

## ON TRADE AND USURY.<sup>1</sup>

AN ADDRESS BY DOCTOR MARTIN LUTHER.

TRANSLATED BY W. H. CARRUTH.

THE HOLY GOSPEL condemns and points out all sorts of works of darkness, as Saint Paul calls them, Romans, 13, 12; for it is a bright light that shines for all the world, and teaches how evil are the works of the world, and shows the right works which one should do towards God and his neighbor. Wherefore certain among the merchants have aroused themselves and become aware that in their occupation many evil tricks and harmful practices are in use, and that there is fear, it is true here, as Solomon the preacher says, that merchants can scarcely live without sin. Yea, I believe the saying of St. Paul strikes here, I. Timothy, 6, 10:

<sup>1</sup> Martin Luther's address on "Trade and Usury" exhibits on the one hand his implicit faith in the Gospel, and on the other hand an unusual perspicacity and common sense. The way in which he reconciles the one with the other, where apparently they come into conflict, does honor to both his religious earnestness and his insight into the conditions and practical demands of life. Luther accepts Christ's ethics of non-resistance to evil, of lending where there is no hope of recovery, and of giving freely to those in need. These maxims, however, are practicable only in a society where all people are good Christians. If they were indiscriminately applied in this actual world of ours, which must be governed by a strong hand, the bad would soon take advantage of the pious and presume upon their patience. Luther therefore comes to the conclusion that business should be conducted strictly on cash terms with a view to reasonable profits. How little Luther would have people yield to goodnaturedness or sentimentality appears from his condemnation of going surety as a foolish self-indulgence. At the same time he calls attention to the dangers of buying and selling on time; he exposes the methods of fraudulent bankruptcy, of the artificial raising of prices by combinations, of cornering the market, and all other illegitimate business tricks which, it appears, were as common in his days as they are now.

Luther speaks with authority, because he makes himself the spokesman of the nation's conscience; and his sermon is remarkable for the loftiness of his conviction and the purity of his motive. Nevertheless, it contains some serious shortcomings which, even granting the divinity of Luther's mission, are due to the fact that the great reformer was after all a child of his age and limited by the narrow horizon of his time. In many respects he towered high above his contemporaries, but like most German clergymen of the sixteenth century he had a child-like belief in the paternalism of the government, which was expected to right all the wrongs that originated through the vices of bad people.

The pamphlet "On Trade and Usury" appeared in 1524; the same subjects in part had been

“Greed is the root of all evil;” and again, verse 9, “Those who desire to become rich, fall into temptation and the toils, and into many vain and harmful desires which sink people into destruction and damnation.”

Now, although I think that this my epistle will be almost useless, because the mischief has made such inroads and in all matters gained such headway in all lands, and since, moreover, those who understand the Gospel might themselves judge in their own conscience what is right and what is wrong in such simple and plain matters; nevertheless, I am admonished and besought to touch these practices and to bring some of them to daylight (although the mob does not desire it), so that certain of them, though but few, may be rescued from the jaws and gorge of greed. For, indeed, it must be that certain are still to be found among merchants, as well as among other men, who cleave to Christ and would rather be poor with God than rich with the Devil, as the Thirty-seventh Psalm, verse 16, says: “A little with the just is better than great goods with the godless.”

*Of Foreign Luxuries.*—Well then, for the sake of these we must speak. But now, this cannot be denied, that buying and selling is a necessary thing which we cannot do without, and which can be used in a Christian manner, especially in those points serving need and honor, for thus also the patriarchs sold cattle, wool, butter, milk, and other goods. They are gifts of God which he gives out of the earth and distributes among men. But foreign merchandise which brings from Calicut and India, and the like places wares such as precious silks, and jewels, and spices, which serve only love of show and no useful purpose, and drain the land and people of their money, should not be permitted if we had a government and princes. But I do not propose now to speak of these things; for I think that these things will needs be dropped of themselves finally when our money is all gone, as well as the

treated by Luther in his “Sermon von dem Wucher,” 1519, and again in the [Grosser] “Sermon von dem Wucher,” 1519, as well as in the great address “An den Adel,” 1520.

Our ancestors saw the world divided by a distinct line of demarcation into a material domain and a spiritual domain, and the dealings of the merchant still appeared to Luther to possess no aim beyond the satisfaction of bodily needs and the acquisition of wealth. Luther is not as yet conscious of the worldly importance of the duties of a clergyman and of the spiritual significance of worldly pursuits. This dualism, which began to break down on the day of Luther's marriage, was still lingering with him, being the reason why, upon the whole, the lesson which he taught in his sermon on “Trade and Usury” is still negative, why he lacks a positive appreciation of the nobility of commerce, and why he has not as yet comprehended the moral dignity of business life. Had he seen the solidarity of all human affairs, he would have recognised the spiritual significance of trade as a moral factor in the evolution of civilisation, and would therefrom have derived the positive duties of business men, the final purpose of their calling, and the part it plays in the general economy of society.—*Editor's note.*

display and gluttony ; indeed, no writing or teaching else will do any good until need and poverty force us.

