

# Religious Roots of Corporate Organization

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## ABSTRACT

Religion and corporate organization have developed side-by-side in Western culture, from antiquity to the present day. This Essay begins with the realignment of religion and secularity in seventeenth-century America, then looks to the religious antecedents of corporate organization in ancient Rome and medieval Europe, and then looks forward to the modern history of corporate organization. This Essay describes the long history behind the entanglement of business and religion in the United States today. It also shows how an understanding of both religion and business can be expanded by looking at the economic aspects of religion and the religious aspects of business.

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## I. CORPORATE ORDER IN COLONIAL NEW ENGLAND

New England Puritans are often remembered for their dark clothes, solemn faces, and fear of witches. But their most important contribution to history may lie with the practical success of the corporate institutions they established and the realignment of religion and secularity enabling that success.

A prominent defender of corporate order in seventeenth-century New England, Thomas Hooker, emphasized the structural similarity of corporate organizations in commercial, civil, and religious spheres. This similarity, he believed, rested on the vital element of “communion,” a characteristic of membership in a stable and virtuous social body.<sup>1</sup> “Communion,” Hooker wrote, was “something common to many, wherein they share by way of proportion, each person according to his condition and place.”<sup>2</sup> Hooker pursued the similarity between religious and secular institutions in both directions. On one hand, civil corporations required communion just as churches did.<sup>3</sup> On the other, communion among church members was a form of shareholding akin to ownership in a commercial company.<sup>4</sup> And like shareholding, communion was a form of citizenship with rights and privileges that not everyone enjoyed.<sup>5</sup> “As it is in the meetings of civil[] [c]orporations,” Hooker explained, church members “come in v[i]rtue of the combination, which they hold by Charter, and so have [c]orporation community,” while “others come in by the by, as strangers, and they communicate in the hearing of the Acts that pass[], but not in the [c]orporation community.”<sup>6</sup>

Just as all inhabitants in a town were subject to civil law whether or not they had a right to vote, Hooker thought, religious principles taught by churches applied to people who were not themselves members.<sup>7</sup> Of course, civil law could be physically enforced in ways religious principles could or should not be. But in Hooker’s view, civil as well as ecclesiastical order, rested on divine authority.<sup>8</sup> Despite debate over the meaning and application of particular verses, both civil and ecclesiastical order were meant to accord with rules laid down in scripture.<sup>9</sup> True Christian

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1. THOMAS HOOKER, A SURVEY OF THE SUMME OF CHURCH-DISCIPLINE pt. 1, at 288 (A.M. 1648) (italics omitted).

2. *Id.* (italics omitted).

3. *See id.* at 289.

4. *Id.*

5. *See id.* at 290.

6. *Id.* at 293 (italics omitted). For a fuller presentation of this argument, see AMANDA PORTERFIELD, CORPORATE SPIRIT: RELIGION AND THE RISE OF THE MODERN CORPORATION 72 (2018).

7. HOOKER, *supra* note 1, at 290.

8. *See id.*

9. *See id.*

society—in all of its manifestations—derived from communion in the mystical body that redeemed mankind and joined believers together.<sup>10</sup>

Hooker's way of nesting communion and religious principle within government and commerce was ambitious but not wholly original. In an age of commercial expansion, the Massachusetts Bay Company was one among a growing number of commercial companies extending the reach of European economic and religious influence around the world.<sup>11</sup> The most powerful of these companies in the early seventeenth century, the British East India Company (EIC), enacted civil law and religious order in locales where the company operated—to the extent it could.<sup>12</sup> Shareholders in the EIC were not preoccupied with religion to the same degree as shareholders in the Massachusetts Bay Company; nor were they primarily interested in the sort of efforts Massachusetts made to attract new settlers, establish local institutions, and expand the number of voting shareholders.<sup>13</sup> Nevertheless, the companies' organizational structures were similar.<sup>14</sup> Like the EIC, the Massachusetts Bay Company was a corporate body organized to serve the interests of shareholders, even though—unlike the EIC—towns and churches were prominent features of its sprawling ventures in the New World.<sup>15</sup>

The corporate order Puritans established in New England was disaggregated, with individual communities operating more or less independently.<sup>16</sup> In the early years, churches assumed responsibility for people's conduct. For example, the church disciplined merchant Robert Keayne in 1636 for selling nails during an economic downturn at a price high enough to make up for previous loss.<sup>17</sup> As long as churches, towns, and commercial ventures accorded with biblical principles and the Christian spirit of community, they enjoyed considerable autonomy.<sup>18</sup>

The congregational model of church government promoted in New England presumed that churches would govern themselves and their members without oversight from bishops.<sup>19</sup> Puritan churches in New England were left mostly to their own devices before 1680, when England

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10. *See id.* at 288.

11. *See generally* Elizabeth Mancke, *Chartered Enterprises and the Evolution of the British Atlantic World*, in *THE CREATION OF THE BRITISH ATLANTIC WORLD 237–62* (Elizabeth Mancke & Carole Shammas eds., 2005).

12. *Id.*

13. *Id.* at 248–54.

14. *Id.* at 237–62.

15. *Id.*

16. PORTERFIELD, *supra* note 6, at 71.

17. Bernard Bailyn, *The Apologia of Robert Keayne*, 7 *WM. & MARY Q.* 568, 572–74 (1950).

18. *See generally id.*

19. *See* Daniel F. Piar, *Keepers of the New Covenant: The Puritan Legacy in American Constitutional Law*, 49 *J. CATH. LEGAL STUD.* 143, 178 (2010).

asserted the primacy of Anglican Order of the Church of England, which involved bishops and a book of common prayer.<sup>20</sup> Although their ministers often consulted with one another, New England churches operated with a degree of independence never recognized in England.<sup>21</sup> Ministers enjoyed considerable authority because their congregations elected them and could vote to withdraw election, though few did.<sup>22</sup>

The independency of New England churches was not intended to dispel the aura of biblical authority from civil or religious life.<sup>23</sup> But the control that lay people exercised in congregational governance did provide new opportunities for self-government, leadership, and experimentation.<sup>24</sup> These opportunities, in turn, gave secular designs room to grow.<sup>25</sup> Thus, it was only after coming to New England that Thomas Hooker conceived of church membership as a form of shareholding akin to commercial ownership.<sup>26</sup> Not surprisingly, as business enterprise in New England expanded and strengthened, churches gradually backed off from early efforts to govern commerce.<sup>27</sup>

Capital investments began to make returns in New England, Virginia, and the Caribbean in the 1630s.<sup>28</sup> At the same time, poverty resulting from the decline in English textile production spurred emigration from England.<sup>29</sup> New opportunities for entrepreneurship in the Americas also led to the growth of British populations in New England, Virginia, Carolina, and the Caribbean.<sup>30</sup> Even though a 2,000-pound investment was required by the EIC governing board for membership, smaller investors managed companies in America with limited constraints.<sup>31</sup> Tradesmen could become investors in America and investors did not have to relinquish their trade, as was expected in England.<sup>32</sup> By 1640, American companies had numerous small-scale investors, many with puritan and anti-royalist sympathies.<sup>33</sup>

When civil war in England brought a sharp decline in commerce and migration across the Atlantic, New Englanders expanded local markets to

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20. *See generally id.*

21. *Id.* at 147.

22. *Id.* at 171.

23. *Id.* at 173.

24. *See id.* at 168–80.

25. *See id.*; PORTERFIELD, *supra* note 6, at 70.

26. *See* HOOKER, *supra* note 1, at 289.

27. *See* PORTERFIELD, *supra* note 6, at 72.

28. *Id.* at 69.

29. *Id.* at 69–70.

30. *Id.*

31. *Id.* at 70.

32. *Id.*

33. *Id.*

offset the downturn—including grain, pigs, and cattle—which in turn, generated increased demands for gristmills, ironworks, waterwheels, shipyards, and financial institutions used for credit and insurance.<sup>34</sup> Abetted by the growth of these markets to the West Indies sugar-producing colonies, New England recovered and expanded.<sup>35</sup> Intercolonial trade was dominated by New England companies when the monarchy was restored by Parliament in 1661, and British leaders started paying more attention to what was happening in America.<sup>36</sup> Meanwhile, the number of towns in New England multiplied as the introduction of land companies instituted variances between company shares that made the initial investment in land for a new town, and land shares that could be designated or bartered to settlers.<sup>37</sup>

## II. NEW ENGLAND'S CONTRIBUTION TO REPUBLICAN CULTURE

Networks of civil, religious, and commercial organizations expanded out from New England despite British efforts to exploit American resources and productivity.<sup>38</sup> In collaboration with merchants in New York, these networks reached across Britain's American colonies and beyond.<sup>39</sup> By the 1760s, Boston and New York merchants were transporting food and dry goods to Charleston, where cargo would be exchanged for currency by their captains in order to purchase wheat in Virginia or Maryland, which they delivered by return trip to Boston and New York for milling, resale, and export to southern Europe.<sup>40</sup> New England led the development of market economies elsewhere in the Americas until financiers in Philadelphia began to leverage corporate capital for political influence in the 1790s. In the 1820s, the Erie Canal brought New York to the forefront of national trade.<sup>41</sup>

Religious organizations in New England expanded and diversified along with the economy as the Puritan churches founded in the early

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34. *Id.*

35. *Id.* at 70–71.

