

## CONTEXTS: USURY AND THE JEWS

**T**he bitter conflict between Antonio and Shylock is rooted in their different approaches to money-lending. Shylock hates Antonio because "He lends out money gratis and brings down / The rate of usance here with us in Venice" (1.3.34-35). Shylock knows that he is hated in turn by Antonio and other Christians because he makes an ample living through the practice of usury. He says of Antonio,

He hates our sacred nation, and he rails,  
Even there where merchants most do congregate,  
On me, my bargains, and my well-won thrift,  
Which he calls interest.  
Cursed be my tribe  
If I forgive him! (1.3.38-42)

Antonio says, "I oft delivered from his forfeitures / Many that have at times made moan to me" (3.3.22-23). Antonio's refusal to take interest from borrowers is seen in the context of the play as Christian generosity, while Shylock is positioned as a bloodthirsty fiend. However, Christian usury had become business as usual by the time the play was written.

Debates over usury in late medieval and early modern Europe coincided with, and were prompted by, the rise of the banking industry, the discovery of the new world and the growth of overseas markets and trade, all of which depended on money lent at interest. For without loans at interest, trade and exploration were badly impeded. There was general agreement that usury was both wrong and necessary, and had to be regulated. The debates turned on a number of complex questions: Was all money-lending at interest forbidden, as St. Thomas Aquinas had argued, or was it only wrong to lend at exorbitant rates? Did usury depend upon intent? Did it

depend upon risk? Was it permissible to charge interest to the rich, though not to the poor?

Shakespeare's play was written in the midst of debates in England over usury, and the period witnessed a number of important pamphlets on this subject, such as *The Death of Usury* (London, 1594) and *Money Monger, Or the Usurers Almanacke* (London, 1626). After the Act Against Usury passed in 1571, lending at ten percent interest was tolerated and by 1624, the House of Commons struck out of the usury statute the words "that all usury was against the law of God."

Jewish usury was also likened to prostitution, another distasteful, illicit, but seemingly necessary social evil: Samuel Purchas, in *Purchas His Pilgrimage* (London, 1617), writes that the "beastly trade of courtesans and cruel trade of Jews is suffered for gain" in Italy; both "suck from the meanest to be squeezed by the greatest. . . . So well is the rule of Paul observed . . . not to be a lover of filthy lucre, from filthy stews, from filthy Jews." For Jews, however, usury was freely permitted on loans to non-Jews (see Deuteronomy below).

The topic of usury was not merely an academic one for Shakespeare; his own father was charged and fined for lending money at excessive interest—charging twenty pounds interest on loans of eighty and a hundred pounds—and he was fined forty shillings in one of these cases.

The readings that follow offer the much-debated positions in the Bible, which are followed by the pros and cons of usury as set out by Francis Bacon in his *Essays*.

### EXODUS 22:25

If thou lend money to my people, that is, to the poor with thee, thou shalt not be as an usurer unto him: ye shall not oppress him with usury.

### LEVITICUS 25:35-37

Moreover, if thy brother be impoverished and fallen into decay with thee, thou shalt relieve him and as a stranger and a sojourner, so shall he live with thee. Thou shalt take no usury of him nor vantage, but thou shalt fear thy god, that thy brother may live with thee. Thou shalt not give him thy money to usury, nor lend him thy vituals for increase.

### DEUTERONOMY 23:19-20

Thou shalt not give to usury to thy brother, as usury of money, usury of meat, usury of anything that is put to usury. Unto a stranger thou mayest lend upon usury, but thou shalt not lend upon usury unto thy brother, that the Lord God may bless thee in all that thou setteth thine hand to, in the land whither thou goest to possess it.

### LUKE 6:30-31

Give to every man that asketh of thee; and of him that taketh away thy goods, ask them not again. And as ye would that men should do to you, so do ye to them likewise.

