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INTRODUCTION

The human person's social nature makes justice and the common good subjects of immense importance. St. Thomas Aquinas defines justice as "the habit whereby a man renders to each one his due by a constant and perpetual will" (Aquinas, 1948, II-II, q.58, a.1). Looking more closely at the definition, we see that justice resides in and perfects the rational will. By willing to *be* just we perfect our moral personhood. The essence of the virtue is to give to others what is their right by virtue of their nature as human beings. Thus, justice inclines us to think of and be attentive to our obligations to others. Justice is the virtue that allows us to shoulder the responsibilities of social life.

Legal or general justice is one of the three forms of justice identified by Aquinas. Individuals ought to obey the just laws of the state and respect the state in its legitimate procurement of the common good, where the common good is understood to be the social order that empowers or facilitates every person in it to attain, as closely as possible, his or her perfection. But such a legal minimum does not begin to capture what individuals working alone or in concert with others can contribute to the social whole so legal justice, in Aquinas' terminology, is referred to today as social justice. To possess social justice or civic virtue is to have an intelligent dutiful concern for the public weal. The just citizen constantly wills his or her greatest contribution to the common good.

The perennial virtue of justice applies as surely to social organizations as it does to individuals. The good company can be considered as the organization that lives for the common good in all that it does. It is an operation that is committed to civic virtue. All social institutions exist to elevate the human person. Once created or willed into being, even on a contractual basis, a community of persons, of which the economic enterprise is one example, is morally obligated to serve its objective end—the realization of the common good.

In his social teaching, Pope John Paul II points out that communities or even entire peoples can become entangled in "structures of sin" (John Paul II, 1998, #73). Since a stable social order is not possible in the absence of justice, these sinful or unjust structures are a grave matter worthy of deep reflection. This study endeavours to get to the heart of the matter by investigating the inversion of means and ends that has occurred in our socioeconomic world. A debt economy has been constructed where money is created *ex nihilo* by the stroke of a banker's pen and lent out at interest. Despite the condemnation of lending money at interest by the ancient Greeks, the prophets of the Old Testament, and the Christian teachers of the early and medieval Church, usury is the unquestioned reality at the center of the modern world.[1] The evil of charging a fee for the use of property has been crystallized in unjust social structures. An idolatry of money has supplanted the common good as the end being sought.

The inquiry begins by defining usury and pointing out the social conditions that are conducive for its adoption as a social practice. The condemnation of usury as it has been presented across a wide variety of traditions, worldviews and genres is briefly reviewed before using divine revelation, patristic teaching, and the relevant magisterial documents to present the basis for the Church's prohibition of usury. According to Mews and Abraham (2007), "The time is right to revisit the traditional Christian teachings on usury and just compensation" (p. 11). The time is right to look at the wisdom of building a social order on a practice always considered to be oppressive and destructive.

Having set out the ancient ethical case against usury an analysis of how this stance was undercut is undertaken. The series of revolutions—commercial, philosophical, financial, industrial—that institutionalized unequal exchange is taken up. The key elements to understand about these societal upheavals are noted as the advent of modern banking and the shift from money as a commodity to money as debt. With these social inventions paper is used not as a medium of exchange but as money itself instead of gold and silver coins. This transformation in the essence of money gives rise to our current debt economy. The result of this triumph of the imagination is an untethering of money from the real economy and from the real physical world upon which all economic activity depends.

The consequences of embedding the evil of usury in the structures of society are looked at. It is seen to be impoverishing in three major ways.

1) Social Impoverishment: Both commutative and distributive justice are violated (Niewdana, 2015).[2] Usury on a loan is a gain for the usurer for which he did not labour and for the borrower it is a charge for which he did labour but did not receive the benefit. Usury always involves a wealth transfer from the needy to the wealthy.

2) Ecological Impoverishment: Usury requires and demands economic growth. Such economic expansion in a world where environmental carrying capacity is already being exceeded can only result in the destruction of the basic life support systems of the planet.

3) Spiritual Impoverishment: Usury subverts the motive of charity in our hearts. The motive in our relations with others is gain, not genuine concern for their wellbeing. The clear signs of the loss of spiritual health are evident in the increased risks of anxiety, sleeplessness, aggression, divorce, and suicide.

The study concludes by tracing out a renewed Christian economics based on the principles of Catholic social thought. Solidarity sees the human race as a single family working together in true communion under the Creator's watchful eye. Love is the central ethic informing economic activity. The particular effort of Habitat for Humanity to build a humane economy in the absence of the necessary structural reform of the financial system is examined. The founders of Habitat for Humanity, conscious of the injustice of usury, deliberately wrote into the charter of the organization that no interest mortgages would be issued. Habitat for Humanity's moral vision has proven to be compelling as it builds a hundred thousand homes a year, and a house is surely an economic good.

REVELATION, REASON, AND THE PROSCRIPTION OF USURY

Usury is at the heart of the regime of capitalism (Heilbroner, 1985), our present ruling order. Usury is defined here, as the etymology of the word suggests, as the payment for the use of property. Interest is taken to mean exactly the same thing. This is at odds with today's usage of the words. The relaxation of the strictures on charging interest unfolded historically in a two step process. First, it was argued that not all interest was bad, only excessive interest. Therefore, one was not guilty of usury if one remained within the legal limits that had now been set down legislatively. The problem has always been determining what the legally permitted interest rate *should* be, since there is no non-arbitrary rate. What we see as a second historical outworking is a forgetting of the concept of usury entirely. Today's credit card rates of 18 – 30% were once the province of only the most ruthless loan sharks. Charges of payday lending companies, now entrenched as part of the commercial landscape, can reach the unconscionable (Woodyard and Marzen, 2012) rate of 1,000% (Martin, 2010).

Usury is as old as civilization itself. It arises whenever there is an unequal distribution of wealth and the concentration of capital in relatively few hands makes gaining access to life giving and life sustaining resources of critical importance in the lives of the many. The poor person is in the position of pleading to the person with superfluous goods for what he needs. The usurer exploits this vulnerability by asking for more than was lent to be returned. This imposes a further hardship upon already overburdened individuals. Societal breakdown has ensued whenever and wherever usury has been practiced because "usury is a monster that feeds upon itself" (Mooney, 1988, p.23). "No force on earth can keep up with compound interest, which is the heart of usury" (Jones, 2014, p. 20).

Hostility to usury is as ancient as the practice itself (Vega Vega, 1987) and this opposition to receiving interest on money has continued to our own time. Both Plato and Aristotle, the greatest figures in Greek philosophy, voiced disapproval of usury. In the discussion of the laws needed to found a state Plato asserts that there must be "no lending at interest" (Cooper, 1997, Laws, V, 742c). There are higher goods than the making of money. "All the gold upon the earth and all the gold beneath it does not compensate for a lack of virtue." (Cooper, 1997, Laws, V, 728). This repeats the warning he had issued earlier in his classic work on governance. The polity must not be led by "lovers of making money" (Cooper, 1997, Republic, VIII, 551). Aristotle's case against usury is similar but is set out with more nuance.

> The most hated sort [of retail trade] and with greatest reason, is usury, which makes gain out of money itself, and not from the natural object of it. For money was intended to be used in exchange, but not increase at interest. And this term interest, which means the birth of money from money, is applied to the breeding of money because the offspring resembles the parent. That is why of all modes of getting wealth this is the most unnatural. (Barnes, 1984, Politics, I, 10)

Like his teacher, Aristotle is emphasizing that money is a means and makes a poor candidate for the summum bonum (Worden, 2009). He is also pointing out the sterility or barrenness of money (Langholm, 1984). Money cannot beget money and to pretend that it can goes against the natural order. Of course, fruitfulness can result if money is turned into a productive asset. But even then, labour is needed to animate this real capital. Money did not generate money. The most influential Roman philosophers Cato, Cicero, Seneca and Plutarch also expressed disapproval of the practice of interest taking (Moser, 2000).

Besides Judaism and Christianity the religions of Hinduism, Buddhism, and Islam have all at one point criticized usury. According to Visser and McIntosh (1998) both the Hindu Sutra (700-100 BC) and Buddhist Jakatas (600-400 BC) express contempt for usury although this doesn't seem to have been carried forward past the first century AD. Islamic texts, established some 600 years after the birth, death and resurrection of Jesus Christ, represent the Judeo-Christian criticism of usury in their own form (Jafri and Margolis, 1999).

Poets, playwrights and novelists have also used their voices to condemn usury. In the first book, Inferno, of his *Divine Comedy*, written to instruct the medieval mind on the order of God's creation and man's place within it, Dante Alighieri guides his readers through the nine circles of hell. Usurers are condemned to the frightening inner ring of the seventh circle along with blasphemers and sodomites for their commission of offences counter to nature and her gifts. Three hundred years later, William Shakespeare gave the world the memorable character of Shylock, the Jewish usurer of the *Merchant of Venice*. Shylock is notable for his cold cruelty in demanding a pound of Antonio's flesh when debt repayment is not forthcoming. Three centuries further on we encounter Ebenezer Scrooge in Charles Dicken's *A Christmas Carol*. Prior to encountering the ghosts of Christmas past, present, and future, Scrooge sees the ghosts of usurers moaning and wearing chains and his transformation by the Christmas spirit includes a disavowal of his usurious ways. In the twentieth century, Ezra Pound continued the objection to usury in his poem "With Usura".

Sacred Scripture is God's self-disclosure as the creator and sustainer of all that exists. In both the Old and New Testaments God has revealed what proper economic conduct entails if we are to live out our divine calling. Paramount in this revelation is God's absolute prohibition of usury. The Old Testament condemns usury more than a dozen times, as an inhumane and predatory practice: "If you lend money to my people, to the poor among you, you shall not deal with them as a creditor; you shall not exact interest from them" (Ex. 22:25).

The Hebrew word for interest here is *neshek* (Meeks, 2011). It means literally to bite and is used most frequently to describe the biting of serpents (Num. 21:6; Prov. 23:32; Eccl. 10:8; Jer. 8:17; Am. 5:19, 9:13). Charging a fee for the loan of money has the character of a snake bite.

