



Comparison of King Alfred of Wessex and King Henry VIII of England in Terms of Their Economic and Political Objectives: The Founding of the Kingdom of England

Ekonomik ve Siyasi Amaçları Bakımından Wessex Kralı Alfred ile İngiltere Kralı VIII. Henry'nin Karşılaştırılması: İngiltere Krallığı'nın Kuruluşu

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ABSTRACT

This study examines the process of economic modernization in England from a historical perspective by comparatively analyzing the reigns of King Alfred of Wessex (871–899) and Henry VIII (1509–1547). Although operating in different historical contexts, the reforms implemented by both rulers played a decisive role in the construction of England's fiscal capacity, institutional continuity, and economic sovereignty. Alfred responded to the political and economic instability caused by Viking invasions by establishing the burh system, which secured the balance between security and production and revitalized local trade networks, thereby laying the early foundations of a centralized fiscal structure. In contrast, Henry VIII dismantled the economic power of the Church within the framework of the Reformation and centralized state revenues through the secularization of monastic properties. Despite employing different instruments, both periods were oriented toward the same objective: the establishment of a state order based on autonomous fiscal resources and independent from external authorities. By combining institutional economics with historical analysis, this study reveals the structural continuity between Alfred's defense-based economic model and Henry's strategy of fiscal-bureaucratic centralization. The findings demonstrate that the modern fiscal state in England did not emerge in a single historical moment but rather through a two-stage process, beginning with Alfred's institutional legacy and reaching maturity with Henry's Reformation policies. In this respect, the study contributes to the historical institutionalist literature on the origins of the modern state by arguing that economic modernization was already being constructed through fiscal-administrative institutionalization in the pre-industrial period.

Keywords: State Capacity, Institutional Economics, Fiscal Centralization, King Alfred of Wessex, Henry VIII.

Öz

Bu çalışma, İngiltere'nin ekonomik modernleşme sürecini tarihsel bir perspektiften ele alarak Wessex Kralı Alfred (871–899) ile VIII. Henry (1509–1547) dönemlerini karşılaştırmalı biçimde incelemektedir. Her iki hükümdarın farklı tarihsel bağlamlarda yürüttükleri reformlar; İngiltere'nin mali kapasitesinin, kurumsal sürekliliğinin ve ekonomik egemenliğinin inşasında belirleyici rol oynamıştır. Alfred, Viking istilalarının yarattığı siyasi ve ekonomik istikrarsızlık karşısında burh sistemiyle güvenlik ve üretim arasındaki dengeyi sağlamış, yerel ticaret ağlarını canlandırarak merkezi mali yapının ilk temellerini atmıştır. Buna karşılık VIII. Henry, Reform hareketi kapsamında kilise ekonomisini tasfiye etmiş, manastır mülklerini sekülerleştirerek devletin gelir kaynaklarını merkezileştirmiştir. Her iki dönem, farklı araçlarla da olsa aynı hedefe yönelmiştir: Dışal otoriteden bağımsız, kendi mali kaynaklarına dayalı bir devlet düzeni kurmak. Çalışma, kurumsal iktisat ve tarihsel analiz yöntemlerini birleştirerek Alfred'in savunma temelli ekonomik modeli ile Henry'nin mali-bürokratik merkezleşme stratejisi arasındaki sürekliliği ortaya koymaktadır. Bulgular; İngiltere'de modern mali devletin tek bir dönemde değil, Alfred'in kurumsal mirasıyla başlayıp Henry'nin Reform politikalarıyla olgunlaşan iki aşamalı bir tarihsel süreç sonucunda şekillendiğini göstermektedir. Bu çerçevede çalışma, ekonomik modernleşmenin sanayi öncesi dönemde dahi mali-idari kurumsallaşma yoluyla inşa edildiğini savunarak, modern devletin kökenlerine ilişkin tarihsel kurumsal literatüre katkı sunmaktadır.

Anahtar Kelimeler: Devlet Kapasitesi, Kurumsal İktisat, Mali Merkezleşme, Wessex Kralı Alfred, VIII. Henry.

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INTRODUCTION

The emergence of the modern state is largely addressed in economic history literature within the framework of the industrial revolution, mercantilist policies, and constitutional transformations. These approaches generally evaluate the state's financial capacity and institutional structure as developments specific to the early modern period; political and economic structures in the Middle Ages are often left out of the modernisation narrative. However, the historical institutionalist approach emphasises that the modern state is not the product of a sudden break, but rather of a long-term and gradual process of institutional transformation. According to this perspective, the state's fiscal power and administrative capacity are formed not in a single historical period but through the continuity of institutional practices accumulated over different periods (Jones, 2014; North & Thomas, 1973; Greif, 2006).

