

Nor a Lender Be

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Approximately 125 years ago my grandfather, George S. Faaborg, fled his native Schleswig-Holstein along with thousands of his Danish countrymen. Denmark had lost Schleswig-Holstein to Germany in a prior war. No longer feeling safe in their homeland, many Danes emigrated, some to avoid being forcibly inducted into the German army. Grandfather and his parents followed their relatives and friends and settled in the rolling hills of southwest Iowa in a Danish community of about 700.

My grandfather began his career in his newly adopted country as a tailor and soon built a retail business. After several false starts in other businesses, he and a partner established a clothing store that was moderately successful. His success was due in part to his willingness to travel all the way to Chicago to purchase inventory on credit that he then sold at considerable profit.

Grandfather's success, moderate as it was, led him to make a decision that would have a profound impact on his life, his family and, even to this day, upon me. Grandfather decided to expand his business and purchase a second retail clothing store in a neighboring town by mortgaging his hometown store. And, of course, this new outlet needed its own inventory that he also purchased on credit.

My grandfather's decision turned out to be a catastrophic mistake. With the coming of hard times, grandfather lost both stores and couldn't even pay for the borrowed inventory that now no one could afford. Even his labor as a tailor was no longer in demand. He died soon after forcing my father, then aged 16, to drop out of high school in order to provide for his mother and eight brothers and sisters.

Dad was given work in the local bank. After his marriage to my mother, Darlene Jorgensen, a Dane, of course, he got a job as an assistant in a bank in a small town in northeastern Iowa named Popejoy, an odd name for the home of a Danish Lutheran.

Unfortunately, the depression deepened and Dad at times had the sad and even dangerous job of having to foreclose on farmers who, like my grandfather, found themselves up to their necks in debt. Many lost the farm that was their only source of income.

Dad left the banking industry and with money he had saved bought a small grocery store in the town in which I was raised and in which my parents spent the rest of their lives, Jefferson, Iowa.

To Dad, the lesson was clear. Debt, any kind of debt, is the essence of evil. And he taught this lesson daily by word and deed. Dad purchased everything with cash. We had no debts. Because of what he'd witnessed during the depression, Dad never purchased a single share of common stock nor a corporate bond. His life savings was invested entirely in bank savings accounts, CD's and U.S. treasuries. Even our modest six-room house that was much too small for a family of seven was paid for in two years! Dad never possessed a credit card and was furious with me when I applied for one.

Dad's influence has had an enormous effect on my attitude towards money, debt and investing – often, sadly, to my detriment. Like him, I've largely avoided the stock market and have tended towards extremely conservative investments. My colleagues chide me and call my investment strategy “cowardly”. My daughter prefers the term “woose.” I, myself, opt for the economists' classification. I'm risk averse.

Grandfather's economic failure and Dad's resultant obsession concerning debt molded not just my attitude towards money and debt, but in part influenced my own identity, my own sense of self. Sadly, many of us are profoundly influenced by our attitude towards money, wealth and debt. I'm sure you remember the Jack Benny sketch that aptly describes my personal attitude towards money. Jack is approached by an armed robber who demands: “Your money or your life!” There's no response. He shouts again: “Your money or your life.” After one of his inimitable, pregnant pauses, Benny replies in his doleful, self-effacing voice: “I'm thinking it over.”

Even though I'm sure you've heard this classic sketch many times, you still think it's funny. To me Mr. Benny's response seems entirely reasonable.

Dad's lessons about debt and credit made such an impact on me that when my wife and I bought our first house in North Avondale in 1974, a house I still occupy, we put 33% down instead of the required 20% and elected a twenty-year mortgage instead of the more typical thirty years. Nonetheless, I was so enormously frightened by the prospect of going deeply into debt that I had many sleepless nights before the closing. My worst fears seemed to be realized when at the closing the Vice President of the local

bank that handled the mortgage with a strange twinkle in his eye told me that “We won’t be able to give you that 9% mortgage rate that we talked about last month.” I went into a state of shock since I knew that mortgage rates had recently risen to nearly 11% and were due to rise even further. “No”, he continued, “we weren’t able to complete the change from state to federally chartered bank, so Ohio’s usury law concerning mortgages still applies meaning your rate will be only 8%, not the 9% we agreed upon.”

