

Truth from Mesopotamia

by

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with a foreword & afterword by

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for a new century

by

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Though I speak with the tongues of men and of angels, and have not money, I am become as a sounding brass, or a tinkling cymbal. And though I have the gift of prophecy, and understand all mysteries, and all knowledge; and though I have all faith, so that I could remove mountains, and have not money, I am nothing. And though I bestow all my goods to feed the poor, and though I give my body to be burned, and have not money, it profiteth me nothing. Money suffereth long, and is kind; money envieth not; money vaunteth not itself, is not puffed up, doth not behave unseemly, seeketh not her own, is not easily provoked, thinketh no evil; rejoiceth not in iniquity, but rejoiceth in the truth; beareth all things, believeth all things, hopeth all things, endureth all things...And now abideth faith, hope and money, these three; but the greatest of these is money.

I CORINTHIANS XIII (*adapted*)



Frontispiece to George Orwell's *Keep the Aspidochelone Flying* (1936).
Deadapted by Richard Curtis for *Four Weddings and a Funeral* (1993)

Foreword by William Shepherd

Michael Hudson was busy researching Babylonian economic history at *Harvard University's Peabody Museum* when he wrote his history of debt cancellations. The *Henry George School of Social Science* in New York printed a few dozen copies and stapled them together as a 124-page booklet entitled *The Lost Tradition of Biblical Debt Cancellations*. One of these eventually landed on Boudewijn Wegerif's desk.

Boudewijn worked as an advisor to the Swedish interest-free banking institution *JAK*. By the end of the 1990s he probably had the best e-mail list of academics and activists working for monetary reform. Boudewijn spent a couple of days summarising the booklet and in May 2001 sent it to his e-mail list. And so it landed in my inbox.

The earliest recorded debt cancellation was in 2400 BC when an *amargi* was decreed in Lagash in Mesopotamia. '*amargi*' is often translated by vague words like liberty but means an economic 'clean slate'. There were ten other clean slates in Mesopotamia up to the start of the Babylonian dynasty and another sixteen in Babylonia from 1880 to 1636 BC. King Hammurapi proclaimed four in forty two years. The *Hammurapi Code* is a key event in economic history and its most binding edicts were *misharum* ...'clean slate' debt, tax and bondage cancellations.

There were also regular edicts for debt cancellations in Assyria and Anatolia. And the custom was adopted by popular reformers until well into the first millennium BC, for example in Corinth and other Greek cities from 650 to 580. Greek reformers were called tyrants by their opponents...their tyranny being to overthrow the landed aristocracies, redistribute the property and cancel debts.

The refusal to lift the *Cross of Gold* off the back of humanity has now spread right round the world. Debt is growing exponentially and is now digitised in a world wide web of electronic accounts. On top of the pyramid sit the *World Bank*, the *International Monetary Fund*, the *Bank of International Settlements* and the *World Trade Organisation*. A washing away of the debt records as the clean slate was called in Anatolia three thousand years ago would mean deleting all financial obligations.

In Boudewijn Wegerif's view there is no way forward for humanity other than through a clean slate policy at individual and collective levels. Usury must be brought to an end, all debts entered into for profit must be cancelled and commercial factory farms parcelled out to farmers trained in human scale farming, which is not primarily for money. We must finish what Jesus began and end money lending at interest and exploitative merchandising that is now basic to our society.

Michael Hudson points out that a correct translation of the original *Lord's Prayer* is 'Give us this day our daily bread and forgive us our debts as we have forgiven our debtors'. Jesus' assault on his local synagogue and the Temple are best understood against this background. It is not Christians but radical economists who understand the significance of this episode in endorsing the *Clean Slate Doctrine* adopted by statesmen like Solon of Athens and Julius Caesar of Rome (almost). The ambivalent attitude of the Jews to debt cancellation in the history of their 'Jubilee' clean slate tradition runs through the *Jewish Old Testament*. For Jesus the central figure in *Christianity* it was central to his ministry