> If any of your kin fall into difficulty and become dependent on you, you shall support them; they shall live with you as though resident aliens. Do not take interest in advance or otherwise make a profit from them, but fear your God; let them live with you. You shall not lend them your money at interest taken in advance, or provide them food at a profit. (Lev. 25:35-37)

The other Hebrew word for usury, *tarbith,* literally means increase. This reflects the lender's experience—to charge a fee for the use of money is to gain for oneself. God condemns both the biting and the increase. We should not want to cause hardship for borrowers and we should not seek the riches that come from usury but we should revere God by sustaining the unfortunate.

> You shall not charge interest on loans to another Israelite, interest on money, interest on provisions, interest on anything that is lent. On loans to a foreigner you may charge interest, but on loans to another Israelite you may not charge interest, so that the Lord your God may bless you in all your undertakings in the land that you are about to enter and possess. (Deut. 23:19, 20)

Moses extends the teaching of the previous books of the Torah (Elliott, 1902, Chapter II). Interest is now prohibited on anything that is loaned - not just money. The "borrower is the slave of the lender" (Prov. 22:7) and we should not wish to enslave another person. Instead we should "give liberally and be ungrudging" (Deut. 15:10) when we do so. Again, the motivation in the passage is the receipt of God's blessing. The inherent evil of usury seems to be denied with the permission to charge interest to the foreigner. This refers to Israel's commission to conquer the inhabitants of Canaan. Usury effectively acts as a weapon of war against the Canaanites. Far from making the case for usury, the instructions here expose the violence of the practice. The book of Nehemiah records the community's outcry over usury and Nehemiah's response.

> We are having to pledge our fields, our vineyards, and our houses in order to get grain during the famine. And there were those who said, 'we are having to borrow money on our fields and vineyards to pay the king's tax. Now our flesh is the same as that of our kindred; our children are the same as their children; and yet we are forcing our sons and daughters to be slaves, and some of our daughters have been ravished; we are powerless, and our fields and vineyards now belong to others. (Neh. 5:3-5)

Note that it is not a matter of degree. It wasn't that too much interest was being charged. It was that any interest was being charged, even 1% (Neh. 5:11).

Usury is also condemned in a psalm of David: "O Lord, who may abide in your tent? Who may dwell on your holy hill? Those …who do not lend money at interest…" (Ps. 15:1, 5).

Usury is included on this list because it is extremely debilitating. Grinding the poor down, exploiting the vulnerable precludes us from being in God's presence.

The book of Proverbs also presents a teaching on usury: "One who augments wealth by exorbitant interest gathers it for another who is kind to the poor" (Prov. 28:8).

This passage points out that there is no future in usury since its practice is in defiance of God's law. God is still sovereign over his creation. The ultimate reality of that creation cannot be escaped. Social misery awaits the unjust.

When God reveals his sovereignty in the Decalogue (Ex. 20:1-17; Deut. 5:1-22), he points out that the effects of idolatry are felt for a long time: "I the Lord your God am a jealous God, punishing children for the iniquity of our parents, to the third and fourth generation of those who reject me" (Ex. 20:5).

The prophet Ezekiel repeats the theme of God's sovereignty and the consequences of acting contrary to God's law: "Know that all lives are mine; the life of the parent as well as the life of the child is mine. It is only the person who sins that shall die" (Ezek.18:4).

The rest of the chapter goes into considerable detail describing the life of the righteous man and the reverse of those traits in the wicked man. Usury is included as a feature of the profile of wickedness presented.

> If a man is righteous and does what is lawful and right - … does not take advance or accrued interest, withholds his hand from iniquity, executes true justice between contending parties, follows my statements, and is careful to observe my ordinances, acting faithfully – such a one is righteous; he shall surely live … [if he] takes advance or accrued interest; shall he then live? He shall not. He has done all these abominable things; he shall surely die; his blood shall be upon himself. (Ezek. 18:4,8,9,13)

In God's eyes usury is a grave sin contradicting nature. The negative effects of going against the law of nature—economic collapse, social upheaval, poverty—may not be immediately felt but they always come.

Jesus extends God's law on borrowing and lending. Now we are to love our enemies, do good, and "lend, expecting nothing in return" (Lk. 6:35). The Parable of the Talents (Mt. 25:14-30; Lk. 19:11-27) is often cited as a justification for usury but read carefully the parable actually upholds God's ordinances in the Old Testament. In the parable, a Master in preparation for a long journey entrusts ten of his slaves with 10 pounds instructing them to "do business with those until I come back" (Lk. 10:13). Upon return he questions three of the slaves about their use of the money praising the first two for increasing (by trading not usury) what they had been given and criticizing the third because he had simply hidden the money away. It is probably best to keep to the spiritual teaching Jesus is trying to get across, namely that one is to do one's best to use one's gifts for God's glory, but even in a strictly economic interpretation, Jesus is not sanctioning usury. The exchange between the slave and the Master must be looked at closely to understand that Jesus is not applauding usury. The slave returns the pound he was given with these words, "Lord, here is your pound. I wrapped it up in a piece of cloth, for I was afraid of you, because you are a harsh man; you take what you did not deposit, and reap what you did not sow" (Lk. 19:20, 21). The Master responds "I will judge you by your own words, you wicked slave! You knew, did you, that I was a harsh man, taking what I did not deposit and reaping what I did not sow? Why then did you not put my money into the bank? Then when I returned, I could have collected it with interest" (Lk. 19: 22, 23). The Master's prescription for the slave is couched in what the slave claims to believe concerning the Master. In other words, "If you thought I was a thief, then you should have gone to the banks to get usury." Of course, the slave is mistaken. "God is love" (1 Jn. 4:8).

Usury is also strongly condemned in patristic teaching. Despite the fact that usurious lending took place and was even sanctioned by civil law in the societies they lived in, the Church Fathers[3] -- "those commentators noted for their orthodoxy, learning, holiness of life and authority, who 'unpacked' between the first and eighth centuries the teachings of the Gospels and the tradition imparted by the apostolic generation" (Gregg, 2016, p. 32) -- unwaveringly upheld the Old Testament prohibitions on usury. A review of the early Christian teaching on usury shows how vehemently the first saints of the Church opposed usury and the grounds for their opposition.

1) Grave social consequences: A theme across several of the Fathers is that usury is injurious to the poor. Resources that could have been used to feed and clothe oneself and one's family must be devoted to servicing debt obligations. Instead of alleviating poverty, usury creates it. Commodianus' castigation of the usurer is severe.

> Why do you senselessly pretend to be good as you wound others? From what you bestow, another is daily weeping. Do you not believe that the Lord sees those things from heaven? . . .You break the wretched when you get a chance. Does a man give gifts that he might make another poor?... [Your wealth] has been wrung from tears. (as cited in Maloney, 1973, p. 245)

Hilary of Poiters also points out that usury just increases a poor man's need.

> What could be more intolerable than to bestow a benefit on a poor man in such a way that he becomes poorer, or to bring him help only to increase his misery? If you are a Christian, what reward can you expect from God if you do not seek to help men but to harm them? If you are a Christian, why do you scheme to have your idle money bear a return and make the need of your brother, for whom Christ died, the source of your enrichment? (as cited in Maloney, 1973, p. 247)

St. Basil the Great made note of the terrible results he had observed.

> You are not counting those who committed suicide, who could not bear to be publicly shamed before the creditors, who preferred death by hanging to a life of disgrace. I have beheld a terrible spectacle: children of free birth being dragged to the auction block on account of the debts of their parents. (Basil the Great, 2009, p. 97)

2) Psychological Distress: Both the debtor and the lender experience anguish. The focus is usually placed on the borrower's experience of distress but Gregory of Nyssa looks at the anxiety of the usurer.

> He continually fears about not being paid, even if the borrower is wealthy, for fortunes can soon vanish. He experiences even greater anguish when he lends to merchants, since his risk is greater. He watches the debtor anxiously as the date of repayment approaches. 'Fathers do not rejoice as much at the birth of children,' Gregory states scornfully, 'as usurers do at the end of the month.' (as cited in Maloney, 1973, p. 250)

3) Eternal Loss: Usury is a grave matter for the Church Fathers. Nothing less than the fate of eternal souls is at stake. St. Athanasius in his commentary on Psalm 15 states that a violation of the precept to not lend at interest excludes a man from eternal life with God. St. Augustine is his *De baptismo contra Donatistas* repeats that interest-taking excludes a person from the kingdom of heaven.

Besides these negative sociological, psychological, and spiritual effects, why is usury condemned by the Church Fathers? What case do they make from a Christian and natural law perspective against the practice of charging interest on loans?

1) Absence of Love: Usury is incompatible with Christian love. The Old Testament condemns usury unequivocally as an inhumane and predatory practice. The Church Fathers jump off from Scripture to denounce the heartlessness of usury. St. Basil says that it is "the height of inhumanity that those who do not have enough even for basic necessities should be compelled to seek a loan in order to survive, while others, not being satisfied with the return of the principal, should turn the misfortune of the poor to their own advantage and reap a bountiful harvest" (Basil the Great, 2009, p. 90). He draws an evocative parallel to a medicine that kills rather than cures.

> Tell me, do you seek money and means from a poor man? If he had been able to make you richer, why would he have sought at your doors? Coming for assistance, he found hostility. When searching around for antidotes, he came upon poisons. It was your duty to relieve the destitution of the man, but you, seeking to drain the desert dry increased his need. Just as if some physician, visiting the sick, instead of restoring health to them would take away even their little remnant of bodily strength, so you also make the misfortunes of the wretched an opportunity of revenue. (as cited in Maloney, 1973, p. 247)

St. John Chrysostom says that by extracting interest "the rich man tears the poor in pieces" (as cited in Maloney, 1973, p. 258). Ambrose sharply criticizes usurers for their pitilessness.