The British example is one of the historical laboratories where this long-term institutional transformation can be most clearly observed. The British state tradition is often explained through the Reformation process of the 16th and 17th centuries, the Tudor bureaucracy, and the emergence of the constitutional monarchy. However, this approach relegates the influence of military, financial, and administrative structures that took shape in the early Middle Ages to a secondary position in terms of their impact on the institutional foundations of the modern state. In fact, the defence and local governance mechanisms developed during the reign of King Alfred of Wessex represent not only a military response to the Viking threat, but also an institutional restructuring process that saw the emergence of early forms of state capacity in England (Haigh, 1993; Abels, 1998; Duffy, 1992).

This article examines the origins of the modern fiscal and political state structure in England through a comparative analysis of the economic and political policies of King Alfred of Wessex (871-899) and King Henry VIII of England (1509-1547). The main thesis of the study is as follows: the modern fiscal state in England did not emerge suddenly with the Reformation; it took shape as two complementary stages of the same historical process: the defence-based fiscal institutionalisation that began in Alfred's reign and the religious-fiscal centralisation that occurred during Henry's reign. Within this framework, Alfred's burh system and local tax regime formed the institutional basis of state capacity, while Henry VIII's confiscation of church property, the establishment of a fiscal bureaucracy, and the break with papal authority elevated this foundation to the level of national sovereignty (Weir, 2008; Black, 2020).

Methodologically, the study adopts a qualitative comparative historical analysis approach. The reigns of Alfred and Henry VIII are treated not as two independent historical narratives, but as different stages of the same institutional transformation process. The comparison is conducted through economic objectives (creation of revenue sources, tax mechanisms and fiscal sovereignty), political objectives (establishment of central authority and independence from external authorities) and institutional tools (administrative structures, legal regulations and property regimes). This methodological approach enables the article to go beyond a descriptive historical narrative and evaluate the structural continuity between Alfred's defence-based economic model and Henry VIII's fiscal-bureaucratic centralisation strategy within an analytical comparative framework (Greif, 2006; North, 1990). Within this framework, the Reformation process is positioned not merely as a religious rupture, but as an advanced stage of the fiscal-administrative transformation that had been taking shape since the early Middle Ages. The formation of the modern state in England is reinterpreted not as a single historical revolution but as an institutional evolutionary process spanning centuries (Bonney, 1995; North & Thomas, 1973).

1. The Historical and Institutional Foundations of Economic Centralization in England

The emergence of political unity in England was not only the result of military and diplomatic processes, but also of long-term economic and institutional transformations. Roman rule, Anglo-Saxon settlements, and the process of Christianisation led to the gradual reorganisation of property relations, tax structures, and administrative practices in Britain. These historical layers produced a line of transformation extending from the centralised tax economy of the ancient period to local feudal networks and, ultimately, to complex fiscal structures formed through religious institutionalisation (Latourette, 1975).

This transformation demonstrates that economic dominance in England was shaped not by a single historical rupture but through a cumulative and institutional process. Therefore, comparing King Alfred of Wessex and Henry VIII requires focusing not only on the political preferences of the two rulers, but also on the historical institutional heritage upon which these preferences were built (Keynes, 1999).

1.1 The Roman Financial Heritage: Taxation, Property, and Economic Integration

The Roman occupation of Britain ensured that the island was integrated into the imperial system not only politically but also economically. Particularly with Britain becoming a province during the reign of Emperor Claudius, Rome's centralised tax system, legal property regime, and commodity-based production model were transferred to the island (MacMullen, 1988; Todd, 1992). Large landholdings, known as the villa economy, organised agricultural production, which was directly linked to the imperial treasury. Thus, Britain became not only a military frontier but also an economic area integrated into Rome's financial structure.

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Nevertheless, the institutional legacy left by Rome has not been entirely eradicated. The concept of taxation, the notion of written property rights, and infrastructure-based economic organisation provided an indirect frame of reference for subsequent Anglo-Saxon administrations (MacMullen, 1988). In this respect, the Roman period represents the first historical layer of economic centralisation in England. Alfred's military-financial reforms and Henry VIII's fiscal centralisation policies, while differing in content, both align with the institutional logic of this early Roman legacy, namely the idea of concentrating economic resources under political authority.

1.2 Anglo-Saxon Economy: The Feudalization of Property and the Social Basis of State Capacity

The power vacuum that emerged with Rome's withdrawal from Britain led to the economic organisation on the island being reshaped on local and military foundations. The settlements of the Angles, Saxons, and Jutes led to the replacement of the centralised tax system with a land-based property regime; economic relations were structured around the distribution of land in exchange for political allegiance and military service (McKitterick, 2008). This process represented a transition from a spoils economy to permanent property relations, while also giving rise to early forms of feudal production structures.

In Anglo-Saxon society, land became not only a means of production but also a fundamental indicator of political allegiance and social status. Kings bound local elites to themselves by distributing land in exchange for military support; this structure gradually evolved into lordship relations and a hierarchical property order (Campbell, 2016). Thus, control over economic resources became integrated with political authority through personal loyalty networks; surplus production could be transferred directly or indirectly to the central administration.

