there is a further modification. As trade and commerce revived in the later Middle Ages, the Church retreated somewhat from its earlier absolute condemnation. Interest, in the last centuries of that period, was permissible as repayment for risking money in a common enterprise; or as a method of sharing profits of

---

9. "As the reactionary Luther put it, in his essay on 'Commerce and Usury,' 'You must be careful to seek nothing but your proper nourishment in such commerce.'" Nussbaum, op. cit., p. 55.

10. Jarrett, Bede, Social Theories of the Middle Ages, pp. 168ff.

an investment; or as an insurance against loss. "Interest ceased to be usury only when it was compensation."<sup>11</sup>

Trade and commerce were acceptable in this age also, with certain restrictions. Not that trade was very highly valued; the medieval mind, influenced by Aristotle, found trade degrading. In the Bible they found the first traders, the Ishmaelites (Gen. 37,28), hardly a recommendation of such activity. The Ishmaelites, moreover, were considered the ancestors of the Saracens. Thirdly, Mohammed had been a trader. From the standpoint of morality, too, trade was held to be dangerous. "Summe periculosa est venditionis et emptionis negotiatio."<sup>12</sup>

Yet the trader was recognized as a necessary part of society. Some localities lacked articles which were supplied by the trader from other regions, e.g., salt. Trade was permissible so long as it supplied needs; the trader must work as a part of the body which is society. Medieval popular opinion held that the tradesman existed for the benefit of the public. But the reverse was not true, and those who acted on such a principle often aroused storms of popular opposition. "For the medievalist, then, the whole justification of trade lay in the intention of the trader."<sup>13</sup> The same book just quoted suggests three principles which governed medieval trading: 1. Money was to be considered only a means to an end. 2. Trade and commerce must be carried on honestly

---

11. Jarrett, op. cit., p. 172.

12. Henry of Ghent, Aurea Quodlibeta, p. 42b, quoted in Schreiber, Die volkswirtschaftlichen Anschauungen der Scholastik seit Thomas v. Aquin, p. 135.

13. Jarrett, op. cit., p. 55.

and well. 3. There is a determinable just price, to be set by law, though this will vary in different times.<sup>14</sup> As long as the tradesman was guided by these thoughts, he could continue his activities.

Another aspect of medieval life which we must mention is slavery. With this system there was never any quarrel from any party (except that those who were in bondage probably felt an understandable resentment, and even that is doubtful).

The passion for theoretical freedom and love of liberty as a thing to be desired and fought for did not take hold of the minds of men until the Renaissance brought back the philosophy and ideals of ancient Greece and put an end to the childlike acquiescence in the existing state of affairs, which marked the Middle Ages.<sup>15</sup>

Slavery was never considered wrong. In anticipation of our present age the medieval opinion divided men and races into two classes in this respect--those fitted by nature for obedience and slavery, or freedom and rule. What was the Church's position? "Not only was the Gospel teaching accepted... that all sin was slavery, but it was even asserted that all slavery was due to sin, that the institution of slavery was justifiable because of the entrance of sin into the world..."<sup>16</sup>

Finally, as to the right of private property. There was little opposition as to this right. It was generally accepted that both the divine ordinance and human experience granted the right to own property. Furthermore, it was

---

14. *Ibid.*, p. 156f.

15. Salzmann, L.F., English Life in the Middle Ages, p. 35.

16. Jarrett, op. cit., p. 97.

recognized that such a condition was more expedient. Nevertheless, property, which was mainly land, was held conditionally. Land was the basis of the feudal system. The owner received his land in return for his pledge to fulfill certain conditions set down by the lord granting the land. These conditions were the various feudal duties to be performed by vassals. They are broadly classified as suit (civil and political duties) and service (i.e., military service).

So much for economic theories. It remains yet for us to consider the actual economic activities of the Middle Ages.

### C. Medieval Economic Activity

Compared with both later and some earlier periods, economic activity was almost at a standstill during the earlier Middle Ages. Its revival, leading to the next period, came only in the last centuries. With two exceptions, in the far North and South, trade and commerce were local, confined to narrow geographical limits. Each community was largely self-supporting. Perhaps the most important reason for this was the decline of the towns, which followed the almost complete encirclement of the Mediterranean by the Saracens in the eighth century. That, at least, is the view of Pirenne. When the Mohammedans cut off trade and isolated the West, the towns died. When the towns died, the demand which produced an exchange of goods even in Europe ceased.<sup>17</sup> Trade, exchange of goods, did not stop completely. But there

---

17. Pirenne, op. cit., p. 4ff.

was trade only because of need. For example, a famine in one section necessitated the bringing of food from others. But the normal situation was that each small community was self-supporting.

This is not the whole explanation. The roots go back farther than the eighth century, to the unsettled conditions following the complete breakdown of the Roman empire. But let it suffice to say that as the Middle Ages began, trade had virtually stopped. Only slowly did it revive; and that subject belongs in the following chapter.

In the Middle Ages, then, the main economic activity was carried on within the bounds set up under the feudal system. That system is well-known. It was based on land. In theory all land originally belonged to the king, who distributed it among his immediate followers. They did the same with their sections. Thus the land was subdivided down to the possessions of the lowest nobility. In return for the land given him, the vassal had certain obligations toward his superior and, indirectly, to the king or greatest prince.

The basic economic unit in the Middle Ages was the manor. For almost all of Europe had become agricultural. "It is quite plain, from such evidence as we possess, that from the end of the eighth century Western Europe had sunk back into a purely agricultural state. Land was the sole source of subsistence and the sole condition of wealth."<sup>18</sup> The manor

---

18. Pirenne, op. cit., p. 7.

was self-contained and self-sufficient. There was little exchange of goods; hence there was little demand for great production. The aim of each landlord was to secure his sustenance. But there was little desire to produce much more than was actually needed on each manor, since there was little use for the surplus.

Since the manor was so important for this period, we shall describe its salient features. A manor consisted of a fairly large section of land of various kinds; within its bounds would be included arable land, pasture, wasteland, forest. (The lord's holdings, it should be noted, might consist of widely separated, small sections. Especially was this the case with the spiritual lords. Our description, however, assumes a unified holding.) Grouped together on one part of the manor were all the necessary buildings: the lord's home, with various outbuildings and perhaps a fort or blockade for protection; near this, the church of the manor, usually the most prominent building in the group, with a parsonage next to it; around these buildings, completing the village, were the huts of tenants and serfs. If the manor were very large, there might be a number of villages composed of peasant's houses scattered in different parts of the lord's holding. Often, around the lord's home, was the demesne, the land used for the support of the lord's household. The remainder of the arable land was divided into small strips cultivated by the free and unfree tenants. The size of a peasant's land was determined by his status. In some

places, specially in the early Middle Ages, the peasants were divided in three or four classes. Later they appeared only in the two general classes mentioned above. The peasants were differentiated also as to the amount and kind of work which the lord could require of them.

Besides the tenants engaged in agriculture, there were also on the manor the servants for the lord's household; there were also various craftsmen. Thus the manor was rendered entirely self-sufficient in normal times. Each large manor had also its own courts.

The arable land was farmed by the two- or three-strip system. In each a part of the land was left fallow each year. In the second system, some leguminous crops were grown on one-third of the land, a second third lay fallow, while the last section could be used for wheat. Both plans were intended to keep the land productive. On this land the work was done by common effort, and the necessary equipment was also pooled.

The forest-land supplied firewood. The common land was used for grazing and was later the section where enclosure was often attempted. Finally, there was the wasteland, often left idle simply because more difficult to cultivate.

The manorial system had its advantages. Custom ruled everyone to some extent, both lord and peasant, preventing complete exploitation. A more important barrier was the lack of the profit motive; with no opportunity for trade, there was little point to the lord's seeking to gain more than

sustenance from his land. However, the disadvantages were many, for the peasant at any rate: almost complete loss of his individual rights; the tax demands of the lord, including those at marriage or death; finally, the labor demanded by the lord--his crops were first harvested before serfs could attend to their own. Furthermore, it was an inefficient agricultural system--the land distributed into small sections, too small a return--at least to the modern mind.