> Even the poor man is fruitful to you unto gain… You are merciful men, certainly, who enslave to yourselves him whom you free from another! He pays usury who lacks food. Is there anything more terrible? He asks for bread, you offer him a sword; he begs for liberty, you impose slavery; he prays for freedom, you tighten the knot of the hideous snare. (as cited in Maloney, 1973, 253)

St. Basil the Great urges his listeners not to borrow otherwise they will be "tracked and hunted down like some kind of prey" (Basil the Great, 2009, p. 92). He goes on to extend his criticism of the usurer: "You profit from misery, you extract gain from tears, you oppress the naked, you beat down the starving. Mercy is nowhere to be found; there is no thought of kinship with those who suffer" (Basil the Great, 2009, p. 98).

Having exposed the wrongfulness of profiting from the vulnerability of others, the Fathers bring to mind the surpassing call to selfless love presented in the New Testament. The Old Testament law prepares for the gospel. According to Tertullian this is "the perfect discipline of Christ" (as cited in Maloney, 1973, p. 244). In charity, we must not only not charge interest but we must be willing to surrender the principal itself:

"But love your enemies, do good, and lend expecting nothing in return" (Lk. 6:35).

"Give to anyone who begs from you, and do not refuse anyone who wants to borrow from you" (Mt. 5:42).

2) Presence of Christ: Jesus' teaching on the Last Judgment (Mt. 25:31-46) is touched upon by the Fathers in their indictment of usury. Injuring the poor man by charging interest is injury to Christ. Hilary of Poiters reminds his listeners, "remember that the person from whom you seek interest is the poor needy man for whom Christ himself became poor and needy. Therefore, whether you do good or evil to the poor man, know that you do it to Christ" (as cited in Maloney, 1973, p. 247).

Gregory of Nyssa asks the usurer to consider himself in front of the divine judge:

> What will you answer when accused by the judge who cannot be bribed, when he says to you, 'You had the law, the prophets, the precepts of the gospel. You heard them all together crying out with one voice for charity and humanity: 'You shall not be a usurer to your brother' (Dt. 23:20). In another place, "He did not lend at usury" (Ps. 15:5), or again, "If you lend to your brother, you shall not oppress him" (Ex. 22:25) (as cited in Maloney, 1973, p. 250).

In his *De Tobia,* Ambrose references the presence of Christ in the poor man. St. Augustine's argument against usury also rests on the identification of Christ with the poor man. In taking usury from Christ, who said, "as you did it to one of the least of those who are members of my family, you did it to me," (Mt. 25:40) the usurer is choosing to enter "the eternal fire prepared for the devil and his angels" (Mt. 25:41).

3) Theft: The fathers regarded usury as a violation of the commandment to "not steal" (Ex 20:15). For Gregory of Nyssa, both the thief and the usurer take away what belongs to others. Ambrose bluntly places usury among the sins that lead to

death. "If anyone take usury, he commits robbery and no longer has life" (as cited in Maloney, 1973, p. 255). In his *Hom. X in 1 Thes*. St John Chrysostom describes the usurer as worse than a thief or house-breaker because the tyranny over others is conducted without compunction.

4) Against Nature: The fathers also attack the problem of usury from the perspective of natural law. Gregory of Nyssa makes the same argument that St. Thomas Aquinas would later use in the Middle Ages. In nature, sterile things cannot bear fruit yet usury claims to be able to reproduce money from money:

"But you, copper and gold, things that cannot usually bring forth fruit, do not seek to have offspring" (as cited in Maloney, 1973, p. 249). Gregory Nazianzen also argues from the natural sterility of money. Since money cannot give birth to money (Greek *tokos*), the gain can only come from the poor: "Another man defiles the earth with usury and interest, gathering where he did not sow, and harvesting where he did not plant—reaping his gain not from the earth, but from the need of the poor" (as cited in Maloney, 1973, p. 251).

Ambrose also follows the Aristotelian line of argument comparing the generation of money by usury to the birth of hares.

Taken together, the Church Fathers present a comprehensive and powerful critique of usury. Charity and generosity ought to characterize our relationships. Ambrose encourages moving out in faith but is not naïve to the danger of money to the soul.

> Many through the fear of loss do not lend, since they fear fraud, and this is what they are accustomed to say to those who ask of them. To every one of these it is said: 'Lose thy money for thy brother's sake and for thy friend, and hide it not beneath a stone to be lost. Place thy treasure in the precepts of the most high and it shall avail thee more than gold.' But the ears of men have been deaf to such salutary precepts, and especially the rich have their ears closed by that brazen din of money. While they are counting their money they do not hear the words of scripture. (as cited in Maloney, 1973, p. 256)

The contrast between God's love, which we are to emulate, and the hold that gain has on the usurer's heart is sharply drawn by Ambrose.

> How different is the wickedness of the prince of this world! The usurer or moneylender has a mortgage on one's head, he hold's one's signature, he reckons his capital, he exacts his hundredth (*centisimam*)… the Lord freed the hundredth sheep—that was the hundredth of salvation, this, of death—and the good earth returns fruit a hundred-fold… Ought they not by that very word by which they designate it hundredth, to recall to memory the Redeemer, who came to save the hundredth sheep, not to destroy. (as cited in Maloney, 1973, p. 254)

The foundational documents of the Church also inveigh against usury. "Every great assembly of the Church, from the Council of Elvira in 306 to that of Vienne in 1311 condemned lending money at interest" (Hoffman, 2013, p. 73). The Council of Nicaea (325 A.D.) prohibited the charging of any interest by clergy. Violation would result in removal from the priesthood. Two major Church councils of the twelfth century (Second Lateran Council 1139, Third Lateran Council 1179) strongly condemned usury. In its instruction on the seventh commandment, the Catechism of the Council of Trent (1566) states that usurers are guilty of robbery.

> To this class [of robbers] also belong usurers, the most cruel and relentless of extortioners, who by their exorbitant rates of interest, plunder and destroy the poor. Whatever is received above the capital and principal, be it money, or anything else that may be purchased or estimated by money, is usury; for it is written in Ezechial: *He hath not lent upon usury, nor taken an increase*; and in Luke our Lord says: *Lend, hoping for nothing thereby*.

> Even among the pagans usury was always considered a most grievous and odious crime. Hence the question, *'what is usury?'* was answered: 'What is murder?' [answer given by Cato in Cicero's *De officiis*, ii. 25]. And indeed, he who lends at usury sells the same thing twice, or sells that which has no real existence. (Catechism of the Council of Trent, 1923, pp. 445-446)

Four hundred years later, the *Catechism of the Catholic Church* (US Catholic Church, 1992) presented to instruct the faithful repeats this teaching in articles 2269 and 2438. It is clear from these Councils that the Church regarded usury as a grave violation of divine law. Selected doctrinal statements of the Church on usury are collected in Appendix I.

St. Thomas Aquinas, the greatest scholar of the medieval period, would weigh in on usury providing nuance to the definition of the practice and an explanation of its unjust nature.

> To take usury for money lent is unjust in itself, because this is to sell what does not exist, and this evidently leads to inequality which is contrary to justice. In order to make this evident, we must observe that there are certain things the use of which consists in their consumption: thus we consume wine when we use it for drink and we consume wheat when we use it for food. Wherefore in such like things the use of the thing must not be reckoned apart from the thing itself, and whoever is granted the use of the thing, is granted the thing itself; and for this reason to lend things of this kind is to transfer ownership. Accordingly if a man wanted to sell wine separately from the use of wine, he would be selling the same thing twice or he would be selling what does not exist, wherefore he would evidently commit the sin of injustice. In like manner he commits injustice who lends wine or wheat, and asks for double payment, viz one, the return of the thing in equal measure, the other, the price of use, which is called usury. (Aquinas, 1948, II-II, q.78, a.1)

Aquinas' argument here is that it is impossible to charge separately for the ownership and use of money since it is consumed in its use. To loan someone $100 and ask for $100 back plus say $15 (15%) for the use of the $100 is to charge twice for the same thing, which is unjust.

Another argument supplied by Aquinas is that money as a medium of exchange has a fixed value and thus to ask for more than this fixed value in repayment of a loan is to sell money for more than it is worth, a violation of equality.

> All other things from themselves have some utility; not so, however money. But it is the measure of utility of other things, as is clear according to the Philosopher in the *Ethics* V:9. And therefore the use of money does not have the measure of its utility from this money itself, but from the things which are measured by money according to the different persons who exchange money for goods. Whence to receive more money for less seems nothing other than to diversify the measure in giving and receiving, which manifestly contains inequity. (Noonan, 1957, p. 52)

A distinction was made between collecting interest to gain unjustly for oneself and the collection of charges only accidently and extrinsically associated with the loan. It is just to be compensated for losses incurred. "A lender may without sin enter an agreement with the borrower for compensation for the loss he incurs of something he ought to have, for this is not to sell the use of money but to avoid a loss" (Aquinas, 1948, II-II, q. 78, a. 2. ad. 1.).

McCall provides this fictitious example to illustrate the distinction:

> Lord Needy asks to borrow 100 florins from Lord Coin to buy grain for his cattle. Coin has the coins but they are in his summer castle in the next county over. It will cost two florins to hire an armed guard to retrieve the coins and transport them safely to where Needy requires

> them. It would be legitimate for Coin to charge Needy the two florins for the transportation costs. At the conclusion, Coin is no wealthier than before. He had 100 florins, which he loaned, and he spent two florins in costs but has been repaid 102 florins for a net gain of nothing. Yet, to charge one florin more would constitute profit. He would have loaned 100 and spent two but received back 103 florins for a one florin gain. (McCall, 2013, p. 70-71)

The key principle is that the lender is entitled to be *made whole but no more*. Justice applies to the lender as well as the borrower.

Extrinsic titles, those charges that were legitimate *because they upheld commutative justice*, were thus allowed in Church teaching all the time remembering that it is the very nature of money that makes usury unjust. Meeting the objection that money can bear fruit because it can be used to purchase a productive asset also led to the distinction between money, non productive in itself, and investment in capital assets or the provisioning of capital assets to a productive effort.

