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THE CHURCH OF ENGLAND and U S U R Y.

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1949.

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THE CHURCH OF ENGLAND AND USURY.

I. BACKGROUND.

(a) The Scriptures.

The commendations in Psalm XV are generally acceptable, but there is a phrase in verse 6 which modern readers, and singers, think is an archaism: "He that hath not given his money upon usury." LO NATAN BeNESHEK. The Hebrew word NESHEK, usury, is from the root N-SH-K which means to bite.

The prohibition of this kind of business is clear enough in the Old Testament, and it was against the Law of YAHWEH to lend £100 and to expect back more than £100. In early days the transaction would have been done by weight of bullion (sheql) or by goods. References are scattered throughout Law and Prophets, and in each case Usury is a deadly sin. A double standard, it is true, is allowed in the latter legislation of Deuteronomy: a Jew may lend on usury to a stranger (non Jew) but he may not lend on usury to a brother.

In spite of this clear code, money lenders were largely responsible for the social changes that altered Palestine from a land of small farmers, in the time of the earlier kings, to a series of large estates worked by slaves in the time of Jeroboam II. For the difficulties of the small farmer drove him to the usurer and all too often their mortgaged goods, families and persons were sold, which meant slavery. There is no wonder that the usurer was hated.

In the New Testament, the "hard man" expected his money to be put out at usury. But the text which guided Christian writers

was the word of Our Lord on lending and not expecting again. (S.Lk, VI, 34). The Christians inherited the Jewish moral law, and the covetous and extortioners were in the Pauline lists of deadly sinners. We shall see many references to the Old Testament prohibitions when we consider the work of the Christian writers. They lived in the atmosphere where usury was banned: this was so clear to Clement of Rome, for example, that he did not trouble to mention it in his outline of ethics. Usury, in his eyes, would have been one of the causes of moral chaos.

Usury in Christian times was thought of with loathing for many centuries. The history of the English Church's dealing with the sin may be accurately dated until the years when it was no longer counted as evil. In recent times there has been a revival of interest both within and without the Church on the subject, together with the feeling that the ancient traditions were too hastily abandoned.

It is my purpose to show what these traditions were and when they were deserted. We may see partially why. At least, it will be clear that the Church's teaching had a strong impact on the life of the world, particularly in mediaeval England. The results of withdrawing the prohibition, or of minimizing its power, cannot be certainly weighed: it may be too much to attribute successive calamities to the tolerance of usury, but it is too little to write off the whole subject as irrelevent. We have already seen that usury changed the social order of ancient Israel. It is hard to visualise a time when usury was thought of with as much loathing as adultery - more indeed as affecting so many people,-and as being a violation of nature - but this was once the opinion of all

the best minds.

(b) The Classics.

But arguments were drawn from Reason, in addition to the prohibition conveyed through Revelation, against lending on usury. Aristotle, Plato and Cicero argued against against it, and their theory was elaborated later, as we shall see. Their root idea was that it was against Nature to require a "breed of barren metal". TOKOS, the Greek word for usury, is from the root which means to breed or increase.

Aristotle, who understood something of the nature of money, says (Politics I, iii, 23) : "Usury is most reasonably hated because its gain comes from a money itself and not from that for the sake of which money was invented. For money was brought into existence for the purpose of exchange (METABOLES .. CHARIN), but interest increases the amount of the money itself (POIEI PLEON) (and this is the actual origin of the Greek word: offspring ressembles parent, and interest is money born of money); consequently this form of the business of getting wealth is of all forms the most contrary to nature. (PARA PHUSIN)." This is H. Rackham's translation of the passage, but the translation of TOKOS by "interest" is not altogether happy: it certainly differentiates the term from OBOLOSTATIKE - translated usury - an Aristophanaic word for a petty money changer or weigher. But the meaning of the passage is a clear condemnation of a practise that is contrary to nature. Translation may obscure more than it reveals: in the passage from Psalm XV, Silver - with it is true the derived meaning of Money - was not given on usury, by no means quite without significance in

for times when a gold standard mentality has the fixation of a law of nature. The Hebrew word is KESEPH.

Plato, whose works are the other source book of Western thought, was equally firm on the subject. After a caution about what we should now call foreign exchange - he prohibits the traveller from keeping foreign money - he says (Laws V, 742 - Jowett's translation) ; "In marrying and giving in marriage, no one shall give or receive any dowry at all; and no one shall deposit money with another whom he does not trust as a friend, nor shall he lend money upon interest; and the borrower should be under no obligation to repay either capital or interest." The connection between marriage and finance is not so haphazard as might appear, and at least one thinker whose work we shall notice shortly has seen in the financial conventions that at different periods are connected with marriage a measure of the greed or idealism in society. Plato continues (743): "Therefore we say that gold and silver ought not to be allowed in the city, nor much of the vulgar sort of trade which is carried on by lending money or rearing the meaner kinds of livestock; but only the produce of agriculture, and only so much of this as will not compel us in pursuing it to neglect that for the sake of which riches exist - I mean soul and body..." In the Republic he (VIII, 556) ascribes the transition from oligarchy to democracy to usury and debt: "The rulers, being aware that their power rests upon their wealth, refuse to curtail by law the extravagance of the spendthrift youth because they gain by their ruin; they take interest from them and buy up their estates and thus increase their own wealth and importance..... The men of business, stooping as they walk and pretending not even to see those whom they have already ruined, insert their sting - that is , their money - into some one else who is not on his guard against them, and recover

the parent sum many times over multiplied into a family of children and so they make drone and pauper to abound in the State."

Cicero has been so highly thought of bys some, although others have considered him a wavering politician, that he may be briefly considered. His case against the extortions of Verres in Sicily is well known, and he mentions to Atticus "feneratores acerbissimi" (most bitter usurers) and (Parad.) speaks of draining the provinces by usury: "as fenerandas diripiendasque provincias". These exactions, he says, are condemned which incur hatred, such as those of the toll-gatherers and of the usurers. He mentions too those who spend the whole income of their estates in paying usura. He clearly had no wavering ideas about the usurer.

(c) Experience.

A third type of argument has been based on experience. We have seen what was the fate of the Jews when usurers gained their grip, and Plato sees much the same result. But the world in which Christianity arose had experienced the same changed on a more imposing scale. Plautus mentions that the usurer takes up his usual stand in the forum, and this is but one instance of the social change that had overtaken the Roman state. A remarkable study of the process was published in America in 1896, called the Law of Civilization and Decay, by Brooks Adams. The book is dominated by the mechanistic fatalism then current, but the main outline and the collection of facts form a valuable contribution to the economic interpretation of history. Professor Charles Beard, the reputable American historian, points out in his introduction that Adams had broken away from the Marxian outlook and "concentrated on the driving greed of the usurer or finance

capitalist, never able to satiate his lust for money or power ... the imaginative mind sank in the scale, and the economic mind became do dominant." Adams hazards the opinion that the expulsion of Tarquinius was probably the victory of the monied class which "centralised government functions in a self perpetuating body. Niebuhr said that money-lending was originally a patrician privilege, and that the rich plebeians struggled against the oligarchy in the early republic to break the monopoly. Macaulay pointed out that the ruling class in Rome was a monied class which made and administered the laws in its own interest, and that the great men held a large proportion of the community in dependance by advances at enormous usury. The law of debt was framed by the creditors for their own protection. Livy said that every patrician house was a gaol for debtors.

But the clearest picture of the Roman background is found in the History of Momsen. He shewed how the burgess small farmers were ruined by usury and reduced to a proletariat. The family with its twelve acres was driven from the soil, and huge estates run by slave labour were formed. These were the "latifundia", of which Juvenal later wrote his well known comment: "Latifundia perdidit Italiam." The Twelve Tables to an extent checked the evil, but the commercial spirit, fostered by the Equites, often in league with the demagogues, prevailed, and at length Roman husbandry was ruined by cheap imports of corn. The old order based on small farms was broken up, and violence together with the extremes of slavery and gigantic fortunes took its place. "It was", he sayd, "the ancient social evils - at bottom of all the ruin of the middle class by the slave proletariat - that brought destruction on the Roman commonwealth." And the financial oppression soon extended to the provinces where it was heavier even than the taxation. "The financial oligarchy" were the most prominent feature of the epoch extending from

before 100 B.C. They owned most of the soil of Italy and enjoyed "the proceeds at usury of the capital monopolised by them". Indeed, he gives a clear picture of Rome when he says, "If we conceive of England with its lords, its squires, and above all its City, but with its freeholders and farmers converted into proletarians, and its labourers and sailors converted into slaves, we shall gain an approximate image of the population of the Italian peninsula in those days". About the time of the beginning of the Christian era, this power of the creditors was centralised under the Caesars. When the right of alienation had been established, all wealth tended to fall into the powerful usurers' hands. It was a tragic change from the sturdy independent husbandmen, who had largely become nexi - workers on their own property for the money-lender - to this centralised money machine. The fiscal system also worked bankruptcies, and the tax farming was unregulated by law. As Livy remarked, "Ubi publicanus est, ibi aut jus publicanum nullum aut libertatem sociis nullam esse." Interest would soon raise the principal to many times the original amount when, for instance, debts were treated as bills at a year at 20 per cent. Many were the convulsions caused by insolvency. When in 495 the farmers refused to respond to the levy; Publius Servilius had to suspend prosecutions for debt and liberate the debtors; when the legions' demands were rejected, they marched to Mount Sacer. Camillus found himslef impotent, and the Licinian laws granted partial liquidation of debt and redistribution of public land. Rome was powerful as long as her farmers were free, but when debt assailed them, mutiny spread in the legions. As time went on, the small proprietor became a rariety, and was bankrupt at the first bad harvest. Under Augustus, the currency was contracted and prices fell. Tiberius asked in 22 a.d., "How am I to restore the simplicity of ancient times ... with the rage for jewels which drains the Empire of its wealth?" (Tacitus: Annales). Juvenal

describes the "Res angusta domi." Pliny, in his Natural History, tells how almost a million pounds of coin flowed to Arabia and India each year to purchase luxuries. Tacitus describes how the usurers who "hoarded to buy low" precipitated a financial crisis in 33 a.d. and an agitation against the money lenders. The usurious senators appealed to Tiberius who stayed the proceedings and then took revenge. To ease the shortage of currency, the coinage was adulterated.

As if their financial hegemony was not enough, the usurers extended their control by the clubs, which bear a close ressemblance to a kind of freemasonry. Mommsen gives the a long description, from which the following is extracted (IV, page 6 - 7). "All persons of quality, those of popular leanings no less than of the oligarchy proper, met in Hetaeriae ... with these political clubs, everything was bought and sold ... The Hetaeriae decided the elections, the Hetaeriae decreed the impeachments, the Hetaeria conducted the defence ... the Hetaeria commanded by its compact bands the streets of the capital, and with the capital too often the state ... the system of Hetaeriae was better arranged and administered than any branch of state administration ... advocates of repute were not ashamed to give open and intelligible hints of their relation to the Hetaeriae of their clients."

This was the kind of society in which the Christians found themselves. The first disciples, it is true, belonged to a society in which the yeoman was not extinct, and in which the usurer was still regarded with traditionalloathing. But embracing, as it were, this small scale community was the Roman Empire, riddled by usury as it was. And it was upon this society that, eventually, the Christian moral law as to money made its impact and was accurately developed.

The Fathers had to decide whether usury was sinful in itself, or was a pure practise liable to abuse, like drinking or buying and selling. Tertullian was the first who condemned the practise in writing, although doubtless many had condemned it in word, and called it sinful. St. Clement of Alexandria said it was not against Justice, while St. Cyprian said that usury was not sinful in itself, except in the case of the clergy. This curious double standard, reminiscent of the Deuteronomic passage, was endorsed at the Council of Nicea, where the XVIIth. Canon forbade the clergy to exact usury:

"Because many of the Ecclesiastical order, being led away by covetousness and desire of base gain, have forgotten the Holy Scripture which saith, 'He gave not his money upon usury', do exercise usury, so as to demand every month a hundredth part of the principal, the holy synod thinks it just that if any take such use, by secret transaction, or by demanding the principal and one half of the principal for interest, or contrive any other fraud for filthy lucre's sake, let him be deposed from the clergy and struck out of the list." (From The Definitions of the Catholic Faith and the Canons of the First Four General Councils of the Universal Church. 1874. Arranged by W.H.B.)

This was unsatisfactory enough, but it did shew that the Fathers

were thinking about usury. O'Brian notes that usury was not forbidden at the Council of Jerusalem (Acts XV, 29), but neither was murder. The only moral - distinct from ceremonial-prohibition was fornication, but presumably the Council Fathers did not consider it the only sin. It is possible that they had religious fornication in mind, which was a frequent accompaniment of fertility ritual.

The move to Constantinople by no means freed the Empire from the usurer's toils. It was probably an attempt to have the seat of the Empire at the natural centre of exchange, and it is significant that Diocletian lived at Nicomedia in Prpontis, nearly opposite Constantinople, until his abdication. (305, a.d.). Gold became more valuable in its ratio to silver, and in 360 silver was discarded as currency. The same process of the decline of the yeomen continued apace, usury increased its rates as the mines became exhausted, and the taxes were not abated. Usury pressed hard on all provinces of the empire, and Dio Cassius said that the Revolt of Boadicea, in Britain, in 61 a.d. was caused by Seneca's usury. He forced a loan of ten million drachmae on the people (about £400, 000) at a high rate, then suddenly withdrew his money and brought intense suffering. 70,000 Romans were killed in the rising. And the Empire itself was crumbling into moral and economic ruin.

But where politicians were impotent, the Fathers were laying a foundation of clear thought, although it took centuries to disentangle the threads. "Of keen philosophical analysis there is none: on the whole we find the trachings of the Fathers crude and un developed." This opinion of O'Brian is not altogether fair, and he adds that the prohibition of usury "seems to have been regarded as universal". The society in which the Fathers had to think was as much permeated

by usury as, under other names, are the British, Russian or American Empires today, and the Fathers in not accepting the situation as far as money was concerned just as they found it were laying the basis of Christian economic theory, a science of considerable scope that has been, as will appear, completely shelved and almost as completely forgotten. The interest that is now evident in that science is evidence that the Fahters' work was after all not so completely irrelevent.

St. Ambrose was the father of Christian economics, and when he declared "pecunia not parit pecuniam", Money does not breed money, he laid a sound foundation on which Christian thinkers were to build for over a millenium. The Council of Elva passed a decree against usury, St. Hilary and St. Augustine maintained that it was a sin against charity; St. Augustine demanded restitution. St. Chrysostom called it the sin of faithlessness. Indeed, thus early appear the arguments based on reason, experience and revelation, which we shall see again and again under varied forms.

In 789, by a capitulary canon, "each and all were forbidden to give anything on usury". In 1813, not only clergy but laymen were forbidden to take usury. In 1850, courts were set up to help bishops suppress usury, and in the same year the Synod of Tribur bound usurers to pay restitution.

Meanwhile there had been an era of brilliance under Justinian which culminated in the building of Sainta Sophia (553) and was largely due to the remission of the most oppressive Byzantine taxes by Anastasius. But there was reaction, the money was still drained to the Eastern usurers, there was an Asiatic dynasty under Leo the Isaurian, and a revolution in 1081 under Alexius Commenus. Then there

was decentralisation of the mints (there were nearly 200 in France by the twelfth century) and silver again was monetized. Civilization again stirred in Europe, now that the deadly period of contraction of currency and the dominace of the oriental usurers was passed.

Throughout this period the Church kept culture alive, and did not neglect the a plication of her ethics to man's economic life. The ninth century John Scotus Erigeina wrote, "Authority proceeds from right reason," and this applied to the economic thought of the Church for this time and the immediate future.

As the mediaeval period opens, the thought that dominated economic thought - as the combination of reason, revelation and experience - was the necessity for Justice. Indeed, St. Ambrose who died in 397 had started a train of thought that continued until St. Anthony of Pisa. Ambrose had himself treated economic relations under the head of Justice, and when writing of this Cardinal Virtue he had said: "Justice, good faith and a fair measure are necessary in all relations." The mediaeval churchmen were to pursue the quest for justice, now that the Church was strong and was not a mere sect in a decaying Empire. "Maledictus captans annonam," added Ambrose, cursed is the harvest monopolizer".

St. Augustine , his disciple, defined Justice in a more concrete way than has since been customary. It is the virtue "quae sua cuique distribuit." It distributes to each man what is his. It also makes for peace in various relations. This is much less vague than, for instance, the definition of Spencer: "Every man is free to do that which he wills, provided that he infringes not the equal freedom of any other man."

It was from the ethics of St. Ambrose that the

It was from the ethics of St. Ambrose that the twin mediaeval doctrines of the Just Price and of Usury arose and developed. We shall see St. Thomas Aquinas advancing this thought. Incidentally, Islem, the other world religion that had connections with Jewry, also condemned usury in the Koran. The Fathers did not come to quick decisions, but they did not totally neglect the subject and the seed of their thought grew and came to perfection. Then decay set in, but the root may well still be alive. These are the processes of thought and action that we shall have to consider against the background of the society of the times.

"Usury laws," wrote Henry Buchi, "have been advanced in God's name by Moses and by the old Indian prophets and supported by the teachings of Christ. They are as true in their purpose as when the Manu introduced them into India maybe ten thousand years ago, when Moses (or rather Jethro through Moses) gave the Jews his land and money laws, and when Christ talked of the banker who paid and took interest as an undesirable man. ("If I am a hard and greedy master, why then at least you might have paid the talents into the bank that I might have received usury on it," he says in the story about the talents; in other words saying that only greedy and hard men take usury."

Aristotle's thought came to have a vital place in mediaeval thought, and this is what - in the Ethics - he says of money: "Demand has come to be conventionally represented by money; that is why money is called nomisma, (customary currency), because it does not exist by nature but by custom (nomos) and can be altered and rendered valueless at will."

The Mediaeval Church.

There are two main trends in economics in the Europe that arose after the Dark Ages. On the one hand, the porcess of centralization gradually emerged, in which money came to take a more and more important part. On the other hand, Catholic thought on economics grew into its fulness and made itself felt in law throughout Christendom.

Wars - unless they are dealt with by a Caesar - usually end in debt and consequent centralization, and this held true in the main of the Crusades. A most revealing line is that of Bertrand de Born, when he says: "Mortgage your castles." When the money at Constantinople contracted, the Italian cities started their rise to prosperity, notably Venice with her silver standard and "grossos". The principle of decentralisation held in the new barony of Jerusalem, when the city had been taken (1099), for more than eighteen independent fieffs were established, each of which coined money by right. Local mints are always a sign of economic decentralisation, and we shall consider them in some detail as they relate to the English Church, and as they serve to counteract the centralising usurers. Further, the flourishing civilisation of the Crescent stimulated thought in the West. Averrhoes was born in 1120, and there was civilized and civilizing intercourse between Haroun-al-Raschid and Charlemagne. The West learned the industrial arts in large part from the East, not least the art of fortification. But this needed huge sums, and in itself gave rise to the system of mortgages and loans.

The Temple had come into prominence by the time of the Second Crusade, and took to banking to finance its huge works. By the time of the Third Crusade, "the economic faculty began to predominate" (Adams), and it was concluded by a mercenary treaty. The Fifth was used as an excuse for Venice to conquer not the heathen but her business rivals of

Constantinople, (1204). In fact, by 1200, bills of exchange were used so that paper was supplementing metal. The commercial and industrial instincts that had been awakened by the crusades and the traffic they involved gave rise to a system of banking that was very like the modern. Banks and a system of credit were organised by this time in Venice, Florence and Genoa. With these money-lending became a great trade, while debts and taxes mounted. It was, indeed, a period of prosperity, but one that endangered the Church's teaching on usury, and stimulated her in her turn to clarify and expand her doctrines. In fact, the suppression of the Temple in 1313 was the beginning of the economic and social and religious revolution which culminated in the Reformation. We shall deal more specifically with the rise of "industrialism" in England and with the position of the English working man before the Reformation. But it is vital to understand first the background of thought and of financial aspitation. Philip the Fair is sometimes held to embody the economic spirit which was arising, and to foreshadow Henry VIII, and the suppression of the Temple certainly prefigure some of Henry VIII's actions which have such a vital bearing on our study. We now turn to the way in which the Church elaborated her simple prohibition of usury.

The bare prohibition of the 2nd. Lateran Council of 1139, with its strong declatation against usurers, was ineffectual against the growth of lending, and the excommunication which the Lateran Council of 1179 pronounced against them needed substantial thought to make it effective, particularly with the growth of trade and ship building.

These tendencies, accordingly, brought expansion in Catholic thought, and this is summed up by St. Thomas Aquinas (d. 1274). It is true that in some directions, Aquinas is open to critisism, and may be held responsible for giving a false twist to Christian thought; his doctrine

of the Atonement, for instance, is narrow. And one action of his forecasts the kind of society against which Christian economics were directed. Canon Robert Saint Amour suggested that the mendicant friars ought to work, but Aquinas and Bonaventura contrived his ejection from Paris. The action is reminiscent of Cicero's comment, when the Republic was in its last sordid days: "Opificesque omnes in sordida arte versantur; nec enim quidquam ingenuum habere potest officina". (De Officiis i, 42). Again, he quibbled at St. Ambrose's definition of what the just price is not: to swerve from the truth; to inflict unjust loss; or to use any deceit to raise the price. Perhaps it is in Aquinas that we may trace the origin of the split between theory and reality.

Yet in his economic theory he was impeccable enough, and if we see what he said, we shall have an idea of the Catholic theory of the time. (mid thirteenth century). A Summa may, it is true, check the growth of new thought - in this case, perhaps, the works of Avinceana and Averhoes did not receive the consideration that was their due - but his teaching on the Just Price and Usury did not stop clear thinking about money, but led forward to a classic definition some half a century later. And in this clarity after which the Church was striving we msy see one reason why Chrisitan civilization was able to overhaul the Moslem culture, which was flourishing at this time.

Aquinas treated the Just Price first, and he applied to money the canon of the just price. According to Divine Law, he said, it is unlawful if Aequalitas Justitiae (the equality required by justice) is not observed in buying and selling; and the swindler must recompense Notabile Dammum (loss). Aequitas was, to the

mediaeval mind, the emanation of pietas (passionate love of God and man. This led them to seek for the Just Price (justum pretium).

Aquinas defines the just price: Justum pretium rerum non est punctualiter determinatum, sed magis in quadem aestimatione consistit; its quod modica additio non videtur tollere aequakitatem justitiae. This concise definition may be translated: The just price of goods is not minutely fixed, but is determined rather by a sort of reckoning, of such a kind that a small addition (or subtraction) does not appear to remove the equality that justice requires.

Turning to money - and it is significant that he treats usury after the just price - Aquinas divides goods into those that are and those that are not consumed by being used. A house is not consumed when it is used, but wine cannot be used without being consumed. Nor can money. So, when a charge is made for the use of money, venditur id quod non est: a sale is made of what does not exist. Money could not be used without consuming it, any more than wine could be used without its consumption, and so to charge for the use of money was to charge twice, just as to charge for the use as well as for the consumption of wine would be charging twice. Therefore usura, charging for the use of money was Contra rationem naturalem, against natural reason (or principle).

The just price was dee fixed by local guilds, in which the interests of the master, the employees or journeymen, and of the consumer were all considered. They have left their memorials in guild halls and their name to many City of London guilds. (Their property alone, as we shall see, was not confiscated). The connection of religion and business is shown by guild chapels. In fact, business and trade were no separate function of life,

but were the layman's service. This idea may be traced to Clement of Rome, and was embodied in the life of the guilds, if imperfectly.

So usury was checked by law and the penalties were heavy. We shall consider this in detail when we treat of England's affairs; but the Church had established usury as a grave and hated sin against God and man.

Meanwhile, the development of teaching on usury must be followed, and its impact on current thought exemplified.

The reasons why Dante included usurers in the Inferno are given at some length, and fairly represent mediaeval thought in 1300.

Puossi far forza nella deitate
col cor negando e bestiammianda quella
e spregiando Natura e son bontade:

E però lo minor giron sugella
del segno suo e Sodoma e Caorsa
e chi spregiando Dio col cor favella.

"Violence may be done against the Deity, denying Him in the heart and blaspheming Him; and disdaining Nature and her bounty.

"And so the smallest round seals with its mark both Sodom and Cahors, and all who speak in their hearts with disparagement of God." (Cahors, in the South of France, was so notorious for its usurers in the middle ages that "Caorsinus" was frequently used as a synonym for "usurer".

Usury is here classed as a form of unnatural vice, together with sodomy. It is violence against nature. Dante asks for further explanation. Turn back, he says, to where you say "Che usura offende

la divina bontade" (that usury offends the divine bounty). This question and the disquisition which follows makes it clear that usury was thought about deeply in these days, and that the usurer was included with those who do violence to God, man, Nature and art. The answer of Vergil is given in full to shew that economic life was in the centre of Catholic thought, and was no isolated activity.

"Filosofia," mi f disse, "a chi l'attende,
nota non pure in una sola parte,
come natura lo suo corso prende

dal divino intelleto e de sua arte;
e se tu ben la tua Fisica note
tu troverai non dopo molte carte

che l'arte vostra quella, quanto puote,
segur, come il maestra fa il discente,
si che vostr' arte a Dio quasi e nipote.

Di queste due, se to ti rechi a mente,
lo Genesi dal principio, conviene
prender sua vita ed avanzar la gente.

E perche l'usuriere altra via tiene,
per se natura, e par la sua seguace
dispregia, poiche in altro pon la spente."

He said to me: "Philosophy, to him who hears it, points out, not in one place only, how nature takes her course

From the divine intellect and from its art; and if thou note well thy Physics, thou wilt find, not many pages from the first,

That your art, as far as it can, follows her, as the scholar does his master; so that your art is, as it were, the grandchild of the Deity.

By these two, if thou recallest to thy memory the Genesis at the beginning, it behoves man to gain his bread and to prosper.

And because the usurer takes another way, he contemns Nature in herself and in her follower, placing elsewhere his hope."

Clearly the usurer was looked on by the Church as a pretty loathsome swindler. It is of course true that usury was practised - at Cahors, for instance, and by the Lombaords as well as by the Jews - but the feeling against him was strong. There was no more a double standar

ard, for Dante was a layman and expressed the lay point of view.

Usury was defined with precision at the Council of Vienne in 1311. It was a sign of health that we see here an inversion of modern process. It is usual in the twentieth century for rulers to try to make up for domestic failure by their foreign policies, but in the fourteenth century when the external relations of the papacy were chaotic, with the Babylonish captivity and the Great Schism, sound thought was carried forward on domestic matters, and in this year a definition was given which reveals the complete structure of Christian doctrine about usury in the middle ages. It was part of the Catholic system of spiritual supervision, and in itself contains the positive and negative aspects: the prohibition of usury and the encouragement of partnership. Just as on the legal side usury was banned but the local mints were lawful. Shortly before, Dante had consigned several Popes to hell for Simony, and makes of them a "deus inversus" in concrete form, for their penalty was to be stuck upside down. But thought had not lost its edge in the age of Dante, Cavalcanti and their followers, and so definition was sharp and decisive.

The Council laid down that it was a sin to demand back more than had been lent nullo periculo, nullo sumptu, damno, nullo sumptu. That is, when the lender incurred no risk, no loss, no expense. Any belief to the contrary was heresy.

Periculum, risk, designated the Catholic teaching on partnership. If a man lent £100 to a trader, he was entitled to share the profits made on what his £100 had bought and to the return of his principal. But the condition was that he shared the risks. The trader was paid for the risks he ran, and these risks were shared by the investor.

If the ship sank, his £100 was lost and he could not claim it back. He shared the risks and therefore shared the profits: those who say that the prohibition of usury impeded commerce are not aware of the teaching on partnership, or else they approve of illegitimate trade.

Modern practise is more like Foenus Nauticum, a maritime loan. Money was invested in maritime commerce and usury taken on it. In this case the ship was mortgaged as security, and if it sank the capital had to be returned. So, there was no sharing of the risks. This practise was brought into lone with Partnership, for the Church insisted that if the ship sank the lenders must share the loss and had no right to the return of the capital. Partnership insisted that both profits and losses must be shared. It is a doctrine basic not only to commercial and financial relations, but to those betweem employer and employed. Lancelot Andrewes - unconsciously following Mencius - defended tithes because priest and people shared the vagaries of nature. The fixed money payment is not substitute.

Another attempted evasion of just trading was the Contractus Trinus. The profiteers claimed that as the investor could insure himslef against fluctuations in the rate of profit with one agentm and against the loss of capitsl with another, he should be guaranteed a fixed rate of profit and the return of his capital by the merchant who borrowed his money. For a time the Contractus Trinus flourished. But the Church was always suspicious of trade, and held that legitimate trade was bound to involve the same sort of risks as those inevitable in husbandry. And they did not look with favour on the variety of occupations which this kind of business was creating. They saw that these transactions drew men away from nature and work on the land.

The most worthy of all occupations, the theologians of those days considered, was that of the farm labourer. The further from nature and the inevitable risks of nature, the further from God. So Sixtus V condemned as usurious every promise to return capital unimpaired, in his bull Detestabilis. He might well have quoted the example of Cato when asked the best way to invest a sum of money. He replied, Buy a field and cultivate it.

The doctrine of Patrnership, in fact, carried on the ancient European tradition of the basic importance of land work. Hesiod, in his Works and Days, first expounded the principles of husbandry and it was this kind of thinking that influenced the Church in her dealing with money and economics as a whole. "Suppose your soul is perverted to commerce"... "What do you want with ships?" are phrases that shew the attitude not of Hesiod alone. A few typical lines of his may be given:

"Work, Perses, and make an enemy
Of hunger. Strike up friendship with revered
Demeter. God is our Father. Let her fill
Your barn with livelihood. The idler
Always finds suitable companionship
With hunger. God and man loathe the workshy,
Like the stingless drone in disposition
Consuming the work of bees without effort.
Come! set in order your own husbandry
To fill the barns with seasonable yield;
By husbandry you gain a wealth of sheep
And favour with the immortals."

Langland, in Piers Plowman, carries on this tradition, and Piers is seen as the mirror of Christ. B Not that this was Puritanism, for the many feast days (not Bank holy days) gave frequent holidays and opportunities for merrymaking.

In fact, we shall barely appreciate mediaeval thought unless we can see usury (not its prohibition) as the negation. It denied

and ruined the life and work of the small farmer, which was at the root of civilization. These facts had been appreciated by Plato and the mediaeval churchmen, inspite of encroachments by commerce, were enthusiastic for this kind of order. The monks were successful farmers and, on the whole, good landlords who encouraged the small man. We shall elsewhere note some of the effects of sheepfarming.

The second reservation was in the case of Damnum, Loss. This meant that the lender had lost money through the failure of the borrower to repay. This was called Damnum Emergens, Loss that Arises from lending; and in this case, the lender was entitled to the return of his principal and to compensation to the extent of the exact amount he had lost, which had to be proved.

Another kind of loss for which compensation was sometimes claimed was Lucrum Cessans, Profit that does not Accrue. If the lender failed to recover his money on the stipulated day, he might lose opportunities of making rp profit, and it was for this that compensation was claimed. Aquinas did not allow Lucrum Cessans because it was too uncertain, and when admitted it had to be proved And seeing that gain from partnership was inseparable from risk, it would not have been easy to prove it. It could only be justified as a low average of probable gain from partnership.

The Fathers still clung tothe uncertainties of Nature, and the payment of the tithe involved them in the ups and downs of the harvests. For, as Lancelot Andrewes pointed out later, the tithe bound together priest and people in the vagaries of nature. When tithes were commuted to a fixed money payment, in the nineteenth century in England, that bond with the reality of nature was snapped and men were further removed from Providence. Hesiod, on

the other hand, near a millenium before Christ, had opened his Works with something very like the Magnificat and passed on to his idea of the Fall and Original Sin. Likewise, in the Christian Church it was desired that men should be not only aware of Providence but should feel their vital day to day dependence on Him. Accordingly, Lucrum Cessans was regarded with suspicion.

But it was outstandingly important, as we shall see with the development and complication of economic practise, theory and ethics. For it was in the difference between the amount lent and the amount that might have been in hand if the money had been turned over that Interest arose. It was what inter est. When the rest of Catholic teaching on economics had been forgotten, the distiction between usury and interest was still of academic importance in the Roman Catholic Church. Suffice it here to note the origin of the important and almost revolutionary concept. But in mediaeval times the middle class was not of rentiers but of the owners and workers of the plough. It was a society of persons, not independent individualists, in which all had rights and duties, the larger the right the heavier the responsibility. And the Church sought to guard this ordered society from the ruin of usury, whose effect they understood perfectly well. Religion was a matter both of binding people together and of binding back abuses.

Sumptus, expenses, appears to justify a fixed rate: but when 2 per cent a year was charged on Montes Pietatis (loans raised to help the poor) for running expenses, the Augustinians objected violently. They at once saw the danger of allowinf a fixed and regular return. The usual rate under the Roman Republic had been 1 per cent a month, and this was quite moderate and often exceeded.

The whole doctrine is in startling contrast with modern banking methods. For when a loan is made today, the wheel of this sum is required back in addition to a fixed rate of usury: no account is taken of the profit or loss of the concern to which the loan is made, and collateral security is demanded. The bank perfoms many services, but the interest on loans is not payment for expenses: it is a device of a deifferent world from that of the mediaeval thinkers. The further point that the bank does not really make a loan of the money it holds, but issues money to about ten times of the actual deposits, will be dealt with when we consider how the English maintained the circulation of coins without practising usury or hampering lawful business.

The outlook was not negative, however, or a mere ban on a sin. To them, usury was the negative which vitiated the positive order of small scale producers, and which distorted the social hierarchy. They saw clearly what usury did, and that it would destroy such order and welfare as they had achieved. Gratian shows that, in the mediaeval period, canons against usury were multiplying. And there can be no question that usury was held universally to be a sin against God and Nature.

Some lines from Francois Villon, who was rather a poet then a moralist, but being a good poet truly reflected the thought of the age, shew the general feeling:

"Si je pensois vendre de ma sante
A ung Lombard, usurier par nature,
Faulte d'argent m'a si forte enchante
Que j'en prendrois, ce crois-je, l'aventure."

Usury was the sale of health, holiness, in a word of wholesomeness.

Usury, then, was considered a sin against God, Man, Nature and art. The German traveller Frobenius claimed to be able to gague the rate of usury in a tribe by the shape of the jars, and the American poet Ezra Pound closely related the economic arrangements of a people to its art. But in addition it was outlawed as a crime.

It is an important distinction. For usury was considered first as a sin - for clergy only then for the laity as well - , then it was banned as a crime. The criminal code was later relaxed in its favour, but it was still considered sinful. But as usury became conventional, then respectable, it was no longer held to be a sin. This process we shall see at work quite clearly in England, and so on this vital matter the morals of Catholics and churchmen were dictated to them by Calvin. It was an extraordinary perversion. The force of circumstances - and they were strong, as Tawney shows - broke down the barrier. Many now hold that it would have proved happier for humanity if catholic doctrine had been expanded instead of abandoned, and some suggest plans that the money system itself was ready for a change.

But at the point now reached, inspite of Lombards, Jews (who had a double standard), Caorsines and others, the law against usury was staunchly upheld by Church and State.

It is now opportune to see the impact that this thought about usury made on England, her laws and her practical and theological thinking. It must be realized that, however much she resented the papal taxes and extortions, England was catholic at heart and accepted wothout reserve the prohibition of usury. It is not strange that she enforced the prohibition: it would have been inexplicable if she had not. Historians are prejudiced on the matter, their

minds being coloured by economic thought current when they write. But there are influential thinkers who affirm that the tradition of green and merry England was true, and that the prohibition of usury was one of the first causes of this happy state. Mr. T.S.Eliot, O.M. mentioned the ill influence of usury in a wireless talk not so many years ago. It is at least undeniable that the bases of civilization which were, if imperfectly, realized in the middle ages - such as a propperous yeomanry and an efficient monetary system - were always threatened by the rise of the usurer. This was known, recognised and guarded against. It has been called an age of imagination in which priest, poet and soldier were prominent; it has been called an age of superstition or an age of Faith. But at least it was an age in which the leading thinkers and statesmen saw quite clearly what would upset the order they had achieved, and kept the abuse in check.

NOTE:

Some further details, which in effect show the encroachment of commercialism if not of finance and the struggle of Catholic thought to deal with it, are best placed in a note, for they are somewhat complicated and technical and hardly advance the main argument. It was Ashley's view that needs and not claims touched the mediaevals, which - in the modern idiom, or that of pre war days - means that they would not have turned away a starving man with the excuse that the alms would only be spent on drink, and then not have tried to put the system right. For they believed not in a puritannical god but in a Providence who provided for His creatures. Christians who disliked "indiscriminate charity" were bound to do something to help their unfortunate brothers, fellow churchmen as they nearly all were, and they were ready to do this even if it involved some hard

thinking. In contrast to this is the picture given by William Cobbett of the results of suppressing the monasteries. Hoards of beggars had nowhere to turn, and the newborn greed - it was the age in which a privateer could be called the Good Ship Jesus - had scant sympathy for them. Cobbett (in the History of the Protestant Reformation and elsewhere) ascribed generosity to the mediaevals as one of their leading traits.

A patrtnership - commenda - originally consisted of a merchant who stayed at home - commendator - and a travelling merchant (tractator) who sold the goods at a profit, which was the reward he had won for the risk of accidnet or robbery. The traveller did not pay the home merchant until he had sold the goods: no transference of ownership took place: so, the mediaevals argued, the profits belonged to the commendator. He usually gave his partner a quarter of the profits or paid him a salary. If the ship foundered, the loss was his.

If the tractotor was successful, he might himself buy goods or give the commendator money with which to but goods - "invest his capital"- and share in the profits on selling the goods. So, if he invested £100 and the merchant invested £200, he would be entitled to a quarter as a tractator and the thrid as capitalist. He also stood to lose his £100. This arrangement, Ashley says, was called a societas in Venice, and elsewhere a collegantia. The commenda was used ed for internal trade and later even for local industry.

In a societas maris, the travelling tractator took the capitals of the socii into his service. If the ship sank, the investors never saw their money again. Such partnership was established before the canonist law against usury. In 1206, Pope Innocent 111 advised the

Archbishop of Genoa that "in some cases a dowry should be committed to some merchant, that an income might be derived by honest gain." When Aquinas considered partnership, he decided that the investor was entitled to gain because he remained owner of his capital. But the distinction between partnership and usury was no so much here as that between demanding gain and the return of capital, and on the other hand sharing profits if risks were shared.

Damnum Emergens was allowed by Aqinas and Alexander of Hales, much as Plato had allowed compensation. But Aquinas condemned lucrum cessans, because it was uncertain and could not be proved. But this was not the view of Innocent IV (c 1250) or of the 14th. and 15th. centuries. Bernadine of Siena (d. 1444) accepted it, and Paul de Castro (d 1441) said that "the proof of loss of gain should be dispensed with in the case of traders". Ashley shows that it was a technical quibble, - or evasion - and that money could be lent and interest claimed after a short space if the money was lent gratuitously at first. But although he says that contracts have been found as early as 1353 in which interest was paid from the first day, this practise was not general until the middle of the sixteenth century. Although confusion was beginning between sharing the profits of partnership and taking interest on a loan when profit had been lost, it is still some way from Calvin. For it is with Calvin that the mediaeval or Catholic period of economic thought came to a virtual end, while business and the methods of gain supplanted Christianity in this vital field. The porcess will be clearer when we consider England, where the reign of Henry VIII is a watershed, and where period succeeds to period like the movements of a symphony.

Rents were allowed by Aquinas, because when a house was lent it remained the property of its owner. Gessell held that if a house

had been lent, it should be returned to the owner just as it was when the tenant occupied it, that is, repairs and deterioration shed should be paid for. But owners of land in receipt of a terminal fixed rent thought of this as a right which could be sold. This practise was no so prevalent in England as in Germany. It was legally difficult for a tenant to pay rent to a third party, while the lord still owned the land: so the landlord sold his property to a third party including the right to receive rent, and then received the property back and paid the rent charge himself. The Church did not object to rent charges under certain conditions, and in 1425 Martin V pronounced that rent charges were not sinful. The difference between a rent charge and usury is that a tenement might be productive (apart from the question of expenses), and that a holding is non-fungible in that it is not consumed by use, as is money.

Poena conventionalis was another method of making the debtor pay: it was the addition of a sum equal to the debt as a punishment, and with this he was often threatened. Sometimes a percentage was substituted for the lump sum, and this penalty was recognised by statute in 1485 and not considered usurious because it was punitive. This poena was unchristian in tendency, and the penalty should have been received by the state, while the creditors could have claimed damnum emergens, or have forgiven.

Montes pietatis never appeared in England, although they had their effect as precedent. They were sanctioned by the pope in 1467, and in 1515 at a Lateran Council Leo X gave judgement in their favour.

Most of the practises above are steps towards the reestablishment of usury, but all the time the Church is foiling the traders.

The doctrine of partnership was likewise stretched. In its purest form, societas involved in the investor in sharing risks and profits. The bastard partnership, the contractus trinus which we have mentioned (insurances with various agents which was held to justify a fixed rate of profit), was favoured by Jesuits and Navarenes, defended by university faculties, and Major the British Provost of the College of St. Salvador glossed it over with such phrases as "prudent desire, not lust for gain." But the Catholic Reaction protested at the Milan Synod and declared that contracts were usurious which guaranteed the return of the principal. In 1586 Sixtus V's Bull Detestabilis condemned every promise to return the capital unimpaired. A bull of Pius V in 1568 had demanded that a fruit bearing basis was necessary for demanding a rent charge. So the chevisance of Major was challenged.

But even towards the end of the period of doubtful twists and shifts, and of the pressure of money dealers, there is never any attempt by Catholics to hold that usury itself is not sinful. They dared not try to do that; it would have been impossible to those with a tenacious desire for pietas and the inspparable aequitas. But the time was very near.

This note gives evidence of continuous pressure and continuous thought to meet it. In England we shall see the perocess in some detail.

THE CHURCH IN ENGLAND.

i. Before the Reformation.

We can see more clearly the trends and dates in the Church's dealing with usury when we consider England. The problem was, how to outlaw the sin.

Some of the earliest steps taken were to control the Jews. They considered themselves free to lend on usury to the Gentiles or "goyim" (cattle, races), and were the principal money-lenders. They were at first treated with tolerance.

In 1201, they were granted a Chater of Liberties. It allows them "freely and honourably to reside in our land" and to have "all their liberties and customs". Particularly, it states: "And if there shall be a dispute between Christian and Jew touching the loan of any money, the Jew shall prove his Principal and the Christians their interest." The great Magna Carta also allowed the Jews their position, albeit a limited one. But the essence of the charter was to prevent any class or party from exercising monarchy, and it is probable that our forefathers had some idea of the monarchy that usury can introduce.

The position of the Jews deteriorated, doubtless owing to their usurious practises as the sequal shews. In 1253 it was decreed that "every Jew wear on his breast a conspicuous badge." They were only to live "where they were wont to dwell", except by license, and were not to interfere with Chrisitanity. This may sound harsh, but anyone who has seen the traditional Jews' houses in Lincoln will realise that they held some of the best

accommodation then available. In the same year, a Jew was expelled for"not rendering his tallage", and a proclamation made that "none of Salle's debtors hereafter render a penny to him." This is perhaps reminiscent of fairly recent practise in Spain where the Jews were said to gather all the wealth and then periodically to be stripped of it.

In 1270, Jacob of Norwich was punished because "he dwells at Honiton without the King's license", where there is no community of Jews." But the next year a certain Aaron was granted "that by license of our aforesaid son he may give and sell his debts to whomsoever he will, notwithstanding the provision made of late that no Jew may sell his debts to any Christians, and that no Christian may buy the same without our will and license." In 127i, Jews were forbidden to have freeholds and the Jews of London were forbidden to purchase more houses there. Lands and tenements were to remain to the Christians who demised them to the Jews "so however that the Christians satisfy the Jews of the money or chattel specified in their charters and chirographs (indented bonds) which the Jews gave to the Christians for such gift or infeudation without interest."

In 1275, the Jews of Marlborough were transferred to Devizes the Jews of Gloucester to Bristol, those of Worcester to Hereford, those of Cambridge to Norwich, "with their chirograph chests and all their goods", and this "without doing any damage to them in respect of their persons or their goods." But this treatment did not satisfy the Jews, and in 1290 the following "Disposition of Debts due to the Jews after their Expulsion" was issued. It explains the end of Jews in England for a 350 years.

"Whereas formerly in our Parliament at Westminster on the quinzaine of St. Michael in the third year of our reign, to the honour of God and the profit of the people of our realm, we ordained and decreed that no Jew thenceforth should lend anything at usury to any Christian ~~in-our~~ on lands, rents or other things, but that they should live by their commerce and labour; and the same Jews, afterwards maliciously deliberating among themselves, contriving a worse sort of usury which they called courtesy (curialitatem), have depressed our people aforesaid on all sides under colour thereof, the last offence doubling the first; whereby, for theor crimes and to the honour of the Crucified we have caused those Jews to go forth from our realm as traitors; We, wishing to swerve not from our former choice, but rather to follow it, do make totally null and void all manner of penalties and usuries and every sort thereof which could be demanded by actions by reason of the Jewry from any Christians of our realm for any times whatsoever; wishing that nothing be in any wise demanded from the Christians aforesaid by reason of the debts aforesaid, save only the principal sums which they received of the Jews aforesaid."

The Jews were only readmitted into England by Oliver Cromwell, and it appears from his correspondence that ~~a condition~~ the price of a loan offered him by a Jew was King Charles's head. But inspite of their expulsion, other usurers took their place. The Lombards like the Caorsines were specialists in usury, which at that day was a defiance of the Church and the believed laws of Christ. The usurer was a practical atheist.

The fourteenth century was one of glory and tragedy for England, but the Black Death - or rather the series of plagues -

was used as an occasion to bring good out of evil. Before this, the English Parliament passes a law in 1341 "Against Usurie". The King and his deputies were "to have cognisance of the usurers dead", and it was further decreed that "the ordinance of the Holy Church have cognisance of usurers on life, as to them appertaineth, to make compulsion by the censures of the Holy Church for the sin, to make restitution of the usuries taken against the law of the Holy Church." (15 Ed.iii.c.v.). Usury was both unchristian and criminal.

