USURY AND CAPITALIST ETHICS.

By DANIEL DE LEON

Had Mrs. Hetty Green, on the occasion of her recent remarkable financial interview, been informed that she was clinching the point of a powerful argument of Socialism, the lady would no doubt have been hugely surprised. Yet such was the case.

“Never in my life,” said she, “have I practised usury, and none know it better than the wealthy men who have had business dealings with me.” And proceeding to the proof, she continued, “Those to whom I loaned my money got it at 6 per cent.”

Transport Mrs. Green backward in time eight hundred, five hundred, even three hundred years. Place her in England in the time of Milton. Let her then say: “I never practise usury—I loan my money at only 6 per cent.” Would the announcement have been received with the calm acquiescence that was accorded to it the other day? Far from it! Instead, a simultaneous howl of denunciation and anger would have greeted the statement. Cries of “hypocrite!” “extortioner!” would have been her answer. She might even have stood in danger of life and limb as a Jewess.—Why?

Fortified in her consciousness of not charging more than 6 per cent. interest Mrs. Green can to-day read without a qualm the passages in Exodus and Leviticus thundering against usury; they pass over her head. Could she have done so 297 years ago, when those passages were put into the English form they now wear, in the Jerusalem Chamber of King James’ palace? She could not.—Again why?

Because in King James’ time usury meant ANY INCREASE on money loaned. Mrs. Hetty Green might have reduced her rate successively from 6 per cent. to 5, to 4, to 3, to 1, to one-tenth of 1 per cent.—she would still, in the code of King James’ era, have been a usurer. Not the amount of the increase received for the loan of money, but the bare receipt of ANY increase, made the receiver thereof a taker of
usury. And usury, in this strict and uncompromising sense, was a serious crime, punishable with heavy fines.

As the city bourgeoisie lifted its head, as guild-trade and later full-fledged rawboned capitalism stepped upon the stage, all this was gradually changed. The increased need for money at call, the upgrowth of the systems of banking and credit, the necessity of large capital to launch prospective enterprises—all tended to break down the thousand-year abhorrence of usury—and it was broken down. The rising gentile bourgeois became impelled by his own economic needs to “take a breed of barren metal from his friend,” the very crime he had driven the Jews out of England for before, when his economic needs were the other way. From meaning ANY increase on loans, usury became transformed into meaning an “exorbitant increase,” by which term it is now defined in the law books, while its former place is filled by the more comfortable everyday word “interest.”

So it is that Mrs. Hetty Green can now charge “only 6 per cent.” and pat herself on the back for her non-usuriousness. What was once a crime to the capitalist class became the very breath in its nostrils when economic needs dictated the change. There is no crime to-day which the capitalist class will not on occasion likewise perpetrate with the unction of sanctity, if only its existence is thereby to be maintained. That is the Socialist argument which Mrs. Green unwittingly clinched the point of.