How did the Changing Economic System in 16\textsuperscript{th} and 17\textsuperscript{th} century England Contribute to the Emergence of the Modern British Political System?

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Politics can be messy, dirty, and disrespectful. It can also lead to enlightened legislation that pushes a country into modernization. Chancellor Bismarck, among others, has been attributed for the idea that “politics is the art of the possible”. A historical examination of this quote reminds us of the growing power of 19\textsuperscript{th} century Germany but also can attest to political players and power struggles worldwide. Any study of a country's political system would be incomplete without knowledge of its major political parties. Whether it be the Democrats and Republicans in the United States, the PRI and PAN in Mexico, United Russia in Russia, or the CCP in China, an understanding of the conditions that led to the development of these parties is the key to unlocking a country's political history.

The flexibility of the British constitution has allowed the development of “a unique set of institutional arrangements” (Kavanagh) in the United Kingdom including parliaments in Scotland and Wales, and a still-emerging system in Northern Ireland. But, what are the roots of the modern political system in Britain? This essay will take a closer look at the development of the British political system and will attempt to connect the development of British political parties to shifts in European economics during the 16\textsuperscript{th} and 17\textsuperscript{th} century.

Economic expansion prior to the Industrial revolution remains an area of unresolved debate and discussion. The period known as the ancien regime falls in between the much-studied Renaissance and the Industrial Revolution. This was an era that saw massive changes in agricultural practices, living patterns, occupations, and worldwide trade for Western Europe. Gains in population had ceased due to a variety of factors including the spread of epidemic diseases, climate change including what is known as “the little ice age”, and a shift upwards in the age of marriage, which contributed to a declining birth rate (deVries). The combination of these factors and others transformed the way that people worked and lived. New inventions such as the knitting frame, ribbon frame, and the windmill cut the time needed for the manufacturing of textiles and challenged the supremacy of the powerful guilds. The market responded with new innovations and soon a demand was born for these new textiles as well as
imported goods from Asia. This in turn gave birth to a new class of merchants who realized the benefits of establishing trade routes. By the 17th century, the age of exploration had developed into an age of trade. Britain, following the lead of the Dutch Republic took the lead by means of a variety of reasons, including providing products for its colonies in America. The threat of financial ruin was high; as many as one-third of the voyages ended in disaster (deVries). But numerous merchants and traders still rolled the dice and risked all for a chance to share in the skyrocketing profits.

The creation of large corporations like the British East India Company helped to share costs and risk. Royal charters were granted that created monopolies; in 1660 Charles II granted a 1000-year charter to the Company of Royal Adventurers to protect against “interlopers” in the African trading route (Richardson). Profit margins were also linked to the ability to borrow capital; merchants were hampered by the ability to raise capital for travel, suppliers, and a multitude of other transaction costs. In order to establish credit, financial institutions like the Bank of England (established in 1694) were chartered as “place of reserved assets” Even the British government became dependent upon this private corporation “which assumed responsibility for managing the government’s debt, particularly the arrangements to cover any short-term borrowing required to meet day-to-day expenditures in anticipation for revenues from taxation or from long-term loans” (O’Brien). These factors and others led to a new connection with the British government. A new fiscal state was fashioned from a union of trade and empire, and the state began to drive the economy. In the words of deVries, “Capitalism created its own demand” and this demand in turn led to a change in the function of government as well as a new brand of political power. But did this union of trade and state help contribute to the development of the modern politics in Britain? The pieces of the puzzle are there, yet difficult to connect.

Studying contemporary British politics invariably leads to questions about the historical development of its political parties. The most common way to classify parties is using the “left-right dimension” that dates back to the French Revolution in 1789 when the nobility, sat on his right side and the commoners sat on his left side. To simplify, liberalism became the voice of the commoners and later, the developing middle class while conservative voices echoed the sentiments of the aristocracy and clergy who sought to protect society from change. These positions were used to clarify members of the allegiance to the Church and the local hierarchy. Although a simplification of a complicated long-term change of beliefs, the growing split between political factions can furthermore help explain the motives to establish a secular representative government with separation of Church and State by liberals, while generally conservatives followed the medieval model that proclaimed the divine right of kings. In examining the psychology of the classic spectrum, Eysenck claimed in 1957 that identification on the
left-right spectrum can also be looked at when considering “open-minded versus dogmatic and tolerant versus dictatorial” (Kavanagh).