During this period, due to the limited nature of the monetary economy, economic relations were largely maintained through barter obligations and local forms of taxation. However, the development of independent coinage systems by kingdoms such as Mercia and Wessex encouraged the gradual monetisation of economic exchange, thereby enabling the state's financial capacity to become measurable and regular. This development demonstrates that state formation in Anglo-Saxon England progressed not only as a military process but also as a financial one, as the definition of land as a taxable resource, the increasing controllability of labour, and the integration of local elites into royal authority established the social and institutional preconditions for state capacity. Although the Anglo-Saxon property regime did not produce a fully centralised bureaucracy, it generated a long-term logic of property rights and taxation that prepared the institutional ground for the military-financial reforms developed during Alfred's reign and upon which the fiscal centralisation policies of the Henry VIII period were historically built (Blackburn, 1998).

1.3 Church and Economic Power: The Institutionalization of Parallel Financial Authority

From the Anglo-Saxon period onwards, the process of Christianisation in England signified not only a religious transformation but also the reorganisation of economic power around a new institutional actor. With the missionary activities initiated by Pope Gregory I and the arrival of Saint Augustine in Britain, church property expanded systematically; monasteries, cathedrals and bishoprics became major landowners (Collins, 2010). During this process, the Church emerged not only as a spiritual authority but also as an economic institution with the capacity for production, redistribution, and tax collection.

The foundation of the church economy was formed by donations, tithes, and agricultural revenues derived from religious properties; this revenue structure made the church a relatively independent financial actor from royal authority. Monastic economies, in particular, functioned as institutional centres that directly controlled surplus production, directed labour, and performed a redistributive function within local communities; thus, two parallel economic structures emerged in medieval England: the kingdom's secular financial system and the church's religious-financial network. This dual structure produced structural tension in terms of political sovereignty; although church property was legally within the boundaries of the kingdom, it remained ideologically and institutionally tied to the Papacy, meaning that a significant portion of economic resources remained outside the direct control of national political authority. Consequently, this situation gave rise to a state structure characterised by fragmented sovereignty and divided financial capacity; in other words, the Church produced a semi-autonomous 'institutional sphere of power' that exercised financial and administrative authority in England before the modern state emerged (Campbell, 2016).

This historical structure is decisive in explaining the economic rationale behind the Reformation movement during the reign of Henry VIII. Henry's closure of monasteries and transfer of church property to the royal treasury signified not so much an abrupt break as the liquidation of this dual financial structure that had persisted for centuries. The state capacity established through military-financial centralisation during Alfred's reign was completed during Henry's reign with the elimination of the Church's economic autonomy. In this respect, the Church functioned not only as a theological

rival in Henry's reform policies, but also as the greatest institutional obstacle to economic supremacy (Murphy, 2015).

1.4 The Viking Crisis and the Institutionalization of State Capacity: Alfred's Rise

From the late 8th century onwards, Viking raids in England constituted not only an external military threat but also produced a structural crisis that exposed the institutional inadequacies of the existing political and economic order. This process, which began with the sacking of Lindisfarne Monastery in 793, quickly spread to the eastern and southern regions of the island; Scandinavian settlements became permanent in the areas known as Danelaw (Hadley, 2002; Swanton, 2008). During this period, England was characterised by a structure consisting of disconnected Anglo-Saxon kingdoms, with weak central authority and limited defence capabilities. Consequently, the Viking threat emerged not only as a military problem but also as a result of political fragmentation and financial disarray. In this crisis environment, the Kingdom of Wessex, and particularly King Alfred (871-899), emerged as the actor who developed the first systematic state-building project in England. Alfred's implementation of Danegeld demonstrates that he approached the conflict with the Vikings not only as a military issue but also as a financial one. This system, based on economic compromise rather than war, ensured that tax collection capacity was directly integrated into defence policy (Rankin, 1998). Thus, security began to be financed for the first time through a regular and institutionalised financial mechanism.

Alfred's true innovation lay in transforming his defence strategy into a permanent administrative structure. The burh system combined military, administrative and economic functions within a single institutional framework through walled settlements established at strategic points (McKitterick, 2008). Tax collection, the securing of trade and the subordination of local government to royal authority at these centres produced the first concrete institutional form of state capacity in England. Burhs functioned not only as defensive infrastructure but also as early fiscal-administrative centres. In this context, Alfred's reforms should be regarded not merely as a temporary response to the Viking threat but as a deliberate institutional transformation project aimed at systematically centralising economic resources under political authority. The integration of taxation, security, and governance within a single framework constituted an early prototype of modern state capacity in England. This structure was the historical precursor to the logic of sovereignty that would be reproduced centuries later during the reign of Henry VIII through the confiscation of church property and fiscal centralisation (Esposito, 2021).