Lucrum cessans, the medieval term for opportunity cost, is not a valid extrinsic title. Franks (2009) sets out Aquinas' objection that a claim of cessant gain is usury, an insistence of an unmerited gain, and presumption against divine providence.

> Thomas insists that a lender cannot enter an agreement for *lucrum cessans* 'because he must not sell that which he has not yet and may be prevented in many ways from having.' [ST. II-II q. 78, a.2, ad. 1] However reliable the alternative investment, it would involve vulnerability to the contingencies of the unfolding of God's provision, a vulnerability that *lucrum cessans* circumvents. To establish a title to such wealth irrespective of the actual possibilities and provisions the future may turn out to hold is to set up artificial invulnerability that only guarantees that any unforeseen shortfall in God's provision will fall exclusively and hence disproportionately on the borrower.[4] (p. 82-83)

By the mid seventeen hundreds, the Church was beginning to be enmeshed in a complex commercial world. Usurious loan contracts were on the rise. Pope Benedict XIV felt the need to establish a fixed teaching on usury and on November 1, 1745 he issued the encyclical *Vix Pervenit* (On Usury and other Dishonest Profit). Benedict XIV begins by disclosing the basic nature of usury and its illicitness.

> The nature of the sin called usury has it proper place and origin in a loan contract. The financial contract between consenting parties demands, by its very nature, that one return only as much as he has received. The sin rests on the fact that sometimes the creditor desires more than he has given. Therefore he contends some gain is owed him beyond that which he loaned, but any gain which exceeds the amount he gave is illicit and usurious. (Benedict XIV, 1745, I)

Both revelation, "the sin and vice of usury is most emphatically condemned in the sacred scriptures," (Benedict XIV, 1745, 7) and reason, "common human sense and natural reason," (Benedict XIV, 1745, V) are used to establish the principles of just lending. It is a violation of commutative justice to receive interest. "The law governing loans consists necessarily in the equality of what is given and returned; once the equality has been established, whoever demands more than that violates the terms of the loan" (Benedict XIV, 1745, II). Those who violate this bond of justice are obligated to make "reparation", (Benedict XIV, 1745, II) to restore any unjust gains to the persons that were collected from.

Benedict XIV then goes on to address the common rationalizations for the sin of usury that can't be condoned. These are:

i) "the gain is nor great or excessive" [a moderate biting is ok]
ii) "the borrower is rich" [the bite won't hurt]

iii) "the money borrowed is not left idle, but is spent usefully, either to increase one's fortune, to purchase new estates, or to engage in business transactions" (Benedict XIV, 1745, II) [the end (mammon) justifies the means].

It is futile to try and build a social order on injustice yet whenever "equality is not maintained, whatever is received over and above what is fair is a real injustice." (Benedict XIV, 1745, IX) Commerce is to be engaged in for the common good. Business cannot serve this noble end if it engages in "usuries and other similar injustices" (Benedict XIV, 1745, IV). That is, there are real social consequences to upholding or violating God's law. "We learn from divine Revelation that justice raises up nations; sin, however, makes nations miserable" (Benedict XIV, 1745, IV). Usury drives us "headlong into ruin" (Benedict XIV, 1745, 7).

Benedict XIV acknowledges that there may be just claims to compensation associated with a loan.

> We do not deny that at times together with the loan contract certain other titles—which are not at all intrinsic to the contract—may run parallel with it. From these other titles [Extrinsic to the loan] entirely just and legitimate reasons arise to demand something over and above the amount due on the contract. (Benedict XIV, 1745, III)

The distinction is made between providing compensation after weighing everything on the "scales of justice" (Benedict XIV, 1745, II) and demanding a gain through interest charges. Benedict XIV also makes the distinction between loans and investments.

> It is very often possible for someone, by means of contracts differing entirely to provide oneself with an annual income or to engage in legitimate trade and business. From these types of contracts honest gain may be made. (Benedict XIV, 1745, III)

Loans to businessmen must still be treated as loans. Unless an investment is being made, no gain can be charged. Investment contracts and business practices in general are subject to being weighed on the same scales of justice.

Benedict XIV is fully aware that he is upholding the centuries old teaching of the Church established by "scriptural evidence, the decrees of previous popes, and the authority of Church councils and the Fathers" (Benedict XIV, 1745, 4). He is also aware that the application of these unchanging principles will require the exercise of prudence. It may be difficult to judge particular cases because of a complexity of facts. Speaking to the Italian clergy of the time he urges them to "rekindle your zeal for piety and conscientiousness so that you may execute what we have given" (Benedict XIV, 1745, 6).

Benedict XIV also summarizes the Christian ideal. Human beings have been "restored to liberty and grace by the blood of Christ" (Benedict XIV, 1745, 7). Diligent care needs to be exercised when investing money since we are still subject to "cupidity, the source of all evil" (Benedict XIV, 1745, 7). We are obliged to help our fellows "with a simple, plain loan. Christ Himself teaches this: 'Do not refuse to lend to him who asks you.'" (Benedict XIV, 1745, V).

The position on usury Benedict XIV takes in *Vix Pervenit* is the position of the Church today. While subsequent popes have not written papal documents dedicated specifically to the topic of usury, they have referred to the traditional doctrine on usury in their encyclicals, condemning those who practice it. Pope Leo XIII in the document launching contemporary Catholic social thought says that usury is a major cause of the misery of the working class: "The mischief has been increased by rapacious usury, which, although more than once condemned by the Church, is nevertheless, under a different guise, but with like injustice, still practiced by covetous and grasping men" (Leo XIII, 1891, #3).

Pope Pius XI assailed those who hold and control money in the economy. So great is their power "that no one dare breathe against their will" (Pius, XI, 1931, #106). Pope Benedict XVI in encouraging financiers to rediscover the ethical foundations of their activity again points up the problem of usury.

> This is all the more necessary in these days when financial difficulties can become severe for many of the more vulnerable sectors of the population, who should be protected from the risk of usury and from despair. The weakest members of society should be helped to defend themselves against usury, just as poor peoples should be helped to derive real benefit from micro-credit, in order to discourage the exploitation that is possible in these two areas. (Benedict XVI, 2009, #65)

On January 29, 2014 Pope Francis' greeting to the National Council of Anti-Usury Foundations contained an extremely harsh condemnation of usury.

> I hope that these institutions may intensify their commitment alongside the victims of usury, a dramatic social ill. When a family has nothing to eat, because it has to make payments to usurers, this is not Christian, it is not human! This dramatic scourge in our society harms the inviolable dignity of the human person. (Houston Catholic Worker, 2014, p. 4)

Catholic doctrine has always taught that usury is contrary to divine and natural law. What must be unraveled then is how usury could become the very center of an ostensibly Christian society.

FROM MEDIEVAL ORDER TO FINANCIAL CAPITALISM: THE INSTITUTIONALIZATION OF UNEQUAL EXCHANGES

> We, . . . having studied the fundamental causes of the present work unrest, have long been forced to the conclusion that an essential first step towards the return of human happiness and brotherhood with economic security and liberty of life and conscience, such as will permit the Christian ethic to flourish again, is the immediate resumption by the community in each nation of its prerogative over the issue of money including its modern credit substitutes. This prerogative has been usurped by those still termed in general 'bankers', both national and international, who have perfected a technique to enable themselves to create the money they lend by the granting of bookkeeping credits, and to destroy it by the withdrawal of the latter at their discretion…In this way a form of national money debt has been invented, in which the lender surrenders nothing at all; and which it is physically an impossibility for the community ever to pay. (Fahey, 1944, p. 13 [Letter of English scholars and activists in 1943 to ecclesiastical dignitaries in Great Britain])

The Church was able to suppress usury for a millennium and a half. How did the lid get blown off the practice so that today it is the unquestioned reality at the center of the modern world? How was the Church's stance on usury undercut and what are the implications of this momentous step?

As a corporeal being, man must win his way in the world as any organism does. We must provision for ourselves and at the most basic or primitive state we make use of the resources immediately at hand to us and produce the articles our personal abilities allow us to create. In this natural state or economy, human flourishing is restricted by the limitations of resource availability and personal talent. It is not surprising then that human beings engage in trade for the goods they need but are unable to provide for themselves. The desire for greater abundance leads to a search for trading partners.

Money enters the economic picture as an instrumental means that makes the exchange of goods easier. It helps to solve the problem of finding someone who will take what you have for the exact article you require at the time you need it. Money, if it is to serve as an effective medium of exchange, must have more or less universal appeal (so that most or all others will accept it) and must hold its value more permanently than other objects (so that it can be used in the future). Other less essential but beneficial characteristics include divisibility, portability, durability (resistance to deterioration), and easy standardization. Historian

Will Durant documents the wide variety of goods that have served as money: “beans, fish-hooks, shells, pearls, beads, cocoa seeds, tea, pepper, at last sheep, pigs, cows, and slaves” (Durant, 1954, Vol. I, p. 15).

In time, gold and silver emerged as the prime media of exchange. To overcome the inconvenience of trading those in lump form gold and silver coins were minted. Greeks coined metallic commodities as far back as the 7th century BC. Rome set up its coin generation operations in the pagan temple “moneta.” It is this name that gives us the word money. Strictly speaking then, money refers to silver and gold in coin form. The mintage of these precious metals was the key element in the transition from a natural economy to a money economy.

Coinage disappeared and Europe was plunged back into a natural economy as a result of the barbarian invasions. For a half millennium production was localized for local needs with little if any long distance trade. The feudal system gradually developed and modified this subsistence economy reaching a kind of perfection in the High Middle Ages. Exchanges in this period were characterized by their reciprocity (LeGoff, 1990). The value received was equivalent to the value given. The use of commodity money made the exchange transparent and the absence of credit made it complete. There was a deep aversion to usury. No one wanted to be a brother biter.

A series of revolutions—commercial, philosophical, financial, industrial—ensued that would shatter the organic order of medieval society and usher in our modern world. The legitimization of usury is decisive in bringing about this world.