36. *Id.* at 71.

37. *Id.*

38. *See generally* BERNARD BAILYN, *THE NEW ENGLAND MERCHANTS IN THE SEVENTEENTH CENTURY* 142–67 (1955).

39. *See generally id.*

40. *Id.* at 79.

41. *Id.* at 138–42; CATHY D. MATSON, *MERCHANTS & EMPIRE: TRADING IN COLONIAL NEW YORK* 13–72, 201 (1998); ANDREW M. SCHOCKET, *FOUNDING CORPORATE POWER IN EARLY NATIONAL PHILADELPHIA* 17–47, 142 (2007); DANIEL WALKER HOWE, *WHAT HATH GOD WROUGHT: THE TRANSFORMATION OF AMERICA, 1815–1848*, at 216–23 (2007). *See generally* GEORGE LESLIE PROCTER-SMITH, *RELIGION AND TRADE IN NEW NETHERLAND: DUTCH ORIGINS AND AMERICAN DEVELOPMENT* (1973) (investigating the religious diversity of the Dutch colony New Netherland, which partially makes up the province of New York today).

decades of the seventeenth century faced competition from other churches with more robust ideas about free will and self-determination. Although this expanding religious marketplace created dissent, it also served and helped stabilize economic growth. Churches promoted religion as necessary for civic virtue while tailoring particular theologies to particular consumers.<sup>42</sup>

Though modest by today's standards, the strength and flexibility of New England's business and religious networks enabled American independence from Britain and the extraordinary burst of corporate enterprise in the early United States that followed. Despite criticism of corporate corruption and monopolies, and complaints about the sinfulness of greed and self-serving displays of wealth, commercial corporations multiplied faster in the United States during the early nineteenth century than in Britain, France, or any other territory in the world.<sup>43</sup>

One important factor in this remarkable history of economic growth was the abundance of unfenced land in America and the weakening, defeat, and removal of Native peoples that made land accessible.<sup>44</sup> Before the settlement of New England in the early seventeenth century, the indigenous population had already been ravaged by smallpox, measles, tuberculosis, and other diseases transmitted by visitors from Europe.<sup>45</sup> By 1620, somewhere between 60,000 and 144,000 Native Americans resided in New England, perhaps only a quarter of what the population had been a century before.<sup>46</sup> The population further declined as a result of encroachment on Native American lands by English settlers.<sup>47</sup> Enforcement of policies meant to ensure fair treatment of the Indigenous were often half-hearted. The Pequod War in the 1630s and King Philip's War in the 1670s contributed to more Native loss and suffering.<sup>48</sup>

The slave trade also played a significant part in the economic growth of New England.<sup>49</sup> Britain subsidized the growth of slavery in the American colonies in the seventeenth century.<sup>50</sup> British and American

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42. T. H. BREEN, *THE MARKETPLACE OF REVOLUTION: HOW CONSUMER POLITICS SHAPED AMERICAN INDEPENDENCE* 33–71 (2004).

43. Pauline Maier, *The Revolutionary Origins of the American Corporation*, 50 *WM. & MARY Q.* 51, 84 (1993); ROBERT E. WRIGHT, *CORPORATION NATION* 74–77 (2013).

44. See PORTERFIELD, *supra* note 6, at 71.

45. *Exactly How New England's Indian Population Decimated*, *NEW ENG. HIST. SOC'Y* (2018), <https://www.newenglandhistoricalsociety.com/exactly-new-englands-indian-population-decimated> [perma.cc/4s4m-paw4].

46. *Id.*

47. *Id.*

48. *Id.*

49. GEORGE WILLIAM VAN CLEVE, *A SLAVEHOLDER'S UNION: SLAVERY, POLITICS, AND THE CONSTITUTION IN THE EARLY AMERICAN REPUBLIC* 20–23 (2010).

50. *Id.* at 20.

courts did not seriously question the legality of slavery or the slave trade until 1772 when Lord Mansfield's decision in *Somerset v. Stewart*<sup>51</sup> found insufficient grounds for slavery in common law and challenged the idea that persons could be considered property.<sup>52</sup> Although the percentage of the population held as slaves in New England was relatively small in 1770—roughly four percent—the New England economy depended on trade with and profits from slave-based markets for the development of ports and shipbuilding.<sup>53</sup>

Growing recognition of the tragedy of the removal of the Native population and the injustice of slavery shaped New England life and letters.<sup>54</sup> Remorse and some degree of accountability with respect to the sufferings of slaves and Native Americans influenced the development of New England culture.<sup>55</sup> To say that efforts in New England to redress the evils of slavery and Indigenous removal contributed to the strength and influence of American culture is not to argue that the suffering was worth the price or that any of the remedial efforts were unflawed, much less fully effective. Some efforts to help Native Americans only compounded suffering. For example, mission schools separated Native children from their families and forbid them to speak in their native tongues or follow cultural practices deemed un-Christian.<sup>56</sup> Earnest efforts to alleviate suffering and rectify wrongdoing marked the culture that supported New England's corporate institutions even when those efforts failed or were terribly misguided.<sup>57</sup> Educational and social reform projects multiplied in nineteenth-century New England, with offshoots across the country and around the world.<sup>58</sup> Any assessment of the sustainability of New England institutions and their broader influence should take this impetus to reform, however misguided, into account.<sup>59</sup>

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51. *Somerset v. Stewart* (1772) 98 Eng. Rep 499 (Lord Mansfield).

52. *Id.* at 500, 509–510.

53. *See generally id.* at 508.

54. *See generally* Bernard Rosenthal, *Puritan Conscience and New England Slavery*, 46 *NEW ENG. Q.* 62 (1973) (discussing various New England Puritan thinkers' perspectives and arguments against slavery); DAVID WALLACE ADAMS, *EDUCATION FOR EXTINCTION: AMERICAN INDIANS AND THE BOARDING SCHOOL EXPERIENCE* (3d ed. 1995) (discussing the off-reservation Indian boarding school system run by the federal government).

55. *See generally id.*

56. *See* Becky Little, *Government Boarding Schools Once Separated Native American Children from Families*, *HIST.* (Nov. 1, 2018), <https://www.history.com/news/government-boarding-schools-separated-native-american-children-families> [<https://perma.cc/849P-GM42>].

57. *See generally* JAMES A. MORONE, *HELLFIRE NATION: THE POLITICS OF SIN IN AMERICAN HISTORY* ch. 5, at 144, 31–54 (2003).

58. *See id.* at 116.

59. MORONE, *HELLFIRE NATION*, *supra* note 57, at 144–68. *See generally* WALLACE ADAMS, *supra* note 54.

### III. CORPORATE ORGANIZATION IN ANCIENT ROME AND EARLY CHRISTIANITY

While commercial enterprise, the abundance of land and the weakness of indigenous communities provided social context for Thomas Hooker's enthusiasm for corporate order, the spiritual touchstone of that enthusiasm lay elsewhere. Biblical images of corporate order stood behind Hooker's vision for puritan society in New England and imbued it with cosmic splendor.<sup>60</sup> Specifically, Paul the Apostle's conceptualization of membership in the body of Christ justified the corporate order Hooker and other New England Puritans admired.<sup>61</sup> In claiming Paul's image of membership in Christ's body for New England, Hooker appropriated an image originally meant to sustain small communities through apocalyptic disaster in the ancient world and applied this image to a new world of emerging commercial strength.

Sixteen centuries before the Massachusetts Bay Company was created, Paul could not have had any idea of the influence his vision of corporate order would have in the development of a continent he did not know existed. Nor could he have anticipated the consequences of many efforts to realize his vision in the centuries following his death when corporate bodies affiliated with Christ propped up a declining Roman empire and contributed to the imagined unity of medieval Christendom. The key to understanding these developments in corporate organization lie in Paul's theory of membership in Christ, which Thomas Hooker later interpreted as shareholding communion.

Paul's First Letter to the Corinthians captured the vision of corporate order in Christ.<sup>62</sup> As the letter explained, "just as the body is one and has many members, and all the members of the body, though many, are one body, so it is with Christ."<sup>63</sup> Thus, Paul told the Corinthians, "If the foot should say, 'Because I am not a hand, I do not belong to the body,' that would not make it any less a part of the body."<sup>64</sup> While he recognized the superior status some members enjoyed, Paul admonished Christians of higher rank to respect others.<sup>65</sup> "God has so arranged the body, giving the greater honor to inferior member, that there may be no dissension within the body, but the members may have the same care for one another."<sup>66</sup>

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60. See PORTERFIELD, *supra* note 6, at 3.

61. *Id.*

62. See *id.* at 2–3.

63. 1 *Corinthians* 12:12.

64. 1 *Corinthians* 12:15.

65. PORTERFIELD, *supra* note 6, at 10.

66. 1 *Corinthians* 12:24–25.