In conclusion, the Viking crisis served as the triggering moment for state formation in England; Alfred was the first political actor to transform this crisis into an institutional leap forward. The military-fiscal centralisation model established by Alfred lies on the same historical line as the religious-fiscal centralisation policies implemented by Henry VIII in the early modern period; both figures represent different stages of the institutionalisation of sovereignty in the English state tradition. This historical background demonstrates that the financial centralisation policies that emerged during the reigns of Alfred and Henry were not sudden ruptures, but rather the product of long-term institutional accumulation (Guy, 2014).

2 Political and Economic Reflections on Reform Movements in England

At the beginning of the sixteenth century, the Catholic Church exercised extensive economic, political, and institutional power across Europe through vast landownership and mechanisms such as excommunication and indulgences, shaping not only religious life but also political relations, particularly in regions such as Germany and Italy. However, the growing gap between the Church's material wealth and popular living conditions, together with widespread corruption among clerical elites, increasingly eroded its moral legitimacy (Ullmann, 2003). This structural context paved the way for the Protestant Reformation, which began in 1517 with Martin Luther's Ninety-Five Theses and soon

evolved into a broader challenge to papal authority and scholastic orthodoxy, spreading across Europe under figures such as Calvin and Zwingli (McGrath, 1988). Within this wider transformation, England developed a distinctive reform trajectory: while breaking with Rome and adopting key Protestant principles, it preserved elements of Catholic tradition and, most importantly, established a national church in which religious authority was directly subordinated to political sovereignty through the monarch (Latourette, 1975).

2.1 Henry VIII's Great Challenge and the Founding of the Anglican Church

The Reformation movement initially emerged from clerical objections to the institutional practices of the Catholic Church, particularly the sale of indulgences, excommunication, and the restriction of the Bible to Latin. However, the English Reformation followed a distinct path compared to continental Europe, as it was driven primarily by political authority rather than theological dissent. In England, the Reformation was led directly by the monarch. When Pope Clement VII refused to annul Henry VIII's marriage to Catherine of Aragon, the king sought to establish an alternative source of ecclesiastical authority. With the support of key advisors, the English Crown gradually moved towards institutional separation from Rome, culminating in a series of parliamentary acts between 1532 and 1534 that abolished papal taxation, restricted ecclesiastical appeals to Rome, and ultimately declared the monarch to be the supreme authority in both religious and secular affairs. This process reached its formal conclusion with the Act of Supremacy (1534), which recognised the king as the sole head of the Church of England and eliminated papal jurisdiction over English affairs (Hinchliff et al., 1998; Griswold, 2008).

The origins of this break were fundamentally rooted in dynastic concerns. Henry VIII inherited a fragile political structure from his father, Henry VII, whose reign had been shaped by the need to consolidate royal authority after the Wars of the Roses. The marriage with Catherine of Aragon initially aimed to strengthen England's position in European politics, but the absence of a male heir and Henry's desire to marry Anne Boleyn transformed a dynastic crisis into a constitutional rupture, known as the King's Great Matter. This process not only enabled Henry to annul his marriage but also redefined the relationship between sovereignty and religious authority in England, paving the way for the confiscation of church lands, the dissolution of monasteries, and the expansion of the fiscal and institutional capacity of the Tudor state (Barratt, 2005; Warner, 1998).

2.2 Economic Gains of the King

Although the Protestant Reformation began with Martin Luther's challenge to papal authority in 1517, it was not initially supported in England. On the contrary, Henry VIII strongly opposed Luther and even wrote *Assertio Septem Sacramentorum* in 1521, for which he was granted the title *Defender of the Faith* by the Pope. Henry was not a Protestant in theological terms; however, the interaction between religion and politics, the spread of reformist ideas within his inner circle, and above all his dynastic objectives gradually pushed him towards a decisive break with Rome. The Act of Supremacy, followed by the Act of Treason, criminalised opposition to royal authority and led to the execution of Thomas More in 1535 for refusing to recognise Henry as head of the Church. After More's death, Thomas Cromwell emerged as the principal architect of the English Reformation and implemented reform policies in a systematic manner, most notably through the Dissolution of the Monasteries (1536–1540). During this process, more than 800 monasteries were closed and their lands and valuables transferred to the Crown, generating unprecedented fiscal resources and significantly expanding the financial and administrative capacity of the Tudor state (Weir, 2008).

The Anglican Church should therefore not be interpreted merely as a religious movement, but as a political project aimed at eliminating foreign authority and redefining sovereignty within England. Henry's break with Rome was driven not only by his desire to remarry, but also by his broader ambition

to establish absolute authority over both secular and religious affairs, particularly in a context where nearly one-third of English land was owned by the Church (Elton, 1953). The redistribution of monastic lands contributed to the emergence of a new political and economic elite loyal to the Crown, while also producing major social consequences, as religious institutions had long functioned as providers of charity and social protection (Black, 2020). The reforms provoked strong public resistance, most notably in the Pilgrimage of Grace (1536), which was brutally suppressed, confirming the irreversible nature of the new political order (Randell, 2001). Despite the controversial and often ruthless character of his policies, Cromwell played a decisive role in this transformation by expanding bureaucratic governance and institutionalising financial and administrative structures, thereby contributing to England's transition from a medieval polity to a more centralised and modern state (Bernard, 1998).

