TWO TYPES OF MEDIEVAL CITIES IN WESTERN EUROPE

By SHIRO MASUDA
Professor of Economic History

I

One historical and social concept, the true nature of which is very difficult for Japanese to understand is "Citizen." Although such terms as "Citizen of good sense" or "Citizens' rights and duties" are usually spoken of at the present time when democratic legislation and thought have been introduced into our public life, it is doubtful if the public well understands the true meaning of the word "Citizen," as distinguished from "Nation" and to what extent they may be familiar with what constitutes a citizen's morale and training. Frankly speaking, the sentiments as a rule governing our daily life are not those of citizens of Western Europe, but may properly be said to be a relic of the past social pattern, made up of a mixture of family traditions and Confucian practical morality. Therefore, one proper means to change Japan into a new society by appealing to a new moral following the pattern of the West is to make the public well understand the true nature of "Civil society" and appreciate the life sentiment in it. For the Japanese people, however, who, after more than 200 years of seclusion in the Tokugawa era, made the Meiji Restoration come to an end in a far from thoroughgoing reform, i. e. a compromise with old influences, the idea of "Civil society," such as witnessed in the West, as a form of collective life of the bourgeoisie, as contrasted to a state under absolutism, was far from materializing, even though they did accept the external or technical industrial revolution, and even to-day its materialization cannot be expected in a day.

The very fact that Westerners early in history created the idea of a "Civil society" as contrasted to "State," is very interesting to us Japanese. A survey in details, however, will reveal the fact that the idea in the West did not tend in the same direction. For instance, in England, the idea constituted the basis of economic and political life; in France, it was typical of political reform; while in Germany, despite its backwardness in the political as well as economic fields, a most thorough scientific system was established regarding the relationship between state and society, in-

dividual and society, etc. These complex circumstances well testify to the dissimilarity. In other words, civil society itself has been influenced by old traditions within every country, and political as well as economic conditions and tendencies. In order to grasp its true nature, a comparative study of social and economic conditions of each country under absolutism, and a careful study of the spread and influence of enlightening thoughts of the 18th century will be necessary. It would be impossible to understand the advanced and modern society of Western Europe without clarifying the blooming of bourgeoisie civilization.

In seeking for the reasons why the Orient lacks the idea of "Civil society," we cannot but think of the existence of a fundamental cooperative consciousness "esprit de corps" lying deep at the root of this idea, the absence of which distinguishes the Orient from the Occident. This implies, as Max Weber rightly pointed out,[1] the question of the existence of self-consciousness of "Citizens or burgesses" (Bürgerstand) of a town. It goes without saying that "Citizens" in a civil society since the 18th century, means "bourgeoisie," not mere "inhabitants of a town," much less inhabitants of a town in the sense of medieval or ancient times. But it can be concluded that the growth of the bourgeoisie and life sentiment in it had nothing to do with inhabitants of "Bourgs," because "bourgeoisie" and "Bourgs" had etymologically close connection. The bourgeoisie is a class which grew out of the feudal system and yet through denying it, and is considered to stand on self-consciousness that they belong genealogically to "Bürgerstand," regardless of its scale.

In fact, the idea of "Citizen," which had been existing since the Grecian-Roman period, and was revived in medieval towns in Western Europe since the revival of commerce in the 11th century, and has broadly been adopted in theories and legislations of modern state in a more advanced form, is almost undiscernible in the Orient, or it can properly be called a cooperative consciousness that has disappeared behind the history, without maturing. Roughly speaking, it is one of the most important fundamental criterion which differentiates the Orient and Occident. Admittedly, among Oriental countries, there is a considerable difference in social structure when a comparison is made of India, China and Japan. Japan may be considered nearest to the modern state of Western Europe in many respects of her scale and economic conditions, having in the process of her economic development skillfully adopted Western civilization.[2] But even in Japan,

[1] M. Weber, "Die Stadt. Eine soziologische Uutersuchung" *Archiv f. Sozialwissenschaft u. Sozialpolitik*, Bd. 47, 1921 (*Wirtschaft und Gesellschaft*. II Halbband, 2. Aufl. Tübingen 1925, pp. 514-601)

[2] The fact that Japan succeded in attaining industrial revolution during as short a period as half a century after the Meiji Restoration, forgoing ahead of other countries in the Orient, must be fully studied, together with the national character of this country, as a problem of historical significance, social as well economic, of the development of a State and as a problem

the idea of "Citizen" has never made such progress as in the West, the only exceptions being a few port towns such as SAKAI and HAKATA during a short period towards the end of medieval times.

