

Equality

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1849

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For the Palladium.

1. Equality.

What particularly characterized Sparta? Sparta was the city of the equals: the social name of the citizens of Sparta was this—*the equals*. Sparta was composed of ten thousand citizens, organized upon the principle of equality; and these citizens ruled over thirty thousand Laconians who were not possessed of this title of equals; over a multitude of Helots; and over a multitude of Slaves. Sparta was thus an embodiment of the most horrible inequality, if we consider it according to the totality of men who composed the empire of Lacedæmon, and lived on its territory. But Sparta was a model fraternity, a model equality, a model community, if we consider the true Lacedemonians only, that is to say, *the equals*. Sparta was regarded by all the grave and serious philosophers of antiquity as the inspiring city; in their eyes it was holy and venerable, even as Rome was holy to the Romans, and Jerusalem to the Jews. Why was Sparta thus regarded as holy? It was because, in the midst of this atrocious barbarity, in the midst of this cruel inequality, a holy idea was embodied, the idea of *equality*—the equality of a certain number, though not of all.

This principle of equality was consecrated in the great Spartan Sacrament, the *repast in common*. No man could be present at the repasts who was not one of *the equals*; and no one could be considered one of the equals who did not attend the repasts regularly. Participation in the common repasts was the sacramental sign of citizenship, and conferred the right of voting in public affairs. A citizen of Sparta, therefore, was a man who took his place at the public banquets: this is the summing up of the legislation of Lycurgus, whose whole system is involved in the institution of the Social Banquets.

This institution of the repast in common, was not an isolated institution of Crete and Sparta; for Aristotle tells us that it was widely extended; that it was established especially in Italy and at Carthage. Be this as it may, it cannot be denied that the repast in common obtained in Egypt. The people of Egypt were divided into three classes; that of priests, that of warriors, and that of laborers and mechanics. The two higher classes, the priests and the warriors, lived *in community*; the priests by themselves, and the warriors by themselves. The priests of Egypt, like the monks of the middle ages, had no private property, but lived in common, in edifices belonging to their order. As for the warriors, a certain portion of land was assigned to each of them; but no warrior was permitted to cultivate the same field two years in succession, for fear that he should attach himself to it, and consider it as his own private property. The people of Egypt were divided into two camps; in one were the priests and the warriors, who constituted the aristocracy; in the other was the mass of the people. The priests among themselves, and the warriors among themselves, lived in community, according to the principle of equality; and the people were taxed to support them. The people, the inferior caste, owned in their own right the property which was in their hands; they were proprietors, and paid taxes. The members of the higher castes had no interest separate from that of the corporations to which they belonged; they were exempt therefore from envy and jealousy, and sat down as brethren and equals, with their brethren and equals at the common banquets: the members of the lower castes were given over to competition

among themselves, they had nothing in common with each other; they looked upon each other as rivals and enemies; they ground each other as mill stones grind each other when they have no corn to grind; and thus, divided among themselves, hostile to each other, moved by cupidity, and recognizing neither equality nor fraternity, they became the victims of a cruel oppression—they became the *caryatides* which sustained the social system of the valley of the Nile. Is the supposition devoid of plausibility that Moses borrowed the sacerdotal principle of the Egyptians, when he took no account of the tribe of Levi (the Hebrew Priests) in the division of the conquered land? “The Priests, the Levites, and all the tribes of Levi, shall have no part nor inheritance with Israel.” The Lord is their inheritance as he hath said unto them.”—*Deut.* 13: 1, 2.

“Moses was learned in all the wisdom of the Egyptians, and was mighty in words and in deeds.”—*Acts* 7: 22. Through his relationship to Pharaoh’s daughter, he was connected with the Egyptian aristocracy; and he was unquestionably initiated into all their secrets. Did Moses borrow anything from Egypt except this principle relating to the priesthood? He certainly borrowed a multitude of institutions and, among others, that of the *repast in common*. The Jews had three great feasts, the first of which, and the most solemn, was the Passover. The obligation of every Jew to celebrate this festival was so great that whoever neglected it, was legally liable to excommunication—to be cut off from the Jewish nation. “The Lord spake unto Moses, saying, Speak unto the children of Israel, saying, ‘The man that is clean, and is not in a journey, and forbeareth to keep the Passover, even the same *shall be cut off from among his people*’”—*Num.* 9: 10-13. As in Sparta, he that refrained from the public repasts, lost his right of citizenship.