2.3 First Rebellions and Separatist Movements

At this time most people in England were not against the reform movement. The people saw the priests of the Catholic Church as men who amassed wealth on the pretext of helping the people. As a result, Cromwell had no major problems in implementing the reforms. The only exception was an economic rebellion that broke out in 1536 and involved about 40,000 people. Henry VIII was a shrewd politician. He knew very well that the demands of the rebels could not be ignored. In the end, he gave them what they wanted and ended the process peacefully. The anti-reform movement was crushed. Within a short time, however, 200 people who were believed to be the leaders of the rebellion were captured and executed. The anti-reform movement was thus crushed before it had even begun (Bernard, 1998).

2.4 The Period After Henry VIII

In 1539, with the translation of the Bible into English, religious texts became accessible to a wider public; however, the Reformation in England was not yet complete. Following the death of Henry VIII in 1547, he was succeeded by his nine-year-old son Edward VI, during whose reign the reform movement continued with similar intensity. The Book of Common Prayer, prepared under the authority of the Archbishop of Canterbury, became a guide for religious rituals and sermons, while Protestant doctrines gained wider acceptance. Church services were conducted in English rather than Latin, the veneration of saints and relics was prohibited, and clerical celibacy was abolished. Nevertheless, Edward's reign was short-lived, and his death in 1553 temporarily jeopardised the reform process (Aston, 1996). His successor, Mary I, sought to restore Catholicism by repealing key reforms, including the Act of Supremacy, and persecuting Protestants. More than 280 executions during her reign earned her the nickname "Bloody Mary", although this Catholic restoration proved to be only a brief interruption.

With the accession of Elizabeth I, the Reformation was revived and consolidated through a more moderate and pragmatic approach. Elizabeth reintroduced the main reforms of her father and brother, adopted the title Supreme Governor to emphasise the political nature of royal authority, and supported Protestantism both domestically and abroad, despite being declared a heretic by the Pope (Loades, 2014). Attendance at Anglican services became compulsory, Catholic worship was prohibited, and strict regulations were imposed on the clergy. The adoption of the Thirty-Nine Articles in 1571 formally defined the doctrinal foundations of the Church of England. Consequently, the English Reformation reached a stable and institutionalised form under Elizabeth, shaping Anglicanism in a manner close to its modern structure (Cavill, 2013; Acheson, 1993).

3. Comparative Framework: State Capacity, Economic Centralization, and Sovereignty

This study compares King Alfred of Wessex and Henry VIII not through historical parallelism based on chronological or personal similarities, but through the distinct historical phases they represent in the institutional construction of economic sovereignty. The central argument is that modern state capacity

in England began to take shape not only in the early modern period, but at a much earlier stage, and that this process was fundamentally driven by the institutional centralisation of economic resources under political authority. From a historical political economy perspective, the comparison aims to explain how state capacity was constructed and how economic centralisation formed its material basis (Randell, 2001).

In modern political economy, state capacity refers to the state's ability to extract revenue, mobilise resources, enforce legal authority, and maintain social order. The state is therefore defined not merely as an actor monopolising coercive power, but as an institutional organisation that centralises and redistributes economic resources. State capacity should thus be understood as a historically constructed process institutionalised primarily through fiscal and administrative infrastructures, which constitute the long-term material foundation of political sovereignty (Tilly, 1992; North, 1990).

Economic centralisation constitutes the most decisive historical dimension of state capacity. The institutionalisation of taxation, the legal regulation of property, and the concentration of economic control under central authority transform the state into an active institutional actor that reshapes the structure of the economy (Besley & Persson, 2011). From this perspective, economic sovereignty is not a secondary outcome of political sovereignty but its constitutive foundation. This framework makes it possible to compare Alfred and Henry: Alfred's construction of an early fiscal state through military defence, taxation, and local administration, and Henry's secular centralisation of economic sovereignty through the confiscation of church property, reflect the same institutional logic in different historical contexts. Accordingly, Alfred and Henry represent two distinct phases of economic centralisation in the English state tradition-local military-fiscal capacity in Alfred's case, and national secular fiscal sovereignty in Henry's. This comparison therefore provides a theoretical framework for explaining the long-term institutional evolution of economic sovereignty in England, rather than the personal traits of the two rulers (McGrath, 1988).