Finally, as to the disposal of a manor at the lord's death. Varying with the country, the manor was inherited either by the eldest or youngest son. Without such a system, a manor would in a few generations have disintegrated into small plots of little value. Undoubtedly, also, the lord who had granted a manor as a fief would favor one heir, since that would enable him more easily to maintain his own authority. However, if daughters alone were the heirs--in England at least--the estate was divided among them.

As we have already indicated, other forms of economic activity existed in the Middle Ages. There was some trade, but it was carried on primarily because of necessity. (The revival of trade in the late Middle Ages really is one phase of the change toward the capitalistic age and will be considered in the next chapter.) The trade was carried on both by barter and money exchange. Although the latter form was uncommon, still it never vanished completely. And a more

extensive use of money began already in the twelfth century.

Nor should it be thought that money lending was unknown at any time during the Middle Ages. The monasteries, particularly, always contained precious metals which they loaned to needy princes and lords. But there was this difference. Until at least the twelfth century, a loan was always considered a temporary expedient. The practise of regularly conducting a venture by means of loans was unknown.

Our description of the Middle Ages is incomplete. The last centuries of that period would vary in many details of practise from what has so far been presented. But the picture is true for our purpose, by showing the spirit of the Middle Ages. Those aspects of medieval economic activity which are foreign to this spirit and form the bridge to a new era will be discussed in the following chapter.

## II. The Revival of Trade and Beginnings of Capitalism

In the foregoing chapter we spoke of the latter half of the Middle Ages as the transition period or bridge to the capitalistic era. The history of human events will always show those bridges between two eras. There is always a slow, almost imperceptible, progression from one set of ideals to another, from one manner of conduct to another. Just as little as we would expect a piece of music to change abruptly from one mood to another, so little will we find abrupt changes in the pattern of human affairs. To the student of history the precursors of change are always much in evidence.

So it was in the change from the Middle Ages to the capitalistic era. And the twelfth to the sixteenth centuries form that bridge. Yet, as we have tried to indicate in the previous chapter as well as in the heading to this, the latter half of the Middle Ages was not the complete bridge. The last section which brought the western world to capitalism was provided by the Reformation. Two strictures must, then, be placed on the material of this chapter. First, the medieval spirit, its economic theories, continued their hold even in this later period. Aquinas and his fellows presented their views to a world whose practice was no longer in complete harmony with those views; yet they found general acceptance. Second, there had always been some trade. But in this later

period that trade, and all economic activity, expanded greatly. Furthermore, the revived and increased trade was conducted in capitalistic forms. But it was only a beginning. The beginnings of capitalistic endeavor in an age whose spirit was opposed--that is the point of view for the following pages. With that point of view we can search out those factors which were both necessary and present to produce the beginnings of capitalism.

Our search can best begin by defining its object. Pirenne states: "Scant as they are, medieval sources place the existence of capitalism in the twelfth century beyond a doubt."<sup>19</sup> What is capitalism? It is not merely trade or money-lending or the making of goods. Those activities antedate the twelfth century. Capitalism does not depend on the extent of such activities. Rather, capitalism is both a mode for, and a spirit behind the carrying out of those economic activities. The capitalistic conduct of any such venture includes an initial planning of the entire endeavor, together with an accounting of the means available for a successful conclusion. Capitalism, as the name implies, involves the ownership or use of capital, i.e., a material to be used in the exchange of goods, as well as the physical equipment--ships and wharves and machinery. Thirdly, the capitalist makes periodic and systematic checks of the progress of his venture. Finally, capitalism includes an accounting of goals reached at the end

---

19. Pirenne, op. cit., p. 163.

of each period of activity. To put it briefly capitalism is that form of economic activity which begins with a definite amount of capital, accurately reckoned; makes plans for that capital with a view toward profit; and ends each business period with an accurate final accounting.<sup>20</sup> It is a type of activity quite evidently distinct from the medieval, as pictured before.

Moreover, the spirit and the aim of the capitalist are a far cry from that of the medieval man. The latter sought his sustenance; more than that was neither desired nor attainable. The former seeks profit. It is not merely the impulse for gain. "But capitalism is identical with the pursuit of profit, and forever renewed profit, by means of continuous, rational, capitalistic enterprise."<sup>21</sup> (Of course, the more extensive the capitalistic organization of any society, the more will such a definition apply.)

Capitalism, then, as here described, began with the twelfth century; the trade and commerce which then revived were capitalistic in form. There were the beginnings, and eventually it triumphed. The triumph, too, was inevitable, because of its results--chief among them the stimulation and reward of individual effort. Only one factor delayed that triumph--the lack of a moral justification. That is best expressed in a statement already quoted, but worth repetition:

---

20. Cfr. Weber, Max, The Protestant Ethic and the Spirit of Capitalism, p. 20.

21. Ibid., p. 17.

The Church's "prohibition of interest was to weigh heavily on the economic life of later centuries. It prevented the merchants from growing rich with a free conscience and from reconciling the practice of business with the precepts of religion."<sup>22</sup> There can be no doubt that the Roman church temporarily barred the way to the complete dominance of capitalism. That is borne out by the evidence of later centuries when that Church's universal sway had been shattered. The beginnings of capitalism were possible through the divergence in teaching and practice of the Church.

Intellectually religious opinion endorsed to the full the static view, which regarded the social order as a thing unalterable, to be accepted, not to be improved... Practically, the Church was an immense vested interest, implicated to the hilt in the economic fabric, especially on the side of agriculture and land tenure.<sup>23</sup>

That divergence provided the opening wedge for capitalism. Still, the field was not won till the Reformation--especially Calvinism--provided that last factor, a moral justification. That will be the subject of our final chapter.

A different problem confronts us here. A definition of capitalism only suggests new questions. Why did capitalism start? In a society almost exclusively agricultural, why did trade increase and in a capitalistic form? What factors were present in the Middle Ages to allow and encourage commerce? For we do not find the beginnings of capitalism in the field of agriculture. Though that activity, too, felt the new spirit,

---

22. Pirenne, op. cit., p. 29.

23. Tawney, op. cit., p. 56.

it was in trade and commerce that the capitalistic spirit is first evident.

An intensified economic activity depends on a number of factors. Self-evidently, there must first of all be a demand. Exchange of goods between two parties depends on each desiring something which the other can supply. But there must also be a source of supply for those goods. A demand which cannot be supplied produces no commerce. Thirdly, there must be men to carry out the activities of trade--the managers of an enterprise, and the laborers to carry out the plans of the former group. However, men must not only be available for trade, but they must be willing to engage in it. Some motivation is necessary; and this was especially true while the medieval spirit prevailed. Finally, the means for carrying on the exchange of goods; this includes more than the physical equipment and mechanical contrivances of a business. It includes also some material which will provide a standard of values. Beside that, some means of accurate accounting is necessary. In the remainder of this chapter we shall see how each of these factors was supplied.

First, the rise and growth of demand, a product of the twelfth century.

The feudal landlord economy in all lands was a system by which a class of powerful people attained the end of having their need for goods satisfied by the labor of other people in their own establishments. These powerful people were of various sorts: monks, church dignitaries, kings, princes, warriors, and their officers. Their common economic characteristic was leisure...indeed

it may be said that his leisure was the economic objective of the feudal landlord.<sup>24</sup>

Beginning with the twelfth century there was a change. No longer leisure, but goods, and especially luxuries, were sought by the lords. Their property must henceforth furnish, not only sustenance, but something material beyond that. With the twelfth century came a rebirth of learning. Possession beyond the sustenance level was necessary in order to take part in the new activities of learning.

Undoubtedly the greatest single stimulus producing this demand was the Crusades. In that movement the Western world for the first time in centuries came to an intimate acquaintance with the products of the more advanced East. There had been some connection earlier, in the trade carried on by Venice. But with the Crusades many of the lords of western Europe had their first view of a more advanced civilization. Before this, though one man was called lord and another serf, the gap between their standards of living was very small. Not until the Crusaders saw the spices, drugs, glassware, carpets, and other items which the East produced did the social classes begin to draw apart. From this time on many comforts and luxuries appear in the life of the lord to set him apart from the lower classes. The nobles of the Crusades found "Arabs whose level of civilization was far higher than that of the Crusaders...and they argued that these unbelievers had no

---

24. Nussbaum, op. cit., p. 24.

right to eat better food and to wear better clothes than the Christians!"<sup>25</sup> Thus demand was born by the contact with the East. After the Crusaders had showed the way, other men increased the knowledge of the West by trips of exploration. We think immediately of the extensive travels of Marco Polo and Sir John Mandeville around 1300. Every such contact widened the horizons and stimulated the demand of the West.