What was he saying? My mortgage interest rate would be a full percentage less than we had agreed upon? That was in fact the case. Ohio’s usury law and the bank’s failure to become nationally chartered saved me tens of thousands of dollars over the course of the loan.

Usury law? That was the first I’d heard the term ‘usury’ outside of my catechism lessons decades ago and, even then, I was unclear about its meaning. It turns out that my students at the University of Cincinnati are also ignorant of the concept of usury, even the honors students in the Business College. At times a student may know the contemporary meaning of the word – charging excessive or illegal interest rates. But few today are aware that for two thousand years ‘usury’, defined as the charging of any interest at all, was condemned in the harshest terms.

My students are also blissfully unaware that unlike present-day America in which business leaders are often treated like celebrities, where individuals like Donald Trump, Warren Buffet, Jack Welch and Bill Gates are as well known and as well regarded as sports stars, during much of human history business and business activities were held in disrespect. Thus, in ancient Greece where our story of usury begins, trade and business in general were regarded as degrading. The Greek philosopher, Plato, attacked economic occupations as defiling the soul. He clearly hated businessmen arguing that commerce “...fill[s] the land with wholesaling and retailing, breeds shifty and deceitful habits in a man’s soul and makes the citizens distrustful and hostile”ⁱ

In a similar vein, Aristotle argued that trade, paid labor and even industry were dehumanizing. If Plato and Aristotle’s friends ran the Literary Club, we’d have no members involved in banking, finance, business or management, not even from a prestigious soap manufacturer.

It's important to note that the initial condemnation of usury by Greek philosophy emerges from this culture of antipathy towards trade, business and practical economic endeavors in general. In Plato's Utopia, all lending was forbidden. For Plato, all credit should be banned except as an act of friendship. He argued that interest leads to class hatred between borrowers and lenders and even questioned the need for repayment of capital.ⁱⁱ

Aristotle provided the first theoretical argument against lending at interest. This argument came to have enormous impact. His attack on usury influenced Jewish theology, was taken up almost in whole by the Catholic Church, was modified by the Reformation and held sway for 2000 years, continuing to this day in most Islamic nations.

For Aristotle, the universe can be divided into two categories of entities – natural things that can reproduce and conventional things that cannot.ⁱⁱⁱ Money is conventional in that any kind of object can be chosen to function as money and humans conventionally designate the quantity of money a given object represents. Being merely conventional, the nature of money is determined by how men intended it to be used. Aristotle argued that the nature of money was solely to be used as a means of exchange. It has no other qualitative use value. Usury or charging interest treats money not as merely a means but as an end that perverts its true nature. Furthermore, Aristotle argues that money, unlike natural things, cannot reproduce. Lenders unnaturally force money to become productive resulting in offspring or interest. Being against nature, this offspring must be condemned. Moreover, interest multiplies money and causes accumulation of unlimited wealth by these “unnatural” means.^{iv}

This admittedly abstract and philosophically problematic argument nonetheless provides the foundation of a two-thousand-year ideological condemnation of charging interest on loans.

Of course, not only usurers were condemned. Debtors were treated much more harshly. Most debtors were poor and owned little in the way of collateral; consequently, if they failed to repay their debt, they not only forfeited whatever land they owned, they often forfeited themselves, their wife or children, all of whom could be sold by the creditor or made to work in lifetime servitude. Thus, there became a strong connection

between usury and slavery that added to the condemnation of both usury and indebtedness. In ancient Republican Rome, insolvent debtors could not only be enslaved but could even be judged to be killed by their creditors. Such legal powers would clearly evince delight in any august bankruptcy judge.^v

Plato and Aristotle weren't the only thinkers and leaders of the time opposed to usury. Cato the Elder, Seneca, Plutarch, and, of course, Muhammed and Moses condemned usury in the strongest terms. Yet from the beginning there was an immense gulf between the philosophic and religious attitudes towards usury or interest and its practice. Throughout history some form of borrowing and lending involving interest or its equivalent has been omnipresent. Moreover, economists are agreed that at least in the context of relatively free and stable markets, credit is not only beneficial but a necessary element for any successful economy. Its advantages were known long before they were theoretically justified. But the benefits of lending did not stop the ideological and religious condemnation of it.