It is not exaggerating, therefore, to say that the morality connected with family, clan, caste and ancestor-worship have been spread throughout the State and nation through the medium of Buddhism and Confucianism which thus made Oriental society, whilst the modern State of the West is based on the principles of town, citizen and community in its whole social life, with ancient and classical ideas, particularly Christianity providing the medium. In this respect, too, the special character of towns in the West in general and as regards the problem of civil society in particular, deserves our interest. In other words, what is no question for Westerners as being a matter of common sense is a very important and doubtful problem to Orientals.

I do not intend to cover so wide a field as to go back to the question why civil life that sprouted in the old Orient yielded to powerful military authority, or kings, whilst it attained a healthy development only in Greece and Rome; to put it concretely, why there was no absolute despotism in Greece and Rome, where, instead, the citizens, through the "City-State," freed themselves from the traditions of clans and ancestor-worship and switched to a more reasonable corporation of individuals.[3] The subject of discussion in this treatise is what significance medieval towns in Western Europe had in the growth of modern capitalism and what kind of historical and social features they displayed.

Were the medieval towns in the West all alike in their features? In this respect, I think most of the books on European history are open to the charge of treating medieval towns too much on the same level.

Admittedly, as M. Weber asserted, the character of the producers' town (Produzentenstadt) of medieval times as contrasted to the consumers' town (Konsumentenstadt) of ancient times, can be recognized as one classification medium, but a score of exceptional cases can be pointed out,[4] and just as there was a difference in the growth of civil societies as described above, it is imaginable that there was a wide difference among medieval towns in respect to outlook on life and the cooperative consciousness of citizens according to the economic milieu, political conditions, historical traditions, etc.

---

of economic morale. The analytical study of the reason for the existence in Japanese industry of modern characteristics parallel with relics of fudalism constitutes an important problems for sociologists in Japan to-day.

[3] Fustel de Coulanges, *La cité antique* (Paris, 1864, 28. ed.) chap. III is a classical study on this problem. Though at present many Conclusions are objected to, it is worth reading.

[4] For instance, H. Aubin, "Küsten-und Binnenkultur im Altertum" *Schmollers Jahrbuch*, Jg. 49, 1925, pp. 407-430; *Zum Übergang von der Römerzeit zum Mittelalter, Hist. Aufsätze f. A. Schulte* (Düsseldorf 1927), pp. 30-43.

M. Weber paid attention to this problem, too, and, suggesting a contrast between medieval towns, particularly in Italy, and those of regions north of the Alps, particularly those extending from the Low Countries to Northern France, regarded the latter as the most "genuine" communities of homo economicus.[5] Weber's conclusion, however, is rather a systematization, made from the sociological point of view, of the results of history, referring little to the reasons, particularly from the viewpoint of social and economic history, why such results were brought about. It is not proper to judge the fact that a certain area or typical difference in outlook and cooperative consciousness of citizens of medieval times, when State interference was yet scant and, as it were, a kind of world economic structure was formed economically centering around towns,[6] as a mere expression of national character. Then, in what circumstances did such a type originate and what has it to do with the growth of the spirit of modern capitalism? To have the two types of medieval towns in the West closed up from such a viewpoint is a task to be worked out first for the present.

We know very well that each of the innumerable towns which existed in medieval times differed in economic milieu, political conditions and tradition, but in order to understand the true meaning of history, it is essential to grasp correctly the one which is representative of the most intrinsic development and creation. We are forced, therefore, in the following study, to eliminate descriptions of local towns which have no direct bearing on the issue, although it would not be correct to ignore their historical significance. In the concrete, I shall lay emphasis in the present study on the towns of Northern Italy, the Low Countries, Northern France, Southern England, referring little to the towns of Burgundy, Southern France, Austria, the upper Rhine, the eastern Elbe, Northern England, Southern Italy, etc., as a logical conclusion derived from the fact that I value the historical role played by such towns from the above-mentioned viewpoint.[7]

In short, my objective is to compare representative medieval towns in both northern and southern Europe which economic historians usually take up as a matter of common sense. Naturally I am particularly interested in the aspect of the towns in northern Europe in connection with the problem of the spirit of modern capitalism.[8]

---

[5] M. Weber, *op. cit.*, pp. 576-583, 590-592, 597.

