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IN THE MITIGATION THE SIN OF USURY, THE SUNSET OF THE MIDDLE AGES ¹

1. In the last thirty years, the historiographical balance in the interpretation of loan interest as anticipating those new horizons which will shape our modern economies, has reached a point of equilibrium.

Weber's famous thesis on the legitimacy of capitalism through Calvinism and the affirmation of the protestant ethic² has been revised following the reconsideration of the treatises written in the milieu of the Mendicant Orders from the late thirteenth century. Following the example of the studies edited by Ovidio Capitani, the work of Giacomo Todeschini up to the final work of Oreste Bazzichi - to name a few examples of the historiography produced only in Italy³ - the scholars who have focused on the role of late medieval reflection - mainly in the Franciscan area in creating the conceptual and legal instruments which will feed into the capitalist economy up until the present - are now numerous and substantially in agreement. In particular, the influence is almost undisputed of Pietro di Giovanni Olivi (1248-1298) – Provençal Minor friar and member of the *Spirituali*, the most intransigent Franciscan current – who drew the distinction between money and capital

¹ International Meeting “Usura / Usury, the forgotten sin”, Wrocław, 12-13 aprile 2012. On printing in 2013.

² WEBER, M.: *Die protestantische Ethik und der Geist des Kapitalismus*, 1904.

³ A wide up-to-date bibliography on usury, in BARILE, N.L.: “Credito, usura, prestito a interesse”, *Reti Medievali Rivista*, 2010 (IX), 1.

in his *De emptione et venditionem*,⁴ that is between the static, nominal value of money, and its potential value acquired in the processes of the market. This distinction allows him to say that interest may be lawful, and therefore should not be considered "usury" when repaying the amount lent increased by the potential value already present at the time of the loan. Nevertheless we should remember that throughout the later Middle Ages, "usury" is any kind of interest, however small, required on the amount lent. Olivi's statement means that the value of the sum lent is not limited to its nominal value only but must also include the loss of income and the amount which the lender could have built up with that sum, the availability of which he has lost by lending.

Around the middle of the thirteenth century, the work of refining the words associated with money and, more generally, with property and its detention had already begun with the distinction between "ownership", "possession", "use" and "usufruct" proposed by Bonaventure (1221 -1274) and the considerations advanced in the same period by Thomas Aquinas (1224-1274) on "price", considered "right" if it reflects the real value that exchanged goods or services has for those who give them and those who receive them, and does not deviate from the market rules. Consequently one can only speak of "usury" proper when the interest applied is greater than that commonly accepted. The definition of the "right price" given by Aquinas will become the cornerstone for further reflection on the lawfulness of gain and, therefore, on the moral legitimacy of the market. But it is mainly in the Franciscan world – sensitive as it is to the issue of poverty in a society which is increasingly dependent on a money economy during the decline of the Middle Ages - that these concepts are analyzed with care and included in the moral, economic, theological and legal reflections on the market in general, and on the previously

⁴ TODESCHINI, G.: *Un trattato di economia politica francesca: il "De emptionibus et venditionibus, de usuris, de restitutionibus" di Pietro di Giovanni Olivi*, Roma 1980: 51-112.

unmarked distinction between loan interest and usury loan in particular.

The considerations of Pietro di Giovanni Olivi, were examined in greater depth by fra' Alessandro Bonini from Alessandria, who in his *De usuriis* (1302) distinguishes usury from loan and keeps the profit margin obtained by usury separate from that obtained through the exchange of currency: one thing is the currency in usury, whereas the currency in exchange – the *camporia* – is quite different. This topic is later taken up by fra' Astesano d'Asti in his *Summa de casibus conscientiae* (1317) and by Gerard of Odo (1270-1342) in his *De contractibus*. The Franciscan thought which developed between the thirteenth and fourteenth centuries will make huge headway, and through the intense preaching activities of Bernardino da Siena (1380-1444), will lead to the establishment of the Banchi dei pegni (pawnshops) in the fifteenth century, encouraged by Antonino of Florence (1389-1459) and later by Bernardino da Feltre (1439-1494).