In addition to the arguments of Aristotle and others against usury, a second powerful source of the condemnation of usury arises out of the teachings of the Old Testament. While these ancient texts, in fact all texts, are open to alternative interpretations, many of the passages in the Old Testament seem to clearly denounce usury, again, interpreted as the charging of any interest. It was condemned in the harshest terms in traditional Jewish law though strictly speaking the ban on lending money didn't apply to "foreigners" such as Canaanites, Phoenicians, and others who didn't live within the community. Exodus 22:25 bluntly states: If you lend money to a fellow Hebrew in need, do not be like a moneylender, charging interest. Deuteronomy 23:19 exhorts: Do not charge interest on the loans you make to a fellow Israelite, whether it is money, food, or anything else that may be loaned. Proverbs 28:8 warns: A person who makes money by charging interest will lose it. It will end up in the hands of someone who is kind to the poor.

This last passage manifests the fact that for the people of Israel, a loan was a service to one's neighbor that should be offered without personal remuneration - a form of charity.^{vi} Usury was considered cruel especially since it was typically practiced as

lending to the poor who had great difficulty returning the original debt let alone any interest.

Ezekiel 1: 17 seems to remove all interpretive doubt: "...and lends money at interest. Should such a sinful person live? No! He must die and take full blame."

The interpretation of the teachings of the Old Testament as advocating a total prohibition on charging any interest was strongly supported by the early Church fathers many of whom clearly and explicitly condemned usury. Moreover, several significant Church Councils adopted laws banning usury and providing for punishment of usurers of eternal damnation.

Thus, the Council of Nicea forbade usury among clerics in 325. This ban was extended to everyone by the time of Charlemagne.^{vii} The religious punishment for usury was excommunication. Charlemagne claimed authority from God and vowed to construct the laws of his empire so that its subjects could obtain eternal salvation. Thus, usury became regarded not only as violating religious edicts but also as violating the civil law. From the ninth to the thirteenth century usurers were fined and occasionally even imprisoned. With Charlemagne the legal ban on usury spread throughout Western Europe.

Countless Church fathers issued pronouncements against usury. For example, Pierre Lombard and other scholastics placed greed as the worst of the seven deadly sins. And they argued that usury was its supreme expression.^{viii} In addition to citing Scripture, Church fathers argued that usury was immoral because it violated essential elements of Christian love, precepts of charity, love of one's neighbor and inevitably exploited the misfortunate.

Thus, the combination of venerated ancient Greek philosophers such as Aristotle, Scriptural passages from the Old Testament and the arguments and interpretations of these passages by the early Church Fathers all conspired to construct an extremely rigid, absolute prohibition against usury, against lending at interest.

To gain some measure of the disrepute with which usurers were held, consider that Dante relegated usurers to Round Three, the lowest division of the Seventh Circle of the Inferno. Thus, he ranked usury along with other crimes against nature such as blasphemy and sodomy. Usurers were placed even lower than assassins, robbers and

tyrants and were condemned to eternal life roaming naked on a desert of flaming sand. For you to understand how repugnant those in this Circle were believed to be, if Dante were alive today, this is where he would place men like Bill Cunningham and Howard Stern.

Of course, one cannot discuss usury without commenting on the connection between the condemnation of usury and moneylenders and the discrimination against and persecution of Jewish lenders who gradually became prominent throughout Europe in part because of the seeming Old Testament permission to allow charging interest to Gentiles. Jewish lenders were expelled from England by Edward I in 1290, from France in 1182, from Germany during the twelfth and thirteenth centuries. However, these attempts to wipe out the practice of usury did not change the economic reality of the necessity for credit and lending and usury continued to be practiced by Jews, Christians and others throughout Western Europe despite religious or legal obstructions.