3.1 Concepts of State Capacity and Economic Sovereignty

The concept of state capacity refers to the state's ability to regulate social and economic spheres in an effective and sustainable manner in the political economy literature. This concept encompasses not only the state's capacity to use force, but also its administrative functions such as tax collection, resource allocation, law enforcement, and the organisation of public services. In this respect, state capacity emerges as a structural feature defined not only by military power, but also by the integrity of economic and institutional infrastructures. From a historical political economy perspective, state capacity is understood as a phenomenon built through long-term and cumulative processes rather than sudden institutional shifts. According to North's institutional economics approach, the state's economic performance is shaped by the historical continuity of formal and informal institutions, which structure economic behaviour independently of individual actors' preferences (North, 1990). Similarly, Tilly's thesis that "war makes the state, and the state makes war" suggests that state capacity develops primarily through fiscal and military imperatives, as persistent conflict compels states to establish regular taxation, bureaucratic organisation, and centralised control mechanisms (Tilly, 1992).

This article examines state capacity mainly through the dimensions of fiscal institutionalisation and economic centralisation. The continuity of tax systems, the legal regulation of property regimes, and the concentration of economic control under a central authority are treated as concrete indicators of state capacity (Besley & Persson, 2011). In this framework, state capacity is defined not only as the power to govern, but also as the ability to restructure the economic sphere and generate independent fiscal sovereignty. Accordingly, the comparison between Alfred and Henry VIII focuses on how state capacity was historically constructed in England and deepened through institutional tools rather than differences in personal leadership. Alfred's defence-based fiscal organisation and Henry's secular fiscal

centralisation represent different stages of the same structural process. From this perspective, state capacity is approached not as a static attribute, but as a dynamic institutional process that has evolved historically through economic centralisation.

3.2 Historical Institutionalism and the Fiscal State Approach

One of the most decisive dimensions in the historical construction of state capacity is the ability of the central authority to control economic resources in a regular and continuous manner. In this context, fiscal sovereignty refers not only to the state's ability to collect taxes, but also to its capacity to direct economic circulation, define property relations, and bind public expenditure to institutional rules (Besley & Persson, 2011). The formation of fiscal sovereignty is therefore a prerequisite for the state to emerge as an autonomous economic decision-maker.

During the reign of Alfred, economic centralisation was primarily shaped by defence requirements. The Danegeld system, developed in response to the Viking threat, constituted an early fiscal mechanism that enabled the regular transfer of local production surpluses to the central authority (Rankin, 1998). Although not a modern tax regime, this system allowed the institutional mobilisation of economic resources for military security. In this sense, Alfred's administration reduced fragmented local economic structures and subjected them to a defence-oriented process of fiscal centralisation. This process was further deepened through the burh system, which functioned not only as a military network but also as an economic infrastructure in which trade was regulated, markets were organised, and taxes were collected (McKitterick, 2008). Through these mechanisms, Alfred consolidated security and economic circulation within a single institutional framework. Consequently, his reign represents the first institutional phase in which financial sovereignty began to centralise economic resources under political authority.

Under Henry VIII, economic centralisation emerged less from defence imperatives than from the redefinition of sovereignty itself. The dissolution of papal authority during the Reformation signified not only a religious rupture but also the nationalisation of church property, one of the largest economic sectors in England. The closure of monasteries and the transfer of ecclesiastical lands to the Crown dramatically expanded the state's financial base (Elton, 1953). Institutions such as the Court of Augmentations transformed these assets into a systematic and bureaucratically managed fiscal structure, thereby institutionalising fiscal sovereignty within a recorded and continuous public finance system (Besley & Persson, 2011). The defence-based fiscal centralisation of Alfred's reign thus evolved into a secular, bureaucratic, and national fiscal state under Henry VIII.

This comparison demonstrates that fiscal sovereignty in England did not emerge through an abrupt institutional rupture, but through a historically cumulative process shaped by different political contexts. While Alfred's defence economy established the material foundations of state capacity, Henry's reforms transformed these foundations into a modern regime of fiscal sovereignty. Economic centralisation should therefore be understood as a long-term process of institutional evolution, extending from military necessity to secular and ideological transformation.

3.3 Comparative Historical Analysis: Methodological Rationale

The sustainability of state capacity depends not only on the effectiveness of coercive instruments but also on the legitimacy of the economic order as recognised by social actors. In this context, economic legitimacy refers to the social acceptance of the state's authority to collect taxes, regulate property, and distribute resources. Legitimacy is therefore not merely an ideological category, but a structural condition that enables the continuity of economic relations (Weber, 1978; Tilly, 1992).

Historically, during Alfred's reign, economic legitimacy was largely based on a defence-oriented consent mechanism. The Danegeld system, developed in response to the Viking threat, created a compulsory fiscal burden that nevertheless gained social acceptance through the discourse of collective security. Taxation thus functioned not only as an economic transfer but also as an institutional expression of political loyalty (Rankin, 1998; Tilly, 1992). The burh system further reinforced this legitimacy at the local level by protecting trade, securing markets, and strengthening the allegiance of communities to central authority. In this sense, legitimacy under Alfred was produced through concrete economic benefits rather than ideological narratives (McKitterick, 2008).