God has brought us Germans to that pitch that we must needs scatter our gold and silver into foreign lands, and make all the world rich and ourselves remain beggars. England should indeed have less gold, if Germany left her her cloth ; and the king of Portugal also would have less, if we left him his spices. Reckon thou how much money is taken out of German land without need or cause in one Frankfort fair, then wilt thou wonder how it comes that there is a penny left in Germany. Frankfort is the silver-and-gold-hole through which everything that sprouts and grows among us, or is coined and stamped, runs out of German lands. If this hole were stopped, we would perchance not hear the complaint how on all hands there is naught but debts and no money, and all provinces and cities are burdened and exhausted by interest-paying.

But let it go ; it is bound to go so ; we Germans must remain Germans ; we do not stop unless we have to. We propose to speak here of the abuses and sins of merchandising in so far as it touches the conscience. How it touches the loss to the pocket, as to that we will let princes and lords have care, if perchance they may do their duty.

*Of Unrighteous Prices.*—In the first place, the merchants have a common rule among them, it is their motto and bottom of all their practices : I shall sell my ware as dear as I can. This they hold to be their right. But it means making room for greed, and opening the door and window for hell. What else is this than saying : I will give no heed to my neighbor, if only I may have my profit and greed full ; what do I care if it brings my neighbor ten ills at once ? So you see how this motto goes so straight and shamelessly against not only Christian love, but against natural law as well. What good could there be in merchandising ? What should there be in it but sin where such a wrong is the motto and rule ? By this token merchandising can be nothing else than stealing and plundering others of their own.

For on this ground, when the rogue's eye and the greedy-gut mark that any one must have their ware, or that the buyer is poor and needs it, they make their use and gain out of it, they look not at the worth of the ware, nor at the value of their service, nor their risk, but simply at the need and want of their neighbor,—not to help him, but to use these for their own advantage, and put up their ware which they would leave at low price if it were not for the necessity of their neighbor. And so through their greed, the

ware must have a price as much higher as the need of the neighbor is greater, so that one's neighbor's need becomes the mark and price of the ware. Tell me, is that not unchristian and inhuman action? Is not thus the poor man's need sold to him together with the ware? For since he has to pay so much the more for the ware on account of his need, it is the same as though he had to buy his own need. For not the simple ware is sold him as it is in itself, but with the addition and increase wherewith he is distressed. Behold, this and the like abominations must follow when the principle stands: I will sell my wares as dear as I can.

*Of Righteous Prices.*—It should not be: I will sell my wares as dear as I can or please, but thus: I will sell my wares as dear as I should, or as is right and proper. For thy selling should not be a work that is within thy power and will, without all law and limit, as though thou wert a god, bounden to no one; but because thy selling is a work that thou performest to thy neighbor it should be restrained within such law and conscience that thou mayest practise it without harm or injury to thy neighbor, but heed rather that thou do him no injury which is thy gain. Yea, but where are such merchants? How few should there be of merchants, and how should merchandising fall off, if they would correct this evil law, and put it in just, Christian fashion!

Askest thou then: Well, how dear shall I sell it, then? How shall I strike what is right and just so that I may not overreach my neighbor? Answer: That is indeed framed in no speech or writing; no one has yet undertaken to fix the price of every ware, and raise or lower it. The reason is this: wares are not all alike; one is brought farther than another, one takes more outlay than another, so that in this matter all is uncertain and must remain so, and nothing can be fixed, as little as one can fix one certain city whence they shall be brought, or a set outlay for all, since it may happen that one and the same ware, from one and the same city and brought on the same road, may cost more to-day than a year ago by reason of the road and the weather being worse, or some other chance that causes more outlay than at another time. But it is right and just that a merchant should gain so much on his wares that his outlay, his pains, work, and risk shall be made good. For even a plowboy must have keep and wages for his labor. Who can serve or work for nothing? Thus saith the Gospel: "A laborer is worthy of his hire."

*A Commission to Fix Prices.*—But, not to pass over the matter in silence, the best and safest way would be that worldly authority

should appoint and ordain in this matter sensible, honest people who might consider all wares and the outlay upon them and set accordingly the mete and limit of their value, so that the merchant might then add his service and get his decent living from it; as indeed in some places the price of wine, fish, bread, and the like is set. But we Germans are too busy with drinking and dancing to give heed to such control and regulation. Since, therefore, such regulation is not to be hoped for, the next best counsel is that we value the wares as the common market gives and takes, or as the custom of the country is to give and take; for in this the saw holds good: "Do as others do, and thou'lt do no folly." What is gained in this wise I hold to be honestly and well earned, especially since there is a danger here that they may lose on the wares and the outlay, and are not likely to gain too richly.