This cognitive dissonance between practice and preaching was in part relieved by the development of new approaches to usury in the mid-thirteenth century by St. Thomas Aquinas and the Scholastic Philosophers of the Church who followed him. Aquinas built on Aristotle's claim that money was sterile and by nature could not reproduce or grow. Rather, it was consumed when it was used in the exchange of goods. Aquinas concluded to charge for money was to charge for something that no longer existed, a form of theft. He also claimed that charging interest was to charge for time, a commodity no one could own. Finally, he claimed usury was in essence the opposite of charity and therefore a mortal sin.^{ix}

The Scholastics who followed Aquinas constructed a complex and controversial theory of exceptions that purportedly permitted, not the charging of interest, but additional compensation over and above the repayment of principal. They claimed this compensation could be justified because it was allegedly "extrinsic" to the loan. Thus, lenders could receive legitimate compensation if the lender suffered damage or economic loss in making the loan. Lenders could also be compensated if they were deprived of an advantageous investment opportunity due to the loan or if the lender was forced to labor in the process of making the loan. Finally, just compensation occurred if the repayment of the principal was uncertain.^x Many objected that these exceptions were so broad and

general that they could be used to justify monetary payment for almost any lending situation and were, therefore, equivalent to justifying interest. Gradually the application of these exceptions led to acceptance of the view that compensation for loans was justified if there was risk involved. Thus began the slow process by which ‘usury’ changed its meaning. It came to mean the charging of inappropriate, risk-free or otherwise unjustified interest instead of its original meaning prohibiting the charging of any interest at all. Meanwhile, roughly from the twelfth to the sixteenth century the religious objection to usury continued but civil legislation was gradually relaxed and enforcement was at best sporadic.

Many believe that the religious attack on interest and the gradual change in the meaning of ‘usury’ from charging any interest to charging excessive interest was largely due to the Protestant Reformation; however, the story is mixed.

Even after leaving the Church, Martin Luther shared the Church’s condemnation of usury. He even rejected the Scholastic so-called “extrinsic” exceptions used to justify charging interest as mere subterfuges. In his address to the Christian Nobility of the German nation Luther wrote “...the devil invented [interest] and the Pope, by giving his sanction to it, has done untold evil through[out] the world.”^{xi} Luther ordered pastors to refuse moneylenders the sacrament, absolution and Christian burial.

In the Sermon on Usury written in 1519, Luther even proposed a moratorium on all debts. However, when it became obvious to debtors that Luther’s proposed moratorium would never be implemented, they threatened revolt. Luther soon backed off his position and attempted to avoid the issue of usury by claiming that it was a civil question to be decided by the government and not a question of conscience. Ultimately, while maintaining the condemnation of charging interest to the poor, Luther joined those whose attitudes led to the eventual change in the meaning of ‘usury’ to be the charging of excessive or egregious interest. Thus, in 1542 he writes, “Every usurer is a thief deserving the gallows. I call usurers those who loan at 5 or 6 percent.”^{xii} One wonders what Scriptural evidence Luther discovered to justify either these particular interest rates or, more importantly, this crucial transition in the meaning of ‘usury’.

As to the Old Testament condemnations of usury, in a famous analogy Luther argued that Christians are no more subject to ancient Hebrew civil law concerning usury than they are subject to the ritual of circumcision.

The view that the Protestant Reformation brought with it the change in religion's attitude towards interest better fits John Calvin. Certainly Calvin was much more pro-business than the Church fathers. He even went so far as to include economic virtues such as industriousness, efficiency, hard work and saving as religious virtues. Calvin argued that the correct translation of the Hebrew 'nesech' into Latin was not 'usura' but 'bite'. Calvin claimed that what was prohibited was putting the bite on the poor and argued that Scripture only prohibited excessive interest.^{xiii}