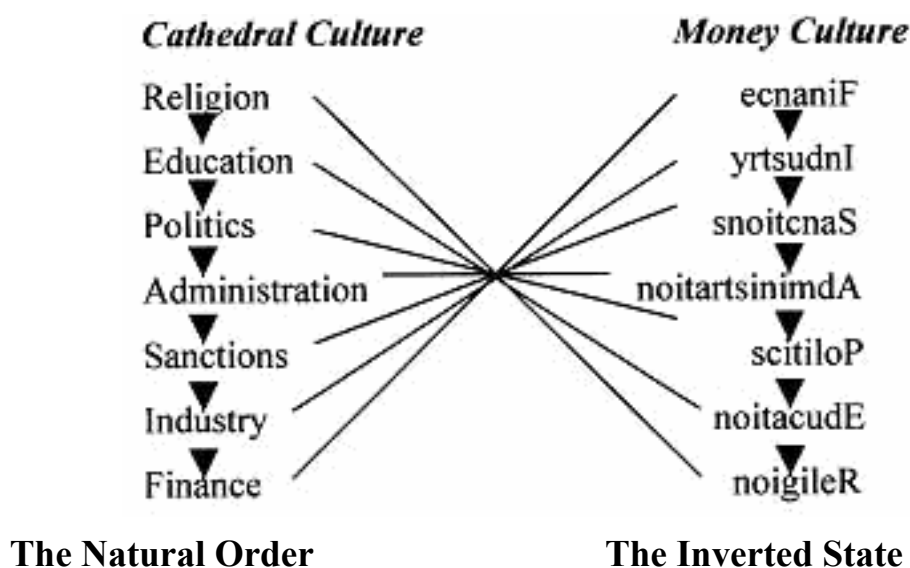
Jesus stormed into the Temple in Jerusalem, upturned the benches of the moneychangers and emptied their moneybags on the floor. He also overturned the tables of the merchants selling sacrificial animals. *The Christian Gospels* also report Jesus announcing in the words of the Jewish Old Testament prophet Jeremiah (7:11) 'My house will be a house of prayer, but you have made it a den of thieves'.

The central message of Jeremiah was similar to that of other Jewish prophets. To prey on the weak, to monopolise the land and wealth is theft. Many centuries later Proudhon was to say succinctly 'Property is Theft'. But Jeremiah also stressed the unique nature of the Jewish covenant which is a subtle mixture of the solidarity politics that are an article of faith to the left and the individual 'human action' approach beloved by the right. Jesus the Messiah was not required to put the world back in order by organising a clean slate like a Bronze Age ruler. This was the task of each and every Jew. In Boudewijn's words:

'The whole Jewish nation, everyone, suffers from the sin of usury and the related ills of land and labour exploitation. Jesus was not singling out the moneychangers and merchants as damned. They were after all doing legitimate business. He was serving notice on the whole nation and indeed the whole world that if usury is practised and if the spirit of regular debt cancellation and freedom from land bondage is not upheld the earth breaks down. It is made desolate simply because a sustainable economic order is made impossible by the theft.'

In *Human Ecology* Thomas Robertson presents the idea of the societal inversion of the seven mechanisms of society and seeks to show how the usury virus turns a society from the natural order to the inverted state. Two chapters from my 1989 book *The Rise & Fall of the Swedish Green Party (1982-1997)*...entitled *Democracy & Christianity* and *The Power of Finance*...summarise the model.

Thomas Robertson's basic idea is shown below diagrammatically:



In the essay entitled *The Foundations of Structural Sociology* I suggest visualising the *societal inversion process* as the buckling of a sheet of metal. There are various ways this can occur. One way is to apply a force at the point of major curvature in the centre of the metal sheet. Imagine this force as the weight of the accumulated debt and wealth divisions in a society as usury turns the screw year in year out. The act of wiping clean the slate removes the force allowing society to reestablish the natural order.

Look again at the diagram. In the *inverted state* the letters spelling the name of each mechanism have been reversed and run from right to left. This reversal indicates that in the *inverted state* not only has the hierarchy of dominance inverted...this is the societal inversion to which Robertson refers...but the goal of each mechanism has become the complete reverse of what it would be in the *natural order*.

Monetary dispatronage is one of the symptoms of the inverted state. A modified form of *Gresham's Law* might state that in an inverted society bad lending drives out good lending. Perhaps we should call this *Wegerif's Law*.

Establishment economics contains its fair share of nonsense. High on this list is the aptly named gross national product. Let me quote from the chapter entitled *Democracy and Ecology* in *The Rise of the Swedish Green Party (1982-1997)*. My understanding of the inner workings of the financial mechanism has altered somewhat over the past fifteen years...about the *National Debt* for instance...but the broad sweep is sound.

'What then of our Gross National Product? Green scholars have asked this question too, but soon found that there is a prior question as to just what it is anyway. Why are we rich if GNP is big and poor when it is small? Why are we successful and making progress when GNP is growing but unsuccessful and falling back when it is decaying?

Progress means increasing some good things and decreasing the bad things and doing it at a sensible pace so as not to put too great a stress on things and disrupt too many things too much before we have a chance to figure out what is going on. How does GNP measure this? Well the sad truth is that it doesn't. In a peculiarly perverse way, it adds together as if they were plusses all the plusses and all the minuses.

Cars are wrecked, bodies are smashed, new cars are bought to replace the smashed ones, hospitals work flat out to mend the human wreckage. The GNP just keeps on piling up. What sort of nonsense number is this?

Unfortunately a very critical one. At least for the megamachine and its onwarding and upwarding. With a basic theoretical error in the counting house and usury not accounted for, the whole financial pack of cards collapses without the numbers increasing exponentially. So what you might ask. Then let it and begin a new set of books. What is the problem?

When society is in The Natural State there is no problem. But when all power flows from the Financial Mechanism and all goods and services are called into being by the pull of money and credit; when all money and credit is issued at interest as debt; and when debt has accumulated to such a degree that it pervades every facet of society, then to place a fire bomb under the counting house is to nuke society.