But where the price is not fixed, or where the ware is not current on the market, then must thou set a price. Verily, there is but one doctrine here, it must be laid upon thy conscience that thou examine, and overreach not thy neighbor, and seek not thy greedy gain, but only thy decent living. Certain ones have sought to set metes here, as that one might gain one half on all wares; some, that one might gain one third; and some otherwise. But none of these is safe or sure, unless it were established thus by worldly law and common right; that would be safe. Therefore must thou determine in such traffic to seek naught but a decent living, and consider accordingly outlay, pains, labor, and risk, and then thyself fix, raise, or lower the value of the ware, so that thou mayest have the reward of such pains and labor.

*Prices a Matter of Conscience.*—But I would not in this matter so dangerously ensnare souls, nor enmesh them so tightly as to say that one must needs set the mete so closely that there should not be a farthing's error. For that is not possible,—that thou shouldst hit so exactly how much thou hast earned by said pains and labor; it is enough that thou endeavor with good conscience to strike the limit right, though the nature of trade is to make this impossible; the saying of the wise man will probably hold true in thy case: "A merchant can scarcely deal without sin, and a tavernkeeper may scarcely keep a righteous mouth." Now, if thou take unknowing, and not intending, a bit too much, let it go into the Pater Noster, where we pray: "Forgive us our debts;" for no man's life is without sin. And besides, it may come that thou take too little for thy pains, and let that make it quit and balance for taking too much.

As, if thou hadst a trade that in the year amounted to one hundred florins, and thou shouldst take over and above the expense and due pay for thy pains, labor, and risk, one, two, or three florins a year, I call that the error in trade that one cannot well avoid, especially spread out thus over a year. Therefore burden not thou thy conscience with it, but bring it to God in the Pater Noster, like any other unavoidable sin that cleaves to us all, and leave it with Him: for to such an error drives thee the need and nature of the work, and not wilfulness and greed; for I am speaking here of goodhearted and godfearing men who would not willingly do wrong. Just as conjugal life cannot be without sin, and yet God tolerates it for the necessity of the work, since it must needs so be.

But how high thy reward is to be set, which thou art to have from such trade and labor, this canst thou not reckon and judge better than by considering the time and the greatness of the labor, and taking comparison with a common day-laborer, who does any other work, see what he earns a day; then reckon how many days thou hast spent in getting and fetching the ware, and how great labor and risk thou hast undergone, for great labor and much risk should have a greater reward. Closer and better and surer one cannot speak nor teach in this matter; let him who is not pleased with this do better. Paul says: "Who keeps the flock shall drink the milk." Who can travel at his own charge and cost? Hast thou better reasons, I am pleased.

*Of Surety.*—Secondly, there is another common fault which is a current custom not alone among merchants but in all the world, that one becomes surety for another. And though this seems to be no sin but rather a virtue of love, yet it commonly destroys many people, and brings them to irretrievable injury. King Solomon condemns and forbids it repeatedly in his proverbs, saying: "My son, if thou art become surety for thy neighbor and hast bound thy hand to a stranger, if thou art snared with the words of thy mouth and caught with the speech of thy mouth, then do thus, my son, and save thyself, for thou art fallen into the hands of thy neighbor: hasten, urge, and beset thy neighbor; let not thine eyes sleep nor thine eyelids slumber; save thyself as a roe from the hand of the hunter, and as a bird from the hand of the fowler." And again he says: "Take his garment from him that is surety for a stranger, and put him under pledge for the sake of the stranger." And again: "Be not one of them that bind their hands and are surety for debts." Behold how the wise king in the Holy Writ

forbids so sharply and strongly to become surety for others. And the German proverb agrees with him: "Sureties shall be throttled." As though it would say: "It serves the surety right that he is pinched and has to pay, for he acts lightly and foolishly in becoming surety." So that this is the will of Scripture, that no one shall become surety unless he has the means, and is entirely willing to be debtor himself and to pay. Now, it seems strange that such an act should be wicked and condemned. For that it is a foolish act has been felt by many who have had to sweat heaviest for it. Then what is the reason that it is condemned? Let us see.

Suretyship is an act that is too high for a man, and not fit, for it clashes presumptuously with the work of God. For, in the first place, the Scripture forbids us to trust men, and rely on them, but only on God. For human nature is false, vain, deceitful, and fickle, as Scripture says and experience teaches daily. But he who becomes surety trusts a man, and puts body and goods into danger and upon a false and fickle foundation, and hence it serves him right that he fall and fail, and through the danger perish.

Again, he is trusting to himself and making himself a God, for that on which a man relies and trusts, that is his God. But inasmuch as he is safe and certain of his life and goods no moment, still less of him for whom he has become surety, but all is in God's hand alone, whose will is that we shall not have power and control one hair's breadth in the future, or be sure and certain of it one moment, therefore he is acting unchristianly, and it serves him right, because he is pledging and promising that which is not in his power, but in God's hands alone.