The first of these revolutions was a change of heart towards material and pecuniary gain. Human fallenness has always made covetousness a besetting problem for human beings. The Church is able to mitigate this condition by presenting sanctifying grace as a higher ideal than possessing more in this life. As early as the 12th century, however, and certainly by 14th century, religious restraint was thrown off and gain was sought as an end in itself. Capitalism, a new monetized and commercial economy that had the endless accumulation of capital or surplus as its purpose was birthed. Usury is a particularly potent technique to this end so its adoption naturally increased and there was a cry for credit to finance the increasing level of commercial activity.

Francis Bacon produced the philosophical revolution that would accompany capitalism’s quest for more. Bacon’s seminal idea was that human beings could return themselves to the paradise enjoyed before the Fall by taking on the power of God. This new power would come from scientific discovery and resultant technological invention using Bacon’s *Novum Organum* (new method). The vision is of a sovereign science that will remedy all our woes. Pope Benedict summarized the changed orientation from Christendom: “Our contemporary age has developed the hope of creating a perfect world… thanks to scientific knowledge… Biblical hope in the Kingdom of God has been displaced by hope in the Kingdom of man” (Pope Benedict XVI, 2007, #17).

Modernity begins in earnest with the advent of modern banking. Finance is revolutionized with the invention of paper money and the institutionalization of usury. A great level of wealth and silver was being amassed as trade expanded considerably. To deal with the problem of security, money was stored in the vault of a goldsmith and a receipt, a basic paper record to collect the money, was issued. As commerce spread over greater and greater distances it became impractical to ship large quantities of silver and gold. Merchants began accepting bills of exchange instead of immediate payment. The transaction is completed when the bill of exchange is redeemed for money—i.e., the paper (bill of exchange) is a promissory note not money itself.

The next step in the progression to paper money was to sign over a bill of exchange itself to someone who is selling something rather than turning the bill into money and then having the vendor deposit it back. The paper bills of exchange and goldsmith receipts began to circulate as a medium of exchange. Goldsmiths, organized into banks, became a clearinghouse operation based on surety. Their real genius in the capital accumulation game was the discovery of a potent way of activating money. They realized that only a small amount of gold and silver deposits would normally be withdrawn at any one time. They could issue receipts promising to pay a greater quantity of money than they actually had in their vaults. Fractional reserve banking was born and the money supply was compounded.

The British Crown struck a Faustian bargain with the monied men of England in founding the Bank of England in 1694. In return for the money needed to prosecute its war with France, the parliament granted an "astonishing privilege" (Desan, 2014, p. 428) to the privately owned Bank to issue paper notes to be loaned to government and the public with usury. The startling reality of what had been done was well known by the Bank principals as indicated by this statement by William Paterson, the originator of the Bank. "The bank hath benefit of the interest on all moneys which it creates out of nothing" (as cited in Kazminski, 2013, p. 47). Credit money, money created *ex nihilo,* was well on its way to replacing commodity money.

The British system was exported first to the United States and then to the rest of the world. Despite Article I Section 8 of the U.S. Constitution that fixed the duty to coin money in Congress, Alexander Hamilton secured a twenty-year charter for the Bank of America in 1791. With its expiry in 1811, the war of 1812 was used as a reason for renewal of the charter. A century-long fight ensued to defend gold and silver coinage. President Andrew Jackson's stand in 1832 to keep money a medium of exchange controlled by the sovereign and not ungrounded paper created by an unelected financial elite was perhaps the last real possibility of denying the international banking fraternity control of the economy. In campaigning for a second term Jackson was withering in his condemnation of the bankers. "You are a den of vipers and thieves. I intend to rout you out, and by Eternal God, I will rout you out" (as cited in Greco, Jr., 2009, p. 33).

The banking elite are, if anything, a patient bunch. They weathered the storms of criticism of the 19th century and got all they wanted in the 20th century. In response to a financial panic in 1907 President Roosevelt created the National Monetary Commission to bring the National Bank concept from Europe—a privately owned bank with an exclusive monopoly on usury reaping paper that is declared to be legal tender. On December 23, 1913 in the dead of night just before Christmas, the Federal Reserve Act was signed into law. The law created a fractional reserve national banking consortium[5] with the government granted privilege of issuing paper money. The Federal Reserve System is not a part of government even though the name suggests it. The Federal Reserve is made up of 12 privately owned banks each covering a region of the country (thus, giving the illusion of decentralization). The Board Chairman is appointed by the President to a fourteen year term but acts independently of government. The edicts of the Board dictate the extent that various member banks create money.

On May 1, 1933 citizens of the United States had to surrender all the gold coins and bars in circulation to the Federal Reserve in exchange for paper currency. The penalty for noncompliance was $10,000 or 10 years in prison. People submitted to the tyranny. Gold was eliminated as a circulating medium of exchange. In 1965 silver was taken away and the mint stopped putting silver into coins. In 1971 all remaining ties between gold and the dollar were severed.

Money in the modern world is no longer a claim ticket for existing silver or gold. It is merely a symbol or a token possessing no intrinsic value. Federal reserve notes masquerade as real money but the only thing they can be redeemed for is another note.[6]

Why do people continue to take these "slips of paper" (Wells, 1876, p. 107) in exchange for goods? What had to happen for this fiat currency to be considered money by the modern mind? The first thing was the use, for a fairly long time, of paper substitutes for real money. People had to grow accustomed to using paper while not seeing real gold and silver coins. Secondly, government had to deprive people of their freedom to employ gold and silver as medium of exchange. Paper money systems simply cannot survive without the tyranny of legal tender laws—government decree that certain privileged bank paper is declared to be money and must be accepted if it is offered in payment of debts public or private.

The coinage of money is no longer a prerogative of the Sovereign. Bankers rule in the regime of capitalism. Our social world is profoundly shaped by the historically unprecedented step of governments placing their sovereign power to make and define money in the hands of those who lend it with interest for profit.

What has this three century revolution in finance brought us? What are the consequences of this triumph of the imagination?

Unequal exchanges have been institutionalized (Dempsey, 1948; Long, 1996; Clary, 2011). Usury is an arbitrary tax or tribute on the borrower. It is an ancient injustice. What is new to our times is that the wealth is no longer earned prior to its being lent out. Now, loans, which must be repaid with added interest by the sweat of the borrower's brow, are made solely by the wrist reflex of the lender. It is unthinkable that private citizens could lawfully engage in the practice of creating money *ex nihilo*. It ought to be equally unthinkable for private banks to do so.

Justice is the basic social virtue rectifying human relationships. In its absence, social order is simply not possible. "Sooner or later the distortions produced by unjust systems have to be paid for by everyone" (Benedict XVI, 2009a, #14). Despite generating a historically unheard of material bounty for some, our current monetary and banking regime, having set itself firmly on the injustice of usury, ultimately impoverishes. What forms does this take?

USURY'S IMPOVERISHING EFFECTS

1) Social Impoverishment

Competition is instantiated in the regime. In creating money *ex nihilo* bankers only create enough money to pay the loan not the added interest. Each borrower must compete furiously with all others to grab these goods for themselves. We move from a state of brotherhood to universal otherhood (Nelson, 1949). Organizationally, the pressure to lower costs, including labour costs, arises because the demands of usurious credit must be met.

Interest is also "the cause of chronic unemployment." (Birnie, 1952, p. 31).[7] Production ceases when the rate of interest exceeds the rate of profit leaving people without work. In an usurious economic system labour can never be fully employed and the community's capital can never be fully utilized for productive purposes. As well, the material prosperity the employed might enjoy cannot be adequately shared with those without jobs since the debt-based financial system makes those who work ever more dependent on earning. (Rowbotham, 1998).

Confidence or trust is indispensible in human relationships but the debt based financial system where all true money has disappeared erodes trust. Even though the present paper money economy is a house of cards, the illusion that it can be trusted must be maintained. Any piercing of the illusion could lead to a collapse.

David Stockman, former White House budget director, recently wrote, "There are no markets left in any meaningful sense of the word – just a raging casino infected with the madness of the crowds and the central bank pied pipers who mesmerize them" (Stockman, 2015). His statement is not hyperbole. Those at the helm of the financial system have sought to create "new institutions and mechanisms to burst out of regulations" (Hutchinson & Burkitt, 2000, p. 212) to the point where a giant gambling house has been created. Usurers, emboldened by legislation of the last several decades, have gone all in on speculation. The Alternative Mortgage Transition Parity Act (AMTPA) of 1982 allowed adjustable rate mortgages, balloon payment mortgages and interest only mortgages. Obscuring the total cost of a loan, the law contributed to predatory and subprime loans of the early 2000's. The Financial Service Modernization Act of 1999, lobbied for heavily by Citigroup and other bankers, effectively tore down the wall between commercial banks and investment banks which had been in place since the Glass-Steagall Act of 1933. Banks could now make risky bets with depositor's money but leverage was needed to really make something out of this new capability. Financial industry lobbyists helped to write the Commodity Futures Modernization Act of 2000. The Act removed regulation on swaps and derivatives, so the betting shop was now officially open. Banks could place private bets, derivatives, on underlying assets. Credit Default Swaps (CDS), a derivative covering losses on securities in the event of a default, grew to become a market itself four times the size of the U.S. Economy. In 2004, the fractional reserve ratio for banks was changed from 12:1 to 33:1. This didn't seem imprudent to anyone because Credit Default Swaps were insurance designed to pay off when loans went bad. Derivatives could act like cash reserves. The Federal Reserve has added considerably to the problem by creating a safety net for reckless speculation. By bailing out financial enterprises deemed "too big to fail" the central bank effectively signaled that taxpayers would cover losses.