[6] F. Rörig, "Mittelalterliche Weltwirtschaft," *Kieler Vorträge*, 40, Jena 1933.

[7] The reason why I took up these two regions as representative is an idea taken from Weber's book mentioned above and from H. Pirenne's *The Revival of Commerce.*

[8] I cannot help criticizing Weber's well-known *Die Protestantische Ethik und der* > *Geist* < *des Kapitalismus* from the viewpoint of economic history.

II

It must be admitted that the medieval towns of Western Europe, contrary to the ancient towns which were characteristic of a community of soldiers, landlords and consumers, were cooperative bodies based on equality of individuals bent on obtaining peacefully a chance for economic profits, and having a common nature of conjuratio corporation formed by those who operated trade and industry. From this may be understood the difference, as an expression of type, between the "homo oeconomicus" of medieval citizens and the "homo politicus" of ancient times.

After the Mediterranean world was divided into east and west, and the western half merged the Germanic world into a new historic world, the "medieval town" came into existence from for the first time in the 11th century. These towns very little connected with ancient traditions, they were in fact new creation brought about as an inevitable consequence of the social and economic history at the middle of medieval times. The difference in the process of the growth of the medieval towns between Southern and Northern Europe can be understood in the light of their tradition and creative power.

For instance, the growth of a town in Northern Europe —— a northern base for the revival of commerce and an area where a town as an autonomous body was first established —— had its origin in its self-consciousness as a corporation (Gemeinde) of merchant communities, or "Wik," contrasting to the Bourgs (or burgs) of feudal princes.[9] These corporations came into being adjacent to the burgs, with the title of novus burgus, portus, Wik, Vorstadt, etc., standing face to face with burgs as a military, feudalistic or religious center —— such as Königsburg, Herrenburg, Domburg, etc. ——, and grew up at an early stage of the initiative of merchant guilds a kind of self-government within the very feudalistic system which it adjoined. If they were economically squeezed by feudal lords, by bishops and archbishops, this was a result of mutual interests; protection of merchants on the one hand and payment of tribute by the merchants on the other. The social structure of a "portus" or "Wik" was qualitatively far from feudalistic, a portent of the removal of feudalistic influence when the time had come. Theoretically there was nothing in "Wik-place" of the parastic

[9] Regarding the origin of medieval towns, various theories have been proposed since the middle of the 19th century, among which the "Merchant Settlement" theory advocated by S. Rietschel, H. Pirenne, F. L. Ganshof, C. Stephenson, etc. is recognized as authoritative. In recent literature, the following series consisting of three articles is excellent: —— H. Plantiz, *Kaufmannsgilde und städtische Eidgenossenshaft in niederfränkischen Städten in 11. und 12. Jahrhundert* (ZSRG. GA. Bd. 60, 1940, pp. 1-116); *Frühgeschichte der deutschen Stadt* (ZSRG. GA. Bd. 63, 1943, pp. 1-90.); *Die deutsche Stadtgemeinde* (ZSRG. GA. Bd. 64, 1944, pp.1-85.)

and submissive to political authority as witnessed in the Orient.

Defiant movements on the part of this economic power accumulated by merchants against feudalism either by revolution or in a peaceful way, taking advantage of political situations, reflect the activities of many towns and resulted in the formation of "communes" in the regions extending from the Low Countries to Northern France. Examples were Le Mans (ca. 1073), St. Quentin (1081), Beauvais (1099), St. Omer (ca. 1100), Aire aan de Leie (ca. 1100), Cambrai (1101–1102), Noyen (1108), Laon (1110), Amiens (1112), Cologne (1112), Valenciennes (1114), Soissons (1116), Ghent (1127), Bruges (1127), Rouen (1136), Treves (1142), Tournai (1147), Arras (1170–1190) and London (1191).[10]