Under Henry VIII, the basis of economic legitimacy underwent a fundamental transformation. The dissolution of papal authority during the Reformation signified not only an institutional rupture but also the transfer of economic sovereignty from religious to secular legitimacy. The appropriation of church property was legitimised through the rhetoric of national sovereignty and royal authority, enabling the social acceptance of the new fiscal order (Elton, 1953). During this period, legitimacy was generated less through security and more through sovereignty and identity, as the monarchy positioned itself as the natural owner of the national economy. State control over taxation and property was thus grounded not in divine authority but in the idea of national sovereignty, marking a critical threshold in the emergence of the modern fiscal state (Weber, 1978; Habermas, 1975).

The comparison between Alfred and Henry demonstrates that economic legitimacy is not historically fixed, but is reproduced within different political contexts. While legitimacy under Alfred was grounded in security, under Henry it was grounded in sovereignty and identity. In both cases, however, the outcome was similar, as the state acquired the capacity to govern the economic sphere not only through coercion, but also through social consent. Consequently, English state capacity achieved a durable institutional foundation through the historical balance between coercion and legitimacy.

4. Comparison of King Alfred of Wessex and Henry VIII in Terms of Economic and Political Goals

Although there is a time gap of nearly six centuries between King Alfred of Wessex (871-899) and Henry VIII (1509-1547), the policies of both rulers were oriented towards institutionalising political sovereignty through the centralisation of economic resources (North, 1990; Brewer, 1989). In this context, "economic objectives" refer to the control of financial resources, while "political objectives" denote the production of legitimacy and sovereignty through this control. Alfred's central problem was the collapse of security due to Viking invasions and the resulting disruption of production and local trade networks, whereas Henry confronted a fragmented sovereignty structure under papal authority (McKitterick, 2008). Despite these different historical conditions, the underlying motivation in both cases was to reduce dependence on external actors and to relocate the source of political legitimacy to the national level (North & Thomas, 1973; Greif, 2006). Accordingly, Alfred's military-administrative centralisation and Henry's reconfiguration of religious and fiscal sovereignty represent different stages of a long-term historical continuity in the English state tradition towards the institutional construction of sovereignty (Brewer, 1989). These reforms, therefore, illustrate structural processes through which state capacity was historically built, beyond the personal characteristics of the rulers (North, 1990; Greif, 2006).

4.1 Economic Objectives: Centralization of Revenue Sources

During the Alfred era, the primary objective of economic policy was to establish a sustainable fiscal structure capable of ensuring military security. Viking raids not only caused physical destruction but also weakened agricultural production, local trade networks, and regional markets, thereby creating a structural relationship between security and economic life. In this context, the *burh* system functioned not only as a military defence network but also as local centres where economic activities were

reorganised. Through the *burhs*, markets were secured, trade continuity was maintained, and tax collection was regularised. The *burh* system can therefore be considered one of the earliest institutional forms of a local fiscal-state model (Brewer, 1989; McKitterick, 2008).

The Danegeld tax represents an early example of fiscal institutionalisation aimed at generating a regular and continuous source of public revenue beyond the immediate financing of war. This mechanism enabled not only military expenditure but also the sustainability of local administrative networks and regional financial control. In this sense, Danegeld illustrates the transformation of taxation from an exceptional obligation into an institutional state practice. As North (1990) argues, institutionalised tax systems are among the most fundamental indicators of state capacity, and the Alfred era constitutes one of the historical foundations of this process.

Henry VIII's economic policies, by contrast, were directed towards transferring financial resources controlled by the Church to the secular state. The dissolution of monasteries and the appropriation of church property led to a structural redistribution of economic power and the establishment of a new property regime in England (Weir, 2008; Black, 2020). This transformation not only expanded state revenues but also marked an early phase in the emergence of the modern fiscal state, as conceptualised by Bonney (1995).

From a comparative perspective, Alfred's reforms reflected defence-driven fiscal centralisation, whereas Henry's policies represented a deliberate fiscal restructuring in response to a crisis of sovereignty. In both cases, however, economic instruments became central to the institutionalisation of political power. While Alfred relied on taxation and market security, Henry consolidated sovereignty through property redistribution and revenue nationalisation. Despite differing historical contexts, both rulers achieved a similar structural outcome: the consolidation of political sovereignty through economic centralisation (Brewer, 1989; North & Thomas, 1973).

4.2 Political Objectives and State Restructuring

Alfred's political project aimed to unite the fragmented Anglo-Saxon world under a single political authority, a goal achieved not only through military success but also through institutional reforms. Legal codification, educational initiatives, and the strengthening of local administrative networks made it possible to ground political legitimacy in rules and institutions rather than in personal power. The law code compiled by Alfred, known as the *Doom Book* (or *Domboc*), brought together diverse local traditions into a unified written legal framework, separating law from individual authority and anchoring it in a normative order (Rankin, 1998). This shift reduced administrative arbitrariness and placed governance on a more rational and predictable basis. In this sense, Alfred's reforms can be interpreted as an early historical example of rational-legal authority in Weberian terms, signalling a transformation in which the institutional foundations of state capacity were established.