With risk no longer an issue, attention was placed on creating exotic new investment instruments. The firm of Salomon Brothers was the first to issue Mortgage Backed Securities (MBS). This financial innovation bundled mortgages together, portioned them out into slices, and sold those tranches as high yield bonds. What was fabulous about the vehicle, Collateralized Mortgage Obligations (CMO), is that lenders just needed to write mortgages to get paid. Once put together in a MBS the mortgage writer was no longer involved. Predatory lending took off. Terms of the loan were misrepresented. Loans were made without regard to a consumer's ability to pay. The only criteria a potential borrower had to meet it seemed was whether he or she could fog a mirror. Borrowers were presented with deceptive teaser rates unaware that these would blow up astronomically later. Those who wrote these liar loans would describe their companies as fraud factories. Many others enabled the deception. Appraisers would start with the question, "what value do you want the property to come in at?" Underwriters falsified records. Rating agencies such as S&P and Moody's consistently gave a AAA rating to the mortgage backed securities. Ethics was absent all down the line from the potential buyer to the Wall Street executives taking hundreds of millions of dollars in compensation. Eventually the system froze up as financial institutions lost confidence in one another.

Financial derivatives now total $600 trillion, an amount 12 times the global GDP. Everyday, financiers enter a betting parlour where the social good is not part of the picture.

The maldistribution of resources in this worldwide regime is staggering. While some people experience an opulence never known before, three quarters of the human population lack enough to fulfill their distinctly human capacities, with a good percentage of these living in utter deprivation. Through usury, wealth is steadily extracted from numerous borrowers and concentrated in the hands of relatively few creditors. Interest is collected on mortgages, educational loans[8], and credit card and consumer debt. Interest costs to the individual citizen are hidden in the taxes collected to fund government's usury payments and in the price increases the commercial sector demands to meet its own debt servicing obligations.[9] Society is divided into two groups: debtors and creditors. This is the true class warfare being played out, with those, "in the most precarious economic positions paying the most usurious rates" (Lewison, 1999, p. 333).

Life is conditioned by the burden of debt. Debt prevents many people from achieving financial security and subjects many more to lives of debt servitude. Labouring on behalf of creditors, or existing as a ward of the state because one isn't lucky enough to have a job, is not liberating. Stress and anxiety fuel the regime. Life in debt is plagued by "despair, depression, guilt, shame, insomnia, nightmares" (Williams, 2004, p. 7) and ends in suicide for a good number. Church Father

St. Basil the Great vividly described the deep anxiety engendered by interest payments. Life is drained of joy.

> But the money begins to dwindle, the interest ever increasing as time passes, the nights do not bring rest to him, nor does the coming of the day bring joy, nor does the sunrise seem beautiful. Rather, he despises his own life and loathes the days as they hasten onwards towards the appointed day of repayment, and hates the months as producers of interest. If he lies down, in his sleep he sees the lender as a nightmare floating over his head. If he wakes up, the interest consumes his thoughts and is a constant source of worry. (Basil the Great, 2009, p. 91)

Economic instability is the order of the day. Now that money can be printed at will there is no limit to the debasement of the currency. Economic booms and busts are a regular occurrence because of the difficulty of matching monetary levels with actual levels of production. Money is now untethered from the real economy. Reality is subject to the commands of investment. The valuation of everything money measures becomes extremely difficult. The concept of exchange is disrupted. Trade is the giving of goods for goods. Now we give goods and receive paper. The exchange is not complete until the paper is redeemed for gold and silver. This can no longer be done. The paper can only be circulated.

Communal structures, under assault in the regime of capitalism since the time of feudalism, are finally decimated by a relentless and radical privatization. At the point where the expansion of debt exceeds the ability to pay, "the financial sector moves to take the public domain for itself—the public enterprises, roads, broadcasting systems, ports and harbours" (Hudson, 2012, p. 45).

The institutionalization of usury brings about the ultimate social impoverishment, a permanent war economy.[10] President Eisenhower warned of a military/industrial complex in his final speech before leaving office. It was a prescient warning but not entirely on the mark. He would have been closer to the heart of the matter if he had talked about the fiscal/military state. With commodity money capital projects and other enterprises, including war, had to be paid up front. Wars can now be charged to a credit card as well. Indeed, the institutional innovations discussed earlier (e.g., founding the Bank of England in 1694) were compelled by war. Britain achieved naval superiority in the 18th century because it was a first mover away from reciprocal exchange and this has set the pattern for super power success ever since. Thomas Jefferson, writing at the founding of the American Republic, would note that the perpetuation of debt had "drenched the earth with blood" (as cited in Cashill, 2010, p. 115).

2) Ecological Impoverishment

Economic growth is the unquestioned mantra of our economy (Dietz & O'Neill, 2013). Usury is behind this compulsion to grow at all costs.[11] Production must expand to pay interest on loans. The world financial system is really a giant game of musical chairs. As long as the economic growth demanded by usury can be achieved, the fallout can perhaps be managed. Should the growth ever not materialize, then many will be without seats.

The growth imperative of the debt economy is running up against the natural limits of the planet. Life on the planet is being extinguished (Kolbert, 2014). There are now 3,500 tigers left in the wild in the world. This is down from 100,000 a century ago. Their habitat is down to 7% of what it once was. This population collapse is not unique to tigers. Sixty percent of the world's largest herbivores are threatened with extinction (Ripple et al., 2015). This theft of the natural and biological capital of the planet is a result of the economic expansion the financial system requires. We are unable to grant other creatures a place in the sun because the financial system must constantly be fed more debt money to service the interest charges on prior debt.

It was clearly evident to Church Father Gregory of Nyssa some 16 centuries ago that usury would result in a diminishment of the natural world.

> Our gourmands do not, in fact, even spare

> the bottom of the sea, nor do they limit themselves to the fish that swim in the water, but they also bring up the crawling marine beasts from the ocean bed and drag them to shore. One pillages the oyster banks, one pursues the sea urchin, one captures the creeping cuttle fish, one plucks the octopus from the rock it grips, one eradicates the molluscs from their pedestal. All animal species, those that swim in the surface waters or live in the depths of the sea, all are brought up into the atmosphere. The artful skills of the hedonist cleverly devise traps appropriate to each (as cited in Ihssen, 2011, p. 117-118).

3) Spiritual Impoverishment

Life is accelerated to an inhuman pace in the debt economy. Commodity money is quite inelastic. In a system based on this money, time has little compulsion to it. Credit is a claim against future production, however, so debtors are compelled to make the future different from the past. There is a necessity to continually increase production and this changes one's relationship to time. Time is now money, or more accurately, one must not miss the chance to use one's time to make money. One must move at the rate the technological system demands. There is no time for the contemplation of higher things. Leisure (Pieper, 1952), the whole point of achieving material prosperity, recedes off to an unreachable future.

The appetite our usurious system incites is insatiable but even our petty usury is not as innocuous as we might think. It sets our hearts on gain not on God. We no longer see our neighbor as a person to love.

The evidence of our spiritual bankruptcy is plain to see. Credit card companies call those who avoid interest charges by paying their balance in full each period deadbeats. Predatory lenders act without compunction. Debt is aggressively marketed to everyone. Enslavement of the young and the vulnerable is sought.

Ancient usurers thirsted for sheer power over the lives and property of men. The titans of financial capitalism are no different but the hold they have on society is predicated on the promise of utopia and a continual stimulation of a lust for things across the populace. Hundreds of billions of advertising dollars are expended to bombard people with messages of the salvific potential of consumption. The "frenetic intemperance" (Horvat II, 2013, p. 17) gripping the souls of so many yields a stream of dependable borrowers and a steady flow of wealth into the hands of the banking elite.

Borrowing and lending are as old as humanity itself. What transformed this ancient practice was the idea that credit could be used to create money. Financial capitalism is not a natural evolution of the economy as the change from a natural to a money economy is. Men who desired gain at the expense of others spun a web of debt (Brown, 2010) forcing society in this direction. The claims on the future the ruling elite of capitalism have stacked up are simply untenable. Hudson's Law, "debts that can't be paid, won't be," will not be evaded. We must remove ourselves from the fantasy world they have created and get busy building a sustainable provisioning system.

RETURN TO ORDER: BUILDING A HUMANE ECONOMY

The consequences of usury are always calamitous because charity is absent when interest is charged on a loan. Human beings are made by love and for love. Charging for the use of property goes against this *teleology*. Being clear about what a person can and ought to do with the goods he or she possesses is important when considering the construction of an economy which serves the integral development of all people.

1) *Use* them: If I possess a lawnmower, I can put it to use in cutting the grass in my yard.
2) *Give* them away: I can make a gift of the lawnmower to my neighbor.
3) *Loan* them: I can loan the lawnmower to my neighbor with the expectation it will be returned to me in the same working

order.

4) *Exchange* them: I can trade the lawnmower to my neighbor for his hedge clippers or I can sell it to him.
5) *Invest* them: I can take the lawnmower and obtain a stake in a productive enterprise with others. Perhaps another owner is providing a vehicle to haul the mower from job to job. We hope that our lawn service enterprise will be successful but there is no guarantee. It could just as easily be a failure. Losses would then have to be shared.

This clarity is required in order to cut through the current rationalizations of usury. Usury is given legitimacy in our world when a loan is termed an investment. It is then stated that the holder of the "investment" is entitled to a "return on his investment." But a loan is not an investment. Certificates of deposit are loans to the bank not investments.

The word investment comes from the Latin *vesitre*, to clothe. Hence, we talk about the vestments of the priest or the judge worn to bestow dignity and authority on the wearer. The business meaning of investment then is to bestow property upon a commercial enterprise in return for a proportional share of ownership. This stake is then tied to the value of the enterprise which can go up or down. In contrast, loans are given unilaterally. The lender does not receive a share of ownership and the borrower is obligated to return the loan independent of the success or failure of the enterprise. This is what makes borrowing so fraught with danger.

Neither is a sale a loan. In a sale, property is perpetually alienated for a price. With a loan, however, an item is freely alienated for a time. An exchange of goods means one thing is given for another. There is no obligation on either party after the transaction is completed. A loan requires the borrower to restore the same goods at some point in the future. Again, an obligation is created. The "borrower is the slave of the lender" (Prov. 22:7) because discharging this obligation hangs over him. Interest doesn't become legitimate by referring to it as the price of the loan. A loan is not an exchange or sale.