Such sureties act just as though they did not need to thank God or consider whether they would be sure of their life and property to-morrow, and even act without the fear of God as if they had life and goods from themselves, and could control them as long as they pleased, which is naught but fruit of irreligion.

*Four Fashions of Christian Dealing.*—Sayest thou then, How then shall people deal with one another if suretyship is condemned? Many a man would needs fail who might otherwise get ahead. Answer: There are four ways in which to deal in outward Christian fashion with others.

The first is that we let our goods be taken or plundered from us, as Christ teaches: "If any man take thy cloak, let him have also thy coat, and demand it not again from him." Now, this method is despised among merchants, and indeed it has not been regarded and preached as common Christian doctrine, but only as

advice and good suggestion for clerks [clergymen] and perfectionists, who, however, observe it less than any merchant. But real Christians will observe it, for they know that their Father in Heaven has promised them to give them their daily bread each day. And if this were done, not only would numberless abuses be avoided in all bargains, but many would not become merchants, because reason and human nature flee and shun such danger and harm most diligently.

*The Second Fashion.*—The second fashion is to give for nothing to everybody who needs, as indeed Christ teaches. This, indeed, is a high Christian work, wherefore it is not much esteemed among people, and there would be fewer merchants and less merchandise if this were set going. For he who would do this must indeed lean upon Heaven, and look ever to God's hands and not to his own stores or goods, knowing that God would and will feed him though every cupboard-corner were empty. For he knows that it is true what God said to Joshua: "I will not desert thee nor withdraw my hand from thee." As the saying is: "God has more than He has ever given." But this takes a real Christian, the rarest beast on earth, despised of world and nature.

*The Third Fashion.*—The third fashion is lending or loaning, so that I give my property, and take it again in case it is brought back, and go without if it is not brought back. For Christ himself had in mind such lending when He said: "So lend, that ye hope nothing from it." That is: Lend and take the risk whether it come back or not; if it come back, take it; if it come not back, regard it as given. So that giving and lending according to the Gospel had no difference but this, that giving takes nothing back, but lending takes back if it comes, yet runs the risk of its being giving. For whoso lends, expecting to receive better or more, is an open and condemned usurer; while not even those act as Christians who lend expecting and demanding back just what they gave, instead of freely risking whether it come back or not.

And as I think, when one considers the course of the world, even this is a high, rare, and Christian work, and would, if it came into practice, powerfully reduce and hold down all sorts of merchandising. For these three methods hold masterfully to the point of not presuming upon the future, and of not relying on oneself or other men, but of clinging to God alone, and in this way everything is paid for in cash, and recalls the word: "If God will, so be it," as James says. For thus we act with people as with those who



may fail us and are uncertain, and give the goods for naught, or risk the loss of what we lend.

Here it will be asked: Who, then, can be saved? and where shall we find Christians? For in this fashion no merchandising would remain on earth; every one would find his own taken or borrowed from him, and the door would be opened to the wicked and lazy gluttons, of whom the world is full, to take everything, cheat and steal. Answer: You see it is as I said, that Christians are rare people on earth. Therefore a stern, hard, civil rule is necessary in the world, that will push and force the wicked not to take and steal, and to give back what they borrow (although a Christian should not demand it back), lest the world become wild, peace vanish, and commerce and common interests be destroyed, which would all come to pass if the world should be ruled according to the Gospel, and the wicked were not driven and forced by laws and constraint to do and permit what is right.

Therefore the highways must be kept clear, peace maintained in the cities, and law administered in the land, and the sword be drawn promptly and unhesitatingly against violators, as St. Paul teaches. For this is God's will that the heathen be checked that they do no wrong, or no wrong without punishment. No one need think that the world can be ruled without blood; the civil sword shall and must be red and bloody, for if the world will and must be wicked, the sword of God is rod and vengeance against it. But of this I have said enough in my book on Civil Authority.

*Of Christian Borrowing.*—Now, borrowing would be a fine thing if it were done between Christians, for every one would gladly repay what he had borrowed, and the lender would gladly go without if the borrower was unable to repay. For Christians are brothers, and one does not desert another; nor is any one so lazy and shameless as to wish to depend without work on the goods and work of another, and live in idleness on the property of another. But where there are not Christians, there civil authority should drive the borrower to pay; if it does not drive but is lax, then the Christian is to suffer the imposition, as Paul says: "Why do ye not rather suffer wrong?" But let the heathen dun and demand, and act as he will, he cares for nothing because he is a heathen and heeds not the teaching of Christ.