A few years after the opening of the first pawnshop established in Italy (Perugia, 1462), with the founding of Monte dei Paschi (Siena, 1472), a ubiquitous banking system appeared, the only single precedent at the time being the Banco di San Giorgio, 1406, established in Genoa several decades before (the timeline, however, does not allow us to relate pawnshops and banks as if they belonged to one and the same family). The pawnshops were set up in response to the growing demand for advanced credit by small traders, shopkeepers and farmers, who until that time had been served by usury rates from Jewish money-lenders and money-changers; they were therefore set up to ensure the application of the minimum rates that were sufficient to maintain them, thus pushing the Jewish money-lenders out of the market. Nevertheless there is no doubt that the banking system had drawn legitimacy -had "paid its duties", as today we would say today with a current metaphor – with the birth of pawnshops and, more generally, by the attenuation of the sin of usury and the acceptance of the idea that a proper interest may exist and is even desirable when its application is

linked to a social function - as in the case of the pawnshop - and promotes the common good.

The Franciscan thinking on this subject had not been intended to open up the field for usury or to legitimize it, but it led to the acceptance of a distinction between a moderate interest, considered legitimate, and an excessive interest. For a justification of usury we have to wait for the reasoning put forward by Francis Bacon, who, in the early seventeenth century wrote *Of Usury*, and more especially, for those of the US economist Jeremy Bentham, author of a *Defence of Usury* (1787). The fact remains, however, «that it was the Franciscan school [...] who focused on, examined and evaluated some of those positive traits of the social life of their time that were later to grow into in the great tree we know as the market economy, and capitalism itself»⁵.

If a large part of the history dedicated to the new attitude toward the loan practice has preferred to focus attention on the issues of anticipation and preparation of new legal, economic and social issues related to the flourishing of mercantilism and the emerging ethics of capitalism, the reflection proposed here, retrospectively oriented, focuses on the meeting of two divergent ways of looking at the world and marks the end of an era, an epochal shift.

2. The end of an era which was, from the eighteenth century onwards, called the "Middle Ages" and the transition to a new era, the era of Humanism and the Renaissance, are commonly ascribed to events of extraordinary importance for the history of the world: events after which the axis on which history rotates shifted dramatically, so that nothing that comes after them is the same. Several schools of historiography have fixed the symbolic beginning of an epochal change in the great plague which broke out in 1348, or the fall of Constantinople in 1453, or in the invention of movable type printing implemented four years later, or in the expedition of the first Spanish ships to the

⁵ ANTISERI, D.: *Attualità del pensiero francescano*, Rubbettino, Soveria Mannelli (CZ) 2008.

West Indies (1492). And we could enumerate many more critical events of this kind.⁶

But the transition from the Middle Ages to the Modern Age can also be read as a transition between two kinds of ethos, between two profoundly different ways of thinking about the world and our place in it. On the one hand, there is the conception of the world that is founded on the presence of God, and expresses an ordered world, a finite cosmos, organized in hierarchical forms, and on the other hand, this theocentric order gives way to a radically different anthropological system, in which Man is increasingly called upon to be the sole model and measure of his world, and this holds true for ethics as for art, for science as for economics. Profound reflections on this historic transition were put forward by Pavel A. Florensky (1882-1937) and by Ivan Illich (1927-2002): the writings of the former flourished in the first years of last century and the work of the latter saw the light in last thirty years of the same century. Both were scientists, philosophers, historians, critics of their time and much more, so that any definition of them would be too restrictive. Both were theologians and priests: the former an Orthodox priest, the second a Jesuit; both developed distinct but not divergent ideas about the trend and direction of times.

Florensky sees the flow of time in a metahistorical key as the motion of a pendulum that swings between periods of stability during which we see a return to the canon, reflecting the order of the world, to periods of instability marked by the compulsive search, at all costs, for innovation and originality.⁷ He calls the first period "the Middle Ages" and the second "modernity." Illich on the other hand presents a view of history which starts with the Incarnation, an event which forever divides history into two parts and leads to an apocalyptic

⁶ FALCO, G.: *La polemica sul medioevo* (1933), Napoli 1977; of the same Author, see also *Geist des Mittelalters*, Zurich 1958.