What is particularly noteworthy for us Japanese in this respect is the fact that the "commune" was a conjuratio corporation (conjuratio, communitas, conspiratio, pax, amicitia, kore) constituted by citizens through resistance to the feudal powers, driving away the townlords by concerted efforts including also all the inhabitants in the adjacent burgs of feudal aristocrats generally under the leadership of a merchant gild in the portus or Wik, in short, combining both "Wik" and "burg." For the first time, "Citizen Law" (Jus civium) came into being, replacing "Merchant-Law" (Jus mercatorum), and the idea was established that a town was a special area of citizens of equal standing as distinguished from a farm village. Although it was after prolonged political negotiations that a "commune" became a complete autonomous body, it can properly be said that the foundation of medieval towns based on the spirit of self-defense and self-help was laid by this movement.

North European towns were thus established by a multitude of individual merchants, who had freed themselves from previous ties such as clans, ancestor-worship, feudalism, etc., and this nucleus later embraced handicraftsmen, agricultural citizens and other town inhabitants; in other words, they were established by the solemn pledge (conjuratio) of "universi homines infra murum civitatis et in suburbio (Wik) commorantes" —— many of the conjuratio included on equal terms citizens of over 15 years of age, though their age varied according to towns.[11]

These may be said to have been characteristic features of a town of the North European type. Although later town patricians (Patriziat), called meliores, prud' homme, Richerzeche, etc., rose to prominence within these towns and fought against members of gilds or Zunft over mastery of town administration, the power of these town-patricians could neither break the "traditionalism," which prevailed during the later part of the Middle

[10] H. Planitz, *Kaufmannsgilde und städtische Eidgenossenschaft*, p. 37 f.; K. Hegel, *Städte und Gilden*, Bd. I, (Leipzig. 1891), p. 73 f.; *Ibid.*, Bd. II, p. 161 f.; R. Koebner, *Die Anfänge des Gemeinwesens der Stadt Köln*, (Bonn, 1922), p. 325 f.

[11] H. Planitz, *op. cit.*, p. 46.

Ages, nor the "collectivism" of a small homogeneous society, and the North European towns could still maintain its character of a corporation of the middle class where the gulf between the rich and the poor was comparatively small.[12]

Contrary to this, the rise of towns in Southern Europe, particularly in Italy, took place in harmony between patricians belonging to the Lombards and citizens, especially rich merchants; or an urbanization of feudal patricians. This is attributable to the tradition of landlords (possessores) in ancient Rome who ruled their possessions in farm villages while residing in towns, and to circumstances peculiar to Italy that the feudal of the environs of towns had already been in progress of breaking up since early in the period of the crusades. Besides, it is presumed that the special relationship, political as well as economic, between Venice and Byzantine Empire had much to do with it.[13]

Be that as it may, town organizations in Italy were not as clear-cut as in Northern Europe, and the old towns in the south became weak in power, yielding to a special control of the Sicilian Kingdom and those in the north developed into territorial "Town-states" by uniting with feudal powers. The fact that Italian citizens, through the incessant break-up and struggle for political authority already in the 13th–14th century, or, as it were, on the eve of the Renaissance, eventually gave birth to a plutocracy and despotic tyrants is proof of their tendency towards the classic "homo politicus" from "homo economicus," and that the inseparable combination of politics and economy afterwards drove a number of those town-states toward imperialistic designs on their neighbours.[14]

No healthy life could arise from such a society; instead, the gulf between rich and poor became more and more aggravated and riots were successively staged by the lower classes. Internal strife resulted in a split into two disputing factions, the "Popolo Grosso" and "Popolo Minuto." Democracy and dictatorship alternated upsetting the balance of power at a slight impact, both political ideologies finding revolutionary advocates. Risk were taken and frauds committed for the love of money, money being the means of acquiring political power, which suggests the appearance of political objectivism and the unrestricted display of ability of individuals during the period of the Renaissance.

Even when there occured a movement for reform supported by passionate religious feeling, it reflected only a fanatic reaction to the vulgarized town life, but not a popularized healthy and pious way of life. The

[12] See R. Koebner, *op. cit.*, p. 235; M. Weber, *Wirtschaft und Gesellschaft*, p. 559 etc.

[13] Regarding the growth of Italian towns, aside from the wellknown classical books of C. Hegel, G. Luzzatto, *Storia economica d'Italia*, Vol. I (Rome, 1949), pp. 209-238 is recommendable.