Paul's idea of corporate membership challenged the popular depiction of Roman civilization as a colossal human body in which aristocrats were the belly and plebians were extremities, including mouth and teeth.<sup>67</sup> The first-century historian Livy described this inequitable arrangement by retelling the fable warning to plebs not to protest because "the belly rendered no idle service[.]"<sup>68</sup> In this Roman version of trickle-down economics, "the nourishment [the belly] received was no greater than that which it bestowed by returning to all parts of the body this blood by which we live and are strong[.]"<sup>69</sup>

Paul's countercultural theory of corporate belonging stemmed from Jewish and Stoic sources.<sup>70</sup> He brought Jewish reverence for bodily purity, peoplehood, and moral obligation into his conception of the body of Christ, the Son of God whose pristine beauty recovered the goodness of humanity personified by Adam—the original man created by God.<sup>71</sup> Building on this image of the perfection of Judaism in Christ, Paul introduced Stoic ideas about citizenship.<sup>72</sup> Familiar with Cicero and Seneca through his education and citizenship as a Roman, Paul incorporated these philosophers' arguments that personal happiness was best achieved, not at the expense of others, but through commitment to society.<sup>73</sup>

The extraordinary thing about Paul's conception of corporate order is that it proved quite successful in practice.<sup>74</sup> This is not to say that churches were always or even mostly unified. Nor is it to say that the people who belonged to churches were always or even mostly charitable. Rather, the idea of membership in Christ's body was compelling because charity supported the stability of corporate institutions and because moments of charitable feeling inspired people to sustain charitable institutions.<sup>75</sup>

No less important for the practical success of Paul's theory, criticism of greed opened the possibility of correction and reform. In ancient times, and long afterward, criticism of greed ultimately served the growth, strength, and wealth of Christian institutions.<sup>76</sup> Penance for ill-gotten gain, lust, and a variety of other sins enriched church coffers.

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67. See PORTERFIELD, *supra* note 6, at 11.

68. See 1 TITUS LIVIUS, *Book 2: The Early Years of the Republic*, in THE HISTORY OF ROME 32 (Ernest Rhys ed., Rev. Canon Roberts trans., J.M. Dent & Sons, Ltd. 1905) (c. 29 B.C.E.).

69. *Id.*

70. PORTERFIELD, *supra* note 6, at 11.

71. *Id.*

72. *Id.*

73. *See id.* at 12.

74. *See id.* at 3.

75. *See id.* at 12.

76. *See* PETER BROWN, POVERTY AND LEADERSHIP IN THE LATER ROMAN EMPIRE 32 (2002).

Encouragement of guilt and the specter of judgment stimulated desires and deeds of remediation.<sup>77</sup>

As one scholar of Pauline rhetoric pointed out, the Apostle's letters were disputatious.<sup>78</sup> He wrote to particular churches to reprimand them and weigh in on controversy with contentious rhetoric of his own.<sup>79</sup> While a crucial element of mysticism lays at the core of his theology, Paul often wrote to expose behavior that obscured, tarnished, or dispelled that mystical element and its power to join people together in community.<sup>80</sup> Thus, his letter to the Corinthians chastised affluent members of the church for indulging themselves at the expense of poor members. "When you come together it is not really to eat the Lord's supper," Paul lectured.<sup>81</sup> "For when the time comes to eat, each of you goes ahead with your own supper, and one goes hungry and another becomes drunk. What!"<sup>82</sup>

Paul's readiness to challenge uncharitable behavior encouraged people to imagine corporate order based on charity as a feasible notion.<sup>83</sup> The wide circulation and growing reliance on Paul's letters supported this thinking.<sup>84</sup> Expressions of outrage against uncharitable behavior emerged as a stimulus for reforms, more than a few of which supported the growth of Christian institutions.<sup>85</sup>

This growth should not be confused with the best of all possible worlds. Throughout the history of Christianity, churchmen invoked Paul's vision of corporate order to condone and defend misogyny. Christian accommodations of slavery have similar genealogies.<sup>86</sup> People may even criticize Paul's concept of charity for failing to address systemic injustice.<sup>87</sup> But however great its political or moral shortcomings, Paul's vision of corporate order persisted over time.<sup>88</sup> His vision persisted because it was practical and effective.<sup>89</sup> That effectiveness depended on openness to correction and reform, which in turn derived from

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77. PETER BROWN, *THROUGH THE EYE OF A NEEDLE* 314–15 (2012); SUSAN REYNOLDS, *KINGDOMS AND COMMUNITIES IN WESTERN EUROPE, 900–1300* (1st ed. 1984).

78. See MARGARET M. MITCHELL, *PAUL, THE CORINTHIANS AND THE BIRTH OF CHRISTIAN HERMENEUTICS* 1–17 (2010) (quoting 1 *Corinthians* 11:20–21).

79. See generally *id.*

80. See *id.* at 3.

81. 1 *Corinthians* 11:20.

82. 1 *Corinthians* 11:21.

83. See PORTERFIELD, *supra* note 6, at 3.

84. See *id.* at 11.

85. See *id.*

86. See BROWN, *POVERTY AND LEADERSHIP*, *supra* note 76, at 61.

87. Tom Gjelten, *White Supremacist Ideas Have Historical Roots in U.S. Christianity*, NPR (July 1, 2020), <https://www.npr.org/2020/07/01/883115867/white-supremacist-ideas-have-historical-roots-in-u-s-christianity> [<https://perma.cc/TSX3-SAL9>].

88. See PORTERFIELD, *supra* note 6, at 3.

89. See *id.*

condemnations of uncharitable behavior and a belief that charity was feasible and productive.<sup>90</sup>

Other factors contributed to the long-term growth and sustainability of Christian institutions. Early Christian communities survived as part of Judaism, benefiting from Roman legal recognition of Judaism as a religion.<sup>91</sup> Often meeting under the aegis of Judaism, early Christians gained respect by providing social services.<sup>92</sup> Amid the brutality of imperial expansion and growing disparity between rich and poor, charitable outreach to the sick and needy attracted donors as well as growing numbers of beneficiaries.<sup>93</sup> By the fourth and fifth centuries—when supplies of grain from North Africa were disrupted, deadly epidemics plagued cities, and the veneer of Roman authority weakened—Christian institutions expanded to help maintain order and stave off disaster.<sup>94</sup>

A fraternity of skilled managers emerged to supervise this expansion. Bishops charged with church oversight supervised allocations of grain,<sup>95</sup> payments for captives,<sup>96</sup> and welfare for widows and orphans.<sup>97</sup> At the same time, bishops continued to be responsible for settling theological questions, maintaining liturgical standards, and enforcing religious discipline. Communicating through letters and face-to-face meetings, bishops stood for cohesion even as they engaged in disputes with one another over how to establish it.<sup>98</sup> Bishops also enjoyed considerable prestige, though they never enjoyed the same degree of wealth and imperial privilege as Roman consuls.<sup>99</sup> As an indication of that prestige, some consuls chose to cap their careers with moral elevation to a bishopric.<sup>100</sup>

Emperor Constantine's attraction to Christianity enabled closer alignment of imperial and church interests. Imperial funding for Christian monuments spurred growth in Christian institutions during the fourth and

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90. *See id.* at 11.

91. *Id.* at 13.

92. *See* BROWN, POVERTY AND LEADERSHIP, *supra* note 76, at 32.

93. *See id.*

94. *See generally* Kenneth Berding, *How Did Early Christians Respond to Plagues?*, BIOLA UNIV.: THE GOOD BOOK BLOG (Mar. 16, 2020), <https://www.biola.edu/blogs/good-book-blog/2020/how-did-early-christians-respond-to-plagues> [<https://perma.cc/5GGX-J7L2>].

95. BROWN, POVERTY AND LEADERSHIP, *supra* note 76, at 32.

96. *Id.* at 62.

97. *Id.* at 32.

98. H. A. DRAKE, CONSTANTINE AND THE BISHOPS: THE POLITICS OF INTOLERANCE 320 (1st ed. 2000).

99. *Id.* at 61.

100. *Id.* at 72; BROWN, POVERTY AND LEADERSHIP, *supra* note 76, at 1.

fifth centuries.<sup>101</sup> Not surprisingly, as Christianity made inroads among the upper classes, its countercultural reputation abated.<sup>102</sup> As the political and military powers of the Roman Empire weakened in the fifth and sixth centuries, bishops found themselves handling matters of civil governance and religious order in cities where imperial authority survived.<sup>103</sup>

Important in these developments, wealthy women emerged as prominent donors and representatives of Christian virtue.<sup>104</sup> Bishops encouraged and depended on the participation of these women, while at the same time establishing ground rules for their participation and by disparaging female sexuality as the root of evil.<sup>105</sup> The virgin body of Mary emerged as an image of corporate order alongside that of her son, epitomizing both the elevation of saintly womanhood and the suppression of female sexuality.<sup>106</sup>

#### IV. CORPORATE CHRISTIANITY IN MEDIEVAL EUROPE

Meanwhile, a new variant of corporate Christianity emerged in western Europe to rival the ecclesiastical system managed by urban bishops. Tribal chiefs who converted to Christianity established monasteries to preserve family wealth through donations, tributes, and consolidations.<sup>107</sup> Irish monks introduced the penitential system, which contributed to the governance of these rural fiefs.<sup>108</sup> Handbooks prescribing specified acts of penance guided sinners toward forgiveness and heaven, with the number of prayers or days of fasting calibrated as atonement for particular sins. Gifts often continued after a person's decease to ensure prayers for the soul.<sup>109</sup>

The most successful of tribal chiefs, the French King Charlemagne, extended the authority of his family over a broad territory committed to

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101. See JONATHAN BARDILL, CONSTANTINE, DIVINE EMPEROR OF THE CHRISTIAN GOLDEN AGE 255 (2011).