And then thou hast this comfort, that thou art not holden to lend, save what thou hast over and canst spare from thy needs; as Christ says of alms: "What ye have to spare, that give as alms, and all things are clean unto you." Now, if so much were to be

demande of thee that, in case it were not returned, thou must needs perish, and thy necessities could not spare it, then art thou not holden to lend; for most of all thou art holden to furnish the necessities for thy wife, child, and household, and not to take from them what is due them from thee. Therefore is this the best rule: When the borrowing seems to be too much for thee, give rather something for nothing, or lend as much as thou wouldst gladly give, and take the risk even should it be lost. For John the Baptist spake not: "Let him who hath a coat give the same away;" but: "Let him that hath two coats give one to him that hath none, and him that hath food likewise."

*The Fourth Fashion.*—The fourth fashion is buying and selling, and that with cash, or paying ware with ware. Now let him who would follow this fashion be prepared to depend upon nought in the future, but upon God alone, and to deal with men who err or deceive. Hence this is the best advice: that he who sells give nothing on credit, and accept no security, but take his pay in cash. But if he wishes to give credit, that it be to Christians; otherwise that he take the risk of its being lost, and give credit no further than he would otherwise give and his necessities will permit; or, where civil law and authority will not help him to his own, that he call it lost, and take care not to become surety for any one, but rather give what he can. That would indeed be a real Christian merchant whom God would not desert because he trusts Him so fairly and deals so light-heartedly with his uncertain neighbor and takes the risk.

*Of Merchandising.*—Now if suretyship were not in the world, and free gospel lending were in vogue, and only cash or ready wares current in trade, the greatest and most harmful dangers, errors and weaknesses were out of merchandising, and it would be easy to be a merchant, and other sinful devices could be checked the easier. For if such suretyship and guaranteed lending were not, many a one would needs remain on the level and be content with moderate living who, as it is, depends on lending and suretyship, and strives day and night to climb the height; whence also it is that everybody wishes to become a merchant and grow rich. And thence follow of necessity such swindling, wicked tricks and wiles as now are found in troops among merchants, so that I have already despaired of its ever being corrected, but it has been so overladen with wickedness and deceit, that it cannot endure long, and must fall of itself.

Hereby I wish to give to everybody a brief warning and in-

struction in this great-tangled, far-reaching business of merchandising. For if it were to be allowed to go and remain so that every one might sell his wares as dear as he could, and lending and borrowing for a consideration, and suretyship were conceded to be right, and yet we were to give counsel as to how any one is to be a Christian withal and keep a good and sound conscience, it were as much as if one would advise and teach how wrong could be right, how evil could be good, and how one could live and act according to Holy Writ and at the same time against Holy Writ. For these three errors: that one give his goods as dear as he please, and lending, and suretyship are like three springs from which all abominations, wiles, tricks, and wrongs flow so far and wide that if one would try to check the flow and yet not stop the springs his pains and labor would be lost.

*The Devices of Greed.*—Therefore I propose here to enumerate some of these tricks and evil devices such as I have myself observed, or have been pointed out to me by good and pious hearts, whereby it may be felt and seen that my reasons and declarations above made are supported and must stand if there is to be any help and counsel for conscience in merchandising. And also that all the other evil devices not here enumerated may be known and estimated by these; for how were it possible to number them all? since through the three aforementioned sources doors and windows are opened to greed and to wicked, tricky, selfish human nature, and room and play given, power and permission to practise freely all sorts of cunning and deceit, and daily to devise more, so that the whole business reeks of greed, yea, is soaked and sunken in greed as in a second deluge.

*Of Time Sales.*—In the first place, some make no bones of letting their wares go on time, and selling them thus dearer than for cash. Yea, some prefer to sell no wares for cash, but only on time, and that simply that they may make more money by it. Now, thou canst see that this performance is rudely in conflict with God's word, against reason and all justice, and from pure, unadulterated greed he sins against his neighbor, whose harm he nothing heeds, robs and steals from him his own, and seeks not his own just living, but only greed and gain. For in divine right he should not credit or sell on time dearer than for cash.

Furthermore, this, too, has been done: some sell their goods dearer than they are worth in the general market, or in prices current, and thus raise the price of their wares for no other reason than that they know that there is no more of them in the land, or

is not likely to come presently, and yet people must have them. That is the knavish eye of greed that considers only his neighbor's necessity, not to relieve it, but to profit by it, and to become rich through his neighbor's loss. Such dealers are merely public thieves, robbers, and usurers.

*Of "Corners."*—Furthermore, there are some who buy up altogether the goods or wares of a certain kind in a city or country, so that they alone have such goods in their power, and then fix prices, raise and sell as dear as they will or can. Now I have said above that the rule is false and unchristian that any one sell his goods as dear as he will or can; more abominable still is it that any one should buy up the goods with this intent. Which same, moreover, imperial and common law forbids and calls monopoly; that is, selfish purchases which are not to be suffered in the land and city, and princes and rulers should check and punish it if they wish to fulfil their duty. For such merchants act just as if the creatures and goods of God were created and given for them alone, and as though they might take them from others and dispose of them at their fancy.