Calvin also defended compound interest by attacking the Aristotelian argument that money is by nature barren or sterile and that charging interest causes money to reproduce, thus violating natural law. In Calvin's words, "Unemployed money is certainly barren, but the borrower does not let it sit unemployed...[and} therefore is not defrauded in having to pay interest."^{xiv} Calvin concluded that money used for loans for productive or commercial purposes is legitimate. However, he continued to attack consumer credit. According to Calvin, charging interest to the poor for their life's necessities was exactly the kind of biting usury that the Scriptures condemned.^{xv}

In its official pronouncements the Catholic Church didn't really soften its stand on usury until into the 19th century. In this respect there was a general difference in both the practice and ideology surrounding charging interest between traditionally Catholic countries and areas in which Protestantism was more dominant. This was especially obvious in England and in the American colonies. The eminent English philosopher, John Locke, defended interest by arguing that market supply and demand should determine interest rates. Locke pointed out that fixed ceilings that were set too low would discourage any lending at all.^{xvi}

The free market justification of usury reached its apogee with the publication in 1787 of Jeremy Bentham's Defense of Usury. Bentham, the founder of utilitarian ethical theory and famous mentor of John Stuart Mill, wrote a systematic justification of interest arguing that usury laws interfered with the individuals right to freely contract. Moreover, they resulted in increasing the cost of money, prevented the poor from being helped by

needed borrowing and even forced desperate borrowers into the hands of unscrupulous lenders. Bentham acknowledged the unpopularity of usurers. In his words, “The business of a money lender...has no where, nor at any time been a popular one... The children who have eaten their cake are the natural enemies of the children who have theirs.”^{xvii}

John Stuart Mill also rejected usury laws, arguing they were merely the result of religious superstition.^{xviii}

What, you might ask, did Adam Smith, perhaps the most famous proponent of laissez faire capitalism, author of The Wealth of Nations, have to say about usury? Surprisingly, Smith supported some forms of usury laws and moderate usury ceilings. Smith believed that capital growth through savings was the principal source of wealth. But he opposed consumer consumption of non-durable goods. [Our local public radio financial reporter, Chris Desimio, defines durable goods as those that it takes your children more than three days to break.] Smith argued that consumption of non-durables slowed economic growth by decreasing capital formation. He concluded that consumer credit loans were not justified.^{xix} However, Smith did support charging interest on loans for commercial purposes or for bridge loans. But even here he advocates usury laws setting the legal interest ceiling just above the free market rate. Thus, Adam Smith, perhaps the world’s most famous capitalist, in fact defended usury laws.

Notwithstanding Smith’s support of moderate usury ceilings, the free market advocates prevailed and in 1854 fixed interest ceilings were abolished in Britain, never to return.^{xx} And by the mid-1800’s Denmark, Holland, Norway, Geneva, Sweden and Canada had all eliminated their usury laws in part because of their fear of competition from Britain.^{xxi}

The history of usury laws in the United States is complex largely due to our federal system. In general, usury laws were incorporated from England into the colonies. The federal system led to wide variations among the states. Many states would set usury ceilings, abandon them in good economic times, but then reinstate them in times of recession or following the election of populist legislatures. Overall, the competition among the states gradually led to a liberalization of usury laws and a decrease in interest rate ceilings.^{xxii}

While usury was generally a state issue, during the Civil War Congress passed the National Currency Act of 1863 creating the National Banking system. It provided for a usury ceiling at the rate of the state in which a national bank was located. And who was this revolutionary thinker who created the idea of a national banking system? It was none other than our own Salmon P. Chase, the first Secretary of the Treasury under Lincoln.^{xxiii}

Personal loans were difficult to obtain in the United States until the 1900's in part because of state usury laws. These laws at times had just the effect that Bentham had predicted – people were forced to turn to illegal lenders who charged exorbitant rates and at times used coercive collection measures.