The law was further strengthened in the next century by clearer definition, but we may note how the people reacted in these sturdy times to dishonesty, particularly in the matter of lending money. They were, in fact, guarding their high and improving standards, for the price of food was stable while the wages of labour tended to rise after the Black Death.

In 1353, a statute regulated the length and breadth of cloth. In 1360, the Auncel, a crooked weighing machine, was forbidden. In 1365 Chevisance, the evasion of usury by compounding, was made illegal. In the same year extravagance was suppressed. This was not puritanism but a sane recognition of the loss in a population of under four million caused by the Black Death. Gallons, pottles and quarts were sealed by aldermen: this is another instance of public vigilance and shews that the just price passed from theory into practise. The following Petition against Usury is dated 1376:

"Further, the commons of the land pray that whereas the horrible vice of usury is so spread abroad and used throughout the land that the virtue of charity, without which none can be

saved, is wellnigh wholly perished whereby, as is well known, a great number of good men have been undone and brought to great poverty: Please it, to the honour of God, to establish in this present Parliament that the ordinance (dated 1363) made in the City of London for a remedy of the same, well considered and corrected by your wise council and likewise by the bishop of the same City, be speedily put into execution, without doing favour to any, against every person, of whatsoever condition he be, who shall hereafter be attained as a principal or receiver or broker of such false bargains. And that all Mayors and Bailiffs of cities and Boroughs throughout the realm have the same ppwer to punish all those who those who shall be attained of thos falsity within their bailiwicks according to the form of the articles comprehended in the same ordinance."

The Answer given was: "Let the law of old used run herein."

By the end of the century the Lombards were established as the Jews' successors, and in 1392 the Londoners beat a Lombard who offered a loan to the King. Langland warned Richard the Redeless against W "wyles and wrong . and waste in your tyme". In Piers the Plowman he makes what is probably the first reference to international finance:

"And by with Lombardes lettres . I ladde gold to Rome
"And took it by taille here . and told him the lasse."

Although one country after another expelled the Jews and their usury, the Lombards came forward to take their place. The rough handling of the Lombard by London citizens had some ~~justification~~ sanction for, according to Langland, the Holy Ghost teaches:

"And fetchen hit fro false men, with Folevyles lawes."

And direct justice is commended as the "law of Lydford." Our equivalent is something like Lynch law. The fourteenth century Englishman considered that his first duty was to defend his rights, granted by Magna Charta, and he did not scruple to make away with two inefficient and tyrannous kings. Edward 1 and Edward 111 had put their own people first, and the people were ready to defend the realm from the King hinself.

Chaucer, also writing before 1400, shews what the nation thought about money:

"Ther was in Asie, in a great citee,
Amonges cristen folk, a Jewereye,
Sustened by a lord of that contree
For foule usure and lucre of vilanye,
Hateful to Crist and to his companye."

This is a contrast to the modern attitude that it makes no difference what a man believes. But such an introduction would not be used for a contemporary introduction to the Legend of the Little Saint Hugh.

Wages - the matter will be reviewed in greater detail - owing to the shortage of labour due to the Black Death and other plagues had to be kept reasonable by statute, but the scourge of rising prices was also avoided. Ale cost 1d. to 4d a gallon, best goose was 6d., a sucking pig 8d. - over a hundred times cheaper than at the present day. Bridge building and road mending were works of charity (comparable with voluntary work in the Church or churchyard at the present day). And language was direct: such words as "swink" and "dolven" are hefty and accurate.

There is a distinct change of tempo with the turn of the century. England was still behind the Continent both in culture and finance: the mixture of ideas and race had not yet occurred which was to precipitate her adventurers and industrialists and financiers. But even so, "towne-men" are said to be growing in influence and to be sharper than those of the country. And in 1401 the Diocesan could order heretics to be burned. They had been burned as long ago as the reign of Henry lll - the pious king consigned by Dante to the valley of the negligent rulers - but only at the order of the State. On the Continent, Clement Vl found the Jewish moneylenders so useful that he forbad anyone interfering with them the Jews. So "the terrible power of the purse" began to sway rulers temporal and spiritual.

Jack Cade's rebellion was not due to usury alone. Yet in a popular ballad of the day when the Captain of Kent used an unorthodox method of settling grievances (reminiscent of the previous century when the two kings were summarily removed from office) we read:

unworthy

"Usury and rapine stiffly do stand." This was in about 1450.

An "Action upon usury", addressed to the Chancellor in 1480, is found in the Early Chancers Proceedings. It is address as follows:

"To the right reverend father in God, the Bishop of Lincoln and Chancellow of England.

"Right humbly beseecheth unto your lordship your Orator, William Elryngton of Durham, mercer, that whereas he now four years past and more had for stock of one Richard Elryngton the sum of 30 l., wherefore your said Orator was by his obligation bounden

unto the said Richard in 40 l., and odd silver; which sum of 30 l. your said Orator should have employed in merchandise, during the space of seven years yielding yearly unto the said Richard for the loan thereof 4 l. of lawful money of England, and at the 7 year's end to yield whole unto the said Richard the said sum of 30 l.; whereupon your said suppliant occupied the said sum by the space of 2 years and paid yearly unto the said Richard 4 l.; and after that your said Orator, remembering in his conscience that the bargain was not godly or profitable, intended and proferred the said Richard the said sum of 30 l. again, which to do he refused, but would that your said Orator should perform his bargain. Nevertheless, the said Richard was afterwards caused, and in manner compelled by spiritual men to take again the said 30 l., whereupon before sufficient record the said Richard promised that the said obligation of 40 l. and covenants should be cancelled and delivered unto your said Orator, as reason is. Now it is so that the said Richard oweth and is indebted by his obligation in a great sum of money to one John Saumpill, which is now Mayor of Newcastle, wherefore now the said Richard late, by mean of the said Mayor, caused an action of debt upon the said obligation of 40 l. to be affirmed before the Mayor and Sheriff of the said town of Newcastle, and there by the space of almost 12 months hath sued your said orator, to his great cost, and this against all truth and conscience, by the mighty favour of the said Mayor, by cause he would rather attain unto his duty, purposeth now by subtle means to cast and condemn wrongfully your said Orator in the said sum of 40 l., to his great hurt and undoing, without your special lordship be unto him shewed in this behalf, wherefore please it your said lordship to consider the premise , thereupon to grant a certiorari, direct unto the Mayor and Sheriff of the said town, to bring up before you the cause, that it may be there examined and

ruled as conscience requireth, for the love of God and in the way of charity." 8

Such a connection of business conscience and of religion was not to last for long. But two more laws "Against Usurie" were passed in Henry Vii 's reign. The first was "Against Usurie and Unlawful Bargaynes", which were specified as "dampnable bargaynes groundyt in usurie". (1487). This referred to the various evasions of usury law - some of which will be mentioned by Wilson a hundred years later - and to the growth of exchange business. The second act (1495) alleged that the previous act was obscure and was passed "definitely condemning lending for gain."

Changes were fomenting in the fifteenth century, but it was in the next two centuries that the violent upheaval of religion and ehtics threw uot the usury laws. Before considering this revolution, we may turn to the steady work that Church and State did together to ensure that recourse to the usurer was unnecessary. And the results of the prohibition on wages and the cost of living must be considered, together with the tendencies towards an industrial type of society, which pulled against the order of small farmers who relied on nature and towards a town and money economy in which ethics and religion are always pushed into the background.

Church Mints.

The prohibition of usury was a negative way of protecting the social order that had been achieved. But positive action was taken by Church and State to render usury unnecessary.

In our century it has, broadly speaking, been assumed that money can only be issued - and pound notes etc. printed - to represent a fixed quantity of gold held by certain individuals or companies, the bankers. These notes - or a credit for so many hundred or thousand pounds - are, we have been led to suppose, lent by the owners (the bankers) and after the money has assisted a cycle of production to take place, it must be repaid and the debts contracted be cancelled. Such ideas are deeply embedded in our thinking about money, and are not much affected by nationalisation: the nation, we are again apt to imagine, had merely bought the gold or cover for money from the private bankers.

But we shall have to rid ourselves from all such theories if we are to understand the significance of Church mints. Money had not in the distant days we are to consider attained to its later sanctity, and was rather considered as a convenience of man which man could create when he needed it. In fact, it is only as the middle ages advance in England that money was used to a large degre and payment was often made by service. Money was certainly not considered the monopoly of private bankers or even of a caucus in charge of a nationalised bank. The circulating medium - silver and gold - had a value in itself, but money was used as a measure of price and a claim, not as a means to power. Perhaps it was an unconscious dread of this that spurred our ancestors against the usurer. For there can be no question but that modern banking is an

adaptation of the usurer's craft.

In this matter of issuing coins, King and Church worked side by side for many centuries and not only kept out the usurer but held the price level steady - an achievement that has baffled the modern specialists and experts. It might be easier to work backwards from the present to the times of the local mints, but the historical process will clarify itself if followed through from the beginning.

C. Julius Caesar is the first to mention currency in Britain, but it is unknown when "pecunia", money of any kind, was first used in this country. The earliest circulating medium - a step from barter twoards convenience - may have been ~~laetne~~ leather tokens. In the same way, numismatists have assigned a coin to Egbert, the seventh Archbishop of York (732 - 766), but cannot say when bishops first issued coins. (Pecus means cow, and possibly one cow was once a measure of price. Cowrie shells, it may be recalled, have been used as money in Africa and S.Asia).

Egbert was the brother of Eadbert, King of Northumbria, so that this is an early instance of the co-operation of Church and Sate. There was no scarcity of metal, so the King allowed his brotherto issue money for the benefit of his subjects. This shewed that the Church's authority in business matters was acknowledged - business was not yet business, but part of a Christian man's life it and that the Church's desire was not to make life more difficult but to facilitate the exchange of goods. If Henry VIII's Primate had been a strong brother, the divorce of Church and business would not have been so complete.

"York Archiepiscopal mint's earliest products were stycas

of Archbishop Ecgberht, bearing his name and that of his brother, Eadberht," writes Rawlings in Coins and how to know them". Styca is old English for "piece". Stycas were copper coins of uncertain value. Egbert issued a base silver "scatta", and appears to have been the only ecclesiastic to do so.

Egbert's successors probably issued coins when they were needed, and Wigmund struck a gold coin bearing his bust, and the words "Vigmund Arep.", and on the reverse a cross with the inscription "Munus Divinum". Wigmund's gold coin was perhaps intended as a "solidus".

In Canterbury, the same authority says, the earliest coins are those of Ianbert, who was Archbishop from 766 - 793, and these bear "Ianbert. Arep." and "Offa Rex" on the reverse. The alliance between bishop and King was close here also. Offa, it may be remembered, King of Mercia 756 - 796, did not at first own Kent. So, as the see of Canterbury was not in Mercia, he constituted an archbishopric of his own at Lichfield. Eventually the Primate of Canterbury submitted to him. It is possible that the Primate had issued coins before; perhaps Offa wished to console him for his action in founding Lichfield, or the motive may well have been the desire to co-operate in organising the kingdom. Ianbert was the twelfth Archbishop of Canterbury.

Wulfred (805 - 832) marked the coins with the archiepiscopal effigy, a tonsured bust, and this was a sign that Mercia was losing control of Kent, surrounded by water on three sides and with a mint of its own.

Besides these undoubted instances, there were probably Church mints at other centres in the ninth century: Durham, Hereford,

bishop of York. He needed money to pay for the war and coined some himself, "probably by grant rather than by usurpation". Stephen's reign, it is certain, admitted chaos into minting as well as castle building and, according to an anonymous article in the library of the Durham Close, "Henry of Anjou did all he could to put a stop ato usurpations of nobles and prelates."

Not only did the Bishops of Durham temporarily lose the privilege during Henry 11's reign, but such as Henry of Winchester lost it for good. The Bishop of Winchester had, apparently, coined like other barons because he needed money and refused to use coins that bore the Usurper's name. So Henry put his own name on the Bishop money. The new King also suppressed the mint of St. Augustine's Abbey, forgetting his sense of history.

But it was not the principle of Church that worried Henry so much as its abuses: provided that they had not usurped the privilege, and that they issued coins of standard alloy, he encouraged Church mints. He confirmed the grant of a mint made by Henry 1 twice, and allowed the mint to be in London or Reading. Stephen had insisted that it should be in London. There is no record of Henry suppressing the mint of St. Chad's Church, Lichfield, which had been granted by Stephem. Nor did he interfere with the mint of Medhamsteade - it is mentioned in a bull of Eugenius 111 - as coins had been struck there from Saxon times.

Church mints expanded under Richard 1 and John. In the first year of his reign, Richard 1. granted the Bishop of Lichfield a pair of dies and stipulated that "the mint should be for ever". He also granted"a license to Philip, his Chaplaine, Bishop of Durham (1195 - 1207) 'to coyne in the City of Durham, which liberty none

of his predecessors had enjoyed of long time before.'" It is probable that Richard was distressed for lack of money and that he received a "gratuity for the renewal of this privilege." He did not check any Church mints then operating and "Richard, Duke of Aquitaine, confirmed to the Church of St. Andrew, Bordeaux, all that his predecessors had granted, particularly 1/3 of the profits of the mint."

In John's reign we have another instance of local money being issued when it was needed: in our own century, goods have been destroyed and restricted for lack of money, but in John's day money was neither invested with sacrosanct properties nor was it centralised. Currency was scarce in Chichester, so he commanded that there should be used there two dies, one for the King and one for the Bishop and, according to Ruding, "ordered by writ that the Bishop's coins should be current in the city until money could be struck in the King's mint." The Magna Carta was designed to prevent tyranny or, in accurate language mon-archy. In the mints we see Church and State working hand in hand, so that the monarchy of the usurer is avoided and prices are kept ~~from~~ steady. These are no small achievements. John, further, granted the Archbishops of Canterbury and Exchange, distinct from the Royal Exchange, and it is perhaps worth mentioning that the Archbishops held the privilege of coining "of common right". Noble points to this theory. William Rufus had given the city to the Archbishops, but none save Archbishops coinéd "of common right".

For the next two and a half centuries, the history of Church mints is uneventful, and we do not hear much of the lesser mints in England. There were, as far as we know, none in Wales, Scotland or Ireland. Bury and Bordeaux continued working, and there was some activity at Reading. The Abbot of Reading had a grant from Edward I.,

but nothing more is heard of them after Edward lll. There are interesting remains of the Exeter mint, but it may have been a King's or Bishop's mint.

The Dean and Chapter and Moneyers of Bordeaux petitioned the King of England at least three times between 1315 abd 1354 to restore their minting rights, and on each occasion the petition was grantedIn 1400 there was " a writ to the Archbishop and others allowing them to strike money in this mint and to give it currency." (Ruding). There is next to no evidence about the Bury and Bordeaux mints after 1400.

In these years the mints at Canterbury, Durham and York worked side by side with the Royal mints - also widely distributed - and, as Leake puts it, "contributed not a little to answer the public occasions". (quoted by Mark Noble in "Two Dissertations on the Mint and Coinc of the Episcopal-Palatine of Durham".) Davies says that before Edward lll's reign the Church mints had only issued pennies, "because when the Bishops of Durham obtained the grant of a mint, it was the only sort of money we had." They were, of course, silver pennies. The copper and, in the last century, the lighter bronze penny were much later innovations. But, he continues, "during the reigns of the Edwards, highly important and beneficial changes were introduced into the currency. The silver penny was no longer to be the only coin of the realm to meet the demands and necessities of a population rapidly increasing in numbers." He might have added that payment by service was being commuted to money payment, and that money itself was growing in importance for the national life. So "at length the introduction of of a gold coinage was accomplished by the third Edward." The Church mints responded with halfpennies at York and Durham. In

In 1280 the Lord King summoned William de Wickwane and asked him "quo warranto" he had two dies at York. He answered that his predecessors had been "in seisin of having dies from time immemorial." Authorities, especially for the York mint, are Caesar Caine (Archiepiscopal Coins of York); Robert Davies Historical Notices of the Royal and Archiepiscopal Mints and Coinages at York); and S. Pegge (Essay on the Origins of the Metropolitical and other Subordinate Mints.)

In Edward 111's reign, the ecclesiastical mints at Durham and York issued halfpennies in addition to the usual pennies. In 1400, farthings were added at York and in 1500 half-groats (2d.) In 1473, a charter was granted to the Bishop of Durham allowing him and his successors to coin halfpennies as well as pennies, and this seems to have confirmed previous practise rather than to have instituted new work. But the privilege of minting halfpennies was soon dropped at Durham. The purchasing power of these small coins was so far maintained that larger were not needed. "The majority of Henry V11's coins struck at York were archiepiscopal", said Davies.

In Henry V111's reign, Cardinal Wolsey struck a groat (4d.) and decorated it with a cardinal's hat. This angered the King, but authorities are uncertain whether the groat or the hat were the the cause of the offence. As Davies says, "among the enormities attributed to this monarch, not the least was the debasement of the currency." Henry was getting into difficulties which finally tempted him to put an end to the local mints altogether and to centralise the issuing of coin. Debasement of the coingge began to rob rhe coinage of its purchasing power, and after many centuries, prices began to rise and wages to limp behind them.

But during the first twenty five years of his reign, Henry did not tamper with Church mints. A letter is preserved in Durham from William Franklyn to Cardinal Wolsey: "At last being in London, I spoke to a friend to provide me silver for coining at Durham, and on Good Friday received a lire from him, whereby I perceive that I shall have of him every year 1200 lb. of silver, which will be very profitable to your Grace and to all the countrie..."

But Henry VIII's finances were muddled, and such considerations as profiting all the countrie were sacrificed. The King took the extreme step of despoiling Bishop Tunstall of Durham of his mint in 1536, and at about the same time the Archbishops - Cranmer at Canterbury and Lee at York - lost the privilege they had held "from time immemorial".

The result of losing a local mint is hard to estimate. It has been said of the older civilizations that "any contribution to local autonomy contributed to their stability." After centuries of centralization, experiments were carried out in Guernsey and Worgl with the equivalent of local mints, and were most successful. They were suppressed, perhaps, in fear that the success might endanger the money monopolists. The loss in a locality of the right to issue its own money was at the least a loss of freedom; and the loss of the Church mints meant the loss of the Church's benevolent interest and help in business and, soon enough, a loss of attention.

The English ecclesiastics' money had been almost identical with regal money. It had not, it is true, aspired to the glories of the papal bracteates. These were leaves of metal stamped and used as currency that were so thin that it was dangerous to hoard

them. The image in low relief on one side stood out in high relief on the other. Much has been made of these bracteates of a late, as well as of tallage - a mediaeval tax on coinage - on the ground that they prevented hoarding: the man with money was at no advantage over the man with perishable wares, and so the velocity of circulation was speeded. We read in Le Grand Encyclopedie, under the heading Bracteates, "Leur usage a ete fort rend repandu en allemagne, en Suisse, en Boheme, en Pologne, et dans les pays Scandanaves." Yet only a few of this kind of demurrage money have been found, owing, doubtless, to their friability. Tallage, the other devise that speeded the circulation of money and prevented hoarding, was imposed from 1140 onwards in England and elsewhere. The holder of coins would be eager to pass them on to avoid the tax.

Yet, as long as there was plenty of metal and as long as money was thought of as a means and not an end, the Church mints did their work. They were more efficient than centralised money, which even now has little relation with the needs of circulating medium - before the 1939-45 war too little was issued to buy the available goods, owing to an accountancy flaw, while after the war inflation was caused by wages paid against exported semi-manufactures - and they were the positive contribution of the Church to financial rectitude and reality, whereof the prohibition of usury was the negative.

Indeed, the Church mints show that the Church did not skimp her work. The provision of a reliable local currency - only in Stephen's day was there any question about it - where and when needed was prevented monopoly and enabled the just price to be paid. In fact, it implemented the provisions of Magna Charta

directed against monarchy, political or financial. We are still, in the first quarter of the sixteenth century, far from the days of scarcity economics when money was restricted to the amount of gold held in a central bank. It was to be a century before England advanced to the use of paper money, but we may conceive that the responsible bishops who had issued coins would have been capable of issuing paper. The ecclesiastical mints were not stopped because they were unworkable: they had worked very efficiently: but the King was led by his greed and his difficulties to take this regrett able step.

We are in fact at the great watershed of English history. The King is no longer primus inter pares but covets monarchy, and one kind of monarchy or another is to be thée fate of this land until the present day. Landgrabbing tyrants, manufacturers, financuers and politicians vie with each other to violate the Charta. The tempo of economic change now moves with bewildering speed. In the vortex we shall see the whole Catholic doctrine caught up and tossed out: in little more than 150 years, the thought of all the previous centuries is disposed of. But the suppression of the ecclesiastical mints was not the only step taken by Henry VIII to hurry the process. The substantial achievements of the previous centuries is swept away, but before we review the process, we may see in the first place what result the enforcement of the ban on usury and the local mints together had on Prices, and in the second we must take note of the other force - that of manufacture and trade - which indirectly helped to breach the catholic order of civilization.

It would appear proper to add a few notes on Semi-Ecclesiastical coins. Such, apparently, were not connected with

Church Mints, and the circumstances under which they were coined are not very clear. They are pennies of St. Edmund, St. Peter and St. Martin.

St. Edmund's pennies, it is supposed, were issued in memory of King Edmund, martyred by the Danes in 870. They mostly belong to the East Anglian series, but some were struck at York.

St. Martin's pennies were coined some time before 943, at Lincoln.

St. Peter's pennies were struck at York, perhaps about 920-940, and are commonly but incorrectly believed to have been intended for the payment of Peter's Pence to Rome.

But it is certain that these coins had nothing to do with papal exactions. St. Peter was the patron of the Church of York, St. Martin of Lincoln (it was before the de time of the Hughs), and St. Edmund of Bury. This is a summary of all the evidence available concerning the semi-ecclesiastical coins. Whether they were intended for charitable purposes locally - as remote predecessory of "maundy" money - or as an Easter offering for the bishop does not appear.

They had no connection with alms paid to support an English college in Rome (754 - 1533). These latter, according to Caesar Caine, "were called Denarius Eleamosuna." As late as 1657, "Smoke Money" was paid in monastic manors, and Hartland Manor was paying Peter's Farthings. These must, it seems, refer to Rome and not to the "cathedral of Devon", as the locals call their Church, for it is dedicated to St. Nectan, a missionary

A JUST AND STABLE PRICE.

We now look at some of the results of mediaeval economy as concerns the purchasing power of money. Professor Thorold Rogers, in Work and Wages, had made a careful survey of the relation of wages to what they would buy, and while all his conclusions are not unanimously accepted, his work throws light on this vital matter. It is a question of no less moment than whether the system worked or not.

Prices, he found, were remarkably steady from 1261 to 1540. It is no coincidence that the period lies between the chaos caused by inefficient kings, from whom Charters were obtained, and the chaos introduced by the successive phases of "monarchia". For the Charter of 1215 was followed by at least one more, a charter granted by Henry 111 and for many years preserved in Lacock Abbey, Chippenham. On the fabric of these charters, the great English kings gave order to their land, and the trifling kings, unworthy of the position of primus inter pares, were dethroned.

During these 280 years, the price of wheat averaged 5/11½ a quarter. There were fluctuations between 2/10½ in 1287, a year of exceptional plenty, and 16/- in the famine year of 1316. Walter de Henley said that 4/- was unremunerative, unless the crop was more than six bushels to the acre. In the famine there was considerable loss of life, and as a result wages rose - especially for reaping - and were permanently heightened by 20 per cent. We may compare the price for the famine year of 1801, which was 156/2d, but this was not much more than double the customary price.

A most significant trend originated in the reign of Edward 11.

Money compensation began to take the place of labour rents, and by the end of the century the tenant was almost universally paying rent. This rent took the place of the allowance from the lord of "bread and beer and as large a sheaf a day as he could carry on his sickle." And the tenant by copy or custom (the serf) became assimilated with the freeholder. The monasteries clung longer to the old custom. At first glance, this might appear a laudable tendency, but while the allowances were a fixed quantity of goods that could not easily be varied, the money payment would be subject to fluctuation and even manipulation. This was a very long way off, but the commutations which now started enhanced the importance of money, and so of the dealer in money. The usurer grew in significance as the society made greater use of money.

A time of prosperity and cheapness followed the famine, but but the calamity of the Black Death then swept over the country and had lasting effects in two directions. The most serious outbreak in England started in 1348 - Langland describes other visitations - and probably about a third of the population, according to the calculation of Thorold Rogers, were killed. In spite of the rapid growth of population that followed the Black Death. labour was scarce, and it was difficult to gather in the harvests. So wages rose, there were more commutations into money payments of labour rents, and many rents were remitted.

The King and Parliament (in the Statute of Labourers) tried to keep wages down, but the regulations were everywhere infringed and evaded by covert compensation. On the other hand, food ae was kept at a reasbnable price, and rents fell. So the result was a rise in the labourer's purchasing power, as his money had

increased and prices had not risen. In the fifty years after the plague, wages rose by something like 50 %, while the woman's wage advanced from 1d. to 2d. a day. Artisans - tilers, slaters, masons, sawyers etc. - also earned half as much again, while the lowest wages tended to increase most. (that of assistants or "homb" and women). Agricultural produce did not rise in price, as we have saud, but there was a proportionate rise in manufactured wares, such as nails, wheels, hurdles, and fish which doubled in price. It was widely consumed either salter or smoked (red) or pickled (white). The price of stock did not rise, but that of wool did, and at this time the "domestic manufacture of woollen goods was very general". Edward lll prohibited their export. The price of stock did not rise, and so the labourer and small tneant farmer was master of the situation.

For these reasons, the ~~fourtee~~ fifteenth century and the first quarter of the sixteenth have been considered the golden ago of English labour. But it must be realised that the labourer was no landless proletariam. Most were small farmers on their own account, with numerous rights on the commons etc. Land was generally distrib uted and the yeomen flourished. Not yet had the vast gap between pauper and grandee appeared. The higher wages were eventually recognised (in 1495) and an artizan averaged 6d. a day (3/-) a week and the labourer 4d. or 2/- a week. These apparently low rates must be set against the prices. As wheat averaged a frantion over 4/- a quarter, malt 2/4½d., oats 1/7½d., and oatmeal 5/4d, the farm labourer could earn a provision of three quarters of wheat, three of malt and two of oatmeal by fifteen weeks' work, and the artizan by ten. We shall see that by 1533 it would have taken him about twice as long to earn these amounts, and that his purchasing

power fell rapidly, although his money wage increased. The labourer worked an eight hour day, and his board cost 1/- a week. Food was cheap and abundant, while there was short pay only in the two winter months of December and January. The effects of the civil wars of 1455 - 85 have been exaggerated, as far as the people were concerned, for they were mostly a dispute between a few barons and their retainers which affected the ordinary people remarkably little. Not yet was it a case of a nation at war. In fact wages and prices were unaffected, although there was an outbreak of sweating sickness after Bosworth. But the personal habits and diet of the people were conducive to plague.

In the fifteenth century, the capitalist artizan was developing. In 1515, there was a complaint that the towns were decaying and that pastures for sheep were spreading. The Act of that year states: "Husbandry, which is the greatest commodity of the realm for the suttenance of man, is sadly decayed." There had been complaints of enclosures from the fourteenth century, a tendency that was speeded by the Black Death and consequent lack of man and woman power. But the importance of the sheep properly belongs to the next section. Suffice it to add here that the Act of 1533 forbad anyone keeping more than 2,000 sheep.

But towards the end of Henry VIII's reign the labourer's standard was attacked from two directions. He was already losing rights on the commons, and now his insurance funds were confiscated. This took place when Henry confiscated the guild revinues; for the guilds had acquired property and exacted fees, and from the fund had been able to make interest free loans to the ~~prre~~ poor or unfortunate. A bill was actually passed to confiscate the

property of colleges and hospitals and to dissolve them. But Henry died before this reform could be effected, although in the next reign the revenues of chantries were seized - under the pretext of purifying religion! There is little wonder that, in his History of the Protestant Refoemation, William Cobbett held strong views on the reformers. Brooks Adams pointed out that they were above all else a new commercial type best able to survive the stresses of the times. The truly religious zeal to preserve the best in the heritage will be noted later.

The other step to depreciate purchasing power - c-mparable with devaluation and other manipulations - was the debasing of the currency. There is, of course, no inherent need for currency, a claim and a measure of price, to be valuable in itself, any more than other kinds of tickets or tokens. The silver penny of Edward IV had been half as valuable as the silver penny of Edward 1, in itself, without causing a rise in price. The King had accepted his dues (tenths, fifteenths, aids etc.) in this form, and there had been no resentment. But when Henry VIII tampered with the currency, the results were disastrous. Meat trebled in price, corn and dairy produce rose by 2 ½ times, while wages only advanced by 1 ½ times. Latimer noted that silver had become dross. It was a double blow at the standards of the labourer for the benefit funds had been stolen (the London funds alone had been spared), and his cose of living advanced quickly while his wages limped after it. Board and lodging which had cost 1/- a week were costing a 3/- in 1552 and nearer 4/ ten years later. This was about the average price of labour.

Elizabeth attempted a reform of the currency, and a law was

passed which prohibited the building of labourers' cottages unless they had four acres of land attatched. This was an attempt to compensate for the confiscation of the commons by enclosures. The currency reforms were unavailing, and the store which a labourer could - in the fifteenth century - have ~~et~~ obtained by fifteen weeks' work would take him nearly double by 1533 and forty weeks in 1564. (wheat was nearly £1 a quarter, oats 7/-, malt over 10/-). By the end of the century, he could not have bought the store with his year's earnings. The only improvement in husbandry was the introduction of the hop. The seven year's apprenticeship was enforced, wages could be fixed by the justices in Quarter Sessions, and the Poor Law appeared.

These were huge changes from the fourteenth century when, "they eat wheaten bread, drink barley beer, and have plenty of cheap though perhaps coarse meat". Mutton was then ½d. a pound, the relief of destitution was a fundamental religious duty of the mediaeval Christian, and a third of the tithe went to the relief of the poor. The doctrine of responsibility attatching to wealth was realistically enforced, the monasteries were renowned for almsgiving, the Hospitallers were particularly bound to relieve the casula destitutes, nuns cultivated and dispensed rare medicinal herbs, Gasgoigne was furious with Pecok in the fifteenth century for suggesting that ecclesiastical revinue could be disposed of as freely as private property. There was a wholeness about mediaeval charity which was smashed by the advance of usury and enclosure, and after the Reformation we see but peicemeal acts to stem the embarassing problem of the poor. As early as 1536 and act was passed to provide for the collection of alms on Sundays and Holy Days to

be dispensed by the churchwardens. The spirit of Edward's greedy guardians - the barbarity and unnatural evil of the usurer - is displayed by the savage act which reduced the destitute to slavery, brabded and enchained him. In 1557, collectors were appointed to dun the rich for alms, and the refusers were threatened under Mary with proceedings for heresy. Under Elizabeth, they were compelled to pay at Christmas and Whitsun. The law of 1592 - about the 4 acres of allotment - was generally disobeyed, and marked a dying spasm of the old system. For other matters than good husbandry were taking first place in the nation's eyes. We must notice one of these before we pass on to the variations in the usury laws.

Rogers concluded - and we do not necessarily agree in its entirety with his words - that "from 1563 to 1824, a conspiracy, concocted by law and carried out by parties interested in its success, was entered into to cheat the English workman of his wages, totie him to the soil, to deprive him of hope, and to degrade him into irredemmediable poverty." The "deliberate malignity" of Governments and Parliaments rendered necessary the later palliatives, while for over two hundred years "the English law and those who administered the law, were engaged in grinding the English workman to the lowest pittance. Others hold that the law fixing a minimum wage was an effort to maintain the workman's wage. Whichever view be adopted, the result is the same after the first quarter of the sixteenth century, the workman's real wage decreased headlong, although it actually increased in amount, and this was accentuated by the laissez faire attitude of the eighteenth century, which dated from 1688.

PANNUS MIHI PANIS.

This is the motto of Kendal: Cloth is my Bread. And it typifies the other tendency in England which indirectly contributed so much to the demand for the withdrawal of anti- usury legislation. In other words, it is necessary to see why the Chancellor sits on a wool sack, and how it was that England changed from a self-supporting mainly agricultural country - such as Disraeli still favoured - to an industrial centre which has to look abroad for food, and whose policies have been so closely interwoven with, if not guided by, those of high finance. Other industries of course there are, notably the rural crafts intimately related with husbandry, but consideration of the wool industry will give enough insight into this chain of events.

The industrial and mercantile side of our country's life dates from the time of the seafaring norsemen and the roadbuilding Romans, while the link with the Netherlands is as early as the marriage of King Alfred's daughter to the Flemish Count . Edgar fixed the price of English wool carried to the Continent, and Edward the Confessor laid down regulations for the Rouen merchants who had their own "dock" in London. But in this and succeeding centuries there is the vast difference with later times in that it was still a cardinal point of national policy for England to feed herself. So, manufacture and expprt and the money brokers who are usually inseparable from these transactions were subordinate. The production of food, not of expprts, was the country's first concern.

In the eleventh century, when the towns of Flanders and North Europe grew, wool producing Englishmen turned attention

to the manufacture of woollen goods at home. Under Edward 1, according to Morris and Wood in "The Golden Fleece", " a basis of commercial law had been laid down, the beginning of a system of credit in business had been established." Edward, in fact, tried to negociate direct with the wool merchants direct instead of through Parliament. Simon de Montford advocated that England should learn manufacture from the Flemish refugees. Edward 111 made an alliance with Flanders and, after Cassel (1328) he welcomed them and they taught the English. But these early kings narrowly guarded the rights of natives against the aliens, no less than the right use of money. Edward 1 had already done much in supervising the organisation of trade (although local guilds had existed since the last quarter of the tenth century), and the Statute of Westminster fixed the custom on the export of a sack of wool as half a mark, and a mark on each last of hides (13/4d). But Edward 111 tried to prevent mere trade going too far, and prohibited the export of wool - partly to encourage local industry, partly to ensure that his people were clothed.

The price of English wool increased in the wars from £2 to £8 a sack, and the power of the merchants was only checked by the Statute of Staples (1353). Forty four different brands of wool were now produced, and the new mercantile interest flourished. But the new class dealt in a commodity not, like their successors, in money alone. More wars," it was said, "were fought for cloves than crowns." (A clove is 7 lbs. of wool, and 52 make a sack). Standard wages and hours were enforced, and night work prohibited. When usury was accepted, conditions of work deteriorated sharply. The home manufacture of cloth was established, an excellent piece of statesmanship

and all to the good, so long as trade, manufacture and finance did not unbalance England's economy. This word means household management, and the Edwards (1 and 111 were evidently anxious that their household should feed itself as a primary duty). The prosperity of the wool trade has built many magnificent churches particularly in East Anglia - and houses such as Paycock's - although in the fifteenth century the West Riding also benefited. There still remain public and private buildings of beauty as a legacy from the wool makers. At the same time, the contact with the Calvinism of the Netherlands had a profound effect on the country's religion, especially in the point under investigation, for it was Calvinish that eventually accorded the usurer respectabiliyty. It was in the manufacturing counties that protestantism struck its strongest roots, while the agricultural districts clung to the old faith and ethic.

The Cistercians were great sheep farmers and good landlords. Theirw wool paid a large part of Richard 1's ransom. But the danger from excessive sheep farming was recognised at this early date (1195) - as it was not later on when the yeomen were evicted. More in his Utopia complained of the abbots whose sheep eat up the land that should have grown corn.

The Black Death broke up the manorial system, which had accepted payment in kind or labour, but which had given land or and protection in return, and so had guaranteed a more real kind of freedom than that with money wage, mobile labour, which was to be the condition of the propertyless proletariat. But now (1348) there were 200 men where there had been 300 before, and so sheep farming was the obvious remedy. The bad side of this

was enclosures, which came to take their place beside usury as the leading social evils of the country. Both proceeded from the same spirit of greed and monopoly, and bore heavily on the yeoman, who was the basis of catholic order. Un cultivated arable land and the equivalent part of the commons was first enclosed, but it went further and robbed the peasants, who should not by the custom of the manor have been ~~expropriat~~ expropriated. The rebellions of Wat Tyler, John Ball, John Wraw and Geoffrey Lister were the result. Ball and Wraw were priests.

In 1388 an act was passed forbidding children who had worked on the land up to the age of twelve to take up industry. This was to combat the agricultural depression which threatened. But the wool trade boomed. In the West of England, the Domestic System began, whereby the clothier handed out wool to the spinners, carders and weavers to work up in their own homes. The system was praised by Cobbett and was infinitely preferable to the factory system, although it gave the excuse for its worse excesses (e.g. child labour).

The export of fells made money, the carrying trade passed to England, the Merchant Adventurers came to the fore with the beginning of the fifteenth century. These aspects of a commercial civilization had the usual accompaniments of the increase in the use of money and of a pauper class. Wiclif is significant, as a manifestation of nationalism as well as of religious revolt, and the passing of the anti-usury laws shew that usury was more frequent.

The gilds had bound religion and industry together, as the mystery plays witness and the Council, meeting in the Gild Hall,

regulated the conditions of the trade. Separate Craft Gilds arose late in the thriteenth century. The seven years apprenticeship guaranteed fair conditions and good work. After that, the aspirant worked two years as a journeyman and then submitted his masterpiece. The wardens of the Gild forbade night work, work on holy days (which were frequent), fixed prices and wages, made inspections and cared for those who were ill. The first Craft Gild (that of the cloth weavers) arose in London about 1100. Henry VIII, by his act of 1545, which confiscated the part of a gild's property which was devoted to religious purposes, was the death blow to the gild system. With them went the prohibition of engrossing and regrating, and the floodgates were open to commercial practises which are accepted today, while the rift between "capital" and "labour" was hopelessly widened. Local justice was abandoned together with gild halls, the Court of Pie Powder and the Law Merchant. Local and religious bonds were being snapped and abuses had nothing to check them. But the old order left its marks for a couple of centuries.

The fall of Constantinople closed the overland trade routes with the Eastand the conquest of Egypt in 1517 removed the last means of bringing spices to make salt meat plalatable. So Portugal sent ships round the Cape to the East Indies, and Spain turned to the West. (Magellan passed his straits in 1520, Cortex conquered Mexico in 1522, Pizzaro conquered Peru in 1532). There was an economic revolution in the sixteenth century only rivalled by the industrial revolution of the eihteenth and nineteenth centuries. This bore hard on the old legislation and standards. The new capitalist - of whom the notorious Fuggers was a fit example - of the mobile profiteer type arose, and American bullion found its

way into their hands. The "Spanish fury" of 1576 enabled London to replace Antwerp as the "mart" of Europe. England added wool manufacture to wool growing, and more land was enclosed. A tyrical complaint of the middle of the sixteenth century was that "whereas forty men had their livings, now one man and his shepherd hath all". Sir Thomas More complained of "the sheep that eat up and swallow down the very men themselves." He applies much the same language to enclosures as that being applied to usury at the time. Bishop Latimer's sermon which describes his yeoman father is well known. He was a particular enemy of the usurer: they were the twin social iniquities. Absentee landlards increased, so that the personal bond was snapped and the importance of money increased. The influx of American silver brought a further rise in price. Abbots had enclosed, but only to a minute fraction of the extent practised by the new rich who had obtained the abbey lands. The monasteries had little to be ashamed of in their administration of a fifth of England's land.

There was a shift in business. Coventry, for instance, decayed, "Whereas in Edward IV's reign Coventry, along with Bristol, York and Norwich, was one of the four towns outside London which was considered important enough to mint his beautiful Rose Nobles." Somerset added to the distress by confiscating the funds of religious guilds. The growth of poverty is shewn by the Rebellion of Kett, the Pilgrimagr of Grace, and other marks of discontent. The alien workmen - Huguenots etc. - who increased woollen manufacture worked mainly apart from the guilds. The Domestic system was arising.

Under Henry VIII, spinners and weavers were gathered under one roof - in a factory. But "the feeling of the time was against

the system", and machinery was prohibited, with the objects of defending traditional skill and preventing unemployment. In1552 gig machines were prohibited, in 1589 stocking machines, in 1623 needle machines, while the Weavers Act of 1555 forbade "Clothiers dwelling outside a corporate or market town to keep in their house more than one woollen loom at a time, or to profit by letting looms." Weavers were not allowed to keep more than two looms or to act as tuckers (fullers) or dyers, and tuckers were forbidden tokeep a loom. The current against monopoly was still strong, and it was "the conscious policy to preserve existing social grades and to make each grade endurable". Bacon commended Henry VII for maintaining farms with such a proportion of land as "may breed a subject to live in convenient plenty and no servile condition; and to keep the plough in the hands of the owner and not mere hirelings." So the Domestic System was preserved and the Industrial Revolution delayed for 200 years. The carrying trade passed to England with the abolition of the Hansard's Charter in 1578.

The days of the Merchant Adventurers saw the rise of another kind of merchant - the usuerers who dealt on the exchanges. The search and rivalry for markets was beginning, and with it the inversion of natural values: each country desires now to export more than she imports (the so called "favourable" balance of trade) in exchange for money or credit. Broadly, Machiavelli's doctrine was accepted that the power of the Prince - not the satisfaction of the people's needs - was the object of commercial activity. The state of nerves of the nation fortunately ensured that enough food was grown at home still to make the import of food unnecessary, and home manufacture was encouraged. In fact, the government was soon taking over the work that the

guilds had done so well. Barter, officially, was still the oder of the day between countries, though Wilson gives ample evidence of traders in money. Barter cuts out the usurer. But trades that brought metal into the realm were ranked highest, and trade was ousting home production in importance. Wool was preminent, and the Woollen Laws that insisted on burial in wool were not repealled until 1874. So the mercantile system arose - also known as the favourable balance of trade of the Policy of Power - which has left its scars on our thinking. Some of its notions were replaced under William Pitt, Adam Smith, the Manchester School and the Free Traders, but it was a big step in exalting money to the detriment of real goods and of vitiating thought on money.

But the Tudors realised that an industrial revolution just then would have increased poverty and other problems, so the restrictive laws were passed. The Domestic System was a half way house, and under it the craftsman lost much of his importance. But many families still owned land, and quality was still the aim: tenter frames, which overstretched the cloth, were prohibited in 1597. Defoe, in his description of the land round Halifax, shews that the workers still had some land and independence. The iniquitous Truck System arose, which meant payment in cheques which had to be spent at the employer's shop, where he usually overcharged. The miseries associated with the industrial revolution were already present in germ, and the type of employers as well as the master usurers. But the work was still done at home and the family tie was not broken. Fulling mills, indeed, had appeared in Bradford in 1311, but only gradually came into use. The woollen industry was widely distributed - particularly near the oolitic and chalky land which favours sheep.

But although industry was kept within bounds for some years the increase in this kind of business inevitably brought heavy pressure against traditional standards. The huge halls built at the close of the sixteenth century are suggestive of monopoly. Catholic morality on the subject of money was first broken down as we shall see among the new and vigorous race of traders and industrialists - the puritan type - and as far as our study of affairs in England is concerned, they are the advance guard of a new outlook which was eventually to relegate the laws prohibitive of usury to the lumber of "monkish superstition."

We have seen much of the mediaeval apparatus of society disposed of under Henry VIII - the local mints, the guilds, the monasteries, - and it remains to see how the laws and ethic about usury fared in his reign, and how the Church of England, another new feature of the times, confronted the problem.

USURY LEGALISED.

In the reign of Henry VIII. the attack on Catholic order was so widespread that some have seen in it more than a chance collection of tendencies coming to a head. In fact, a new type of man was coming to the head of affairs, whose ruling passion was greed. Thomas Cromwell, a petty attorney and usurer, was typical: ruthless, cunning and successful. Henry himself was described by Francis 1's ambassador as "avaricious, distrustful, inconstant". His cruelty was notorious. The Cecils and Howards were other families with "a constant eye to the main chance" and a "sure instinct" for gain.

We have already seen that the local mints were suppressed, the guilds ruined, the price level sacrificed. The "reform" movements are too well known to need emphasis here, but it may be remarked that they were directed largely not against the abuses, which had been glaring enough, but against the very system itself, and so were movements of destruction rather than reform. Opposition to the catholic economic system - it might well be called the Christian economic system, since there was no other Christian system to replace it - was well organised: and soon the very Lombards, mentioned by Langland etc., were to gain hugely from the disintegration of the order.

Religion had undoubtedly, inspite of many unworthy clerks, served to bind back abuses and to bind the people together in an order that resulted in a tolerable amount of happiness together with exuberant devotion. It shortly became a mark of credit to work in Lombard Street at the very calling which had been execrated for so many centuries. The lust for gain was to

prove the Deus Inversus of succeeding generations. The weakest of the landed community had been protected by custom and had held land by heritary right - the tenants and serfs. Their fuel and pasture had been secure by "immemorial right", and little money had been needed. But the money rents, the eviction of the yeomen to make room for the sheep ("There is now but a shepherd and his dog", said Latimer), and the economic "forstalling"type of landlord increased misery, fanned rebellion, and brought pressure on the new masters to undo what remained of the catholic economic order. The ghastly penalties on vagrants - whipping, hanging, slavery, - shewed that the emptying of the convents had increased the number of landless paupers to an alarming extent. Kett and his rebels claimed back the commons. The split into classes, with the weakening of the yeomanry, began. The first poor relief act was passed in 1552. It has been said that the class between the landlords and labourers, the commercial adventurers, were now coming into control, and they went either to the towns or to sea.

In 1494, Laurentius de Rudolph had recognised the right of the State to levy Montes Profani (loans), but he advised Christians to "have as little as possible to do with these loans." (Ashley's Mediaeval Economic History". The Italian States had raised these forced loans on usury. It will be remembered that the Augustinians objected vigorously to Montes Pietatis at 2 per cent. A case may be made out that these loans were made under such circumstances that compensation was only equitable. However, Laurentius saw the threat of a fixed rate.

Henry VIII's position was much the same as that of the

Italian States, as well as of later governments. He would not reform what was an antiquated financial system, and so he submitted to the usurer and allowed him legal status. In 1545, all former acts concerning usury were repealled and usury was legalised up to 10 per cent. The act, however, gave no moral sanction to usury and was, in fact, called "Against Usury". (37 Hy. viii, c.9).