[all quotations are from the Geneva Bible (London, 1560)]

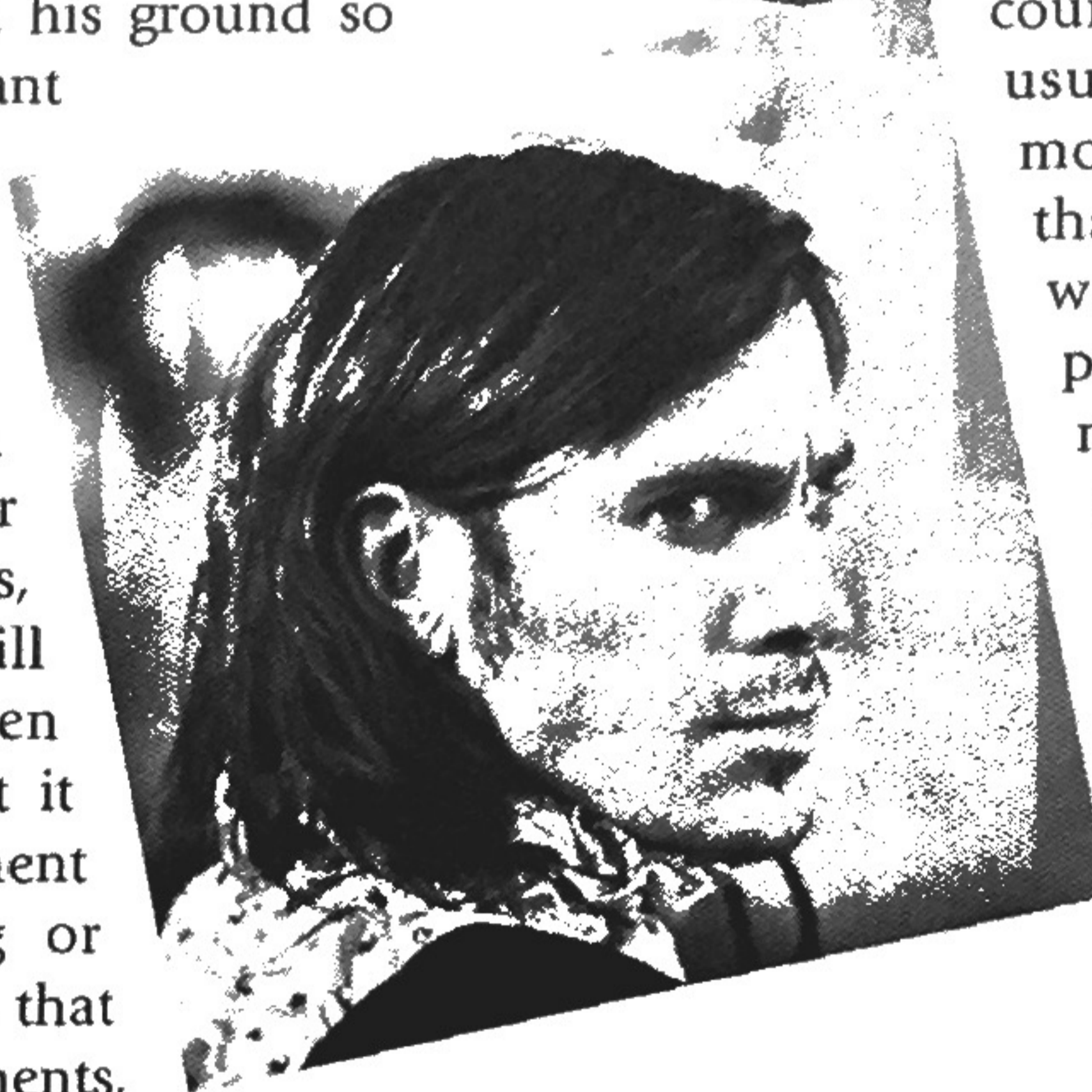
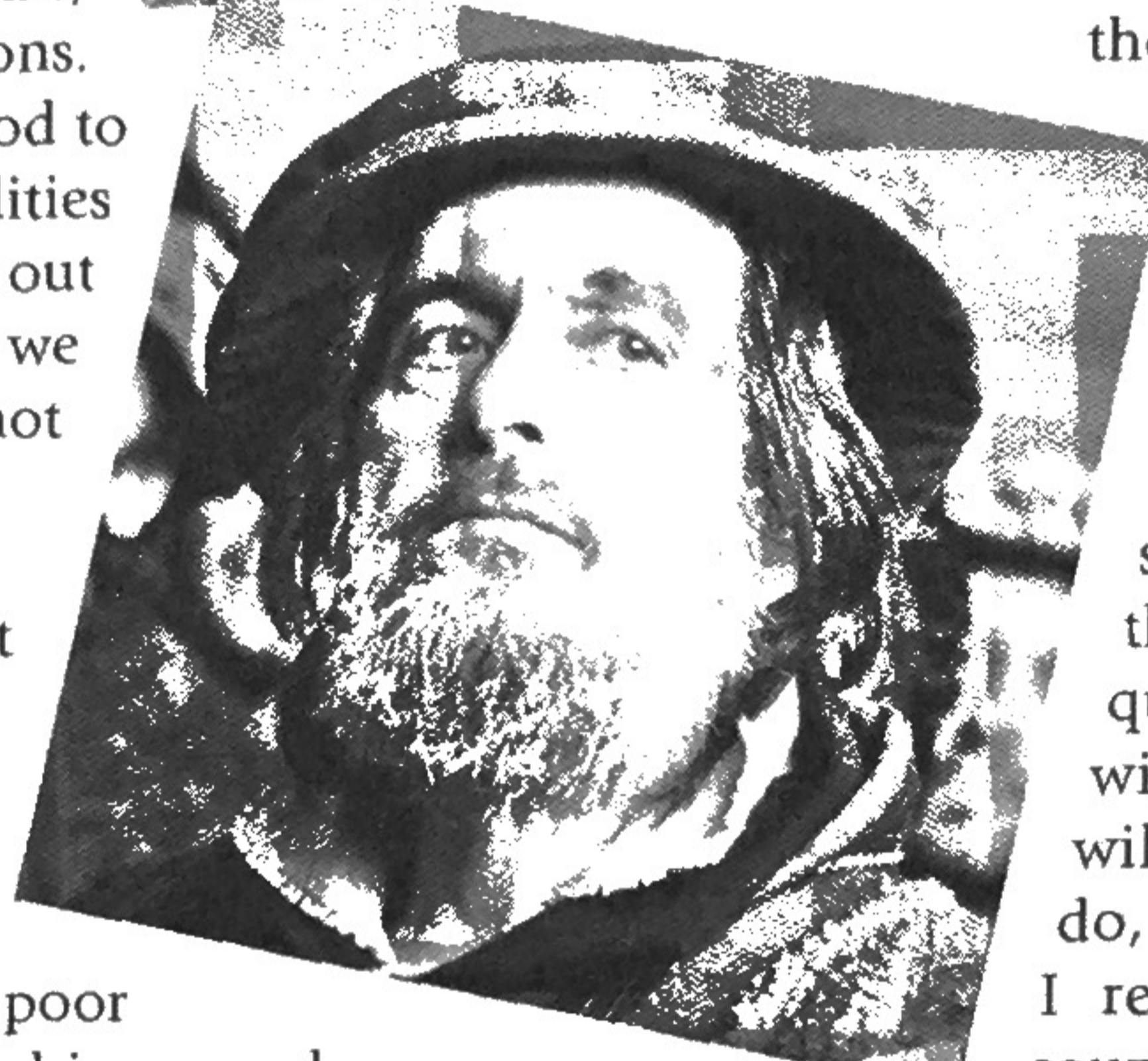