[14] A. v. Martin, *Soziologie der Renaissance. Zur Physiognomik und Rhythmik bürgerlicher Kultur* (Stuttgart, 1932), pp. 5–17.

brawniness of the men of the Renaissance was far apart from a religious movement.[15]

When viewed from the standpoint of legislative history, even if there existed a similarity between Italian and North European towns, the sentiment of the citizens constituting such towns were very different.[16] This difference, which originated in the process of establishment, was brought about not only by divergent traditions and political situation at that time, but also by economic factors. In other words, it may be attributed to the economic background, a fact overlooked in economic history of the past. In the following chapter a comparative study will be made as regards the difference which existed in what were alike called "merchant" or "commercial capital." Because the very difference is considered to have played a decisive role in giving birth to the life sentiment of "citizens" and the spirit of modern capitalism.

III

From the historical point of view, medieval towns can not be regarded as a blocked-up economic unit of self-sufficiency as asserted by some political economists. The citizens of those towns had a dualistic character "to live closely and to think widely," and their economic activities not only controlled the adjacent farm villages, but also had a disposition to connect themselves with as distant markets as possible beyond the frontiers of the feudal lords' domain. The fact that a town, having little national consciousness in the economic field, called citizens of other towns within the same state "foreigners" suggested the possibility of a sort of world economy of an international character. Professor F. Rörig laid stress on the initiative spirit of merchants in remote places by stating "Der eigentliche Lebensnerv der gesunden mittelalterlichen Stadt von Rang ist aber der Fernhandel, sein Betätigungsfeld nicht die nähere Umgebung der Stadt, sondern die Welt, der in ihm rege Geist nicht Kirchturmpolitik, sondern Denken in weite Räume."[17] This was not because he was an expert scholar on teutonic Hanse but because he thought much of international character of the medieval towns as mentioned above.

Two apparently opposite sides of the citizens' spirit which was festered within such towns can be pointed out. Medieval citizens, though in a

[15] Regarding this problem, Engel-Janosi, *Soziale Probleme der Renaissance* (Stuttgart, 1924) can be recommended as a study of interest.

[16] For instance, how the system and name of "consules" became popular north of the Alps.

[17] F. Rörig, *Mittelalterliche Weltwirtschaft. Blüte und Ende einer Weltwirtschaftsperiode* (Jena, 1933), pp. 30–31; *cf.* F. Rörig, Rheinland-Westfalen und die deutsche Hanse, *Hans. Gbll.* Jg. 1933, pp. 17–51.; "Unternehmerkräfte im Flandrisch-Hansischen Raum," *H. Z.* Bd. 159 (1939), pp. 265–286.

different degree, lived outwardly by bargaining, fraud and adventure, but inwardly were bound by tradition, faithfulness and order. While most handicraftsmen did not necessarily participate directly in trade activities, it is considered that merchants, from the very first, combined these two spirits, which were peculiar to the frank and easy but exclusive character of the towns.

However, when we consider the living foundations of the citizens of South and North European towns, we find a big difference in economic conditions and environments. This difference has connection with the limit of profitability of so-called "commercial capital."

Roughly speaking, without showing examples in detail, the activities of Italian towns centered on imports of various commodities from the Orient, South Asia and the Far East through eastern bases in the Mediterranean as transit ports on the one hand, and in exports of metals, especially silver produced in Southern Germany, which were most liked by Orientals and some amount of high-grade woollens on the other.[18] The most important source of profits was constituted by commission on intermediary trade of luxuries, and spices particularly pepper. This was an intermediary trade between two places of commodities or between two poles where the price structure was ambiguous. Commodities traded were generally limited to special luxuries produced in specified places such as pepper, spices, jewels, silk and silk tissues, ivory, etc. As a result, prices were unstable, being decided not so much by reasonable and objective conditions as by bargaining, competition and fraud with risk of adventure on the way of transportation —— piracy, shipwreck, etc. —— which risks had to be included in sale prices. No noteworthy industry was developed in any influential town in Italy, with the exception of a textile industry in Florence peculiar to early-stage-capitalism, derived from intermediary trade of commodities, and due to the fact that the huge commercial capital available was not used for investment in healthy industrial production, but was converted into usury capital and unhealthy international speculation. In other words, the territorial expansion of Italian towns was not for the protection and development of domestic industries, but for profiteering from intermediary trade and for a monopolistic position, military as well as political ; a policy of the medieval imperialism without industrial foundation. The struggle for supremacy between Venice and Genoa, Pisa, etc. evidences this situation.