The alternative at the time was to issue paper money when required, and this would not have been difficult for Henry himself now that he had centralized the currency. The practise must have been known in Europe. For, we read, "Until the seventh century, when an Emperor of the T'ang dynasty issued his State notes (I mean State, not bank notes), the world was almost forced to adopt as money a fixed quantity of some merchandise in common usage; salt or gold, according to the degree of sophistication of the environment. But from the year 654 a.d., at least, metal was not necessary for trade among civilized peoples. A State-Note of T'ang, of 856, which is still preserved, carries an inscription almost identical with that seen on today's ten lire notes." (From "Gold and Work", translated from the Italian of J. Gait by Carmine Amore). We might add, that apart from silver which was then in use, cowrie shells - valueless in themselves - and it is conjectured leather tokens had been used as money.

This is vital to grasp because quite soon paper was to be used - and abused - but a failure in will and intelligence on the part of the representatives of Catholic order was to allow this advance to be a means not of preserving the order but of disintegration. The other tokens which man had used previously were always valid as long as the man who issued them had the object

- a cow or whatever it was - against which they were issued. This confidence gave the cowrie shells etc. currency, and prevented inflation as long as there were as many shells in circulation as there were objects to buy. If too many shells appeared, there would be inflation: if too few, a fall in price. It is true that at this date (1545) much silver had been drained off to the East in quest of luxury. But this does not excuse the general abrogation of catholic principles.

We are nearing the stage when paper currency was to supercede the metal in England, but the third stage in monetary development was immanent, when credit (book entries) was to supercede paper and gold for larger transactions. These movements are the background to the gradual elimination of the Church's control over monetary dealings, when religion was to fail to bind back financial abuses. The usury laws were not the impediment to progress, but rather the monetary system which was still based on fixed amounts of gold and silver. (We should note that silver as well as gold was still the "backing" for currency, or rather the currency itself. The real backing should always be goods that are available, while the real backing for credit should be goods potentially available; but the lowest stage was to be reached later when gold <u>along</u> served as backing for currency and credit.) Few historians, even the most enlightened, have grasped these facts.

Now was the change in legislation altogether a reflection of the victory of the New Learning over the Old. For Luther himself maintained the prohibition of usury. (This is noted by Karl Marx). Tawney, in Religion and the Rise of Capitalism, gives some of the

background, but hardly does justice to the traditionalists. In fact, it was a failure of will, and a surrender to the passion ~~to~~ of greed (Somerset is said to have had £5 million pounds worth of spoil to distribute) that ruined the old order. Pressure there was, but the new oligarchy was not the ideal solution. Trade - as much as was needes - would have been possible without usury, and with partnership, if the paper system had been developed. Otherwise, the benefits of trade would have been postponed.

A further point is that the longing for trade at this epoch has been tooo readily accepted as conferring unmixed benefits. It is true that trade is useful in so far as the deficiencies of one country are supplied by what is superfluous in another. But such a barter system was not what the sixteenth century traders wanted, any more than their twentieth century counterparts. In fact, today we witness the disintegration - or the final spasm - of the system of foreign lending, which has essentially a usurious basis and which has done untold harm to craftsmanship and husbandry: the one it has practically eliminated (except among the hardiest and least accessible people), the other it has severely crippled. The Church in her legislation over a millenium and a half was not entirely ignorant of these facts. In fact, modern wars have been attributed to the system of forcing exports and fighting to gain foreign markets, and to the outlawing of those who would return to a barter system, more than to any other one cause.

So the opposition to legalising udury was not so short - sighted as it is usually represented to be. And this opposition had a success in 1552 when usury was again made illegal. Latimer, among others, "fulminated against usury."

It was, of course, a vital time for the Church to hold on to the tie between conscience, ethics, and business. As a matter of fact, the Potosi silver mines were discovered in the same year as the first law in England that legalized usury, and vast plunder - in the form of bullion largely - was soon captured from the Spaniards, which could have butressed up even the old system. But the old system was soon pulled down and new uses found for the bullion and, practically speaking, a new religion to suit the new money lords was proclaimed. Its omissions were certainly new, although this is to anticipate. It must not be assumed that the best men in Church and State did not oppose the desertion of the old standard. John Blaxton, in 1634, made an anthology of various condemnations of usury by public men. ("The English Usurer, or Usury Condemned, by the most famous divines of the Church of England, and dedicated to all His Majesty's subjects for the stay of the further increase of the same, by John Blaxton, preacher of God's word at Osmington, in Dorsetshire.) Some quotations from the country parson's book will reveal the awareness of Church leaders in the sixteenth century.

Archbishop Sandys opens the anthology with four Sermons against Usury. In the course of these he calls usury "a biting worm" (doubtless a reference to the Hebrew word), and says, "This cancer hath corrupted all England". "The reasons of men for usury must not give place to the the precepts of God against it."

Bishop Jewell of Salisbury was no less uncompromising, or accurate: "It is filthy gains and a work of darkness, it is a monster of nature, the overthrow of mighty kingdoms, the plague of the world and the misery of the people: it is theft, it is the murdering of our bretheren, it is the curse of God and the

curse of the people." Such language recalls the prophets under Jeroboam 11., when the same affliction ground thep people, and is in line with Dante whe and all who saw in usury the sin against Nature. Jewell, of course, is also using the argument from the effects ofusury.

He continues: "Whence springwth usury? Soon shewed. Even thence whence theft, murder, adultery, the plagues and destructions of the people do spring. All these are the work of the Devil and the works of the flesh." Greed was still a vice, in the eyes of the Church, of as great enormity as the other vices.

The effects of usury Jewell succinctly describes: "IT consumeth up rich men, it eateth up the poor, it maketh many bankrupts and undoeth many householders. But some say, all kinds of usury are not forbidden, there may be cases where usury may stand with reason and equity, and herein they say so much as by with may be devised to paint out a foul and ugly idol and to shadow themselves in manifest and open wickedness." He then threatens usurers with excommunication. This was, in fact, nothing new, as usurers had been excommunicated, refused absolution and even Christian burial. This was because it was considered utterly incompatible with Christianity, as an hostile force which could not possibly be tolerated. (We may compare the attitude of modern Catholicism to Freemasonry). Archbishop Laud is said to have disliked Jewell's writings, but it would not have been for the passages quoted. The contest had shifted - or rather the Church's front had been pierced - in Laud's day (1633 - 1645), but he was a violent opponent of the twin evil of enclosures, which likewise sprang from the spirit of greed and monopoly. It was this

spirit that the worst of the "reformers" tried to have sanctified by the new Church, and explains the wrath of Cobbett in his "History of the Protestant Reformation" and his Legacy to Parsons" (1835). It was the spirit that stole the wealth of the shrines, that had been safe for centuries, that embezzled the estates of gilds and chantries - leaving the Oxford and Cambridge Colleges and the London Gilds alone untouched - and that divided the country into rich and pauper by going a long way towards eliminating the yeomen and purloining their rights.

Nor does Bishop King of London compromise: "How long will the usurer and oppressor of others, whose jaws are as knives and whose teeth be of iron, lie in the bed of mischief?" "Yet dare I give sentence against it the same as the Roman laws did: wherein because a thief was bound to make restitution of double, the usurer was bound to make restitution of fourfold. The meaning is plain enough, that they esteemed usury to be a double theft, and that at the least is my judgement."

Bishop Lake, of Bath and Wells, adds his testimony in a sermon: "The divell is the plain image of usurers, who live by the sweat of other mens' brows and cunningly grow rich by undoing by a seeming relief." These prophetic sermons give an insight into the effects of the spread and temporary legalising of usury.

Bishop Downham of Derry, in Ireland, was called the "Hammer of the Usurers", and in Maccabeaean style declares that usurers' lending is an act of self love and of covetousness, that usury is not only a vice but a detestable vice. He says, "The usurer sins against God, his neighbour and himself. As Chrysostom says TOKOS EKGONOS APISTIAS, Usury is the child of

faithlessness. The usurer sinneth by idolatry, is a servant of Mammon, is unjust and uncharitable."

Bishop Babbington of Worcester gives the sixth testimony: "Surely," he says, "these are cursed flies indeed, the suckers of our sap, the bibbers of our blood, the pinchers of our hearts, the stringers and wringers of our very souls." It might be a direct reference to taxes, war, poverty, insanity and suicide, which are now and always the results of usury.

Such men as these were the stalwards in the battle against usury which was raging in the sixteenth century. They remembered most of the points of mediaeval doctrine, although references to partnership (partaggio) might be expected as the antidote which had worked so well before. But at last the usurious financiers could point to an Authority: Calvin (d.1564).

Tawney shows that Calvin alone of the religious leaders accepted the change and encouraged a puritannical religion of work for work's sake, even if this involved a change of principle. The Catholics had been careful to enquire what kind of work it was, and had insisted on the importance and the rights of the producer. But the merchant and financier - the middle men and parasites on a true order - were now to come tothe top with religious sanction. A merchant asked Calvin whether usury was intrinsically evil, and he replied that it was not. (Ep. 383). His denial was hedged round with reservations, and he regretted that it was for his advice to ther merchant that he would be best remembered. But the letter was the locus classicus for the new financiers, whose malpractises were no longer bound back by religion, and Calvin was soon followed by other reformers. He

was at one in spirit with Bishop Gardiner, who proclaimed the Royal Supremacy, and said at the end of his life: "Negavi cum Petro, exivi cum Petro, sed mundum flevi cum Petro." Calvin, in fact, was as much a man of his time as Cranmer, the "fit instrument for the King to work by". Burnet, in his History of the Reformation, said that Cranmer thought of "Ecclesiastical offices being as much subject to the king'd power as all other offices." These were the men, ignoring divine sanctions and the laws of nature, whose opinions prevailed or were an excuse for the greedy.

Unfortunately this great renunciation of Church teaching, which had been so finely chiselled in previous centuries, came soon enough to be accepted by the Church herself for, as we shall see, the influence of the Calvinists was strong in England as well as in Geneva.

"It is," wrote Calvin, "a perilous piece of work. If we condemn it (usury) altogether, we pay a heavier burden on mens' conscience than God Himself in Holy Scripture ... I cannot see usury altogether condemned by any testimony of Holy Scripture." He admitted that it was rare to "see a usurer a good man", but decided that usuries were particularly forbidden to the Jews.

He was thinking of Deuteronomy xxiii, 20. "Unto a stranger thou mayest lend on usury". But this verse cannot be read apart from verse 19, "Thou shalt not lend on usury to thy brother." In the first place, the whole is a prohibition and not a permission; and in the second, there is no "stranger" to the Christian, rather everyman is his "brother". It was truly enough a perilous piece of ground on which to base the permission of usury, and is an almost incredible inversion of the usual approach

towards the usual approach towards the moral law of the Old Testament. It is significant that in his "Imaginary Conversation" (of W.S.Landor) between Melanchton and Calvin, the former charges Calvin with trying to reintroduce the religion of the Jews. Calvin must have known that the Jews had been great moneylenders until they were expelled from the various Christian countries, and the permission he gave did in fact constitute the Calvinistic usurers a chosen race.

Calvin's conclusion was: "We see not that usuries are simply forbidden, but only so far as they are repugnant to equity and charity." The Calvinistic position was for years contested, but it is most remarkable that it was the position that eventually found favour over the whole of Christendom, in practise if not in theory.

Calvin initiates the era when usury was not only legalised but started to be moralised, or to receive at least a moral sanction. We see the gradual caving in of Christian resistance, which Jewell, Sandys and others had so stoutly maintained. These are the origins of the landslide of the seventeenth century. But the Elizabethan turmoil still remains to be considered, and the last outstanding figures who challeneged Calvin's thesis.

The reign of Mary was, as far as usury is concerned, a pause before the storm. The Calvinists - Knox etc. - were driven to the Continent like a swarm of flies, only to return with fiercer purpose. The law of Edward VI which prohibited usury was at all events unrevised until Elizabeth's age, although Mary did not dare to return the despoiled Church lands. William Cobbett roundly held that the Reformation was a tragedy for the

working man and that the suppression of the monasteries increased pauperism to embarassing proportions, together with land enclosure, which was another issue debated at the time. Cobbett is concerned not so much with the usury laws as with the general trend towards a new manifestation of selfish greed - later called individualism - which marked the change from the Catholic order. This sturdy countryman's views are worth considering against the usual biassed views which disregard the crueller sides of the social changes. Such are only recorded in such old volumes as that of Blaxton, but are an aspect of the times very much to the point. The new learning as well as the old had at first resilutely withstood the usurer's advance to power and propriety: Latimer had "fulminated against usury". But the power of the Calvinists was by this time making itself felt in Church and State. A new callous world of commercialism was in the making, and for it to attain its objects of wealth and power, the old laws that restrained unlawful greed had to be brushed aside. Such figures as Greshan were the protagonists of the new order, which has proved so chaotic.

There were no longer monasteries or convents to shelter the unfortunate, and Cobbett shewed what this meant for thousands of English people. It was a beginning of the move - to gain such impetus from the Industrial Revolution - from the country to the town, where quick money could be made through the questionable dealings of the rising financial class.

Typical of the compromises of Elizabeth was the law of 1571. It was called "Against Usury", but usury was actually permitted provided that it did not exceed 10 per cent. But the law included a word of defiance to the new plutocracy, for "all usury, being

forbidden by the Law of God, is sin detestable.".

This compromise of 1571 reenacted the law of 1545, but its importance is due to its central position in a controversy on usury which lasted for about forty years, and did not die out for fifty more. We shall review the dispute in some detail. R.H. Tawney has supplied much valuable material in his introduction to Dr. Wilson's attack on usury, while Lancelot Andrewes wrote a treatise, which has for many years remained among his printed papers in its Latin original. After noticing the trends in the conflict, and the main points in Wilson's thesis - who, as a lawyer, stood as the counterpart of Calvin - we shall examine the work of Andrewes in detail. He was the last great protagonist of the sanities of the past, and his rejection from the Primacy in 1610 marks the virtual end of resistance to the new trends. The latter day revival will be noticed in its place. Wilson's treatise was written to obstruct the "liberal" legislation of 1571.

Francis Bacon (Essay xli) took up the intermediate position He understood the arguments against usury: that it is a pity the Devil should have Godds part, the tithe; that the usurer is the greatest Sabbath breaker, because "his plough goeth every Sunday"; that he breaks the command, "in sudore vultus tui, non alieni; that "they should have orange tawney bonnets, because they judaize"; that it is against nature for money to beget money. His view was that it was a "concessum propter duritiem cordis". (allowed for the hardness of heart). "Some others have made cunning propositions of banks, discovery of mens' estates and other inventions". He goes on to mention the "discommodities" of usury: it makes less merchants, for "were it not for this

merchants." He again omits any reference to Partnership. Bacon suggests two rates for usury, "two several sorts of usury, a less and a greater." Of the two rates, one is to be "free and general for all, the other under license only." Usury is to be reduced to five percent. Then "let there be certain persons licensed to lend to known merchants upon usury at a higher rate." The rate is to be eased from what it has been: "let it be no bank or common stock, but every man be master of his own money." The licensed lenders are to be of indefinite number but "restrained to certain principal cities and towns of merchandising." - so the license of nine will not suck away the common rate of five.

This is a reintroduction of the principle of the ghetto for usurers. "It is better," he concludes, "to mitigate usury by declaration than to suffer it to rage by connivance." There were few who both recognised the evil of usury and were willing to allow it. Bacon's position (apart from the rate he suggested) was that taken by the legislators of 1571.

On the other side Bodin, when in 1572 he explained the influence of American silver on European prices, added: "Et ceux qui soutiennent sous voile et religion que les usures moderees et rentes constitutees a 4 ou 5 per cent sont justes, attendu que le debiteur en tire plus de profit que le creancier, abusent de la Loi de Dieu qui defend si disertementqu' on ne la peut revoquer en doute."

Usury and enclosures were the two great practical problems of the sixteenth century. Usury was a live topic until the forties, when enclosures were still hotly debated, particularly by Laud. But in sixteenth century England property was still

widely distributed, and the proletariat was still small, although it was increasing. We have noted the Tudor's laws to prevent the rise of factories and the domestic system; the majority owned property or worked for the family firm. Tawney says: "The typical worker is not a wage-earner, but a peasant farmer, a tradesman or small master." It was a period of tension, of the increase of sheep farming which resulted in a depopulation of the land, in the loss of common rights which made all the difference to a small yeoman working on a narrow margin of profit, of "the growth of joint-stock organisation and of a rudimentary factory system." In 1563, maximum wages were fixed owing to the shortage of labour, but their purchasing power was much less than it had been fifty years before: it was still in the main what would now be called a "distributive state", with the emphasis on self sufficiency.

Apart from the tenure of land, the borrowing of money was a chief problem of these small farmers. Tawney says that their "need of advances was inherent in the nature of things" owing to the uncertainty of the seasons. There had been a mass of legislation on borrowing, and many evasions were perfected - such as time bargains and fictitious partnerships. Usurers had been found in villages even in the fourteenth century, and their type was not much changed by the time of G. Flaubert's provincial M. Lheureux of the mid-nineteenth century. Except in larger towns, usury was not a full time profession, but a sideline practised by the rich farmer, innkeeper or tradesman, and it had a good deal in common with pawnbroking. Sometimes the clergy were tempted. The village usurers' rates were often iniquitous - a penny or twopence in a week on a shilling, for

example. Moreover, as in Old Testament times, loans were often made in kind. As the writer of the pamphlet, The Death of Usury or the disgrace of usurers (1594), expresses it, "He that puts forth money dares not exceed the rate of ten in the hundred; but he that uttereth wares doth make the rate at his own convenience." Not only farmers and peasants were forced to borrow in difficult times, but craftsmen had to buy raw materials and tradesmen needed capital to buy wares. Fitzherbert warned farmers against working on borrowed capital, for "the copyholder or yeoman of Tudor England was apt to step into the position of where he was little more than the caretaker for his creditors." Standing crops were pledged or sold ruinously cheaply. The producer was given a beggarly price, while the consumer was sold the same corn at top price.

More significant was the rise of the commercial capitalist. He was fighting successfully against the independent producer, whose guild organisation had been shattered, and the producers were becoming the "servant of an employer, on whom he depends for orders, for raw materials, and for the sale of his wares." The domestic system gave him less independent status than he had held when the guilds were effective. As at other times of difficulty - and the age is not dissimilar to that of two centuries or so later - emigration was being commended, and this isa a sure sign that times are out of joint. Cushman commended it. Indeed, if we are to see later Christian social movements as germane to our subject (usury), it is vital to grasp the connection between usury and the world both at this critical and fatal era for the usury laws, and at later times when usury itself was seldom mentioned. Connections between the old small

scale usurer and his imposing international counterpart of later centuries are to be found in this period, where the money dealer was emerging; and the miseries that both types of usurer have generated are substantially the same. This is clearer now than when Tawney wrote.

Public pawnshops were also commended, but many found themselves at the usurer's mercy since the abolition of the local mints. He was called at the time, "the insatiable usurer which gnaws the poor people daily to the very bones". The business classes, meanwhile, were overtaking the landed gentry in wealth, and they were plunging into extravagences which brought many of them into debt and many acres were mortgaged to money lenders. Satirists and playwrites of the period made frequent references to this social background. Not a few members of Parliament thogght the laws dealing with usury were "antiquated relics of popery". The long rise in price stimulated the formation of many new companies after 1570. Unluckily the partnership doctrine was little heeded by these greedy profiteers. The gentry became in their turn caretakers, of the city merchant. Groshmm (rashly sued for usury by Sir Henry Woodhouse) and Palliavicino were typical of the rising class of financiers. The Italians understood financial dealings accurately. Audley was another financier, whose vast fortune enabled him to build Audley End (it had been monastic land), and James remarked that although a Lord Treasurer might afford it, it would be too expensive for a king. Rack renting was all too common, particularly when a usurer had procured an estate from his e victim, when he at once raised the rents. Audley was quick to resell such estates.

Massingham shewed how the evil was spreading: ..."there being

"... there being scarce one shire
"In Wales of England where my monies are not
"Lent out at usury, the certain hook
"To draw in more..."

There was a fairly rapid transfer of land to the new monied class, and although the peasantry disliked these absentee landlords, attempts to limit the transfer were futile. The same struggle and hostility of debtors towards creditors took place after Waterloo. But the monied interests prevalied everywhere and profited by the rise in price.

The Spanish bullion did much the same as the treasure from India nearly two centuries later. Apaprt from the greedy small usurer and mortgages, what would now be called capital enterprises were started - mines, munitions and cloth trades were expanding, and cloth was being exported in ever larger quantities. Land was being enclosed into huge estates. The capitalist "without interfering directly in the process of production gathered into his own hands all the threads of commercial organisation." (Tawney). Businesses which employed a thousand men were growing, and State control was favoured by the Privy Council. Capital was needed (£1000 or more) for these enterprises and in the cloth industry "credit intervened to bridge the gaps between the successive stages," and to pay wages before the sale of the end product. Even the cottager needed credit to buy his wool or yarn, and the wool broker ("brogger") acted as his banker. Shrewsbury said that the London money market was indispensible to provincial industry, while in years of depression like 1586 and 1621, the financiers were a heavy burden to manufacturers as well as to the landed interest.

Minerals, too, excited the interest and cupidity of the new class of landlord, and the ancient trades of coal, lead and tin mining flourished again: credit was vital, and the danger of monopoly and rigged prices was grave. Joint stock companies were floated, as when the City of Nottingham issued £1 shares in 1601 to work a local mine. These modern developments took place when the teaching on usury was still in mens' minds, and in them we see the connection between the new and the old order. Tin was paid for twice a year - at midsummer and Michaelmas when the coinage took place - and wages had to be found in the intervals. They were supplied by the preemptors, a small group of London capitalists who sold much dearer to the peuterers etc. than they bought from the mine. Strong arguments were advanced for nationalising the tin industry, for the riches of the commonwealth being drawn into "someone or a few mens' hands savours of a monopoly". "What a world of trading debtors are eaten up with usury", wrote the author of "Usury arraigned and condemned," in 1625. The craftsman - who had lost his guild organisation - found it increasingly difficult to maintain his independence of the financier, and many sank into wage-earners, or were servants of an employer "who had him more completely at his mercy, because he not only provided raw materials and marketed his goods, but often advanced the working capital". This is the dark side of the "domestic system", and recalls Rogers's theory of a conspiracy. The social change and extortion redoubled agitation against usury - it was no academic point, but concerned the poorer people intimately and they knew it - and miners demanded a national bank as they were charged 2d. in the shilling for their wages. "Book credit between shop keeper, wholesale manufacturer and the producer of raw materials was already

highly developed." The age of credit - and of the monopoly of credit - was beginning, and there was a swing away from traditional doctrine just when the restraint was most needed. The new rich class desired every check to their greed to be abandoned, and soon enough theorists were found who argued that it was injurious to none. In this was the stage was set for the unrestrained barbarity of the industrial revolution, when no sanction, human or divine, was opposed to the savage lust for money of the new tyrants. The opponents of usury realised that they were contending for more than an old fashioned theory, but that its admission would bring misery and monopoly.

Another financial development - perhaps the most significant of all if we are to understand the relation of later developments to our subject - was that of the foreign exchanges. A new class was arising who were to dominate even the manufacturers themselves, and whose wolrd was to be that of crisis, war, armament and financial wizardry. Their activities had been condemned by the law of Henry VIII which stigmatized "dampnable baggains grounded in usury". Antwerp and Lyons were becoming great financial centres, with Antwerp predominating, as had Constantinople some centuries earlier. London was in the second rank and her Exchange was not opened until 1571. Italians were prominent in London finance, in addition to wool staplers and Merchant Adventurers. Large loans were raised from continental bankers to pay foreign armanent firms. There was opposition to the tax on exchange transactions and Cecil complained that they "go to and fro and serve all princes at once ... and lick the fat from our beards." The cosmopolitan business man was arising, with more profitable ties than those of national loyalty, and

the final development of the process is his modern descendant who demands world union or a world state. It was the antithesis of the policy of England's great kings such as Edward 1 & 111

By the middle of the fifteenth century, the provision of credit for merchants was a regular trade, and the mercers specialised in financing the wool trade. Foreign trade, particularly the export of woollen cloth, expanded under Henry V11 (hence the law defining usury more accurately), and financiers like the Fuggers took at least half of the profits. The successful trader was in fact a banker, although still called a merchant. Wealth was thus passing from the producer into the hands of the financial manipulator, who had more cunning and influence and the poorer class which was arising suffered severely. "Down to the sixties of the sixteenth century, the bill on Antwerp was the commonest form of commercial currency. Bullion was not usually moved, even for the settling of the Government's debts on the Continent, but was discharged by bills on some continental market". (Tawney). Richard Gresham warned Cromwell in 1538 that the result of restricting the freedom of exchange would be the collapse of the cloth export trade and a movement of gold from London. Such considerations were henceforth to be the weightiest in national councils. In 1551, the prohibition of exchange transactions brought commercial paralysis, and the financiers brought the severest pressure to gain their freedom to exploit. Canon law and Parliament tried to restrict a bill of exchange to "an instrument for the transference of money from place to place" - it might appear that the theologians did not understand credit or the financiers ethics - but the elements of a loan and its concomitants of profit were always present: for the discounter was making a loan for which he would charge.

The element of speculation was always present, vast sums and elaborate organisation being involved. They were not "exchange real" or "natural exchange", which could hold little interest for the financial adventurer: they were "dry" or "merchant's" exchange, solo con ogetto do guaragna, the unlawful bargains of Henry vii's Act against Usury. The financiers replied that if exchange were barred, bullion would be drawn abroad. As late as 1612, Fenton, in his Treatise of Usury, called them " a griping usury under the title of exchange". The loan was usually short and the rate high, but it evaded the usury laws; the advantage of the financier, ee who constantly turns over his money, as against the farmer who only has a yearly harvest, needs little comment. They were engrossing more than Providenceintended an individual to possess.

The exchanged had been conducted for many years at the Continental centres of exchange - Antwerp, Lyons, Venice, and were still rather new in England and suspect in nationalists' eyes, beinf the foundation of "a system of international credit". "The reserves of the European market were at the disposal of any firm of good standing" and were very useful for "merchants and bankers who desired to earn a high rate of interest on short loans". Such rates had nothing in nature to back them, but were a robbery based on fiction of someone or something. This became obvious later when international usurers sucked more and more wealth and power into their hands by these means: the rate of increment in nature is never so quick or so sure. Such merchandise was rightly called by a European traveller "clear and plain usury". Tawney hardly appreciates the new dangers and abuses inherent in the system. The methods of cambium and recambium - perfected in the Netherlands - were widely used, while the discounting of bills was elaborated.

16 per cent was not an uncommon profit, so much greater than anything the farmer could achieve, and with few of the risks of partnership or genuine trade. A multiplicity of agents grew up to serve the new interest, which before so long was to dominate Europe. Gresham was notably quick in the international money market. "The degree to which futures and arbitrage (changes in course of exchanges and differences in rates of money on various markets) outweighed the rate of interest at which the bill was discounted was a measure of the degree in which speculation entered into the transaction". Astrology was even employed in these unnatural calculations: and a generation bewildered by the "magic" of the financiers forgot the poor laws at home and the enclosure of the common lands. It is not many years since booms and slumps were ascribed to spots on the sun. We hear of "bankers and rich merchants of the Low Countries who make the exchange rise or fall as they think good for their gain and our loss." It was an early form of the raid on sterling.

Rightly enough this kind of business was not regarded as legitimate trade, but it was bound to grow, for such parasites are generated when there is an unbalanced keeness on trade for trade's sake, as is reflected in Bacon's opinions. It inevitably involved a neglect of the real wealth and assets of the country - its land - and a change of emphasis from that which saw in the agricultural labourer the highest kind of vocation.

The merchants borrowed at 5 per cent in Westphalia and lent at 10 per cent in London: it was not good for England to have such as Sir John Gresham for confidential Government agents, who inevitably involved them in questionable transactions: such can never be for the welfare of the country. It was useless to "pray

God it may be discovered to the weal of our realm"; for the financiers were exactly concerned not to give value for value: that was how they made their gains and raised their fortunes. "Usury and continuous usury was avowedly the essence of the whole business." Such a rotten basis was bound to bring disaster, and it was not fifty years before the Civil War between the old ways and the new: "usury as the payment for time appeared naked and unashamed."

Tawney, in his consideration of the supply of credit, first emphasises that the advancing of loans was normally a "bye-employmentof the prosperous trader or farmer" in the intervals of his normal occupation. A "banker" was rather a money-lender engaged in international finance. Even clergy were involved, as Porder discloses in his "Sermon of God's fearful threatings for idolatrye." (1570). It was a transition period when the clash between the old morality and the new lack of it as far as money is concerned was violent: the provision of credit was not yet, at any rate, the monopoly it was to become. The local usurers should have been a warning against extending the evil and against capitulating to the money power that was so sinister a feature of Elizabethan times. Local usurers often maintained a gang of roughs but did not yete operate under state auspices or have the army to guard them. Even the commissioners appointed to enforce the moderate law of 1571 were terrorized by the larger usurers, who were adept too at evading taxes, and had much in common with the gangster. London saw the beginning of "a commercial plutocracy and of an urban proletariat", and here the king financiers emerged, moving in the mysterious sphere "inaccessible to anyone without large capital and international connections."

At the same time the goldsmiths - of whom Fenton complained in his Treatise of Usury (1612) - were coming to the fore as deposit bankers, although it was half a century before they reached a great position. The Government - in 1561 for instance - indemnified the lenders against the prohibition of usury. The country was paying dear for the suppression of the mints. The scriveners - experts at drafting documents - are important, for they developed into financial experts and consultants and were included in the same denunciation as usurers; naturally, they took to money lending and deposit banking themselves. Stubbs, in his Anatomy of abuses, calls them " the instrument of the Devil, whereby he worketh the frame of this wicked world of usury." Their exactions led to clamours for a public bank. Many were finding - as the author of "Usurie arraigned and Condemned"(1625) puts it - that usury doth "offer such excessive gain and such freedom from all kind of common charge ... and command over bondmen." The most cunning class was that of the usurers, and they struggled against the traditional precepts of decent society. No Saint Antonino came forward, as he had a century earlier in Florence, to keep business within the Church's morality, not would he have been welcome if he had. Religious energy was directed to splitting up Christendom, not to its proper work of applying the truths which the Christian Way had revealled and which had been refined by the theologians. A very different religion - one ~~which~~ of greed which exalted Abstinence and looked askew at God's Abundance - was to emerge, a travesty of the Catholic Faith: it was in fact to be the veneer which the new financiers cast over their inordinately profitable game, if not a spell to check the curiosity of the people. The Church's rightful insistence that a bargain should benefit both parties to any transaction suited these parvenu money marketeers

not better than the advocates of Bretton Woods, which is much the same type of transaction on a colossal scale. The goldsmiths doubtless realised that as long as all their depositors did not require their bullion at once, it would be possible to issue credit of a larger amount than the deposits.

"The sale of time itself" - the tampering with God's providential ordering of the world - was a privilege which the usurers arrogated greedily. Bossuet in his "Traite de l'usure" rightly taunted Calvin and Bucer for "defending extortion". A century later a lonely sage in his "Brief survey of the growth of usury in England with the muschiefs attending it", put it frankly (1673) : "it grew to a proverb that usury was the brat of heresy." In the eighteenth century, they were saying that trade was onething and religion another, as in the next they declared that business was business. Luther stood away from Calvinists when he attacked usury in his 1520 sermon and 1524 tract against usury. His principles are Christian and practical enough, although scorned as idealistic: "Men should lend freely as the Gospel commands, sell at the price fixed by common estimation, eschew speculation and monopoly ... and conduct their trade without injury totheir neighbour." 16 per cent was bound to be injurious to someone not far distant. It was really Calvin and Bucer who were impracticable and whose estimate of human nature was so childish compared with that of the Catholics: their system had worked, while that of the reformers - after the short terror of Geneva - never did, but deteriorated into the squalor of a usurers' prayer meeting. And the usurer's prayer is always for scarcity ...

It is notable that the great English dramatists opposed

the innovations, and as late as 1595 the Archbishop of Canterbury allowed Miles Mosse to dedicate to him his "Arraignment and conviction of usury." It was a century before such a tract as "Lombard Street Farewell sermon answered, or the Welsh Levite toss'd de novo." David Jones, the preacher referred to, will appear in his place, and seems to have provoked more than one rejoinder. But Elizabethan opinion was still that "As it belongeth to the Magistrate to punish, so it is the part of the Preacher to reprove usury." (The Lawful use of Riches, 1578, translated by Rogers from the Latin of Nicholas Hemming.) "Poor sillie Church of Christ that could never find a lawful usury before this age in which we live." Morality was not yet called monkish superstition, but already "the circumstances of the parties and the purpose of the loan" began to be regarded as possible mitigations of the sin. However, "advanced reformers, like Latimer, Becon and Crowley, fulminated against usury."It was rightly argued that even if well to do merchants borrowed on usury, they would pass on the charge to the consumer in higher prices. "Usury walketh in the dark, it biteth few know when where and who."

This moral fervour, however, was unavailing against the cunning men whose power was growing daily. Calvin, their patron saint, not only "appealed to common sense" - his own, not that of the Church - but treated as despicable the Christian distinction between partnership and usury. He suffered in this fatal instance from the pride of life, or of his own intellect. The Greshams and their tribe now had an authority, and their business morality, now sanctified, was well on the way to being secure from clerical interference.

Baro and Bullinger expounded economic Calvinism in England. Tawney himself, the authority for Wilson's background, gives too little weight to the mediaeval distinction between usury and partnership - the essence of the whole matter - when he appears to commend Calvin's"economic realism" or points out that "land and capital are convertible investments." "It is perhaps first in this century that widows and orphans are marshalled by the capitalist baton." Times were unquestionably changing - in many respects for the worse, as is here and there pathetically apparent - while the national heroes were pirates and no longer saints, and a privateer could be called the Good Ship Jesus. But this was all the more reason why the Christian doctrines should have been further sharpened, not discarded; for justice is never outworn.

The State vacillated between the old morals and complete financial libertarianism, which the City interest were scheming for. Opposition was met from the peasantry and small men, who saw that the usurer was a parasite bringing dispossession and pauperism . Power fell into the hands of the"few men having unmerciful hearts." Two and hundred and fifty years later, Cobbett was opposed to the same class, firmply entrecched and with many foreign recruits. Bentham considered that protests were from the thriftless against the thrifty.

Such towns as Coventry, Leicester, Glasgow and Worcester enforced heavy penalties against the usurer. "Banks for the relief ofcommon necessity" were suggested and introduced into the House of Commons in 1571. The Government was paying 14 per cent for loans, a dear price for the suppression of local mints.

The common boxes of guilds and churches did something to offsetthe pressure of the financial monopolists: a public pawnshop was set up in Berwick; but England was now disgraced by pappers on a large scale, as a result of sheepfarming, usury and the suppression of the convents, and after savage attempts to exterminate them, charities were established on the model of the mont of Ypres (instituted in 1534). "The insaciable desire of usurers" was no longer despised by all, and the cry arose, "Alas that ever any Christian assembly should be so void of God's Holy Spirit that they should allowfor lawful any thing that God's word forbedeth." The prohibition of 1552 only stimulated evasions, although the penalty of prison was here and there enforced. But the usurer desired, then as later, the aura of respectability as well as the security of legal status. The first expedient of Eurppe's growing financial interests was to split the prohibition into a sanction of"moderate"gain and a prohibition of "excessive" usury. As always, the usurer's estimate of moderate gain was infinitely higher than any profit a farmer or craftsman could expect. When monetary transactions were beyond the scrutiny of ethics - or of the public - his triumph was assured. It is no coincidence that he secured his victory at a time when religious solidarity was weakened, and the old struggle against injustice had given way to sectarian bitterness. As long as attention was concentrated on differences within Christendom, his vice was less liable to molestation from the Christian community. "Individual enterprise" was the watchword of the gang of international financiers, in whose eyes the doctrine of the survival of the fittest began to take on the aspect of practical politics, and the precepts of justice or

charity were thought of as antiquated restrictions, or relegated to the level of ambulance work. The question, fittest for [illegible], was not asked: unless it is, civilisation descends to the jungle.

The State tried to curb the internationalists by emphasising the office of Royal Exchanger (Malynes, in the "Center of England's Commonwealth," 1601, talks of the abuse of the exchange) but this did not stop the profitable dealings of the financial experts. The "natural" exchange had too temptingly developed into "dry", and the so called merchants were able to bring almost irresistible pressure on the "absolute" Tudor governments. The Government was in a weak position through its debts and the views of Antwerp - much like those of Wall Street today - had the last word. One of the remedies proposed was to have an excess of exports over imports which, in the inverted world of the financier, would bring bullion into England. From this doctrine the ills that have sprung are innumerable: in the first place, it means that more goods to use are sent out of a country than are brought in; secondly, the war for export markets often develops into physical war, and is one of the leading causes of modern war.

Burleigh himself was appointed Exchanger in the attempt to nationalize the exchanges, a policy which was to save many from "impoverishinge by borrovinge on usurie". A goldsmith held the post several times. Italian and English financiers bitterly resented the attempt, and were galled by the tax on thier transactions: it was an interference not only with the liberty of finance, but with England's international standing! The goldsmiths protested that interference would ruin them, and in 1627 were up in arms against Lord Holland for prohibiting "the exchange of gold or silver by unauthorised persons within three

miles of London", and inspite of vigorous Crown exposure of the effects of "goldsmiths' malpractises", a select committee of the House of Commonsresolved that "both patent and proclamation were a grievance". This, in 1628, was another victory for the financial class, who were approaching towards supreme power, and shews what the ruling interest in the House of Commons was: the King in this and other matters was the opponent of this money power: it was very temerarious.

The financiers brought such pressure, after the prohibition of 1552, that efforts were directed to shewing the difference between usury and interest. The vital difference had not so much been this - so liable to quibble - but between usury and partnership, which was henceforth disastrously obscured. "Usury and trewe interest be things as contrary as falsehed and trewth." Borrowing is one of the "commodities which issued by the society of man". It is the significant period when moralists' attention was being transferred from partnership to interest, and the way being prepared for usury to be considered a "monkish superstition". The usurers desired complete freedom for these financial operations both from the Church - already split and weakened - and from the State, which they were in a position to threaten with bankruptcy. Disturbances in the Netherlands made Gresham look at home for money, and to attain this his leading idea was to repeal the usury law, although at first he had Cecil against him. Wilson spoke with great weight against usury, mentioning the Fuggers - a salutary warning indeed - but could not carry the House. Yet, as Tawney points out, the Act of 1571 did not merely abolish that of 1552 and revive that of 1545, but added a clause that gave the usurer no legal security for revocering

his usury. It need not be paid, even though promised; it could be complained of. The financier would be fairly content with these provisions for the time being, as the large fish he was playing dare not go back on his bargains, and would struggle to borrow themselves out of debt rather than risk the cutting off the source of supply by bringing an action. The Government, in its attempt to maintain public order, did its best to see that the Act was administered, usurers were heavily fined, special commissioners were set up, there were a multitude of complaints to attend to. The Council tried to get these matters settled out of court: "The Bishop of Exeter is advised to induce a usurer in his diocese to show a more Christian and charytable consideration of these his neighbours," for example. Generally, however, the Act produced anything but hardship for the usurer. There were enough ways for him to make the protection the law tried to give the borrower a dead letter. Conditions were attatched - such as the death of the borrower's son - which were alleged to introduce the element of uncertainty, or the right to repay the loan before the interest was due.

The evidence shows that the usurer got the better of matters when a borrower was rash enough to challenge him in the courts. He contrived such bargains that he obtained a good deal more than the legal ten per cent. Penalties of more than ten per cent, for instance, were exacted for breaking impossible conditions attatched to the loan - such as very quick repayment - and the Christians of the older school might well complain of damnable bargains. William Fulbecke, who wrote in 1618, and others upheld the catholic position well into the seventeenth century.

But there was another party, led by Ames etc., who argued

on the interchangability of land and capital, and stressed charity rather than the nature of money. These disagreements gave the usurer his chance to throw off the leading strings of morality and to assume his gigantic stature, the position that "economics were one thing, ethics another". Traditionalists like Capel ("Tentations, their nature, danger, cure, 1633), and Holmes ("Usury is injury") still held that usury was wrong in its nature, but the majority of its adversaries argued from results: "A tract against usurie, Presented to the High Court of Parliament"(1621), and "Usurie arraigned and condemned", 1625, argued from the "practical and economic"effects of the practise. And the usurer by then was clever enough to demonstrate the expediency of his system.

We shall consider the two classic aggaignments of usury, that of Wilson (written in 1569, published in 1572) and of Lancelot Andrewes, delivered at Cambridge in 1585. It was called "Legalised usury is unlawful" and given in Latin. In the next year, every parson in the diocese of Canterbury was told to read a defence of Usury by Bullinger. This was the first time that usury had been commended: even Calvin had only allowed it. But a bare permission was not enough, and the yeast was leavening the whole lump. This progressive was more in the fashion than Wilson, Rogers or Andrewes. For the sack of Antwerp in 1576, and the Deafeat of the Spanish Armada gave Britain something like the financial hegemony she was to enjoy later. The gold from Peru and the silver from Potosi found their way here, largely by pleunder, and the British East India Company was founded in 1600, five years after the Dutch. Slaving was most profitable, and founded notable fortunes. It was in such an

atmosphere of frenzied greed and adventure that Andrewes, Wilson and Bullinger delivered their discourses. The City chafed at the aristocracy, and found allies in the evicted yeomen and those annoyed at the rise in rent. "But for the hostility of the City, Charles 1 would never have been vainquished," wrote Macaulay, and "Charles 11 could scarcely have been restored." He was, it is alleged, set up by the merchants who were afraid of the soldiers. But capital accumulated, and "its instruments became the ruling class" (Adams, of the type of Sir Josiah Child, who (in his Discourse on Trade) declared, "We can with ease pay a greater tax now in one year than our fathers paid in twenty".

Thomas Wilson, D.C.L., had been a diplomat, a Member of Parliament, and - although a layman - ended his days as Dean of Durham. Such a career suggests a rather more practical and up to date man than Tawney would allow. I do not propose to go into his "Discourse upon Usurye" too minutely, as we have to examine the work of Andrewes, which is barely available to the public even in Latin.

Wilson - his work has additional importance as being that of a layman - addredded his Preface to Robery Dudley, Earl of Leicester, and reminded him that "the world is made for man and man is made for God," and asked to recall men to justice who are so ready to "wallowe in syn", lest "Antichrist himself be lord of the harvest." Wilson sayd usury is more rampant in England than "in anye place in cristendome". He gives special warning against the "dissembling gospeller" and sayd "the magistrate abusing his office deserves more punishment than doth the private person."

Dr. Wilson wrote as a man who had exercised public authority in positions of trust, and approved of the Roman censors: "The Romans never began to decay until usury lorded among them". This is the opinion, substantially, of Momsen. In his own day he could see waste and want caused by usury which was "universally used."It is not the protest of an old fashioned or cloistered traditionalist, but of a practical man of affairs. He has a good word for preachers who "cry out continually against all usurers with open mouth and in all their sermons."The usurers would let the preachers have their word when "others have the deeds and live in all wealth and iolytye in thys world". The magistrates were not cooperating with the preachers, and he asks for a new Solon "who took away the usurers' books from them and their gains and forbad such filthy lucre, and brought in noval tabulas," with the Seisachtheia which discharged debtors from usurious debts or eased them from the usury. He mentions the extermination of woolves, who in their sheepskins covertly devour the flock of England. It would be a sweet smelling sacrifice in the sight of God. Thieves steel for necessity, but usurers "rob and undo all men for greedy gluttony." They scratch up the whole realm of England. Either they should be exterminated - the law was bloody enough on thieves - or the common law of Edward should be revived whereby of twelve men could prove it, the "goods of the usurer should turn to the good of the prince." Mens' hungry desires grab after a great deal more than nature craves: one man would have little cause for borrowing if people could be content with "the blessed frute of this lyttle paradise of England". Free lending was to be looked for from Christians. Yet in the twentieth century a clergyman charges interest on a loan to a friend "because it was good for him to pay it." Wilson desires his

"natural country" to be perfect and blessed without danger of evil or infection of mischief to corrupt and destroy the noble land. He addressed himself to a statesman who studied constitutions and laws in Latin and Italian. We see the clash between the patriot, in the line of Edward 1 and 111, who desired the welfare of his own land, and the international class of profiteers who have sold their natural loyalties.

In his "Cristian prologue to the Cristian reader", he admits that he is aware "Veritas odium parit", but the Christian should expect his "usury" from God. The doctrine that God repays - even if the poor man defaults - does, it is true, require a somewhat more disinterested faith than was apparent after the Reformation. We may not hold with Cobbett that greed was the mark of the post- Reformation Church, but this vice was more prominent and less bridled as the years from the middle ages succeeded each other. He explainsthat his Discourse will be in the form of an argument in which the Preacher - it is noteworthy that the Church was not yet the sanctifier of avarice - Okerfoe, the Merchant Gromelgayner, the Civilian and the pettyfogging Lawyer take part. "To see the world, none are so ready to defend usury as those that have the least understanding in any profession." A good epitaph for the Genevan pettyfogger.

Commendatory verses are written by William Wickham, the Chaplain of Queen Elizabeth, John Garbrand of Oxford and John Cocus. Two of them mention Cato's opinion that usury was equivalent to murder. The opening of the last of the three is striking: "Est patriae Wilsonus amans, populique salutis,

"Et graviter patitur publica damna seri."

John Garbrand, Prebendary of Salisbury and M.A. Oxon., sent Wilson a letter he found among the papers of the late Bishop of Salisbury. This would have been John Jewell, whose interest in the subject has been noticed before. "I assure you I like all notably well.... if I were an usurer never so greedily bent to spoil and ravine ut sunt faeneratores, yet would I think myslef most unhappy if such persuasions could not move me ... ut vivat liber, pereat usura." 20 August, 1569.