⁷ See in particular: FLORENSKIJ, P.A.: *Kul'turno-istoroceskoe mesto i predposylki christianskogo miroponimanija*, 1921 (*La concezione cristiana del mondo*, ed. A. Maccioni, Bologna 2011).

epilogue, the signs of which abound in our times. And this epilogue approaches through a progressive degeneration of the Christian message, caused by the betrayal, by the Church itself, of the message of freedom that lifted mankind from a state of helplessness and idolatry.⁸

According to both these thinkers, it is possible to recognize a watershed in the thirteenth century where we can observe evidence of an anthropological reversal in the common view of things and a general shift in shared perspective with which people read and interpreted reality.

This evidence, for Florensky, includes a particular meaning in the reversal of perspective which occurred in art in the West and the resulting transition from sacred art to an art of religious inspiration. In the Byzantine tradition, the painting *is* the Holy One, "written" in the icon, who looks at us. And what we see in the icon, against the background of light expressed by gold, does not depend on our human proportions or the coherence of our eye (because the eye of the icon's protagonist belongs to the One who is behind the icon and comes from the world that sustains our world). In Renaissance painting, on the other hand, everything is inverted and painting reflects only our way of viewing the world, our perspective, our point of view with respect to the figures in the painting, who are projected onto a single vanishing point. With this reversal of perspective, the icon, understood as a door to the invisible world, gives way to naturalistic representation, in line with our modern perception, by which the human, physical, exterior qualities of the saints depicted is enhanced: thus the sacred writing of icons, little by little, turns into the painting of religious subjects.⁹

And this time of transition is well marked by the frescoes by Pietro Cavallini (ca 1240-1330 ca), which still express the Byzantine tradition, and those of Giotto di Bondone (1267-

⁸ About Florenskij on modernity, HANEY, F.: "Pavel Florenskij – Tradition and Modernity", *Studies in East European Thought*, 2001, 4; Bocken, I.: "Sophia or Modernity? The Reverse Perspective in Pavel Forenskij as a Critique of Modern Naturalism", *Transcultural Studies*, 2008, 4.

⁹ See FLORENSKIJ, P.A.: *Ikonostas*, 1922 (*Iconostasi*, ed. G. Giuliano, Milano 2008).

1337), which open the road of no return to ordinary perspective, in their works which accompany the transition from thirteenth to fourteenth centuries. Between the Byzantine icon, which flourished again in fourteenth century Russia, and the naturalistic painting with its linear perspective, there is, Florensky suggests, much more than a stylistic leap, there is a leap of civilization and, specifically, the beginning of the process of modernization that accompanies the beginning of the Renaissance, there is a reversal of an entire world view, a reduction of the real to the rational, a progressive fragmentation and falling away from unity, a turning away from the cosmos as something whole and entire and an acceptance of a cult of the specialist detail, a departure from a conception of the world that is symbolic, realistic, unified, a turning towards a rational, abstract concept, based on reductionism.

Of the reversals which occurred during this period, Ivan Illich in turn, can already see traces in the *Dictatus Papae* (1075), when the Church tries to impose its temporal supremacy, and the equally decisive pronouncements of the Fourth Lateran Council (1215), which imposes the obligation of at least an annual personal confession and redefines marriage as a sacrament. All these show the signs of what he calls *the perversion of Christianity*, a perversion brought about from within the very Church itself and further expressed in its secularization and progressive transformation into an institution founded no longer on a charity which is above all law, but on the contrary, on the codification and institutionalization of charity. In this long century, the primacy of faith gives way to the primacy of morality and ritual bureaucracy. The anthropological reversal that triggers and accompanies the consolidation of an anthropocentric world view can also be seen at the beginning of the thirteenth century through the transition from the *via Lucis* (cycle of Resurrection) to the *via Crucis* (cycle of Passion). The same representation of Christ, first triumphant over death and the protagonist of the Resurrection, with his eyes raised to the Heavens, changes and is transformed into the image of a man tortured and nailed to the cross, suffering, with his eyes closed and his head resting on his chest,

first his body arched in pain then, by the end of that century with Giotto, rendered in the naturalistic shape of the hanging body with bent legs. The figure of Christ with open arms and the royal robe around 1200 turned into a naked, martyred body hanging on a cross.¹⁰