Demand resulted also from the rise of towns, beginning with the twelfth century. Towns rose often along trade routes, or at sites where merchants stopped to sell their goods. The manorial villages were merely groups of dwellings for the lord and the workers of a manor. But towns were built by those who had the means or power to get subsistence outside the town: kings, landlords, merchants, students. Such people must depend on the surrounding countryside, and regions beyond, both for their sustenance and their luxuries. Thus the towns proved a stimulus for demand and the growth of trade. Towns grew as craftsmen came to them who could better supply some of the needs of the original inhabitants than could foreign trade. But they, too, furnished an increased demand for food, and, as they advanced, for luxury goods. Thus the rise of the towns produced a rising demand.<sup>26</sup>

A third cause for the growth of demand were the travelling

---

25. Boak, A.E.R., Hyma, Albert, and Slosson, Preston, The Growth of European Civilization, p. 281.

26. A more complete discussion of the rise of the towns and its results are found in Nussbaum, op. cit., p. 30ff. The above paragraph summarizes the material there presented.

merchants who became increasingly active after the twelfth century. Through them the demand for goods was spread through western Europe. The first of this class were perhaps Eastern merchants who came to Europe for raw materials and gave in exchange the products of the East.<sup>27</sup> Such men would go especially to the Italian ports and those of southern France. After them came European merchants who brought a revival of commerce farther inland. The activities of these merchants also brought a greater acquaintance with trade goods and an increase in demand. In the course of time the great fairs were established, usually by some prince or lord, where goods could be displayed to arouse the desires of the people of the region.

One more feature of the Middle Ages may be mentioned here--the craft guilds which arose in the twelfth century. The goods which were produced by the members of these organizations with their standards of quality would naturally increase demand. The lord who saw their products would no longer be satisfied with the products of the manor. (These guilds were organizations of workers for protection and mutual help. Their various regulations governing the purchase of raw material, the amount and quality of goods produced by each member, and the sale of goods without undue competition, were intended to fulfill those aims. Strictly speaking, they were not a capitalistic form of endeavor. Masters and workmen were members of the same guilds; and the master too, was a

---

27. Nussbaum, op. cit., p. 32.

craftsman, not the capitalist who supplies material, money and plans.)

So much for the rise and growth of demand. That its spread was a slow process need hardly be added. But the seeds were sown in the twelfth century; after that the growth was sure.

The second cause which we have listed as necessary for a revival and expansion of trade is a source of supply. Again the Crusades were the first, and perhaps most important, single factor. For the Crusades again opened up the trade routes to the East. As we indicated in the first chapter, one of the reasons for little trade in the first half of the Middle Ages was the loss of the Mediterranean as a trade route for Europe. With the Crusades that situation changed. "The one lasting and essential result of the Crusades was to give the Italian towns, and in a less degree, those of Provence and Catalonia, the mastery of the Mediterranean."<sup>28</sup> Venice first established a foothold in the Levant as the Saracens were driven back, and it became possible to win commercial treaties. After Venice, other Mediterranean seaports became active till the Mediterranean was again a commercial route. Once the start had been made there was little retrogression, in spite of the failure of the last Crusades and the renewed conquests of the Mohammedans. The latter had no fleets and were quite willing to see Italian ships load with goods for the West in

---

28. Pirenne, *op. cit.*, p. 33.

their ports. For the goods came overland from farther east, thus passing through the Mohammedan territory, and permitting them also to share in the benefits of trade. Only after some centuries did the Turks become an obstacle.

The East thus became the first source of supply for the goods furnished by the new commerce. From the Levant Italian ships brought the goods to European ports, of which the most important was Venice. From there the goods moved inland. The source of supply for each locality was the travelling merchant. As trade increased, the great fairs developed, at which many of these merchants congregated. These fairs have no connection with the earlier local markets. Rather they were periodic meeting places of professional merchants. The fairs were usually established and controlled by the territorial prince or lord. In time there came special laws both for the activities of the merchants and for their protection. We have already mentioned the divergence in the Church's teaching and practice as regards economic activities. This is illustrated by the fairs, where there was often a suspension of the canonical prohibition of usury and the fixing of a maximum rate of interest.

While trade began with the importation of finished products from the East and the exportation of the West's raw materials in exchange, that condition did not long continue. At a very early date the East was no longer the sole source of supply for manufactured goods. The raw materials--furs, lumber, minerals, etc.--were sold to western craftsmen for

manufacturing purposes. The guilds furnished the first market for these raw materials. Western artisans supplied the demands of the West for many articles. When the guilds fell, they were supplanted by capitalistic enterprises.

Finally, in the last century of the Middle Ages new sources of supply were provided by the great voyages of exploration and discovery. The Portuguese found new and better routes by which to tap the riches of the Orient. The discovery of America opened up a whole new and extensive source of supply.

In fine, goods became available as trade routes were either reopened or discovered; secondly, as the increased trade stimulated local manufacture; finally by the discovery of new sources of raw materials.

Both the demand for goods and the supply of goods were by-products of historical events of which the chief was the Crusades. The third factor, however, the man-power supply, was at least in part a natural development, to which certain events gave an added impetus.

The later Middle Ages were marked by a continued increase in population. Besides this, there was a growing number of vagrants, for reasons we shall later present. At any rate, from the twelfth century on we find a large number of people who could not or would not longer be assimilated into the manorial system. As was already stated, customs such as primogeniture arose in order to preserve the manors as larger units. The lords, on the other hand, by various laws and

taxes sought to discourage peasants from leaving the manor on which they were born. For that matter, the lower classes of serfs were bound to the land. But in time it became impossible for the manor to absorb the increasing population, especially because of the somewhat inefficient methods of the manor. Changes in agriculture were introduced--in Germany the holdings of the lesser nobility were slowly incorporated into the possessions of a smaller number of large landholders; there was a more intense cultivation of land; laws were made to increase the profits of the landlords. In England and Spain, as the trade in wool became more profitable, we find large-scale sheep farming. But these developments would tend to decrease the need for peasants and the number which could be supplied by manors as in former times. Some of these dispossessed found a place in another type of agriculture--that carried on by the reclaiming of the earlier wasteland. This last movement was begun by the Cistercian monks, who sought out deserted lands wanted by no one, and who made the land fit for cultivation by intense efforts.

But even at that there were large numbers of men available for the new trade; they became laborers or craftsmen or sailors, or, if more enterprising, merchants and traders.

Furthermore, the increase in trade hastened the destruction of the manorial system. The lord who could buy goods and luxuries at fairs or from travelling merchants would no longer be satisfied with the inferior products of his own manor; he found it to his advantage to stop production of

those goods on his manor. And the artisans of the manor helped supply manpower for trade and commerce.

However, other events stimulated this somewhat natural break from feudalism and the manorial system. Here we must refer again to the Crusades. The peasants who had served as common soldiers in those adventures were unwilling to return to their serfdom when they returned to their homes. They gravitated to the towns where they could seek employment which appealed to them. The various European wars after the twelfth century had the same general result. The Black Death in the middle of the century continued the destruction of feudalism--it destroyed the evidences as to who was free and unfree; its concomitant confusion aided the escape of the serfs; and, by increasing the general demand for labor, it gave another blow to feudalism. As the use of money spread, there was a change in the feudal system as to the relation between lord and vassal or villein. Both parties often preferred money in lieu of the duties of vassalage; and in time the serf could buy his freedom from serfdom.