Gifts are given without an expectation of return while repayment attends to loans. A gift, if sincerely given, and we should have a joyous abandon about our possessions, is the greatest form of charity, but a loan, too, is an act of love. In lending someone something you are providing that person with some material good he or she lacks but could use. Great care and sensitivity is entailed on the part of the lender. He or she must take into account what this debt obligation will mean in the borrower's life. Charity could never countenance the enslavement of the other. If the debt would be too big a burden, giving the property to the other or working out compassionate terms of repayment would be in order.

Love or service of others is always the goal of the Christian life. Charging interest on a loan has the motive of gain. We know in our hearts that the practice is wrong. We wouldn't dream of tacking on a use charge when we lend to a family member. An ethic which says it is ok to bite your sister as long as you don't make her cry is indefensible. "*The human race is a single family* together in true communion" (Benedict XVI, 2009, #53, emphasis in original).

How are we to live out our vocation to divine love in our economic lives? Can money be returned to its rightful place as a means of exchange? Is it possible to make unearned income a thing of the past? What efforts are being made to build a new economy based on sound money and non-usurious lending in the collapsing shell of the old economy?

Structural reforms are necessary but they are hard to come by. The privileged position of being able to create money *ex nihilo* is not going to be surrendered voluntarily. Kazminski (2013, see especially Chapter 7, The People's Money) does revive Kellogg's nineteenth century proposal for a system of community-based public credit banks. The plan calls for a national institution [not a central bank] to issue money to an amount warranted by actual property. Local member banks would request funds to loan to individuals with good collateral. These loan notes would constitute the currency in circulation. Determination of the money supply would be radically decentralized. National standards for the function of member banks would be enforced by a regulatory body. An interest rate of 1.1%, a rate which allows for the replacement of resources over a lifetime, would be fixed by law. Kellogg's solution is elegant but it isn't clear how it will gain traction in the face of the financial capitalism behemoth.

Pope Benedict XVI thought it possible to "steer the system" (Benedict XVI, 2009, #46) to more humane ends by the expression of "gift" (Benedict XVI, 2009, #34). The success of the Christian housing ministry Habitat for Humanity lends credence to this hope. A key element in this global home building endeavor is the granting of no interest mortgages when the houses are sold. Besides turning away from usury, the rest of the practices of Habitat for Humanity are also an embodiment of the principles of Catholic social thought.

Founded without fanfare in rural Georgia in 1976, Habitat for Humanity has grown to where it is now the largest home builder in the world, operating in more than 100 countries and 7,000 communities. A new home is completed every ten minutes. To date, Habitat for Humanity has constructed almost one million houses.

Habitat for Humanity's solution to poverty housing emphasizes partnership and participation but the inspiration for the work has always been Christian.[12] Each work day at a building site begins in prayer. Homeowners are presented with a Bible when they move in. These rituals serve to maintain the identity of the organization and it is the spiritual unity provided by the Christian worldview that allows Habitat for Humanity to accomplish what it does.

Contractual relationships undergird economic transactions but Habitat for Humanity holds out the high ideal that human beings are capable of mirroring the covenantal love of God, are capable of entering into unconditional, secure, personal commitments with each other. This is operationalized by having affiliates sign a covenant promising to honor the purpose of the organization and to uphold its basic principles. The Covenant Agreement is a moral and spiritual document, not a legal one. As such, it demands more out of its signatories but by operating on a higher moral plane it also achieves more, not the least of which is a radical decentralization of the effort. Relationships between Habitat affiliates and homeowners are also covenantal.

Habitat for Humanity dares to dream of the elimination of poverty housing. Its moral vision is of a world where every man, woman, and child has a safe, healthy place to live. This is a significant element of the *common good* since people need to have a decent home in a decent community if they are to develop as they ought to. *Solidarity* is shown as the problem is tackled one local affiliate, one house, one family at a time until everyone's basic shelter needs are met.

Habitat for Humanity works because *subsidiarity* is insisted upon. Habitat volunteers go down into the local, sometimes daunting and almost hopeless, presence of the problem. The home ownership that results brings stability to a *family*, the primary vital cell of society.

Partnerships that Habitat for Humanity enters into with homeowner families are characterized by enduring commitment. The aim is not just to provide a family with a decent living space but to return them to their communities as full and productive members. A complete maturation, *integral human development,* is sought. The aim is to provide people with the opportunity to live and grow into all that God intended them to be. This means that in the relationship with the partner family responsibility is taken by the affiliate to sustain them as a family would. Continuing *love* and concern are shown to the homeowner family to ensure their flourishing. God's love seeks and suffers in order to save and this is the type of love Habitat for Humanity members try to pour forth.

Homeowner families put 500 hours of sweat equity into the Habitat effort, building their own home and that of others. This serves to build pride of ownership, foster positive relationships with others (what better way is there to build a neighborhood than to build your neighbor's house), develop new life and employment skills and give new confidence. Habitat is a partnership not a give away. Sweat equity is the epitome of this—a reaching out of the hand saying, "let's work together." By insisting on the assumption of responsibility, respect is shown for the moral and personal resources, the *human dignity*, of the prospective homeowners themselves.

The additional benefit of *subsidiarity* is that pressure is taken off the unsustainable welfare state and no one is demeaned by paternalistic social assistance. Habitat for Humanity purposefully limits government involvement because it sees the problem of inadequate housing in both its material and spiritual dimensions. Obviously, if a person lacks adequate shelter, then he has a material problem. If others are unable to empathize with their neighbor's plight and see his problem as their own, they are poor in faith. Government cannot provide a solution to this.

Catholic social doctrine has always insisted on a *preferential option for the poor*. Housing is considered to be a universal right of all human beings and Habitat for Humanity's concern is that this right be met. As an expression of *solidarity* with poor countries, Habitat affiliates in the developed world tithe 10% of their donations to an affiliate in the developing world. This ancient Judaic requirement is fulfilled for the reason that it was installed, that *justice* may prevail. Differential costs between countries generally mean that for each house built in an overdeveloped country, another house can be built for the most deprived peoples. Even a very small tithe is fruitful but more importantly the rich are responding to the cry of the poor.

Houses are not simply given away. No-interest mortgages amortized over a 15 to 25 year period are granted to homeowner families and held by the affiliate. The mortgage payments are returned to a revolving fund. All income from house payments is used for the construction of more housing. This principle serves a number of common sense purposes—i.e., it is *prudent*.

i) It impresses upon homeowner families that they have a moral obligation to keep up their payments. This deepens their stake in the Habitat family and helps them to develop responsibility. Homeowner partners are challenged to repay at a faster rate and even to make direct contributions to the fund.

ii) It establishes a long-term relationship, thereby weaving a network of charity.

iii) It effectively ensures that whatever money Habitat for Humanity gets as an organization will be tied up or stewarded for doing good. If more money comes in, home building is simply accelerated. Money is forever relegated to its rightful place as a means. Payments received from approximately 12 homeowners allow the construction of one additional home per year, in perpetuity.

iv) It helps to avoid "super-development of a wasteful and consumerist kind" (Benedict XVI, 2009, #22). Rather than using resources to satisfy "selfish desires" (Benedict XVI, 2009, #28) one's surplus can be directed in a wise, just, and honorable way.

v) It provides the poor a way to experience the "blessedness of giving" (Acts 20:35) since any contribution adds to the fund.

Houses are built and sold with no profit or interest added. Houses are sold at cost because the purpose of building them is not to make money but to empower the people who will live in them. Human need and not monetary gain drives the effort. No interest is charged because it is a burden on the backs of the poor they cannot afford to bear. Interest forces people to pay for two (or more!) houses when they only get one. Since the poor lack money to pay for two houses, they get none. Habitat for Humanity is on the cutting edge where our civilization has no solutions because it is willing to provide capital on terms that are feasible for the homeowner. It helps the weakest members of society defend themselves against usury.

Habitat for Humanity's entire program rests on the shoulders of volunteers—on people individually, and through the organizations and churches they are members of, giving their time, energy, effort, enthusiasm, ability and money. This principle is no accident. It is there by design. Through it people are required to invest a part of their lives in the lives of others. Habitat for Humanity is a demonstration plot for love in action. The thousands of houses being built are a means for people to experience the goodness of *agape love*.

The opportunities to help are unlimited. The invitation, extended to every person, is to come and give what one can. Business partnerships abound and the extent of them is limited only by the moral imagination. Businesses lend their expertise, donate construction materials and capital, give employees time off to build a house. Some companies even organize the building and dedication of an entire house by members of their firm. For many, the experience is life-changing.

God's original gift of the earth was to the whole of mankind. The principle of the *universal destination of goods* is therefore primordial. There is room on the earth for everyone to live with dignity. Some two million people have found such room due to the actions of Habitat for Humanity. The organization demonstrates that it is possible "to go back to the point from which we should never have gone," (Maurin, 1984, p. 25) to the teachings of "the Prophets of Israel and the Fathers of the Church [forbidding usury]" (Maurin, 1984, p. 17).

CONCLUSION

> The inversion of means and ends, which result in giving the value of ultimate end to what is only a means for attaining it, or in viewing persons as mere means to that end, engenders unjust structures which make Christian conduct in keeping with the commandments of the divine Law-giver difficult and almost impossible. (US Catholic Church, 1992, #1887)

As embodied creatures, human beings must endeavor economically. Yet it must always be recalled that economics is a subsidiary pursuit. Human lives have a significance beyond acquiring material goods. Economic systems and processes exist to serve or aid the human person in the full development of his or her personality. Employing one's capital in a productive enterprise to this end is a praiseworthy action and investing one's assets in this way entitles one to a share of the enterprise's success.

By placing usury at the center of economic life, the regime of capitalism perverts the proper function of capital. Wealth is pursued absolutely, not instrumentally. Money dislodges the flourishing of the human person as the purpose of all economic striving.