What Henri Pirenne described in his book[19] "the volume of Hanseatic trade certainly equalled if it did not surpass that of the Mediterranean,

[18] For details *cf.* A. Schaube, *Handelsgeschichte der Romanischen Völker* (München u. Berlin, 1906).

[19] H. Pirenne, *Economic and Social History of Medieval Europe*, tr. by I. E. Clegg (London, 1936), p. 151.

but it certainly involved a smaller capital. The value of the merchandise in which it dealt was not such as to permit of the big profits resulting from the sale of spices; a heavy expenditure was necessary to bring in a small return. Thus it is not surprising that we do not meet in the Hanse towns those powerful financial houses which gave medieval Italy the financial hegemony of Europe. There was a wide gulf between firms like the Bardi or Peruzzi and honest merchants such as Wittenborg at Lübeck, Geldersen at Hamburg or Tölner at Rostock, and the contrast was equally great between the perfected commercial technique of the former and the unsophisticated methods of the latter" is an ingenious explanation of the above mentioned contrast, which was derived from the difference in economic foundation.

Merchandise handled by citizens of Northwestern Germany, the Low Countries, Northern France, etc. were never monopolistic luxuries of an ambiguous price structure which promised unlimited profits, as it is clearly explained in the documents of Teutonic hanses and the "Handlungsbuch" by Vicko von Geldersen, Johann Tölner, Hermann and Johann Wittenberg etc.[20] The development of commerce during the 13-14th century, though not yet complete, had already reached a stage in which North European traders united in an almost uniform price structure, which was witnessed even in the migrations of handicraftsmen and labour between Flanders — Brabant — Holland and England. In the days around the Hundred Years' War, the price of Bordeaux wine and its production were soon reported to Bristol and controlled the amount of exports of woollens from there.[21] The same thing can be proved regarding the relationship between the Teutonic hanses (Hanseatic Kontor) in Nowgorod, Wisby, Bergen, London, etc. and other towns surrounding the Baltic shores and Bruges.

Merchandise handled most in trade markets, which had gradually been unified firstly through Champagne fairs and later literally through world markets (Bruges) were daily necessaries such as wool, woollens, linens, wine, herrings, metal manufactures, salt, etc. Particularly the trade in woolens, which started with Flanders as a center, had great importance. The revival of commerce in Northern Europe, different from the case in Italy, was established with domestic industries such as the manufacturing of woollens. Particulary, the towns of Flanders had already an industrial character in the 12th century.[22] It was during the Hundred Years' War, or the latter

[20] H. Nirrnheim (bearb. b.), *Das Handlungsbuch Vickos von Geldersen* (Hamburg and Leipzig, 1895); K. Koppmann (hrsg. v.), *Johann Tölners Handlungsbuch v. 1345–1350* (Rostock, 1885); C. Mollwo (hrsg. v.), *Das Handlungsbuch von Hermann und Johann Wittenborg* (Leipzig, 1901).

[21] As the most recommendable among latest treatises, *cf.* E. M. Carus-Wilson, "Trends in the Export of English Woollens in the 14th Century," *Econ. H. R.*, 1950, pp. 162–179.

[22] H. Pirenne used the following words in expressing this: "A real industrial revolution, of which we do not, unfortunately, know the details, accompanied this transformation of a rural industry into an urban one." (*op. cit.*, p. 44)

half of the 14th century, that England created a woollen industry instead importing woollens at high prices from Flanders in exchange for raw wool.[23]

Although the Hanseatic towns were characterized by an intermediary trade of far more commercial colour than those in Flanders, the producing places were at relatively short distances, and trade was between two places where prices were more clearly established than in Italian towns, and moreover, the traded merchandises were mostly daily necessaries. It is presumed, therefore, that an exorbitant price was restricted by the limit of purchasing power of the public and there was a certain limit on profit rates. To regard the merchant at the period of the rise of town like St. Godric of Finchale, or the merchant of Staplers or Merchant Adventurers as of the same class as Italian merchants, who, devoting themselves to the pursuit of power and reputation, built up town states governed by aristocratic merchants, is entirely unallowable in spirit, scale and difference of profit rates.