102. See *id.*

103. See BROWN, POVERTY AND LEADERSHIP, *supra* note 76, at 62.

104. Ruth Adam, Unveiling Precedent: Reclaiming the Power of Women in the Early Church 25 (Apr. 24, 2006) (B.A. thesis, Eastern Michigan University), <https://commons.emich.edu/honors/65/> [<https://perma.cc/8SMA-ZNLE>].

105. See *id.* at 32–33.

106. See M.C. Steenberg, *The Role of Mary as Co-Recapitulator in St Irenaeus of Lyons*, 58 VIGILIAE CHRISTIANAE 117, 135–37 (2004).

107. See CAROLE M. CUSACK, CONVERSION AMONG THE GERMANIC PEOPLES 18–22, 54 (1998).

108. Thomas P. Oakley, *The Origins of Irish Penitential Discipline*, 19 CATHOLIC HIST. REV. 320, 320–23 (1933).

109. See generally Arnold Angenendt, *Donationes Pro Anima: Gift and Countergift in the Early Medieval Liturgy*, in THE LONG MORNING OF MEDIEVAL EUROPE: NEW DIRECTIONS IN EARLY MEDIEVAL STUDIES 131 (Jennifer R. Davis & Michael McCormick eds., 2008).

Christian rule.<sup>110</sup> To enforce the religious discipline enabling territorial expansion, Charlemagne and his successors enlisted urban bishops as well as the abbots of rural monasteries.<sup>111</sup> With the help of these corporate managers and their papal overseer, Charlemagne and his successors sought to restore the ancient glory of Rome, linking much of medieval Europe to the universal body of Christ.<sup>112</sup> Charlemagne espoused the idea that the King's royal body became imbued with power as monarchs became invested with a divine right to rule.<sup>113</sup>

Though relatively successful in terms of organizational strength, medieval alliances between church and state were also militant, fanatical, and oppressive. Appeals to the unified body of Christ supported consolidations of power among wealthy elites; numerous crusades against Islam; and persecutions of Jews, heretics, and witches.<sup>114</sup> Social stigmas lasting to this day are a legacy of the consolidation of corporate power in medieval Christendom, and of Christian tendencies to draw bright lines between insiders and outsiders, the saved and the damned.

In the contentious spirit of Paul's letters, protests erupted in response to medieval prelates who appeared to abuse their consolidated power.<sup>115</sup> With the pure and virtuous body of Christ as their standard, new monastic orders rose to challenge the church's accumulation and distribution of wealth and to create new institutions dedicated to recovering charitable expressions of membership in Christ's body.<sup>116</sup> These new religious orders built countercultural communities aimed at restoring the charitable ideals and habits of ancient Christianity.<sup>117</sup> Drawing on the mystical ideal of communion in response to the poverty and disease in Europe's growing cities<sup>118</sup>—and Pauline rhetoric of complaint—these medieval countercultures were as much expressions of medieval Christianity as papal courts and crusades.

Alongside the charitable operations of monastic orders, cities began to organize as corporate entities with rules of governance and means of

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110. Janet L. Nelson, *Charlemagne and Empire*, in *THE LONG MORNING OF MEDIEVAL EUROPE*, *supra* note 109, at 223–24.

111. Jennifer R. Davis, *A Pattern for Power: Charlemagne's Delegation of Judicial Responsibilities*, in *THE LONG MORNING OF MEDIEVAL EUROPE*, *supra* note 109, at 238–41.

112. See Michael McCormick, *Practices of Power in an Early Medieval Empire*, in *THE LONG MORNING OF MEDIEVAL EUROPE*, *supra* note 109, at 222–34.

113. See WALTER ULLMANN, *THE CAROLINGIAN RENAISSANCE AND THE IDEA OF KINGSHIP* 49–50 (1969).

114. See *id.* at 62, 172.

115. See *id.* at 13.

116. See generally SUSAN WOOD, *THE PROPRIETARY CHURCH IN THE MEDIEVAL WEST* (2006); PORTERFIELD, *supra* note 6, at 33, 37.

117. *Id.*

118. See generally MIRI RUBIN, *CORPUS CHRISTI: THE EUCHARIST IN LATE MEDIEVAL CULTURE* (1991).

defense.<sup>119</sup> To establish some degree of independence from imperial authority and papal courts, incorporated cities built urban communes around centrally located churches.<sup>120</sup> Born from a mixture of Christian idealism and practical ambition pursued by commercial and landed elites, these incorporated city-states represented a new cycle of corporate reinvention.<sup>121</sup>

#### V. MEDIEVAL CHRISTENDOM AS A REFERENCE POINT IN MODERN CORPORATE LAW

Centuries later, references to the communal orders of medieval Christianity supported arguments that commercial corporations should enjoy the same legal rights as persons. When the U.S. Supreme Court recognized corporations as natural persons in the *Santa Clara v. Southern Pacific Railroad* decision of 1886,<sup>122</sup> romantic ideas about medieval Christendom as a *corpus mysticum* contributed to optimism about commercial corporations as modern successors to medieval institutions.<sup>123</sup>

But while medieval leaders looked back to the glory of ancient Rome they dreamed of restoring, progressive intellectuals at the turn of the twentieth century were roused by what lay ahead.<sup>124</sup> As one historian described, the fixation of medieval leaders on the past left them “sleepwalking into” the future.<sup>125</sup> By contrast, progressives at the turn of the twentieth century stepped briskly ahead, focused on the new secular future they were creating from the legacies of corporate order in Pauline theology and medieval Christendom.<sup>126</sup>

Economist John Bates Clark articulated this progressive viewpoint in 1886, discerning a “fraternal spirit” within modern corporations that echoed “the village-community of medieval times” and “the communal ideal” of Pauline Christianity.<sup>127</sup> “All the laborers of the factory, taken collectively,” he explained, “compose an organism which acts as a unit.”<sup>128</sup> Clark expressed concern about the weakening of community that resulted when workers were simply “hired” without receiving the full

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119. See CHRISTOPHER WICKHAM, *SLEEPWALKING INTO A NEW WORLD* 1–20 (2015).

120. *Id.* at 140.

121. See generally WICKHAM, *supra* note 119.

122. *Santa Clara County v. S. Pac. R.R.*, 118 U.S. 394, 409 (1886).

123. See Morton J. Horwitz, *Santa Clara Revisited: The Development of Corporate Theory*, 88 W. VA. L. REV. 173, 180 (1985).

124. See WICKHAM, *supra* note 119, at 20.

125. *Id.*

126. See JOHN BATES CLARK, *THE PHILOSOPHY OF WEALTH: ECONOMIC PRINCIPLES NEWLY FORMULATED* 175–76 (Creative Media Partners 2019) (1886).

127. *Id.* at 175.

128. *Id.* at 176.

corporate membership they deserved.<sup>129</sup> But like all progressives, he was optimistic. “There can be no retreat in the general course of moral progress,” Clark claimed.<sup>130</sup> “Fraternity is the result and the test of true Christianity working through sound economic forms.”<sup>131</sup>

## VI. CORPORATE EVOLUTION

Ambitious efforts to represent Christianity in terms compatible with modern science marked this new progressive view of history. Mixing their enthusiasm for evolutionary thinking with a strong dose of romantic idealism, progressives took initial steps toward thinking about corporate sustainability in environmental terms.<sup>132</sup> Progressives’ enthusiasm for evolution set them at odds with conservative Protestants who reacted against evolution, viewing evolution as a threat to the order of creation.<sup>133</sup> This split between progressive and conservative Protestants would have lasting effects in business, politics, and religion.<sup>134</sup>

For progressives interested in the evolution of corporate law, a new discipline of psychology aided efforts to translate the mystical language of Christianity into modern, secular terminology.<sup>135</sup> As legal historian Martin Horowitz explained, corporate “personality” became something of an obsession in the wake of the *Santa Clara* decision.<sup>136</sup> The Australian jurist and legal scholar Jethro Brown exemplified this trend in his argument that because “the common purpose inevitably begets a common spirit which is real,”<sup>137</sup> we can be sure “[t]he personality of the corporation is not a mere metaphor or fiction.”<sup>138</sup> Translating “spirit” into modern psychology, Brown explained that “psychical realities in the group find means of expression in corporate action.”<sup>139</sup>

Richard T. Ely, one of the founders of the American Economic Association, tied this psychological concept of corporate personhood to the ancient notion of membership in Christ.<sup>140</sup> Ely cited the Apostle Paul

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129. *See id.*

130. *Id.* at 234.