The Bolsheviks did it seventy years ago and nobody who lived through it would ever suggest doing it again.

The Inverted Order present a unique set of economic problems distinct from the economic problems and opportunities of The Natural Order. Negative interest rates could do the trick, unwinding after years of winding up. There is something to be said too for Keynes's inflation of the currency. And Lincoln's greenbacks might also have a part to play.

But until economic scholars face up to the problem and set about the task of draining debt out of our societies, letting it be and putting a match to the books is unlikely to present the Greens (or anybody else) with a sensible course of action. And this fact is no help to the Greens as they try to put together a manifesto and go to the people with sound economic policies.'

But *Wegerif's Law* might give us a chance. The ratio of lending for 'goods' and 'bads' could be a good surrogate for a society's production and consumption of goods and bads. It might give us a tracker index that we can use to measure a society's deterioration from a *Cathedral Culture* serving ordinary people to a *Money Culture* where the society and its money distribution channels are controlled by the rich and powerful...and their institutionalised major and minor usury generators.

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Truth from Mesopotamia by Boudewijn Wegerif

Introduction

We may be at the bottom line to economic and monetary reform in this article. If that is so, we have here the bottom line to Judaism and the Jesus event also. The implication is that there was a call on Judaism to establish a tradition of clean slate debt cancellations and land restitution and on the followers of Jesus to see his remonstrance against the moneychangers and merchants in this light. It also means that until the call for an economic clean slate is taken up and followed through on, there will be ever greater poverty and desolation radiating out from centres of increasingly obscene wealth.

The money-lending base to society is firmly in place. The media-politico picture may be of democracy ...with power to the people...but the actuality is of debt enslavement to a plutocracy...with power to the wealthy. So much so, it comes as a surprise to learn that there was once a tradition of debt cancellations and land restitution to prevent this.

The history of debt cancellations, through two thousand years from 2400 BC, is detailed in a remarkable booklet, *The Lost Tradition of Biblical Debt Cancellations*, by Michael Hudson¹. Hudson has been an economic adviser to US, Canadian and Mexican government agencies and to the *United Nations Institute for Training and Research (UNITAR)*. The 124-page, stapled booklet is based on his work as a Research Fellow at *Harvard University's Peabody Museum* in Babylonian economic history.

My only quibble with the booklet concerns the title. What the booklet is really about is how the Bronze Age 'clean slate' tradition of regular debt cancellations and land restitution shaped Judaism and Christianity. Indeed, the tradition of clean slates belongs to this age, from 2400 to 1500 BC, and took root in Mesopotamia.

There were also regular edicts for debt cancellations in Assyria and Anatolia. And the custom was adopted by popular reformers till well into the first millennium BC, for example in Corinth and other Greek cities from 650 to 580.

I was amused to read that the Greek reformers were called tyrants by their opponents! Their tyranny was to overthrow the landed aristocracies, redistribute the property, amongst their own followers mainly, and cancel debts. The fact that the reformers were called tyrants indicates that we are no longer dealing with a tradition.

By the end of classical antiquity, aristocracies grew strong enough to block economic renewal, writes Hudson.

¹ Funded and published by the Henry George School of Social Science, 121 East 30th Street, New York, NY 10016, US. (Tel: (212) 889-8020).

The same applied in Judah and Israel. The Old Testament records only two instances in which the debt grip of the creditor/landlord class was broken - the first being when the young king Josiah commanded debt cancellation in 610 BC and the second when the supervisor of the rebuilding of the Temple in Jerusalem, Nehemiah, commanded it in 444 BC.

More about these acts of economic restoration later. It is sufficient to say here that they were inspired by the Sabbath and Jubilee laws of Moses and the exhortations to economic justice by the prophets but that they did not give rise to a renewed clean slate tradition. Usury...the practice of biting into the livelihood and property of others by means of interest charged on money, goods and food loans...was by then too stubbornly rooted in society.^{2 3}

The How and Why of The Tradition

During the Bronze Age, a general amnesty, including debt cancellation and a return to forfeited homesteads, was normally proclaimed by a new ruler on the first day of the New Year following on his accession. Or it might come after a military victory, and if the rule was long, perhaps again after twelve years, and certainly after thirty years.

The social structures to the tradition were patterned to reflect the rhythms of nature - that is, of a spiral of returns to new beginnings. The motive was to put the world back in order. The need was to secure the loyalty of the people. This loyalty, and the belief the rulers shared with the people that their rule was endorsed by the sun-gods of justice, was the base to rule, and not money lending usury as now.

Then as now, it was debt that disturbed the cosmic harmony, broke down economic balance and the self-sufficiency of small farmers. So long as the debts remained public to the palace and temples, writing them off regularly posed no real problem. The difficulties arose as bit by bit, by usury bite, private wealth grew and rich individuals set about creating an alternative power base founded on private property and the supply of food and money, grain, gold and silver, for personal gain.