At that time the idea of *contingency*¹¹ also began to wane, that is, the idea that everything depends solely on the will of God. Illich observes that *in thirteenth century*, especially in the Franciscan theology, the being of the world is dependent not only on the Divine will, but also on participation in the grace of his being, his life.¹² The idea of the discontinuous fatality of every event happening by design or divine will gives way to an orderly sequence of cause and effect that aims to explain every event as a natural phenomenon. Even so, Man acquires an autonomy juxtaposed with the divine will, with which he concurs and with which he later, in fact, enters into competition. The next step, in fact, will be the full affirmation of human autonomy and the simultaneous marginalization of the divine will affirmed only out of duty (but believed in with less and less sincerity). In the decades that accompany the scientific revolution and the establishment of the mechanistic world view, contingency is extinguished, and with it dies the idea of "living nature" and the modern cosmos becomes inert, at best it moves in the wake of a pulse provided at the time of Creation. Caroline Merchant, in this regard, came to talk about of the *death of nature*, adding – Illich underlines – that it was an event ever more fraught with serious consequences in the transformation of human vision of the universe.¹³ The removal of the divine will

¹⁰ ILLICH, I.: *The Corruption of Christianity*, 2000 (*Pervertimento del cristianesimo*, ed. F. Milana, Macerata 2008: 50). On these topics, see also, CAYLEY, D.: *The Rivers North of the Future: The Testament of Ivan Illich*, House of Anansi, 2005.

¹¹ About contingency, ILLICH, I.: *In the Mirror of the Past: Lectures and Addresses 1978-1990*, 1992 ("Dodici anni dopo nemesi medica", *Nello specchio del passato*, Como 1992: 209-216).

¹² ILLICH, I.: *The Corruption*, cit, ed. 2008: 227.

¹³ MERCHANT, C.: *The Death of Nature: Women, Ecology and the Scientific Revolution*, San Francisco 1980.

from the world leads to the idea of a cosmos in which people become inert functions, "lives", no longer subjects with individualities but abstract objects. During the seventeenth century, the cosmic order - now exploded after Nicholas of Cusa and Giordano Bruno in a universe without a centre¹⁴ - will be entrusted to the laws of nature and to mechanisms that regulate its expression, and the metaphor of the clock prevails. At the end of the eighteenth century, God - affirms Laplace - is a hypothesis no longer needed and, less than a hundred years later, Nietzsche declares that this death has already happened.

Florensky and Illich direct our attention to the late Middle Ages. In particular to the thirteenth century, when we find both *The wedding of Francis and Madame Poverty* (written in 1217, the year after the death of Francis of Assisi), where money is kept strictly outside the Franciscan moral arena, and only a few years later, the first reflections on the use of money proposed by the Franciscan Bonaventura, a General of the Order, and the sophisticated positions assumed by Pietro di Giovanni Olivi. It is around the middle of this century and the first decades of the next when the condemnation of loan interest (still understood as "usury"), as stated by Henry from Susa, Cardinal of Ostia, in his *Summa* (1250-1261), sits alongside the first indirect openings in Franciscan thinking, when the strong position established in Dante's *Inferno* as in the Council of Vienne (1311), sits alongside the first precedents and reasonings about acceptable - even praiseworthy - interest, like that applied to the loan and to the pledge of assets, distinguishing it from usury proper.

It was a sign of an epochal transition, that something which could in no way be tolerated formerly- the perception of an interest - and was definitely beyond the pale of Christian ethics, became to a certain extent acceptable, and later, fully justified.

What seems to emerge to a new and noticeable extent in the time of Saint Francis is a new focus on Man, understood in

¹⁴ See KOIRÈ, A.: *From the Closed World to the Infinite Universe*, Johns Hopkins Press, 1957.

his individuality, in his singularity. Illich notes that there are contemporary ideas that did not have an equivalent a few centuries ago, although today they are perceived as incontrovertible certainties: one of these – he affirms – is what we call the ego.¹⁵ In that time, human salvation began to be more and more clearly defined as a personal (and no longer a collective) matter, and at the same time the modern idea of marriage takes shape, no longer seen as a tool of alliances between families, decided by the elders, but a legal contract between individuals who reciprocally exchange rights over their own bodies; the idea of purgatory emerges in the dogma and in the common consciousness and this appears to fit a need to allow the usurer rehabilitation: J. Le Goff suggests that the hope of escaping hell thanks to purgatory allows the money-lender to help push the economy and society of the thirteenth century towards capitalism.¹⁶

Time belongs to God: according to this argument, which was very common in the late Middle Ages, the usurers, who steal time because with the mechanism of interest, they gain on the time that they don't have without working, are considered thieves of the worst kind. But, in time, time becomes an economic resource in the hands of Man, as we already can see in the *Books of the family* (1437) of Leon B. Alberti where the first mention of an equation destined to become a proverbial and indisputable expression appears: *time is money*.¹⁷ In the century of Saint Francis, Man becomes a co-author of Creation and finally its centre – in the early sixteenth century we see Vitruvian Man by Leonardo da Vinci, resonating four and a half centuries later in Le Corbusier's Modulor, becoming the measure and end of all things.