Another element which resulted from, and tended toward, the breakdown of feudalism was the rise of nationalism. The horizontal cleavage of European society was succeeded by a vertical cleavage. Many nobles did not return from the Crusades; many more were lost in civil wars and foreign wars. Centralized governments began to appear which worked for the complete removal of any rival power. Again, men became available for trade since freed of their feudal bonds. As centralized

governments arose, trade became more attractive, for the merchants and kings early became allies against the nobility. The kings furnished the protection and ordered society which merchants desired. The merchants, on the other hand, increased the wealth of a land and its king; and kings acknowledged that fact by special privileges for the merchants, as well as for the towns necessary to trade. In these two ways the rise of nationalism increased the supply of men available for trade and willing to enter trade.

Still another factor which we may mention in passing was the Renaissance. A characteristic of the Middle Ages was common effort. Men worked together to supply the common needs. The rebirth of learning brought a new spirit of individualism. Men became willing to risk the competition of trade. The last medieval centuries show the beginnings of a proletariat; men no longer wanted only to follow in the footsteps of their fathers. They sought the best wages (with the result that employers combined to keep wages low).

But men were not only available for trade and other commercial activities; they were also willing to engage in those activities. The same conditions that made those activities possible made them appealing. There was for the serf a chance for freedom and an independent life. The new activities offered all men the opportunity for a more comfortable and more pleasant life. The profits of successful business ventures permitted the taking part in the new learning which the Renaissance brought. And the profits were enormous. A shipload of

goods brought from the Near East sold for many times its cost. The products brought from the Orient later by the Portuguese sold for forty times their cost, in London or Antwerp. Similarly, the manufacture of goods was very profitable. The same applied to money lending; "Interest was ordinarily 20 to 25 percent, rarely as low as ten. The count of Provence in 1243 forbade interest in excess of 300 percent. Frederick II in 1244 paid 173 percent. Even the papacy, with its great financial system, paid from 8 to 35 percent."<sup>29</sup> Under such conditions trade and commerce must necessarily have a greater appeal. The medieval asceticism could not long remain in the field.

The last prerequisite for the revival of trade is a systematic means for conducting the exchange of goods--the physical apparatus, a standard of values, and a system of accounting. These, too, were supplied after the twelfth century.

The most important physical apparatus at first were the ships. The building of ships was not a new art, of course. Even during the feudal period great lords sometimes imposed on certain peasants the duty of being professional boatmen. The Crusades also stimulated ship building. Great fleets were necessary to transport and supply the Crusaders. Venice was able to take the lead also in shipping because she early controlled and occupied Dalmatia on the eastern shore of the

---

29. Nussbaum, op. cit., p. 119.

Adriatic. The large oak forests of that region provided the materials for building ships. During these last medieval centuries various inventions, especially the compass, made of navigation a more dependable science.

Generally speaking, medieval trade depended on water transportation. Roads, such as there were, were in poor condition always, and at times impassable. They were usually toll roads, and just as ordinarily infested by robbers.

(After the 15th century, with the rise of centralized governments, there came international trade treaties, i.e., agreements between nations to protect one another's merchants from robbers.)

But the most important development in this connection was the wider use of money. There had always been some circulation of money. The monasteries also usually had their stores of precious metals, either in coin or in various vessels and ornaments. As the demand for goods increased, after the Crusades and with the rise of the towns, the use of money naturally increased. This development was influenced by an increased production of precious metals. During this period the German mines especially were discovered and worked. The reverse is also true. Just as the beginning capitalism increased the need for, and use of, money, so that use of money in turn helped to spread capitalism. For that matter, Smith makes the change from a natural- to a money-economy the most general economic force of this period.<sup>50</sup> Money made possible the

---

50. Smith, *Preserved*, The Age of the Reformation, p. 4.

storing and accumulation of wealth; it permitted loans and investments; by raising prices, it stimulated manufacture. All of these conditions are evidently necessary for capitalistic commerce.<sup>31</sup>

At this time began the practise of money lending as an aid to the conduct of a venture. There had always been lending, and the Church, in spite of its theoretical opposition, was one of the most important sources of credit in the Middle Ages. Carolingian legislation on lending dates back to the ninth century. From that time on popular proverbs and poems indicate both how widespread and how unpopular were the money lenders.<sup>32</sup> With the revival of trade this custom increased. Lords whose money income was insufficient borrowed money to purchase the goods supplied by the new trade. Kings who needed money in their struggles toward a centralized government became clients of the money lenders. And the payment of interest on loans also began with the eleventh century. The interest was, first, some special privilege; later, a money payment. Sometimes, too, a king or great lord simply demanded the money he needed and the wise money lender would not be too insistent on the repayment. Henry VIII, for example, sometimes resorted to such means. In the fourteenth century a number of Florentine

---

31. With the 13th century began the attempts at a stabilized coinage. The movement started in Venice, and the coins of the north Italian cities served best as a standard. These attempts were hindered by princes who looked on the minting of money as their own prerogative, and as a source of revenue. The debasing of coinage is often found throughout the Middle Ages in the various European countries.

32. Cfr. Nussbaum, op. cit., p. 118.

banking-houses fell, and there was a general depression, because Edward III of England did not repay large loans made there. At other times loans were made in connection with the conditional transfer of property. In this manner the Fuggers of Augsburg acquired control of quicksilver mines in Spain from Charles V. The farming-out of taxes was another method by which kings and lords repaid loans. The whole practice contradicted the teachings of the Church; and there were many protests. But money lending was too necessary, also for church dignitaries, to be actively opposed on moral grounds.

One final note--the development of a bookkeeping system in the fourteenth century supplied the last requisite for capitalistic endeavor. The system was invented in Italy and from there spread through Europe. Many of the north European merchants and bankers went to Italy to learn the new system. It provided the method for accurate accounting which made a large-scale business venture efficient.

Such in broad outline was the development of capitalism in Europe. So many factors must be considered that only a survey is here possible. The brief description of the later Middle Ages presented in these first two chapters should, however, furnish a background for the remainder of our discussion.

### III. Capitalism and the Reformation

In this final chapter we attempt to find the results of the growth of capitalism, which began in the twelfth century, for the Reformation in the sixteenth. Two lines of inquiry present themselves; first, the effect of economic conditions on the Reformation; and conversely, the Reformation's contribution to the further development of capitalism. While both of those points have already been mentioned, we hope here to give a more complete statement.

It can be said immediately that there was no fundamental change in the position of the Roman church. There was only a progressive modification of its teachings to conform to new conditions. It did not bring the changes, but was forced to accept them as they arose. But the Reformation brought a new approach. The relation between religion and capitalism was changed. That change resulted in part from the development of capitalism itself, and in part from the new teachings. Each had something to offer the other. What the contribution of each was, and how extensive and important it was, is our subject in the following pages.

#### A. The Value of the Economic Conditions for the Reformation

A few preliminary notes are again necessary in order

to furnish some idea of the European economic picture in the sixteenth century. The advance of capitalism had been continuous throughout the past five centuries, along the lines indicated in the last chapter. While that advance was not uniform for all the countries of Europe, still all had been touched by it. Starting in Italy, capitalism had moved north and west. Slowly it was introduced into all fields of economic activity. As bankers gained control of other enterprises, e.g., mines, they introduced capitalistic practices there. The craft guilds fell--through over-regulation, inefficiency and economic pressure--and were supplanted by capitalists who furnished materials to craftsmen under their control and marketed the finished product. This advance of capitalism, then, continued unabated till the close of the Middle Ages, with one exception. During the fourteenth century there was, not necessarily a retrogression, but a cessation in the progress. That was due to a number of factors. Briefly they were: a great famine lasting from 1315 to 1317. Soon after came the Black Death, which, according to estimates carried off one-third the population of Europe during the years 1347 to 1350. Besides these, there were various civil struggles in Italy and Germany; and England and France were engaged in the Hundred Years' War. But the rule for the last two medieval centuries was the rapid growth of great commercial companies.<sup>33</sup>

---

33. Cfr. Pirenne, op. cit., p. 215ff.

At the very end of the Middle Ages came a change of great significance. In the last decades of the fifteenth century occurred the discoveries of the Portuguese and Spanish. The former made their way around Africa to the Orient. That discovery brought the West in direct connection with the East. Moreover, it was important because ships were by far the most efficient mode of transportation in that age. The Spaniards, with a goal similar to the Portuguese, sailed in the opposite direction and found the New World which became increasingly important as a source for raw materials and precious metals.