The earliest debt cancellation on record was promulgated by a ruler of Lagash in Sumer, Mesopotamia, around 2400 BC. After his victory over the neighbouring city of Umma, the ruler Enmetena instituted liberty in Lagash. He restored the child to its mother, and the mother to her child: he cancelled interest...and probably the debts themselves.

The word liberty is from *amargi*. According to Hudson, the analysis of subsequent *amargi* proclamations has left no doubt but that the term should not be translated vaguely as 'liberty' or 'freedom' in the abstract, but as an economic 'clean slate'.

Hudson goes on to detail ten further clean slates by different rulers in Mesopotamia up to the start of the Babylonian dynasty, and another 16 in Babylonia, from 1880 to 1636 BC. Of these, the great king and lawgiver Hammurapi, who firmly established the Babylonian Empire in 1792, proclaimed four in 42 years of rule.

The Hammurapi Code

Hammurapi is a key figure in economic history because of the Hammurapi Code, by which every aspect of economic life was regulated. Anybody breaking the Hammurapi Code was weighted down and thrown into the river. I have that from *The Penniless Billionaires* by Max Shapiro (*Times Books*, New York 1980). Shapiro, incidentally spells Hammurapi, Hammurabi. My *Oxford* dictionary gives both spellings.

Hudson doesn't mention it, but it belongs to monetary reform to mention briefly that because silver was in short supply, Hammurapi decreed that all rural transactions were to be in barley, and only city transactions in silver. And he introduced the first price control system in history. Everything was priced, even the extraction of a tooth.

Michael Hudson writes that it was Hammurapi's misharum - i.e. 'clean slate' debt, tax and bondage cancellation - edicts that were the most binding. Giving Babylon's soldier-peasantry tenancy rights on their lands that was not encumbered by debt was central to Hammurapi's military campaigns, as they had been for his father.

Even so, when Hammurapi's son Samsuiluna took over he found the land so burdened by debt, he at once 'restored order (misharum) in the land', declaring that 'nobody shall move against the homestead of the soldier,

² The Hebrew word for usury is 'neshek' which means 'a biting'.

³ The modern definition of usury as excessive interest, over and above the legal rate approved by civil authorities, perverts the original meaning of the word. According to Hudson, 'neither Hebrew, Greek nor Latin had separate words to distinguish between 'interest' and 'usury'. That distinction is a product of Canon Law seeking to carve out a form of financial gain (interesse).

the fisherman and other subjects'. The tradition was maintained, in turn, by Samsuiluna's son and grandson, Abi-eshuh and Ammiditana, who between them proclaimed four misharums.

The periodic restorations were made relatively easy by the fact that debtors were rarely expelled from the land that they 'lost' to creditors. 'What changed was the nominal but usually temporary ownership of the land, and consequently the distribution of crops or income,' writes Hudson.

'The important thing is that cultivators were able to survive without losing their land and personal freedom permanently, and hence without having to flee the country, as would become widespread practice through the Near East by about 1400 BC.'

The last recorded clean slate in Bronze Age Babylonia was that of Ammisaduqa in 1636 BC. By then, the edicts for it were quite complex and long, to try to close loopholes by which creditors were avoiding having to refund on foreclosed debts. Without much success. The debt enslavement grew as trade and even the management of local temples was 'passing into the hands of private families who did not need to keep formal records,' writes Michael Hudson.

There were also debt cancellations in Assyria and Anatolia. The practice was based on the Babylonian clean slate tradition, but was ordered out of necessity rather than a wish to maintain the tradition. Commercial records show Assyrians and Anatolians falling into debt to each other at interest charges of 20 percent or even 30 percent among the Assyrians, and sometimes more than double that for Anatolians.

When the debt oppression got too severe, writes Michael Hudson, 'local rulers might declare a general debt cancellation, called hubullum (debt) masa'um (to wash), literally 'a washing away of the debt records', that is, a dissolving away of the clay tablets on which financial obligations were inscribed. Properties and persons taken as pledges for debts, or compulsorily sold against debt, would be returned to their original owners or families.'

Hudson comments that Bronze Age rulers throughout the Middle East seem to have recognised 'that if they permitted usury, debt-servitude and the sale of debt slaves from one town to another to continue, much of the population would end up losing its land and thus would be unable to pay duties or taxes, provide labour services or serve as a fighting force.'

Marginalised Hebrews

As the clean slate tradition waned under pressure from private wealth owners, bite by usury bite land was closed off to a growing proportion of the rural populations throughout the Near and Middle East. Many people were forced to leave their native lands to become hapiru - i.e., marginalised.

The great Exodus out of Egypt under Moses at around 1250 BC was of the hapiru in Egypt. The word Hebrew is from hapiru. Hudson writes that the 'agrarian problem was so widespread that the term hapiru did not yet signify a national or ethnic identity such as the Hebrews subsequently were represented to be.'