These observations highlight what has been said about the expansion of mercantilism and the rationalistic premises of

¹⁵ ILLICH, I.: *In the Mirror*, cit., ed. 1992: 211.

¹⁶ LE GOFF, J.: *Temps de l'Eglise et temps du marchand*, 1960 (*Tempo della chiesa, tempo del mercante e altri saggi sul lavoro e la cultura nel Medioevo*, Torino 1977: 38).

¹⁷ IBID., ed. 1977: 86.

the scientific revolution, and do so with our faces turned (not to changes in society and to the progress of science) but back towards the breakdown of the metaphysical unity that kept Heaven and earth, God and Man bound close together. A breakdown that we clearly see in the ontological schism that has divided reality and has separated the world of matter from that of the spirit, those halves of the cosmos which were interdependent for our ancestors, and which have become indifferent to each other in modernity or even stand in reciprocal denial. This breakdown has reduced the body to flesh and the soul to a physical function, as the psyche is currently understood in our day; it has separated truth, beauty and goodness, colours of the same rainbow, so that it would seem a matter of indifference in our moral scheme of things for one to exist without the other two.¹⁸

In the metaphysical breakdown which stands at the threshold of the modernity, in the falling away of what Florensky calls “the Christian conception of the world”, we see not only fragmentation and an ontological schism, but a real shift in the axis of worship, and consequently of culture: when the axis of worship is beaten down to the horizontal, and so exists only on the *social* plane, culture follows suit and ceases have regard for those dimensions for which worship no longer reaches.¹⁹ Metaphysics is reduced to a logical exercise, an exercise of reason that argues within the bounds of its own language and thus Reason claims itself the sole and obligatory path to any knowledge - of the only part of reality that it recognizes..

3. In the West, one of the most important processes in the disruption of the ethical, and the prior metaphysical, order which heralded the end of the Middle Ages and the beginning

¹⁸ On this topic, citing Dostoevskij: EVDOKIMOV, P.: *L'art de l'icône: Théologie de la beauté*, 1972 (*Teologia della bellezza: L'arte dell'icona*, Cinisello Balsamo, MI 2002: 61).

¹⁹ About the relation between “cult”, worship, and “culture”, see ANGELINI, M.: *Dalla cultura al culto*, Nova Scripta, Genova 2012: 39-46

of a new era, with the gradual take-over in the artistic (and religious) arena by the reversal of the perspective, the transition from the primacy of Easter to that of the Crucifixion, the explosion of the Ptolemaic cosmos in favor of an undefined universe, the gradual dismantling of common law and, in parallel, of public lands and of the customs established for the protection of property and communitarian rights, we can also see the early signs of tolerance for, not to say doctrinal legitimacy for, lending at interest, until that time seen as the sin of usury. Through a process of distillation of the patristic and canonical tradition, we can observe, from the thirteenth century on, a gathering acceptance of the idea of interest on the loan paving the way for pawnshops, credit institutions and, in the course of time, providing the financial basis for today's international economy, with its double cornerstones: the banking system and the stock exchange of securities and currencies - which for the Christian Middle Ages would have fallen into the categories of usury and gambling.

