

# Part I

## Credit from Ancient to Modern Times: Dogma Versus Practice

Lending on interest, known quite simply as usury until the end of the sixteenth century, was one of the first economic manifestations of life in society and an essential driving force in its development. It is considered to date back to the period of agricultural settling in the neolithic age. It is thus older than industry, banking and the striking of coins.

The reason it seems to have been an established practice is precisely because it helps to satisfy certain fundamental needs such as survival, enhanced well-being and the development of economic life. It very soon began to be both desired and detested, since the borrower, in order to enjoy its benefits, undertook the obligation to return and pay for the favour granted. Moreover, this system of lending left the way open for forms of abuse: non-return of the loan by the borrower, and the demand for exorbitant repayments or excessive penalties by the lenders in cases of non-payment. Consequently, lending quickly drew the attention of legislators, the censure of moralists and later the consideration of theologians and philosophers.

Some societies were content to regulate the practice while others, sheltering behind the mantle of divine revelation, forbade interest-based loans. The ban lived on across the centuries, causing numerous tensions and difficulties. But divine revelation becomes concrete only in texts which reflect the socio-political preoccupations of the men who transmit it. Without doubt these laws responded to the needs of particular historical contexts. But because they were included in a theological corpus of work they became sacred and were thus imposed for centuries.

As part of theological dogma they were rigid, though applied to developing societies. Thus they became further and further removed from the very reality which they were supposed to regulate. Hence the necessity, which society felt very early on, of circumventing, reinterpreting and finally discarding them. The first part of this study traces these changes, which are essentially ideological, though in constant relation to the economic