We can presume two types of "commercial capital" and "merchant ethos" from a simple comparison of economic foundations between South European and North European towns. Firstly, as regards commercial capital, that of Italian towns, turning into money changing (exchange) and usury capital, gradually became a huge, early-stage-capitalistic, and international-financial capital, and gave birth to cosmopolitan individuals and a powerful plutocracy. Contrary to this, the capital in North European towns could at most produce a number of companies under a system of joint-ownership (Reederei) of vessels or joint-stock, side by side with small scale exchange or usury. In the field of the woollen industry, there were many who, turning into drapers or clothiers, chose either to control by virtue of capital various house industries — Verlagsystem — or to become proprietor of "manufacture." In a word, even if they had the motive common to merchants "to purchase as cheap as possible and to sell as high as possible," the difference in economic backgrownd between the two, brought about a qualitative difference in character of citizens.

The spirit of merchants of both Northern and Southern Europe was the same in that it was of a medieval "dualistic character," with one pole formed by bargaining, fraud and adventure and another by tradition, faithfulness and order. But contrary to Italian merchants who stretched these poles as far as possible, North European merchants, forming a unified market with a comparatively clear price structure, felt the necessity of bringing the two poles closer. Herein lies the reason for the collective strength of North European citizens in preserving the order of cooperative life through the morale of a town corporation based on self-defence and

[23] H. L. Gray, "The Production and Exportation of English Woollens in the Fourteenth Century," *Eng. H. R.*, Vol. XXXIX (1924), pp. 13–35.

self-support, contrary to Italian citizens at the end of the Middle Ages who continued in giving full swing to their individuality. The task of unifying these two contradictory spirits of a dualistic character necessitated the inevitable disintegration of special-class citizens having a background of a long social economic history, and the appearance of a new strata which could shoulder the responsibilities of industrial production. In other words, a new spirit capable of coping with a newly-born society could not be brought about merely by conquering the dualistic character of the above spirit. This is the important point in Weber's study.[24]

Meanwhile, who can affirm that the contrast between the South and the North, coming gradually to the surface since the 13th century, had no bearing upon the establishment of the "spirit" of modern capitalism? I think here lies one of the important questions which has rather been laid aside.

IV

However, it would be dangerous to argue by connecting the above mentioned facts directly with the spirit of modern capitalism. Historical researth in detail requires reinvestigation of the problem proposed by M. Weber, R. H. Tawney, etc.;[25] particularly the arguments of G. Unwin, P. Mantoux, H. Heaton, etc. on the question who was the real contributor to the development of the woollen industry in England should be thoroughly analyzed and understood.[26]

But here the question requiring immediate attention is not the industrial revolution. What is very curious to us Orientals is why protestantism and catholicism were to show a geographical distribution like the present, which is well-nigh impossible to explain only by political history. If it is contended that protestantism was supported, as Weber said, by inner-worldly (inner-weltliche) asceticism and a reasonable spirit, had not the foundation existed within the cooperative life of the citizens of the medieval towns of Northern Europe, particularly the industrial towns in the Low Countries? It would be unnecessary to compare the economic ethics of Benjamin Franklin (1706–1790) with that of Jakob Fugger (1459–1525), who lived in a different age, though they exemplify the contrast between

[24] Regarding this difficult problem, M. Dobb, *Studies in the Development of Capitalism* (London, 1946), which supports Marxism and M. Weber's renowned contention of *Die protestantische Ethik und der »Geist« des Kapitalismus* may be contrasted.

[25] M. Weber, *Die protestantische Ethik und der »Geist« des Kapitalismus;* R. H. Tawney, *Religion and the Rise of Capitalism.*

[26] *Cf.* G. Unwin, *Industrial Organization in the Sixteenth and Seventeenth Centuries,* 1904; P. Mantoux, *La Revolution industrielle au XVIIe siècle en Angleterre,* 1906; H. Heaton, *The Yorkshire Woollen and Worsted Industries,* 1920, etc.