131. *Id.*

132. *See* John Copeland Nagle, *The Evangelical Debate Over Climate Change*, 5 U. ST. THOMAS. L.J. 53, 66–82 (2008).

133. *Id.*

134. *Id.*

135. *See generally* Horowitz, *supra* note 123.

136. *Id.* at 217.

137. Jethro Brown, *The Personality of the Corporation and the State*, 21 LAW Q. REV. 365, 369 (1905).

138. *Id.* at 368 (italics omitted).

139. *Id.* at 369.

140. RICHARD T. ELY, *THE SOCIAL LAW OF SERVICE* 162–63 (Creative Media Partners 2019) (1896).

sixteen times as he laid out his argument that human beings were most effective when they acted as “members one of another.”<sup>141</sup> Ely also noted the pivotal role of New England Puritans in the centuries after Paul and their contribution to the development of modern corporations.<sup>142</sup> Ely singled out Thomas Hooker’s vision of the state as a “continuous, conscious organism, and a moral personality, which has its foundations laid in the nature of man.”<sup>143</sup>

Though Hooker was not familiar with the concept of “personality” and hardly would have appreciated Ely’s sunny mixture of evolutionary biology and social psychology, or extent to which Ely naturalized Christ, he was part of a bold movement in his own time to secularize Christianity.<sup>144</sup> Operating on the premise of biblical authority in all areas of life, the disaggregated network of corporate institutions in puritan New England embraced the secular world, including trade and industry, as a proper arena of moral action.

Progressive thinkers in the late-nineteenth and early-twentieth century like John Bates Clark, Jethro Brown, and Richard Ely took another bold step in that secularizing direction, never questioning the positive nature of this trajectory or its benefit to humanity. They invoked the medieval Catholic roots of modern corporations, not to restore the golden age of medieval Christendom but to generate enthusiasm for a secular future they thought was evolving out of an organizational architecture grounded in religion. Evolutionary social progress was the underlying premise of this view of corporate history, carrying individuals and institutions toward a brighter, equitable, and more prosperous future.

Thus, when John Bates Clark looked back to “the village-community of medieval times” as a reference point for the “fraternal spirit” within modern corporations,<sup>145</sup> he was not recommending a return to the past. Instead, as a descendant of New England Puritans and an active and life-long member of the Congregational Church, Clark regarded his puritan ancestors as pivotal figures in the evolution of corporate Christianity from medieval to modern times. Clark condemned the greed and heedless individualism he saw at work in American society during his own time, and he lamented the display of affluence in American churches that made

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141. *Id.* at 46.

142. Benjamin G. Rader, *Richard T. Ely: Lay Spokesman for the Social Gospel*, 53 J. AM. HIST. 61, 71 (1966).

143. *Id.*; ELY, *supra* note 140, at 167.

144. See generally Michael Besso, *Thomas Hooker and His May 1638 Sermon*, 10 EARLY AM. STUD. 194, 195 (2012).

145. CLARK, *supra* note 126, at 175.

workers feel unwelcome.<sup>146</sup> But he believed these problems would be ironed out, sooner or later, through the progressive evolution of human history. Clark believed the eventual alignment of capitalism with the fraternal spirit of Christianity was inevitable.<sup>147</sup>

Of course, not everyone was so sanguine about corporate institutions and their remarkable growth in modern America. In his 1901 novel, *The Octopus*, Frank Norris pictured the Pacific and Southwest Railroad as a “huge, sprawling organism . . . fattening upon the lifeblood of an entire commonwealth.”<sup>148</sup> Norris described the California giant in San Francisco as “a veritable system of blood circulation, complicated, dividing, and reuniting, branching, splitting, extending, throwing out feelers, off-shoots, tap roots, feeders—diminutive little blood suckers that shot out from the main jugular.”<sup>149</sup>

Norris’s condemnation of corporate predation is memorable not only for its monstrous version of the idea that corporations were organisms with personalities of their own, but also for its connection to a long history of disputatious rhetoric regarding the moral depravity of corporate bodies and the need for their correction. Like others before him, Norris joined his indictment of corporate “wickedness” to a hopeful, even mystical vision of “Truth.”<sup>150</sup> Ranchers would unite in a League “of the People”<sup>151</sup> to challenge the railroad’s control of prices, enable Californian farmers to feed the world, and usher in a “mighty world-force, that nourisher of nations, wrapped in Nirvanic calm . . . will, in the end, prevail,” as “all things, surely, inevitably, resistlessly, work together for good.”<sup>152</sup> Even an octopus, it seems, was destined for nobler and more charitable ends.

At first glance, Norris’s predatory beast seems a far cry from the body of Christ or any effort to link modern corporations with social reform. The reference to Nirvana is pointedly *not* Christian—it is a clear indication of the absence of any obvious connection (in Norris’s mind at least) between modern corporations and Pauline theology.<sup>153</sup> Yet, there is some vestige of communion in Norris’s final, redemptive vision of California wheat transported across the globe.<sup>154</sup>

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146. See Donald Stabile, *The Intellectual Antecedents of Thorstein Veblen: A Case for John Bates Clark*, 3 J. ECON. ISSUES 817, 820–21 (1997).

147. *Id.*

148. FRANK NORRIS, *THE OCTOPUS: A STORY OF CALIFORNIA* 5 (1901).

149. *Id.*

150. See James Dorson, *Rates, Romance, and Regulated Monopoly in Frank Norris’s The Octopus*, 12 *STUD. IN AM. NATURALISM* 50, 55 (2017).

151. NORRIS, *supra* note 148, at 262.

152. *Id.* at 360–61.

153. See *id.*

154. *Id.* at 360.

In their choice of biological imagery to describe modern corporations, Clark and Norris both drew inspiration from the modern science of evolution to situate human organizations as part of nature. Though Norris's octopus lacked the fraternal spirit Clark discerned in corporate organisms, both authors denounced corporate greed and looked forward to a more peaceful and equitable future.<sup>155</sup> To be sure, Clark believed that fraternal spirit was already at work in corporations and had been for centuries, while Norris thought the "mighty world-force"<sup>156</sup> of collective responsibility had yet to be fully aroused. But in depicting the organic nature of corporations, both drew from the ancient image of society as a *corpus* as well as from modern theories of evolution and social psychology.<sup>157</sup>

Such assumptions about the organic nature of corporations supported legal arguments for endowing corporations with rights as natural persons—and not merely artificial persons created by the state as previously recognized in law.<sup>158</sup> The influential English writer Frederic William Maitland praised American lawyers for making "large strides" in recognizing that the rights of corporations did not depend on allowances granted by the state.<sup>159</sup> "[I]n these days of free association," Maitland claimed, "[t]he age of corporation created by way of [government] 'privilege' is passing away."<sup>160</sup>

Pope Leo XIII, a major voice in late-nineteenth-century-debates about Christianity's relationship to both modern science and business, claimed a middle ground between proponents and opponents of evolution, and between proponents and opponents of government regulation in business.<sup>161</sup> Urging scientists and theologians to respect each other and confine themselves to their proper disciplines, Leo emphasized the difference between the unchanging nature of revelation and the provisional character of scientific theory.<sup>162</sup> He aimed to establish a similar middle ground with respect to capitalism, arguing that as the mother of material society, the Church endorsed property ownership and free enterprise but also fair wages and safe conditions for workers.<sup>163</sup>

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155. Stabile, *supra* note 146, at 820–21; Dorson, *supra* note 150, at 55–56.

156. NORRIS, *supra* note 148, at 360.

157. See Horwitz, *supra* note 123, at 180.

158. See Dorson, *supra* note 150, at 53–55.

159. OTTO GIERKE, *POLITICAL THEORIES OF THE MIDDLE AGE*, at xxxviii (Frederic William Maitland trans., Cambridge Univ. Press 1900).

160. *Id.*; see also Gregory A. Mark, *The Personification of the Business Corporation in American Law*, 54 U. CHI. L. REV. 1441, 1465–73 (1987).

161. See OWEN CHADWICK, *A HISTORY OF THE POPES 1830-1914*, at 317–26 (Oxford Univ. Press 1998) (1973).

162. See *id.*

163. See *id.*

In contrast to Protestant progressives, Leo did not see human society becoming more just, equitable, and moral over time, and he certainly did not believe the meaning of human life or purpose of religion lay on earth. Less optimistic about human nature than progressives, Leo resisted their effort to merge Christianity with economic and social idealism.<sup>164</sup> He also never endorsed evolution.

Like Protestants, American Catholics leaned in opposite directions with respect to modern science and business. But while Protestant organizations in the U.S. sometimes split over these issues, a variety of factors drew Catholics together. Efforts made by Catholic leaders to support the coexistence of religion and science, so long as science did not challenge the eternal truths of Christianity, contributed to stability.<sup>165</sup> Even more important, Catholic ritual had a unifying effect. The Sacrament of the Mass (or Eucharist), and other universal rites of membership, kept the unifying presence of Christ's mystical body real for believers of diverse ethnic, political, and intellectual backgrounds, all of which operated under the unifying governance of papal authority.<sup>166</sup>

## VII. PARTISAN DIVISION IN CORPORATE ORGANIZATION

Especially among Protestants in the U.S., a divide widened between religious liberals who embraced opportunities to conduct Christianity through secular channels and religious conservatives who resisted those efforts.<sup>167</sup> Conservative evangelicals reacted against the modernist ideas of liberal progressives, and that divide grew increasingly partisan over time.<sup>168</sup> While progressives sought to infuse business, politics, and science with secular Christianity, conservative Evangelicals reacted against the erosion of biblical authority and Christian identity apparent in those efforts. And while progressives invoked the need for government regulation to restrain free-market capitalism and carry their evolutionary social programs forward, conservatives aligned themselves with free-market capitalism and denounced both government regulation and evolution.<sup>169</sup>

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164. *Id.* at 319–20.