By the 1980's many laws were passed essentially eliminating ceilings on consumer credit.^{xxiv} More recently, nearly all states have relaxed their regulations on interest rates and some such as Delaware and South Dakota have abolished usury ceilings altogether. My good fortune of having my mortgage capped by Ohio's usury ceiling in 1974 would no longer obtain. In 1980 the federal government allowed national banks to ignore state usury laws. Because of competition from such states as Delaware many states have raised state ceilings on credit card interest to 18-24% and some even to 35%.^{xxv} Furthermore, twenty-six states have no limits on what banks can charge for credit card interest

The effects of the Financial Services Modernization Act of 1999 cannot be underestimated. This Act resulted in the deregulation of financial services in effect repealing the separation of wholesale and retail banking and nearly eliminating restrictions on interstate banking.^{xxvi} It allowed bank holding companies to affiliate with almost all other kinds of financial services such as brokerages, mutual funds and insurance companies. It effectively repeals many of the governmental regulations of the financial industry adopted after the Depression. As a consequence, except in pockets of egregious excess such as payday loan shops, usury is no longer an important legal issue in the United States. Of course, it remains a social and moral issue.

Has the deregulation of the financial markets and the near abandonment of interest rate ceilings and usury laws had any problematic effects? It's probably too early to tell. Certainly, financial novelties such as interest-only or negative amortization mortgages are worrisome as is the nation's total and per capita public and private levels

of debt. But I'll close with one disturbing phenomenon that I happened upon by chance. While doing research on this paper, a student's note-taking card, probably intended for a paper in a composition course, literally fell out of one of the books on credit card debt I had checked out of the University of Cincinnati library. Let me read parts of it. Please excuse the syntax.^{xxvii}

"Time line – spring-summer 2000. I am 18 and an adult; credit cards to me was growing up...I was at a Reds game and MBNA MC/Visa was giving out baseball gloves that were too small or shirts that were too big but I had to have one: the credit card was something I could only dream of. Money I have not made yet, but I can spend - sweet! [High school] Senior trip was only 2 months away - Panama City. I had a great time and drinks were on me and I still paid on them up until the year 2004 ... I met a girl down in Panama City and 4 months later we broke up. First Love is expensive. My credit limit was \$2000 and wasn't hard to spend. Love makes people do crazy things. I bought concert tickets, new clothes, and more. My third and fourth credit cards were department store credit cards ... Those weren't hard to max out. So there I was about to turn 1 year older and already in major credit card debt."

I'm not sure why this young man left his card in the library book - perhaps as a lesson to the next student reader. Whatever the reason, his story is altogether too familiar. The recent almost parabolic increase in the overall cost of higher education and the resulting problem of student indebtedness constitute serious threats facing our campuses. Median debt from student loans has increased from \$2000 in 1977 to over \$15,000 by 1996. Some studies place it as high as \$20,000 today.^{xxviii} Adding on credit card debt and other forms of debt results for some students in what can be correctly described as a debt crisis.

Entering freshmen are flooded with credit card offers especially since 1989 when banks dropped the requirement that parents must co-sign for students under the age of twenty-one. Nearly all students have cards and while most use them responsibly, perhaps as many as 12% are delinquent at any given time.^{xxix} Some studies claim that one-third of students have a total of 8 cards; an Oklahoma study claimed 40% of graduating seniors had credit card balances averaging \$3000.^{xxx}

Also troublesome is how financially illiterate college students are. Almost half of all freshmen believe their parents are legally responsible to pay off their cards until they're twenty-one.^{xxxix} Most have no idea what interest rate they're paying.^{xxxix} And many pay only the monthly minimum required not realizing that, depending on interest charges, it might take more than nine years to pay off their debt.^{xxxix} Some cards such as First USA have minimums that are below the monthly interest charge so the student ends up paying interest on interest.^{xxxix}

In his classic work Credit Card Nation, Robert Manning reports that three-fourths of students had maxed out at least one card and that two-thirds had used one credit card to pay another. This is known as the *credit card shuffle*. Students also practice *credit card surfing*. They transfer debt on older credit cards to newly acquired cards that have low introductory rates.^{xxxv} Most disturbing – Manning discovered that up to two-thirds of students had at one time or more used all or part of certain student loans or other kinds of loans in order to pay for their credit card debt.^{xxxvi}

Even worse, college students are also almost totally ignorant of the financial consequences of late payment and having low credit scores. A minor problem is that fees charged for late payment are added to the principal due. More importantly, insurance premiums can be increased because of low credit scores. Of course, interest rates on all kinds of loans or leases will be increased. This can add thousands of dollars in total payments over the life of the loan. All of a sudden, that free t-shirt has become very expensive. Worse yet, employers are increasingly using low credit scores to weed out job candidates, especially in professional or semi-professional occupations. So the delinquent student debtor may be cut off from adequate employment that would enable him to pay off his debts.