In the Discourse, the Merchant asks to dinner the Preacher, who had delivered a sermon against usury, "for, by Saint Marye, you have shotte your arrowe to the marke", and a Lawyer who had also heard the sermon. The Merchant and Lawyer remark on the progress of the times, but the Preacher rebukes the lack of charity and spread of usury. "Lawful trading and adventure to bring in our want and carry out our plenty hath ever been allowed, and without such traffic no country nor kingdom could flourish," he remarks. The Lawyer complains of monopolists and the Merchant of the customs. The Merchant adduces as evidence of England's purity the whipping of beggars and carting of whoremongers. "But", says the Preacher, "in other countries they are more unwilling to offend against the common weal and there are fewer usurers elsewhere than are here in England." The Lawyer sets out the faults of other nations, but the Preacher would have England "most perfect and without any fault." "Valet fides in Christo quae per charitatem operatur." The Merchant would prefer his treasure in a chest "with the key about me" than in Heaven. "Store, syr, is no sore". The Lawyer challenges the Preacher as to the nature of usury; for "not all that receive money for money are usurers, but they that are biters and oppressors of

their neighbours with extreme and unmerciful gain." The Apprentice remarks that it is better to have a fixed rate than the uncertainties of "adventure". The Lawyer adds that even "goodmen hoyden of the country" will lend a shilling at a penny a week. The Civilian now joins them.

Then the Preacher, in his Oracion, gives a typical case of a poor be man borrowing from a rich "in mony, which is very seldom, or in wares, which is the common use of the most, to a certain value, and entreth into good bandes, and often times layeth a gage better than the goods borrowed, and payeth without mercy such as I am ashamed to name."This is against charity. He adds that usury is a fraudulent and crafty sleaing under colour of law against the owner's will.

He quotes Exodus, Ezeliek, the Psalms, Our Lord (on lending), Saints Augustine, Jerome ("usury is an overplus in anything, not in money only"), Ambrose ("it is ruin, extortion, pillage"), Chrysostom ("it is like the biting of the serpent Aspis"), Bernard ("a thief in law"), "He fighteth without weapon that taketh usury," says St. Ambrose, "there is no cunninger way toundo a man". St. Paul had said that men must not do an evil that good might come, so the Fathers did not allow usury to be employed for alms or the relief or orphans or widows ... Its source is covetousness, it is idolatry, making money their god... The covetous only minds his money, and is like a "dog in a neymowe", among other things, hell insatiable, a bottomless sack. Scripture is vehement against this. (Exodus, Proverbs, Prophets are cited). "No man's life is in the abundance of that he hath". Diogenes d said of Anaximenes. "Is it not a shame for him to have so many things alone to himself, and hath not yet himself."

It was said by the Oracle that only covetousness would destroy Sparta, Rome was another example where private commodity was better esteemed than the common wealth. He mentions the many exhortations in Scripture to relieve the poor, the idleness of the usurer, and says prison is preferable than the Darbyes bonds of the usurer, the cause of divers bankruptcies. He cites a gentleman who was born to £5,000, borrowed £1,000 and soon found he owed the five thousand. "Such caterpillers on earth" who sell time se dearly are surely accursed of God who gives time and air: they are traitors to the Creator and rebels to their country. A thief who steals but one penny is still a thief, and there is no mean in this vice. "Avarus nil rec5e facit, nisi cum moritur." A "universal murrain of all the usurers of England" would be the greatest blessing, and such "brute carons" deserve a "carobiouse death".

Lending for gain, in the Preacher's view, was turning a most beautiful virtue into a most filthy vice. Usury he counted worse than any other sin, yet those are "judged godly wise men that having great masses of money by them will never adventure any jot thereof in lawful occupying, either to carry out our plenty or to bring in our want, as good merchants use and ought to do." Wilson makes here a clear distinction between usury and partnership: the usurer is the drone, and his offence worse than that of thief or murderer, for they devour up whole countries, and should be subject to the death penalty. The Jews were hated and expelled for usury, but English usurers exact even harder terms. He ends with a prayer for forgiveness of sins.

The Lawyer retorts that all commonwealths in the Christian world are governed "otherwise than you preach", so he cannot

have expounded the Scriptures "according to the very meaning of the Holy Ghost." Preachers cannot judge precisely what usury is. Public laws are the ordinances of God and the magistrate his minister. Then the Lawyer gives his Oracion. This, and the words of the Merchant are significant, for they shew the outlook of the "business man" of the last half of the sixteenth century. We can give only extracts of the most significant parts.

Christ was only capable of fulfilling the law of love. Usury is only hurtful "when it byteth". He mentions lucrum cessans and damnum emergens. No man should love his neighbour better than himself: charitas incipit a se. He distinguishes gifts, bargaining and lending, but meddles usury and partnership - a clever stroke by Wilson. He answers the argument that all usury is against nature by the permissive clause about lending to a stranger - the double standard of morality. It is allowed by St. Justin, and the hard man of St. Luke is mentioned. He confused consumables and non-consumables, rent-charge and usury. Lending for gain is better than starvation. Inter est is touched on - it was to be important later in Roman Catholic eyes. "Where charity is not hindered, no usury is committed"; "Usury is a biting, as its etymology shews; the Tigurine translation of Exodus is, Non inferes morsum fratri tuo; it is unreasonable to lend to a rich merchant on the same terms as to a beggar; much of Scripture cannot be taken literally; omni petenti abs te dato; the result of the prohibition was that no loan was obtainable under 20 or 30 %. He disapproves of Henry viii's law against usury, chevisance, brokers, and such as will have benefit of mortgaged lands

while the loan is unpaid. He mentions damages, and the pathetic case of a widow and young children. "And well do I allow for the use of London for Prphanes money to be yearly paid." There is more special pleading. He recommends lending £ 88 to take a bill of £ 100 "that the casualty of loss be recompensed with the certainty of gain" - omnis mutatio plerumque damnosa, eoque meretur recompensationem.

The Merchant says the prohibition of all usury would being trade to confusion and standstill, as well as bankruptcy. The State could hardly stand without the usurer - in fact they lend not for usury but for interest and exchange; bills of exchange are essential. "Hope of gain makes men industrious." Wilson makes clear the process of driving a wedge between religion and monetary affairs, which were to be left to such as the Merchant and Lawyer in a special amoral compartment. "A bargain is a bargain", and instead of the just price, the notion was advanced at this time that a man should get what he could for his wares, even by deception. The Merchant, like the Lawyer, used the same cunning to confuse what the Church had sharply defined. His claim that custom was a reason for his practises suggests that already merchants had emancipated themselves from just price regulations.

The Preacher replies that even a penny theft is still robbery and that the theft of twelve pence - even if not "biting" - carries the penalty of the gallows. Usury is sin: if you give them an inch "they will take an ell": rich men are often ruined by it. He admits damages - as long as there was no covenant for gain (quantum tua interest) - up to 10 or 12 per cent; and reaffirms Partnership, saying you must be con-

tent to "bear with all losses that might happen". It is not usury in this case "where the gain is uncertain and none assured contract made beforehand." It is commonly better to sell land outright than to obtain the usurer's so called relief. It is no argument that usury was permitted to rob the Egyptians, nor is it a reward but a "compulsorary debt and bad bargain". He disagrees with the laws tolerating usury, mentions Edgar's prohibition of all usury and Edward 1 "who did send out of this realm as well such bankers as came from the pope Gregory the tenth, called Caursini, and were brought in by one Stephan, thepope's chaplain, in the time of his father King Henry the third, as all manner of Jews at that time, with whom the realm was marvellously pestered and oppressed also with usury, their proper art and profession wherever they dwell, who surely do very well observe their law." The Preacher - or Dr. Wilson - maintains distinctions, and brushes aside the argument about plate by restating the traditional distinction between things that wear and get broken, and money; between Commodatum, lending to a banker, and Lutuum. Lucrum Cessans he evidently regards as a cloak for usury: it is sinful to do what weshould now call exploiting the nesessities of others. Indeed, usury itself causes dearth by raising the price, and they deserve the words addressed to Crassus: aurum sitisti, aurum bibe. There is a difference between a dog and a flea bite, but the flea still bites after its kind - and what a world in which sin is likened to a flea bite! Picking is as much forbidden as spoiling.

The Preacher is contending against what is now called violating the laws of nature. No text in scripture does other than condemn usury, and he disapproves of the London orphans'

money, and asks if there is no farm that could be bought for them. The thief might as well say that he has no other trade, and usurers should be outlawed. He tells the Merchant to "remember God in the midst of your occupying," for a usurer is worse than a pickpurse in that you are never rid of him: he destroys trade and abuses light and time. There is such inequality between borrower and lender; the man who buys dear must sell dear or be undone. The wealth of the world "comes to the hands of a few idle wretched caterpillers, who eat up toens, countries, kingdoms". The Preacher is a true prophet of the monopoly of credit. It is poor Christianity, he continues, if there is no lending freely. Usurers in fact do not help the prince, but "bring him behindhand with taking twelve or fourteen in the hundred": they are unnatural subjects, who will have such gain for their own safety and welfare. Usury, he considers, was the chief cause of the Northern rebellion, and he prays that in the "general audit in the latter day," Englishmen may be able to say what Ambrose in his funeral oration on Theodosius pictured him as saying: Dilexi. The exchange was not used lawfully, but as a cloak for usury, "the most devilish device that was ever invented to undo all states and countries". The covetous regrates gold and silver into his own hands to make scarcity, and extracts excessive return. This is exactly what happened woth most tragic results some years later. These points are all valuable as showing the connection of the old world when usury was a sin and the new in which it has been considered irrelevent. The Preacher concluded that in buting and selling gain is not certain, while the usurer is sure to gain. A Merchant in deed is an honourable calling, not a monstrosity unnatural like usury. The Merchant is not unmoved by the eloquence of the Preacher.

It has been forbidden in all ages and by almost all laws: in Scripture, canon law, the the Decrees, the "decretals in Sexto and in the Clementynes", with great penalties attatched. No usurer is to be ordained. Pope Martin decreed in his Council that any priest who committed usury or took centesimam usuram was to be "put out of the clergie for ever." Leo forbad the laity, and even usurers'alms. The Civilian is against the abrogation of all canon law. Alexander forbad all usury to laity as well as clergy. In Sextus Decretalium, of Gregory X., it is said: "We, being desirous to stop the gulf or whirlpool of usury committed, which devours souls and utterly wastes wealth, command upon the threatenings of God's curse, that the constitution of the latter council against usurers be fully and wholly observed without any violation." No corporation, college or university is to let a house "to any strange usurer, being born in another country". In the canon of Clement V., all laws for maintaining usury are abrogated. He translated that statute of the Christian Emperor Leo (given by Hermonopolus) against usury, who forbad it utterly.

He points out that the Jews were expelled for usury, but that other usurers are as bad or worse. He is an idler who does nothing to advance his country, and if all were usurers, "the ground should lye untilled". In no other occupation can the worker be sure of a gain of twelve per cent. He gets this "let the world go which way it will", brings dearth and forces up prices. The borrower must recover his costs, which incluse usury, and so the usurer is a prime cause of bankruptcy. A thousand thieves are not so bad for a country as a hundred usurers, who "bears the countenance of an honest man and is

commonly taken to be the best man in his parish, and is often in authority". It is a great grace of God if a man once in ever gets out of a usurer's net. The poison of the Aspis gives a "certain pleasant itch whereby he falleth asleep and dies."The commonwealth is weakened, good houses decay, the people are wracked. An interesting comment is that the usurer is responsible for the other great eveil of the time, depopulation of the country. Social historians who see no connection between the plagues should note this passage: "For when they have got whole manors and towns into their hands, they are sorry that any should live there but themselves. And so they rid away in time the poor tenants and suffer them to beg and die of hunger; and for tillage use sheepgates where no men are maintained ... and instead of houses, desert places are to be seen, and wild soliteriness for beasts to range in and feed on, cattle and sheep occupying the places of many a good honest memning man." The country is made a kind of forest by usury, and many flocks of sheep and herds of cattle range, and the countriside is brought to decay by "dispeopling" of men. His observations are a remarkable anitcipation of those of Cobbett two centuries later. Usury is against nature, for money was ordained to be a "just measure and proportion in barbaining". Aristotle calls usury an ugly beast bringing forth monsters from time to time that are not in nature. Suidas upon Aristophanes's In Nubibus calls it a swelling monster contrary to nature, order and all good reason. The "evenhode" of justice is upset. God gives, the usurer witholds. He condemns the Monted Pietatis of Italy that only exacted three or four per cent.

The Civilian deals interestingly with evasions: there is

the double stoccado (sticking blow, or double stab) when the broker refuses money but offers wares, which are sold at a loss of twelve or twenty per cent. He is caught in the "Cony clapper" between broker and merchant, and is often forced to mortgage his estate. Archidiaconus had called them the same class as bauds. Another evasion was practised when a man who has a patent of £40 a year borrows £100 on condition that if he does not repay, the patent will be forfeited for ever, and if the patentee die, the merchant is to have the £100 together with as much of the patent as had run out - with "very strong sureties and bonds offered therefore". The merchant insists that he have the whole year's patent assured - otherwise he will not deal - and the patentee is not to offer to repay within the year, and is to have it for five years together if the principal is not repaid. If he is a month overdue, two years payment of £40 is required. Another borrows £40 for three months, and promises to give the lender's wife " a gown of satin or an ambling gelding without any express covenant in writing". Or land worth £20 a year is bound to a man for a loan of £100 and is not passed by sale or bargain. A man who lends with the hope of a"thankful recompense at the year's end", practises "Mentalis usura" before God. Or it may be the hope is to gain office, etc. If £100 was lent on condition that a good turn should be done when demanded, it is usury because the contract appoints no time, whereas it had been "permuctation" if asked at the year's end. If a lord lends his tenants money on condition that they should plough his land, it is usury, or if the lender sells wares tothe borrower at more than their value. Or if money is offered to a seller on condition that he will drop the price of his wares. If money is borrowed to pay for the delivery of wares

and these arrive late, the defaulter is bound to pay the usury. A multitude of other evasions are given - the lawyer had a rich experience. Corn, wine or oil are bought cheap. £100 is lent for ten years "not to pay a penny gain all that time if either of us do die", but if both live, twelve per cent per annum is to be paid. A merchant lends to a corporation which has a grant that if anyone with a child of a year lends £100, he shall have £500 for the child if he lives till he is fifteen, but the father loses his principal if the child dies before. A creditor is offered £30 for a debt of £40 - an instance of buying time. Or a sum is bought and 15/- in the pound is paid. Or a bill of £100 due in three months is bought for £95. A bargain is made to have after three months "so many kine or oxen for so much paid in hand, whereas they have I know neither cow nor ox." I deliver old wheat to receive new. (From the several examples, it is clear that a good deal of agricultural usury was practised). I fear the fall of money and deliver my money to another man to to have as much after six months as the money was current when paid. But it is not usury if the principal is never to be restored (as, for example, in annuities). This was common in Venice, Florence and Genoa. But it is usury to lend a gross sum, instead of paying the money needed to buy a position, for three or four years. It would be usury to let a manor with stock for ten years if he requires stock and rent unimpaired at the end of the period, for it is certain gain and return of principal. In Location, the same object should be returned. "What say these gilds, these colleges, these abbots and these bishops that have let out lordships with stock for yearly gain?" A man comes to a broker and says that John Clarke has ready money in good store, and would put it out for gain if he could find a good man. The transaction

is concluded in "the fictitious John Clarke's name". "Here is s tryme fetche, to mocke God and the Excheker with all". Or a man gives his wife leave to put out his money in a stranger's name. Lastly, a man is approached for a loan, and when usury is offered: "Mary, fie upon usury". But he says he had lent £200 to a friend for a year and three months have not yet run. He may have this, but the merchant will not take a penny for it. The party who is supposed to have borrowed "sets countenance upon the matter" and takes the usury. These are interesting examples of some of the tricks whereby the laws were evaded, and we may be sure that there were many variations and shifts to make the evil appear honest. All usury was still prohibited at the time the treatise was written (1569), although by the time of its publication, 10% was allowed, or rather usury above 10% was prohibited.

The Civilian now turns to the Exchange, which inits first institution was good and necessary "without further talk". Combium means the bartering or exchange of one thing for another. In Greek, the "minister thereof" is called TRAPEZITES, banker. Another term is Collibos, a deduction made by bankers and exchangers for their work and risk. A genuine service is performed. This is not usurious, but is of the nature of contractus innominatus: "I do give you on condition that you give me". He deals with the necessity of money and the proper method of exchange. His remarks on the nature of money are worth attention: "And certes money is the square and rule whereby all other things should receive estimation and price". He quotes Aristotle that it is "the surety for mens' dealings". It was first devised "to be coinded of the purest and finest metals to be the measure whereby by the price of all things might be set, and to maintain a

certain evenhode or equality in buying and selling." He has at least a notion of the dual nature of money, which is at the same tiem a claim and a measure of price. Secondly, he sayd, it is used for exchange between party and party, country and country. We know now that money itself need not have a commodity value. Wilson glimpses something of this truth. Thirdly, it is used as a chattel to be sold by weight, "as commonly all kinds of coin is sold at goldsmithes staffs ; which seemth to be contrary to the natural invention and first institution thereof, because it is no ware or merchandise, and not to be priced above its public estimation, except it be sold as bullion and not as current money or coin." Unluckily, the ignorance of merchants brings "kingdoms and ststes many times to great ruin." He has no objection to a reasonable profit.

The exchange is said to be divided into 1. The Exchange Real, and 2. The exchange by bills, which is subdivided into two. The exchange real or "to the last minut" is simple enough. Exchange by bills after the first sort - when money is received in one country and bills delivered for the payment of this in another country, which may be called "merchandizing exchange" - is useful. Yet he shews that there is usury in it "most biting". For instance, if the exchange is 20 English shillings for 24 Flemish, that is £120 Flemish efor £100 English, the man going to Antwerp is told that he may only receive 23/9d., or 10d., for the English £1. So £101 5/-, or £100 16/- will be charged in London for £120 Flemish. So "for the use of £100 for twelve or fourteen days, 16/8d or 25/- is lost". It is, he adds, "an extreme usury, yea, and such a moth that he that useth it will sooner be consumed that way than by any means els in the world, especially by the

importance.

For the new type of international usurer was coming into prominence. He had existed for centuries - as Langland's reference to Lombards' letters indicates - but now his riches and power were increasing with unnatural rapidity. He was, and is, vastly more dangerous than the old local type - who can only harm a neighbourhood - and more difficult to bring under the law. Wilson's dealing with the man of the new world of financial amorality by the standards of the old monetary ethics is notewrothy, and connects this age with our own. Otherwise, much that happens afterwards appears only tenuously connected with our subject. For the new international usurer was the ancestor of the Rothschilds, of those who have made war and treaties at their pleasure. But their dealings become harder to follow and their influence is already such that the old restraints of religion - interpreting nature and revelation as best it could - are being swept aside. The stage is being set, despite Wilson's efforts, for the shady figure of the international financier, and it is through the attack of Wilson that we see this connection between the old and modern periods; and we see plainly that the figure, the type, of the usurer persists in his new trappings. The term usurer is often used carelessly and loses its point, yet it is chiefly to the faithful Wilson - man of affairs that he was - that we owe are indebted for seeing that the term usurer may be accurately applied to dealers of this kind, however exalted above the law. It is unfortunate that Roman Catholic theologians, instead of applying themselves to the minutiae of interest, did not keep hold of the distinction between usury and partnership, which Wilson is still able to make plain , and

were not able like him to pin the stigma of usurer on the new international type, who outshone the humble usurers of the middle ages, but was much more fatal to his country.

The Civilian gives further details. Money was lent out at sight, usance or double usance. So, "if my money go by exchange at sight for Antwerp for 23/- the English £1; it shall go at usance, a months time at 23/4d; at double usance, two months, at 23/8d." This rate is five nobles a month, or /3-6-8 for forbearing two months on £100. There is still gain if £100 be taken for sight - four or five days respite - "else men will not deal". The banker or deliverer of money makes "other mens' necessities serve his greedy covetousness": it is a flat lending for gain. He wishes that no such cutting exchange should be used or borne in any well governed or christian commonwealth. Merchants should live by gain not of money but of wares. It is sound advice. The King of Portugal - a lad of nineteen - had recently forbidden any banker etc. to give bills of exchange for any gain at all, even f for expenses. As it is in other states, men "entermed le in the right of princes for their own gain, being lords of coin, to the great shame of all princes and states." The bankers and money men were setting "what price they list of money". Wilson saw that the threat to sovereignty by the money lords was very real. Edward 111 had decreed that only the King should use the exchange. It was reenacted under Richard 11 and Henry V111. "And them did all states flourish": merchants were beneficial to the country when they sold wares, and not carrying the money out of the country; if there were not sufficient wares here, he made his exchange with the King's officers, who thus knew about it. But the merchants used flattery and lent the princes money on condition that

they might have the exchange to themselves. They established "four standing banks" at Antwerp, Venice, Lyons and Rome. It is another anticipation of the brothers Rothschild, who established themselves at strategic financial centres two centuries later. Then they made money cheaper or dearer "as they pleased among themselves": this would be high treason unles they had the permission. London, Seville, Lisbon, Bruges, Rouen followed the example of the first cities. Real trade had been slowed down, a and "the price of all wares had by this means been greatly enhanced". Money is sent where wares are plentiful, but the merchant who has paid 15 % for the money will pass this on to the purchasers. He arraigns the princes for allowing the financiers to tamper with nature. He understands "that certain rich bankers" can take up masses of money into their hands and make what value of it they will, "for money must be had". Frequent bankruptcies are the result. Money, he repeats, was not first devised to be merchandise, but to be "a measure and a beam between man and man" to buy and sell wares. The argument that the rates of exchange rise and fall he dismisses, for this is due to the covetousness of what we should now call the monopoly of credit.

He now distinguishes usury and interest. This is highly proper, but it must be noted that he has devoted over three quarters of the treatise to showing what usury is, particularly in its modern forms. If land is bought on condition that if the price is returned the land will be returned, it is not usurious to enjoy the fruits of the land. Chevisance must be watched for under such dealings. If a man "break day", he should pay damages: but if 12% is demanded ,erely for forbearing, this is usurious. If money is lent for six months on condition that if it is great-

ly needed back within that time, it is not usurious for the friend to promise all usury that the lender is forced to pay. If a man asks to borrow £1000 and plate for show, this is not lending but letting for hire "on his peril". Permutation - one good turn for another - is not usury. But to demand e.g. bread for a loan is "usury in the devil's name", and he more fit to eat stones than bread who would bind men to such a bargain and have so little charity in him. If a man gives £100 never to have it again on condition that he receive £5 yearly, it is not usury. Interest is only demanded when I have sustaines loss through another, and so interest mea to be paid damages - interest seeks equality, but usury all inequality, overthrowing kingdoms and resulting in most starving and the fewest gaining. The value of interest cannot be certainly expressed beforehand. He turns to the punishment of usurers and remarks that it is no wonder these are severe.

, After the usual O.T. references, he points out that the Civil Law of Justinian rather "bears with moderate taking" than allows it, and the Canon Law calls it a deadly and damnable sin, "more urksome in God's sight than murder", and those who hold to the contrary are heretics. So usurers are 1. Defamed - if a usurer is made an heir, the testament may be broken. 2. Excommunicated. 3. Debarred from"using any oblation in the Church of God". 4. Denied Christian burial. A priest who knowingly gives a usurer communion is suspended, or excommunicated for burying one. He tells the story - a popular legend illustrative of public feeling - of the parson's ass which deposited the usurer under a gallows, "a fit altar for usurers to be sacrificed on alive". 5. A priest may not visit a usurer unless he is going to make restitution - a penalty not even required of a "drabbe".

6. None must witness

their wills, and their wills - unless restitution is made - are of no force. 8. They cannm make nO will "nuncupative or codicil". 9. Even if registered, the will is of no force. 10. A usurer shall not be allowed to live in amy other shire than where he was born - else the bishop shall be suspended and inferior prelates excommunicated. 11. None is to care, even if a usurer is reduced to beggary. 12. Laws permitting usury are abrogated. 13. The usurer is bound to restore not only "what they have but frutes". Notaries are forbidden to draw up their contracts, and if they do are held for perjured and forbidden to be public notaries afterwards. The Council of Vienne abrogated great usuries that had been paid, and excommunicated all who devised laws in favour of usurers. He mentions the great usurer who encouraged preaching ~~in favour of usurers~~ against usury, because all men would resort to him; also law-writers: Baldus called it "gainful piracy" which was "contrary to nature". The usurer is leprous and should be banished: it is against nature for once to be twice one. He is like Teredo, the wood louse mentioned by Pliny, who appears soft to the touch. He is a false and deceitful beast, rightly placed by Dante near Geryon, the image of fraud, the lowest human vice. Bartolus judges it offensive to God and man, utterly forbidden. Panormitanus says the whirlpool and gulf of usury bottomless destroys the souls of men and brings them to worse than nothing. Cardinal Zabrella alleges Innocentius: all would starve if it were allowed. Hortensius agrees. Azo once preached against it. Several other writers are adduced, and more has been written against it than against "any other wickedness whatsoever." Tempora mutantur.

He considers the practise of various countries. Usury was

prohibited by the Roman tables, save foenus unicarium. At the Twelve entreaty of the tribunes it was raised to 1½ %, then it reached triens or foenus trientarium, then semissis (6%). The tribune L. Genitius published a law that prohibited usury, and Tiberius Caesar put about half a million in a bank, and anyone could have credit for three years, without usury, provided that he left surety to double the amount he borrowed. Exchange for gain was also forbidden - as Tacitus said, "This cancer of usury is an old venimous sore", and is the chiefest head of and cause of rebellions in countries. Julius Caesar and the Emperor Alberto also legislated against usury, the latter on pain of confiscation. The Germans and Indians of old practised no usury. The Spartans banished it, and Agis burned all the books of these traders, of which Agesilaus said that "he never saw a ~~bleede~~ blesseder light in his life before". Lucullus cleared Asia, Cato Cilicia of the vice, which Antoninus Pius, Alexander Severus, Claudius, Vespasian, Leo etc. restrained from time to time. Cato's and Cicero's opinions are quoted ("vile artificers"), Aristotle who likened them to bands, and Plato is highly commended for remarking that no honest man ~~ee~~ could practise it, and that the victom should not be forced even to return the principal. Plutarch condemned it as against nature, for it took the poors' quietness of mind, devoured gain before it could be gotten, forced him to take up on doubel usance beand to sink deeper - like Phineus whose meat was devoured by the Harpies, very similar to usurers: so the unthrifty had better sell their lands than let them be devoured by usury.

Coming to modern times, the Emperor Charles in 1530 had prohibited usurious contracts in the Diet of Augusba in Almain,

on pain of loss of a quarter of the principal so advanced, and the negligent magistrate was to be fined two or three gold marks. He mentions the law of Edward VI., and "God's sharp rod and severe judgement in the life to come". The borrower on these terms does not sin: as Wilson neatly points out, he would much rather borrow freely! His action is as "involuntary" as that of a man who gives his purse to a thief to save his life. The son of Tarquinius Superbus could not defile Lucretia. A tenant undone by a greedy landlord is not guilty, for "God knows, he would have had his farm better cheap." Archidiaconus, Imola, Laurentius Rodolphis agree with this, though some count the receiver guilty - but only if he borrowed to squander. It is unusual for a man deep in debt to get out, "for the more he borroweth on usury, the more he owes", while the usurer "gains through time for very idleness, a fit man to be openly whipped for a common rogue." Felix qui nihil debet. He tells the story of Strepsiades in Aristophanes's Chouds: he tried to capture the moon, so that he would not have to pay the usury due every new moon: the creditor tried to hasten the moon's course, both used witchcraft. If the usurer di not receive his monthly toll, the debtor was cast into prison. (In Rome, usury was paid monthly, and 1% a month was the usual rate). Septimus Florus said the debtor's body was divided between his creditors. Solon dealt radically with the burden. Justinian is examined more closely: it was a limitation to 4 %, the governors of handicraftesmen were limited to 8%, while trading adventuerers were restricted to 12%. Carolus Molinaeus, the French lawyer, wrote in favour of the law, but Wilson prefers the Christian precept, Mutuum date, nihil inde sperantes; if you take part of your

brother's gain by a loan, you take part of God's blessing. Andreas Alciatus commended a "certain rate". Under the prohibition, only "the worse men of all" were letting out their money and charging exorbitantly, "under colour of exchange or interest". The bishops and priests were not helping, but but their money "secretly in bank for the same gayn which S. Cyprian did complain upon in his time". Pope Innocent agreed. The

The Preacher points out that money lent at a moderate rate would be engrossed and a monopoly set up by the exorbitant. They will come "to the Streete" and take up all the money offered at 10 or 12% and let it out straightway at 15 or 20%, "a wicked and most unchristian engrossing". He holds sternly out against any excess at all.

The Civilian says that Bucer, Brentius, Calvin and Beza are not against moderate usury. The Preacher, before his final Oracion, alleges the "catholic consent of Cristendome", the old councils and the learned Fathers. "Whosoever thinketh otherwise hath not read them". No one has a right to what is another man's - as all overplus is, being no part of the principal loan. Some usurers write that they have lent £100 when they have only lent £80 - showing whose scholars they are, "Sathan's". The use of money cannot be separated from the thing: usury is reaping for nothing the fruit of another man's labour. It is starkly against nature. God had forbidden "merchants of time and sellers of sun and moon". These are hsi free gifts. The common wealth is bound to suffer, even of the parties do not, by the rise in price to cover the usury. This argument has been revived, in modern dress, in Major Douglas's A plus B Theorem, and insistence on the needs of the consumer, who suffers inevitably from usury. Or a landed gentle-

man may be eaten up with usury, and when the usurer takes possession his poor tenants are "racked and hayled with incumbes and fynes". It is a false boast when a usurer claims to "save the gentleman's land". The usurer who forebears for a year or two is like a cat playing with a mouse, who devours it in the end. God's anger against sin is slow but certain. He quotes Seneca: pudorem rei tollit multitudo peccantium; desinit esse locoe peccanti commune malefactum. Cessere publica jure peccatis, et coepit licitum esse, quod publicum est. Sitte by the good and by the good aripe. Christ's meaning in the Lucan passage cannot be that men should not look for their principal back, as the Civilian had suggested, otherwise he would have said, Give freely. Leo, Judas, Osculam Padius take it in the usual sense: non concupisces. This leads to atheism, and has been as horrible as any other sin in the eyes of "all good and learned men in all ages". Marcilius Finnius said: Soli foeneratores avaritiae mencipati de divinis recte sentire non possunt. The Painim sometimes shews mercy, the usurer never, but would be lord himself alone of the whole world if he could. This is avery accurate prophecy. Cerberus and other monsters are his inferior: there is nothing of value in the great usurer. They teach God what he had to do, and Wilson compares the stewes. Giving alms and lending freely are the marks of Christians, being fruits of charity: worldly and politic devices were man's attempt to make himself wiser than the Holy Ghost. The Civilian stands somewhat as did Saul with reference to the Amalekites in his own opinions. The Grocer, Draper etc. who live truly in their vocations are honest, but the usurer's is a questionable occupation, and he asks of what company or "severall hawle" they are in London. Righteousness establishes kingdoms and charity maintains states, but - another true prophecy - usury overthrows trade,

notes the law of Edward the Confessor (Law 37) which forbids all usury: "Would not that any such should tarry within the realm". The convicted usurer was to lose all his goods and be outlawed. He had heard it said in France at the Court that usury was the root of all other sins and mischief. Glanville, in Henry II's time, wrote (Bk. 7, ch. 16) that the dead usurer's goods are "proper to the King". It had to be proved before twelve neighbours. In book 10, ch. 3, he defines usury as what is over and above the loan. Matthew Paris, in Richard I's time, said that goods alienated by a usurer would not be confiscated, but those he held at time of death would be. There had been a riot in the 47th. year of Henry III against the Jews, and five hundred of them were slain, because a Jew tried to force a Christian to pay more than 2d. a week on 20/-. The Jews had a license to lend at this figure - over 40%.

The Merchant promises restitution, and says that marvellously as they feared the plague in London, what a blessing it would be if "in one year God would take all usurers away."

The Epilogue - a Conclusion to the Loving Reader - ends with a short merry tale: the Pope orders prayers for peace in a war for which he was responsible: Wilson hopes that such repentence as he has described will be genuine, and asks his readers to join with him in prayer for this.

Such is the remarkable treatise of Wilson, and we know that inspite of his arguments in Parliament, the compromise law of 1571 was passed. Before considering the views of Andrewes, we may note what the popular view was. Thomas Kyd wrote, in the Spanish Tragedy (1,i, 63 - 67) :

"The left hand path, declining fearfully,

"Was ready downfall to the deepest hell
"Where bloody furies shake their whips of steel
"And poor Ixion turns an endless wheel;
"Where usurers are choked with melting gold..."

The condemned usurers are followed by wantons, perjurers, murderers. This was the company in which they were prominent.

Shakespeare's position on various issues has been matter for debate, but on the issue which we are investigating and which was so prominent in his day he takes up the traditional attitude without any kind of compromise in The Merchant of Venice (1594). In this, he subtly applies the inherited economic wisdom.

At his first appearance, Shylock begins with the Aside:

"How like a fawning publican he looks!
I hate him for he is a Christian:
But more for that in low simplicity
He lends out money gratis andbrings down
The rate of usance here with us in Venice ...
... and he rails
On me, my bargains, and my well won thrift,
Which he calls interest."

Antonio:

"Shylock, although I neither lend nor borrow
By taking nor by giving of excess,
Yet, to supply the ripe wants of my friend,
I'll break a custom."

Referring to the story of Jacob and Laban, Antonio practically recalls the mediaeval teaching about partnership, when he

says:

"This was a venture, sir, that Jacob served for;
A thing not in his power to bring to pass,
But swayed and fashioned by the hand of heaven.
Was this inserted to make interest good?
Or is your gold and silver ewes and rams?

Shylock: I cannot tell; I make it breed as fast ...
Signor Antonio, many a time and oft
In the Rialto you have rated me
About my monies and my usances ...

Antonio: If thou wilt lend this money, lend it not
As to thy friends; for when did friendship take
A breed of barren metal of his friend? (Act 1, sc. iii).

Antonio concludes the scene with a reference to non-usurious trade:

Come on, in this there can be no dismay;
My ships come home a month before the day.

Further passages in the Merchant of Venice shew that Shakespeare was fully aware of economic issues, and on which side his sympathies were: (Act 3, sc. iii).

Shylock: Gaolor, look to him: Tell not me of mercy
This is the fool that lent out money gratis.

Lancelot (111, v) This making of Christians will raise the price of hogs: if we grow all to be pork eaters, we shallnot shortly have a rasher on the coals for money.

Jessica: In converting Jews to Christians, you raise the price of pork.

Elsewhere, Shakespeare maintained the distinction between "summer seeming lust" and greed. He is reminiscent of Dante's triple distinction in the Inferno between sins of incontinence, violence and deceit. Usury he placed low down in the second division, very near Geryon, the monster of fraud. Even in the eighteenth century the humourists (particularly Smollett) kept this trace of mediaeval thought, and to them incontinence was not the only or the gravest sin.

In the next ten years, the canons of the Church against usury were reenacted, and there was some reaction against the puritans when Bancroft succeeded Whitgift and ejected three hundred puritans. In popular comedy, the puritan was often synonymous with the usurer. But ~~in~~ 1610 is probably the crucial date in English Church History, as far as usury and what it entails is concerned. For the choice forthe vacant primacy was between Lancelot Andrewes, ~~and~~ some of whose qualities have been appreciated recently by T.S.Eliot and others, and Abbot.

To understand the meaning of this, and the reason why the country wanted Andrewes for its Archbishop of Canterbury, we shall have to investigate the lesser known works of Andrewes in some detail, and consider his treatise, which has remained in Latin. A full translation will be given in its place. Abbot, on the other hand, was a "bigoted Calvinist", and for what this involved would be the favourite of those who profited from Calvin's system of trade.

Andrewes made no compromise about usury at all. In The Moral Law Expounded, he treats of the Christian life under the heading

of the Ten Commandments. Under the Eighth Commandment ("Thou shalt not steal") he discusses the rights of ownership. These are: (1) Jus, Possession. (2) Fructum, Profit. (3) Consumptionem, consumption, enjoyment. (4) Alienationem, transference. The owner had the right to translate the whole dominion or the jus fructum, profit. Andrewes was maintaining the traditional distinction between consumables (wine etc., of which use and consumption is identical, for use involves consumption), and Non-consumables (land, houses etc., which could be used without being consumed or used up).

He says: "Now if he do translate a thing liberally and for a time, then it is called mutuum, a loan; he lendeth it, but without consideration. And if he translate the thing but not the use of it, then it is borrowed to be used, commodatum.

He soon makes it quite plain whether it is possible to use money without consuming it. "We come," says Andrewes, "to say there is furtum occultum, close theft ... and a third thing under this heading we may account of the felonies of gratuita beneficia, of liberality; as judex nummarius, an usurer to sell money, being vitiosa contractus, an unlawful contract. Andrewes meant by"unlawful", contrary to divine law, as did Aquinas, for usury at this time of writing was not banned by the human laws of England. The quotations just given shew a knowledge of usurious practise and evasion which seems to require explanation. This will be given when Andrewes's treatise on usury is considered, for it deals with these questions and clarifies them fully.

He quotes psalm cxii, 6, "For he shall never be moved: the righteous shall be had in everlasting remembrance". Ps. xxxvii, 21, "The wicked borroweth and payeth not again: but the right-

eous dealeth graciously and giveth." St. Luke vi, 35, "But love your enemies and do them good, and lend never despairing (MEDEN ANELPIZE - hope for nothing back - is Andrewes's quotation); and your reward shall be great, and ye shall be the sons of the Most High: for he is kind towards the unthankful and evil." This is a crucial verse in his arguments, and it is worth noting that the previous verse (34) is, "And of ye lend to them of whom ye hope to receive, what thank have ye? Even sinners lend to sinners, to receive again as much". Lancelot Andrewes was referring to the atmosphere of Our Saviour's Kingdom, and clearly brings out the contrast with that of the moneylenders' realm. Nothing must be hoped for, and it should return a great reward.

"Gratuitum and Mutuum (to continue with Andrewes's doctrine), Loane and no hope of recompense, must go together: whosoever he be who setteth a price upon that liberality, vendere mutuum, to sell a loane, it is a corruption of virtue, for donatio is liberalis alienatio sine ullo mercede, a mutuum is ad tempus. A gift is a free alienation (transfer) for ever, without any reward at all, and a loane is but for a time." This traching sounds at first to be most restrictive on commerce, but in the first place the catholic mind did not consider this a particularly bad thing, and in the second, the doctrine of partnership, sharing the risks as well as the profits, gave sufficient encouragement to honest enterprise.

Andrewes gives here a somewhat new argument against usury: it was one of the subjects to which he had given particular attention. The work of Lancelot Andrewes has appeared relevent in several points to the twentieth century - his Devotions are one example, his style is marked by T.S.Eliot, who not only wrote an

essay on him, but opened his Journey of the Magi with a quotation; and the Rev. Canon Vidler quotes from Andrewes in his "Christ's Strange Work" a passage in which the Bishop complained of that all attention was given to Gospel and none to Law. On the question of usury also, Andrewes makes a permanent contribution which is not rendered out of date by the centuries any more than his style, his devotion or his realization that law is needed besides "gospel". Aquinas had argued from the nature of money; the sixteenth century divines argued from the results of usury; while Andrewes argues straight from the New Testament, after mentioning both the other reasons. He mentioned the first at some length when he classed usury as a theft, and the second in using the word "felonies."

He quotes Leviticus xxvii against coyners ("And all thy estimation shall be according to the shekel of the sanctuary: twenty gerahs shall be the shekel") This principle still holds good, for in modern times it is not a question of the intrinsic value of the currency, but of purchasing power. By devaluation, and other devices, the purchasing power of a nation's currency may be damaged. This has certainly happened in England, as a comparison of prices now with those quoted some pages earlier will shew.

Then he refers to St. Augustine's canon: Non demittitur peccatum nisi restituatur ablatum: there is no remission of sin unless restitution of the theft is made. And he mentions Nehem. v, 7, "Then I consulted with myself and contended with the nobles and rulers and said unto them, Ye exact usury every one of his brother. And I held a great assembly against them ... Restore, I pray you, to them even this day their fields, their olivevards.

their vineyards, their houses, also their hundredth part of the corn, the wine, the oil, that ye exact of them". These authorities both require the restitution of usury taken on money or goods that have been lent. Andrewes, in his Defence of Tithes said that by this method, priest and people shared involved in the vagaries of nature, and were ~~bound~~ together in plenty or scarcity; in this treatise he called St. Augustine " a substantial writer", but he took care to find out what he say s about usury. Aquinas gives more than once the answer to the question of restitution, which makes a reality of Christian penance.

Andrewes insists on the standard of justum pretium, just price, and his conclusion is: "If we come not to generare pecuniam, to increase money, by none of these ways, we are just lords.

In discussing the Eighth Commandment in A Pattern of Christian Doctrine, Andrewes mentioned "benefits and good turns which should be done freely, and not looking for a reward, as the usurers sell their money."

From about 1450 or - on Langland's evidence -a good deal earlier, money power had been warring on Christian morality. The common complaint - needless in view of the Partnership dpctrine - was that usury laws were restrictive and prevented the expansion of trade. By the crucial date of 1610, this power had gained its first moral ally in Calvin, and opposition was being shuffled away as old fashioned. Such men as Bullinger were useful, with their Decades, to the new aspirants for the real throne of power. But the Church wanted Lancelot Andrewes -

a quite outstanding Christian and Bishop in many aspects, - as her Archbishop, and the Faith might yet have been preserved. He was the enemy of usury and enclosures (as appears in his book on tithes), and the friend of the common man and of the welfare of the country. It may be noted in passing that while opposing enclosure, Andrewes's full weight was thrown against usury, for the spirit of usurious monopoly was the spirit of enclosure. It will never be known why those in control preferred not to have Andrewes and contrived to ~~supplant~~ supplant him with Abbot, the "bigoted Calvinist", the apostle unawares of modernity, secularism, usury and industrialism. He was a good man according to his lights ("...and if thy light be darkness.") he built alms houses at Guildford, but was apparently quite unsuited to the office of Primate. It would appear that the interests of the Church were not their first consideration.

Andrewes was the outstanding champion, in the name of true religion, of the earlier system in which the Church controlled business morality. Not yet were cruel malpractises condoned with the excuse that business is business. To Andrewes, all life was God's, and money was a vital aspect of life. On the other hand, the interests that had by 1610 gone so far towards control still felt a real or specious need for religion of a sort, but could not afford a recurrence of the religion of the Church which touched on money.

In his Word in Season on the Pillars of Government, he shews an awareness of the real issues not displayed by latter day statesmen. The Pillars are True Worship of God and Right Administration of Justice. True Worship involves Pietas, the

love of God and man (one word covers both), and this carries with it Aequitas, which is fundamentally inconsistent with the practise of usury.

"To hate sin for conscience sake", he writes,"is a pillar on which the building of the state will stand in safety ... The Christian duty of parting charitably with one's own must strengthen the Civil one of not taking injuriously the property of others." Today, the duty of not taking injuriously the property of others receives no strengthening of any kind, but rather the taking is strengthened by force on law and implemented through tax and legalised confiscation.

Before, however, considering the results of 1610 on the teaching of the Church and the practise of the State, it would be helpful to consider the whole teaching of Lancelot Andrewes on the subject. Few consider that he has given the matter special attention, but in fact he delivered a Latin treatise about it. A translation of this after more than 350 years will be the best answer to those who maintain that the great Andrewes - and few would deny him greatness - gave the burning question of usury only passing attention. I shall give the full translation, which is not elsewhere available, and the text must only exist in rare Latin copies. Such works up to a few years ago would have been left in that limbo, but today we realise that Andrewes's zeal was not misapplied and that his scale of values was better proportioned than our own.

THE FINAL PROTEST: LEGALISED USURY IS NOT LEGAL.

This is the title page of Andrewes's treatise:

Concerning Usuries, a Theological Computation made in the Public Theological School of Cambridge.

by Lancelot Andrewes, Doctor of the School of Theology.

London. Printed by Felix Kyngston for R.B. & Andrea Hebb. 1629.

(The title of the Computation was as follows in the Harleian MS., 6824, no, 16, Fol. 79.)

A learned "Thesis"

Concerning Usury, even that allowed by Human Law,

by Lancelot Andrewes,

propounded for "Study" in the Public Schools efor the Baccalaureate, in the School of Theology, Camb. 22 April, 1585.

May God Almighty in His goodness bid that this Afternoon work of ours be by his assistance directed and completed. May he bis his Spirit to be near this court, and to bless us and all others wherever they are; for them the investigation of His truth is before their hands: and may also bid that no account be taken of our own business or times, or of the present position of the Church or of the State; let us uncompromisingly search out the truth in every dispute; and let us firmly cling to the truth when discovered, live according to it, and finally die in it and (if that be His will) for it; Through Jesus Christ Our Lord. Amen.

(This formula is briefly expressed in Ps. cxxi, 2. My help is from the Lord, who made heaven and earth, and is often used as a Preface.)

LEGALISED USURIES ARE UNLAWFUL.

(In m.h. 2, "The ancient boundaries of common pasturage must not be moved".)

The emphasis is twofold: first there is the Transmeine, made by the author of the preface to "Anglican Persecutions"; (i.e. answers to Dr. R. Cousin(s "Abstract of Certain Acts of Parliament".) Here he accuses out theology of being avaricious, usurious and therefore hostile to the State.

The other has lately arisen at home that there is a class of men who cultivate the mistakes of the Church with minutest diligence; and who wink at the ulcers of Politics, at the evil of usury, at the enclosure of common pasture, at other impositions of this kind and (if you will allow me to say it) at the Cameline sins as well.

This double complaint (at first made by an enemy then by a friend) has caused me grief, and my grief is the reason for this investigation which you learned and distinguished gentle - men have undertaken. That both may be satisfied, let the former know (however there be some of our Theologians who are not displeased at this whole business of usury) that our School was not the cause of this gout; and that the more respected, reverend hearts and disciplined hands were not responsible: let the latter know that his complaint - how true, I do not know, but if true to be regretted from the heart - has borne some fruit: them, if there be any of a contrary opinion, let them contradict.

My propositions about lending free and without interest,

and about the maintainance of the right of common pasturage for the poor are as you have heard; and I do not think them untimely, especially considering the morals of these times: for Charity has grown so cold that there is no need to pour it out cold in investigations of this kind.

My purpose, then, being to discuss Usury, an understanding of its meaning will shew that of my inquiry also.