Of course, the hapiru, who became the Hebrew-speaking Israelites, knew about the Babylonian misharum. Yet few Christians today know that when they sing 'Hallelujah', they are repeating the ritual term 'alulu', which was chanted to signify the freeing of Babylonian debt slaves, in a rite that included anointing the freed person's head with oil.

In shaping their own nation, the hapiru, Hebrew-speaking Jews, put their own unique slant on the clean slate tradition of earlier Babylonia. All around them they saw how kings were allying themselves with the local aristocracies rather than with the population at large. They could not trust such rulers. They were attached to the Lord God who had led them out of slavery in Egypt. In his name they placed the responsibility for moral order in the hands of the congregation and held the land as the Lord's gift to support a free rural community.

Thus the great social prophets, starting with Isaiah and Amos in the late ninth century, proclaimed freedom and order, and the Biblical lawmakers prescribed clean slate debt cancellations and land restitutions, not as a tactic to gain the loyalty of the people, as in the Bronze Age, but as basic to 'a national covenant with the Lord of Justice and Righteousness,' writes Hudson.

It was central to every prophet's message that the land would be lost not only militarily but also spiritually if rulers failed to sponsor economic restoration. Debts were to be cancelled every seventh year, 'because the Lord's time for cancelling debts has been proclaimed' (Deuteronomy. 15: 1-2).

Furthermore, 'Land must not be sold in perpetuity, for the land belongs to me and you are only strangers and guests. You will allow a right of redemption on all your landed property, and restore it to its customary cultivators every fifty years (Leviticus 25:23-28). Israelite bondservants (slaves) likewise were to go free periodically in the Jubilee Year, for they belonged ultimately to the Lord, not to any person (Leviticus 25:54).

What was involved, in Hudson's words, was 'a sacred compact, to be preserved by the Israelites in memory of the fact that they had once been enslaved and must never again permit economic oppression to develop'. Every member of the congregation was considered to be party to that compact.

Because of this, whereas during the Bronze Age it was not the people but the rulers who were punished by the sun-gods if there was a lapse in social equity, under the Jewish national covenant the entire Israelite nation, and therefore every individual, was made responsible and would suffer if the Sabbath and Jubilee Laws were not put into practice.

Only Twice Honoured

The Sabbath and Jubilee laws did not take root. A clean slate tradition was not engendered. As already mentioned, the Bible records only two debt cancellations. In 610 BC the young king Josiah, who was much under the influence of the prophet Jeremiah, called together the elders and convened all the people 'to read to them the law and to get them to reaffirm its stipulations by acclamation' (2 Kings 22-23).

Then came the Babylonian captivity of Judah's inhabitants from 586-516 BC. History shows that despite their own laws against it and what they will have learnt from the ancient tradition and lenient rule of the Babylonians, once back in Judah, the leading Jews practised debt slavery to a degree that was unknown in Babylonia itself.

When Nehemiah, who was put in charge of the reconstruction of Jerusalem, arrived there from Babylonia in circa 444 BC, he was shocked into taking action. For his own people were saying, 'We are mortgaging our fields, our vineyards and our homes to get grain during the famine...Although we are of the same flesh and blood as our countrymen and though our sons are as good as theirs, yet we have to suffer our sons and daughters to slavery.'

Nehemiah confronted the nobles and officials, who agreed that they would give back immediately the fields, vineyards, olive groves and houses, and also the usury they were charging the people - i.e. 'the percentage of their money, grain, new wine and oil' (Nehemiah 5).

It was an impressive once for all effort. Thereafter, there will have been individual cases of the Sabbath and Jubilee laws being invoked on behalf of dispossessed debtors, but not on any scale. There was even an act to undo the Jubilee laws, by means of Rabbi Hillel's *prosbul*, a legal clause by which borrowers signed away their rights to avail themselves of the Jubilee Year.

And when the Roman's occupied Judah and Israel, the Roman principle of the permanent loss of status of debtors was applied. 'Now it was the debt obligation that was sacrosanct and not their cancellation,' writes Hudson.

The Jesus Event

By Year One and Jesus coming on to the scene, usury ruled over the nation of would be free individuals. Judaism was dominated by representatives of the wealthy.

In the Lord's Prayer that Jesus taught, it is said, 'Give us this day our daily bread and forgive us our debts as we have forgiven our debtors. 'The invocation goes to the heart of the hunger pangs of a debt oppressed people who owed far more to Jewish creditors and landlords than to the occupying Romans in taxes.

Knowing about the lost Babylonian tradition of debt cancellations and their own neglected and circumvented clean slate Jubilee rights did not help. When Jesus identified with the words of the prophet Isaiah, 'The spirit of the Lord is on me, because he has anointed me to preach good news to the poor' his home-town audience knew that he was talking about the Jubilee and went into denial (Isaiah 61:1,2 and Luke 4:18).

They marvelled at his manner and that he was one of them, 'Joseph's son'. Then, when Jesus charged them with the denial, they were furious and drove him out of the synagogue with the intent of throwing him off the cliff.