165. See David Mislin, "According to His Own Judgement": The American Catholic Encounter with Organic Evolution, 1875-1896, 22 RELIGION & AM. CULTURE 133, 143–52 (2012).

166. See Lincoln A. Mullen, *The Contours of Conversion to Catholicism in the Nineteenth Century*, 32 CONVERTS & CONVERSION 1, 6–7 (2014).

167. See MATTHEW AVERY SUTTON, AMERICAN APOCALYPSE: A HISTORY OF MODERN EVANGELICALISM 12–14 (2014).

168. See GILLIS J. HARP, PROTESTANTS AND AMERICAN CONSERVATISM: A SHORT HISTORY 103, 181–82 (2019).

169. See *id.* at 229.

Conservative leaders championed free labor over unions and valued economic productivity over conceptions of corporate membership that emphasized workers' rights.<sup>170</sup> They focused on the need for personal salvation and the supernatural character of conversion, while celebrating the power of God to transform individuals and the power of individuals to transform society.<sup>171</sup>

A fast-growing economy seemed to demonstrate the efficacy of corporate organization, free labor, and moral discipline as corporate mergers enabled companies to expand across state lines in the early twentieth century. Supporting these expansions, middle-class Americans began investing their savings in big companies, creating a boom in industrial stocks. When the United States emerged from the bloodbath of World War I as the world's strongest and fastest growing economy, many Americans pointed to religion as the explanation for this success. "[B]y God's favor and our faith in him," one evangelical leader explained in 1924, "we have a civilization that has resulted in our good homes, our schools, factories, stores, railroads, automobiles, electric lights, telephones and the wireless."<sup>172</sup>

Southern California emerged as a hub of conservative evangelicalism and evangelical-oriented business in the 1920s.<sup>173</sup> One sign of this powerful concentration of conservative religion and free-market growth, the International Church of the Foursquare Gospel opened in Los Angeles in 1923 as the world's largest building.<sup>174</sup> Through her pioneering efforts in radio broadcasting and modern showmanship, Foursquare Gospel Church founder Aimee Semple McPherson epitomized the role religious conservatives could play as business entrepreneurs and leading practitioners in new forms of media.<sup>175</sup> A contributor to the same evangelical subculture, Auto Supply magnate and conservative Protestant leader George Pepperdine also claimed Los Angeles as the center of the world's "spiritual advancement."<sup>176</sup> In 1925, Pepperdine predicted that "every nation on earth" will soon be "paying financial tribute" to the wedding of religion and industry in California.<sup>177</sup> He stated that "[r]ight

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170. *See id.* at 282.

171. SUTTON, AMERICAN APOCALYPSE, *supra* note 167, at 8–46.

172. A. C. Shuman, *America at Her Best*, 3 REFORMED CHURCH REV. 193, 194 (1924).

173. *See* MATTHEW AVERY SUTTON, AIMEE SEMPLE MCPHERSON AND THE RESURRECTION OF CHRISTIAN AMERICA 14–23 (2007).

174. *Id.* at 20–22.

175. *Id.* at 3–4; Nathan Saunders, *Spectacular Evangelist: Aimee Semple McPherson in the Fox Newsreel*, 14 MOVING IMAGE 71, 72–73 (2014).

176. George Pepperdine, *Los Angeles, the Heart of the World* (KNX Newsradio Mar. 16, 1925), reprinted in RICHARD L. CLARK & JACK W. BATES, FAITH IS MY FORTUNE: A LIFE STORY OF GEORGE PEPPERDINE 134 (1962).

177. *Id.*

here we shall some day see the heart and center of human activity, the climax and mountain peak of American and world civilization.”<sup>178</sup>

Although millions of Americans lost their investments in the stock market crash of 1929 and big business came under harsh criticism during the Depression in the 1930s, corporate industry reemerged as a source of national pride during World War II.<sup>179</sup> In the 1950s, ties between business and evangelical religion grew stronger than ever. These ties reflected effective appeals to anti-communism as a common bond among religious Americans and also the financial, political, and religious clout of conservative business leaders who secured lucrative defense contracts from the U.S. military.<sup>180</sup> As plain folk, eager for work and nostalgic for old-time religion, poured into the region from Oklahoma and Texas, Southern California played a central role in the Cold War alliance of business, religion, and military defense.<sup>181</sup> By the late 1950s, most of the nation’s large aerospace companies operated in Southern California.<sup>182</sup> More than a third of all manufacturing in Southern California was subsidized by defense contracts, and new suburbs featuring evangelical churches multiplied.<sup>183</sup>

Taking a stand against liberals who downplayed the supernaturalism of biblical revelation—and also cast a skeptical eye on America’s military-industrial complex—conservative business leaders linked personal salvation to free labor, hard work, corporate loyalty, and conservative politics. Sun Oil President, J. Howard Pew, funded missions that promoted the compatibility between free enterprise and evangelical Christianity. George Pepperdine made his eponymous college outside Los Angeles a center for grassroots Republican organizing.<sup>184</sup>

As liberal hopes of progressive social unity declined in the wake of two world wars and an escalating race for nuclear arms, popular evangelist Billy Graham promoted fear and urgency as a means of drawing people to Christ.<sup>185</sup> “Many world leaders,” he announced in 1955, “are consciously aware that we are on the brink of a world catastrophe and impending

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178. *Id.*

179. DARREN DOCHUK, FROM BIBLE BELT TO SUNBELT: PLAIN-FOLK RELIGION, GRASSROOTS POLITICS, AND THE RISE OF EVANGELICAL CONSERVATISM 170 (2011).

180. *Id.* at 170, 197–98; JONATHAN P. HERZOG, THE SPIRITUAL-INDUSTRIAL COMPLEX: AMERICA’S RELIGIOUS BATTLE AGAINST COMMUNISM IN THE EARLY COLD WAR 135–67 (2011).

181. DOCHUK, *supra* note 179, at 170; Dwayne A. Day, *Blue Skies on the West Coast: A History of the Aerospace Industry in Southern California*, SPACE REV. (Aug. 20, 2007), <https://www.thespace.com/article/938/2> [<https://perma.cc/XZJ5-GJ3Y>].

182. Day, *supra* note 181.

183. *Id.*

184. DOCHUK, *supra* note 179, at 196.

185. SUTTON, AMERICAN APOCALYPSE, *supra* note 167, at 328–29.

judgment.”<sup>186</sup> Endorsing alliances between American business and evangelicalism, Graham celebrated the decline of liberal optimism, the failure of secular ethics, and renewed interest in the supernatural side of Christianity. While “fifty years ago,” liberal Christians had “written off” Christ’s Second Coming “as irrelevant, inconsistent and impossible,” anticipation of that miraculous event “had become the great hope of the church in the middle of the twentieth century.”<sup>187</sup>

#### VIII. SHAREHOLDER VALUE IN RELATION TO CONSERVATIVE RELIGION

In recent decades, the political power of conservative evangelical groups in America became more deeply entrenched. At the same time, business strategies that prioritized corporate expansion and shareholder value also gained strength—at the expense of workers, consumers, and the environment. These trends coalesced in the unexpected election of Donald J. Trump as President of the United States in 2016, drawing conservative religion and shareholder-oriented business into close alignment as a formidable political base. This coalescence pushed American law, government, and conservative political culture in the direction of single-minded devotion to American nationalism and short-term economic prosperity.

Trump’s authoritarian style, militant patriotism, tolerance of racism, and commitment to the appointment of religiously conservative judges strengthened the political alliance between white evangelicals and white conservative Catholics that had been developing since the Reagan era.<sup>188</sup> Less often noted, Trump embodied an extreme version of the “power of positive thinking” imbibed from Norman Vincent Peale, who urged a “letting go of doubt to let deep forces within the self take over to find an absolute sense of being attached to the very power of God himself.”<sup>189</sup> Trump’s constant invocation of his own greatness came straight from Peale, the Trump family’s minister at Marble Collegiate Church on Fifth Avenue, and the officiant at Trump’s first two weddings.<sup>190</sup> “[B]elieve in that power,” Peale preached, “you can obtain Divine power by which you can win over anything.”<sup>191</sup>

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186. *Id.* at 328.

187. *Id.* at 329.

188. See Robert C. Rowland & John M. Jones, *Reagan’s Strategy for the Cold War and the Evil Empire Address*, 19 RHETORIC & PUB. AFFS. 427, 443–56 (2016).