# FRANCIS BACON, *ESSAYS* (LONDON, 1626)

## "OF USURY"

Many have made witty invectives against usury. They say that it is a pity, the devil should have God's part, which is the tithes. That the usurer is the greatest Sabbath-breaker, because his plough goeth every Sunday. That the usurer is the drone ... That the usurer breaketh the first law, that was made for mankind after the fall. ... That usurers should have orange-tawny bonnets, because they do judaize. That it is against nature for money to beget money; and the like. I say this only: ... since there must be borrowing and lending, and men are so hard of heart, as they will not lend freely, usury must be permitted. Some others have made suspicious and cunning propositions of banks, discovery of men's estates, and other inventions. But few have spoken of usury usefully. It is good to set before us, the incommodities and commodities of usury, that the good, may be either weighed out or culled out; and warily to provide, that while we make forth to that which is better, we meet not with that which is worse.

The discommodities of usury are, First, that it makes fewer merchants. For were it not for this lazy trade of usury, money would not be still, but would in great part be employed upon merchandizing; which is the *vena porta* of wealth in a state. The second, that it makes poor merchants. For, as a farmer cannot husband his ground so well, if he sit at a great rent; so the merchant cannot drive his trade so well, if he sit at great usury. The third is incident to the other two; and that is the decay of customs of kings or states, which ebb or flow, with merchandizing. The fourth, that it bringeth the treasure of a realm, or state, into a few hands. For the usurer being at certainties, and others at uncertainties, at the end of the game, most of the money will be in the box; and ever a state flourisheth, when wealth is more equally spread. The fifth, that it beats down the price of land; for the employment of money, is chiefly either merchandizing or purchasing; and usury waylays both. The sixth, that it doth dull and damp all industries, improvements,



and new inventions, wherein money would be stirring, if it were not for this slug. The last, that it is the canker and ruin of many men's estates; which, in process of time, breeds a public poverty.

On the other side, the commodities of usury are, first, that howsoever usury in some respect hindereth merchandizing, yet in some other it advanceth it; for it is certain that the greatest part of trade is driven by young merchants, upon borrowing at interest; so as if the usurer either call in, or keep back, his money, there will ensue, presently, a great stand of trade. The second is, that were it not for this easy borrowing upon interest, men's necessities would draw upon them a most sudden undoing; in that they would be forced to sell their means (be it lands or goods) far under foot; and so, whereas usury doth but gnaw upon them, bad markets would swallow them quite up. As for mortgaging or pawning, it will little mend the matter: for either men will not take pawns without use; or if they do, they will look precisely for the forfeiture. I remember a cruel moneyed man in the country, that would say, The devil take this usury, it keeps us from forfeitures, of mortgages and bonds. The third and last is, that it is a vanity to conceive, that there would be ordinary borrowing without profit; and it is impossible to conceive, the number of inconveniences that will ensue, if borrowing be cramped. Therefore to speak of the abolishing of usury is idle. All states have ever had it, in one kind or rate, or other.



## FOR DISCUSSION:

1. Look at Shylock's retelling the story of Jacob and Laban (1.3.68-87), using Scripture to justify his money-lending (see Genesis 27, 30:25-43). Is his analogy appropriate or inexact? Compare what he says to what the Bible says about usury: do his actions contradict what the Hebrew Bible says?
2. Is the 3,000 ducats that Shylock lends to Antonio usury—that is, lent at interest—if the forfeiture is not money but flesh? What does Shylock lose or gain by such an agreement? See the scenes in which he justifies his "merry sport" (see 1.3.135-63).
3. Antonio says that he never borrows or lends upon interest (1.3.66-67). Why does he make an exception in Bassanio's case? Is he acting out an extreme example of the kind of charity commanded by Luke (above), so that he would even give up his life for his friend? Is he motivated by selflessness or by the desire to bind Bassanio to him in return?
4. To what extent can the attack on Jewish money-lending be seen as a projection by a Christian culture, long ambivalent about charging money at interest, but now doing so, given its necessity in an age that increasingly depended upon the investment of capital?