Like debt burdened people everywhere, the chances are that they did not want to fall foul of their creditors and landlords, whom they perceived as being too strong as a group for any popular leader to take on with any hope of worldly success.

Yet, there were zealots - as the nationalist, would-be reformers were called who were ready to be like the Greek 'tyrants'. The zealots were excluded from gaining temple office because of their advocacy of the poor and weak. However, they found each other in the Essene and other non-mainstream sects, and several saw Jesus as the anticipated Messiah through whom the nation and the economy would be restored.

It is against this historical background that Jesus upturned the benches (banks) of the moneychangers and emptied their moneybags on the floor. He also overturned the tables of the merchants selling sacrificial animals, and announced, in the words of the prophet Jeremiah (7:11), 'My house will be a house of prayer, but you have made it a 'den of thieves'.'

He will have known the consequences. After what had happened in his home-town synagogue, he could hardly have hoped for a popular uprising, and certainly not one that would be successful. Crucifixion was the only likely outcome. So why? Why, sensibly speaking, was Jesus so foolish?

All Will Suffer

Michael Hudson writes that Jesus' citation of Jeremiah when he ran amok amongst the moneychangers was deliberately significant. In context, Jeremiah was saying that 'to prey on the weak, to monopolise the land and wealth' represents theft.⁴

And what are the consequences of this theft in biblical terms? Leaving the name of God out of it, the consequences as spelt out by Jeremiah make clear economic sense. Where the theft of usury is allowed 'anger and wrath will be poured out' and 'the land will become desolate,' writes Jeremiah. All will suffer, man and beast; and the trees of the field and the fruit of the ground will burn and not be quenched (Jeremiah 7:20 and 7:35).

What Jeremiah describes is in line with the central message of all the prophets and the uniquely theocratic to democratic nature of the Jewish covenant. The whole nation, everyone, suffers from the sin of usury and the related ills of land and labour exploitation.

Therefore, Jesus was not necessarily singling out the moneychangers and merchants, who were after all doing legitimate business, as damned. He was serving notice on the whole nation, and as it has turned out, on the whole world, that if usury is practised and if the spirit of regular debt cancellation and freedom from land bondage is not upheld, the earth breaks down. It is made desolate, simply because a sustainable economic order is made impossible by the theft.

In terms of the sacred Jewish compact, Jesus, as the acknowledged Messiah by his followers, was not himself required to put the world back in order, by organising a clean slate like a Bronze Age ruler. Rather, the call on him was to remonstrate for economic restoration and demonstrate the consequences if the remonstrations fell on deaf ears. And he did so in dramatic style, with a performance that has charged the usury of moneychangers and merchants to everybody's account, morally speaking.

Global Desolation

The Year One reality is now global. We have seen how by then in history, the clean slate tradition had been abandoned under pressure from the land owners and money lenders. And nothing has happened since then to correct that. Land owning, money lending and commerce are still carried on out of the same mindset that Jesus remonstrated against in Jerusalem.

The stubborn refusal to stop 'thieving' and lift the cross of debt off the back of humanity has spread right round the world. From Jerusalem, through Rome and Constantinople, to Venice and Florence, Genoa, Amsterdam and Antwerp, London, New York, Tokyo, Frankfurt and Paris, Quebec, Moscow, Delhi, Buenos Ayres, Johannesburg, Sydney and Stockholm.

The record of debts has grown and grown, and is now digitised in a world wide web of electronic accounts. The whole is controlled by a thousand commercial banks of consequence, 125 or so central banks, and four mainstays - the *World Bank*, the *IMF*, the *Bank of International Settlements* in Basle and the *WTO World Trade Organisation*.

'A washing away of the debt records', as the clean slate was called in Anatolia three thousand years ago would mean, in today's terms, deleting all financial obligations, as electronically digitised. A tall order, yes; but until there is a clean slate for justice and righteousness' sake, the global desolation that is already on us will grow worse and worse.

This is not a religious matter, although that comes into it. Nor is it purely an economic matter. It is a matter of the survival and enhancement of our humanity, in wisdom and intelligence, for the crowning glory of a life worth living, in every respect, for all who want it. As for those who don't want it, like persistent usurers, maybe we have to be firmer about understanding why there needs to be a parting of the ways, and follow through on that.

⁴ Michael Hudson writes that in 1516 Martin Luther preached a sermon on the Eighth Commandment, classifying usury as a form of theft and warning that it was destroying cities much as a worm destroys an apple from within its core. In similar vein, John Calvin, in the final year of his life, wrote a commentary on Ezekiel defining fraud and usury as theft. He held that wealthy lenders were as guilty as robbers and highwaymen in breaking the Eighth Commandment.

As I see it, the 'house of prayer' that has been made into a 'den of thieves' is now in every heart, in every home. We have each of us individually to drive out the economic oppressor from the temple that we are in body and soul, and we have to be willing to remonstrate, at personal cost, against those who remain stubbornly for profit and private wealth before people and good governance.