As capitalism developed in Great Britain, France, and beyond, the liberal movement became related to the desire of merchants and new business owners to do away with the “feudal systems of economic control such as mercantilism, family ownership of land rights, and oppressive taxation used to fund the living expenses of royalty” (Price). Ideas that are connected to classic liberalism include those of John Locke (1632-1704), a British spokesman for the need for limited government and the consent of the governed. Locke's thesis also includes the importance of overthrowing any government that does not fulfill its responsibility to its citizens. One the other hand, classic conservative ideals include those of fellow countryman, Edmund Burke (1729-1797), who embraced tradition and the wisdom gained from time-honored institutions, and who attacked the idea that there are universal laws and principles that fit any occasion (Kavanagh). A clear connection can be drawn using these two great thinkers to the political spectrum of today. But in connecting the great thinkers of the Enlightenment to the development of 16th century politics requires more that just a comparison of Locke and Burke. The development of the modern British state “can be characterized as a process of peaceful evolution, rather than a series of revolutionary crises, as experienced by an array of contemporary, mainland European states” (Kavanagh). Both the Cromwell challenge, and the Glorious Revolution helped in the development of the parliamentary system in Britain. Important instances in the development of the current British Parliamentary system include the passage of the British Bill of Rights in 1689 which created a parliamentary monarchy, the passage of the Reform Act in 1832 which created the “golden age of Parliament” which led to the establishment of the House of Commons as the most important player in British politics, and finally the updating of the Reform Act in 1867 which established party rule in Parliament (Kavanagh).

While there is no actual British Constitution and its legal principles are not codified, in actuality British law in large part is documented through common law, legal rulings, and statute law. Common laws are “those traditional laws handed down over generation by custom and precedent”. They can be overruled by the courts or limited by statute law. Statute laws are laws made by Parliament and these are a large source of the constitution. These include the Petition of Rights in 1628 which was instrumental in checking the power of the king by declaring that:

No taxes may be levied without consent of Parliament; no subject may be imprisoned without cause shown (reaffirmation of the right of habeas corpus); no soldiers may be quartered upon the citizenry; martial law may not be used in time of peace (Kavanagh).

This was a significant step towards the establishment of a strong Parliament and a reduction in the
power of the crown.

A more drastic step towards the rights of commoners occurred with the passage of the English Bill of Rights in 1689 of which John Locke was a major contributor. It combined past grievances against the deposed king with a more general statement of basic liberties. The statute:

“Prohibited the monarch from suspending laws or levying taxes or customs duties without Parliament's consent and prohibited the raising and maintaining of a standing army during peacetime. More importantly, it proclaimed fundamental liberties, including freedom of elections, freedom of debate in Parliament, and freedom from excessive bail and from cruel and unusual punishments” (The Avalon Project).

The passage of the Act provided Parliament with the legal power to limit the power of the monarch on a not-yet-seen-before level. Upon signing the Act, King William was set to have remarked, “We thankfully accept what you have offered us,” and agreed to be subject to law and to be guided in his actions by the decisions of Parliament (Duhaime).

While the landmark Petition of Rights Act and the English Bill of Rights can be seen as the first step in ushering in the modern era by curbing royal authority, a closer look at several other important acts can assist in making the connection between the creation of economic policy and the development of political parties. One of the first debates that divided the developing factions concerned the enclosure of the common fields, which resulted in the deeding of private property and the creation of property laws. There were some 900 enclosure acts between 1760 and 1780, and the General Enclosure Act was passed in 1801. Debate centered over those who believed that the practice led to “the delay of tillage, idleness, and the impoverishment of the realm” (Wrightson), with the idea that profits and innovation could be achieved through the enclosure of the common lands. Politically the debate stirred emotions on both sides but generally conservative landowners were supporters of enclosure while those in opposition can be considered early liberals.