*Of Joseph.*—And if any one were to cite the example of Joseph, how this holy man gathered all the grain in the land and afterwards, in the time of famine, bought therewith for the King of Egypt all the money, cattle, land, and people, which indeed seems as if it were a monopoly or piece of selfishness, the answer is this: That this purchase and bargain of Joseph's was no monopoly, but a fair bargain such as was common in the land. For he hindered no one from buying at the proper time. But it was his wisdom, given by God, that he gathered in the king's corn the seven years when harvests were good, while others were gathering nothing or little. For the text does not say that he alone gathered corn, but that he gathered it in the king's cities. If the others did not do this it is their own fault; just as the average man is apt to live without forethought, or at times has not the wherewithal to gather.

Just as we see still to-day, that unless princes or cities provide themselves with supplies for the benefit of the whole land there is no provision in the home of the common man, or very little, for he is wont to consume his yearly income from year to year. And such gathering is not selfishness and monopoly, but good Christian foresight on the part of the community for the benefit of others. For it is not as though they took everything for themselves, like these merchants, but from what the common market or the yearly harvest offers common to all, they gather the surplus,

whereas others will not or cannot gather of it, but only supply their daily needs from it. Moreover, Scripture does not report that Joseph gathered the corn in order to sell it as dear as he pleased. For the text says clearly he did it not to satisfy greed, but in order that land and people might not perish. But our merchant sells as dear as he pleases, and seeks his own profit solely, without concern whether land and people perish.

But that Joseph thereby brought all the money and cattle, all the fields and people under the king does indeed not seem to be a Christian action, since he was under obligation to give to the needy for nothing, as the Gospel and Christian love teach. But yet he did right and well, for Joseph was conducting the civil rule in the king's stead. Thus I have often read that one cannot rule the world according to the Gospel and Christian love, but by strict laws, with force and the sword, since the world is evil and accepts neither Gospel nor love, but acts and lives according to its fancy unless it is restrained by force. Otherwise, in case any one were to practise simple love they would eat and drink and live high from the goods of others, and no one would work, since every one would take from his neighbor what was his, and such a state of affairs would result that no one could live because of his neighbor. Therefore Joseph did right, because God so brought it about that by a fair bargain such as the times allowed he got control of everything and caused the people to submit to the constraint of civil law and sell themselves and all that they had. For in those lands there has always been a strict government, and the custom of selling people like other property. Besides, being a pious man, he doubtless let no poor man die of hunger, but as the text says, after he had upheld the king's civil rights and rule he gathered this corn for the use and benefit of the people and the land, and sold and disposed of it so. Therefore the example of the faithful Joseph is as far from the actions of faithless, selfish merchants as Heaven is from Hell. This much aside for this subject. But now let us return to the practices.

*Of "Bears."*—Another one is that when certain ones are unable to establish their monopoly and selfish purchases, because there are others on hand who have the same wares and goods, they proceed to sell these goods so cheap that the others cannot meet them, and thus force them either to stop selling or to sell as cheaply as themselves to their ruin. So they come after all to their monopoly. These people do not deserve to be called men or to live among people, nor do they deserve to be instructed or admon-

ished, since envy and greed are so coarse and shameless in this case that the man brings harm to others through his own injury merely in order that he alone may hold the field. Here civil authority would do right to take from such all that they have and drive them out of the country. It might be unnecessary to enumerate such performances, but I determined to mingle them with the others that it may be seen what great knavery there is in merchandising, and be brought to daylight for every one how it goes in the world, so that he may guard himself against such a dangerous occupation.

*Of Futures.*—Again, this is a knavish performance: when one sells to another in words the wares in his sack which he really has not. Thus to-wit: A strange merchant comes to me and asks whether I have such and such wares for sale. I say yes, though I really have none, and sell him such wares for ten or fourteen florins, whereas they can be bought for nine or less, and promise to deliver them in two or three days. Meanwhile I go and buy such wares where I well knew beforehand that I could buy them cheaper than I sell them to him, and deliver the wares to him and he pays me for them, and thus I deal with the money and goods of other people without any risk, pains, or labor, and become rich. That is a cunning way of living on the street by other people's goods and money without needing to travel land and sea.

*Of Bearing a Market.*—Again, this, too, is living on the street, when a merchant has a purse full of money and no longer wishes to undergo adventures with his goods over land and sea, but to have a sure deal; so he remains ever in a great commercial city, and when he knows of a merchant who is being pushed by his creditors so that he must have money to pay withal, having none, yet plenty of good wares, then this man procures some one to buy the wares, and offers eight florins where they are usually worth ten; if the man is unwilling then he procures another person, who offers him six or seven, so that the poor man fears the goods are about to fall, and is glad to take the eight, so that he may obtain ready money and not incur too great loss and disgrace. It even happens that merchants in such need seek out such tyrants and offer them the wares for the ready money wherewith they may pay. In this case the latter hold stiff until they get the wares cheap enough, and then sell as they please. Such financiers are called throttlers, or cut-throats, but are considered important and shrewd people.