As an educator, I worry most about how student debt and financial problems affect students' studies, limit their academic choices and even influence their career choices. Clearly, many take on extra work or a second job that hurts their performance in class. Some reduce their course load. Some even drop out or transfer to a less expensive two-year program. Meanwhile, the numbers of students who choose to major in finance and business swells while the arts and humanities continue to lose advocates.

Just as my grandfather's and father's obsession with debt greatly influenced my own life choices, I fear that the sheer weight of student debt will lead many to alter how they choose to live after graduation, even lead some to choose careers not out of personal interest or love for their work, but as a result of financial necessity. It's hard to pay off \$20,000 in debt on a beginning public school teacher's salary. Such debt nearly eliminates the invaluable possibility of choosing to see the world after graduation or devoting one self to charitable or political causes.

Finally, students who are forced by debt to work long hours miss much of what a truly well rounded college education involves. There are countless other aspects of the college experience besides classroom learning that account for its value. Activities such as participating in student government, music groups, intramural sports, the debate team or political organizations; even just having time for late-night dorm room discussions.

Of course, credit card debt is only one aspect of the current student debt crisis in higher education. Nonetheless, if we are to return to a nation in which higher education is once again accessible to each of its citizens, revolutionary changes in the financing of America's colleges and universities must be undertaken and undertaken soon.

Let me end on a lighter note. In researching usury and credit cards, I found the following parody of a ubiquitous Mastercard ad campaign. The ad lists the price of specific items then ends with events or people that are priceless. The tag line is "There are some things that money can't buy; for everything else there is Mastercard." This particular parody imagines a graduating senior assessing his total expenditures during college.

Late night pizzas: \$5,200

Books: \$7,000

Tuition and Fees: \$120,000

Moving back into [your parents] basement: Priceless

I'll end with my own parody:

Two tickets to the Cincinnati Opera, Front Orchestra: \$196

12 concert series to the Cincinnati Symphony, Balcony A: \$876

An evening at the Literary Club: Priceless

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ⁱ Meikle, p.37

ⁱⁱ Houckes, p.39

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- iii Meikle, p.8
 iv Gelpi, p.8, 36
 v This was an unfortunate attempt at humor alluding to the club's only bankruptcy judge,
 Vince Aug.
 vi Houckes, p.15
 vii Gelpi, p.22
 viii *Ibid.* p.29
 ix *Ibid.* p. 36
 x *Ibid.* p.37
 xi Houckes, p.255.
 xii Houckes, p.256
 xiii Gelpi, p.52
 xiv Houckes, p.251
 xv *Ibid.* p.251
 xvi *Ibid.* p. 299
 xvii *Ibid.* p. 395f.
 xviii *Ibid.* p. 10
 xix Houckes, p. 429f.
 xx Gelpi, p.77
 xxi Rockoff, p. 17
 xxii *Ibid.*, p.24
 xxiii *Ibid.* p. 28
 xxiv Manning, pp.67ff.
 xxv Williams, p.3
 xxvi Manning, pp. 66ff.
 xxvii I've corrected some of the grammar and spelling.
 xxviii Manning, p.166
 xxix Manning and Kirshak, p. 41
 xxx *Ibid.* p. 44f.
 xxxi Johnson, p. 195
 xxxii *Ibid.* p. 200
 xxxiii Williams, p. 67
 xxxiv *Ibid.* p. 63
 xxxv Manning, p.173
 xxxvi Manning and Kirshak, p.42

Read to the Literary Club by the author on December 4, 2006.
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