By Usury I mean Profit contracted from a loan. These three, 1.Loan; 2.Profit; 3.Contract; define satisfactorily the full force of Usury. I say Loan to avoid the charge of not having left room for Hire; Profit, for I have thought of Loss, when the principal is retained; Contract, for I do not prohibit Reward.

By lawful, I mean allowed by the different usury law of each nation; as 10% is lawful in this country; 8% in France; 6% in Germany; 12% among the ancient Greeks; 12% among the Romans. It is the same whether the cloak is Interest, Use of a Loan, Buying under Contract and Reselling, Exchange, or Lending.

Give unlawful as wide a meaning as you please. For I intend if I can to shew you that it violates the Scriptures of each Testament, the action of the Church, the opinion of the Fathers, the answer of Theologians, old and more recent, the Threefold Law of Three Kinds, the records of History, the decisions of the Philosophers, the weight of Reason, and finally, Experience itself. Let this be our end.

(Justice). The rule of Law among Christians is twofold,

composed in part of (1) Justice, in part of (2) Charity. Usury violates both. The rule of Justice is in the first place a maxim, secondly the reson for the maxim. Usury id condemned by both.

(Scripture). A Maxim among the Theologians is fused in the word of God.

(Law). "The Law is stronger than words". Law is the most powerful word. If you will, then, let us begin with Law.

The words of the Law forbidding usury are eloquent and tuneful enough: "Thou shalt no be as a creditor to him", (Exodus xxii, 25). "Thou shalt not take usury from him ...Thou shalt not give him thy money upon usury". (Leviticus xxv, 19).

Avarice has sought in it two considerable ambiguities: it has sought and found. 1. The one is the derivation of the word Neshec. 2. The other the explicit mention of the poor. I will expatiate shortly on each.

Usury is forbidden (they say) that is"Neshec". But Neshec is derived from a word that means "a biting": therefore if usury be not unmannerly, toothed and biting, the Law took no action against it. And this answer Molinaeus welcomes in glowing, emphatic terms, without reservation.

2. I do not think that the saying of Galen, long current in the Schools, occurred to these men: "Etymology is a deceptive witness"; for they rely so much on the analysis of a word. Considerations of danger apart, what confusions would be caused in Theology if they were allowed to take in hand each word of the Law --- "Thou shalt not kill, thou shalt not commit adultery.

thou shalt not steal": then could they deny the prohibition of these commandments etc., they could not square them with the accurate derivation of the words. And so this is their answer: if you are concerned with the strength of your position, it is weak; if with the precedent, it is dangerous.

3. These reasons are sufficient; but I add a third. All usuries, even lawful, more or less bite. The strangling usuries it is true fix their teeth deeper, like the wolf; but the others are mordant, they "shave close"as the Greek proverb says, and draw blood, like the dog - fly, the bite of each of which is assigned in the Scriptures. Certainly, the teeth of every usury is not equally fearful: but no usury is toothless.

4. Then (the fourth point) this reply contravenes the principle of the Law itself, "Thou shalt love thy neighbour as thyself." (Lev. xix, 18). For it is an evil rule, let it be done provided it does not bite: evil I say and Pharasaic: this is Christian, let it be done provided it benefits: for whether it bites or not does not matter, if we are looking for real justice; what matters is whether it benefits or not.

5. Finally, to treat every aspect, the word Tarbith favours our case, for it is used not only in the Prophets but in the Law as well, (and that, as Kimchi decided, "for explanation); it settles the whole case. That word is the same whether you consider its derivation or its application; it keeps the usurers in close confinement; as I have said before, it settles the whole case.

Calvin is an eminent and distinguished man who should never

be mentioned with contempt: but I disagree with him, for he is not dead set against the usurer; he does not avoid this term, considering that the acts of profiteering were sophistical in the time of Ezekiel and that a new name with exactly the same meaning was discovered by the people, as the word Neshec had become unpopular.

The same term is used in the Law, although it is too vehement to assert this explicitly. For their living in hard circumstances in Egypt made them forget that up till then it had applied to the exaction of usury; so their hatred of the old term made them invent new. The circumstances of Camp and Desert are quite the same.

Finally all Translators oppose it. The Chaldean speaks of "growth". The Rabbis use "tarbisth", the gentlest name (for this is what they usually call their own usuries when they want to give their most honourable name, with a slight vowel change.) The Arab calls it "what is received above the principal". The Persian "an addition". The two Septuagints, followed by Basil, Nyssenus and Nazianzenus, "excess".

Balsamon, a Greek Commentator on Nyssenus, defines the word as follows: "When anyone gives anything on condition that he receives back more of it than he gave". Tertullian, in his Marcio, ch. iv, mentions the "overreaching of usury". Hieronymus, followed by Vetabulus, "more than" was lent, Paginus and his school, increment. Indeed, the nature of the word and of its use favours us. And if their dishonest pens were not allowed to erase the word from the Law, they would never enable the usurers to practise, not lawfully at any rate. For 11% is "tarbith",

and 8%, 6%, 4%, although lawful by human law are unlawful and illicit by divine law, for in the Law they are expressly prohibited.

In the twenty second chapter of Exodus (24,25) and the twenty fifth of Leviticus (35,36), mention is made of the poor, therefore usury is safe provided we do not exact it from them. This is another know, but easily untied. They mention two passages, but do not like the third in the twenty third chapter of Deuteronomy, where the law is stated without reservation or any mention of the poor. But (they argue) this plea must be understood in the light of the former. This is a perversion: for the later books were written almost entirely to interpret the earlier. So much for that.

In Exodus, "to the poor" is placed second after a particular single instance, "to my people", first as a general precept. But poor (they say) explains the foregoing previous clause. No one else would say any more: but to avoid obscurity, let them have this; the reference to the poor was added because greater care is needed on their behalf, as they borrow more often than others. There was less probability with the rich: so, like a wise lawgiver, he regulated the precept to the general cases.

And that this is the genuine meaning of the passage, and that Moses intended the same as Plato (that no one should ask his neighbour for water before he had himself dug "as far as the potter's earth") is proved by Deut. v, 7, where the Law about lending is stated: here are stated circumstances, ("If there be with thee a poor man") and amount, measure ("sufficient for his need in that which he wanteth"). In different words he had ex-

pressed a meaning not different from Plato's. So the poor are named because more often involved, and the rich passed over because more seldom involved: the former is not named to be immune while the latter is passed over because liable.

What, I ask you, is the result of this? The Law forbids the exaction of usury from the poor; it allows it from the rich then? Do you want to know? I will compare some similar instances. 1. Exodud xxii, 22. The Law forbids "the afflicting of Widows and Fatherless". The conclusion is the same: it allows the affliction of those who have Father or Husband. 2. Deut. xxvii, 18. The law also forbids "anyone to let the blind to stray from the path." The conclusion is the same: it allows no one should shew the way to a man with sight. 3. Deut. xxiv, 14. The Law prohibits you "witholding the wages of a hired servant, if he is poor." The result is the same: if he is a little more flourishing there is no real opposition to witholding them. 5. But the passage about lending I mentioned above, Deut. xv. 7, is most awkward of all for them. The Law says, "Thou shalt make a loan" and adds, "if he is poor". The inference here is the same as elsewhere: "Thou shalt only lend to the poor". I hope they recognise their own conclusion. The Law forbids us to lend on usury to the poor: therefore it is to the poor we must not lend on usury.

But if it is lawful only to lend to the poor (and it is lawful only if this kind of conclusion is licit), while to impose usury on the poor is unlawful even in their own judgement, as it is lawful only tolend to the poor, every kind of usury will be unlawful. 6. I will come nearer to approach the question. I want to know why it is lawful to lend on usury to

the wealthy, when it is wrong to do so to the poor?

The total of their reflections will, I am sure, produce no other reason than that the rich man has more money: I think it is like a portent. Calvin says: He is richer and can lose it without harm. Gentlemen, is not this a plea for burglars? Does not the argument apply to a thief as well as to a usurer? This is his argument, is it not? I must spare the poor, but here is a moneyed man: he can lose and really feel no inconvenience. But, be he poor, be he rich, a theft from him is illegal. Also usury, clearly, my friends, clearly it is a kind of roocery; someone has neatly called it "land piracy". But neither is affected by his money-bags, whether rather smaller or rather bigger, but by those words of the Law which are as fatal to the usurer as to the thief:"Nor anything that is his" (Ex. xx, 17). And those things are his which his industry has gained, as we shall soon remark. For, "Each shall feed on the labours of his hands". I say no more.

You see now, I hope, that neither Neshec nor the mention of the poor stops the law being"unrelenting"; that is, that all usuries, humane or not, and whether exacted from men of rorgeous or beggarly circumstances are condemned as unlawful.

I still press the Law. These are the functions of the Law:

(1). Prohibition. (2). Evolution. (3). Punishment. We have dealt with Prohibition. The Evolution of the Law is next: that concerns where, in what class and among what type the charge is allocated; its magnitude and blackness, its seriousness or levity and its assessment. And in the Scriptures without doubt

(they are always admiring a Saul among the prophets). Usuries are rated heavily and sternly. For Ezekiel, who knew divine Law thoroughly (xvll, 3), casts all increments from loans into the midst of the filth of the most serious crimes; and, as Basil says,"places it among the greatest of evils", idolatry, adultery, uncleaness, violence, theft, and gives it a baleful name, that is "a capital crime", so that it is easy for us to assess it. (("Classification" would appear a better term than "Evolution")).

Punishment comes next, and that is of two kinds. (1) In this life; (2) In the future life.

(1) This Life. (Proverbs xxviii, 8) Transference to different heirs is a proof of unjust ownership, unjust ownership that is because unjustly acquired.

(2) The future life: The curse of God, as S. Ambrose infers from Prov. xv, 5:"If then he that putteth not his money out to usury is blessed, without doubt he that does is accursed." But if this passage is less satisfactory because Neshec is used, I will recall the same chapter of Ezekiel, verse 13; here all is sufficiently explained. He has given his money upon usury and has taken the increase. Shall he then live? He shall not live. He that hath done this abomination, he shall surely die, his blood shall be upon him .

Law has settled the matter. I come to the principle of the Law, as I proposed in the second place. The principle os a lawful contract and the general rule is neatly explained by St. Paul (11. Cor., viii, 14) "That there may be equality". Equality that is in the Ethics called the Fount of Justice. That is

either in the will or the object, externally applied.

(1). The will: Christ (the most trustworthy interpreter of the Law and Will of his Father) places it here: let us treat others as we wish them to treat us.

To continue: no one wishes usuries, even lawful usuries, inflicted on himself; but he prefers loss to greater and none to any: let him then treat his brother accordingly and may this Law flourish: Perish usury!

I have met people who lie without a blush and say that they really prefer it in this way. I tell them to be quiet, or at least to ask who believes them. They will never make me believe, even on oath, that there is any man of such miserable understanding that he prefers money on usury to free, loaded to unimpaired, ~~small~~ a low rate of usury to none at all.

(2) So much for the Will. We now deal with Equilibrium in the objects themselves. Equilibrium is violated in many ways. For though equality may be exactly maintained, it is violated (St. Paul's terms are useful) if there ever be "deficiency" and when there is "excess": in usuries, the extra itself is an "excess", and clearly there is no "deficiency".

(1) Labour. (2) Expense. (3) Risk. are accepted as "deficiencies" for a contract. But the usurer incurs none. (1) There is no labour, for when he is standing, sitting, transacting other business, keeping holiday, lying awake or sleeping, the months remain (called by Basil "the fathers of usury") and equally with the months the usuries. (2) There is no expense even of a farthing. (3) There is absolutely no danger: if the

capital is lost, the loss is the debtor's, the creditor is indemnified. He has made himself safe enough by agreements, covenants, bonds, receipts, sureties, collaterals in land and person, mortgages and pledges. Wherever is the deficiency in usury? For there is no profit in the whole of Jurisprudence which is not associated with one of these three. I know they will allege damages. Damages? From loss incurred by delay? That must be repaired, and by the rule of the Apostle, "That others may be eased and ye distressed." (11. Cor., viii, 13). Provided that gain be not sought, loss may be avoided. Further, they will allege profit that does not accrue (lucrum cessans) the name of Inter-Usury. Do youhear this? What they want us to think of is a possible gain that is not obtained and a possible loss that is not incurred. They will further tell us to entitle them to 11% lawful usury. Look how unfair this is; for a simple "deficiency" there is a double "excess", they demand something for nothing, they seek a certain gain from an uncertain transaction (which even Terence condemns), they unjustly sell hope at a price.

It is still more uncertain, for a day is fixed for the debtor; yet usury, will be exacted, and plain injustice done both ways. Reason decides the matter, and reason not alone but backed by law, that capital should only make profit when it runs a risk. So the usurer is guilty of injustice in the first place, because he demands "excess with deficiency", that is profit without expense, gain without loss.

(2) The other argument is that there are certain things that are determined by measurement and amount (money is one of these), and that their use should not appear in the price: it

should not appear, because nothing can be expected from their ownership: nothing can be expected, because they are of no use to anyone except for consumption: and I cannot see hoe any use can be made of them unless in the very act of using their substance is demolished. It would be extremely dishonest if a man who had lent me some loaves demanded first the price of the loaves, that is of the ownership, then the price of their use, that is of mastication.

I have said that coins are to be reckoned among this class of articles: my authotity is Lev. xxv, 37, where coin and food are associated in the same clause. I have also mentioned Neh. v, 11, where 12% on money, coin, wine, oil, is reckoned as the same in nature and as the injustice which the same law orders to be restored. Common sense would enable anyone to realise what the lawyer says, that money by its very use and continuous exchange is to a certain extent anihilated, not absolutely indeed, but for its owner; so the usurer is guilty of the second injustice of loo looking for profit from that class of object from which clearly none can be derived save the profit of injustice.

(3) The third reason is this: the Law makes the strictest provision for just and equal measure (Lev. xix, 36). But money is the measure of exchanges, this being its function from the first: while the usurer so vitiates equality that he makes the very measure, the source of all equality, unequal. All money that is worth £100 ought (in exchanging commodities) to have a fixed price, whoever owns it: as it is worth more to the usurers, it brings him £110; less to the debtor, as it brings him only £90: a "great and small weight;" a "great and a small measure". (Deut.

xxv, 13, 14). The result of even lawful usury is that "equality is not preserved"; so that while they previously violated the Law, they now violate the principle of the Law, so that there is no justice in them.

What of Charity? Surely there is some hope here that when Justice fails. Let us examine Charity.

Charity is exercised towards God and man; we should exercise it towards both. The usurer favours neither aspect of Charity, and neither favours the usurer. If it is genuine, it descends first from Heaven, for (as Gregory rightly says), The stream of charity must be led from the fount of piety. I consider it essential to the constancy of his charity to God that everyone in trade should not only be convinced but should have found by experience that Divine Providence is indispensable to him. Their position must be that they not merely need but realise that they need Divine Providence: for when "he does good and gives from Heaven rain and fruitful seasons", he will be loved; he will be angry, give the opposite, and be appeased: the former makes us thank Him, the latter makes us pray. But actions will abound with faith and charity with increase. Usury, on the other hand, ~~contrives~~ avoids owing its livelihood to heaven or expecting anything from heaven, or sighing to heaven. For be it clear or stormy, it is just the same to him; whether the debtor thrives or not, he is indifferent; if the "overflowing scourge" comes, it does not hamper him: for his whole concern is to remove himself altogether from the hands of God, and to place himself and his possessions entirely beyond the pale of Providence. What else is this but building himself a "tower that overtops the clouds," and then (as the 'Atheist'

Poet has well expressed it) "Freeing his mind from the bond of Religion."

Ethnicus once noted that "no class of men has a worse opinion of God than the lenders." The race of usurers is therefore the enemy of Heaven; it only knows about the Earth; so let us come down.

Charity exercised towards a neighbour regards his public or private good: usury regards neither. The canon of charity towards a neighbour is (1 Cor., x, 24), "Let each seek his neighbour's good". Does the usurer seek what is another's good? He certainly does seek it! For he seeks security from another's danger, profit from another's expense, leisure from his toil, (which Fabius thought the blackest crime): He gathers the fruit from the tree which another planted. Paul wrote against this (i Cor., x, 24) that he "seeks his own profit", but "from another's not his own labour". There is this further aspect: "he seeks not his own". Does not he seek his own? Certainly. And that is not all, for he seeks himself in his brother, his gain in his brother's gain; always certainty in uncertainty, often large in small, while something is nothing is not unknown. And he does not seek his brother's property unless he finds his own in it, or bear any part of a burden without imposing another.

(2) The open door of approach reveals a moral argument against Usury, shewing the usurer in another light. For he corrupts the act of virtue (as it is called in the Schools), which is proper to vice alone, corrupts, that is, Generosity the prime part of Charity. Yes, the special features of Generosity are, 1. Giving freely; 2. Giving on loan; these he pro-

claims and turnd into a traffic.

The Holy Spirit has twice enjoined that a loan should be free free. 1. Ps. xxxvii, 26. 2. Ps. cxxii, 5. Christ lookedto this connection when (Lk. vi, 35) with "lend" he joined "hope for nothing in return". Those who expound Sacrifice of Capital delete "lend" from this passage and sunstitute "give", so that if the capital is not returned it is a "gift" and not a "loan". But even this helps our case. For if the meaning of a Christian loan is not to expect the capital back, still less is it to expect capital and usury; and still less again to seize it as a right by bond, plodge and order. But this question leads to another which I am not pursuing.

(3) But the following question I do pursue, and it will be my next proof. In the same passage, Christ cites the evidence against sinners (Lk., vi , 34): "For sinners lend to sinners to receive as much again". Reason at once says, What honour is there for Christians not to do what sinners do, for our justice should exceed theirs. But we are in such a miserable state that to Christ's "what grace" we can answer "abundant", when we do not lend at all without receiving again "unequally", and so we are beyond and below even the sinners. Usuries then make a traffic of private charity.

What of public? For if "not that others may be eased or ye distressed" is a good principle, this is a better: "Not that others may be eased and the state distressed."

(1) How then does he treat public charity? Just the same. The author mentioned at the beginning reckoned that Theology

that is a friend of usury is an enemy of the State. For if it be expelled, the seal of a good constitution is fixed on the state, (Ps lxxii, 14), and if it is notm the seal of corruption (Ps. lv, 14). For (Neh. v, 11), 12% on corn, wine, oil was demanded, and allowed, and wisely repelled by Nehemiah on the authority of the canon of the Law. 1. First, because (as in that instance) the evil of usury is the frequent cause of violence. For there are two parties almost continually involved. (i) On the creditor's side, Force is applied, though the usury law gives it gentler names. (ii) On the debtor's side, he cannot pay and is unable to stop the moon; it is usual, indeed unavoidable, for disputes to arise, not only in the law court, where legal battle is joined, but even in open fight, where arms decide the matter. Jeremiah is a witness to the first (xv, 10, "It causes grumbles, curses, quarrels") Molinaeus himself bears witness to the latter; for he is convinced without bias of the truth that this was the only cause of the just secession of the people from the Fathers.

2. Secondly, money put out at usury must be hired either to a rich man or a poorer. If a rich man has grasped it, the result will be either a monopoly or a protopoly; and although these two may be dissembled for a time (and they can be) they nevertheless cause a fester in the State: this cannot be overlooked when the State is peaceful, and when it is disturbed cannot be borne. If a poor man has received it, he generally soon rushes into some "disastrous excess". He sees a pile for the first time, forgets his cares, and takes one glorious day; then another. Afterwards he is forced to repay, and finally to become bankrupt. The result of bankruptcy is that if anyone raises his standard (as in i Sam., xii, 2), whether a David or an Absalom, all who are in low water

usuries and you will swamp the world with paupers ?

2. But stews have been abolished, and there is less filth in the world. This is the true consequence, and I wish that usury could be abolished with such a desirable result.

3. But whatever the result, we must retain the principle ~~th~~ that it is more useful for a cause of offence to appear than for truth to be deserted. Agsin, in Theology, Let us do no evil that good may come. ((Rom. iii, 8). Much less must evil compensate evil. The Fathers unanimously condemned Lotus for this, when he wanted to prostitute virgins at a brothel, to prevent their being ruined by men: this is what usurers do who feed on 12%, to prevent the world being ruined by illegal profit.

Loans of Piety (so called) are for a different reason, which is really commiseration: for they enable widows and orphans to be relieved without ~~impair~~ impairing capital. This piety makes them claim that it is necessary in these for the father of the family to suffer more before his death than the orphan benefits after it; for the heritage loses more in usury than accrues to the heir from the loan.

2. Further, at the tenth session of the Council over which Leo X presided, all save the Archbishop of Traversis were in favour of loans. But he alone considered all the evidence and correctly inferred from Ex. xxiii, 3 that ("Neither shalt thou favour a poor man in his cause") that as God has willed and forbidden, we ought to be as careful with a man reduced to poverty as with one elevated to riches.

3. God has often given evidence of his special care for

orphans, and it would have been as easy for him to have listed "orphans" in Scripture as "foreigners", the same number of syllables (Deut. xxiii, 2), and if he had wished them to be relieved by some Loans of Piety, he could have easily authorised usury on account of orphans.

4. If any member of my audience is an orphan, who Thank God for your fortunes, for you see daily many with no fortune; use them honourably and rely on the Divine promises, which are given more richly to widows and orphans than to other mortals.

And if the City Merchants want to do business with the money of orphans, there is nothing to prevent them taking it up without a bond, from taking the fortune, I repeat, without compact and making profit with it: then they can assign a part of the profit as alms, but without any covenant.

I have said enough of the State. So we come to the action of the Church. I undertook at the beginning to shew you that at no time was usury allowed. When I recall the passage in St James (V, 2) "Your gold is rusted", I infer that the first Christians and those who were Christians soon after the time of Christ, I cannot say, were ignorant of but I will say execrated usury. If this had not been so, and if they had been willing to practise as usurers, they could easily have preserved their gold and copper from rust. And Vicentius, who is a careful author, relates that in those early days, any who had a bad reputation for usury was at once so hated by the rest that they were unwilling to give him the kiss of peace in church, or to greet or talk with him in the street: his house was called the house of Satan, and no Christian was allowed to ask for fire there. The church that followed inher-

ited this loathing and was the enemy of all usuries.

Let us review the East: you will see its attitude and that of the Fathers who flourished in it. 1. I will begin with the Father who was nearest Christ, Clement of Alexandria: "There is much to say about exchange and partnership, but this is sufficient: the Law forbids taking usury from a brother; and it does not only mean by a brother those born of the same parents, but any man of the same race, ideas, speech. It does not justify lending on usury, but helping the needy with liberality of heart and hand."

2. Basil is much more forceful; a whole sermon in his commentary on Ps. xiv (as he reckoned it) is an uncompromising attack on usury. I refer you to it; the following extract will shew you what his attitude to usury was: "You are rich? Do not lend on usury. You are poor? Do not borrow on usury. For if you are well off you do not need the usury, while if you have no money you will not pay the usury".

Gregory, hos brother, follows Basil. In his Letter to a Bishop Litonius, he writes, "In Holy Scripture both "usury" and "excess" are forbidden even if they have the appearance of a business contract." Balsamar has already defined "excess" for us as an addition to capital. Aquinas mentions in his name a more severe condemnation: I cannot find it, and so pass it over.

4. Gregory Nazianzenus follows him. In his Oration on his father (who was killed by a hailstone) he says, "Usury and excess have polluted the earth, gathering where it has not planted and reaping where it has not sowed, it gains not the land but the need of the poor."

5. Chrysostom shall be our fifth authority. In many passages, he was a "bitter scourge of the usurers", and then the whole Epilogue of his sermon on S. Mt., xvii, is so earnest that he attacks the Laws themselves pretty fiercely. A dangerous disease that needs careful attention has seized the Church. It is a long passage and you must run through the rest of it yourselves, and it suggests to me that the Christians hoarded their goods and that th the Church was then first infected by the disease of usury. In his sermon on Gen. xli he says, "He has commanded the Jews from the beginning, Thou shalt not lend on usury. What excuse then did the people deserve who were more inhuman than the Jews, and were inferior to the men under the law, after the grace and compassion of our Lord?

6. Our sixth authority shall be an eloquent scholar (not Chrysostom), the author of an unfinished work on Matthew. In the twelfth sermon he wrote, Christ tells us to make loans, but not on usury: for the usurer at first glance seems to be giving what is his, while he is really not giving what is his but taking away what is another's.

I have given you this group of six from the East, and will cite six more from the West. I think these should be enough witnesses.

1. Tertullian in the Fourth Book, Against Marcio: Read the next verses in Ezekiel on the just man. He has not given his money on usury and he will not take increase, the addition of increment which is usury. He rooted out usury first to enable him to accustom the man more easily to losing his capital, the profit on which he had (through the Law) taught him to forego.

2. Lactatius, on True Civilisation, says: Anyone who is owed money shall not take usury; this will keep the benefit unimpaired ... and he must keep away from another man's property. For if he shall not spare even his own at other times, he ought to be content with it in this kind of duty. For it is unjust to receive more than he gave; anyone who does so is a plotter; for he plunders another's poverty: while the just man will never miss an opportunity of doing anything in compassion. And he will never befoul himself with this kind of profit.

3. Wou may draw your conclusions from his syllogisms in the fourteenth chapter of his book on Tobias. Any increase on capital is usury ... If it is lawful, why do you shun the word? Why do you draw a veil? (This is what the people do these days who cunningly call it interest as a cloak for usury). If unlawful, as it is, why do you require an increase?

4. Hieronymus, in the xviith. chapter of Ezekiel, says: Note the progress. At the beginning of the law, usury was only prohibited to brothers; in the Prophet it was prohibited to everyone. In the Evangelist, Our Lord bids us as a proof of virtue to lend to those frbm whom we hope for no return. To avoid the quibble that he is not referring to legalised usury, he says that money is not lent on usury only if you do not take back more then you gave.

5. Augustus on Ps. xxxvii: If you lend anything, no matter what it is, and require back more than you gave, you are a usurer, and should not be approved for it. If you think this word is too mild, he speaks more plainly in his thirty fifth sermon on the words of Our Lord: here he condemns as illegal money so obtained

and speaks out: "Do not give alms where increment and usury are involved."

6. Leo the Great in his Sixteenth Sermon, on the fast of December, says: And so anyone who sees the consequences will find that usury is a sin; for the money lender is either miserable at losing what he has given or more pitiable taking what he has not given. The injustice of usury must be avoided ... usury of money is destruction of soul.

This is the opinion of the Fathers, and the Church stood by them. From the time of the Fathers to the Scholasticsm there was no change on usury. This is proved by: 1. Sychil's 7th. book on Leviticus. You may consider that you are fulfilling Scripture as far as usury is concerned if you do not take from your brother more than you gave him. For it is not right to make money from piety. 2. From Gregory's condemnation of some Peter fro that reason, existent in his Letter to the Neapolitans. 3. From the Twelfth Sermon of Antiochus on the Holy Bible, in which he asserts that In every Christian nation it is forbidden to extract usury under any pretext. 4. From the letter of one Gilda, when he is asked about this profit which was then familiar to the Britains and afterwards found deadly. 5. From Bernard's 322nd. Letter, to the Spirenses: " "But if they (the Jews) fail anywhere, we grieve that the Christian usurers judaize worse, if it is right to call them Christians and not rather baptised Jews. The following Definitions are taken from his book On the care of property. What is usury? Legalised robbery. What is a legalised usurer? A robber who announces his aim in advance.

The Schoolmen maintain the opinion of the Fathers without any

change; and the leaders of each party agree on it. Thomas writes on it in the third book of Opinions, among the Disputed Questions, etc. Their decisions have lasted to our day.

And in our time a new group of theologians has arisen that opposes the Schoolmen on many questions, but in this dispute is on their side and opposes usury.

1. If any mortal has ever loathed usuries in his heart, it is Luther. Commenting on the verse in Ps. xv that is fatal to moneylenders, he says that it does not need explanation but fulfliment.

2. Zwinglius, on Lk. vi.

3. Erasmus, on The Purity of the Tabernacle.

4. Melanchthon, on Ps. cxi.

,5. Camerarius, in a treatise on the eighth precept of the Catechism.

6. Musculus, in his Supplement to Ps. xv.

7. Hemingius, on James v.

8. Aretius, in Commonplaces, 143.

I was thinking of your patience, gentlemen, and not of my time, when I did not quote separate passages.

("Objection" to the theologians who defend usury"). But the Swiss and Genevans are "idiosyncratic": they receive the exiles from religion, keep them on contributions that are usuries, and then - a disease that has hols of most mortals today - are ashamed to retract, creating a dangerous precedent. 1. They maintain that what they have done can be done by others. I am not going to examine the particular cases with which they concern themselves, for I should never come to an end. 2. As for their proofs, they pro-

none, save the mention of the poor, gain that is forfeited, the compensation of loss, the miserable position of orphans, which we have discussed enough already. 3. But I will say that anyone who looks at them closely will find them "all at sea"; and that apart from some cunningly invented cases which involve the knot more and more (a very thin argument), they have none to bring. They seem to me to have "skimmed over" the chief points of the whole question, and not to have given the case their full support.

4. And look at the uneasiness of Calvin himself on Ezekiel, xviii. Usury certainly is an ungenerous profit that is unworthy of a religious or honourable man. That is correct. Then he adds: It is almost impossible for usuries to be exacted without hindering our brother. Even this is not bad, but next he says: It is possible to receive usury without being a usurer. You could hardly understand this if he did not add: It is possible to receive the profit once without sin, but not more often. And why once only? I confess that the Theology of this escapes me. If it were lawful to lend on usury or to take usury, you could do it twice, thrice, four or ten times if you wanted to. If unlawful, not even once. What more to it? Our attitude to even the most learned will differ when they glance at a question and run over it lightly, and when they study and examine it closely.

I have discharged my obligations about the Church and Fathers and Theologians, of the old and new school.

But it may be objected that they are the opinions of individuals, and individuals' decisions are often sudden: they dash down in a book the prejudices of their heated heads. There is no deliberation, discussion, decision. But we find all these in the Councils.

I will meet my challenger: and I wish they would stand even by them. For they pronounce the hatred and(if possible)the universal death of usury. They attack partly the usuries of the clergy, partly of the laity. But because the flocks must be "imitations" of the Shepherds who are the "ensamples" to the "flocks"; and because in the case of the clergy it is condemned as filthy lucre; and because it is a Canon that no one shall be kept or dismissed from Holy Orders except for a serious sin and (as they term it) mortal sin: the canons prohibiting usury to the clergy may be applied to the laity also.

But to prevent you thinking that I misuse words or have abandoned legalised usury, I first investigate how the Councils argued on usury. 1. It is defined as the demand of more than was given. 2. The first Council of Nicea, canon xvii. It is defined as a mortal sin, because it is punished by dismissal from the clergy. 3. Similarly in chapter 12 of the first Council of Arles, and in chapter 14 of the second, for the punishment is refusal of the sacraments. 4. And in ch. 13 of the first Council of Cathage, because it is considered filthy lucre.

1. In ch. 20 of the Eliberine Council, it is decreed that ordained usurers be defrocked and lay usurers excommunicated. 2. ch. 13 of the Council of Tyre: no one at all is to receive usuries. 3. It is said in the Greek Synods that usurers forget the fear of God and the Holy Scriptures and must therefore be more heavily punished. 4. The most bitter is the Lateran Council under Alexander iii, ch. 25; but the definitions were less sane, and so I omit it.

The Councils have judged: after deliberation, discussion,

decision. If they appeal to civil law, even if their demand is unfair, that is, assuming they mean the law itself and not the ornaments of the law, - its force and essence and not some convention - they will not escape today. I am ready for them: for I have swallowed a little of it on this law; a little, as a theologian should, but plenty for the matter before me.

First, the whole of canon law is on our side. You may well be surprised at Molinaeus who, "wiping his mouth" three times, I am sure, of the laws of 515, takes it upon himself to tell us that Civil Law has not been corrected by the Canons. 1. Distinction 47 of the Decrees, 14th. of the Cause. 3 and 4 deal exclusively with usuries, they follow the supplement of the Agerthersin Council; they review and condemn the guilt of the crime. 3. Even the 5th. of the Decretals condemns it; but I will not descend to the dregs. 4. In the two Letters in the Tome of the Councils - the first of Gelasis, the second of Leo (ch. 1, i, letter 4) - condemn. The judgement of all is that usurers are still the same: they must not receive thr Eucharist in Church, or give offerings; they are to lose visitation when sick, absolution when dying, and burial when dead. Even more severe, advocates of usury who seduce others to it, agents who go between, clerks who work for it, witnesses who uphold it, lawyers who defend it, magistrates who favour it, and confessors who give absolution for it, are involved in their crime and the same condemnation is inflicted on them.

Ancient Civil Law is no more favourable: I mean the Twelve Tables. Cato says of them, at the beginning of his Treatise, It was the opinion of our ancestors, incorporated in their laws, that the thief should be fined twice the extent of his theft, a usurer

four times. So they thought a usurer worse than a thief.

We infer from the age of Augusteus that men who attempted to overthrow the Commonwealth were legally degraded and considered dishonourable in that age.

If these are the principles of Law: 1. The nature of a loan is that it should be free. 2. Certain profit must not be required from an uncertain. 3. When nothing is changed, profit must not be exacted. 4. A partnership is not valid unless both parties share the profit and loss. 5. Articles consumed by their use do not return payment for use, according either to natural or civil law. 6. Profit must not be sought from another's goods when the owner is unwilling: he is unwilling when of his own free choice he has not agreed, as the great Author has said at the beginning, and the wise Hotoman in hos Comment on the title concerning usuries, citing the Law and the Prophets: "If civil law does not mean rejecting Sacred Laws but imitating the Sacred Canons on Marriage and Usuries. And in accepting the Council of Nicea; if fianally it means that the lesser law does not abolish that of the greater, Caesar that of Jehovah; then the new law also settles the law of usury. Only the hardness of our hearts can obviate this, and obtain the codicils of permission quite contrary to our right. But let us leave this whole dispute to Hotoman and join with Molinaeus, whom he calls a wordy rather than a convincing advocate of these compacts.

And I will not pass by our Provincial Law before it has also given its evidence against usury. It is in three parts: 1. The Britons had an old "Mulantian" Law (as they call it) found in Gilda that no one should be accused of fraud who deceived a usurer. 2. The Saxon's 37th. law said that all usury should be delivered to the

spleen of the commonwealth. 3. The Normans had a law passed in the 4th. year of Edward 1. against the Jews, who were expelled from the whole island, and the Caursines also, who were Pontifical bankers, worse than the Jews themselves. The question was decidéd by Canon Law until the fifth year of Edward VI, our noble prince, whom no man thought a monster, and whom we shall mourn all our lives.

In his reign, the first fruits of the Reformation were made especially by the following strategem: the usury laws passed in his Father's reign were anulled entirely, and all usuries down to 8% 3½% were heavily penalised.

Now we come to History. If we rely on Sacred History, we shall learn the state of the Jews in the time of Jeremiah when usury was allowed and in the time of Nehemial when it was forbidden. We shall notice the SEISACHTHEIA, "Shaking off of Burdens" of Solon in Athens; the Egyptian law on the body of a father that was a pledge for usuries: the bright fire of Agis in the Spartan form is a bright witness of what those races thought os usury. The changes in it are clearer in Roman History, and I will give you a summary, for I should take too much of you time if I detailed each instance.

1. You have already heard that the Twelve Tables pronounced the usurers double thieves. Later, a little usury was allowed, probably 3 1/3%; the love of money then increased it rapidly to 12½, and it had to be forbidden altogether. 2. Again it was 8 1/3%, again it steadily increased, until cut back by Q. Ogulnius in Rome, and c. Cato and Lucullus in the Provinces.

3. At length, Tiberius abolished it, as Alexander from Alexan-

them "lice" and "bugs" (the origin of Baldur's "wood worms", I should expect); and shortly finishes the whole question off: "You have money? Do not borrow on usury, for you do not see need it. You have none? Do not borrow on usury, for you will not pay it off."

1. Looking round the Romans, who was more severe than Cato? But what could Cato have said more harsh against them than that ti him lending on usury to a man was a synonym for ~~liki~~ killing a man? The saying is reported at the end of the second book of Cicero's Duties.

2. Seneca, in the seventh book on Benefits, asks: "What are increase, usury, but names unnaturally coined for humen advantage?"

3. Pliny in book 33 of his Natural History, ch. iii, neatly called it profitable idleness; as it has in our time no less neatly been called the alchemy of Satan, save that we with superior art cook our money without expense or smoke, and change "copper" into "gold".

And in case you think they rely only on authority, you will see that they make usury bleed with the barbs they have and apply; for they treat the whole matter in the light of reason, and shew that usury has all the aspects of villainy.

1. It violates the purpose of money: for it was invented to transfer other things, but is transferred for itself; so goods and the price of goods are assimilated: both of these are vicious, because the end is not served.

2. It violates the nature of money: a sterile object does not bear increase; if it did, it would be worth more when pregnant

than without its offspring; but capital does not do this: both of these are vicious, because contrary to nature.

3. It violates the nature of contracts: it is not a loan, for a loan is given, not sold; it is not a lease, for in that case the leasor runs the risk, in this the borrower.

4. It violates the nature of matter. For by it something is produced from nothing, Plutarch's objection; and what was once one is made more than one, Baldus's objection. It gathers profit where none exists and perhaps never will exist. It sells to the debtor either nothing or the same thing twice, either his time or his own labour.

5. It violates the laws of Reason. No one has ever asked a price for a loan for the day; yet an amount of usury could be paid each day, reckoning it as a fraction of the year; but he does not dare ask payment on the spot, although he is in his rights to ask for payment on the spot for what is rightly for sale.

6. It violates the laws of speech: for surely ac-commo-date means giving for the convenience of you and not of me. And giving a loan (mutuum) means giving mine (meum) to be yours (tuum). And what right have I to demand inconveniently what I gave for your convenience? or to extort usury for what I made yours as if I had not made it yours?

Let us try Experience on those unmoved by reason or anything else: and this is the final part of my undertaking. It is the Mistress of fools, and good enough to make them wise: but wise like the Phrygians, and not before they have been beaten

at the usurer's game. But I am speaking of the Republic, where usury was not free but restrained by the fetters of the Laws. 1. Look at the results of usury: continuous degradations into the proletariat, the number of bankrupts, whose only hope in squandering their fortunes was that there was someone from whom they could borrow at 11%. 2. And then the swindles, distress, unrest; and the disguises, cut prices, name without a man, "reciprocal usage", buying under contract of reselling. All this will at least convince us that such loans should not be allowed when the fortune is unimpaired, and that where they have been allowed they should, if possible, be repaid. 3. Even Kings are not exempt from this evil; even Kings cannot withstand it - do not imagine that I am only speaking of commoners. In my time a usury law sanctioned the Lithuanian financiers; although under pretext of banking they had so handled the business of the kingdom that Sebastian the king was forced either to banish usury from the market or himself from the kingdom. He chose the former, and usury was driven right out of the kingdom, a notable "experience". 4. Again, there is the case of the powerful king of Spain; it would be much more significant, but he has been bled too long by that leech. They say that the Genoans suck usury from all the merchandise he sends. I know that the wares taken from them into Spain are of good material: but they intercept with their usuries a good percentage of what he should receive. I will only add the childrens' rhyme:

Jack's fall is lucky for Jill
If it stops her climbing the hill.

It would be too easy to pile up more of these "experiences" in our day: in spite of my hurry, time has overtaken me. It is now time for the arena!

So, gentlemen, I will halt for you and finish. In your hearing then, the Law, the Psalms, the Prophets, Christ Himself, Justice, Charity, the State, the Church, the Fathers, the Schools, the later Theologians, the three Laws, History, the Gentiles, Reason, and finally Experience itself have borne witness against Usuries: Theology is gratified, Truth agrees, the Church and Commonwealth benefit. So if you consider that these have the right to your vote and have kept correct accounts, agree with my judgement that Legalised Usury is Unlawful.

THE END.

(The italics throughout are those of Andrewes.)

USURY MORALISED: SEVENTEENTH CENTURY.

At the openeing of the seventeenth century, there were signs that the puritans were not going to have matters all their own way. Such as Wilson and Andrewes were men of integrity and learning whose opinions must have had weight. But the whig current had set in, a still breeze was blowing from Geneva, and when in 1610 the people wanted Andrewes for their Primate, Abbot the "bigoted Calvinist" was chosen to that high office.

There were, however, still a few to protest and Bishop Sanderson in his sermon Ad Populum on Callings, as late as 1621, remonstrated without compromise: "It is with the usurer as with the drunkard: if he asked me against which of the Ten Commandments he offended, I could not really give him an answer, because he sinneth against so many." (Andrewes condemned usury under the prohibition of theft). "He fleeceth many but clotheth none. He biteth and devoureth. The King, the Church, the poor are wronged by him." "Can it possibly enter any reasonable man's head to think that a man should be born for nothing else but to tell out money and take in paper?" It is most significant that Bishop Sanderson was Charles 1's confessor. It has been held - and all evidence available gives more credit to the belief - that Charles 1 realised that he was fighting against a new money power that was enlarging the sphere of the old usurers: against them he was protecting the people, as their guardian from these ~~hard~~ heartless monarchs. The struggle ahead was between Sovereignty and Money Power, not between King and People. The King opposed this new monarchy, and claimed to be protecting the freedom of the people.

At all events, the result of the protests of Sanderson and

others was that a Law was passed in 1624 which was called "Against Usury". It is true that it legalised usury up to 8%, but traditional teaching was still held, for the permission was granted by the State, "Provided no word herein contayned shall be construed or expounded to allow the practise of usury in point of Religion or Conscience." Usury was legal, but still not moral.

If the Church had maintained her strong stand against usury, the attention of all would have been turned on an inadequate financial system, which related currency and credit to bullion instead of to real or potential goods: the spoils of the bucaneers and the silver of Potosi had been unable to supplement it, particularly when the treasure was drained off continually by demands for the spices of the East etc. Papal bracteates had long been used - leaves of metal so thin that the image stamped on bass relief on one side stood out in high relief on the other: they were used as currency on the continent, and did not last long if hoarded. It is not until our own time that Silvio Gessel has suggested that money should depreciste in value when hoarded as goods do, and so this demurrage money would rob the usurer of his advantage over the vendor of wares (and eliminate many taxes). But it has been suggested - by Paul Studer in Miracle Money: the System of the Gothic - that the minting fee, charged so frequently after 1140, forced holders of money to pass it on, and was thus responsible for the free circulation of money and for the evolution of green and merry England. Such currency would forestall the usurer, and not prevent true saving, as detailed by Andrewes. But the black England of the industrial barons was to supplant the green England of Shakespeare, and the usury laws were under unremitting whig pressure.

The tradition that condemned usury limped on until about 1640.

Blaxton published The English Usurer, but he was an obscure country parson. One or two more vituperations were issued. In fact, the need for bullion was at an end, and money was passing in England from its primitive phase. For in 1640 the goldsmiths were beginning to issue notes in excess of the gold they held on deposit. "The rise of banking in England", a Nottingham paper declared, "has often been dated from the seizure by Charles 1 in 1640 of the bullion deposited in the Tower of London by the City merchants. It was, in fact, returned to its rightful owners, but for safety thereafter they depositedthe bullion with the goldsmiths, whose 'side-line' as money changers developed greatly in the Civil War. For money lodged with them they gave receipts, which were the earliest form of bank notes in England, and circulated freely as coin." Claude Goldring gives substantially the same account, adding that in Charles I's reign there was about £200,000 in the Tower (the Mint there wasthe only facility for depositing money). "Charles seized the lot and called it a loan. The whole of the banking business was at this time handed over to the goldsmiths, and during the Civil War they hid their money the best way they could. When it was certain that the King would be beaten, the citizens unearthed their cash and handed it over to the goldsmiths, who now gave interest for the money placed in their care. As might be expected, the goldsmiths grew rich. They introduced a little craft into their business. On the grounds of patriotism, they lent Cromwell money, but saw to it that they got good interest. Their capital increased at such a rate that in a few years they had £1, 500, 000 deposited in the Exchequer. Charles 11 had a better haul than his father when he seized the lot. But the goldsmiths did not intend to take this sitting down. They raised such a clamour that Charles 11 had to give them 6% interest.

This was tantamount to an admission that it had been a loan, and in the days of William III the goldsmiths were receiving 3% on the money".

Two observations may be made. The first is that the tie between money - cash, circulating medium - and bullion was being loosened, and a bold stroke might well have severed the connection and based money on the real wealth of the community. This would not have suited the goldsmiths and bankers who were growing rich and powerful on the usury they were receiving. A generation earlier such terms as "banker", "City merchant" would not have displaced the older term of "usurer": that was their business. In the second place, the impression is given by those who favour the bankers (usurers) that Charles I was a thief and a robber. And so much history has been written from the cosmopolitan "whig" point of view. The falseness of this impression - at least a qualification - may be gathered from the scholar, patriot and "Christian Socialist" Thomas Hancock. He specialised in this period and reached a very different conclusion. In fact, the protection that Church and King gave the people from extortionate enclosing landlords is one of the themes of "The Pulpit and the Press, and other sermons" (1904). He lists many clergy who protested against the "nobility" who had not merely robbed the Church of her lands but "partly by force, partly by fraud, had converted to their own use the pastures which formerly had been common" (John Burcher).

Hancock continues: "The building up of huge landed estates, and the formation of new nobilities, out of the robbery of the poor and the robbery of the Church, which is the peculiar heritage

of the poor, marked each of the four great judicial epochs of in the life of the English Church during the sixteenth and seventeenth century: The Dissolution of the Monasteries under Henry viii; the Spoliation of the Church under Edward vi; the abolition of the national Episcopate and the expulsion of all the liberal and Catholic Clergy by the tyrannical Nonconformist Parliament during the Civil War; and the imposition on the people of the so called 'Commonwealth' by the military oligarchy of the sectaries in 1649, all alike ended in the 'estating' of a greedy lanalordism out of the plunder. The fathers of Nonconformity from the very first had the eagar support and encouragement of the aristocracy and the plutocracy. These two terms indeed were not used then; the usual terms of the pulpit were 'Landlords and Usurers'. Bancroft said, "They do greatly urge in the ministry the Apostolic Poverty, that they obtain the prey". (It was another prelate who reminded them that the saints had cast their treasurers at the Apostles' feet!) Bancroft also said: "Covetousness hath thrust them into this schism". As Hanecock wrote, "The poor and their clergy fled to the King as their only possible champion ... the sympathies of the English democracy, of the anti-puritannical poor, remained throughout on the side of the King." And Laud was the unflinching opponent of the engrossers, though it is doubtful whether he maintained the Anglican onslaught against usury. He was the champion of the "Common Prayer Book, of the common law of Christ, of the common man, which made those who thought they were - after the manner of the Jews - a chosen and superior people, detest and kill him. He also tried to insist on the ancinet Christian duty of restitution, and was especially anxious to protect the common schools, as well as the common land and Church."