The emergence of what Wrightson and others call the “the Middle sort of People” caused another shift in the British economic and political landscape. Successful merchants and traders in the early part of the 17th century sought to culturally emulate the nobility. This included the practice of philanthropy such as hospitals, libraries, public lectures, and a “culture of sensibility and self-improvement”. Civic responsibility also emerged from this growing class of people (Wrightson). A passionate political debate related to the idea of civic responsibility that began during the 16th and 17th centuries concerned the so-called English ‘Poor Laws’. Providing assistance to tenants and neighbors-in-need is part of “the tradition of ‘noblesse oblige’ [which] gained popularity between the 17th -19th century in Great Britain. This included the idea that “gentlemen served while tradesmen gained” and can best described as the development of philanthropy among the British aristocracy (Hampden-
As early as 1536 laws were passed to allow local authorities to survey the poor and then impose taxes to assist in their relief. Nevertheless, these early laws, while helping some of the struggling population, did qualify need as the “poor from whose poverty was deemed to be the consequence of their own moral default,” (Wrightson) and left out many who needed help. Most of the rural poor did not qualify for relief, as many of these statutes centered on the urban poor. The poor laws of 1598 and 1601 empowered local parishes as wards of the poor and gave them responsibility of assessing tax rates on local citizens and businesses to help the poor. “The poor relief system as a whole, then, was designed to meet both the potentially destabilizing levels of general impoverishment precipitated by short term economic crises and the more permanent problem of poverty occasioned by long-term economic and social change” (Wrightson). There was opposition to the passage of the Poor Laws and their amendments with the main demands for a reform coming from landowners in the poverty-struck rural south. Generally, those who were opposed saw this type of relief as a costly handout that was borne by the wealthy while regarding “pauperism among able-bodied workers as a moral failing” (Encyclopedia Britannia). A series of government checks were established to answer this charge that included residence requirements for relief and eventually the creation of workhouses.

The opposition to the Poor Laws culminated in the passage of the 1834 Poor Law Amendment Act [PLAA] by the Whig government (Bloy). The main reform measures included the establishment of workhouses. A man claiming relief was required to enter a workhouse bringing his entire family. If a man claimed relief, his entire family would also have to enter the workhouse. Dependent upon the time period, the family unit would then be subjected to the humiliation of “separation”. “One of the harshest elements of the 1834 Poor Law Amendment Act was the practice of splitting up families as a deliberate policy. Keeping husbands and wives apart prevented them from "breeding" — a term used by the middle classes who thought that the poor produced more and more children in order to claim greater amounts of money from the poor rates” (Bloy). Proponents and the opponents of the laws led their ranks into open debate in Parliament. However, as more and more people needed assistance, a backlash developed and eroded the sense of responsibility that had established the Poor Laws. [The] “moral economy' was being replaced by 'political economy': that is, the moral obligation of the rich to assist other people in society who were ill, aged, unemployed, widowed or orphaned (for example) was replaced by a cash nexus that had no moral obligations” (The Victorian Web). Both politicians and political writers of the day agreed that some form of poor relief had to be retained but that the existing systems had to be overhauled thoroughly. The 'traditional rights' of the poor to claim poor relief in times of hardship were eroded. A case can be made for connecting both the Poor Laws and the establishment of workhouses to the development of political parties but in attempting to connect the
acts and their subsequent amendments some difficulty arises. While certainly a correlation can be made that connects the establishment of these acts to liberalism, and the opposition to conservative notions, the connection becomes more fluid after that initial bond is considered, as there were gentlemen and members of the aristocracy on both sides of this important issue. Therefore, for a more exact connection to be made would require more thorough research.

There are several theories surrounding the origins of English political parties. The most probable surrounds the barring of Roman Catholics from public office by an act of Parliament in 1678 when there was fear that James, Duke of York, a Catholic, was to be placed on the throne after the overthrowing of this brother, Charles II. The king saw the act as a threat to royal authority and dissolved Parliament in retaliation. Soon two factions appeared: those who supported the king’s action and those who opposed it. Thus, the beginning of political parties in England revolved around religion as so many schisms have before and afterwards (Flanders). In time two parties, the Abhorrers and the Petitioners were established as the members of Parliament became more divided in their quest for a better form of government. Ultimately, the supporters of the king (the Abhorrers) became known as the Tories. In direct opposition, the Petitioners became known as Whigs. These two political parties remained dominant until the 1830’s. Internal strife and changes in the political arena resulted in the renaming of the Tories as the Conservatives, “while the Whigs together with more progressive elements from the old Tory party started to describe themselves as the Liberals in the 1850s” (Flanders).