The Lost Tradition of Biblical Debt Cancellations by Michael Hudson has brought home to me (again) that there is no way forward for humanity other than through a clean slate policy at individual and collective levels. If we want a worthwhile world for our children and theirs, usury must be brought to an end, all debts entered into for profit must be cancelled and the commercial factory farms must be parcelled out to farmers trained in human scale farming, which is not primarily for money.

We are all of us responsible for, and all suffer, for the usury of all. And as impossible as it may seem, it is only as we follow through on what Jesus began that we will see an end, eventually, to the money lending at interest and exploitative merchandising that is now basic to our society. © Boudewijn Wegerif 2001



Afterword by William Shepherd

In the book *Human Ecology* published in 1947, the retired Heriot-Watt Professor of Biology, Dr. Thomas Robertson set out a model of society that helped him to explain how societal inversion had taken place and the role of the usury virus in causing it. It is worth our while taking a little time to understand the Robertson model (see *The Foundations of Structural Sociology*)

Society, argues Dr. Robertson, can be thought of as made up of seven great complex systems of human action. These seven mechanisms can be pictured forming themselves into a hierarchy of dominance. In the natural order of society, power flows through ethics and values from the religious mechanism to the education mechanism and from there to the political mechanism.

It is here in the political mechanism that the needs, the hopes and the aspirations of the many little people making up a society are translated into a language of policies and programmes of action so designed that they emerge in a form suited to the workings of the administration mechanism, which is then charged with the task of seeing that the things that society has decided to do are done the way society meant them to be done. So far so good.

In a well ordered society, the administration mechanism will then work through the sanctions mechanism distributed throughout society in the form of rewards, taboos, laws, customs, manners and the like to influence the day to day work that is carried out by the many little people with the help of energy slaves, intelligent tools or whatever else they need for their particular task, in the industrial mechanism.

At the bottom of the heap, as a service to the calls of the industrial mechanism is the financial mechanism, releasing money, making available credit and regulating the rewards of money, property and wealth according to the needs that society has for goods and services.

This is The Natural Order. The usury virus, by introducing the notion that time is money into society, works to invert this natural order by subtly shifting the balance of action away from the eternal verities of beauty, justice, kinship and the summum bonum (the good life). The end result is to degrade work from vocation and toil into jobs and labour, while placing a price on a man's life.

Gradually there arises a class of men whose business in life is to make money, not in the good sense of creating new wealth by the use of their minds and making available a good or a service which has value in the eyes of their fellow men, but in the bad sense of devising tricks to force their fellow men in society to give back two when they were given one.

This is far from being the whole story because usury works in many a mysterious way when it becomes detached from some broader purpose such as might be provided by the taking of some speculative risk or the participation in some wealth producing discovery or the financing of the first cycle of some new good requested by society (for only the first cycle needs the moneylender as Henry Ford figured out quite early on in his practical education).

Francis Bacon pointed out the effects of usury in placing everything in the usurer's box because only he incurs no risk. And before Francis Bacon's essay on usury the schoolmen of the Middle Ages in the complexities of their multitude of canon laws were always most careful to distinguish the bad thing usury; from the right and proper thing interest, the reimbursement for some loss or other so that the lender was no worse off at the end than if he had not lent.

Even the Jews vilified throughout European history as moneylenders and usurers recognize the social evil of usury, contrary to popular myth, and have no place for it within their own communities and amongst their own people.

Usury was for the Goy and with the hindsight of history was probably not usury at all but interest, such was the debasement of currency and the expropriation of Jewish wealth by force of arms.

It is also sad to see how rarely the sanctity of the written contract so central to Jewish thought is rightly treated by historians as a source of wealth creation by the stability and confidence it creates in the industrial mechanism. The arguments of Shylock in Shakespeare's *Merchant of Venice* are not to be dismissed lightly.

Not all money lending is usurious. Nor is all usury of a monetary nature. But the introduction of the idea of money into a society and the establishment of a debt-credit mechanism for the issuing of it will inevitably lead to the inversion of society.

No longer will society function like a healthy organism as it does in the natural order, but will be at war with itself, each of the seven mechanisms being compelled to work against its own intrinsic nature.

In *The Inverted State*, the power flow in society is reversed. Explains Dr. Robertson. The financial mechanism releases credit for nuclear power plants and channel tunnels and through the structure of the currency system distributes money to corporate bodies; such as governments and limited liability companies.

Credit is unavailable for the elimination of scarcity; for products needed by those without money to pay for them; and for providing services which cannot be sensibly marketed as a commodity with a price.

The arts and the world of sport which should be organized and financed by those who participate in them and those who obtain so much joy from them are instead compelled to scramble at the table of the rich corporation because only they are issued with the money and can see a return for their investment.

How much better it would be, as G.K. Chesterton, Hilaire Belloc and the Distributists argued, to issue money instead to people and let them determine if there were some public service for which some common organization was required.