Moses had evidently two objects in view in his legislation: on one hand, the passover distinguished the Jews from all other nations; and, on the other, it united them among themselves, and made them brethren. On one hand, it was the festival of emancipation, of the exodus from slavery; it was the sign of separation from all other nations; it was the sign of insurrection against all foreign tyrants, whether Egyptians, Assyrians, Persians, or Romans. But, on the other hand, it was the sign of the fraternity of the Jews among themselves, the sign of their union; it was for them (what Christianity has developed) a veritable *communion*. In Sparta, there were ten thousand *equals*, and a multitude of slaves; in Egypt, there were a few priests and warriors, who were *equals*, and a multitude of slaves. But behold the progress of liberal institutions! Among the Hebrews, there was neither a higher caste, nor a lower caste: for all formed one great nation of equals, and all came by a common right, and seated themselves at the great national banquet! For, though the tribe of Levi existed under a peculiar organization, yet the Levites never formed an aristocracy in Israel. The legislators of Egypt and Sparta, established inequality in the bosoms of the nations to which they gave laws: Moses established equality in Israel, but it must be confessed that he sanctioned inequality among the nations. He taught that the Hebrews were a holy and peculiar race, people and nation, by right of birth; and excluded by his doctrine, the other nations from the favor of God. It was necessary that a new religion should arise, establishing equality among the nations, and teaching that “God is no respecter of persons; but that *in every nation*, he that feareth him and worketh righteousness is accepted of him.”—*Acts* 10: 35.

But how did the Jews *partake* of the passover? “Thus shall ye eat it; with your loins girded, your shoes on your feet, and your staff in your hand: and ye shall eat it in haste; it is the Lord’s passover. Ye shall eat the flesh in that night, roast with fire, and unleavened bread; and with bitter herbs shall ye eat it. And ye shall let nothing of it remain until the morning: and that which remaineth until the morning, ye shall burn with fire.”—*Exod.*, ch. 12.

If you object that the Cretans and the Spartans ate every day in common, while the Jews assembled at the social banquet only once a year, and then only by families; if you say the Spartans communed daily, while the Jews went a whole year without communion, and ask what possible relation two such different practices can have with each other, we answer: Your objection does not appear to be at all profound; for the Hebrews were an agricultural and pastoral nation, not living in one great city; nor in the neighborhood of any one great city, but spread over a great extent of country; and they could not, therefore, by the nature of the case, be often assembled in one place. For these reasons, Moses could not establish the life in community, according to the higher Egyptian pattern, among his people; neither were his successors able to do it after him. The people, therefore, were given over to a great extent, to the kind of life that reigned in Egypt in the lowest caste—the life in non-communion. The individual and family were thus abandoned to themselves without social intervention, and, by necessity, inequality with all its evils results from this abandonment. Moses understood this very well. The passover, the only *communion* possible among men thus separated, remedied none of these evils: it was a sign of nationality and general unity—and that was all.