*Of Combinations.*—Then again, this is another trick of selfish-

ness, that three or four merchants have one or two sorts of wares in their control which other people have not or have not for sale. Now when they note that the said wares are worth much money and are daily growing dearer because of war or as result of accident, they combine and allege to others that such wares are much sought and few have them for sale. But if there are some who have them, they put up a stranger to buy up all these wares. Then when they have the wares entirely in their hands they make a compact together in this wise: We will hold these wares at such and such a price because there are no more on hand, and if any one sells them cheaper he shall forfeit so and so much.

This performance, as I hear, is carried on most grossly and frequently by English merchants in selling English or Dutch cloths. For it is said that they have a special council for this business, like the council in a city; and all Englishmen who sell English or Dutch cloths have to belong to it under some certain penalty. And by this council it is determined how dear they shall sell their cloth and what days or hours they shall offer the goods. The chief in this council is called the courtmaster, and is held not much lower than a prince; behold in this what greed can do and dares propose.

*Of Forced Sales.*—Further, I must note one more performance: I sell to a certain person pepper or the like on six months' time, and know that he is obliged to sell the same immediately in order to get ready money. So I go myself, or accomplish it through others, and have the pepper bought from him again for cash, but so that what he bought from me at twelve florins on six months' time I buy from him at eight. Meanwhile the current price is ten. So I buy from him two florins cheaper than the market price, and he has bought from me at two florins dearer than the market offers. So I gain behind and before, and simply in order that he may get money and keep up his credit, lest he experience with shame that no one else would give him credit.

*Of Bankrupts.*—As for those who manage or have to manage such devices as is the case with those who buy more on credit than they can pay, or when one has a capital of scarcely two hundred florins and does business to the extent of five or six hundred florins, and cannot himself pay if his creditors do not pay, why here the mischief eats deeper and deeper, and one loss comes upon another the more such devices are practised, until I see that the gallows is in sight, and I must run away or sit in the tower. So I keep still and give my creditors good words, and claim that I will

pay them honestly. Meantime I go and obtain as much more on credit as I can and turn this into money, or otherwise get money on my draft, or borrow as much as I can. Then when it is most convenient, or my creditors leave me no rest, I lock my house, arise and run away, hide myself in some monastery where I am exempt, like a thief or a murderer in a churchyard. Then my creditors are glad that I have not left the country and quit me every second or third penny [half or one third] of my whole debt, and I am to pay the rest in two or three years. They give me this under seal, and I come home again and am a merchant who has gained (by his getting up and running away) two or three thousand florins, which I could not have obtained otherwise in three or four years by running or trotting.

Or where this will not work and I see that I must run away, I go to the Emperor's court or to one of his governors; there I can get for one or two hundred florins a *quinquennelle*, that is, an imperial letter under seal to the effect that I may be free and do what I please two or three years for all my creditors, because according to my account I have incurred great damage; as though the *quinquennelle* had a nose and could find out whether the proceeding were right and godly. Yea, this is knavery.

*Of Interest.*—Then another trick that is current in companies. A citizen deposits two thousand florins with a merchant for six years; therewith he is to do business, gain or lose, and pay the citizen two hundred florins interest annually, and what he makes beyond this is his own. But if he does not gain he has to pay the interest just the same. And the citizen is doing the merchant great service in this, for the merchant expects with the two thousand to gain three hundred. On the other hand the merchant does the citizen a service, for his money would otherwise lie idle and bring no profit. That this common practice is wrong, and simple usury, I have sufficiently shown in the Sermon on Usury.<sup>1</sup>

I must tell one more thing as example of how false lending and borrowing leads to misfortune. There are some who, when they see that the buyer is shaky and does not come promptly to time get themselves paid most cunningly in this fashion: I put up a strange merchant to go to him and buy of his wares for a hundred florins or like matter, and say to him: "When you have bought all the wares, then promise him cash or refer him to a certain debtor, and when you have the wares then bring him to me

<sup>1</sup>The "Sermon on Usury" was reprinted in the same volume with the address "On Trade and Usury."



as that debtor, and act as if you did not know that he was in debt to me ; so I am paid and give him nothing." That is financiering, and means ruining the poor man together with those to whom he may be in debt. But that is what is to be expected when unchristian lending and borrowing is carried on.

*Of "Deaconing."*—Then again : They have learned to put or lay goods where they will increase, as pepper, ginger, or saffron, as in damp vaults or cellars, so that they gain in weight ; so, too, to sell woolen goods, silks, marten pelts, and sable in dark stores or booths, and to exclude the air, as is the custom everywhere, so that they have a particular sort of air for every kind of goods. And there is no kind of ware with which some advantage is not taken, be it measuring, counting, with yard-stick, bushel or weight, or giving it a color which it has not by nature, or they lay the best at top and bottom and the worst in the middle. Thus there is no end of such deception, and no merchant can trust another farther than he can see or feel.