Laud and Charles took vigorous measures against the new rich. "He cited powerful landlords into the High Commission Court for seizing almshouses, common lands and the endowments of free schools, portions of common churchyards, and even for 'walling up ancient ways'." He defended the poor against the embezzlement of the proud and against "the inhumane Calvinist theology and puritannical non-conformity and separatism. Yet he had in him nothing of the selfish demagogue but had, as his biographer tells us, 'a dislike to that popularity which was too much affected by his predecessor,' Archbishop Abbot." But the ringing of the changes in the type of Archbishop - Whitgift, Bancroft, Abbot, Laud - had loosened the Church's hold on social ethics, and Laud seems to have lost the consciousness of the danger of usury which Andrewes, if he had preceeded him, would most certainly have upheld.

It was for Milton to prove "how a handful of colonels, parliament men, great landlords, and fanatical preachers, who were hated by the people, could usurp to themselves any divine or human right to call themselves 'The People'". Hancock even questions Milton's integrity. When shewing that the profits of disendowment have seldom reached the poor but invariably gone to the rich and powerful, he says: "It was so with that den of Liberationist robbers, the Long Parliament, whose members seized the episcopal and cathedral lands..." Such were the opponents of "bowling and other games" on the Sabbath Day, the worshippers of the "lean godess of Abstinence", and this is the opinion of one learned historian of them of the true issues at stake between Cromwell and the King. In Milton's time, Salmasius was writing his three learned volumes on usury - a bibliophile's rarity.

Cromwell was no unintelligent doctator (monarch). He is said

to have reintroduced lead tokens to expand the currency, such as had been used by Elizabeth. And in the second place, he re-admitted the Jews. Im his days, it was not likely that usury would be interfered with, but Tawney (in Religion and the Rise of Capitalism) notes that "The classis - Puritan disciplinary body - of Bury in Lancashire decided in 1647, after considerable debate, that 'usury is a scandalous sin, deserving suspension upon obstinacy.'" Cromwell was in fact the leader of the whig cosmopolitan interestsm lauded by the historians ever since, and a letter from a continental Jew promised him a loan for which the price was King Charles's head.

In 1660, Charles 11 was restored, but the old ways were passed, as is shewn by an act of the same year "For restraining the taking of excessive usury", which limited it to 6%. All previous acts had been "Against Usury", but by this time the "beast with a hundred legs, USURIA" (E.Pound, Canto xv) was domesticated and allowed into the house on a string. We may see also the vast change, amounting to a practical desertion of ethics in the question of money, in the works of Jeremy Taylor and Richard Baxter.

Bishop Taylor (1613 - 1667) has the reputation of having opposed usury, and doubtless he still thought it was wrong in itself. But the following passage (from his Great Rule of Conscience, book 2, ch. ii, 7, (1), "Cautions to be observed in civil permissions of an unlawful act or state") shews the gap that separated his thought and time from that of Andrewes. It is, of course, true that many preiests had spent some time on the galleys. He writes: "That the thing be so permitted be, in the present constitution

of affairs, necessary; and yet will not be without the evil appendage. Thus it is necessary in all communities of men there be borrowing and lending; but if it cannot be without usury, the commonwealth might promise not to punish it; though of itself it were uncharitable and consequently unlawful. For it is either lawful or else it is unlawful, for being against justice ot against charity. If it be against justice, the commonwealth, by permitting it, makes it just; for as it is in the economy of the world, the decree of God doth establish the vicissitudes of day and night for ever: but the sun, by looking on a point, not only signifies, but also makes the little portions of time and divides them into hours: but men, coming with their little arts and instruments, make them to be understood, and so become the sun's interpreters; so it is in the matter of justice, whose great return and firm establishments are made by God, and some rules given for the great measures of it; and we, from his laws, know just and unjust, as we understand day and night: but the laws of princes and the contracts of men, like the sun, make the little measures and divide the great proportions into minutes of justice and fair intercourse; and the divines and the lawyers go they lower, and they become expounders of those measures, and set up dials and instruments of notice, by which we understand the proportion and obligations of the law and the lines of justice: just and unjust we love or hate respectively by our warrant from God; and from him also we are taught to make the general lines of it: as, Do what you would be done to - restore the pledge, hurt no man, rob not your neighbour of his rights, make no fraudulent contracts, no unjust bargains: but then what are his rights and what are not; what is fraudulent and what is fair; in what hath he power, in what hath he none; is to be determined by the laws of men.

"So that of a commonwealth permits an usurious exchange or contract, it is not unjust, because the laws are the particular measures of justice and contracts, and therefore may well proclaim impunity, where she makes innocence, as to the matter of justice. But if usury be unlawful because it is uncharitable, then when it becomes necessary then it is also charitable comparatively; and as to charity, no man by the laws of God is to be compelled (because it is not charity if it be compelled; for God accepts not an unwilling giver, and it is not charity, but an act of obedience and political duty, when, by laws, men are constrained to make levies for the poor); so much less can they be compelled to measures and degrees of charity; and if to lend upon usury be better than not to lend at all, it is, in some sense, a charity to do so: and if it be when it will not be otherwise, there is no question but the prince, that allows indemnity, is not to be damnified himself. I instanced in this, but in all things where there is the same reason, there is the same conclusion."

This casuistry may be contrasted with that of the Roman Catholics. They never permitted usury - there was a division on the question of montes profani and pietatis - but elaborated their teaching on interest. Andrewes had been at pains to show that legalised usury was unlawful according to the Law of God.

Richard Baxter goes further and, in about 1670, enunciated the full Calvinistic attitude. In Part IV of the Christian Directory he asks: "Is it lawful to lend upon usury, or, interest or increase, receiving any additional gains for money lent? There is some such gain or usury unlawful and a heinous sin: some usury is not a violation of Natural Laws of Piety, Justice or Charity; nor against the supernaturally revealled Laws of Moses or Christ." He asserts

that the Law of Nature does not forbid all usury, and gives "notoriously charitable instances" when the taking of usury is justifiable. It is only evil "when against Justice or Charity". In fact, he admits the Calvinistic point that usury is not evil in itself.

So within a century, indeed within little more than a generation, a few inferior minds had shuffled away the thought of sixteen centuries. As James Harvey asked in Paper Money (1877): "Who has ever heard a sermon holding forth usury as a sin?" The last was preached by David Jones at St. Mary Woolnoth in 1692. He considered it the "preacher's duty to protest against usury", and quoted Bishop Sanderdom, who deplored that "men should be born for nothing else but to tell out money and take in paper." David Jones appears to have lost his parish for this breach of urbanity - in the year when the debt started too - and his outburst was hushed up by "A discourse upon usury or lending ~~for~~ money for increase, proving the lawfulness thereof, published at the request of several judicious and sober Christians." A few hack phrases are canted out, while it is admitted "that the subject of late years had not been contraverted on one side or the other"; and that "the dealings of usury are become universal". In 1694, the Bank of England was founded.

This was, in the Church of England, the end ~~of~~ for many centuries of the delicately elaborated Catholic teaching on the Just Price, Partnership, Usury. The stages are clear: local mints were suppressed and usury was legalised: then usury was moralized. The pressure of finance had been to strong, and the age of laissez faire (often dated from 1688) began with the Church's blessing -

or at least without any protest. The Non -Jurors shewed that there was disinterested honesty left, but ignorance - under her cloak of emancipation and enlightenment - hid effectively Chrisitan economic light.

There is a Church of unusual design at Tunbridge Wells, dedicated to Charles the Martyr, and there are four other churches of the same dedication in England, built about 1680. This would seem to indicate a revolt of a spiritual kind against Oliver Cromwell and the usurious puritans and whigs: but David Jones's experience made it clear that Abbot had done his work, and that usurers were less affected by the building of these churches than by the Oxford Movement.

No question is possible bu that the Bank of England, according to the standards of Catholic Doctrine - and there had been no other Christian teaching on money - was usurious. Tawney remarks that in Elizabeth's reign "there had been something like the deposit banking in the hands of the scriveners". William Patterson is thought to have written of the blessings of this usurious system in 1694, under the initials of H. M. It must be insisted that he, and nine tenths of the leading business men, were presbyterians and nonconformists and that business was becoming their religion - not justice, charity, consumption, partnership, but harsh individualism, competition, the economic man. Unefortunately the Anglican Church was too supine to challenge the new morality, let alone to call for a reversion to the older creed. Besides, most of the bishops and priests of integrity had refused to break their oath of allegiance to James 11. Those who have read Butler's Hudibras will have a fair idea of the canting type of the Independents and Presbyterians who were climbing unopposed to enormous power.

M.M. describes the natural wealth of Great Britain - a strong argument, incidentally, against overmuch tade, and says that Britain is "as capable of living within itself as any nation; having not only all things necessary for the life of Man, but Abundance, Materials and Stores." From this he argues for a "Royal Bank of Credit." It is true that Charles 1. and Charles 11. had considered it their right to issue coin. But this new venture was going to allow Paterson to take ~~all~~ interest on "all monies created out of nothing."The issue of money was, in fact, going to pass from Royal into private hands, and at a time when the issue need no longer be restricted artificially by the amount of gold and silver that happened to be in the country. Paterson, or his scribe, continues: "Noe Money is but a medium of Commerce, a Security which we part with, to enjoy the like in Value, and is the standard of all Commodities, and esteemed so by the world. And such is a Bank-Bill, it will obtain what we want, and satisfy where we are indebted, and may be turned into Money again when the possessor pleaseth, and will be the Standard of Trade at the last."

He continues, "There is created in this Royal Bank by Act of Parliament such a Fund as may give out Bills of Exchange or Credit Currant, that such always be answered by Money on demand ... We may make an estimate of the value of credit upon a good Fund, by the bills accepted upon the late Assessments instead of Money, whilst their credit was currant, being no other security but the honesty of the man, and a Shadow of an Estate, both which may fail. But I have heard of a gentleman that hath seen the same Money transmitted nine times in one morning, by writing off the Credit from one to another, and the money in specie left untouched at last. Much more may be done by this bank credit, their fuhd being such as cannot fail, unless the Nation be destroyed; for that all mens'

interests are secured by Act of Parliament." (England's Glory, or The Great Improvement in General of Trade by a Royal Bank or Office of Credit).

In fact, as H.M. makes clear, the third stage in monetary science had been reached - the stage of credit. The bullion and paper note stages had been left fifty years behind, and the machinery of credit could have been put at the service of the nation. Instead, it was usurped, as the issue of money was usurped, by a private corporation, who extorted usury on "all monies created out of nothing". They were literally trading on the credit of the nation; ethics in monetary matters had been discarded with its clean terminology, and the process of issuing money was to be confused with that of lending for generations.

Thomas Attwood, on Observations on Currency, Population and Pauperism, gives this information about tokens (1818). "In the "golden days" of Queen Elizabeth, there were three thousand trades people and others who issued lead tokens which passed as coin of the realm, and no doubt contributed, in a great degree, to that "burst of prosperity" ... A mistaken policy destroyed the lead tokens of Elizabeth, without providing an adequate substitute; and I have no doubt that this impolitic conduct contributed to the public distress and disturbances which soon after terminated in the death of Charles 1. Oliver Cromwell knew better the principles of national prosperity, and under the Protectorate the leaden tokens were again issued by many thousands of tradesmen, and again a new energy was given to the productive powers of the country. These leaden tokens answered all the useful purposes of coins of the realm; and bank notes are but an improvement on them." Such tokens were issued by tradespeople in the eighteenth century, and many

survive. But by this time the penny had dropped in purchasing power, so that the halfpenny tokens - coins were copper then and remained so until the days of Victoria, and pennies were large and cumbersome - did little as tivals of the bank-notes. The leaden tokens were the last useful survivals of the principle of local mints. Copper tokens were the last recorded survival at all.

Some people did see the danger. An anonymous Discourse upon Money (1696) says that "Great and Public Banks in a State are very pernicious; for where the treasure is, there will be the power ... If Monopolies of little Things are declared unlawful, then a fortiori a Monopoly of Money (and 'tis plain such banks are no other) must be so with a witness". (quoted in M. Butchart's "Money") He cites the Roman bankers who "became so rich and powerful", mentioning their "Lucre and unjust gain". In 1700 another or perhaps the same writer says that the monopoly of money and credit "seems the most dangerous" and will put the Trade and Treasures of the nation "intirely in their power", and he asks whether the Bank's "admitting or refusing the Discounting Bills or Notes for Merchants and Traders" will not then become the Standard of every private person's reputation, and "give great advantage to their Favourites and Discouragements to the Rest of the Traders."

The following extracts from the ststutes regulating the foundation of the Bank of England throw light on the matter from a political point of view. (5 & 6 Wm. and Mary, 20, 1694).

"XIX. And be it farther enacted by the authority aforesaid that it shall and may be lawful for their Majesties, By commission and under the great seal of England, to authorise and appoint any number of persons to take and receive all such voluntary subscript-

ions as shall be made on or before the first day of August, which shall be in the year of Our Lord one thousand six hundred ninety four, by any person or persons, natives or foreigners, bodies politic or corporate.

XX. And be it further enacted that it shall be and may be lawful to and for their Majesties, by letters patents under the Great Seal of England, to limit, direct and appoint, how and in what manner and proportions, the said sum of twelve hundred thousand pounds, part of the said sum of fifteen hundred thousand pounds, and the said yearly sum of one hundred thousand pounds, part of the said yearly sum of one hundred and forty thousand pounds, and every or any part or proportion thereof, may be assignable or transferable, assigned or transferred, to such person or persons only as shall freelyand voluntarily accept of the same, and not otherwise; and to incorporate any and every such subscribers and contributors, their heirs, successors, or assigns, to be one body corporate and politic, by the name of the Governor and company of the Bank of England, and, by the same name of the govenor and company of the Bank of England, to have perpetual succession and a common seal.

XXVIII. Provided, and nothing herein contained shall any ways be construed to hinder the said corporation from dealing in bills of exchange or in buying and selling bullion, gold or silver, or in selling any wares, goods, or merchandise whatsoever, which shall really and bona fide be left or deposited with the said corporation for money lent and advanced thereon, and which shall not be redeemed at the time agreed on, or from selling such goods as shall or may be the produce of the lands purchased by the said corporation."

Claude Golding says: "The financial genius behind the

foundation of the Bank of England was William Paterson, born in 1658 of good family in Lochnaber, Dumfrieshire. He is said to have preached as a Scottish Covenanter, probably lived in Holland, was a merchant in New Providence in the Bahamas, and raised a Spanish galleon at enormous profit. He supported the 1688 Revolution and was connected with the foundation of the Board of Trade". A Bank of England was dsicussed in Cromwell's day and advocated after the restoration, but no proposition was made until 1691. The Government then wanted to borrow £1,200,000 at 8 % and the lenders were, "by way of encouragement",to be incorporated by the name of the Governor and Compant of the Bank of England. Patterson is of the type par excellence of the new merchant-financier, who had not, like his predecessors of a century before, to contend with the die-hards who supported the usury laws. The way was open for him.

But even then it is clear enough that the foreign intervention was resented in England. W Queen Mary, on the strength of a letter from her husband in Flanders, pressed the scheme through after a six hours sitting against the Government and the Opposition. "Whigs and Tories, goldsmiths and pawnbrokers, resolutely opposed the scheme. They declared that the whole wealth of the nation would be in the hands of the King. The governor and directors of the new company would have more power over the nation's purse than the House of Commons. Charles Montague, afterwards First Lord of the Treasury, carried the bill through the House of Commons."

Macaulay said of the Bank: "It is hardly too much to say that during many years the weight of the Bank, which was constantly in the scale of the Tories, almost counterbalanced the weight of the Church, which was constantly in the scale of the Tories." Not seventy years earlier, Francis Bacon, Lord Verulam, had remarked

in Essays Moral and Political (1625), "Above all things good policy is to be used, that the treasures and monies in a state be not gathered into few hands, for otherwise a state may have a good stock and yet starve; and money is like muck; no good except it be spread." Bacon understood the danger of the elimination of the middle, yeoman, class and the division of the state into the extremes of poverty and wealth, and this is the first of many occasions on which the fact of poverty amid plenty is remarked on, or, in this case, noted as a danger.

William Patterson frankly admitted that he would have the profit on all monies created out of nothing. If this thesis is correct, and the old prohibition against usury had to be swept aside and forgotten before such a bank could be founded - we may note the collateral securities mentioned in the Act - then Patterson was the first in the line of the new s usurers. They plied the old trade - as did the Croesus of the exchanges - but with the vastly more profitable material of the creation of credit: they lent the nation her own credit. Such financiel credit bore no relation to the real credit of the nation, but the Bank had control of the nation's money for its own profit. Such was the system that came over from Holland, against the wish of Parliament and against the good sense of the people. It was the direct resukt of the queer Revolution of 1688 which - dressed up as it may be in romantic colours borrowed from a cottage near Chesterfield or an island in Derwentwater - was baldly the triumph of the internationalist whig elements and their new system of laissez faire economy.

Apparently the Church's opposition to usury - and her interest in the complicated system of de facto robbery now inaugurated, so favourable to the less desirable elements - was finally smothered.

It was, in fact, smothered for a quater of a millenium, but we shall see that eventually and by devious ways it did again emerge, the final movement of our symphony.

It is worth while seeing what a "modern" bishop of the time- he has even been suggested as the man who conceived the scheme - thought of this usurious arrangement. Bishop Gilbery Burnet, in the History of His Own Times (1734 - the same year as Bishop Berkeley was writing to a very different purpose in his Queerist) wrote, under A.D. 1693: "Among other funds that were created, one was for constituting a Bank, which occasioned great debates: Some thought a Bank would grow to be a monopoly. All the Money of England would come into their hands: and they would in a few years become the Masters of the Stock and Wealth of the Nation. Others argued for it: That the credit it would have must increase Trade and the circulation of money, at least in Bank Notes. It was visible that all the enemies of the Government set themselves against it, with such vehemence and zeal, that this alone convinced all people that they saw the strength that our affairs would receive from it. I had heard the Dutch often reckon up the great advantages they had from their Banks; and they concluded that, as long as England continued jealous of the Government, a Bank could never be settled among us, nor gain credit enough to support itself: and upon that, they judged that the superiority in Trade must still lie on their side. This, with all the other remote funds that were ceated, had another good effect: It engaged all those, who were concerned in them, to be, on account of their own Interest, zealous for maintaining the Government; since it was not to be doubted but that a Revolution would have swept these away. The advantages that the King, and all concerned in Tallies, had from the Bank was so sensibly felt, that all people saw into the secreat reasons that made the Enemies of the

Constitution set themselves with so much earnest against it."

Yet inspite of what Cobbett was to know as "these wast improvements, ma'am", the English labourer was still in a condition nearly desperate. His purchasing power rose slightly after the middle of the seventeenth century, but he was barely able to earn by a year's toil what 15 weeks work would have purchaes him before the Reformation. It was indeed a revolution in reverse for him. The Act of 1592 which had prescribed that each labourer's cottage should have four acres of land was continually broken, and there were new features to make life distasteful to him. The assessment of property for the poor rate in 1601 had a bad effect on the wage, while, in the words of Rogers, the law of parochial settlement of 1662 "consummated the degradation of the labourer". In 1697, the law authorised churchwardens or overseers to give the labourer a license to move, but he could be moved back if he became chargeable on his new parish. There was a growing brutality in legislation, and a landlord sometimes pulled down cottages so that he had no responsibility for labourers.

Instead of internal prosperity, the attention of Britain was now focusses on foreign conquest, war, all provoked by trade rivalry. More familiar features of the modern world arose.

There was nothing to take the place of the gilds, although the Domestic System at least kept work in the home and on the holding. The anti-combination laws of Edward VI. were confirmed in 1683. Wheat that year was at the famine price of 100/- to 150/- a quarter. The labourer's wages were from 1/- to 1/6d a day.

THE EIGHTEENTH CENTURY.

Mr. Tawney remarks that it is in vain to look for social teaching from the eighteenth century Church. Indeed, Convocation was closed in 1717, and Samual Richardson (in Clarissa) gives a faithful portrait of many lick-spittle clergy in Mr. Brand, the heroine's enemy. It was the century of the rising manufacturer, slowly pushing the landed gentry to the background: new inventions were constantly discovered, looser rein given to greed in the industrial revolution. The manufacturer's turn was to come, but for the time he was supreme - at least on the face of things - and bullion was supplied abundantly by the spoils of Clive and Hastings from India. In fact, the Indian plunder probably precipitated the industrial revolution itself. Even agriculture was stimulated, and the Rev. John Chevass was the patron of an improved form of barley seed, which he observed in a labourer's garden. The turnip enabled larger flocks to be wintered. This resulted, in its turn, in a rapid increase in enclosures - a third of a million acres of commons were absorbed between 1710 and 1760, but nearly seven million between 1760 and 1843. This meant the final eviction of the yeoman, and still heavier population for the towns. Yet all the time the debt was growing - like an evil seed growing secretly. Adams points out that "in 1756, when Clive went to India, the nation owed £74,578,000 on which it paid an interest of £2,753,000. In 1815, this debt had swollen to £861,000,000 with an annual interest charge of £32,645,000." There is little wonder that DeStendhal (in Rouge et Noir) said in 1830, that England was crushed by the interest charges. Adams said, "in some imperfect way, her gains may be estimated by the growth of her debt, which must represent savings". But the English were to find, and still find, that a national debt does/

not work out at anything but a crushing burden, and that financiers are ne the sole beneficiaries, with negligible exceptions.

But, in a blind and timeserving Church, Bishop Berkeley of Cloyne served his time in a very different sense. While the most adventurous clergy sought an outlet for their activities in missionary work - the SPG and SPCK were founded soon after the Bank of England - Berkeley, by no means neglecting the claims of the mission field, wrote his Querist. Montgomery Butchart, the author and compiler of Money, the Views of Three Centuries, calls Berkeley's an "isolated" instance of perception. He did not, it is true, revive the mediaeval doctrines on money, but he tackled the problem from the other angle - that the monetary system did not work. Accordingly he asked the following questions in his Querist, which have amodern enough ring. (Quotations are from the 1750 edition, the successor of those of 1735 - 6 - 7).

"Whether the true idea of money, as such, be not altogether that of a ticket or counter?

"Whether the denominations being retained, although the bullion were gone, things might not nevertheless be rated, bought and sold, industry promoted and a circulation of commerce maintained

"Whether a fertile land and the industry of its inhabitants would not prove inexhaustible funds of real wealth, be the counters for conveying and recording thereof what you will - paper, gold or silver?

"Whether the use or nature of money, which all men so eagerly pursue, be yet sufficiently considered or considered by all?

"Whether, without the proper means of circulation, it be not vain to hope for thriving manufactures and a busy people?

"Whether without private banks what little business and industry there is would not stagnate? But whether it be not a mighty privilege for a private person to dash be able to create an hundred pounds with the dash of a pen?

"Whether we are not in fact the only people who may be said to starve in the midst of plenty?

He called a national bank the "true philosopher's stone" of a state.

Berkeley's work may be contrasted with the opinion of Hume, who commended avarice. Indeed, the Church as a whole seems to have imbibed the philosophy of Kant, who separated phenomena from noumena, and to have restricted her ministry to the elusive noumena. Berkeley had denied these kinds of distinction, and gave his intelligence to the whole of life, which was to him entirely spiritual. The influence of the Deists was towards the same artificial separation of things of the spirit from those of daily life. Greed took up an even more disproportionate part of mens' energies than usual, and what with the dazzling wealth and seductive teachers, clergy were ineffectual in social life. Tawney remarks that George lll. regarded even Paley as a dangerous revolutionary. Bishop Butler achieved something indirectly by insisting on the natural order, but this was to take decades to bear fruit.

The startling events of the eighteenth century are too well known to be more than briefly noted here. But the immediate misery they produced acted in time as irritant to the clerical conscience, and this started, also in time, the realisation that the Church had once dealth with social probelems; from this it was a step - if a long one - to recovery of the ethic of the just price and eventually this led to the re examination of money and usury.

After the Civil War, Norwich and the Western towns revived, but Halifax increased in importance, and the grim future of the industrial North Midlands began to take shape. The Dutch wars and victories over the French allowed for expansion of exports such as would make a modern Chancellor of the Exchequer envious. The introduction of turnips about 1740 provided for larger flocks, but wool was still needed from Spain and Ireland. England was moving towards her position as the work (or sweat -) shop of the world. Defoe said of the Western counties, "those who pretend to have calculated the number of people employed in these four counties (Somerset, Wiltshire, Devon and Dorset), assure me that there are not so few as a million of people constantly employed there in spinning and weaving for the woollen manufacturers alone". (The Complete English Tradesman). This is part of the answer to Cobbett's question as to former large populations in what were in his day small villages. Defoe notes the abundance of coal and running water near Haligax and - being a typical mercantilist - the Leeds market, and the great exports to America, Russia, Prussia and Holland. The woollen industry from his time onwards began to concentrate in Yotkshire, although it lingered as a handicraft in Gloucestershire and remained domestic in Norwich.

Everything favoured the "commercial adventurers" who, Brooks Adams says, "conquered the kingdom" and held sway from the Boyne until Waterloo. The civilization of Venice, Genoa, and the Arabs, he points out, shrivelled when Portugal had established direct communication with Hindustan. Italy was ruined by the loss of the Eastern trade, the Spanish Empire was declining, and the revocation of the Edict of Nantes in 1685 drove the Huguenots to Britain,

which became the centre of the world exchanges. It is true that bullion was exported heavily by the East India Company in the first quarter of the seventeenth century, but the need for this were "dramatically supplied" by the captures of Indian treasure, under Clive and Hastings. In Fuller's phrase, this "fertilized" the industrial revolution.

Other needs were met. The roads had declined after the Dissolution of the Monasteriesand, although wheeled traffic came gradually into use in the last half of the fifteenth century, wool was usually carried on packhorses. Also, "fresh bands of robbers and highwaymen appeared after every war". Roads were impassible in winter, and the last service that the lord was willing to be commuted was carting. We note how money constantly ousts services and rights all through this period. The fellies on wagons were made ridiculously wide to keep the wagons our of the ruts, while the turnpike system sis something for the roads. But Telford and MacAdam arose to give them a surface, rivers were improved, then canals were made and after them the railways. The Duke of Bridgewater and James Brindley, hsi agent, were reponsible for a network of canals over Yorkshire and into Lancashire, in about 1760. (The Stockton - Darlington line was opened in 1825).

But the yeoman partook of the benefits of improvements in husbandry no more than the artizan of the industrial arts. It is true that roots (mentioned two hundred years earlier by Tusser as garden plants) were now used in the fallows and provided winter feed for the sheep. But the sheep was no more a friend of the small farmer now than he had been in Sir Thomas More's day. Clover, sainfoin and ryegrass were used extensively - they had been known a century earlier - and "agriculture was the nation's

reigning taste. (Readers of Fielding's Joseph Andrewes will remember Parson Trulliber). Bakewell and Coke improved the breeds of sheep, and Townshend's emphasis on root crops prevented the slaughter of sheep in the autumn. Potatoes and cabbages were widely used for the first time, while Young said that £6 an acre was the minimum for successful agriculture. Unhappily this was accompanied by a series of enclosure acts which increased in tempo. There were more than 100 enclosurr acts between 1700 and 1750, more than five times as many between 1750 and 1810. Arthur Young said that in 1770 the ratio of town to country dwellers was 1:1, and in 1820, 2:1. The victories of the eighteenth century had opened up a "gaping market" for the towns: the Mediterranean, Brazil, the Americas, India, Germany. Seven million acres were enclosed between 1760 and 1843, and around the latter date several "doomesday books" of enclosures were published. It was a fatal period for the yeoman, and many drifted to the towns, some - like Peel - to make fortunes. Others were not so fortunate. The Bank of England issued £15 and £10 notes - she had only issued £20 since the foundation - and private firms in the country issued paper. "By 1750, the City of London was probably richer than the House of Lords and the Bench of Bishops".

Until the flood of inventions, wages had risen by about 20 %, and the labourer participated in the prosperity of the land. The ox had been tripled in weight, the fleece quadrupled, and food was exported (the population being about eight million). But whereas wheat had risen 6½ times in price, (since the rise), wages had only risen 3½ times. (6/- to 40/-; 2/- to 7/-). A 4 lb. loaf that cost ½d. in 1495, cost 5d. im 1770; butter had risen from 1d. to 7d., cheese from ½d to 4d, meat from ½d to 4d. Rent had increased from 6d. to 10/- an acre. A bounty of 5/- was granted of wheat did

not fetch more than 48/- a quarter. This was immediately after the Revolution, and numerous enclosures started under Anne. Almost six million acres had been enclosed by 1854, over a third of the cultivable surface of England and Wales. Prices fell between 1715 - 65, while wages had increased by 20 %, and nearly two million pounds bounty was paid in eleven years. England was still exporting food, but shanged then to importing it. But bad harvests hit the poor and "the weight of taxation fell on them with increasing severity", for "the most fruitful source of taxation is that of necessary consumption and cheap luxuries". Towards the end of the century, rents increased - partly to pay taxes - the farmer's profit narrowed, the labourer was ground down, cultivation became slovenly and disaster came "to which there is no parallel in the annals of agriculture."

The inventions which changed the woollen industry and moved it from the home to the factory are familiar. As early as 1738, Kay's flying shuttle made weaving still quicker than spinning, but Hargrave's spinning jenney adjusted the balance. Arkwright improved this and yarn was exported. Catrwright's inventions and the use of steam quickened the pace, and machinery was extensively used in the West Riding. There were riots and petitions to stop the use of machinery as social chaos increased: the demand for hand spun yard decreased and wages fell. "Domestic spinning had practically ceased to exist by 1830". The traditions of the woollen industry slowed down changes, it is true, but the factory system emerged irrevocably, and the worker no longer had his own time or his own tools. Hours were up to 16 a day, drains and houses were insufferable. The barbarous industrialists (with exceptions)

ground the last farthing out of the wretched proletariat, swollen by the enclosures. Moreover, such safeguards as the Tudors had left were swept away: gig mills came back, apprenticeship was a dead letter, the number of looms per owner were not longer restricted. The Gordon Riots were a symptom of misery and bewilderment, but the Combination Laws rendered corporate action liable to the utmost rigours of the law. These were repealled in 1824. After the Luddite Riots in the Midlands, a bill was passed which made frame breaking a capital offence. The worsted acts allowed search to be made for stolen materials, assuming the guilt of the suspect. The sufferings of women and children are notorious.

A few clergy saw where their duty lay: Mr. Prescott, the Rector of Stockport, obtained a 2/- rise in wages, but the manufacturers afterwards recanted. Crabbe gave an accurate picture of the rural slum in the Village, and his whole outlook was in the balanced tradition of English realism. Trollope later followed in this line. Crabbe's poem on Freemasonry is of modern interest, as is his most apposite conclusion that if they have a benefit to give, they should not keep it secret. The price of wheat had not yet reached its nadir - it was high in Parson Woodford's time - but rural distress was growing more squalid.

It was not until the end of the century that the results of the new financial arrangements began to obtrude themselves on others than Bishop Berkeley. We are approaching the stirring times of William Cobbett - few can remain unmoved by his eloquence and unique power of vituperation - and to the calamities and crises of the hungry forties. To understand the reason why both Mark and Christian Socialism emerged in that decade - why there was such hunger - it is essential to give some account fo the background.

This alone explains the stimulus given to social thought. In the century that has elapsed since 1848, strides have been made towards recognition for the mediaeval tradition and to the need for reform along the lines suggested by Bishop Berkeley. These two arguments - from ethics and expediency - have not coalesced, but both are present today. And it was particularly the years towards the end of the eighteenth century that precipitated the need for such ideas. The sheltered society of the clerics of Jane Austin was not to persist long, and already there were warning signs and voices.

Edward Gibbon, incidentally (9d. 1794) was led by his studies of Rome to notice usury: "The Latin language very happily expresses the fundamental difference between the commodatum and mutuum, which our poverty is reduced to confound under the vague and common appelation of a loan. In the former the bowwrrower was required to restore the same individual thing with which he had been accomodated ... in the latter it was destined for his use and consumption, and he discharged this mutual engagement by substituting the same specific value ... Usury, the inveterate grievance of the city, had been discouraged by the Twelve Tables and abolished by the clamours of the people. It was revived by their wants and idleness, tolerated by the discretion of the praetors, and finally determined by the code of Justinian. Persons of illustrious rank were confined to the moderate profit of 4 %; 6 was pronounced to be the ordinary and legal standard of interest; 8 was allowed for the convenience of manufacturers and merchants; twelve was granted to nautical insurance ... but exeept in this perilous venture, the practise of exorbitant usury was severely restrained. The M most simple interest was condemned by the clergy of the East and of the

West: but the sense of mutual benefit, which had triumphed over the laws of the Republic, had resisted with equal firmness the decrees of the Church and even the prejudices of mankind." An interesting note - for the time - on the etymology of foenus and Tokos says: "The principle is supposed to generate the interest: a breed of barren metal, exclaims Shakespeare - and the stage is the echo of the public voice." Gibbon was at least aware that there had been teaching in the Church and restrictions in the State on the practise.

Typical of several broadsheets still in existence towards the end of the eighteenth century, at the time when Pitt was introducing the income tax, if the following called TAX OR AXE. It may be noted that the purpose of income tax is to pay the national debt interest, and that over a period of years before the last war the figures of the amongunt collected in income tax and that paid in this interest were extraordinarily close. It was immensely swollen by the war that concluded at Waterloo.

Tho' tis in this case
With a good brazen face
Hard holding the helm are the ninnies
The National Debt
They'll swell greater yet
Tho' tis three hundred million of guineas.

But say what we will
Pitt taxes us still
Our tea and our wine and our drams
They have taxed our light
By day and by night

And our lawyers, poor innocent lambs.

("light" refers to the 1784 tax on windows to pay the National Debt interest. The usurers had to be satisfied first).

Soon as we say Ba
There's a tax for to pay:
This seems like tyrannical laws,
To be laid in the grave
A tax they must have,
But then we get free from their claws.

I boldly declare
Whoever they are
That pretend for to govern a Realm
If they suffer the State
To be drowned in debt
They deserve to be kicked from the helm.

O that a good nob
Had hold of the job
Cheap plenty would have a free scope,
Each national bite he'd-s
He'd soon put to right
With a little good sense and a rope.

O Rulers of State
Your wisdom is great
'Tis plain by invention of tax
But old Jonnie Bull
Looks sulky and dull
And has dreamed of a halter and axe.

The prosperity of the industrial revolution was passing by

the end of the century, and Nathan Rothschild arrived in London the same year as the income tax (1798). He had brothers at the strategic points in Europe - Frankfort, Paris, Vienna and Naples, and the family was to achieve its object of wealth and power beyond the dreams of avarice. What Adams calls the era of contraction soon came, and he and his fellow usurers were the type into whose hands "the great hoardes of London now passed": fifty years were to bring the country (and the Continent) to the brink of disaster. The wars, plunging Europe into debt, favoured the financiers, and the Gordon diots had been symptomatic that the benefits of industrialism were thinly spread. Yet Cobbett could still write that "in 1790 the nation was in a state of real prosperity. We heard th then of none of these distresses, no overstock of people and overstock of goods at the same time, none of these corn bills and this hole- digging work.... All these signs of prosperity have made their appearance while rents were trebling. If rents do come back, it is as clear as daylight that the present landlords if encumbered; and if not encumbered, the landlords must be brought down, and will soon be insignificant creatures compared to the fund lords, who are daily rising over them; and who in a short time will and must have a complete ascendency ... The pulling down of 200,000 small farm houses and making the inhabitants paupers was not an improvement." (1821 - Register).

By 1795, the Rev. Mr. Davis in The case of the Labourers in Husbandry wrote, "thousands of parishes have not now half the number of farmers which they had formerly; and in proportion as the number of farming families has decreased, the number of poor families has increased." Earl Stanhope in his evidence before the Lord's Commission on the Poor Laws(1831) testified that the dest-

ruction of small farms had "much diminished the comforts of the people and injured the prosperity of the country."

Between 1795 and 1830, wages declined by 80 %, while the cost of wheat almost doubled on what it hadbeen during the previous half century. To supplement the falling wages, the allowance system was introduced, which paid from the rates enough on top of the wage to keep the labourer and his family alive. (This was first adopted by the Speenhampsted, Berkshire, magistrates, towards the end of the century). Poverty was driving mothers to the factories, and the "sleeping in" system appeared, work often lasting from 5 a.m. to 9 p.m.Child labour was cheap, and as the poor tenants were evicted the pauper children were bound to cotton mill proprietors, and were often carted off in droves from London to York or where they were required. Romilly said (1811) that parished that so bind their poor children are rid of them for ever. Thom, a cotton mill apprentice, wrote the Mitherless Bairn in 1808, and Crabbe's "workhouse-clearing men" are well known. Punishments were savage in the extreme, and Pitt suggested that children should work from 5 a.m. to 9 p.m. As Cobbett faithfully records, many parsons acted as magistrates and were unable to champion the downtrodden. But "the Rev. J. Hodgson of Jarrow risked his own fortunes in drawing public attention to accidents in the collieries" and the Rev. G.S. Bull of Bierley, Bradford, took an active part in the movement for a ten hour day. But the message of religion was that of resignation and of compensations hereafter (Wesley, d.1791, Grimshaw, Venn etc.) It is true they gave some education, but it was grievances outside the working world - either to do with foreign slaves, or prisons, etc- that was the concern of the reformers of the time. Dr. Percival did act for the child workers, and Owen claimed education and co-operation. Even some employers advocated a shorter day for children

After the Stewarts, the State neglected its duty of maintaining the minimum wage. The Gloucester justices tried to do so in 1726, the weavers drew up a petition in 1728, some Elizabethan clauses were re enacted in 1756. But laissez faire, the policy of international usury, was now the watchword of the country, competition and trade ousted the just price, and "the worker felt its full severity". They had lost the guilds, and combinations were harshly dealt with - the London tailors were forbidden to combine in 1720, truck payment and clothers' combinations were outlawed in 1725. But the State neglected its complementary duty of enforcing the minimum wage. The allowance system was answered by the employers paying practically no wage at all, while the rates went up. The weavers, for instance, found themselves subsisting on potatoes and porridge if they could afford it. (their wages declined from 13/10 in 1802 to 6/4 in 1812, and again to 4/3½ in 1817). Yet, for the first twenty years of the nineteenth century the average price of wheat was 98/6d.

But for the manufacturing lords, all seemed well, and the period of expansion came to its peak in 1809 when "prices reached their greatest altitude". Napoleon was at his height and Adams sees in this moment an impressive poising of the world on "the brink of a new era". Some worried about the new income tax, but most producers "thanked Mr. Pitt and the war" fot the high prices. (Felix Holt - George Eliot). But the next year Napoleon crashed. He represented to Agams the martial and imaginative type, and he adds, "from 1810 nature has favoured the usurious mind, even as she favoured it in Rome from the death of Augustus." But Napoleon had a shrewd knowledge of the real events that were shackling Europe and was the enemy of finance.He wrote in 1812, "One might think that all

the politics and all the interests of this unhappy Continent are bounded by the price of a cask of sugar." And, "The good of that Europe which seems to envelop her (England) with good will counts for nothing with the merchants of London. They would sacrifice every state in Europe, even the whole world, to further one of their speculations." There is evidence (vide MacNair Wilson's book on Napoleon) that towards the end of his life the Duke of Wellington, who came to see something of the destructive work of the international usurers, regretted having utterly destroyed Napoleon. It was his fall that gave the usurers more power.

For the seed of debt had been growing while the flower of Christian economics had withered and died. It is no coincidence that after the repeal of financial morality and the introduction of laissez faire (the law of the jungle, which favours the survival of the fittest for jungle life) the Bank of England was founded on a usurious basis and debts became their monopoly. During the whole of the eighteenth century, the Church's authority in matters of business was negligible and such religion as ther survived was organised in a separate department, cynical or sycophantic. As long as the system produced only incidental miseries, temporary abuses or local manifestations of industrial slavery, it was practically unquestioned. It is curious that there are so few references to Berkeley's Querist, as it must have been widely read, passing through several editions. As a result, when trouble came the Church was as unprepared as the State to find any remedy. The trouble was foreseen by Cobbett.

Meanwhile the dealers in money, like any monopolists, were anxious that the amount of currency should be limited: this would mean that as production expanded, money would buy more and debtors

would be in their creditors' power. Now, although debts had been piling up and the whole system of national finance was built on debt, the plentiful notes had kept the traders - and to a lesser extent the gentry - afloat. "A supposed obligation to meet the needs of commerce", and the discount of all arising out of commerce, "appears to have been the principle on which the amount of the circulation was regulated". These are Lord Overstone (Lloyd) 's words, who had very different ideas. The "moderation and regularity of issue" worked quite well on the whole but did not favour the Rothschilds. In 1774, through Lord North's intervention, gold currency was to be regulated by weight as well as by take, and in 1797 the Bank of England suspended cash payments, which resulted in a rapid rise of price. The directors had been willing to discount at all legitimate commercial paper, and the dearth of specie had been relieved by notes, now of £15 and £10 as well as of £20 as they had been from the foundation of the bank.

It was the usurers' instinct to keep money short, and if they could institute a fixed quantity of circulating medium, they would be able to control it and the nation. On the motion of Frances Horner, the "Bullion Committee" was appointed in 1810. But the merchants were still strong enough in Parliament to defeat the recommendations of the banker - usurers. As Chambers said, "I do not concieve gold to be a fairer standard for Bank of England notes than indigo or broadcloth." The controllers of gold naturally wanted their commodity as the standard, which would deliver all commerce over to their mercy. Silver, incidentally, was a rival to gold, and it was in their interest to have this demonetized. We may clearly understand the position if we imagine that radium, or some other very rare metal, were made the backing of the currency:

the owner of radium would be in such a commanding position that he literally had the world at his feet. There was no question at the time that the state had an inherent right to issue and control its own circulating medium: this right had been usurped by a handful of cunning men. The bank further strengthened its position by the acts of 1708 and 1800, and was beginning to push out the other banks who had the right to issue legal tender.

The country, before Waterloo, was crippled with debt and the interest that had to be paid on the debt. Now she was squeezed from both sides: debts multiplied and currency was deliberately restricted. Before Waterloo, misery was acute. It is true that, due to attack on Lord Byron's motion, the death penalty had been repealled for breaking stocking frames. But low wages brought "manufacturing districts even greater misery than that of the agricultural". There was no joint action in these years (it was illegal), no restraints on the employment of labour. Tooke gave details of the depreciation of paper money in 1813, which hit those with small incomes and low wages. In this year the depreciation was about 30 ½, which cut the purchasing power of wages by 1/3. In 1814, the duty of the quater sessions to assess wages was abrogated (it had been a dead letter, for wages had followed the price of food and remained at a bare subsistence level) as Rogers shows. The allowance system (originated at Speenham in 1795) had tended to depreciate wages and to throw heavier burdens on ratepayers. By 1818, allowances were costing £18 million - about 13/9d a head of the population. (The purchasing power of wages, according to Leoni Levi, was 55½:232⅔ between 1800 and 1820, 62½:146¾ from 1820 to 1840 for seven necessities.

AFTER WATERLOO.

After Waterloo, the financial interests struck first by discarding silver in 1817, then by the cash payments bill of 1819, of which the older Peel complained so bitterly to his son. The monetary interests were now beating the manufacturing, and severest suffering resulted for the labourers of all kinds. It is one of the curiosities of literature that Walter Savage Landor considered Peel was the only statesman of any integrity in the period. But this was rather for his interest in Southey, and the gratitude between the families extendes to this day.

Our position is neatly summed up by a French writer (DeStendhal), writing in 1830. "Le noble Angleterre," reprit the rapporteur, est ecrase aujourd'hui; car chaque Anglais, avant de payer son pain, est oblige de payer l'interet des quarante milliard de francs qui furent employes contre les jacobins. Elle n'a plus de Pitt." And, "Pitt lui-meme reviendra, qu'avec tout son genie il ne parviendrait pas a mystifier les petits proprietaires anglais, car ils savent que la breve campagne de Waterloo leur a coute, a elle seule, un milliard de francs ... l'Angleterre n'a pas une guinee a votre service." This computes the cost of the war at four million francs, the Waterloo campaign at forty thousand. It was precisely the interest on the national debt that had to be paid and that dragged down the rural and industrial interests and workers. The yeomen had already been practically eliminated. The party struggle is neatly summarized: "Sur le vaisseau de l'Etat, tout le monde voudra s'occuper de la manoevre, car elle est bien paye." The people had little hope from the politicians.

Against this background we may turn to the strictures of

a few years previously, so that a farmer knew he was faced with ruin "unless another good war should come". It is relevent to the trend of events that compliers of statistics made it appear that a great number more people were enagaed in manufacture than was the case. Actually, five sixths of the people still were engaged in agriculture. It was true enough that "the infernal system of his followers has annihilated three parts out of four of the farm houses", with a commensurate tumbling down of labourers' cottages, and continuous growth of the proletariat. The wealth of the nation was being drawn into the estates of the "tax-eaters" near London, known as the "Wen". Not fifly years before, every man in many parishes used to brew his own beer. "The war and the debt were for the tithes and the boroughs", and the parsons' mistake was to put the "tithes on board the same boat" as the borroughs. The clergy were, not undeservedly, losing the confidence of the nation, and their attitude greatly helped the popularity of the conventicles. The suburbs, with their smoothe roads, were growing up near London and village decay had set in. About 1820, Sir Moses Manasseh Lopez wa M.P. was convicted of bribery and corruption, which is a sidelight on public morals. Even during the distresses of 1825 - 26 (wheat was 39/- a quarter, southdown ewes were down to 12/6) the building continued: for the interest on the national debt was still payed as a first charge, and so were the taxes. It was in the loans, the "dead-weight", the stopping of gold payments in 1797 and Peel's hill that Cobbett saw the causes of distress. But a bill was passed to banish those who should criticise or have a tendency to bring into contempt the activities of the House of Commons. There was much bitterness that year against the House, and the parsons as well, and the breach between Church and people was being widened.