189. See PORTERFIELD, *supra* note 6, at 168.

190. James Barron, *Overlooked Influences on Donald Trump: A Famous Minister and His Church*, N.Y. TIMES (Sept. 5, 2016), <https://www.nytimes.com/2016/09/06/nyregion/donald-trump-marble-collegiate-church-norman-vincent-peale.html> [https://perma.cc/2QNE-B8WB].

191. See PORTERFIELD, *supra* note 6, at 168.

Trump and his supporters believe in the galvanizing power of belief. Critics who interpret Trump's self-aggrandizements as symptoms of narcissism may be correct. But in focusing on a psychological disorder rather than the work religion does for many of his supporters, they miss an opportunity to understand how Trump's power works. Belief is a form of power for Trump and he summons it in his followers, calling them to feel the power of belief lifting them up, and knocking down anyone seeming to stand in their way. Trump's religious supporters may not agree with every one of his policies or tweets, but many of them do believe that this God—the God of sheer belief who can lift them all up if they have faith—brought Trump to the White House.<sup>192</sup> God is “on our side,” Trump told evangelicals at a rally in Miami, “or there would have been no way we could have won.”<sup>193</sup>

While Trump's election as President of the United States was a shocking surprise to many Americans, the convergence of forces he represented was long in the making. Over the course of several decades, the self-help culture associated with the power of positive thinking had gradually merged with the flamboyant supernaturalism of Pentecostalism. Pentecostal belief in spiritual gifts and the healing power of faith made its way from the working classes to the mainstreams of the American middle-class, becoming more closely allied with wellness, alternative medicine, and New Age spirituality in the process.<sup>194</sup> Some of the most outlandish demonstrations of supernatural power (like snake handling) dropped away as the showmanship associated with Pentecostalism adapted to cable television.

The merger between Pentecostal Christianity and the self-help pragmatism of positive thinking coalesced in the prosperity gospel, which maintains that God wants Christians to be prosperous, wealth is a sign of God's favor, and poverty is evidence of a lack of faith. Trump's own spiritual advisor Paula White is a minister of the prosperity gospel.<sup>195</sup> Appointed as an advisor to the Faith and Opportunity Initiative of the White House Office of Public Liaison in 2019, White delivered the invocation at Trump's inauguration.<sup>196</sup> She emerged as a national leader

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192. David Knowles, *Trump Tells Evangelicals that God Is 'on Our Side'*, YAHOO! NEWS (Jan. 3, 2020), <https://news.yahoo.com/trump-tells-evangelicals-that-god-is-on-our-side-234723118.html> [<https://perma.cc/7LXM-MR3Y>].

193. *Id.*

194. See generally PORTERFIELD, *supra* note 6, at 172.

195. Jeremy W. Peters & Elizabeth Dias, *Paula White, Newest White House Aid Is a Uniquely Trumpian Pastor*, N.Y. TIMES (Nov. 24, 2019), <https://www.nytimes.com/2019/11/02/us/politics/paula-white-trump.html> [<https://perma.cc/UWH5-YN9U>].

196. *Id.*

as a result of her success in coordinating an array of evangelical leaders and churches to solidify Trump's evangelical base.<sup>197</sup>

As the prosperity gospel grew over the course of several decades and then consolidated around Trump, the focus on shareholder profit in corporate organization also gained momentum, readjusted, and solidified. Beginning in the 1980s, many corporations streamlined their operations to benefit shareholders through dividends and by increasing the value of shares, often by means of mergers and acquisitions.<sup>198</sup> Companies maximized shareholder value at the expense of employee wages, benefits, the environment, and financial transparency.<sup>199</sup>

Corporate membership in the robust sense of shared belonging among owners, managers, and employees dropped by the wayside as mergers and acquisitions carved up corporations and thrust new ones together for the purpose of shareholder growth. The transactional nature of corporate business grew more impersonal and autocratic as the result of this streamlining.

Prosperity theology and shareholder value were mutually reinforcing movements. In both cases, decision-makers drove themselves and others through obstacles that stood in the way of wealth and resented laws, regulations, and ways of thinking that constrained their efforts. Just as business leaders drew support from proponents of faith and willpower in American religion, single-minded devotion to wealth in business influenced the trajectory of American evangelicalism.<sup>200</sup> Many evangelical leaders drew inspiration for their ministries from business leaders like Jack Welch, the celebrated reformer of the American auto industry famous for maximizing shareholder value.<sup>201</sup>

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197. *Id.*; KATE BOWLER, BLESSED: A HISTORY OF THE AMERICAN PROSPERITY GOSPEL 126 (2013).

198. See generally Andrei Shleifer & Robert W. Vishny, *The Takeover Wave of the 1980's*, 249 SCI. 745, 745-49 (1990).

199. *Id.* at 747.

200. Jeff Chu, *How Willow Creek Is Leading Evangelicals by Learning from the Business World*, FAST CO. (Dec. 6, 2010), <https://www.fastcompany.com/1702221/how-willow-creek-leading-evangelicals-learning-business-world> [https://perma.cc/546N-B4LG].

201. See Paul Glader, *Did Jack Welch's Evangelical Faith Change the Controversial 'Rock Star' CEO of General Electric?*, NEWSWEEK (Mar. 8, 2020), <https://www.newsweek.com/did-jack-welchs-evangelical-faith-change-controversial-rock-star-ceo-general-electric-1491121> [https://perma.cc/MXJ2-XXJL].

Enron's bankruptcy in 2002 offered a cautionary tale about the consequences of these converging trajectories.<sup>202</sup> Enron executive Jeffrey Skilling heralded a "magical" new market in energy futures based on expectations about natural gas prices generated by Enron.<sup>203</sup> His company was changing the world and doing "the Lord's work,"<sup>204</sup> Skilling claimed in 2006, still insisting on his innocence after being convicted on nineteen counts of conspiracy, fraud, and insider trading.

With a background in evangelical conservatism similar to Skilling's, Enron's head strategist for Asia and Africa, Rebecca Mark, embraced the theology of prosperity in Paul Coelho's popular book, *The Alchemist*, about a spiritually inspired shepherd who created treasure from humble materials. "We are brought together with a certain amount of missionary zeal," Mark explained about the people and culture at Enron.<sup>205</sup> "We are bringing a market mentality and spreading the privatization gospel in countries that desperately need this kind of thinking."<sup>206</sup>

Overreaching goals, financial mismanagement, and in some cases, outright deception—as in the case of Enron—led to sudden, drastic, and widespread financial downturn in shareholder value in 2008. Resentment of the behavior of corporations and the protection they enjoy erupted during the meltdown when the federal government bailed out corporations, including some, like American International Group (AIG), whose trading in risky securities and credit defaults contributed to the problems that taxpayers were called upon to resolve.<sup>207</sup> Resentment spiked again in 2010 after the 5–4 U.S. Supreme Court decision in *Citizens United*, which affirmed the rights of corporations to free speech and aggressive political engagement in American elections.<sup>208</sup> Egregious examples of corporate malfeasance at Wells Fargo, Johnson & Johnson, Uber, Facebook, Amazon, and Boeing continued to fuel outrage at the privilege corporations appeared to enjoy at the expense of ordinary citizens. Bernie Sanders and Elizabeth Warren made the need to rein in corporate power central to their 2020 presidential campaigns.<sup>209</sup>

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202. BETHANY MCLEAN & PETER ELKIND, *THE SMARTEST GUYS IN THE ROOM: THE AMAZING RISE AND SCANDALOUS FALL OF ENRON*, at xxv, 71–73 (2013).

203. See Jacqueline Lang Weaver, *Can Energy Markets Be Trusted? The Effect of the Rise and Fall of Enron on Energy Markets*, 4 HOUS. BUS. & TAX L.J. 3, 17–21 (2004).

204. MCLEAN & ELKIND, *supra* note 202, at 71.

205. *Id.*

206. *Id.*

207. See generally William K. Sjostrom, Jr., *The AIG Bailout*, 66 WASH. & LEE L. REV. 943 (2009).

208. See generally *Citizens United v. Fed. Election Comm'n*, 588 U.S. 310, 365 (2010).

209. *Issues: Corporate Accountability and Democracy*, BERNIE SANDERS, <https://bernie.sanders.com/issues/corporate-accountability-and-democracy/> [<https://perma.cc/3VFP-3P6M>]; *Plans:*

New regulations and clearer thinking forced many company shareholders to back off of extremely aggressive strategies for growth. But devotion to shareholder value remains important. When Trump's election and a Republican majority in the U.S. Senate resulted in a massive corporate tax break, many companies passed the windfall onto their shareholders, contributing to a consolidation of wealth and economic disparity, while many Americans—and the environment—suffered.<sup>210</sup>

The election of Donald Trump in 2016 also revealed considerable tolerance and even enthusiasm for the brazen behavior of corporate aggression that led to the fall of Enron. Trump's stunning success despite his well-documented history of lying and cheating show how his faith that he could do anything brought business, religion, and government together in an exceptionally brazen way. The convergence between prosperity, theology, and commitment to unrestrained corporate growth came to represent a ruthless pursuit of power, wealth, and a religious sensibility in which God may be invoked but cannot be feared and humility is a weakness to be pitied, exploited, or taunted. Skating on the edge of chaos and nihilism, this strike-it-rich gospel of corporate growth and self-empowerment feeds on momentum gained by bombastic claims, projections of blame, and magical thinking.