How much better it would be to abolish the right of corporate bodies to be treated in law as legal entities, as Thomas Jefferson argued, instead letting people speculate in their own merchant adventures, be taxed (if any such should be needed) in their own right, and own (if they do not wish it to be thrown into the common stock) their own wealth.

Personal possessions and common wealth were the basis of the just society. Private property, argued G.B. Shaw, not personal property was what Socialism was intent on abolishing.

When the financial mechanism no longer provides society with the financial services that its industrial mechanism requires to carry out the tasks the society wants it to do, then the answer for R.H. Tawney is not to cut back the demands and throttle the supply but to throw out the financial system and replace it with a better one.

That after all is exactly what happens when a country's survival is threatened. Putting a country on a war footing means overriding the financial mechanism and placing orders for goods and services with the industrial mechanism directly. It is the deliberate reversal of the power flow between the industrial and the financial mechanisms from that of the inverted state to that of the natural state.

That after all is exactly what will happen when The People's Army opens fire on the five million citizens of Hong Kong for subversive counter-revolutionary tendencies. The Dogger Bank will be leased for ninety nine years to the people of New Hong Kong.

But why can this not be done for the people of Newcastle and Sunderland right now? Why can the industrial mechanism deliver on the opportunity in times of crisis what it is refused permission to deliver in times of calm?

In the inverted state the financial function calls the shots and the only game it has learned to play in reaching its ascendancy is to monopolize the issuance of money and credit and release it only to those who would make more money with it or further consolidate the power of the financial mechanism and the financial filter by which it exercises its control.

In the inverted state, money and credit is no longer available to provide for the exchange of goods and services and the provision of a stable store of value, the only two legitimate purposes of money and credit, but is instead made a scarce commodity to itself be traded for power favours.

The political mechanism by relinquishing the issuance of money and credit plays a pivotal role in the inversion of society. This has always been understood by the Thomas Paines and the Napoleon Bonapartes as they have attempted to craft constitutions that would guarantee that power flows in the natural way.

This has always been understood by the financial power and the religious power as they have attempted to switch the direction of the power flow at the very high leverage points in each of the other mechanisms by acting on the money and the credit flow as surrogates for power and increasingly so the greater the monetarisation of social action.

It is not enough, argues Dr. Robertson, to give Parliament the power to spend and the power to exact taxes, because all that happens is that the clerks invent the idea of a national debt which blows the whole underlying idea of power to the people sky high.

In Great Britain this extraordinary sabotage of the tax and spending power of the Parliament was first used in 1836. The Money Power lent the Parliament twenty million pounds 'to abolish slavery'. Quite an irony! It followed it up in 1848 with another nine million pounds for the Irish famine. We the people were on the slippery slope. Next came Disraeli with his purchase of the Suez Canal and the cat was out among the pigeons.

Thomas Paine's remark that wars were declared to raise taxes and not the other way about was now beside the point. The idea was afoot that Parliaments should turn to the Money Power whenever it had a neat idea. No longer was it Tax and Spend. Now, despite all Gladstone's efforts (and he brought the national debt down from eight hundred and forty six million pounds in 1816 to six hundred and fifty million pounds in 1914) it was Spend and Borrow...and Tax to service the debt. The power flow had been reversed and was now flowing from the financial mechanism to the industrial mechanism. The sanctions mechanism was now protecting private property, a euphemism for using force to stamp on any attempt to revert the power flow to the natural state.

The administration mechanism, as always, like a reed in the middle of a stream, moved with the flow, its primary concern for 'keeping the show on the road' now fed no longer by the high moral principle of implementing political decisions that have flowed from an educated citizenry deliberating under the overarching virtue of a moral law and an ethical code, but working now to the lowest of principles. The piper calls the tune. Might is right and the creed is greed.

Of course the national debt was always explained as a war debt and to this degree Thomas Paine's remark was well placed. The wars against France and Spain from 1688 to 1775 for instance had put another hundred and twenty eight million pounds on the ledgers and the Napoleonic wars had done their bit with yet another six hundred and seven million pounds.

But this was no different to the age old practice by which the king's heavy mob extorted money from the moneylenders to pay the soldiers. It accumulated on the books, it was ingeniously transferred from the strong to the weak in the counting house, and eventually it was wiped out by the revolution. The law of force always wiped the slate clean in the end.

But what we have now is something different. It is the institutionalizing of usury as the invisible hand of an invisible tyrant, The Money Power, who directs it to disempower any who would unmask the emperor or remove his crown.

And oh what a glorious opportunity to topple this power has been missed in Great Britain. How sensible it would have been to call in the debt and abolish it completely giving shares in the real public companies that the Conservative Party 'privatized' in return.

Had this been done and had this been followed up by the deprivatization of the Bank of England, then we could have returned to a sane Tax and Spend regime for the public purse.

But it was not to be. Instead it will be the old way once again. Books fiddled in the counting house, the weak dispossessed by the strong, and touch and go between the various historic solutions of the money problem - most of them violent and all of them unpleasant.

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