Distress among sections of the people had been evident since the Peace, and the Government bludgeon had been swift and severe. In 1816 - 17, a forerunner of the hunger march, the "blanketeers" had moved towards London from the North carrying blankets. In 1819 the Manchester massacre, "Peterloo", had brought shame without repentence. But the same men who stooped to these methods had suspended Habeas Corpus shortly before and introduced the Six Acts. Methodism, as an escape, grew in popularity: as early as the time of Richardson, the novelist, they had been commended for preaching to the colliers, and Landor said much the same of Wesley.(It is perhaps significant that Sir Charles Grandison presented his lady not with a farm or an estate, but with an Indian bond.)

But the "Jews and jobbers" were unabashed, and by 1823 had 20 coaches running each day from London to Brighton, where they congregated. (Bournemouth is perhaps a modern equivalent). Labourers were drawn off from the country to repair the roads. Among prosperous middle men, the Quakers ("a sect of non labourers") were taking their place. But - a sign of the passing of a culture - home spun and woven linen was most rare in England, though still common in America, for "the lords of the loom have taken from England this part of itsd due." The national debt and takes drew wealth into great masses, which resulted in "congregating manufacturers" and "making the many work at them for the gain of the few". This suited the taxing government, but the women and girls of the country lost part of their natural employment, while the women and girls of the towns were unnaturally enagaed in the mills. (Cobbett's experiment of introducing into England from America "the straw plat to supplant the Italian" is well known). But the farmers were poorer, employed less men, and stock was killed

or sold younger. The national debt stood at £8,000,000. The Sussex labourers complained audibly of their lot, but "in the enlightened North the wrokers were compelled to wprk fourteen hours a day in a heat of eighty four degrees and were liable to punishment if they looked out of the window." Cobbett pressed for reform, but when it came it was in favour of these lords of the loom, and Massingham calls it the supreme disillusionment of Cobbett's life. But that was in 1832, and is to anticipate.

The picture is quite modern (like that before the 1939 war) for "there must be something out of joint when the government are afraid of the # effects of a good crop". The landlords were so short-sighted that they abandoned the people's cause directly they thought prices were going to rise. Labourers' wages in Hampshire were down to 7/- a week. Spinning jennies filled the pockets of the "rich ruffians", such as would have murdered Cobbett at Coventry. George Rose and Pitt had boasted of enclosure bills as signs of national prosperity: "when men in power are ignorant to this extent, who is to expect anything but consequences such as we now behold?" "The Barings are now the great men in Hampshire." A Fulham brick maker had supplanted an ancient family, which would never have happened "had there been no # debt created to crush liberty in France and to keep down reformers in England." The results make him exclaim, "The vile paper money and funding system, begotten by Bishop Burnet and born in hell; this system has rutned everything into a gamble." The wheel system was breeding a new bureaucracy of tax gatherers, as a result of the "late wars against the liberties of the French people."

Then as now there were huge churches in small villages, (and, for example, the fifteeen villages of the Dunmow hundred have

in population during the last century). It was a curious system that "depopulates Romney marsh and populates Bagshot heath. It is an unnatural system, it is the vagabond's syste,", and unless it was destroyed it would destroy the country. His prophecy was nearly fulfilled in 1848, and something like a century later. It was indeed "apuper making work"The squandering of money is exemplified in his description of the Dover fortifications; where the hill was hollowed out "like a honey comb ... line upon line, trench upon trench, cavern upon cavern, bomb-proof upon bomb-proof." Such ministers were a dreadful scourge intent as they were on keeping out not the armies but the principles of the French.

Mr. Marshall (in his Digest of 1833) suspected overexpenditure and a wrongness in population returns and national accounts. In the monthly Magazine for 1824, he disclosed that "the income of the first five years of the war, 1793 - 7, exceeds by the enormous sum of twenty five millions the sum shewn to have been expended." This was indeed a balanced budget. In the public accounts for 1816, "about three millions more is charged than is actually due". The matter was not cleared up by 1833.

The placeman Robert Bankes Jenkinson also complained of overproduction and prophecied a high price - 70 shillings a quarter - for wheat. He would, it was said, be minister as long as he could pay the interest of the national debt in full, but would be ejected from office the moment he ceased to be able to squeeze "from the Normans a sufficiency to count down to the Jews their full tale." In the rich Kentish corn country, the labourers were in a pitiable condition of poverty and dirt, such as did not degrade those of Sussex or Hampshire, despite their protests. The rich set spring guns and mantraps - which is not unknown today. Pitt was the

"great bawler", just the epithet that an enemy of Mr. Churchill might have used in the twentieth century.

Quite late in the year, Government inspired papers like the Courier were saying that wheat would be 70/- a quarter by November, when the current price was 40/-.This was to cool the reformers' ardour, although the Government had been in the habit of congratulating itself on cheap wheat and bread, and had attacked those who kept prices for commodities high. "The infamous traders of the press are perfectly well satisfied that the interest of the debt must be reduced, unless whaeat can be kept up to nearly ten shillings a bushel ... they know very well that the whole system, stock-jobbers, Jews, cant and all, go to the devil at once as soon as a deduction is made in the interest of the debt ... dear bread does not duit their manufacturers, and cheap bread does not suit their debt." The clash of interest between manufacturer and financier is here apparent, although it would be more accurate to say that the manufacturer wanted cheap bread and high prices for his wares, while the usurers wanted low prices and steady usury.

Such was the ignorance of public men that Lord Lansdowne, when the prices rose in April, said that he had always thought the cash measures had little effect on prices, and he was now satisfied that they had no effect at all. It is again remarkable to what extent the Quakers were profiting from the variations in prices, "among the sacks at Mark Lane."

Cobbett was not alone in his opinion of the ministers. Mr. Nicholls, a barrister of Lincoln's Inn, blamed Burke and the great whig families for the war - the Duke of Portland, Earl Fitzwilliam, and Earl Spencer. In hsi Recollections and Reflections (1819 - 20) he said, "Mr. Burke had sufficient influence

over the great Whig families to induce them to concur with the King in clamouring for a crusade against French principles. Mr. Pitt was unable to resist, and that he might retain his situation as minister he was under the necessity of receiving the great whig families into his cabinet and of embarking the country in a crusade." A "famous old berough monger" had told Mr. Nicholls-John in 1793, "If we suffer this revolution to succeed in France, our order must be overset in this country. We will therefore try to prevent its success. Our trial may fail, but if we do not try we must be overthrown." These were the kind of sentiments that the usurers would have found useful to their purposes, and we can hardly believe that they had no long term policy. The secret socieites were useful to fan the flame, and the ruling class were too stupid to not to give material to the agent provocateur. It is remarkable that George Cobbett, farmer and publican, was against George lll's government in the American War of Independence, and "would not have suffered his best friend to drink success to the king's arms at his table." It was a war provoked by the interference of British banking in American currency, which tried to deprive them of the right to issue their own money in favour of usurious lending, and by the imposition of tax by Britain.

By 1825, a year of great misery, the change in social order id marked. Notably, the farmers had changed their manner of life from housing and feeding their labourers at a long oak table and were aping the stockbrokers' mahogany, parlour and bell pull. ~~These~~ These allowances were replaced by money, but the wage was so small that the twins of pauperism and crime were rapidly increasing. "The blame belongs to the infernal stock - jobbing system... the sons become clerks or some skimmy-dish or other." There must be

a "dreadful convulsion that must, first or last, come and blow this funding and jobbing and starving and enslaving system to atoms." The prediction, by and large, was soon fulfilled, but the system remained more cunningly enthroned than ever." He would have shared the laughter and joined the hissing of the London University students in 1848 when Lord Brougham told them not to participate in the revolutionary spirit of the time. He adds, "the debt is fast sweeping the aristocracy out of their estates." Sir Charles Ogle, for instance, whose family had lived in the same house for two s centuries, had sold up and gone for good and all.

The labourer was earning 8/- or 9/- a week, while a pound of bread and a quarter of a pound of cheese cost 5d. The felon was better fed, although the labourer was often employed at the same work of roadmending and hauling as the felon. The cry of the day was that all the great interests were prospering, but the great interest of the working man was omitted from the catalogue. All this was leading to "a dreadful convulsion". Lord Suffield, Lord Buxton and others were campaigning for the release of negro slaves, others for education. They are reminded to "look at Home for slaves to free". The lack of education was the imputed cause of the vast increase of the size and number of gaols. "The tax gatherer presses the land-lord; the land-lord the farmer, and the farmer the labourer. The press was as silent on these issues as on the debt, the cause of the taxes, on the "dead weight", the thundering standing armies, enormous pensions sinecures and grants. The system was driving property into large masses to save itself, and the yeomen that survived were fast being evicted.

Of the Whitchurch mill, that made Bank of England notes, he said it had caused greater changes than had taken place in the

previous seven centuriesin its 131 years or even in the last 40. years. The Drummonds and Barings were notable gainers: other merchants did well, but the financiers even then were clearly doing better than any other class. The Barings had "swallowed up thirty or forty small gentry without noticing it." The bigger gentry were marrying into the families of the "paper-money people .. and whether they be Jews or not seems to little matter." The cotton dealers had a poor year, in Britain and New York, so that there was a clamour for the repeal of the corn laws. But "the farmers can but just rub along now, with all their high prices and low wages. What would be their or their landlords' state if wheat were to come down to 4,5 or even 6/- a bushel? Universal agricultural bankruptcy..."

The papers, meanwhile, tried to distract the people from their suffering by declaiming against the "degraded condition of the people of Spain". English people who spent their lives among sheep never tasted a prortion of meat, so different from the times of Fortescue when "the Ebglish are clothed in good woollens throughout and have plenty of flesh of all sorts to eat." The Spaniards were unpopular because they had been saved from a bond-scheme operated by the international crew of usurers, Jewish and otherwise. "They would soon have had people 'licensed' to make them pay for permission to chew tobacco or to have ale light in their dreary abodes." This is another reference to the window tax. Peel was "the offdpring of the great Spinning Jenny promoter who subscribed ten thousand towards the late 'glorious' war, and said that two more years of his famous bill or the repeal of the corn laws would unsettle modest squires and parsons."

Many farmers would not employ single men, as the wages were

needed for married mens' families. The single man in some places - North Hampshire for example - received as little as 2/8d., which bought two gallon loaves a week, while in Sussex he received 7d. a day, for six day. This bought two and a quarter pounds of bread. The married man's 9/- a week hardly bought a gallon loaf each for his wife and three children and two for himself. The felons received a pound and a half of bread a day and usually some meat, which had to be allowed if they worked at the trad mill. Mrs. Fry was diligent in prison reform. Circulation, according to MacLeod, had contracted by 12 % by 1823. Then there had been a sudden rise in price due to the bill to respite small notes till 1833, but decline set in in 1825. The administration was discredited, and monetary policy was dictated by Lombard Street when in 1826 an act was passed to prohibit the issue of small notes.

A. Young 's conclusions were that the agricultural labourer's wage averaged 7/6d a week from 1767-89; 10/- up to 1803; 12/- up to 1810, and 12/9d for three years from 1811. Then there were declines of 7 % up to 1814, 20 % by 1820, 12 % more in 1821; 5 % again in 1822. They rose to 9/4 in 1824, 10/4 in 1837, 11/7 in 1860. But rents had risen and allowances and allotments been docked. Girdlestone, later a canon of Bristol, called attention to the miserable condition of these labourers, who were not protected by factory acts, and were sometimes herded together in barns like the ergastula of Rome. It was not until the time of Joseph Arch that these poor men found a leader and avoice, and by then the agricultural crisis of the seventies was overtaking home production.

Unemployed weavers suffered acute distress, inspite of the 1824 repeal of the Combination laws. This was at a time when London was becoming the centre of the world wool market. They had

to wait until 1845 for the foundation of the National Association of the portection of Labour. It was on the other hand the year of the General Enclosures Act, and it was a great century not only for enclosures but for the commutation of tithes into a fixed money payment. This meant that the farmer had to pay the same if he had a ruinously poor crop, and contributed not a little to alienate from the Church some of her stoutest suppereters or in the country. A half way stage was the assessment of a field at 6d. for tithe when arable and 4d. when under grass.

Even so, wages were at their best not 1/3 of what they had been in the fifteenth century & for purchasing power. The peasant used to occupy hut and curtilage at 2/- a year, keep pigs and poultry and perhaps a cow on his share of the common pasture, have his daily nonshenes, and often his a board in harvest. His day used to be of eight hours with four breaks in summer. Jesse Collins, supported by Arch, proposed small holdings in the House of Commons, and some legislation was secured. The farmers were hostile as they feared independence on the part of the labourers.

But two more decades were to elapse before a movement within the Church arose to deal with these effects and in time to consider their causes. It was centuries since the parson had maintained out of the tithes those incapable of work, and the landowners were "as mute as fishes" while their estates were taxed to pay interest on debts contracted to the stock-jobbers and to "make wars for the sake of the goods of the cotton lords". Prisons were not needed when the labourer got twice as much instead of half as much as the "common standing soldier". "The great masses of property have in general been able to take care of themselves: but the little masses have melted away like butter before the sun."

The "commercial gentlemen" too were on the increase, and they also tended to draw wealth from the country to the cities. They were formerly called riders and travellers, but had given up horseback for travel in their gigs. Another change was the grant by the Whigs, when they were in office, of pensions from the Crown to foreigners, although this was unlawful and "no nationalisation bill can take away that disability".

Much though Cobbett understood of the troubles of his time, he saw little wrong with the Bank of England's monopoly. "The bank has issued no small notes, though it has liberty to do it. The bank pays in gold agreeably to the law ... The bank lends money I suppose when it chooses: and is not it to be the judge when it shall lend and when it shall not? The bank is blamed for pytting out paper and causing high prices; and blamed at the same time for not putting out paper to accomodate merchants and keep them from breaking ... It is the fellows that put out the paper and then break that do the mischief." This is the ordinary outlook that saw nothing wrong in the Bank of England, a private corporation, being the judge of when it should lend: we are far from the bishops' mints when money was not lent but issued, and when there was no such monopoly. But Cobbett was content to put the blame on the small note bill, which indeed resulted in some panic and the demand of gold for the "rags". He had siad it would drive the gold out of the country and "bring us back to another restriction or to wheat at four shillings a bushel."

But his rare intelligence deals with the subject of foreign loans, andother development of the period: all the elements of the modern financial system were present, and the idea was being popularised. Peter Maculloch and other Scotsmen said that the

interest on the loans would come from South America to enrich the country and "surplus capital" would be exported. This scheme was soon to come and ruin British agriculture for over a century, by flooding the home country with cheap food which was produced by robbing virgin soil of its fertility. "My perverted optics could see no surplus capital in bundles of bank notes. I could see no gain in sending out goods which somebody in England was to pay for without, as it appeared to me, the smallest chance of ever being paid again." Cobbett despised bonds and expected little interest back on them. In spite of Canning's efforts to "prop up the credit of these sublime speculations", he thought those who subscribed to them "mad with avarice or a love of gambling". Unless the bonds were paid, the brilliant commerce with which Canning was enchanted would come to an end and "leave behind the wretched cotton lords and the wretched jews and jobbers to go to the workhouse or Botany Bay". The loans were intended to amount to 21 or 22 million pounds, and twelve million pounds woth of goods had been sent out of the country.

In 1826, corn was a seventh lower in price than it had been the previous year. The price of wool was declining rapidly. In 1824 it had been 40/- a tod (28 lbs. avoirdupoids), in 1825 it was 35/-, in 1826 19/-, and as a result wool had dropped from 17d. to 8 d. a pound, and it was not so long since it had been 30 d. (A ewe's yield was about 3 lbs., a weather's 4, and a ram's 7 lbs.) The price of horses and cattle - save the fat - was falling. A reasonable diet for a man, his wife and three children would have cost £63, but he only received £23 for all his expenses. The price of broadcloth fell from 1/3d to 1/- a yard, which was unprecedented and the misery of the weavers on quarter time rivalled that of the

farm labourer. There was a starvation committee in Manchester, and cottages, mansions, parsonages were falling down. Meanwhile the big towns - London, Liverpool, Manchester, Cheltenham, were growing apace, and twenty thousand houses were being added to the capital. Lord John Russell reminded the manufacturers that they had most frequently sought the aid of troops to keep the people in order.

This state of affaris led people to consider the ideas of Malthus. In 1816, when the Luddites were active, Lord Brougham had quoted Malthus and said: "It might be objectionable to withold relief from the future issue of marriages already contracted; but why may not such relief be refused to the children born of marriages contracted after a certain period?" The idea of overpopulation was too readily accepted, and Cobbett pointed to the heavy depopulation of the countryside. In the Vale of the Avon, for instance, there had been twenty four manor houses and were thrity one churches. This was his practical way of "exposing the folly, the stupidity, the insanity, the presumption, the insufferable emptiness and insolence and barbarity of those njmerous wretches who now have the audacity to propose to transport the people of England, upon the principle of the monster Malthus, who has furnished the unfeeling oligarchs and their toad-eaters with the pretence that man has a natural propensity to breed faster than food can be raised for the increase ... this mixture of madness and blasphemy" disregarded the vast changes that had taken place in a spot like this, which God has favoured with every good that he has to bestow upon man." He must have turned in his grave when, in 1838, a plan was gravely commended in a large volume for murdering infant children by "painless extinction".

Malthus probably considered that the effects of the insane

and unnatural system were its causes. The topsy turvy state of affairs in the Avon Valley was a microcosm of what England was to be and still is, for wealth in corn and animals was carted wholesale out of the valley with very little return. The valley was depopulated, but the d cries of over population and overproduction shewed that the distributing system had broken down. The women and children there used to spin and card wool for making broadcloth, but this work and the profits had gone to Lancashire. A tax of 4d. a pot was imposed on beer, and a bill passed to admit certain grains at a low duty. Many labourers had been enticed eighteen months befor by Black and others into factories, from which they had been discharged and set to dig fields at 1 ½D. a rod. The rates were 3 d. or 4d. a rod in the market gardens near London. The Irish and Scottish poor, who were literally dying of starvation, were said in Parliament to be exercising "patient resignation". The real powers at work are indicated in the newspaper reports of this year that "a number of official gentlemen connected with finance have waited upon Lord Liverpool". A comment of the time was, "We have nearly come to the system of Hindostan, where the farmer is allowed by the Aumil or tax-contractor only so much of the produce of his farm to eat in the year." For a similar revolution had taken place in India after the eighteenth century spoliations, and the power had passed to the Marwaris, who are described by the commission of 1875 to inquire into the cause of the riots: "The Marwari money-lender's most prominent characteristics are love of gain and indifference to the opinions or feelings of his neighbour ... As landlord, he follows the instincts of the usurer." The inflow of the Marwari began after the conquest of 1818. The wheel has now turned full circle, and the British have departed leaving vast public works - bridges, railways roads - to compensate for the wealth they took

out in the seventeenth century. In the desperation of the eigh times, there was a small effort to reverse the process of "shutting out the labourers from all share in the land" by allowing them to cultivate strips, but it was not on a large scale. The prices of mutton cheese wool still fell, while the tithes, commuted to a fixed money payment, tended to depress wages further, in the farmers' effort to squeeze them out of his takings. This gave the parsons a shocking reputation for greed. Sir William Scott, in 1802, had spoken in favour of the non-residence of the parsons, saying that they ought to appear at the wateringplaces to gain their flock's respect. It was advice that was too readily followed, while many of the parsonages were deserted and falling down. Another trend of the times was that brewing was becoming a monopoly. A foreign diversion was attempted this year against the King of Spain - a modern touch - who had refused to "mortgage the land and labour of his people for the benefit of an infamous set of Jews and jobbers", and had imposed a stiff tax on traffickers.

In 1827, Sir James Graham said of the landlords: "Substantial justice is on our side; and who are they that are against us? The Annuitants, the Fundholders, and the Economists; a body which, if the landowners, if true to themselves and in concert with the people, cannot fail to defeat ... It is not the price of bread alone which is a check upon our industry; on the contrary, its effect is insignificant compared with that of taxation; and every notion of free trade is worse than visionary unless accompanied by a large reduction of taxes and duties." A curious reversal of tradition may be noted in a branch bank at Gloucester which is "quite ready, they say, to take deposits, that is to keep peoples' spare money for them; but to lend them none without such security as would get

money even frim the claws of a miser." Sheep had fallen, in a year, from 34/- to 23/- a head. The cost of the standing army was about equal to the poor rates, while the Ricardos and Barings - both it appears Dutch families - were growing enormously wealthy by monetary manipulations, and were busy with loans to Greeks and Mexicans. "The Barings are adding field to field and tract to tract in Herefordshire, and the Ricardos are animated by the same laudable spirit. The rapid change in the outlook of the nobility, who had violently opposed the reformers, is accurately described: "You may form some little notion of the change when you reflect that your grandfathers would as soon of thought of dining with a Jew, aye, and sooner have thought of dining with a chimney sweep, than of dining with a Jew and-see or with any huckstering reptile who had amassed money by watching the turn of the market; that those grandfathers would have thought it no dishonour at all to sit at table with farmers or even labourers, but that they would have shunned the usurious tribe of loanjobbers, and other notorious changers of money, as they would have shunned the whirlwind or the pestilence. These usurers now take precedence of you in many cases ... to this you have brought yourselves by your jealousy of the people who are your natural frineds and whose friendship you have lost, and thereby made yourselves the dependents of this tribe of loan-jobbing vagabonds whom you despise in your hearts, and whom you compliment in your words and looks."

Byron had the same thought:

"Alas, the country! How shall tongue or pen
Bewail her now uncountry gentlemen
The last to bid the cry of warfare cease,
The first to make a malady of peace ...
But corn, like every mortal thing, must fall

Kings, conquerors, and markets most of all."

Byron understood more than most of his contemporaries the significance of "BarRothschild and his fellow Christian Baring." Glove manufacturers were comparatively prosperous, although the lowering of prices affected everyone except "monopolisers, Jews and tax-eaters". The "Jew system" had already swept away little gentry, small farmers and domestic manufacture. In the Cotswolds there had been thrity blanket makers, but five now had the monopoly. "As fast as the skill and care and industry can extract riches from the land, the unseen grasp of taxation, loan jobbing and monopolising manufacturing takes them away, leaving the labourers not half a bellyfull, compelling the farmer to pinch them or be ruined, and making even the landowner little better than a steward or bailiff for the tax-eaters, Jews and jobbers." In 1771, Arthur Young allowed 13/1d. for a man, wife and three children. The Berkshire magistrates allowed 11/4d. in 1795; in 1826 it was 8/-, when 18/- would barely have been sufficient. Prices at Weyhill fair were down by half: a ewe in lamb was 25/-; it had been between 55/- and 72/- in 1812, but had gone down in price since the war except in 1822 when there was what Baring called a "plethora of money".

Cobbett's Petitions had little effect. When the Kent Petition was refused in 1822, John Martin proposed that if it were received the "House should not separate until it had resolved that the interest on the Debt should never be reduced." Castlereagh, who cut his throat some weeks later, was in favour of receiving the Petition in order "to fix on it a mark of the House's reperobation". The harshness of the times was reflected in cruel game laws, which Mr. Justice Wilks implied were productive of tyranny. It was a "hollow and tinsel nation", like Rome before its fall. The "relationships between master and servant are obliterated

along with their names". And when there was danger, the announcement at Lloyds made the Funds rise. As Lord Chatham remarked, what was calculated to sink the country "caused the hopes of these muck worms to rise." "His miserable son augmented the number of these muckworms a hundredfold." The decline had been evident since 1797. In 1796, a barley loaf had cost about as much as a day's wage. (1/)

Pitt then advocated the "free circulation of labour" (mobility of labour is the modern term for it), and agreed with Whitbread's suggestion of a premium for large labourers' families. The Norfolk Petition requiring an "equitable adjestment" was not well received by Coke, Gurney, Brougham, Wodehouse or the King's Speech. The Hampshire Petition og 1817 was no more acceptable to the rulers. As Bryron wrote, "But where is now the goodly audit ale,

The purse proud tenant never known to fail?
The Landed Interest - you may understand
The phrase much better leaving out the Land ...
... What an evil's Peace!"

Shops had replaced markets anf fairs, which resulted in more town centralisation. There had been a decline in the timber of the New Forest from 315 thousand loads in 1608 to 21 thousand, another proof of an unnatural and parasitic system that was out of tune with nature. "It seems to be the main object of this government to give all possible encouragement to traffickers of every description, and to make them swarm ... The Quakers arose in England: they were engendered by the Jewish system of usury. Till excises and loan mongering began, they were never heard of in England." The Spitalfield weavers presented an address to the King this year (1827) in which they deprecated the disturbances of 1817 and 1819 asked for justice. Their lot had deteriorated from that of an honoured craft

to the bitterest poverty.

In 1829, Golbour and the Duke of Wellington said that they did not consider the withdrawing of two million pounds worth of pound notes would injure the country, but would make the bankers readier to discount £5 notes. "We had an ignorant government, an ignorant parliament and something worse than an ignorant press." "The farmers feel all the pinchings of distress and the still harder pinchings of anxiety for the future: and the labouring people are suffering in a degree not to be described./ The shutting of the male paupers up in pounds is common throughout Bedfordshire and Buckinghamshire."

So the tragedy mounted and Cobbett, who had every right to be called a Christian reformer, and who used once more the ancient term for the financiers, saw the Church largely unconcerned, although he had a great respect for the "working clergymen". The usury laws had long been a dead letter, and in France had been repealed in 1789.

In 1830 the poor suffered severely, particularly in a rich county like Lincolnshire, although "no human being should perish for want in a land of plenty". Fat animals were seldom consumed where they were reared, and "hundreds upon hundreds of sheep as fat as hogs go by this inn door, their toes, like those of the footmarks at the entrance of the lion's den, all pointing towards the Wen". Three pounds of bread a day was often all that a labourer could buy. Bad harvests kept the price of wheat up to 7/- a bushel, but beef and pork were selling for 5/- and 4/6d. a stone, and wool was down to half its former price. "One of the great signs of poverty of the people in the middle rank of life is the falling off of audiences

the playhouses". A familiar question is asked again, "How long will these people starve in the midst of plenty?" Property was guarded by fire-engines, steeltraps and spring guns. Earl Spencer expected the new Poor Law to make wages rise, but the contrary was the case. Sheep had dropped on an average 5/- a head, and the labourers were becoming very bitter against the farmers; although those at Barn End were more aware, and complained of the hundred thousand a year paid to disbanded foreign officers and their families, of the suggestion for checking labourers' marriages, and of losing half their wages in taxes - now imposed on Beer, shoes, candles, soap, sugar, tea, bread, meat - which doubled the price of those commodities. Cobden spoke of the "almost fanatical outcry against the Malt tax", and in 1837 attacked the Marquis of Chandos for moving against it. He said labourers would be better without beer. Little meat was killed in Lincolnshire, and it was common to see "starvation in the midst of plenty; the land covered with food, and the working people without victuals: everything taken away by taxeaters of various descriptions ... Is the abundance which God has put into your hands to be the excuse for your resigning yourselves to starvation? My God! Is there no spirit left in England save in the miserable sand hills of Surrey?" The words might have been written in 1939, instead of 1837. Gaols still increased, while there were endless discussions about the poor andpoor laws. Unemployed labourers were formed into "roundsmen" who went round from one farmer to another.

30.

Emigration was going on at a great pace, and by 1848 had reached the huge figure of 350,000. Capital of between £200 and £2,000 was usually required. The poor went to Prince Edward's Island, Nova Scotia and Canada. The colonies in America - apart

from some of Canada - would "be left to the savages and bears in the course of a year" if it were not for the taxes sent to the "relations and dependents of the aristocracy".

The Unitarian Bill had been passed and the Test Act repealled, while an act was pending to admit Jews to the bar and Parliament. No clergy objected to the bill allowing such rights to the Jews.

"The middle class are fast sinking down into the state of the lower class". Each year saw an increase in the propertyless proletariat, so many of whom had been independent yeomen. It was spiritual as well as physical degradation. There was a scheme for joint stock banks which threatened, it is said, to break the bank of England; which did break a number of people, and which finally broke down itself. Some commercial employers used the "tommy system" which amounted to payment in goods, a kind of barter: if the employees neededmoney, they had to sell the goods. It was abused by people taking too much of their pay in drink. Without the system, a half instead of aquarter of the furnaces would have been out of blast.

In 1832, Lord Howick demanded that English country girls should be sent to Nova Scotia to avoid their breeding in England. The labourers in Hampshire and Wiltshire, as evidence given before a House of Commons committee disclosed, commonly took cold potatoes to work. (The potato has come into its own since the last war also). Brougham, a crusader against the paupers, and Birbeck preached contentment to the hungry, while enormous new gaols were being built in the grandest gothic. Tithes were leased to middle men in England, as was done in Ireland. In the North, the labourers were not yet reduced to substituting potatoes for wheat. Lord Howick proclaimed that reform was only a means to cheap government, but even so the

disease was depper than "keeping fifty thousand tax eaters to breed ladies and gentlement for the industrious and laborious to keep." The Reform Bill gave the manufacturers political as well as economic power, and did nothing to help the downtrodden labourers and evicted yeomanry. It is true that Rickards and others discredited the doctrines of Malthus, but affairs moved on their inevitable way to the crisis of 1848. Colonial wool had been auctioned in London, the centre of the world wool market, since 1821. The resolution of 1834 to make an onslaught on the papper was ineffectual. In 1836 General Sir John Ellery, in the debate on the Factory Bill, said: "A recruiting officer would reject five out of ten of those who offered themselves for the army in the manufacturing districts, whereas he would not reject one out of ten in the rural." The maps of the time with dark areas shaded for criminal districts shewed the manufacturing and heavily populated districts much the darker. The naive answer of the gentlemen of the "league" was that this immorality was due to the bad example of the ignorant agricultural parishes. Public nurseries were used while mothers went to work, and there was a heavy sale of drugs and narcotics for the children: "Godfrey" contained 1½ oz. of pure laudanum to the quart, and "Infants' Cordial" was stronger. The Manchester Chamber of Commerce protested in 1838-9 that the Bank caused confusion and misery. Between 1839 and 1849, there was a fall in price of 28%.

As the hungry forties succeeded the threatening thirties, supreme power passed into the financiers' hands - those who were formerly called usurers, and whom Cobbett had partially descried. The Bank Charter Act of 1844 was an "Act to regulate the issue of Bank Notes, and for giving to the Governor and Company of the Bank of England certain privileges for a limited period." The country

had lost the right of issuing its own money as required, and the volume of money was controlled by the financiers, who lent out the people's money in insufficient quantity at interest. It was the virtual triumph of the usurer. The "issue of promissory notes of the Governor and Company of the Bank of England,was payable on demand, was to be "separated and thenceforth kept wholly distinct from the general banking business"; and the issuing business was to be conducted "in a separate department to be called the Issue Department of the Bank of England." The Court of the Directors were authorised to appoint a committee or committees to manage the Issue Department, to dismiss its members, and "define, alter regulate the constitution and powers of such committee as they sha shall think fit" - wide powers indeed. The Issue Department was to have "transferred, appropriated and set apart ... securities to the value of fourteen million pounds, whereof the debt due by the public to the said Governor and Company shall be deemed a part... and so much of the gold coin and gold and silver bullion then held by the Bank of Engaland as shall not be required by the Banking Department thereof."

This is a classic statement of debt finance, alleging that the people are in debt to their own banks, while the Governor and Company have plenary powers to decide how much bullion may be allocated to the Issue Department. On these securities, the Issue Department were to issue notes. The volume of money to circulate was fixed and could even be reduced at a time of expanding trade and production: "It shall not be lawful for the said Governow and Company to increase the amount of the securities for the time being in the said Issue Department, save as hereinafter mentioned, but it shall be lawful for the said Governor and Company to

diminish the amount of such securities, and again to increase the same to any sum not exceeding in the whole the sum of fourteen million pounds, and so from time to time as they shall see occasion." This amazing power of reducing the currency put the usurer firmly in the saddle: he realised that if he rode too hard, revolution would be inevitable, but the power was given and produced enough trouble in the hungry forties. Douglas Jerrod's saying that in 1833 no one was thinking about poverty and in 1839 no one was thinking about anythigng else is an exaggeration, but indicates the widening of poverty. The gold standard was fixed at £3;17;9 per ounce of standard gold.

Another somewhat masked restriction of currency was the allowance to the Issue Department to utter notes beyond the fourteen million - a gracious concession - if any banker who was issuing his own notes stopped doing so. "Provided always that such increased amounts of securities specified in such order in council shall in no case exceed the proportion of two thirds the amount of bank notes which the banker so ceasing to issue may have been authorised to issue ..." This was another cut, cloaked as a concession. Nor was a abnker who issued his own notes and became bankrupt or ceased to carry on the business of a banker or discontinued the issue of banknotes allowed "at any time thereafter to issue any such notes. A second principle of centralisation, in addition to restriction, was being inevitably enforced.

Two years later, in the debate which led to the Repeal of the Corn Laws (1846), Peel admitted that the country was "encumbered with an enormous load of debt, and subject to great taxation." Disraeli said that not only should a balance be maintained between

causes of the disease were understood. James Harvey could still ask in 1875, Who has ever heard a sermon condemning usury as e a sin. We have seen that the last was probably that of David Jones in 1692. But the association of Maurice, Kingsley and Ludlow once more aroused the attention of Christians as such to social issues and - if the Catholic analysis was right - such awareness must eventually consider the problem of money, which is the pivot and life blood of exchange. Some characters in the narrative stand outside the specific social movement, but their intelligence warrants their inclusion. In the main, it was moral anxiety at the effects of an evil system, a recovery of the doctrine of the Kingdom (as opposed the to individualism in religion) and a feeling that the life of the time was unnatural that led men back to the earlier doctrines.

Mr. Reckitt insists that Maurice was the fons et origo of this social movement and that "his greatness lay in his capacity to see and to show that his theology was deep enough to answer all the questions which a secularized economic development and a secular idealism alike had raised ... his capacity arose from a profound grasp of the answers which Christ in God had given to social questions."

We may turn to the real conquest that was being achieved. In 1846 the "landed gentry succumbed to the combination which Lombard Street made against them" (with the industrialists). But the flow of cheap corn drained the Bank of gold, and in 1847 the directors refused further advances. It was the turn of the manufacturers - also debtors - to suffer. According to MacLeod, "the difference between the prices of consols and for ready money and for the account of October 14th. shewed a rate of interest equal to 50%." The mer-

chants begged for notes and said "we don't care what the rate of interest is." Money was beyond price, but the usurers did not want total collapse - or revolution - so notes were again released under the direction of the almighty Overstone, who dictated the suspension of the act. There was extreme suffering: wheat fell to 5/- a bushel, there were nearly a million paupers in Engalnd and Wales. In 1849, Californian gold reached England and the currencu expanded. In 1851-52, the Bank received an addition to her gold of about seven millions and paper issues were increased from 19 to 23 millions. It was on facts of this kind that the welfare or misery of the vast proletariat depended. But Overstone and the Rothschilds had not lost control. "If a country increases in population, wealth, in enterprise and activity, more circulating medium will be required. This demand will raise the value of the existing curculation ... gold will rise." These are Overstone's words, and Adams's comment on him and Rothschild etc. is that they were "financiers beside whom the usurers of Byzantium and or the nobles of Henry VIII were pigmies." In 1819, the Little Shilling project - to make 1/- pass for 1/6d. - had been launched. In 1852-3, the converse was proposed owing to the apprehended excess of gold. In neither case was there any proposal to relate currency to goods available.

As spiritual counteraction to the dominant financiers, the social movement in the Church was fully active by 1852. Maurice said he was a theologian with no vocation except for theology, and that it was his business to preach the Gospel of the Kingdom, but he accepted the title (somewhat misleading a century later) of Christian Socialist. Through this group, the Church did face the challenge of the Hungry Forties, although they were concerned with social reform or social service and not with the basic fault of

usury, with effects rather than causes. Wilberforce typified the "other-worldly" attitude to the poor, which was assailed by Cobbett and the Hammonds. Mr. Tawney pointed out that three hundred years earlier the Church had failed to meet new demands - of which the adaptation of its usury doctrine was the most essential - "because the Church itself had ceased to think". Instead she was pushed into a new type of ethic of sacrifice and abstinence (familiar words today) by the economists, with usury as their premise, and of which Hume wrote, "Avarice is the spur of industry." No longer were there such champions as Jewell, Sandys or Derry, the "Hammer of the Usurers".

Cobbett pointed out, among much else, that the labouring man was no longer coming to Church. Dickens's Hard Times shewed a lack of public worship in the grim setting. Wordsworth wrote an ode to Lost Piety, and Trollope recorded the change from country to town life and ways and the resultant lapse from religion. To this society the Church was startlingly different from what she had been in the days of Andrewes or Sanderson: her social heritage had been jettisoned.

She had lost, in addition to specific teaching on the Just Price, Usury and Partnership, the doctrine of the Creation so that it did not seem anomalous to the clergy that urban industrial society should be, (in the words of Father Keble Talbot at the Anglo-Catholic Congress of 1920) "a contradiction of the eternal principles of the Creator". It was the greatness of Maurice and Kingsley that they began to see this and, though its implications were only immediate works of social reform, it at least shewed an awakening of the conscience and mind with the need for principles of justice. Ethics and Religion, almost totally severed outside

It is true that there were "social implications of the Oxford Movement" (the title of W.G.Peck's book), but two forces at least diverted mens' attention from them. One was the sectarian kind of struggle between the Oxford Movement and the Evangelicals and Clapham Sect, who recommended resignation to the evicted yeomen and other sufferers, and the other was the sweep of avaricious industrialism which was changingnot just the face but the very soul of England. Industrialism was not without its prophets, as the Economists were thought of, and their doctrines succeeded in the popular mind those of Church and Bible. David Hume called avarice "the spur of industry". As Southey wrote, "As for the Political Economists, no words can express the thorough contempt which I feel for them. They discard all moral considerations from their philosophy and in their practise they have no compassion for flesh or blood." But this was not the opinion which the business world held of the Wealth of Nations, and Church leaders took from this world many of their ideas.

Maurice, Kingsley and Ludlow appear as figures in the wilderness. The most that Wilberforce, and his like, required was that a country should be filled with men "each diligently discharginv the duties of his own station without breaking in on the rights of others, but endeavouring to forward their views and promote their happiness." It was cold comfort for those who had been dispossed of their rights, and it was an optimistic kind of view for a society based on avarice with few restraining laws. Yet it has been repeated in our own day by the late Bishop of Jarrow, who said that the Church did not exist to make society Christian for men but men Christian for society. The forces against the "Christian Socialists" were in fact moving forward in confidence of everlasting progress,

with small concern for those who suffered in the advance. Ludlow wrote of Owen's movement. "Instead of seeking to distinguish in it what was genuine, living and hopeful and what was false, excessive and dangerous, they looked on bewildered or joined with its opponents to hoot and crush the whole thing down."

Dr. Arthur Wade was a notable exception when he headed the procession of protest against the scandalous sentence imposed on the Dorchester labourers. He was Vicar of Warwick, and said that to withold God's bounty from those who want is the highest treason against heaven. Dr. Wade was in the great line extending from Bishop Berkeley to modern denouncers of Poverty amid Plenty. But he argued rather from the results of the economic system, right as he was to do so, and did not attack what the Church had formerly regarded as the fundamental causes of this disaster. Mr. Reckitt mentions the layman John Minter Morgan, who said that we should not "ascribe to His laws the imperfections of human institutions", and Dr. William King of Brighton, who edited the Co-Operator. Such men did respond to Owen's challenge, but the hatred of things mediaeval and their association with Romewas still operative enough to prevent them calling on or examining the tradition of the Church. As Ruth Kenyon remarked in "Christianity and the Industrial Order", it was the publication of William Ashley's book - dealt with earlier in this treatise - that led men to consider again the Just Price and Usury.

Religion at this time was less and less connected with public life and morality, so that Jews and atheists became eligible for Parliament whose members were responsible for the election of bishops. Thomas Malthus and his scarcity economics was another force against social thought or reform. Malthus probably looked at the results of indistrialism and read a cause into them. In fact, his work actively

discouraged helping the poor as he was priest not of God - as the fatalistic laws he enounced make plain - but of the usurious masters of Britain.

Thomas Hood (1799 - 1852) should be mentioned among poets and reformers. Besides his well known "Song of the Shirt", with its indictment of "poverty,a hunger and dirt", he took up the case of Gifford White, a labourer sentencedin the Spring of 1844 to transportation for life for writing a threatening letter to the farmers of Blumtisham, Lincolnshire. Hood's eloquent appeal did not prevail against the panic of the farmers and the obduracy of the Home Secretary. One of Eliza Cook's verses, written as a demand for a fitting epitaph, gives an idea of what the public thought of him:

"But Hood, "poor Hood" ! the Poet fool
Who sang of Womens' wees and wrongs
Who taught his Master's golden rule -
Give <u>him</u> no statue for his <u>songs</u>! "

Ashley, Arnold and Dickens tried to help those on whom industrialism bore most heavily, without appreciating the ghastly fact that the victims had largely been independent yeomen not long before and had been robbed of their position and dignity. Arnold wrote: What is the good of a national church if it be not to Christianize the nation and introduce the principles of Christianity into mens' social and civil relations?" Wordsworth understood the spiritual effects of the new "progress".

But the significance of Maurice, and his associates Kingsley and Ludlow, from our point of view is that he started a movement - whose centenary was celebrated in 1948 - which has resulted in something like the doctrine of usury being enunciated by a section

of the Church. This was because Maurice was a theologian who revived the doctrine of Creation and was content to leave no part of life outside the Kingdom of Christ. He restored Our Saviour to his position of redeemer not merely of a few independent souls but of world disorder. The numerous movements, protests and proclamations, Christian and anti-religious, would have resulted in little but improved material conditions for some here and there unless the man with the equipment had come forward who could "integrate" the thirst for justice with the doctrine of Christ and the repulsion at injustice with the ~~doctrine~~ dogma of sin.

Charles Kingsley (1819 - 1875, rector of Eversley from 1843, author of Alton Locke in 1849 and the Water Babies in 1862) met Ludlow in London in 1848 when it was clear that the Charter was not going to be effective. So they resolved to take this opportunity as representatives of the Church, and - inspite of Kingsley's aristocratic and somewhat patronising attitude - close ties were formed with chartists and working men. Kingsley's hatred of Rome would have hampered the Christian Socialists in recovering mediaeval teaching, but Maurice's theology balanced it and led them to be interested not merely in sanitary reform, the prevention of diphtheria etc., or to be apostles of "muscular Christianity" (inspite of the race, still held near Eversley, which takes his name the rector objected to the title), but to look for defects in theology in contemporary representations of the Faith.

Of all who have written of Kingsley, M.B.Reckitt is best qualified to point out the rector's unique and modern contribution. For his country life gave him an insight into the processes and very laws of nature, and anticipated modern thinkers who commend a return to organic husbandry. In the waste of manure, the pollution of water and

the sub-human repetition work of factories, he saw a defiance of the laws of providence. For Kingsley was canon of Chester, which took him through the Black Countyy, before he was canon of Westminster. And once people begin to look at nature for guidance, and to have reservations about mechanical progress and artificial aids or impediments to life, it should not be too long before they consider the nature of money itself.

Mill and Marx were the same in the fundamental matter of taking for granted the nature of money, without questioning the economists, but even invested it with a power which a modern writer has compared to that residing in the "divine bread". The kind of society commended by Marx u is essentially industrial. Kautski remarked recently that more factories would have to be introduced before his brand of social democracy became practicable. Kingsley stood alone in the Christian Socialist movement to challenge this assumption, a great contribution in the age when thinkers were mesmerised by machines to an even greater extent than at present. The other leaders - Maurice and Ludlow - were town minded and it hardly crossed their mind to doubt the premises of industrialism. . Kingsley's sanitary reform was not the petty issue it appears; Yeast is an expression of his ideas.

Yet some people consider that Mr. Reckitt's judgement on Charles Kingsley tends to be harsh. A few extracts from the Westminster Sermons (1882 edition) not given by Mr. Reckitt will reveal his claims and limitations. "It is time," he says in the Preface, "that we should make up our minds what tone Scripture does take towards nature, natural science, natural Theology." He calls the laws of nature "the voice of God expressed in facts", yet there is a curse on the earth. "Man's work is too often the curse of the very planet

which he misuses. None should know this better than the botanist who sees whole regions desolate and given up to sterility.!. on account of man's sin and folly, ignorance and greedy waste." He quotes Elias Friers: "A broad band of waste land follows gradually in the steps of civilisation ... behind him, man leaves a desert, a deformed and ruined land ... the planter now often leaves the already exhausted land to become infertile through the demolition of the forests, to introduce a similar revolution in the far West." Kingsley is aware of theresults of violating natural law, although he may not have known the word erosion. And he is aware of greed in human and monetary dealings; but he did not go far enough to connect the two. Preaching on The Fruits of the Spirit, he attributes to the old Evangelical school "the germs at least and in many cases the full organisation and final success of a hundred schemes of practical benevolence and practical justice, without which this country, in its haste to grow rich at all risks and by all means, might have plunged itself ere now into anarchy and revolution... "

Kingsley, no less than Maurice, believed in the Kingdom of Christ as unassailed and undiminished by the "laws" of political economy and tacitly assumed that God was mightier and juster than Adam Smith. He asks (in the Shaking of the Heavens and the Earth), "Do you believe that you are actually now in a kingdom of heaven which cannot be moved, and that the living, guiding, acting, practical real King thereof is Christ who died on the Cross ... an eternal changeless kingdom and an eternal changeless king." Speaking on the War in Heaven and the Battle of Life he declared, "Why, Cyrus and his old Persians, 2,400 years ago, were nearer to the kingdom of God. .. they had a clearer notion of what the battle of life meant, when they said that not only the man who did a merciful or just deed, but

the man who drained a swamp, tilled a field, made any corner of the earth somewhat better than he found it, was fighting against Ahriman the evil spirit of darkness on the side of Ormuzd, the good god of light." (The reference is to Zoroaster's teaching).

