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Armstrong, Lawrin. The Idea of a Moral Economy: Gerard of Siena on Usury, Restitution, and Prescription

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[Daniel Nijss] climbed to a magnificent peak through good fortune and through adversity slowly descended again until the day of his death" (181). Anderson takes us on this journey with alacrity and insight, exploring the sociological and economic evolution of a self-made man who, in the end, proved to be a hostage to fortune.

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Armstrong, Lawrin.

The Idea of a Moral Economy: Gerard of Siena on Usury, Restitution, and Prescription.

Toronto Studies in Medieval Law. Toronto: University of Toronto Press, 2016. Pp. x, 331. ISBN 978-1-4426-4322-2 (hardcover) \$75.

At least since Odd Inge Langholm's seminal work on "Economics in the Medieval Schools," the rich variety of scholastic economic thought has been subject to a continuous stream of research. Many primary sources have nevertheless remained unexplored, which is largely due to the practical circumstance that they are not available in modern editions and translations. The economic thought of theologians belonging to the Augustinian hermit order, in particular, has suffered from scholarly neglect, especially if compared with the attention paid to Dominican and Franciscan strands of economic thought. Lawrin Armstrong's monograph, containing a modern edition and an English translation of Gerard of Siena's expositions on usury, restitution, and prescription, is a welcome initiative to fill that gap. Whether Gerard of Siena's ideas can also provide a counter-narrative to the modern philosophy underlying a capitalistic economy, as the author has the courage to suggest, is another question. Armstrong thinks that today's financial system is profoundly flawed, and considers Gerard of Siena's economic thought to be illustrative of a historical counter-model of a "moral economy" that could prevent Western economies from an imminent collapse. That proposition is too general in nature to convince this reviewer. Recent empirical research has shown that faith-based banks, especially in Islamic countries, did not fare better than conventional financial institutions during the 2008 financial crisis (see the

European Central Bank's Occasional Paper nr. 146 from June 2013). Moreover, it would be a mistake to think, as is suggested in the introduction, that markets were regulated more intensely in the *ancien régime* than they are today. Any law student taking a course in consumer protection or financial law learns that the hard way. If anything, to scholastic eyes, modern market regulations would seem "absurdly detailed" (26).

According to Armstrong's textual analysis, Gerard of Siena is representative of a rigorist position on usury that was typical of his order and that continued to inspire early sixteenth-century Augustinian friars, including Martin Luther, the great reformer. Interestingly, Gerard of Siena shares the common opinion of the medieval doctors that usury is forbidden, but he provides another explanation as to why this is so. His rejection of the fertility of money starts from the notion that fungible goods such as money do not derive their value from external market circumstances, but merely from their number, weight, and measure, which are constant, regardless of time or place. Fungibles have an intrinsic value fixed by nature or skill that cannot be changed. Therefore, usurers are guilty of contempt of nature and of God. Armstrong is right to point out that one of the major concerns of Gerard of Siena is to remove the contradiction between Roman law and canon law on this point since Roman legal texts permitted usury. Gerard of Siena follows an interpretative strategy that was popular among theologians whereby the Roman acceptance of usury was said to mean that Roman law permitted usury only in the sense of not punishing it. The concern to reconcile the divergence between Roman law and canon law also underlies Gerard of Siena's discussion of prescription, which was regulated differently by Romanists and canonists, since canon law required higher standards of good faith to acquire goods by virtue of prescription. Gerard of Siena's work, then, attests to the profoundly legal nature of medieval scholastic thought, illustrated by the constant concern to reconcile Roman and canon law. Incidentally, Armstrong demonstrates that Gerard of Siena's theological work influenced the legal writings of Giovanni d'Andrea, one of the major canon lawyers of the fourteenth century. Armstrong's work recalls the urgent need to re-consider the intimate connection between theological, legal, and economic reasoning in late medieval times.

More generally, Armstrong takes Gerard of Siena's hard line on early expressions of the capitalistic spirit as characteristic of the "moral economy" promoted by scholastic economics, which was centred on notions of justice,

charity, and the common good. Granted, one of the merits of Armstrong's analysis is to draw attention to the proper social, legal, and moral "embeddedness" of scholastic economic thought. In the light of contrary insights provided by Sylvain Piron on contemporary Franciscan theologians such as Pierre de Jean Olivi, or the developments in the scholastic analysis of usury as attested by John T. Noonan in his classical work of 1957, this reviewer doubts whether Gerard of Siena's rigorous views can be considered representative of medieval scholastic economic thought. If one considers the later evolution of scholastic economic thought in the sixteenth and seventeenth centuries, especially in the work of Jesuit theologians, but also in the writings of Augustinian hermits such as Pedro de Aragón, the antithesis between scholastic economic thought and the capitalistic spirit becomes even more problematic. To consider Karl Marx as the last of the schoolmen, as Tawney did, ignores scholastic theologians' justification of legal constructions underlying a capitalistic economic system, particularly the so-called "triple contract"—a construction undermining the traditional usury prohibition, as Armstrong acknowledges (5). At the very least, the rich variety of opinions among the scholastic doctors, medieval and early modern, should receive more attention, although it is not unlikely, as Armstrong claims, that the medieval Augustinian friars developed viewpoints more rigorous than those of contemporary Franciscans. Future research on scholastic economics, which will receive an important impetus by Armstrong's edition and translation of Gerard of Siena, will have to confirm that. Promising, therefore, is the revelation by the author, in footnote 48, that his work on Gerard of Siena is part of a wider ongoing project on "Augustinian economics" conducted with Julius Kirshner. Especially after reading the stimulating introduction to the edition and translation of Gerard of Siena's texts on legal and economic issues, this reviewer is eager to read the results of that groundbreaking project.

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