The Liberal Party took on the progressive causes of the day “including social reform, personal liberty, reducing the power of the Crown and the Church of England, avoidance of war and foreign alliance, and above all free trade” (Economicexpert.com). By the late 19th century, the Liberals had become the party of enfranchisement and labor legislation. Generally, a Liberal voter was a member of the urban working class, or perhaps a philanthropist or philosopher, and surprisingly even a developing group of so-called ‘rural radicals’ an area that generally voted for the Conservatives (Lynch). Sir William Vernon Harcourt, quoted by Norman Wilde in The Problem of Liberty, said in 1878 that “the function of the Liberal Party [is to] consistently…maintain the doctrine of individual liberty. It is because they have done so that England is the country where people can do more what they please than in any country in the world”.

The supporters of what would become known as the Whig party, originally coined the term “tory”, as an insult for the Irish backers of the succession of James II. The word then came to mean a strong belief in religious uniformity, and hereditary right to the throne. After the Glorious Revolution of 1688, most Tories acknowledged the notion of limited royal power, but the party continued to be closely tied to the Church of England. The word “conservative” was coined in Britain around 1824 and
was also widely used as a way to describe church supporters who supported an aristocratic government and limited voting rights. It was during the leadership of Sir Robert Peel that the Conservative Party first formed a majority in Parliament. His classic manifesto, The Tamworth Manifesto brought together differing strands of British a new emerging business class and led the charge to moderate the Poor Law of 1834 while leading the charge to defend the rights and privileges of landowners and landlords. However, when Peel led the repeal of the Corn Laws in 1846 it caused a break in the alliance that brought about a split in the new party. The “Peelites” later merged with the Liberal Party, and the loss of William Gladstone and other young members of the party leadership further hampered the Conservatives.

When Sidney and Beatrice Webb, George Bernard Shaw, and other socialists who believed that “state management and control of economic activities would be more efficient than unregulated capitalism” founded the Fabian Society in the late 19th century. Such ideas led to the establishment of a new party called the Labour Party. The Fabians backed the fledgling party and believed that if Labour was able to gain a majority of seats, it could change British politics and culture to achieve its goals.

The current Labour Party was created in 1900 with the name being adopted in 1906. While founded with a definite left leaning slant, Labour may “owe more to the Methodism than Marxism” (Kavanagh). It was able to distinguish itself from the Liberal Party by its call for public ownership of major industry, full employment, and a call to redistribute wealth to the working class. The New Labour Party was created in the early 1990's under the guidance of Tony Blair. New Labour challenged the traditional tenets of the Labour Party by making a commitment to end tax and spend policies, and reforming the unions. Current Prime Minister Gordon Brown is suffering through an economic crisis and the next national election should prove to be a challenge.

The Conservative Party is currently the second-largest party in Parliament. The Conservative Party of the 20th century has been called “the most successful right-wing party anywhere in the 20th century” and was in office alone or in coalition for 67 years. The party's long period of dominance can be traced to the split with the Liberals over Irish Home Rule in 1886 (Kavanagh). Generally, the modern Conservative party places emphasis on tax cuts over social spending, and take a traditional stance on law and order.

In looking to connect the modern British parties with the passage of important economic changes and related legislation in the 16th and 17th centuries, a clear correlation is difficult to establish in such a brief paper. Certainly, the Petition of Rights Act, the English Bill of Rights, the Enclosure Acts, and the Poor Laws all contributed to the development of factions and early political parties in Britain. Thus, the roots of both the modern Labour and Conservative Party can be tied to the time
period directly before the Industrial Revolution. But not surprisingly, given the current political climate in Britain, the family tree is the same—*classic liberal thought*. The modern ideas of liberty and property rights were nurtured as the modern economy developed and took root in 18th and 19th century Britain. While the Labour Party may currently be placed to the left of the Conservatives both parties are supportive of the middle class, and owe a debt to the immemergence of the modern economic system. In closing, while there are fundamental differences between the two parties today, both the modern Conservatives and New Labour parties can both trace their beginnings to the establishment of Parliamentary rule and the lessening of the divine rights of kings, and the growth of the modern fiscal state in Great Britain.

Works Cited


