

John Calvin, Letter to Sachinus, 1545

Calvin was known for his willingness to denounce human sinfulness, but in this letter concerning usury his ambivalence reflects the changing values of his time.

“I have not yet essayed what could fitly be answered to the question put to me; but I have learned by the example of others with how great danger this matter is attended. For if all usury is condemned tighter fetters are imposed on the conscience than the Lord himself would wish. Or if you yield in the least, with that pretext, very many will at once seize upon unlicensed freedom, which can then be restrained by no moderation or restriction. Were I writing to you alone I would fear this the less; for I know your good sense and moderation, but as you ask counsel in the name of another, I fear, lest he may allow himself far more than I wish by seizing upon some word, yet confident that you will look closely into his character and from the matter that is here treated judge what is expedient, and to what extent, I shall open my thoughts to you.

“And first, I am certain that by no testimony of Scripture is usury wholly condemned. For the sense of that saying of Christ, ‘Lend, hoping for nothing again’ (Luke 6:35), has up to this time been perverted; the same as another passage when speaking of splendid feasts and the desire of the rich to be received in turn, he commands them rather to summon to these feasts, the blind, the lame, and other needy men, who lie at the cross-roads and have not the power to make a like return. Christ wished to restrain men’s abuse of lending, commands them to lend to those from whom there is no hope of receiving or regaining anything; and his words ought to be interpreted, that while he would command loans to the poor without expectation of repayment or the receipt of interest, he did not mean at the same time to forbid loans to the rich with interest, any more than the injunction to invite the poor to our feasts did not imply that the mutual invitation of friends to feasts is in consequence prohibited. Again the law of Moses was political and should not influence us beyond what justice and philanthropy will bear.

“It could be wished that all usury and the name itself were first banished from the earth. But as this cannot be accomplished it should be seen what can be done for the public good. Certain passages of Scripture remain in the Prophets and Psalms in which the Holy Spirit inveighs against usury. Thus a city is described as wicked because usury is practiced in the forum and streets, but as the Hebrew word means frauds in general, this cannot be interpreted so strictly. But if we concede that the prophet there mentions usury by name, it is not a matter of wonder that among the great evils which existed, he should attack usury. For wherever gains are farmed out, there are generally added, as inseparable, cruelty, and numberless other frauds and deceits.

“On the other hand it is said in praise of a pious and holy man ‘that he putteth not out his money to usury.’ Indeed it is very rare for a man to be honest and yet a usurer.

“Ezekiel goes even further (Eze:12). Enumerating the crimes which inflamed the wrath of the Lord against the Jews, he uses two words, one of which means usury, and is derived from a root meaning to consume; the other word means increase or addition, doubtless because one devoted to his private gain takes or rather extorts it from the loss of his neighbor. It is clear that the prophets spoke even more harshly of usury because it was forbidden by name among the Jews, and when therefore it was practiced against the express command of God, it merited even heavier censure.

“But when it is said, that as the cause of our state is the same, the same prohibition of usury should be retained, I answer that there is some difference in what pertains to the civil state. Because the surroundings of the place in which the Lord placed the Jews, as well as other circumstances, tended to this, that it might be easy for them to deal among themselves without usury, while our state today is very different in many respects. Therefore usury is not wholly forbidden among us unless it be repugnant both to Justice and to Charity.

“It is said, ‘Money does not beget money.’ What does the sea beget? What does a house from the letting of which I receive a rent? Is money born from roofs and walls? But on the other hand both the earth produces and something is brought from the sea which afterward produces money, and the convenience of a house can be bought and sold for money. If therefore more profit can be derived from trading through the employment of money than from the produce of a farm, the purpose of which is subsistence, should one who lets some barren farm to a farmer, receiving in return a price or part of the produce, be approved, and one who loans money to be used for profit be condemned? And when one buys a farm for money does not that farm produce other money yearly? And whence is derived the profit of the merchant? You will say from his diligence and his industry. Who doubts that idle money is wholly useless? Who asks a loan of me does not intend to keep what he receives idle by him. Therefore the profit does not arise from the money, but from the product that results from its use or employment. I therefore conclude that usury must be judged, not by a particular passage of Scripture, but simply by the rules of equity. This will be made clearer by an example. Let us imagine a rich man with large possessions in farms and rents, but with little money. Another man not so rich, nor with such large possessions as the first, but has more ready money. The latter being about to buy a farm with his own money, is asked by the wealthier for a loan. He who makes the loan may stipulate for a rent or interest for his money and further that the farm may be mortgaged to him until the principal is paid, but until it is paid, he will be content with the interest or usury on the loan. Why then shall this contract with a mortgage, but only for the profit of the money, be condemned, when a much harsher, it may be, of leasing or renting a farm at large annual rent, is approved?

“And what else is it than to treat God like a child, when we judge of objects by mere words and not from their nature, as if virtue can be distinguished from vice by a form of words.

“It is not my intention to fully examine the matter here. I wished only to show what you should consider more carefully. You should remember this, that the importance of the question lies not in the words but in the thing itself.”