The result of these discoveries was to shift the centers of trade from the Mediterranean to the Atlantic seaports. The trade with the Levant died out, while the Lowlands and England began their rise to commercial nations of the first rank. Thus the centers of the commerce which was to aid the Reformation were brought closer, while the former centers which would have been under papal domination declined.

But the discoveries had another result--they produced a tremendous expansion of trade. German merchants and bankers, hitherto somewhat overshadowed, arose to heights unknown earlier. The Fuggers, Welsers and others grew till their enterprises covered Europe and went even beyond Europe. The Fuggers controlled Spanish quicksilver mines, mines in the Tyrol and Hungary, and even engaged slightly in foreign trade, though rather unsuccessfully. The Welsers, also of Augsburg, financed ventures to the East Indies and controlled mines

even in Venezuela.<sup>34</sup>

With that increase of commerce came an increase in personal wealth, great in comparison to what had gone before even if not so overwhelming to modern minds. France's richest man in the sixteenth century was one Jacques Coeur, who in 1503 had a capital of \$5,400,000. The total wealth of the Fuggers in 1550 is estimated at \$32,000,000 though the capital of their bank was never near that figure. Those figures have more meaning when we look at the average annual profits of some of these concerns. The Welsers, for example, averaged a profit of 9% during the years 1502 to 1517. During the last sixteen years (1511 to 1527) of Jacob Fugger's life that firm averaged a profit of 54.5%.<sup>35</sup>

We should think, then, of the sixteenth century as a period of farflung trade, of great financiers and large firms, of men who controlled great wealth. That was one result of the developments described in the previous chapter. But there were others. That same process of development proved an ally for the Reformation--both in a negative and positive sense. It is that aspect which interests us in the first half of this chapter.

The rise of capitalism brought with it a rise of social unrest and discontent. Capitalism had seemed the solution for problems which the medieval system could not solve. But the solving of those problems led only to the rise of new

---

34. Cfr. Tawney, op. cit., p. 79.

35. Smith, op. cit., p. 460ff. 520

problems. Therefore, as there had been a growing revolt against medievalism through the last centuries of the Middle Ages, so there soon arose dissatisfaction with the new order. Like the manorial system, so capitalism and the general economic conditions which supplanted medievalism could not satisfy all. There were again many people looking for a change. When the Reformation seemed to promise help, such people became eager adherents. As the true nature of Luther's work became evident, many of this class dropped away. But, for the first, they helped to provide the popular support which enabled the Reformation to gain a foothold.

One cause of the discontent was the rise in prices that capitalism brought, especially in the sixteenth century. During that century there was a decided increase in the amount of precious metals available for commerce. The Fuggers and others conducted extensive mining operations in Europe. The German silver mines were developed. Silver production during the century totalled approximately \$526,000,000. Gold production in the same period was about \$330,000,000. Both were far above previous figures. Important also were the sources of precious metals found in the New World. This influx of precious metals was probably the main cause for the rise in prices.<sup>36</sup>

But there were other causes, too: crop failures at intervals; poor means of transportation, which often caused

---

36. Smith, op. cit., p. 473.

hardships in certain localities. Especially three classes suffered--the peasants, the small landlords and the craftsmen, whose wages were low and whose income only rose slowly or not at all to meet the changing conditions. Smith sums it up:

Taking the century as a whole, we find that wheat rose the most, as much as 150 percent. in England, 200 percent. in France and 300 percent. in Germany. Other articles rose less, and in some cases remained stationary, or sank in price. Money wages rose slowly, far less than the cost of living.<sup>37</sup>

Such conditions naturally caused discontent.

There were other reasons for the unrest. There was resentment against the governments of the various lands, going back for centuries. "The finances of most countries were managed corruptly and unwisely. The taxes were numerous and complicated and bore most heavily on the poor."<sup>38</sup> The governments usually favored the rich. Laws were enacted to restrict the lower classes. For example, after the Black Death, when labor was scarce, the English government enacted laws to prevent peasants and laborers from using the opportunity to better their condition. At that time, too, it was attempted to revive the feudal work-services. One of the results was a revolt in 1381. The common government practice of debasing the coinage also produced unrest by raising prices.

This resentment was directed not only against the king or prince, but against the entire landholding nobility. The

---

37. Op. cit., p. 473.

38. Ibid., p. 475.

serfs as a class had decreased in number. But that made it so much more unpleasant for those who remained serfs. As we have already mentioned, in the last centuries of the Middle Ages the various unfree classes were pressed together into one class. This worked a hardship on those who had been nearly free. Furthermore, the serf was no longer a part of the paternal manorial system, but under a landlord. The services of serfdom were more onerous and more despised because less common. The widening gap between rich and poor increased discontent.<sup>39</sup> The old privileges of the serfs were slowly taken away, either to better the lord's opportunities or supply his need. Then we have in England the program of enclosure--restricting what had once been the common land for the sheep herds of the lord. On the other hand, many of the lesser nobility who found themselves hard put for maintenance on the incomes established for them by custom, took every opportunity to increase the rents and other fees of the peasants. At the same time it is true that in parts of Europe these abuses were lessened by the time of the Reformation. The English peasant, for example, had by that time escaped many of the ancient servitudes and found some help in the royal courts. But

his brother in South Germany...found corvees redoubled, money-payments increased, and common rights curtailed for the benefit of an impoverished noblesse, which saw in the exploitation of the peasant the only means of maintaining its social position in face of the rapidly growing wealth

---

39. Cfr. Jarrett, op. cit., p. 104; also Pirenne, op. cit., p. 196ff.

of the bourgeoisie, and which seized on the now fashionable Roman law as an instrument to give legal sanction to its harshest exactions.<sup>40</sup>

(The complaint against the Roman law is often heard because of that system's emphasis on the rights of property and the state. For example, the ninth of the Twelve Articles of the south German peasants, which Luther answered, asks for restoration of the old German law.)

Another target of resentment in this period was the capitalist. The lesser nobility found themselves pressed between the great princes, on the one hand, and the rising towns and the capitalists on the other. Luther for a short time enjoyed the unsolicited support of these men. But the resentment against the capitalists was more widespread. Merchants were looked upon as taking undue advantage of the needs of the public. The modern methods of the early capitalists also caused hardships and roused antagonism. We find already in this period monopolies, corners, trusts and agreements to raise prices. In Germany we find Duke George and other mine-owners making agreements to hold down wages. The usurer, too, was despised as acting in an unchristian manner. From the thirteenth century on we find the journeymen, the laborers for the capitalists, organizing strikes to better their conditions. Because their work was uncertain, at the mercy of crises and stoppages, their position was particularly poor. When Luther, then, denounced men like the Fuggers, he could be sure of an audience.

---

40. Tawney, op. cit., p. 87.

Another large share of the economic complaints was directed against the Roman church. To be sure, the economic was but one aspect of the resentment against that Church. From the thirteenth century on, complaints against the Church from the practical side multiplied. "Almost all classes agreed that the Church needed reformation...Hardly a thinking person anywhere in Europe at the end of the Middle Ages felt that the Church was a perfect institution."<sup>41</sup> Because the Church in theory would not justify trade and commerce, the capitalists were never in complete harmony with it. On the other hand men like Jacob Fugger could engage in trade all their lives, yet die as good sons of the Church. In general though, the Church was not in harmony with the spirit of capitalism; its unworldliness came to be resented. The new approach of the Reformation was welcomed by many capitalists, at least as far as it served their own interests.

The greatest resentment came upon the Church, however, because of its mercenary attitude toward its work. That is typified in the cynical statement of a papal vice-chamberlain: "The Lord wishes not the death of a sinner but that he should pay and live."<sup>42</sup> In theory the Roman church was democratic; in practice the rich could get the dispensations and other services they required, while the poor were often left to a tortured conscience. Simony was rife. Leo X is supposed to

---

41. Boak, Hyma, Slosson, op. cit., p. 475.

42. Smith, op. cit., p. 22.

have received 500,000 ducats annually through simony. (A ducat equalled about \$2.25, but had, of course, much greater purchasing power.)