*Of Robber Barons.*—Now merchants are making a great outcry against noblemen or robber knights, saying that they have to trade under great danger, and are liable to be caught, beaten, ransomed and robbed. Forsooth, if they suffered this for righteousness' sake, the merchants would be saints. Although it may happen that once in a while one suffers a wrong before God, and has to pay for the company he is in, and suffer for the sins of others, yet inasmuch as such great wrongs and unchristian thievery and robbery have been brought upon the world through merchants, and are even practised among themselves, what wonder is it if God brings it about that such great properties, gained wrongfully, are again lost or plundered and they themselves cracked over the head or imprisoned ! For God must exercise justice, since he declares himself to be a just judge.

Not that I would have highway robbers and bushwhackers excused or free to carry on their robbery. It is the duty of the rulers to keep the roads free, for the benefit of the bad as well as the good. It is the business of princes to punish such unrighteous merchandising with proper power, and to check it, so that their subjects be not so shamefully skinned by the merchants. Since they do not attend to it, God uses highwaymen and robbers, and through them brings punishment upon the merchants, as though they were his devils, just as he torments Egypt and all the rest of the world with devils, or ruins by enemies. So he chastises one knave through another without wishing it understood that the

highwaymen are less robbers than the merchants, though the merchants rob the whole world daily, while a highwayman robs one or two persons once or twice in a year.

*Of Combinations.*—Of combinations I ought really to say much, but the matter is endless and bottomless, full of mere greed and wrong, so that nothing can be found about it that can be pursued with a good conscience. For who is so stupid as not to see that combinations are mere outright monopolies? which even heathen civil laws condemn as a plainly harmful thing in all the world—I will say nothing of divine right and Christian law. For they have all wares in their control and manage as they please, and pursue the above-mentioned practices without shame, raising and lowering prices at pleasure, oppressing and ruining smaller dealers as the pike does smaller fish in the water; just as if they were lords of God's creatures and free from all the laws and obligations of faith and love.

Thence it comes that in all the world we have to buy spices as dear as they will. To-day they raise the price of ginger, next year saffron, so that the bend always fits into the angle and they have no loss, harm, nor risk; but if ginger fails or is spoiled they make it good on saffron, so that they are sure of their profit. Which is contrary to the fashion and nature not only of merchandise but of all temporal goods, which God means to have subject to risk and uncertainty. But they have devised that through risky, uncertain, temporal wares they obtain sure, certain, and constant profit. But thereby all the world must be drained empty and all the money run into their funnel.

*Of Great Fortunes.*—How should it come about rightly and with God's will that one man in so short a time should become so rich that he could buy out kings and emperors? But as they have brought it about that all the world must deal with risk and loss, gain to-day and lose next year while they for ever and eternally win, or make good any loss with increased gains, what wonder is it that they gather in the goods of all the world? For a perennial certain penny is better than a temporal and uncertain florin. Yet these combinations never risk their perennial and certain florins against our temporal and uncertain pennies. How then can there be any wonder that they become kings and we beggars?

*Of Great and Small Thieves.*—Kings and princes should look into this, and prevent such performances by strict laws; but I hear they have hand and part in it, and it goes as Isaiah says: "Thy princes have become the companions of thieves." Meanwhile they

have thieves who have stolen one florin hung, and associate with those who rob the whole world and steal more than all the others; that the proverb may be approved: "Great thieves hang small thieves," and as the Roman senator, Cato, said: "Humble thieves lie in dungeons but public thieves go in gold and silk." But what will God say to it all at the end? He will do as He promises through Ezekiel: "Princes and merchants, one thief with the other will he melt down like lead and copper, as when a city is laid waste with fire, so that there shall remain neither princes nor merchants," which state, as I fear, is at hand. For we have no purpose to better ourselves, however great the sin and wrong, and He cannot let the wrong go unpunished.

Hence let no one ask how with good conscience he may have part in combinations. There is no other counsel than: Let it alone; only wrong can come of them. If combinations are to remain, right and honesty must go down. If right and honesty are to remain the combinations must go. The bed is too narrow, says Isaiah, one must needs fall out, and the cover is too short, it cannot cover both. I know, indeed, that my writing will please them ill, and they will haply throw it all to the wind and remain as they are. But I am unburdened, and have done my part, so that when God comes with His rod we may see how fairly we have deserved it. If only I have instructed herewith one soul, and saved it from the pit, I shall not have labored in vain, though I hope, as I said above, that it has grown so high and heavy of itself that it cannot go longer and will have to be given over. In fine, let every one look to himself. Let no one abstain from these practices for love or service of me, nor let any one adopt or keep them for spite and harm of me. Thou art to decide, not I. God illumine us, and strengthen us to do his good will, Amen!