

Part II

Consumer Credit in Contemporary Societies: Practice versus Dogma

Until the nineteenth century, consumer credit was seen only as the underside of society's operations. More or less forbidden but more or less practised because more or less necessary, much abused and largely dependent on other forms of credit, it developed its own shady and sporadic history. From the nineteenth century onwards, and especially in the twentieth century, it began to develop an independent existence of its own, at first based on the old models, as in France and England. But in 1850, in the United States, it took on the truly revolutionary form of hire purchase sales in order to finance home equipment for new settlers.

From then on, it became the most obvious support for, first Americans', then Europeans' improving standards of living. As an indirect effect, it helped stabilize industry in those same countries. From the sewing machine to the automobile, from the refrigerator to the television, it is impossible to disassociate Western standards of living from hire purchase sales. In this sense, consumer credit is the greatest single factor of social integration. The American example, which some Europeans consider excessive, offers a salutary lesson to those who are willing to examine it closely. For centuries, the nearest thing to consumer credit, that is the money lender, acted as a social lifebuoy for the poorest families. The United States transformed this calling into something positive. The idea of hire purchase was not to ease a difficult or even a dire present situation, but to project the consumer into the future with new domestic appliances.

The history of day-to-day life in the nineteenth century is aptly summed up by the contrast between the failure of the French *monts-de-piétés* and the success of American hire purchase sales: false public charity on one hand, acquisition of social status through possession of consumer goods, on the other. For this reason, consumer credit was legitimized earlier in the United States. As a long-standing symbol, the French legalization of credit in the *Code Civil* in 1804 stands out as the first milestone. But in order to legitimize a social practice, all aspects of it must be discussed. This must