But the laity suffered, too, from papal extortion. There were the lay tithes and taxes. Priests and church officials recouped the losses caused by fees paid to the Curia by charging for their ministrations.<sup>43</sup>

Financial corruption was often coupled with moral corruption; and that did not stop with the Reformation. Due to the Reformation the latter half of the sixteenth century saw a reaction against prostitution throughout Europe. "An edict of July 23, 1566 commanded all prostitutes to leave Rome, but when 25,000 persons, including the women and their dependents, left the city, the loss of public revenue induced the pope to allow them to return on August 17 of the same year."<sup>44</sup>

Feelings of patriotism often lay behind the economic complaints. The Roman church owned as much as one-third the land of Western Europe, and received the revenues of that land.<sup>45</sup> The drain on a country's finances would naturally be heavy. As for Germany, "it was the milch cow of the Papacy, which at once despised and drained it dry. An examination of the map reveals a state of things to which no other European country can show anything parallel. At least a fourth of the whole

---

43. Ibid., p. 21ff.

44. Ibid., p. 508.

45. Ibid., p. 22.

area of Germany was under ecclesiastical rule."<sup>46</sup> The indulgences were resented, since they drained off money to enrich a corrupt Italian city. Three of the seven electors, the first line of Germany's political hierarchy, were ecclesiastics--instruments of papal corruption and oppression. In the Netherlands economic reasons contributed to the desire to throw off the yoke of the Spanish Catholics. There the financial panic of 1569 was caused by new taxes which Alva demanded of the States General. During that panic, rents fell 80%. Imports at Antwerp dropped from 80,000 gulden per year to 14,000.<sup>47</sup> Finally, the spoliation of the monasteries in England indicates an economic motive there.

These were some of the causes of the social unrest. It showed itself in literature from Piers Plowman and the Canterbury Tales down to the Epistolae Obscurorum Virorum. Popular proverbs and poems testified to the unpopularity of the bankers and money lenders. A more serious evidence were the various revolts beginning two centuries before the Reformation. There were the Jacquerie in France in 1357, "a genuine attempt at a social revolution, directed against the nobility in order to wrest legal and financial authority from them."<sup>48</sup> In western Flanders (1323 to 1328) and in England (1381) the peasants rose to rid themselves of the incubus of feudalism. Germany suffered the Peasant's Revolt in 1524 and 1525. These are

---

46. Beard, Charles, The Reformation of the Sixteenth Century in its Relation to Modern Thought and Knowledge, p. 76.

47. Smith, op. cit., p. 260.

48. Pirenne, op. cit., p. 198.

only the more important.

There were risings not only in rural sections, but in the cities. The latter were quite serious. They were attempts to break the power of the municipal governments, which were largely controlled by the capitalists and conducted for their benefit. This was the case particularly in the industrial towns of the Low Countries, on the banks of the Rhine and in Italy, towns where an oligarchy often ruled.

Whether the Reformers solicited popular support or not, it lay ready for them, motivated by conditions such as just described. Certainly there was more to the Reformation than this, but we should not underestimate the contribution which social unrest made.

Capitalism also made some positive contributions; we may sketch them briefly here. The rise of capitalism resulted in the rise of a moneyed class and contributed to the rise of individualism and nationalism. All three aided the Reformation. They were a divergence from the medieval spirit. And the breaking of tradition in one field made easier the break in another field. Capitalism involved a revolt against both the spirit of unity and false asceticism of the Middle Ages--certainly akin to the work of the Reformation.

Capitalistic activity promoted the spread of the Reformation. In the sixteenth century the books advocating reform were comparatively cheap: A Greek New Testament sold for 48 cents; the Latin for 24 cents. Luther's first New Testament cost only 84 cents; his more important tracts could be

purchased for 30 cents.<sup>49</sup>

The Reformation came first to those areas where merchants were active. In England, for example, little was known of the new teachings in the wilds of the north and west during the reign of Henry VIII. But around London for about 100 miles and on the southeast coast the Protestant thought got its start. Both at fairs and through travelling merchants Luther's works were spread far and wide.

Already, in 1519, Froben, the printer of Basel, writes to him, not only that the edition of his works which he had published is exhausted, but that the copies are dispersed through Italy, Spain, England, France and Brabant. At the Frankfort fair of 1520, one bookseller alone sold 1400 copies of his books.<sup>50</sup>

For that matter, in 1532, a group of Germans living at Coro in Venezuela, South America, accepted the Augsburg Confession as a statement of their faith. These men were brought to the New World by the Welsers of Augsburg to work the mines granted by the Spaniards to that company.<sup>51</sup>

This is the picture, in brief outline, of the mode in which capitalism became both a preparation and an ally for the Reformation. It would be foolhardy to ascribe the success of the latter movement to this one aspect. At the same time these contributions should not be overlooked for a complete picture.

---

49. Smith, op. cit., p. 468.

50. Beard, op. cit., p. 83.

51. Folaack, W.G., The Building of a Great Church, p. 2.

## B. The Contribution of the Reformation to Capitalism

While capitalists often espoused the Reformation very actively, where it furthered their own interests, the same is not true of the Reformation. What contribution the reform movements did make--though this is more true of Luther than Calvin--was an indirect result, a by-product, rather than an intentional goal.

Neither the Reformation nor the Counter Reformation brought about any important changes in political thought. In the realm of economic theory the two movements also contributed nothing of importance...It may be that they also lent some measure of assistance to the rise of modern liberalism, and to capitalism; but, so far as the movements touched any sphere of human endeavor, the religious character of their effects is pre-eminent.<sup>52</sup>

Tawney adds this further note:

The disappearance of serfdom--and, after all, it did not disappear from France till late in the eighteenth century, and from Germany till the nineteenth--was part of a general economic movement, with which the church had little to do, and which churchmen, as property-owners, had sometimes resisted. It owed less to Christianity than to the humanitarian liberalism of the French Revolution.<sup>53</sup>

While we may disagree with those statements in part, they are undoubtedly true insofar as they indicate the indirect connection of the Reformation with capitalism. We might almost call it a coincidence that the program of the Reformation in some respects furthered capitalism.

The one essential contribution which the Reformation made was to remove the spiritual obstacles in the path of the

---

52. Boak, Hyma, Slosson, op. cit., pp. 31 and 32.

53. Op. cit., p. 59.

capitalist. It provided the capitalist, whether intentionally or not, with a moral justification for his work. Activity which had been at best ethically tolerated was turned into a calling. (These introductory remarks treat of the entire Reformation movement, though they may at times be more applicable only to Lutheranism or Calvinism. We shall later speak of the two separately.)

The medieval ideal had been asceticism. The life most valued was that which turned away from the world and material things. Under such an ideal the trader could only feel ill at ease. His work at most was permissible. Never could it be considered as respectable or on as high a plane of spiritual worth as other activities.

The Reformation was a reaction against the medieval ethics. It was more in harmony with capitalism because its ethics were oriented with reference to the world. It was not an attempt to remove religion from daily life. "The first fundamental assumption which is taken over by the sixteenth century is that the ultimate standard of human institutions and activities is religion."<sup>54</sup>) But the approach is different. The world and its activities are accepted, where formerly the attempt had been to be loosed from the world as much as possible. The Reformation took human, worldly activities for granted. It presented a new concept, that of the calling. A man may serve God whatever his daily work (so

---

54. Tawney, op. cit., p. 19.

long as it is not <sup>in</sup> direct <sup>direct</sup> <sup>of</sup> ~~contravention~~ to God's law.)

But the Reformation made some very practical contributions, too, for the entrance of the modern age. In spite of the quotation given above, the Reformation did tend toward the attainment of freedom, and the destruction of serfdom. "The Reformation, was, however, unconsciously, ... a very effectual assertion of human liberty."<sup>55</sup> It did tend for at least a desire toward social advancement, as the same author states: "There was the deep social dissatisfaction, and the desire for an immediate fulfillment of the promise of the kingdom of God, which always follow upon a fresh and vivid presentation of the Gospel."<sup>56</sup> Unfortunately the Gospel was often so misunderstood as a license for revolt. The preaching of the Lollards very possibly contributed somewhat to Kett's Rebellion in England. The revolting German peasants of 1524 thought that Luther's teaching was their justification. But beyond that, the Reformation did bring social progress.

