

Campaigners in London and New York call for return of usury laws

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Bankers in London and New York will be targeted this week at the launch of a new transatlantic campaign to reinstate historic usury laws restricting the interest rates charged by loan sharks and credit card companies.

Usury is the lending of money at exorbitant interest rates which impoverish the borrower. Usury is deplored in the three great Abrahamic faiths. In his encyclical letter last week, *Caritas in veritate*, Pope Benedict XVI said that the weakest and most vulnerable members of society "should be helped to defend themselves against usury".

On Wednesday, hundreds of campaigners representing community and religious groups will be outside the firm's Liverpool Street headquarters seeking to present Sir Philip Hampton, chair of Royal Bank of Scotland, with copies of the Bible, the Torah and the Q'ran.

Organised in the UK by London Citizens - an alliance of church groups, unions and voluntary organisations - the campaign accuses banks of propelling hundreds of thousands of people into unsustainable debt by charging excessive interest rates. Initially, campaigners will target banks bailed out by the taxpayer.

Usury laws were repealed in Britain in the 19th century but were in place in America until 1980. It was one of Jimmy Carter's last acts as president to allow banks and other institutions to charge unlimited interest rates, ushering in the era of unfettered markets.

"We are calling on the chairmen of banks, particularly those bailed out by the taxpayer, to have a formal meeting with citizen alliances," said Neil Jameson, London Citizens' executive director.

"There has been enough huffing and puffing about greedy bankers. Our job as a civil society alliance is to call for a national debate on the issue of debt, which includes the reintroduction of anti-usury laws in the UK.

"We want sustainable alternatives like credit unions because there will always be a need for money. We are not talking about turning the clock back. But there's clear evidence that the rate of interest charged to the poor and to small businesses has just gone too far."

London Citizens waged the successful Living Wage campaign that called on employers to pay more than the minimum wage to take into account the cost of living in London. It also launched the protest against city banks who employed low-paid agency cleaners.

Across the Atlantic, American campaigners plan to target Citigroup and Wells Fargo banks. Average credit card debt per US household was \$8,329 at the end of 2008. Jonathan Lange, organiser for the Industrial Areas Foundation, said: "Usury and predatory lending cuts directly to the relationship between capital and working people in a way no other issue other than the right to form a union does."

"We think it is time for a restriction on interest rates - in effect, the restoration of anti-usury laws."