This paper has recounted the case against usury and, amazingly, given the veracity of the critique and the vociferousness of its prosecution, the institutionalization of usury in our present debt economy. The evil of charging a fee for the use of property has been "crystallized in unjust structures" (Pope Francis, 2013, #59). Usury today goes beyond charging interest on a *fiat* loan, a practice bad enough itself, to the realm of pure speculation. Risky loans are made and then further profit is made by betting they will fail. Nehemiah, the governor of Jerusalem as the exiles return from Babylon about 445 BC (Summers, 2011), presents an example of a leader confronting the systemic injustice of usury. Not content to deal with the symptoms of economic distress, Nehemiah calls "a great assembly" (Neh. 5:7) where he demands the usury cease and restitution be made. Surfacing the impoverishing effects of usury is a first step in developing a critical consciousness about the practice.

In the Christian worldview, human beings are made for loving fellowship with God. Eternal life ought to be sought, not gaining from a loan. Money must always remain a useful tool. Habitat for Humanity demonstrates the possibilities of economic life characterized by charity and generosity.

Appendix 1: Selected doctrinal Statements of the Catholic Church on Usury

Council of Nicea, Canon XVII (325)	"Because many of the Ecclesiastical Order, being led away by the 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 [a 1% interest rate], the holy synod thinks it is 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."
Encyclical: *Ut Nobis Gratulationem*, Pope St. Leo I (444)	"Some people put out their money at usury in order to become wealthy. We have to complain of this, not only in regard to those in clerical office, but we likewise grieve to see that it holds true of lay people who wish to be called Christians. We decree that those who are found guilty of receiving this *turpe lucrum* should be severely punished."
Second Lateran Council (1139)	"We condemn that practice accounted despicable and blameworthy by divine and human laws, denounced by scripture in the Old and New Testaments, namely, the ferocious greed of usurers; and we sever them from every comfort of the Church, forbidding any archbishop, or bishop, or any abbot of any order whatever or anyone in clerical orders, to dare receive usurers, unless they do so with extreme caution; but let them be held infamous throughout their whole lives and unless they repent, be deprived of a Christian burial."
Third Lateran Council (1179)	"Nearly everywhere the crime of usury has become so firmly rooted that many, omitting other business, practice usury as if it were permitted, and in no way observe how it is forbidden in the Old and New Testament. We therefore declare that notorious usurers should not be admitted to communion of the altar or receive Christian burial if they die in this sin."
Second Council of Lyons, Constitution 26 (1274)	"Desiring to check the canker of usury which devours souls and exhausts resources, we command that the constitution of the Lateran Council against usurers be inviolably observed under threat of divine malediction."

Fifteenth General Council: Vienne, Decree 29 (1311)	“If anyone falls into the error of believing and affirming that it is not a sin, to practice usury, we decree that he be punished as a heretic.”
Catechism of the Council of Trent, Question XI (1566)	“To this class [of robbers] also belong usurers, the most cruel and relentless of extortioners, who by their exorbitant rates of interest, plunder and destroy the poor. Whatever is received above the capital and principal, be it money, or anything else that may be purchased or estimated by money, is usury; for it is written in Ezechial: *He hath not lent upon usury, nor taken an increase*; and in Luke our Lord says: *Lend, hoping for nothing thereby*. Even among the pagans usury was always considered a most grievous and odious crime. Hence the question, *‘what is usury?’* was answered: ‘What is murder?’ ”[answer given by Cato in Cicero’s *De officiis*, ii. 25]. And indeed, he who lends at usury sells the same thing twice, or sells that which has no real existence.”
Encyclical, *Vix Pervenit*; Pope Benedict XIV, I (1745)	“The nature of the sin called usury has it proper place and origin in a loan contract. The financial contract between consenting parties demands, by its very nature, that one return only as much as he has received. The sin rests on the fact that sometimes the creditor desires more than he has given. Therefore he contends some gain is owed him beyond that which he loaned, but any gain which exceeds the amount he gave is illicit and usurious”
Compendium of the Social Doctrine of the Church, 341 (2004)	“Although the quest for equitable profit is acceptable in economic and financial activity, recourse to usury is to be morally condemned: ‘Those whose usurious and avaricious dealings lead to the hunger and death of their brethren in the human family indirectly commit homicide which is imputable to them.’ This condemnation extends also to international economic relations, especially with regard to the situation of less advanced countries, which must never be made to suffer ‘abusive if not usurious financial systems.’ More recently, the Magisterium used strong and clear words against this practice, which is still tragically widespread, describing usury as ‘a scourge that is also a reality in our time and that has a stranglehold on many people’s lives.’ ”

NOTES

[1] "There is one bit of advice given to us by the ancient heathen Greeks, and by the Jews in the Old Testament, and by the great Christian teachers of the Middle Ages, which the modern economic system has completely disobeyed. All these people told us not to lend money at interest: and lending money at interest—what we call investment—is the basis of our whole system . . . Three great civilizations had agreed . . . in condemning the very thing on which we have based our whole life. (Lewis, 1943, p. 81)"

[2] These are the other two forms of justice in Aquinas' masterful treatment of the virtue. Distributive justice regulates what the social whole owes its members. Commutative justice regulates exchanges between persons in accordance with their rights.

[3] Maloney's (1973) study of early Christian teaching on usury reviews the writings of Clement of Alexandria, Tertullian, Apollonius, Cyprian, Commodianus, Lactantius, St. Athanasius, Cyril of Jerusalem, Hilary of Poiters, St. Basil the Great, Gregory of Nyssa, Gregory Nazianzen, St. Ambrose, St. John Chrysostom, St. Jerome, St. Augustine, and Leo the Great. Ihssen (2008) identifies the common themes surrounding usury found in the sermons of St. Basil the Great and his younger brother St. Gregory of Nyssa.

[4] Santelli (n.d.) shows the ludicrousness of allowing *lucrum cessans* as an extrinsic title by pointing out that a person lending a penny at the time of Christ who insisted that he could earn 5% elsewhere and who wasn't paid back until today would be entitled to more money than there is in the entire world. The example clearly points out the presumption behind *lucrum cessans* and why the Church has never accepted it as a licit extrinsic title. Santelli, an expert in finance, goes on to point out that in today's financial markets "expected future gains are built into the price of what you are selling."(n.d. p. 17)

[5] Griffin's (2010) study discloses that the basic plan for the Federal Reserve System was drafted at a secret meeting in November, 1910 at the private resort of J.P. Morgan on Jekyll Island off the coast of Georgia. Six men, representing ¼ of the total wealth of the world at the time, spirited themselves to the Island under the cover of night to work out an agreement on the structure and operation of a banking cartel. They succeeded in their mission. The creature they sketched out on Jekyll Island would become a reality. America's financial elite would finally get their central bank. The need for deception and the insistence on absolute secrecy certainly put the Jekyll Island group on ethical notice, however. A basic ethical test of our actions is that they must stand the light of day. "For all who do evil hate the light and do not come to the light, so that their deeds may not be exposed" (Jn. 3:20).

[6] The look of Federal Reserve notes was copied from silver certificates already in existence. This appearance has helped to cover up a significant difference. The silver certificates paid out a certain value of silver to the holder.

[7] The most comprehensive measure of labour underutilization considers the unemployed (those without a job who are actively seeking work), the involuntary part-time (those who are working part-time but want full-time work), and the marginally attached (those who want to work but have given up actively seeking work). This does not include the under utilization of the skills and knowledge of those in the paid work force (e.g. a medical doctor driving a taxi) which may also be significant. Lawrence et al (2012) establish an underemployment rate of 15.9% in the USA for the year 2011. The figure represents some 24.9 million people.

[8] Student loan debt in the United States has surpassed the $1.3 trillion mark. Interest remittance of $51 billion yearly means that the principal is retired slowly if at all. Both the total education debt of students and the average debt per borrower in each year's graduating class are rising exponentially. The Class of 2015 took on $68 Billion in debt. The average graduate of this class with student-loan debt will have to pay back a little more than $35,000. Furthermore, educational loans cannot be shed in bankruptcy. The social effects of this huge burden on the backs of young people are profound. Traditional life cycle development (marriage, children, home ownership) will be delayed at best and put aside altogether at worst.

[9] The regime's answer to the global financial crisis of 2007 seems to be more of the hair of the dog that bit you. Not only has debt not been retired because of the Great Recession but the world economy has gone on a debt binge in the last seven years. Worldwide debt grew by $57 trillion from 2007 to 2013 raising the ratio

of debt to GDP by 17%. Households increased their debt from $33 trillion to $40 trillion in this period. Governments took on an additional $25 trillion in debt moving from $33 trillion owing to $58 trillion. Corporate debt went from $38 trillion to $56 trillion. Financial institutions added $8 trillion to move to $45 trillion owing. It is difficult to see how national economies with debt three times GDP will grow their way out of debt and it is even more difficult to see how the system can continue on its current trajectory. Even a modest uptick in interest rates could break apart the financial order.
Source: http://www.mckinsey.com/insights/economic_studies?debt_and_not_much_deleveraging

[10] Global military expenditures in 2014 were $1.775 trillion dollars equivalent to 2.3% of global GDP. This level of military burden on the global economy has held for more than half a decade indicating a structural permanence. Source: Stockholm International Peace Research Institute April 2015 Factsheet "Trends in the World Military Expenditure, 2014".

[11] "Legalized usury commits the human race to the unceasing pursuit of economic growth. Usury imposes an unstoppable expansion on the process of wealth creation; it sets in motion a driving force whose velocity increases exponentially along with compound interest, impelling us to transform all the world's human and natural resources into the form of financial representations. As the people of Renaissance England clearly saw and often said, usury is inherently insatiable. The history of the human race since restraint on usury began to be lifted has involved the sudden and dramatic colonization of the globe by money, the evaluation of human activity and the natural environment in terms of money, and direction of an ever-increasing proportion of human physical and psychological energy toward the production and the reproduction of money" (Hawkes, 2010, p. 2, 3).
[12] The genesis of Habitat for Humanity can be traced to the acceptance of the radical nature of Christian discipleship by two men. The spiritual depth of Clarence Jordan, a dynamic Southern Baptist preacher and the founder of Koinonia Farms, a precursor to Habitat for Humanity, combined with the entrepreneurial energy and genius of repentant businessman Millard Fuller to bring the organization about.

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