The Long Journey Toward Capitalism

Feudal society had been established by the eleventh century: within the framework of the estate, the organization of production (bondage, forced labor, corvée) and the extortion of surplus labor (in the form of rent in labor) were carried out for the benefit of the seigneur, an exalted landlord and possessor of political and jurisdictional prerogatives.

Hardly had feudal society been established, however, when the process of its decomposition began. Rent in labor changed into rent in kind or in money, with the development of free labor and forms of peasant property. Simultaneously there was a renewal of commerce through commercial fairs, reactivation of the artisan class (in the framework of the guilds), a renaissance of urban life, and the formation of a commercial bourgeoisie. It is in this decomposition of the feudal order that the formation of mercantile capitalism took root.

Over a period of several centuries the “long journey” toward capitalism extended in this direction: a complex and interlocking process which involved the formation of merchant and banking bourgeoisies, the appearance of nations and the establishment of modern states, the expansion of trade and domination on a world scale, the development of techniques of transportation and production, the introduction of new modes of production and the emergence of new attitudes and ideas.

The first stage of this long journey was marked by the conquest and pillage of America (sixteenth century), the second stage by the rise and affirmation of the bourgeoisies (seventeenth century).

Colonial Pillage and Wealth of the Prince (Sixteenth Century)

The Crusades were the opportunity for the formation of considerable fortunes, among others the legendary one of the Templars. Commerce, banking and finance flourished first in the Italian republics of the thirteenth and fourteenth centuries, and then in Holland and England. With the inven-
tion of the printing press, progress in metallurgy, the employment of water power, and the use of carts in the mines, the second half of the fifteenth century was distinguished by a clear advance in the production of metals and textiles. During this time the first cannons and other firearms began to be produced, while improvements in the construction of caravels and in navigational techniques allowed for the opening up of new maritime routes.¹

Capital, more abundant merchandise, sailing ships, and weapons: these were the means of expansion for commerce, discoveries, and conquests.

In the same movement and upon the same base of the decomposition of the feudal order, great monarchs joined forces together through marriages and carved out empires and kingdoms from the conquests of war. Well before national unity was achieved, the strengthened states worked to enlarge their autonomy in relation to the papacy. The clamor for the reform of the Church opened the way for the Reform, which became a war machine against the Pope. While the morality of the Middle Ages extolled the just price and prohibited lending at interest,² this morality had already been seriously unsettled by the time Calvin justified commerce and lending at interest, before he went on “to make of commercial success a sign of divine election.”³

Monarchs greedy for greatness and wealth, states battling for supremacy, merchants and bankers encouraged to enrich themselves: these are the forces which inspired trade, conquests, and wars; systematized pillage; organized the traffic in slaves; and locked up the vagabonds so as to force them to work.

What Western history calls the “great discoveries” enter at the junction of this twofold dynamic: in 1487 Bartholomeu Diáz rounded the Cape of Good Hope; in 1492 Christopher Columbus discovered America; in 1498 Vasco da Gama, having skirted Africa, arrived in India. A great hunt after wealth—trade and pillage—began.

The Gold of America

Following the return of Columbus with reports of the New World, the Council of Castille resolved to take possession of a land whose inhabitants were unable to defend themselves. “The pious purpose of converting them to Christianity sanctified the injustice of the project. But the hope of finding treasures of gold there, was the sole motive which prompted them to undertake it. . . . All the other enterprises of the Spaniards in the new world, subsequent to those of Columbus, seem to have been prompted by the same motive. It was the sacred thirst of gold. . . .”⁴ Hernán Cortés, conqueror of Mexico, confessed: “We Spanish suffer from a sickness of the heart for which gold is the only cure.”

In 1503 the first shipment of precious metals arrived from the Antilles; in