Under Henry VIII, political sovereignty was redefined less through legal codification than through the subordination of the religious sphere to political authority. The Act of Supremacy (1534) declared the king the supreme authority in both secular and spiritual domains, severing sovereignty from the Papacy and relocating it within the national state structure. While political unity under Alfred was constructed through legal and military means, under Henry it emerged through an ideological and theological rupture. In both cases, however, the central objective was to derive political legitimacy from the state itself rather than from external authorities. This reflects two historically distinct forms of the broader process by which sovereignty was transformed from personal loyalty into institutional political authority (Guy, 2014).

The professionalisation of administration under Henry further deepened this institutional transformation. The bureaucratic reforms introduced by Thomas Cromwell transferred financial and

administrative functions from personal royal control to specialised institutional bodies. This marked a shift from a patrimonial system towards a rational-bureaucratic model of governance. From this perspective, Alfred's locally centralised structure evolved into a nationally centralised bureaucracy under Henry, indicating that political sovereignty became institutionalised not only ideologically but also administratively and organisationally (Bernard, 1998).

4.3 Institutional Tools: Building State Capacity

The comparison between Alfred and Henry is meaningful not only in terms of economic and political objectives, but also with regard to the institutional tools that enabled these objectives to be realised. The burh system developed by Alfred functioned as a multifunctional mechanism that combined security, taxation and trade within a single local administrative structure. Beyond military defence, burhs operated as centres where economic activities were organised, and public authority was materially institutionalised. In this respect, the burh system can be regarded as an early institutional form that enhanced not only the state's coercive capacity but also its capacity for local governance (McKitterick, 2008).

During the reign of Henry VIII, institutional instruments evolved within a more complex and specialised bureaucratic framework. Financial bodies such as the Court of Augmentations played a key role in institutionalising centralised fiscal control through the administration of former church property. These institutions transferred financial authority from personal royal control to specialised administrative mechanisms, thereby giving the state's economic capacity a stable institutional form independent of individual rulers. From this perspective, the Tudor bureaucracy represents a more advanced and centralised extension of the local administrative structures that had emerged during the Alfredian period (Appleby, 2012; Loades, 2009).

A similar structural parallel can be observed between Alfred's Danegeld system and Henry VIII's nationalisation of monastic revenues. In both cases, fiscal sovereignty was strengthened through the direct centralisation of economic resources previously controlled by dispersed or semi-autonomous actors. Under Alfred, this process was driven mainly by defence imperatives, whereas under Henry it resulted from a strategic intervention aimed at redefining political sovereignty. Despite these different motivations and contexts, the institutional outcome was essentially the same: the emergence of the state as an autonomous actor capable of formulating and enforcing its own rules in both the economic and political spheres. This convergence illustrates the gradual construction of fiscal autonomy and institutional control as core components of state capacity (North, 1990)

CONCLUSION

This study examines the process of economic modernisation in England through a comparative historical economic perspective, focusing on the reigns of King Alfred of Wessex and Henry VIII, thereby developing a proposal for long-term institutional continuity regarding the origins of the modern fiscal state. The analysis demonstrates that, despite being shaped by different historical contexts, both periods performed complementary structural functions in the construction of state capacity. Alfred's economic model, based on military and administrative organisation, institutionalised the relationship between security and production, while Henry's Reform policies transformed these foundations into a permanent structure at the national level through fiscal centralisation and a secular property regime.

The main finding of the research is that the modern fiscal state in England was not the product of an abrupt historical break, but rather of a cumulative process of institutional transformation. The local defence-economy balance developed during Alfred's reign was restructured on a national scale during Henry's reign through centralised financial institutions and bureaucratic mechanisms. This two-stage

process enabled the establishment of economic sovereignty independent of external actors, thus laying the institutional groundwork for modern public finance.

This study offers a unique contribution by evaluating early medieval and Reformation period England within the same institutional historical framework, which is typically addressed separately in the literature. The findings reveal that economic modernisation cannot be explained solely by the Industrial Revolution; rather, it was made possible by the historical maturation of fiscal and administrative structures that took shape much earlier. In this respect, the English example confirms the explanatory power of the historical institutionalist approach in explaining the origins of the modern state. Ultimately, Alfred's pursuit of economic rationality and administrative stability at the local level transformed into bureaucratic and financial institutionalisation at the national level during Henry's reign; the accumulation of both periods brought England closer to becoming one of the first fiscal-bureaucratic state models in Europe. This finding provides a generalisable analytical framework not only for English history but also for modern state theory, as it demonstrates how the relationship between state capacity, fiscal autonomy, and political legitimacy was historically constructed.

Compliance with the Ethical Standard

Conflict of Interest: The author(s) declare that there is no conflict of interest related to this manuscript. Author contribution declaration forms have been submitted as part of the article submission process.

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