#### IX. A NEW REFORMATION?

A less flamboyant but rising competitor to the religious and corporate business developments that coalesced around Trump, a second trend of corporate social responsibility is more indirectly but no less deeply rooted in the religious history of corporate institutions. Lacking the religious veneer of the prosperity theology and its alignment with shareholder wealth, efforts to make social responsibility central to corporate business do not require or depend on any particular religious beliefs. Nevertheless, these secular efforts in corporate responsibility are more aligned with the concept of membership at the heart of early Christian organization, which has proven effective over centuries both as a source of corporate strength and as a stimulus for criticism and reform.

A leading example of this trend toward corporate responsibility is the clothing manufacturer Patagonia, founded by Yvon Chouinard and his wife Malinda to supplement Yvon's business in rock climbing

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*Hold Big Corporations Accountable*, WARREN DEMOCRATS, <https://elizabethwarren.com/plans#hold-big-corporations-accountable> [https://perma.cc/4AQH-ANJX].

210. See Thomas Heath, *A Year After Their Tax Cuts, How Have Corporations Spent the Windfall?*, WASH. POST (Dec. 14, 2018), [https://www.washingtonpost.com/business/economy/a-year-after-their-tax-cuts-how-have-corporations-spent-the-windfall/2018/12/14/e966d98e-fd73-11e8-ad40-cdfd0e0dd65a\\_story.html](https://www.washingtonpost.com/business/economy/a-year-after-their-tax-cuts-how-have-corporations-spent-the-windfall/2018/12/14/e966d98e-fd73-11e8-ad40-cdfd0e0dd65a_story.html) [https://perma.cc/TK7Z-HP8U].

equipment.<sup>211</sup> Patagonia's business model developed around the company's view that profit is not an end in itself but rather a means to the ends of manufacturing high-quality goods, preserving natural resources, and supporting local communities and new businesses committed to protecting the environment.<sup>212</sup> "In many companies," Yvon complained in 2004, "the tail (finance) wags the dog (corporate decisions)."<sup>213</sup> Putting profit back in its place has paid off for the company, which quadrupled in worth over the last decade and grows along with its ability to inspire consumers, local communities, and other companies with its mission. "Doing good work for the planet creates new markets and makes [us] more money," CEO Rose Marcario explained in 2018.<sup>214</sup> She understood this way of making money as a much-needed alternative to the commitment to shareholder value driving many U.S. companies.<sup>215</sup> "Earnings per share is like a chain around the neck of the country," Marcario further lamented. "Somebody has to stop the madness."<sup>216</sup>

Hiring and training people to be members who understand this corporate-responsibility model is essential to Patagonia's operation and its success. Childcare, parental leave, medical insurance, flexible hours, and time off for climbing, surfing, biking, skiing, and hiking are indicators of the company's respect for its employees and their role as representatives of the company and its values.<sup>217</sup> Officers and managers are schooled to respect the company, and the people who constitute it, as an entity "that will outlive them."<sup>218</sup> Like the *corpus* of a virtual person.<sup>219</sup>

Patagonia stands out for its record of environmental activism and leadership in promoting a business model based on environmental sustainability and social responsibility. But the company is hardly alone in conceptualizing corporate success in terms broader than shareholder profit. A reputation for Corporate Social Responsibility (CSR) has become increasingly valuable over the last decade as the problems associated with single-minded attention to shareholder value have become apparent. Some

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211. YVON CHOUINARD, *LET MY PEOPLE GO SURFING: THE EDUCATION OF A RELUCTANT BUSINESSMAN* 33–42 (Penguin Books rev. ed. 2016) (2005).

212. *Core Values*, PATAGONIA, <https://www.patagonia.com/core-values/> [<https://perma.cc/3B5W-2QTP>].

213. CHOUINARD, *supra* note 211, at 211.

214. Jeff Beer, *How Patagonia Grows Every Time It Amplifies Its Social Mission*, FAST CO. (Feb. 21, 2018), <https://www.fastcompany.com/40525452/how-patagonia-grows-every-time-it-amplifies-its-social-mission> [<https://perma.cc/UPX7-Z7XV>].

215. *See id.*

216. *Id.*

217. *See* Andrew Clarke, *Patagonia – A Better Way*, GROUND FLOOR PARTNERS, <https://groundfloorpartners.com/patagonia-better-way/> [<https://perma.cc/P32Z-KUHH>].

218. CHOUINARD, *supra* note 211, at 257.

219. *See* Horwitz, *supra* note 123, at 180.

of the most famed companies in the world have strong reputations for CSR, including Lego, Disney, Rolex, Adidas, Ferrari, Microsoft, Levi's, Intel, Bosch, and Netflix.<sup>220</sup>

An old pathway to social improvement by means of criticism and reform may be discerned in the competition between CSR and the narrow focus on shareholder value. Corporate social responsibility might be understood as a reform movement, like many reform movements in the past, that depends on recognition of the need for correction. The inequity and harm caused by companies streamlined for shareholder profit enabled this reform movement, much as abuse in the long history of corporate Christianity stimulated complaint, outrage, and reform.<sup>221</sup>

In the ancient world, Christian organizers challenged the Roman model of society as a body with plebs subservient to the stomach and pushed forward two practical changes in response to that model.<sup>222</sup> First, conceptualizing their corporate bodies as fellowships made of members, a practice that came to be symbolized in the ritual of communion.<sup>223</sup> Second, establishing bishops to oversee regional churches.<sup>224</sup> As antecedents of corporate managers and regulators today, bishops worked together (more or less) to encourage corporate growth, settle disputes, and institute uniform practices.<sup>225</sup> If increasing attention to corporate social responsibility today revives and expands the ancient concepts of membership and oversight, then history suggests that visionary corporate managers and vigilant government regulators are needed to support and protect such concepts.

Analysis of the relation between religion and business in the long history of corporate organization yields many useful insights, not the least of which is that corporate organization has generated enormous wealth over the course of two millennia even as it has generated a comparable share of serious problems. Complaints regarding the generation and uses of corporate wealth have stimulated improvements, regulations, and concerns for good reputation, which have enabled sustainable growth and generated more wealth. Rooted in religious concerns about the purposes, uses, and dangers of wealth, the long history of vigorous complaints about corporate behavior go some distance in explaining why corporate organization has lasted so long.

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220. André Gonçalves, *Top 10 Companies with the Best Corporate (CSR) Reputation in 2020*, YOUMATTER (Mar. 4, 2020), <https://youmatter.world/en/top-10-companies-reputation-csr-2020/> [<https://perma.cc/QX3R-W9AX>].

221. See PORTERFIELD, *supra* note 6, at 10–11.

222. See *id.* at 11, 14–16.

223. See *id.* at 14–16.

224. See *id.*

225. *Id.*

In the early modern era, rising conflict over the authority of the church complicated the problems associated with wealth and greed that had long bedeviled—and energized—Christian organizations. Though neither Catholic nor Protestant cultures were ever monolithic, Protestant reformers attempted to relocate religious life in the world, while the Roman Church positioned itself as a sanctuary above the world.<sup>226</sup> At the same time, Protestant devotion to individual choice and the individuality of religious faith worked to soften the focus on community that had sustained corporate organizations for centuries. The importance of community weakened further among Americans influenced by prosperity theology.

This long view of corporate history challenges commonplace ideas about the meaning of “conservative.” The irony is notable if companies perceived as “progressive” and “liberal” take the lead in restoring corporate responsibility to revitalize something akin to the ancient concept of corporate membership while, on the other hand, hardheaded devotion to shareholder value garners support from self-proclaimed conservatives. This view of corporate history also challenges commonplace ideas about religion and secularity, highlighting religion’s vulnerability to corrupt and self-serving practices and the capacity of secular culture to carry the moral essence of socially beneficial religious ideas.

This is not to say that religion has lost all power to bring people together across partisan lines or inspire generosity and create communities that make the world a better place. To take a powerful example, though not without corruption or crime, the Roman Catholic Church continues to represent these better angels of human nature through its devotion to the mystical body of Christ, just as it has for almost two millennia. One does not have to be a believer to respect the power of religion to help people address the problems of the world.

In addition to acknowledging the power of religion, this study underscores the usefulness of studying religion and business in relation to one another. Religion and business coexist in time and space and respond to many of the same events: wars, plagues, famines, immigration, and new technologies. Their relationship with one another also shifts and changes in response to events: the decline of the Roman Empire, the opening of the New World to European settlement, new theories of evolution, and the environmental crises of today. We can learn more about religious movements by studying their relation to business models, and we can learn more about business models by studying their relation to religious movements. In some important instances today, we see that

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226. *Id.* at 71.

religion may be driven by a desire for power and spiritual profit, while business may be driven by a moral concern and respect for belonging to something greater than oneself. Examining religion and business also raises questions about how the relationship between corruption and reform that has enabled corporations to reinvent themselves over centuries will play out in the future.