Today, usury, understood in the medieval sense, is an important part of our economic life and it is so much a part of our way of life as to be no longer perceived as an issue for contemporary public morality either as a point of controversy, or as matter for reflection and doubt. It is carried on not only through the banking system - which (unlike the old money-lenders) uses not its own money but the money entrusted to it by others - but also through the mechanism of inflation, now taken for granted as an inevitable corollary of contemporary public finance, which gradually erodes the purchasing power of currencies. But the mechanism of inflation is nothing but the application of the criteria of the usurer to an entire economy, through the application of an indirect interest rate, in the form of the advance, in favour of those who, at any level, whether international finance or small trade, manages or acts as middle man in the circulation of money. It is the same when wages are delayed with respect to the provision of labour, and the withholding of money in transactions of credit, such as cheques, paid out later than their date of issue. Inflation makes the application of an equivalent interest rate invisible, more: it

legitimizes it through lost purchasing power. We are so used to all this that it engenders no moral doubts; the economy within which we move is deeply imbued with usury and gambling (from the currency exchange to the pandemic spread of popular lotteries and betting) without causing any scruples, and this highlights the distance between a way of life that follows ethical criteria based on a metaphysical order, and the lifestyle of our contemporary mainstream where morality follows the custom of the day, adapting and conforming to it as custom changes. It is in this sense that the reversal of morality and the loss of its ontological roots hark back to the moment when, in the attenuation of the sin of usury, we divine an eloquent sign, amongst others, of the decline of the Middle Ages.

Italian Abstract

Il passaggio tra i secoli XIII e XIV segna per molti aspetti la fine di un'epoca, non tanto per gli eventi che l'hanno segnato, quanto perché in quegli anni si osservano segni di un capovolgimento nel modo comune di intendere le cose, vedere il mondo e vedersi al suo interno. In Occidente, insieme con il progressivo abbandono della prospettiva rovesciata nell'arte, con l'inizio dello smantellamento del diritto consuetudinario e, in parallelo, delle terre demaniali e degli usi fissati a tutela di beni e diritti comunitari, tra i processi più rilevanti che annunciano l'uscita dal medioevo e l'inizio di un nuovo tempo, possiamo leggere anche le prime testimonianze di tolleranza o, addirittura, di legittimazione dottrinale del prestito a interesse, fino allora considerato peccato di usura. In quegli stessi anni, da una parte l'usura è condannata senza attenuanti (così nell'*Inferno* dantesco, come nel concilio di Vienne del 1311), dall'altra s'iniziano a produrre casistiche e ragionamenti volti a mitigare la condanna e a distinguere un'usura accettabile e persino meritoria, come sarà per l'interesse moderato applicato al prestito e al pegno dei beni, dall'usura propriamente detta: lo testimonia la trattatistica, di prevalente matrice francescana, sviluppata intorno a questo tema dal tardo XIII secolo con Pietro di Giovanni Olivi (1247-1298). Attraverso un percorso di distillazione della tradizione patristica e canonica, prende corpo l'accettazione dell'interesse sul prestito che apre la strada ai monti di pietà, agli istituti di credito e, in progresso di tempo, alla base finanziaria dell'odierna economia internazionale, della quale sono assi portanti due strumenti – il sistema creditizio e la borsa dei titoli e delle valute – che nel medioevo cristiano sarebbero stati letti rispettivamente proprio sotto le specie dell'usura e del gioco d'azzardo.

Se ampia parte della storiografia dedicata al nuovo atteggiamento verso la pratica mutuaria ha preferito puntare l'attenzione sugli aspetti di anticipazione e preparazione dei nuovi assetti giuridici, economici e sociali legati al fiorire del mercantilismo e alla nascente etica del capitalismo, la riflessione qui proposta mette a fuoco in quel passaggio epocale l'incontro di due modi divergenti di guardare il mondo, magistralmente analizzato nello scorso secolo, da prospettive differenti, da Pavel A. Florenskij (1882-1937) e Ivan Illich (1926-2002). La modernità, che per il primo emerge dalla rinuncia al fondamento ontologico e simbolico del mondo e dalla frammentazione antropologica, per il secondo è effetto del perversimento del cristianesimo attraverso l'istituzionalizzazione della carità e di una ridefinizione della Chiesa come apparato burocratico e statale leggibile nel tempo corso tra il *Dictatus Papae* (1075) e il IV Concilio Lateranense (1215).

Usando le categorie interpretative proposte da Florenskij e Illich, questo contributo, attraverso la lettura di testimonianze coeve a quel passaggio, oltre gli aspetti rilevanti e già acquisiti per la storia giuridica ed economica, colloca l'attenuazione del peccato di usura in relazione allo scardinamento dell'ordine etico, e prim'ancora metafisico, sul quale si regge il cosmo medievale, al pari del cambiamento di prospettiva nell'arte o, più tardi, dell'ipotesi copernicana in astronomia.