Protestantism and Catholicism as Weber did. These two men were possessed of superior master minds, and it is more important to analyze and understand the psychology of the common people of the same age. The life outlook of the public is surprisingly influenced by political and economic foundation and milieu on which their country or district exists. The ethics of a "healthy middle class" can hardly be found among merchants of an adventurous turn of mind. It can only be realized in a society where profits under a reasonable plan are guaranteed and the process of production is comparatively clear. The North European towns possessed conditions much closer to such a society than the Italian towns. The growth of North European towns was, properly speaking, based on the conjuration (conjuratio) of persons who enjoyed equal rights and duties, and the ideal of the conjuratio was vulgarized by a tendency towards christianism as expressed by the term "Treuga Dei" (Gottesfriede).[27] The big influence on legislation of the small parish which had a character of a corporation inside the town and the important role the parish as a unit played at the time of the religious revolution well proves the above fact.[28] Therefore, to seek the origin of towns only in the old Germanic spirit, as H. Planitz did, is an assertion that goes too far.[29] This old Germanic spirit cannot be denied, but Christian cooperative consciousness was just as important. This fact speaks for itself in that the orderly town life was inseparable from the spread of protestantism as witnessed, for instance, in the relations between Calvin and Geneva and the development of New England.

Judging from the above, it would be impossible to understand the new religion in Western Europe without taking into consideration the cooperative life of "citizens." Furthermore, the fact that various social and economic policies of the State were after all the result of the materializing of the spirit of "services to the public" and "promotion of welfare of the cooperative body" can easily be understood when attention is paid to the connection between the policies of the Tudor dynasty, for instance the poor law, unemployment insurance, etc., and the various policies adopted since the Middle Ages by the towns of France and Germany, especially by such progressive commercial and industrial towns in Flanders as Bruges, Ypres, Ghent, etc.[30] Besides, there are innumerable instances of medieval town institutions such as the military system, tax action, the municipal council etc. which have theoretically been adopted by modern states.

To sum up, modern society in Western Europe and the capitalistic

[27] Luise v. Winterfeld, "Gottesfrieden und deutsche Stadtverfassung," *Hans. Gbll.* Jg. (1927), pp. 8-56.

[28] A. Schultze, *Stadtgemeinde und Reformation* (Tübingen, 1918).

[29] *Cf.* above mentioned literature (9).

[30] W. Ashley, *The Economic Organization of England*, 8th ed. (London, 1923), p. 112; H. Pirenne, *Economic and Social History of Medieval Europe* (London, 1936), pp. 219-223.

spirit are closely connected with the citizens' life outlook of North European towns in medieval times, the old spirit of these towns constituting an influential source which accelerated modernization on a large scale.

In the Orient, however, as Weber pointed out, the above mentioned self-consciousness of "citizens" of a medieval town has, generally speaking, had no chance of growing up until to-day. The caste system in India made "convivium," as seen among medieval citizens in Western Europe, absolutely impossible, and the racial combination or tradition of ancestor-worship in China produced special guilds such as that of "Chinese merchants residing abroad" for commercial profits. Both have failed to stimulate the formation of a State, keeping the racial combination as strong as it was in ancient times. Medieval towns in Japan, with few exceptions, continued to be subservient to feudal lords, and were far from any inclination to create "citizens" (or Stände) by uniting the whole social order in legislation that would lead to the Western parliamentary system. They could merely establish their own arts but imitated the life and culture of the military (SAMURAI) class. After the Meiji Restoration, they merely contributed to making possible the appearance of new capitalists as a combination of plutocrats and outgoing political powers, but had no industrial capital rooted in domestic industries, This may also be considered a natural consequence of the poor resources of Japan.

Citizens in Japan are not yet prepared to make sacrifice in opposing absolute rule in the sense of a modern bourgeoisie, but are inclined to believe that the prosperity of the State will raise their own status in the world. This attitude of catering to the policies of superiors, has held sway over this country until quite recently.

In face of the revolutionary trends of democracy in our country, we should first of all clarify the real meaning of the modern citizen's consciousness and find its origin by tracing capitalism to its source. Having much interested in the special character of the medieval towns of Western Europe, particularly North European towns, I cannot but deeply reflect on the historical as well as sociological status of these small communities. The question what way Japanese society will choose in its democratization is very hard to answer. This treatise only purports to point out a few characteristics by comparing the medieval towns of the West and the Orient.