It is interesting to note, also, that the adherents of the Reformation became most successful in commercial pursuits. For at least the first century they were a minority group, "heretics," excluded from official life, and always somewhat on the defensive. For such people a sober life and honest business practice were a necessity. Those same qualities made for success. Especially among the Calvinists there was the

---

55. Beard, op. cit., p. 148.

56. Ibid., p. 185.

the additional psychological stimulus of the "calling." The "heretics" were also important because often forced to migrate. Thus their skills were transferred to new fields.)

Luther was relatively unimportant for the progress of capitalism. However, that is not intended as criticism. It is rather unfair to call him a reactionary, as does Nussbaum.<sup>57</sup> On first reading Luther's statements on capitalism are startling even to modern Lutherans. But it is probably more correct to think of him as traditionalistic, as does Weber--if that term is properly understood. When Luther's approach to the problem is understood, his statements no longer seem so strange.

Essentially Luther's attitude was one of indifference. His indifference could be called traditionalistic in the sense that it was based on the Pauline epistles. Like the addressees of those letters, Luther felt an indifference toward the present because of the future hopes he found in the Bible. The world is the area in which we must now work, but our hope for the future is otherworldly. In addition, he thought of life as controlled at every point by Providence, rather than as a period of materialistic striving.

Luther's importance for capitalism derives mainly from the fact that he began the religious revolt against Rome. He showed the way for a break from the legalism and the mechanical social organization fostered by Rome. Aside from that

---

57. Op. cit., p. 55.

Calvin had a more direct importance for capitalism. "The fact is that Lutheranism, on account of its doctrine of grace, lacked a psychological sanction of systematic conduct to compel the methodical rationalization of life."<sup>58</sup> It was a spirit entirely different from that of Rome; it made the world an area in which to serve God. But it was important mainly because it was different. And Luther intended that; he was not interested in capitalism, except when there were abuses to chastise. He castigated the Fuggers, as well as other merchants and money-lenders, but only because he felt that their actions were sinful and not in harmony with the Gospel. When the Peasants' Revolt was brewing, he used blunt language to point out the wrong on both sides. But he had little to say in the way of a positive statement. His treatise On Trading and Usury comes close to that, but it offers little encouragement to the capitalist. At the time of the Peasants' Revolt his only suggestion was arbitration, though he clearly saw the faults of both parties. When the peasants asked him to act as one of the mediators between peasants and lords he accepted by writing a critique of their Twelve Articles. But he discusses only those articles which concern the Gospel or the ministry. He dismisses the major part of that document as something for the lawyers to discuss; it does not concern him, a theologian.

Luther had carefully divided for himself the two kingdoms, spiritual and secular. His work lay in the former and

---

58. Weber, op. cit., p. 128.

with the work of the Gospel. He had little patience with those who mingled the two kingdoms, or attempted to use one for a selfish gain in the other. Beard<sup>59</sup> accuses Luther of leaving his own class and writing a not very admirable treatise when Luther urged that the peasants be put down. Luther might have spoken with more restraint. But, accepting his viewpoint, his reaction is understandable.

Despite Luther's indifference toward secular matters, he did make one contribution, as we have indicated. That was the idea of the calling. As far as capitalism is concerned, this is the only phase of Luther's break with Rome that is important. The concept became more important as developed by others. But Luther first presented the fact that every human activity is of divine ordinance, and that every one can be equally God-pleasing. The calling is that station of life in which one is placed. No one is more acceptable or valuable than another. Monasticism is selfishness, a withdrawing from temporal obligations. It is certainly not holier than the work of the common peasant or housewife. Negatively, there was the Lutheran doctrine of man's total depravity.

The importance of this concept of the calling for capitalism is readily apparent. Luther never went beyond that. But just that idea was enough. It was the opposite of the medieval asceticism. Even with Luther's presentation it laid open the way to confidence and pride in earthly activity. ~~The~~

---

59. Op. cit., p. 201ff.

~~Roman consilia evangelica and all they implied could be forgotten.~~ Faith gave salvation. The works which resulted from that faith were not to be limited to one kind of activity.

We may conclude this section by presenting a few specific views of Luther.<sup>60</sup>

In the first place <sup>the area of concern</sup> Luther recognizes the need for merchants. Trade is necessary for the supplying of food, clothing and similar items. ("But foreign trade, which brings from Calcutta, India, and such places, wares like costly silks, gold-work and spices, which minister only to luxury and serve no useful purpose, and which drains away the wealth of land and people,--this trade ought not to be permitted, if we had government and princes."<sup>61</sup>) Accordingly, Luther had a rather poor opinion of the merchant class, as is indicated in the following statement: "For it must be that among merchants, as among other people, there are some who belong to Christ and would rather be poor with God than rich with the devil."<sup>62</sup>

Luther's dislike of the <sup>merchant</sup> merchants seems to stem especially from their avarice. Thus he conceives of the merchants as saying: "I may sell my goods as dear as I can. This they think their right. Lo, that is giving place to avarice and opening every door and window to hell."<sup>63</sup> (Finally, he

---

60. The quotations which will be presented in the following are taken from Luther's treatise, On Trading and Usury. Page references are to Works of Martin Luther, Vol. IV.

61. Op. cit., p. 13.

62. Ibid., p. 12.

63. Ibid., p. 14.

complains of tricks of trade, such as raising prices because of scarcity; cornering the supply; or underselling a competitor. In fact the very idea of seeking a profit seemed wrong to Luther. "You must be careful to seek nothing but your proper nourishment in such commerce." At the same time the merchant was entitled to a fair recompense. "Now it is fair and right that a merchant take as much profit on his wares as will pay the cost of them and repay him for his trouble, his labor, and his risk."<sup>64</sup>) But there was always the higher consideration of the neighbor's welfare. Trade was to be guided first by that thought. For that reason Luther suggested that some way be adopted of fixing the just price. For trade should never be carried on only for personal benefit. The neighbor comes first. For that reason, too, Luther lists the four ways in which a Christian might trade as follows, in the order of their worth: First and best is to submit to extortion; second, to give outright; third, to lend without any great desire for repayment, certainly without any desire for a repayment greater than the loan; fourth and last, to engage in actual buying and selling.

Luther was completely opposed to money-lending which involved interest. He agreed with the older idea that money could not be productive in itself. It seemed immoral to him that a man should profit by lending his money. Man was intended to work, not let his money work for him. In the same

---

64. Op. cit., p. 15.

connection Luther felt that no man had a right to be guarantor for the debts of another.)

Standing surety is a work that is too lofty for a man; it is unseemly, for it is presumptuous and an invasion of God's rights. For, in the first place, the Scriptures bid us put our trust and place our reliance on no man, but only on God...In the second place, a man puts his trust in himself and makes himself God...<sup>65</sup>

We may conclude with some remarks on Calvinism, Though not as interesting to us, <sup>for</sup> there is no doubt that the Calvinistic spirit was more responsible for bringing a new economic age than was the Lutheran. The change from medievalism to capitalism involved the rise to dominance of a new class. The capitalist replaced the noble as leader of society. That, at least, is Weber's theory of social progress--the rising of a lower class to replace the former leaders. History would hardly prove that a complete explanation, but it is surely a part of the explanation. With this rising of a new class <sup>Weber</sup> he connects the Reformation. "The tonic that braced them (the lower class) for the conflict was a new conception of religion, which taught them to regard the pursuit of wealth as, not merely an advantage, but a duty."<sup>66</sup> The "new conception of religion" was the Calvinistic, as should already be evident.

Luther's contribution to capitalism was only indirect, in that he gave secular activities their rightful place. His view made all human callings equally fitted for service to God. At the same time he avoided an overemphasis on worldly,

---

65. Op. cit., p. 19.

66. Weber, op. cit., p. 2.

material activities. The capitalistic pursuit of profit he thought indefensible. The Calvinist, however, would not reproach such worldly striving. To be sure, Calvin recognized the sin of avarice as well as Luther. Aside from that he accepted capitalism with all its implications. "Capital and credit are indispensable; the financier is not a pariah, but a useful member of society..."<sup>67</sup> That is his attitude. (Popular scorn might fall on the capitalist, simply because of his large profits. The great rise in personal wealth seemed evil to the popular mind in the sixteenth century. Calvin accepted those conditions, even justified large profits in words like the following: "What reason is there why the income from business should not be larger than that from land-owning? Whence do the merchant's profits come, except from his own diligence and industry?"<sup>68</sup> Such views certainly help to explain the welcome accorded Calvinism in commercial countries like the Netherlands, and England.)