In his sermon on God and Mammon, he notes some of the reasons for the downfall of society: the Jews did not heed the warnings of Our Lord, St. Paul or St. James, and "after the fall of Jerusalem even more than before, they became the money - makers and money - lenders of the whole world. Throughout all the middle ages, here in England, just as much as on the continent, they lent money at exorbitant interest; and then the debtors, to escape payment, turned on them for not being Christians ... And meanwhile, who are we that we should complain of the Jews now, or of the Jews of Our Lord's time, for being too fond of money? Is anything more certain than that we English are becoming given up more and more to the passion of making money at all risks and by all means foul or fair? Our covetousness is become a byeword among foreign nations; while our old English commercial honesty is going fast ... the very classes among us who are utterly given up to money-making are the very classes which in all denominations make the loudest religious profession ... You are in Christ's Kingdom. If you wish to prosper in it, find out what its laws are ... God's kingdom is a well made and well ordered kingdom ... the yoke of money-making, not light and easy like the yoke of Christ, but heavier and heavier as the years roll on, while you ... have still to roll up hill the money bags which are perpetually slipping back." He warns the young against spreading a "net of greed and craft" about their feet. "Choose the better part which shall not be taken from you; for it is according to the true laws of political and social economy, which are the laws of the Maker of the Universe, and of the Redeemer of Mankind."

In his sermon on England's Strength, he said, "Freedom is a vast blessing from God, but freedom alone will preserve no nation .. how many free nations in Europe lie now in bondage, gnawing their tongues for paim, and weary with waiting for the deliverance which does not come? No, my friends, freedom is of little use without something else - and that is loyalty ... tarue freedom can only live with true loyalty and obedience, such as our prayer book, our catechism, our Church of England preaches to us ... If our freedom has had anything to do with our prosperity, I believe that we owe the greater part of our freedom to the teaching and general tone of mind which our prayer book has given to us and our forefathers for know these three hundred years."

These passages are not out of date, and it only needed the connecting link between his insight both into natural and divine law (the Kingdom) on theone hand and into the money getting mentality on the other that was needed to reintroduce Christian teaching on the way in which money could be legitimately used. But Kingsley was one of his own generatiom in his antipathy for Catholicism and would not look back for guidance, But he did recall attention to first principles, although none of the trio understood the immediate causes of the distress and agitatiom of their times.

Maurice also attacks the new spirit of greedy money making, and his course of sermons on the Lord's Prayer requires a return to the "law of love". He mentions "passing continually in our streets creatures of our own flesh and blood, who have a look of hunger and misery," and of hearing "masses of creatures spoken of as if they were the insects we look at in a microscope". But it was not for his particular words - even in the Tracts on Christian Socialism - that Maurice has his large place in this study.He instituted a movement that , with

many vagaries led the Church of England back again to consider the nature of money and the meaning of the usury laws. Others also led th the way to the pre 1694 position, but the Church at least had her share.

The Christian Socialist Movement was most active from 1848 to 1854. Maurice was the leader and he avoided the many parties that then, as always, claimed so much attention. He "earned the animosity of men of every school primarily by not belonging to any of them". It was his mission, as he wrote to Ludlow at the time, "to show that economy and politics must have a ground beneath themselves, that society is not to be made anew by arrangements of ours, but is to be regenerated by finding the law and ground of its order and harmony, the only secret of its existence, in God." Maurice was finding his way outside the system in which a particular theory of money was the great existing reality, for "The Kingdom of Heaven is the great existing reality", and at least he started the kind of thought that would stop at nothing until it found the law of God and his purpose in nature. Such work the fathers had done - Lancelot Andrewes not least, with his contrast of human law and divine, for to his mind usury could be legalized by the human but still remain a sin against the divine law.

The name of socialist, later, did not help the return to first or natural principles, but in 1850 it was embodied in the "principle of association", which was a step towards partnership. the positive side of the mediaeval system of which the prohibition of usury was the negative. The experiment of Trade Associations failed, although the Working Mens' College was formed in 1852. But the forces working against a return to the full doctrine and authority of the

Church in economic matters were still active, and it is significant that in 1854 all usury laws were abolished by Act of Parliament. The Act is very heavy on pawnbrokers. But the moral defeat had occurred centuries before, and even the Christian Socialists would not have seen its relevance.

For the next thirty years or so the witness of the Church in social matters is sporadic. Maurice wrote in 1870, "It seems to me sometimes as if the slow disease of money getting and money - worship, by which we have been so long tormented, must end in death." Westcott and others were beginning to formulate what was later known as Christian sociology: it was a conscious attempt to base social principles on religious doctrine, notably the doctrine of Creation. There were many Christian philanthropists, like Gordon and Shaftesbury, but it was said, "The drive for gain had continued unhampered by religion and even stimulated by it." Trollope has been accused of being out of date with his clergy, but he wrote of what he saw, and Maurice was an outstanding exception. Trollope meets this charge at the end of his Barchester Towers. Many leading and even conscientious Christians tried to make the system tolerable and to ameliorate some of its worst features while they were heart and soul in sympathy with the aims of industrialism. Victorian religion had much in common with Calvinism that first sanctified commerce, and there is little wonder that usury did not worry the conscience of clergy or laity.

There were at least two men of the period who saw accurately what was happening. One was Thomas Love Peacock, novelist and poet, and the other was James Harvey the economist. Indeed, the subject now takes a peculiar twist, for it is not, largely, the clergy of the Church of England and only in some cases the laity who lead the way to same economic thought. Such thinking has its effect on the Church.

It is a contrast to the earlier period when the Church propounded economic teaching directly. This means that the thought of others is relevent besides those directly involved in the developing sociological movement, which Mr. Rockitt calls the seed growing secretly.

Peacocke (1785 - 1866) wrote in his earlier books with considerable antipathy of the clergy. In Headlong Hall (1816) there is the unattractive Rev. Dr. Gaster, and in Melincourt the next year the clergy are the Rev. Mr. Grovelgrub and the Rev. Mr. Portpipe. But in Crotchet Castle, the Rev. Dr. Folliott is a likeable representative of the Church Militant. Peacock also wrote about borough texed and paper money with rare understanding, although it was abuses of paper money and not paper money as such that was to blame. But in his final book, the Rev. Dr. Opimiam, named after a delightful wine, is made to declame one of the bitterest and most intelligent poems of the nineteenth century. G. Saintsbury does not approve of it, although he recognises that "when Peacock first wrote, the follies he laughed at were still, though they were ceasing to be, on the side of Toryism and opposition to Progress. By the time of Crotchet Castle, they were mainly, by the time of Gryll Grange almost entirely, on the other side - that of Progress itself!"

The Rev, Dr. Opimian said (and this awareness is attributed at least to the Church) "I will recite to you some verses on what appe ears to me a striking specimen of absurdity on the part of the advisers of royalty here - the bestowing the honour of knighthood, which is a purely Christian institution, on Jews and Paynim; very worthy persons in themselves and entitled to any mark of respect befitting their class, but not to one strictly and exclusively Christian; money-lenders too, of all callings the most antipathetic to that of a true Christian knight.

1. Sir Moses, Sir Aaron, Sir Jamramagie,
Two stockjobbing Jews and a shroffing Parsee
Have girt on the armour of old Chivalrie
And, instead of the Red Cross, have hoisted balls three.

Now fancy our Sovereign, so gracious and bland,
With the sword of St. George in her royal right hand,
Instructing this trio of marvellous knights
In the mystical meaning of Chivalry's rights.

"You have come from the bath all in milk white array,
To show you have washed worldly feelings away
And, pure as your vestments from secular stain,
Renounce sordid passions and seekings for gain.

"This scarf of deep red o'er your vestments I throw
In token that down them your life blood shall flow,
Ere Chivalry's honour, or Christendom's faith,
Shall meet, through your failure, or peril or scaith.

"These slippers of silk, of the colour of earth,
Are in sign of remembrance of whence ye had birth;
That from earth you have sprung and to earth you return
But stand for the faith life immortal to earn.

"This blow of the sword on your shoulder blades true
Is the mandate of hommage, where hommage is due,
And the sign that your swords from the scabbard shall fly
When "St. George and the Right" is the rallying cry.

"This belt of white silk, which no speck has defaced,
Is the sign of a bosum with putity graced,
And binds you to prove, whatsoever betides,

Of damsels distressed the friends, champions and guides.

"These spurs of pure gold are the symbols which say
As your steeds obey them, you the Church shall obey,
And speed at her bidding through country and town
To strike, with your falchions, her ennemies down."

11. Now fancy these knights, when the speech they have heard,
As they stand scarfed, shoed, shoulder-dubbed, belted and spurred,
With the cross-handled sword duly sheathed in the thigh
Thus simply and candidly making reply:

"By your Majesty's grace we have risen up knights
But we feel little relish for frays and for fights:
There are heroes enough, full of spirit and fire,
Always ready to shoot, and be shot at, for hire.

True, with bulls and with bears we have battled our cause
And the bulls have no horns and the bears have no paws;
And the mightiest blow we ever have struck
Has achieved but the glory of laming a duck.

With two nations in arms, friends impartial to both,
To raise each a loan we shall be nothing loath;
We will lend them to pay to fit men for the fray
But shall keep ourselves carefully out of the way.

We have small taste for championing maids in distress.
For State we care little: for Church we care less;
To premium and bonus our hommage we plight:
"Percentage", we cry: and, "A fig for the right!"

Twixt Saint George and the Dragon we settle it thus:

Which has scrip above par is the hero for us:
For a turn in the market, the Dragon's red gorge
Shall have our free welcome to swallow Saint George."

Now God save the Queen and if ought should occur
To peril the crown or the safety of her,
God send that the leader, who faces the foe,
May have more of King Richard than Moses and Co.

Such awareness of the dealings of usury is at least attributed to the Church. It appeared in Byron's writings (1788 - 1824), he noted how rich Britain was in Jews, and the political results of a loan (Don Juan, etc.). Napoleon is said to have understood who the real powers were. But such knowledge in the Church must have been confined to a few Dr. Opimians.

Peacock adds a note: "In Stock Exchange slang, Bulls are speculators for a rise, Bears for a fall. A lame duck is a man who cannot pay his differences and is said to waddle off. The patriotism of the money market is well touched by Ponsard, in his comedy La Bourse, Act IV, sceme 3.

ALFRED "Quand nous sommes vainceurs, dire qu'on a baisse
Si nous etions vaincus, on aurait donc hausse?

DELATOUR On a craint qu'un succes, si brillant pour France,
De la paix qu'on revait n'eloignat l'esperance.

ALFRED Cette Bourse, morbleu! n'a donc rien dans la coeur!
Ventre affame n'a point d'orreilles .. pour l'honneur!
Ainsi je ne veux plus jouir - qu'apres ma noce -
Et j'attends Waterloo pour me mettre a la hausse."

George Eliot's reference to the War and high prices has been noted

It was in 1875 that James Harvey, author of "Paper Money" and "Interest of Money a Legalised Robbery", asked who had heard the a sermon condemning usury as a sin. The last was that of David Jones in 1692. Harvey understood the nature of money clearly enough, and wrote: "If labour is the source of wealth, labour should be the source of money. As the substance comes into existence, so should the shadow." He anticipates a modern theory that money should be a certificate of work done. He complains that in the Rev. J. Green's History of the English People, "there is not the slightest allusion to the financial policy of Mr. Pitt, im 1793, when he passed the Bank Restriction Act, nor any reference to the important effects of on the prosperity of the country of Sir Robert Peel's reversal of that policy. The History of England, epitomised by Hume, passes over the subject without comment." He continues:"Finance will prove to be the keystone of history, and historians will be compelled to bring it more prominently before students. The issue of paper money on the cultivation of land is described by Rector Twells in his pamphlet."

Walter Savage Landor professed friendship for the Church of England and realised what money did. In The Letters of a Conservative, addressed to Lord Melbourne in 1836, he attacked the extravagence of the bishops and makes proposals for social reform. One of these may be quoted for its modernity: "thst between the fourteen and twenty, none work longer than four hours consecutively not beyond eight hours in the twenty four." "Mr. William Pitt was the most wonderful steam-engine that ever worked with human breath: but all that came from it is mingled and lost in air, excepting an insoluble body of national debt, and an eternal blight on agricultural labour." We are reminded of Mr. Massingham's remark that the 1832 Reform Bill was Cobbett's greatest disillusionment, because it gave the power to

the industrial lords. "The clergy," Landor continued, "and principally the higher, must be treated like the patients of Dr. Caius in the sweating sickness; they must be kept from going to sleep." It was the year after Cobbett's Legacy to Parsons (and death), and was one more indication of the desperate spiritual plight of the Church which Lord Melbourne did not expect to survive for a generation.

A later passage shews Landor a man of no party, like Maurice, but with greater awareness of economic motives. "WHIG: As our wars have usually been conducted, if every man in England had as much courage and as much strength as Sampson, it would avail us little, unless we had in addition the scrip of his countryman Rothschild. Men like these support wars and men like Greville beget them. TORY: Not a word against that immortal man, please sir! Your economists, the most radical of them, will inform you that not money but the rapid circulation of money is wealth. Now whatever made it circulate so rapidly? All the steam engines that were ever ~~invented into action~~ brought into action would hardly move such quantities of the precious metals with such velocity."

The significance of Trollope is, from our standpoint, that he saw the importance of money in life to the sundering of bone and marrow. He was a churchman ("I try to go to Church regularly") not opposed to the cheering influence of the Oxford Movement, and opposed to the dreariness of cant and the hypocricy and greed that could be embodied even in prayer (e.g. in Cousin Henry, the weak rascal who always said the Lord's Prayer in bed; the praying lady in John Caldigate). The Vicar of Bullhampton, with his merciful love for the castaway Carrie Brattle was not so outdated, luckily, as some of Trollope's critics would make us believe. But in one of his last books shortly before his death in 1882 that Trollope let fly at the drift in

contemporary society. In "The Way we Live Now", an international financier is elected to Parliament for Westminster and entertains the Emperor of China. A Jew is accepted into a country famile, and to buy it out, and a suspect American lady also has a hand in the invasion.

But the Church took little notice of the perceptions of these men, some of them her members, none of them hostile to her true vocation. Faith in God was shaken to its foundations, while the distinction between issuing money, as the bishops had done, and lending it as the Rothschilds were doing, was too sharp for minds that were speculating in slums.

The current attitude of the Church is well demonstrated by the definitions given in Latin - English Dictionaries. The Rev. J. Riddle, in his 1848 Dictionary, translated Fenerator,"one who lends on interest, a capitalist. (2) In a bad sense, an usurer." The Rev. John White, in his dictionary of 1876, also implied that lending for gain may be an honourable trade with little qualification. "Fenerator -- one who lends on interest, a money-lender; with odious secondary idea, a usurer." This difference is not found in Dr. Samuel Johnson's dictionary.

The only action referring to money that the English Church took during this period was in 1867, when the Decrees of the First Four Councils were "declared authoritative by Parliament", and "reaffirmed as part of the Rule of Faith of the United Church of England and Ireland." The xvii th. canon of the Council of Nicea forbad the clergy to practise usury, and has already been quoted.

The thirty years up to the outbreak of the 1914 war were busy with many movements within the Church of England that tried to help

workers, as the vast proletariat without property was now called. Stewart Headlam and Thomas Hancock were prominent in the Guild of Saint Matthew. Canon Scott Holland was prominent in the Church Union and Edited the Commonwealth. Both movements tried to help the poor and to stir the conscience of churchpeople, who were then a considerable body. But neither made very fundamental criticisms of the society which produced these evils. The industrial and financial systems were then accepted, although one was based on unreality and the other on usury.

However, the movements did keep alive the Church's conscience, while Joseph Arch drew attention to the plight of agricultural labourers. He particularly interested Bishop Gore, while a student. "Mammon Worship", as it was then called, was a target for populer preaching, but inspite of those mentioned and the warning of Thomas Attwood to the Chartists, money power was not thought of. Indeed, the most aware of churchmen tended to identify Christianity with Socialism - a doctrine that was no better defined than in the days of Maurice, and was apt to produce stupid reactions. There was little attempt to regain the Church's authoritative position with regards money and economic activity - such doctrines as the Just Price, for instance - and it was largely a movement of the heart within the financial-industrial set up, inspite of the theologians such as Bishop Westcott.

But nearer the end of the century a deeper understanding of the problems' nature did appear, and had its effect on the Church of England, for Leo xiii issued his Encyclical Rerum Novarum. It was a recall to the just price, notably of the labourers, and said that unjust treatment of labour cried to heaven for vengeance. At the

same time, the Roman Church has never endorsed the teachings of socialism, while it stremuously opposes freemasonry, communism and zionism.

In the Church of England, new men were coming to the fore who werenot content, as far as the social movement was involved, with a socialism that was moving from humanism to secularism. Such were the late Bishop Gore and the Rev. P.E.T. (now Canom) Widdrington. Conrad Noel actually wrote, later on, about usury. This is not to deny the Christian idealism of such leaders as Keir Hardy and George Lansbury, but few had yet seem that the prohibition of usury was a fundamental for civilization or had really understood the problem in which they were involved.

Bishop Gore, in his Meditations on the Litany, complained of the destruction of food while people were underfed. This was a direct attack on the results of ill regulated finance, and recalls the protests of Bishop Berkeley and those made in Cobbett's time. It sees deeper than the orthodox socialist ideal of robbing Peter to pay Paul.

By 1906, the Guild of Saint Matthew and the Church Social Union (founded in 1889) had served their purpose of stirring the conscience and the Christian Socialist League was founded. William Temple soon made his appearance, but for the time the vagueness of Christian Socialism was accepted as sufficient. Conrad Noel was the first organiser of the League. The National Guild Movement voiced opposition to the wage system and, said Canon Widdrington, "turned our minds back to the socialtradition of the Church". But it was Egerton Swann - who recently perished on Snowdon at a good age - who was to call the Just Price "purely the Church's own programme", together with distributed property and guild organisation of

of industry. It was (1922) a vital step, for it was from the consideration of the just price that the Church was originally led to consider the just price of money, and so to ban usury because £100 is not worth more than £100. Otherwise, venditur id quod non est.

The National Mission of Repentence and Hope, launched in 1916, was important rather in its aftermath than its own immediate results. These were not so flat as the similar "Recall to Religion" issued twenty years later by Archbishop Lang, who had perhaps been too involved in the tragic happenings that surrounded the Abdication of a popular King. The general question then was, a recall to what? For no better pattern was given for daily or social life. Unlike his successor, Archbishop Lang was most unlikely to understand the old social doctrines of the Church in the Age of Faith, and Roman Catholic newspapers remarked then as they had done twenty years earlier that the Archbishop was more intimately involved with the financiers of America than was desirable, and so was unlikely to criticise finance at all radically. But the National Mission had some contacts with the problems of an industrialized society. The small movements of the Guild of Saint Matthew, the Church Social Union, the Church Socialist League were no longer opposition societies, but the social message was enunciated in the name of the Church. This was the first important result, although its significance may be overstressed. Secondly, the Fifth Report which resulted from the Mission gave birth to the Industrial Christian Fellowship, which again considered the problem of Money. Such names as the Rev. Tom Dixon come to mind.

While Egerton Swann was writing of the Just Price in 1922, the League of the Kingdom of God was founded, while the Christian social

movement suffered from a schism of its own. The Catholic Crusade, which branched off - or from which the League and subsequent Christendom Movement branched off from that point of view - was, influenced more by Marx's diagnosis and shared in his ignorance of money, apart from Conrad Noel. V.A.Demant (now Canon of St. Paul's) who was fully acquainted with the defects of our present financial mechanism began to gain influence at this time, and with C.O.P.E.C. (1924) William Temple emerged as the leader of the social movement, and behind him the Church moved nearer her traditional position and away from satisfaction with stanfard socialism. There were still many, of course, still content with individual pietism and who cared for none of these things.

In 1926, the Bishops offered to intervene in the General Strike, but they were snubbed by Stanley Baldwin who said that the Bishops had no more right to interfere than the F.B.I. would have to alter the creed. They had had a somewhat similar experience under Lloyd George. (It has been said that Bonar Law was the only politician of integrity during this period). No Christian voice, however, that I am aware of noticed the reintroduction of the gold standard, by Winston Churchill, which was in fact a return to an even more pernicious form of usury and caused the Strike. Quite soon, V.A.Demant distinguished economic "laws" from laws of nature.

In the same period, Tawney wrote Religion and the Rise of Capitalism, while Ashley's researches into catholic economics were gaining readers. Miss. Kenyon pointed out that this book aroused interest in the subject of usury, which had lain dormant for 250 years, a Rip van Winkle kind of experience.

The work was carried on by the Church Union Summer Schools, and the journal Christendom and Archbishop Temple on the one hand, and

stimulated on the other by growing disgust with the destruction of goods and their restriction at a time when millions were suffering from destitution. Sir John Boyd Orr testified that four million in Britain were on an insufficient diet. It was, again, dissatisfaction with the results of wrong finance, as Dr. Demant, Archbishop Temple and others pointed out.

The question of usury itself was examined in a pamphlet of 1930, published by the Christian Social Council, called the "Christian Teaching regarding Usury and Investment", edited by M.B.Reckitt. The enquiry was initiated by Will Reason as one of the activities of C. O. P. O. E. A fundamental defect will appear, in that the authors by and large failed to see what Money itself is or, secondly, to note that there was first a change (about 1640 in England) from the bullion to the paper theory and then, fifty years or so later, from paper money to the wide use of credit. It is true that their terms of reference are limited, but the task is not complete without at least a sketch of these facts, and a distinction betweem money that has been earned and money that is created by the stroke of a banker's pen. Such distinction is clear in, for instance, Jeffrey Mark's "Analysis of Usury", although it carries of course no obligation to advocate demurrage money. Nevertheless, the essays are of great value both in themselves and in that they shew the renewed attention of the Church of England to these problems.

The Rev. R.G. Millidge deals with usury in the pre-Christian era and in the early days of the Church. It is mentioned, he says, in the code of Hammurabi, about 2,200 B.C., when it is required that interest be paid with the return of the loan. The usual rate was about 20 % on corn loans, though it rose higher. He points out that

in the earliest Old Testament codes usury is forbidden on money lent to the poor: only in the later code is permission given to lend money to the stranger. They had by then experienced the results of usury, as we have remarked, in the slavery of the poor and the exaltation of the large creditors, which resulted in the two nations, as Disraeli noted in his time. In Greece, Millidge continues, the rate of usury was left to free contract and the plutocracy which arose in Athens caused Plato and Aristotle to attack usury. In Rome, usury was prohibited in 341 B.C.. When Cato was asked what he thought of usury, he asked, "What do you think of murder?" But these prohibitions were disregarded and "a great part of Seneca's great fortune was acquired at usurious interest to British nobles after the Roman conquest of Britain."

Mr. Millidge gives further information about the early period of the Church, although he does not provide a definition of usury. "All indications point to the entire disapproval of usury." It was condemned by all the Apostolic Fathers, and Cyprian was well aware of "the fatal symptoms of political dissolution, presented by vast accumulations of locked up capital, by the abnormal growth of grazing land, and the gradual elimination of the independent labouring class." St. John Chrysostom said: "Nothing is baser in this world than usury, nothing more cruel". Ss. Jerome and Augustine condemned it as "receiving more than was given." The Popes enforced the prohibition by degrading guilty priests and excommunicating laymen.. Usury could be reclaimed from the usurer's heirs, nor was an oath not to claim back the usury binding. The legislation of Justinian allowed usury of from 4 to 6 % in the sixth century. Charles the Great (ninth century) forbad it. An English canon of 785 quoted Ps. xv, 4, and said: "We have also forbidden usury. As St. Augustine says, who can have unjust gain without

justly deserved loss? Where there is gain there is loss. Gain in the coffers, loss in the conscience." Under Alfred, the laws directed that usurers' lands be forfeited and forbad their burial in consecrated ground. In 1064, Edward the Confessor prohibited usurers dwelling anywhere in his kingdom; and if any were convicted of exacting usury he was to be deprived of his estate and deemed an outlaw. "And the King affirmed that it was while he was at the court of the King of the Franks that he learned that usury was the principal root of all vices." The Norman kings pledged themselves to the laws of King Edward and were equally severe on usury. Justinian's laws, revived in the eleventh and twelfth centuries, produced changes. On this note, after providing such valuable evidence for an obscure period, Mr. Millidge hands over to the Rev. Conrad Noel.

This is another valuabke contribution which upholds the mediaeval standard without equivocation, and opposes the notion that there was an original distinction between Usury and Interest. The book is really about this point. Johnson, Noel points out, and all writers of dictionaries before him spoke of usury and interest as identical. He shews that the reintroduction of Justinian's laws led such as Accursius (1182-1260, "a shameless usurer") to defend the taking of interest. The Church vigorously opposed this as a violation of canon law. Clement V (1311) branded defenders of usury as heretics and condemned the towns which compelled payment of interest by debtors. Gregory said that authorities who did this or freed a usurer from restitution would incur excommunication. Civil and canon law now forbade usury. Interest meant id quod inter est, the difference between the lender's state on the day he made the loan and his less fortunate position on the day when the loan should have been returned and was

not. It is his proved compensation for a loss. "The attitude of the Orthodox Catholic East was against all usury until the corrupt sixteenth century". Noel adds that money compensation was only paid if the money could have been used in the development of a man's own craft or in a genuine investment which involved risk, and that the trade must benefit the community. Duns Scotus, fifty years later, had more reservations. Later evasions, like the contractus trimus, advocated by Eck and condemned by the Provincial Council of Milan (1586) and by Sixtus V's Bull Detestabilis, were inadmissible, as was the arrang ement by which the period of gratuitous loan was a quarter. Noel, then, does not allow the distinction between usury and interest as usually accepted, but fails to appreciate fully the Catholic doctrine of partnership, which allowed the investor to share the profits if he shared the risk and permitted sufficient trade. He is aware of the distinction between a productive poan and a loan for consumption, the former condemned by Benedict XlV's encyclical. Jerome had said that the increase on a loan was due to the labour of the debtor and could not be claimed by the creditor. This was the decision of the Council of Tours (1163) When Alexander lll, in a letter to Beckett, applied the findings of Tours to the English laity; he said that grain arising from a loan for agricultural production was the result of the debtors' labours and could not be claimed by the creditor. As Gerson (15th. century) said, " to wish like the usurer to live without labour is contrary to nature." Usury was included in the mortal sin of avarice in the official late mediaeval manual for the guidance of confessors. Bossuet, as late as 1682, in his Treatise on Usury, condemns interest on loans for production. It is a pity that Noel had not the space or knowledge to go a little further and show how modern finance is not merely usurious but a usurpation.

The essay of Lewis Watt S.J. will be examined more briefly, not because he is of another communion or reached a different conclusion from Noel but because he is the author of the latest Roman Catholic booklet on the subject, of some 50 pages, which demands separate notice and with which our evidence will conclude. He mentions the earliest reference to usury in ecclesiastical legislation, when it was forbidden to the clergy at the Council of Arles (314). As British bishops were probably in attendance, this is of interest for our native Church. The Councils of Carthage (345), and Aachen (789) disapproved of lay usurers. It was condemned by two Synods held in England at Chelsea and in Northumbria in 787, under the legates George and Theophylact. Father Watt mentions that Alexander VII in the sisteenth cnetury condemned the theory that a lender may charge for a loan because he has not asked for repayment until a fixed date; while Innocent XI condemned the theories that a creditor may chargefor a loan because a higher value is attatched to money actually possessed than money to be received in the future, and that payment for a loan may be exacted in virtue of gratitude. Fr. Watt's later evidence is of importance: Benedict's letter Vix Pervenit (1745) disallowed usury on the ground that it is to be used for productive purposes, while he allowed societas and legitimate interest. Controversy was violent on the Continent, although it had died out here, and the French anti-usury law was in force until 1789. Civil laws allowed usury in Germany in 1525, in Ebgland in 1571, in the Netherlands in 1658. There is little wonder that usury was known as the "brat of heresy"! Interest was allowed because the lender forgoes profitable investment, and this we have met before as "lucrum cessans"; Cardinal de la Luzerne (1823) allowed a charge on loans to be employed in commerce, but not on loans to be used for consumption goods. The canon 1543, promulgated

by Benedict XV in 1917 reads: "If a fungible thing is given to another so that it may become his and that afterwards a thing of the same kind and of the same value may be returned, no profit may be taken by reason of the contract itself; but in transferring a fungible thing it is not of itself unlawful to contract for legal profit unless it is clear that this is immoderate, or even for greater profit if there is a just and proportionate title." In a final word about societas and commenda, Watt points out that in societas the lender is part owner while in commenda he remains owner. In mutuum he parts with the ownership. It is the owner who bears risks and is entitled to the profits. In an interesting note on capital, he points out that the scholastics did not regard money as capital, but either goods naturally productive - land, animals for instance - or those whose use, as in the case of tools, was separable from their substance. In short, Fr. Watt comes to a somewhat different conclusion from Conrad Noel, but neither consider the issue of money or the usurpation of this mighty privilege. Quadragessimo Anno had implied this the next year when it arraigned the manipulators of money, the life-blood of society.

N.E.Edgerton Swann was the first explicitly to restate the old teaching on the Just Price. He points out that Luther "pushed the prohibition of usury to extremes, sweeping aside all the limitations and precise definitions". The tradition of the Just Price and Usury was still confidently appealed to by Church leaders after the Reformation, but the Church failed to find ways of applying these principles in a wider and more scientific sense. Jeremy Taylor and Sanderson tried to revive the old doctrines, and Swann gives an interesting quotation from Sanderson: "Usury is when a man intends merely to live upon his money, and to contract precisely for the loan, and look at nothing but only to have so much coming in: which how far it may be

justified I have yet to learn, unless it be in such persons as by reason of blindness .. are nowadays unable to follow any employment." The last traces of the Church's social inheritance "vanished with the Revolution of 1688". Then Convocation was closed in 1717. In the period of Bentham and Paley "the most unqualified justifications of practically unlimited usury ever accepted by Christian people were formulated." Adam Smith followed, and church people as a whole accepted his teachings as unimpeachable axioms.

M.B.Reckitt concludes the work with a chapter on How the Moral Problem Today must be Approached. Mr. Reckitt is of importance in that he has edited Christendom for many years, which paper carries on in a sense the work started by Maurice, while the former's attitude to usury is that of many of his school. He points out that the root problem is to restrain avarice. We may agree that unearnedincome does correspond to "an undoubted economic fact - the increment of association", but it is questionable whether "a price should be paid for the hire of capital for productive purposes, as it has to be for other requisites - seed, raw materials etc." This is hardly reconcilable with the teaching on partnership. He is aware of modern methods of creating bank credit, and his conclusion that the problem is not merely academic - as it appears to be in Fr. Watt's contribution - is unimpeachable.

It is a pity that no reference is made by any of the contributors to Bishop Berkeley's Querist, particularly to his question whether it be not a mighty privilege for an individual to create £100 with the dash of his pen. For it is precisely on the problem of the issue of money that the old doctrines of Just Price and Usury need modern formulation. The bishops' mints have a lesson for the present to as great

an extent as these doctrines themselves. Indeed Mr. Reckitt, in his Scott Holland lectures (1946) notes the ancient teaching on usury and sees that it is in line with this that future thinking on these subjects must be directed.

Some kind of return to the usury teaching was suggested by the two lines of thought of the scholars who examined these doctrines and in some cases commended them, and by the Christians who were aghast at social conditions (poverty amid plenty etc.) and saw that finance was a potent cause. Thought was stimulated by the poet Ezra Pound, a mighty intellectual force in the thirties, who devoted a good deal of space in his Cantos to denouncing usury, and by the Churchman and poet T.S.Eliot, who mentioned usury in a broadcast talk. It is turue that numerous churchpeople still accepted Blackstone's naive treatment of usury as the last word. But Temple was not among these.

In his books Christianity and the Social Order and The Hope of a New World, he shewed that the Church has a right to"interfere"in economic and financial questions. He is well aware of Tawney's work, and notes that "the two mian pillars of mediaeval theological economics were the doctrine of the Just Price and the Prohibition of Usury." Calvinism gave theopportunity for the rise of the economic man. "Archbishop Laud," he notes, "owed much of his unpopularity with the section of society then represented in Parliament to his vigorous action, often high handed, in checking the robbery of the poor by the encroachment of the landlords and the "enclosing" of common lands. He stood for the "older social ethics of a peasant civilization". And he mentions the "splendid parish priests who fought for the people's rights - men like Comber, who was rector of Kirkby Moorside from 1760 to 1810, and resisted the enclosure acts, founded schools, and in a variety of practical ways stood up for the depressed. Greteest of all

was Hook, Vicar of Leeds from 1837 - 1859, .. who steadily championed the cause of the common people."

Such are in the tradition of Archbishop Laud who "used the Star Chamber as a means of preventing the oppression of the common people by engrossing corn." And of Archbishop Grindal whose injunctions to the laityo of the Province of York (1571) expressly emphasised the duty of presenting to the Ordinary those who lend and demand back more than the principal, whatever the guise under which the transaction may be concealed." Temple thus appealed to the Church's authority as a guide in these matters, although the connection between the prohibitiom of usury and the present financial system is not ~~implicit~~ explicit. His own proposals - reminiscent of those of Major C.H.Douglas, who is a member of the Church of England and strongly upholds its "Realistic Position" - begin with a criticism of the system of banking: "The system whereby a bank of any sort charges interest on credit created by the making of a book entry and issued for the benefit of the public is obviously open to question ... it is wrong in principle that finance should control productiom." (Temple fails here to distinguish issuing and lending). "There seems to be as strong a case for converting the Bank of England and the Joint Stock Banks into publicly administered institutions as there is for the State's monopoly of minting." He would have probably have expressed his meaning better if he had been aware of the York and Canterbury mints. "When money, or an effective substitute for money, is created and lent by book entry, as may be the case in the issue of credit, it seems that no more charge is ethically defensible than what will cover the cost of administration, perhaps ½ or 1/3 per cent." He differentiates between the creation of credit and the loan of private money: "If one citizen lends hismoney to another citizen or to the State, he is entitled

to some recognition in the shape of interest, at least up to an agreed total, because he is transferring a real claim." This is hardly mediaeval doctrine, and does not accord with those who advocate demurrage money, as for instance J. Mark in the Analysis of Usury.

In the Hope of a New World, Temple remarks: "The profit motive predominates over the service motive; and this inversion of all that is right is gone so far that now finance controls production instead of production controlling finance... It happens that the ease with which we produce becomes a reason for not producing at all, because the markets are glutted, though human need is not satisfied. Under existing conditions we can only solve the paradox of poverty in the midst of plenty by abolishing the plenty ... commerce must become avowedly an exchange of goods for goods mutual advantage, in which all search for what is called a favourable balance of trade is repudiated; the pursuit of by every nation of a favourable balance of trade is inevitably a source of conflict; for if the balance is favourable to one, it must inevitably be unfavourable to another. Temple also was aware of the threat from erosion, and his policy was based on money reform and a right treatment of the land.

This was to recover a wide range of earlier teaching. "I should personally," he said, "urge the total exemption of all agricultural land from death duties." "No scheme of publicly organised production can be satisfactory apart from the national control of credit." "It cannot be justified that in modern conditions the banks, even the Bank of England, should, in order to meet national needs, create credit which earns interest fror themselves. The State must resume the right to control the issue and cancellation of every kind of money. Till that is done, a body within the community will control

what is vital to the welfare of the community; and that is a false principle." "Finance ought never to be in positive control. It exists for the sake of production. And production exists for the sake of consumption. The hungry and needy public ought to be the controlling group. Finance may rightly exercise a check, calling a halt to avoid bankruptcy; but for positive control, it is functionally unfitted. Yet it exercises such control to a very large extent."

The Spring Session of the Church Assembly in 1935 distinguished between employment, which was labour done for money, anf work which fulfilled the creative instincts of mankind. A miner might be employed in a pit, for example, and work in his garden. The report went on to demand an impartial enquiry into the financial system, and was altogether a document of great value and insight into the faulty working of the financial system. It required that bankers should not be assessors of the financial system, that is, that they should not judge their own case. It was a condemnation of the system not because it was usurious but because it did not work ot fulfil the functions of a financial system. As Mr. Reckitt - a member of the Assembly - says in his lectures, "A third problem is to find a monetary mechanism to distribute whatever it may be that a nation decides to grow or make."

In 1941, these subjects were among others discussed at the Malvern Conference, in which Temple was again the leader. There was a failure in communication, aided by the war. For poverty amid plenty was no longer evident. Neo-Calvinism did not favour such subjects, which is a curious repetition of history or of religious temper. As a result, the war had to be concluded before another pronouncement was made. This was ~~in~~ an article in Prospect for Christendom which again shewed the futility of old financial ways.

when exercised by those who, because they hold and control money, are able also to govern credit and determine its allotment, for that reason supplying so to speak the life blood to the entire economic body and grasping as it were in their hands the very soul of production, so that no one may breathe against their will". And he mentions "a not less noxious and detestable internationalism or international imperialism in financial affairs, which holds that where a man's fortune is, there is his country.

Fr. Watt, in his Ethics of Interest, said that the Synod of Meaux ordered bishops to suppress Christian usurers (845), and Alexander 111 and Urban 111 forbad it (12th. century). The second Council of Lyons (1274) prohibited letting houses to foreign usurers, and declared invalid the wills of usurers who died without making restitution. The occasion of Vix Pervenit (1745) was the loan loated by the city of Verona at 4 ½ The Pope's point was that it was no excuse if the borrower was rich or if the loan was going to be used for productive purposes. The ninetheenth century was not quite such a dead period as in the English Church, though the limitations of such impact have been noted, when money was no longer bullion and paper money had been succeeded by bank credit, for the penitent who lent at moderate interest was to be prepared to obey any further decisions the Holy See might make. The matter was still on the books. The unfinished Vatican Council of 1869 - 70 was to have discussed it, and to have considered whether civil law gave the right to receive interest. Camon 1543 remains the official doctrine.

It is interesting that Louis XlV had renewed the anti-usury legislation in severer form, while Joseph 11 of Austria fixed the maximum interest rate at 5 %. There is something in the contention that Monarchy opposes Money Power. Fr. Watt mentions the further

extension of lucrum cessans, called periculum sortis, which is a charge made where the lender runs a special risk of losing his capital. This appears to be a confusion with risk-sharing enterprise or partnership, too little considered in latter days, where a share of the profits is lawful. The state's permission to allow interest is justified either through lucrum e cessans or through altum dominum, which is the state's right to transfer ownership when the common good requires that money should not be kept idle. This seems rather a quibble, for the rights of private property are dear to the Church. Lehmkuhl's theory of the quasi-fertility of money should be noted, which is attributed to the change in economic circumstances. He should have added, in fairness, that circumstances had changed out of all proportion to suit the large-scale usurer. Fr. Watt simply stands by the old theory of lucrum cessans, without accepting Lehmkuhl's "representation" theorem, and says that a "just and adequate title" is normally present. This may be satisfactory as far as it goes, but the greater usury stigmatized by Mark is not considered, which is the money charges made by the banks on their loans created "out of nothing."

In "Usury in Catholic Theology", Fr. Watt does recognise the "vast system of debt and credit" and the consequent demand that the "concept of usury" be used as an instrument to deal with "the problem of the social power exercised by finance". This is indeed the kernel of the whole problem. He notes also that the fifth Lateran Council (1512-1517) "established the principle that credit-institutions are not guilty of usury if they make a charge to borrowers in order to cover costs of administration". But this is to justify a charge - even with an inflated bureaucracy like the modern Bank of England - of 1/5 ½, not of 5 % and upwards, because only costs are

in question (sumptus). Credit institutions are careful enough to guard against damnum and periculum by taking collateral security, title deeds, mortgages etc., and through insurance. Perhaps the most valuable part of the book is the quotation he gives from Contarini in 1584 that "a banker couldaccommodate his friends without payment of money, merely by writing a brief entry of credit; and that he could satisfy his own desires for fine furniture and jewels by merely writing two lines in his books". This perception occurs a hundred and fifty years before Berkeley's Querist. The essential characterisite of money as being a means of exchange is even more evident, Fr. Watt adds, when it takes the "disembodied form of entries in the books of a bank". He points out that public loans had been approved by St. Bernadine of Siena and St. Antonio of Padua Florence. In a mutuum, the ownership was transferred, and so the profits belonged to the new owner. "The criterion by which to judge the nature of a contract (whether it is usurious or not) is, who undertakes to bear the risk." That is, you cannot transfer ownership and risks and still expect profit; you can expect to have your money back. Watt commends joint-stock companies, but not debentures. Loans floated by cities and states were considered to fall into the category of rent-charges. A personal rent-charge - census personalis - was another problem for theologians.

In the sisteenth century, J. Laynez, S.J., wrote, "The astuteness of merchants, fostered by their lust for gain, hath discovered so many tricks and dodges that it is hardly possible to see the plain facts, much less to pronounce judgement on them." One was the Triple Contract, in which three simultaneous contracts were made with one merchant. Interest was gradually accepted by the theologians, when an extrinsic title, notably lucrum cessans, was present. Civil law permitting it was held to show that the state of society was such

that in a loan a chance of profit would normally be lost. Sometimes the State's altum dominum over the property of citizens is cited. Perhaps the most significant of civil permissions is that in France where Louis XIV had tightened up the laws against usury. They were repealled in 1789 when interest was permitted and maximum rates were fixed. In 1776 Adam Smith wrote, "As something can everywhere be made by the use of money, something ought everywhere to be paid for the use of it."There were still, at least, controversies in the nineteenth century and the Cardinals de la Luzerne and Marco Mastrofini wrote books on usury in 1823 and 1831. Leo XIII - with perhaps less theological accuracy but more ~~theological~~ relevence referred in his Rerum Novarum (1891) to "rapacious usury more than once condemned by the Church ... still practised under a different guise. Fr. Watt's conclusion is that "Catholic moralists of the first rank are unanimous that , under modern economic conditions, and even in the absence of a law sanctioning interest, it is never usury to demand interest on money lent, whether for production or for consumption." The only limitation is that of Dr. Van Roey, who holds that if a lender has no intention of investing ~~his~~ the money he lends, but would simply hoard it, he has no right to appeal to lucrum cessans. Fr. Vermeech considers that aestimation communis, a social valuation, attatches to money in modern communities where there are plenty of opportunities for profitable investment. The lender loses this when he transfers the money in a loan in addition to the money itself. Vermeech treats the instalment system as an example of disguised usury, where the total of the instalments are much in excess of the value of the commodity (nimis superent valorem). The just rate of interest will be lower than the just rate of profit "by as much as corresponds to the differential advantage of lending rather than investing". Fr. Macksey favours a committee to

regulate the interest rate, under the State aegis, composed of people of moral integrity and financial skill. "Just distribution is a wide problem of which interest and usury are only a part."

Fr. Watt concludes by shewing that Lord Keynes changed his attitude to mediaeval thought on the rate of interest. They gave advantage to the "marginal efficiency of capital", that is, the Church's attitude to usury favoured those who "actively used their resources in business and production against those who merely lent their money to others and were passive receivers of interest.". In his last sentence, Fr. Watt suggests that "the attention of social reformers should be directed to discovering effective methods of establishing and enforcing a d structure of interest rates which will be morally justifiable, and consequently economically beneficial to the community."

Fr. Watt evidently does not consider that such general statements as those of Quadragessimo Anno fall within the sphere of usury. The theologians have considered the problem almost in isolation from the undoubted developments in monetary science and use since the time of St. Thomas. It would not, perhaps, have been in place to consider the ethics of money holding the advantage over other "fungibles" in that it sould be hoarded, or the desirability of making money a true fungible by introducing demurrage money, as Silvio Gessell taught. But it must be concluded that on the whole the Roman Communion in England and elsewhere, while it should be commended for not losing sight of the problem of usury as did the English Church for 250 years, has made rather too academic question of it and left our of account that not only paper money but credit also have superceeded the old bullion standard coins. The problem of

nature of money and of credit still remains. And in this connection, certain theologians of the English Church, among whom William Temple was outstanding, have realised that financial credit is created by the bankers, but that it is based on real credit a while money only has value as representing goods. Money has been defined as a claim and a measure of price. The root problem is whether the issue of money is to be left in private hands or is to ne related to goods available, and whether credit is to regulated by the expectation of available goods. Money issued against goods that are not for consumption - whether exports or public works - tends to cause inflation, while the costing system itself tends to cause insufficient purchasing power. Available goods have been called the substance of things hoped for. Such problems are mentioned by Temple, and this is evidence for the return of the Church to her rightful position as the guardian of the community's financial ethics.

But the gap that separated David Jones and Bishop Berkeley still exists. The former condemned usury as a sin, the latter drew attention to the unsatisfactory nature of the issue of money and the great privilege enjoyed by a private individual who created £100 with the dash of his pen. The banks do not lend deposits, but it is safe for them tolend about ten times the amount of the money deposited with them, and a loan is of course initiated by a book entry. The country needs above all else to have control of its own money and of the issue of its own money and credit, whereas the banks since Patterson's day have been practising the major usury condemned by Patterson. The problem of ISSUE is then the fundamental problem of ethics, rightness and conformity with nature. This was the ground on which the old theologians stood, and it was firm ground. The manipulation of a country's currency is a graver ~~offence than~~ sin

of usury than an extra ½ % on a private loan.

The problem of usury is not, in fact, an academic matter that is only the concern of a few tender consciences in the Roman Communion, but it is a critical question of public morals. We saw the results after Waterloo of public usury, and Byron, Cobbett, Adams had much to say on its iniquity. The results were much the same after 1918, when a decline was organised. After 1945, inflation rather was evident, yet there is scarcity of effective currency such as will buy what is needed. Usury has advanced to a higher and more complicated stage, but the fact and the usurers are still in evidence.

Usury is not the wrong tern to be applied to such manipulations, and the same results on a huge scale follow from this international usury, on a huger scale, as were described by Bishop Jewell: hunger, war, suicide, despair. The greed of the internationalfinancier, his interlocking interests (called the"chemical Empire"),is the same as that of the expelled Jews in 1290 but a thousandfold more sinful and disastrous. The privilege of issue has been usurped, and governments have been at the mercy of those who control the issue. Usury is not a dead or theoretic problem, but will always, as long as human greed exists and ramifies ("maledictus captans annonam), be the leading moral problem in any society. And the surest argument and remedy is based not on results but on Christian and natural principle.