It should be remembered that early Calvinists as well as Lutherans, or for that matter the papists, did not intend to divorce religion from life. Religion is as much the arbiter of conduct for the Calvinist as for the other groups.

It is not that they abandon the claim of religion to moralize economic life, but that the life which they are concerned to moralize is one in which the main features of a commercial civilization are taken for granted, and that it is for application to such conditions that their

---

67. Tawney, op. cit., p. 108.

68. Troeltsch, Die Soziallehren der Christlichen Kirche, p. 707, quoted in Tawney, op. cit., p. 105.

teaching is designed...Its ideal is a society which seeks wealth with the sober gravity of men who are conscious at once of disciplining their own characters by patient labor, and of devoting themselves to a service acceptable to God.<sup>69</sup>

(From that aspect capitalism was quite acceptable to Calvinism. The capitalist, too had his place in the Calvinistic scheme. Another quotation from Tawney may still further clarify this Calvinistic position. "If Calvinism welcomed the world of business to its fold with an eagerness unknown before, it did so in the spirit of a conqueror organizing a new province, not of a suppliant arranging a compromise with a still powerful foe."<sup>70</sup>)

To understand this relation between capitalism and Calvinism, to understand how the Calvinists arrived at their position, it is necessary to understand the basis of that theology. Roman theology in practice puts the emphasis on the use of human abilities for the right relation with God. The Lutheran foundation is the grace of God extended to helpless men. In Calvinism, the dominant idea is the sovereignty of God. For them, too, that doctrine is not only central, but regulative for all other teachings. All Calvinistic teaching is pointed toward that center and modified by that central idea.

Calvin's predestination results from that central doctrine. Final salvation for every human being depends on the

---

69. Tawney, op. cit., p. 105.

70. Ibid., p. 118.

absolute will of God. The love of God is not considered; there is simply the arbitrary choice of God, which absolutely destines some men for final salvation, and, just as arbitrarily consigns others (the majority) to final reprobation. Nothing of God's love and mercy, nothing of man's conduct plays any part. This decree, which Calvin himself called horrible, has for its sole purpose the exalting of God's sovereignty.

Standing alone, such a doctrine could have but a negative effect on human conduct. Life could be lived without regard for law or morals, if the end were absolutely predetermined. Since no man knows to which class he belongs, and could not change his status if he knew, it is useless to be concerned about the matter.

But there is a second, complementary doctrine. Not only the plans and acts of God, but also those of men, and of the entire universe, must serve to glorify the sovereignty of God. Men, whether saved or reprobate, exist for the majesty of God. In spite of the fact that God's revelation is only partial, that much is certainly known. Whatever a man's activity, he must strive in it to the utmost in order to exalt the sovereign God. Man's duty, his calling, was a life-long, intensive labor. "The only way of living acceptably to God was not to surpass worldly morality in monastic asceticism, but solely through the fulfillment of the obligations imposed upon the individual by his position in the world. That was his calling."<sup>71</sup>

---

71. Weber, op. cit., p. 80.

Even, that, however, had little value as a motivation. But the followers of Calvin complemented the doctrine of the calling with another idea. That came in answer to the quest for certainty of salvation. Calvin held that a man was saved by faith, because he had been absolutely chosen by God. That faith would move the believer to a life in harmony with God's law. But that was the extent of his teaching. He knew no mode of attaining certainty. The same faith and the same life might appear in the reprobate. A life might be lived subserving the sovereignty of God, and still end in reprobation.)

The followers of Calvin modified those views. Certainty of a saving faith could be attained in two ways: First, the proper attitude is to consider yourself chosen. Any doubt must come from the devil. Secondly, a faith that was demonstrated by external results gave certainty of salvation; "in order to attain that self-confidence intense worldly activity is recommended as the most suitable means. It and it alone disperses religious doubts and gives the certainty of grace."<sup>72</sup> In other words, as Weber also states, good works "are the technical means, not of purchasing salvation, but of getting rid of the fear of damnation."<sup>73</sup>

The impetus given by such teachings is apparent. The energetic pursuit of profit by the capitalist is not only tolerated, but encouraged. Calvinism led to a kind of

---

72. Weber, op. cit., p. 112.

73. Ibid., p. 115.

asceticism. Life should be lived strictly according to rules, especially the laws given by God Himself, not according to personal desires. Those were the commands of the divine Sovereign. But its asceticism differed from the medieval. "Contrary to many popular ideas, the end of this asceticism was to be able to lead an alert, intelligent life; the most urgent task the destruction of spontaneous, impulsive enjoyment, the most important means was to bring order into the conduct of its adherents."<sup>74</sup> The whole orientation of Calvinism was new. Neither escape from, nor indifference toward, the world, but a grim absorption in worldly activities was the Calvinistic tendency. Only the Calvinist was so inclined as to think: "Was it not possible that, purified and disciplined, the very qualities which economic success demanded--thrift, diligence, sobriety, frugality--were themselves, after all, the foundation, at least, of the Christian virtues?"<sup>75</sup>

Thus Calvinism provided the last factor necessary for the success of capitalism, a moral justification. The merchant class, once tolerated, found a system of religious thought which placed a premium on the most intense activity.

---

74. Weber, op. cit., p. 119.

75. Tawney, op. cit., p. 110.

Some years ago there appeared on the market a book titled, Man the Unknown, written by Dr. Alexis Carrel. The author voiced the complaint that the study of man had been divided into so many fields as to lose sight of the unity of the subject. His aim was to bring a synthesis of all the separate lines of inquiry, and present a complete view of the human being based on the contributions of all the different viewpoints.

Something of the same type of criticism may be directed against these pages. However cursorily, we have presented the development of capitalism and its relation to the Reformation. We have attempted to show that there was a definite interaction between the two movements. But, just as many factors combined to produce capitalism, so also a whole complex of factors produced the Reformation. If this paper is read from that point of view, it will add to the more complete picture of the Reformation--something to be desired.

The greatest satisfaction for the writer from this study was the picture it gave of the world's second preparation for the Gospel. There is capitalism's greatest importance--its place as an element in the second "fulness of time."

## BIBLIOGRAPHY

- BEARD, CHARLES, The Reformation of the Sixteenth Century in its Relation to Modern Thought and Knowledge, Williams and Norgate Co., London, 1883.
- BOAK, A.E.R. and ALBERT HYMA and PRESTON SLOSSON, The Growth of European Civilization, F.S. Crofts and Co., New York 1939.
- DOPSCH, ALFONS, The Economic and Social Foundations of European Civilization, Harcourt, Brace and Company, New York, 1937.
- JARRETT, BEDE, Social Theories of the Middle Ages, 1200-1500, Little, Brown, and Co., Boston, 1926.
- LUTHER, MARTIN, Works of Martin Luther, Vol. IV, A.J. Holman Company and the Castle Press, Philadelphia, Pa.
- NUSSBAUM, FREDERICK L., A History of the Economic Institutions of Modern Europe, F.S. Crofts and Co. New York, 1935
- QUALBEN, LARS P., A History of the Christian Church, Thomas Nelson and Sons, New York, 1940.
- PIRENNE, HENRI, Economic and Social History of Medieval Europe, Harcourt, Brace and Company, New York, 1937.
- POLACK, W.G., The Building of a Great Church, Concordia Publishing House, St. Louis, Mo., 1941.
- SALZMANN, L.L., English Life in the Middle Ages, Oxford University Press, London: Humphrey Milford, 1927.
- SMITH, PRESERVED, The Age of the Reformation, Henry Holt and Company, New York, 1920.
- TAWNEY, R.H., Religion and the Rise of Capitalism, Harcourt, Brace and Company, New York, 1926.
- WEBER, MAX, The Protestant Ethic and the Spirit of Capitalism, George Allen and Unwin, Ltd., London, 1930.