But Moses was not to be arrested in his legislation by a superficial difficulty of this nature. By another and a still more remarkable institution, he applied an effectual remedy against the inequality and individualism which threatened to establish itself among the families of Israel. We refer to the institution of the Sabbath. First, we notice the Sabbath of days: “The seventh day is the Sabbath of the Lord thy God: in it thou shalt not do any work, &c.”—*Exod.* 20: 10. Afterward, we notice the Sabbath of years: “Six years thou shalt sow thy field, and six years thou shalt prune thy vineyard, and gather in the fruit thereof; but in the seventh year shall be a Sabbath of rest unto the land; a Sabbath for the Lord: thou shalt neither sow thy field, nor prune thy vineyard.”—*Levit.* 25: 3, 4. Then we notice the Sabbath which follows seven consecutive Sabbaths of years:—let the reader turn to his Bible, and read the whole twenty-fifth chapter of Leviticus, for it is well worth his while to do it. Every fiftieth year, the trumpet of the Jubilee sounded throughout all the land of Israel, proclaiming *liberty* to all the inhabitants thereof. Whoever had sold his property during the forty-nine years, found it return to him on the day of Jubilee. No man could sell his house or his lands beyond the day of Jubilee; on that day all contracts of sale were broken, all debts were expunged. What a *household-exemption* law was that! History furnishes us with but one example of the actual application of an agrarian law; and then the law in question was promulgated and applied by the direct command of the Almighty himself. The great characteristic social law of the Jews was a levelling law. Let the reader turn to the twenty-fifth chapter of Leviticus, and confess that the Mosaic law is an organization of the principle of Equality.¹

There are three forms or manifestations of inequality.

The first is *Slavery*, which weighed upon the lower classes in Sparta and Egypt, upon the lower classes in all the nations of remote antiquity;—yea, which prevails now in many of the nations of Christendom.

The second is *inequality among the nations*; the Jews regarded themselves as a holy and elect nation, contradistinguishing themselves from all the rest of the world, and characterizing the citizens of all gentile states as reprobate and impure; the Greeks contradistinguished themselves

¹ If the reader desires more full, and clearer information in regard to the matters treated of in the foregoing paragraphs, let him consult the treatise on Equality, by Pierre Leroux; where the positions here taken, are firmly established and fully illustrated.

from the barbarians, and held that all who were not Greeks were worthy only to be slaves; the Roman citizen, by his mere right of citizenship, looked upon himself as lord and master over all other men.

There is a third form of inequality, which prevails at the present day, *founded on the false organization of credit*.

The legislation of Moses anathematized all personal slavery, and pronounced an eternal curse against the first form of inequality² but Moses sanctioned the second form of inequality—the inequality between nations.—When our Lord came into the world, no man possessed any right which he did not draw from the race to which he belonged; no natural and inalienable rights of man were recognized. Was not Paul himself, the great destroyer of national inequality, obliged to have recourse, not to the principles of natural justice, but to his rights as a Roman citizen, to save himself from torture?—*Acts 22: 22–39*. What was the great foundation of the doctrine of Paul? Was it not that God looked with equal favor upon all nations? Was it not that God, in Christ Jesus, had broken down the middle wall of partition which separated between Jew and Gentile? Was not Paul's doctrine a reaction against the Mosaic law? How does the Apostle characterize the new order of social existence which was to grow out of the preaching of the Gospel? He says, “”There is neither Jew nor Greek, there is neither bond nor free, there is neither male nor female: for ye are all one in Christ Jesus. There is neither circumcision nor uncircumcision, Barbarian, Scythian, bond nor free; but Christ is all and in all.””

What, in fact, is the *Christian communion*? It is a transformation and development of the Jewish Passover. Our Lord seated himself with his twelve Apostles, to partake of the Passover, and said, “With desire I have desired to eat this Passover with you before I suffer.” Then he instituted the ordinance of the communion, transforming the Jewish festival, and a re-enacting the law enforcing its perpetual obligation. The primitive Christian Communion was a social banquet; the table was spread, and bread and wine were abundantly supplied. The Christians did not assemble together in families as did the ancient Jews, but whole churches assembled socially after the manner of the superior castes of Egypt and Sparta. “When ye come together therefore into one place (says the Apostle Paul,) this is not to eat the Lord's Supper. For in eating every one taketh before another his own supper: and one is hungry and another is drunken. What! have ye not houses to eat and drink in? or despise ye the church of God, and shame them that have not?” The perversion of the ordinance here indicated, gives us a clear conception of the manner in which it was celebrated in primitive times. The Christian communion is the organization of a new social state, it is the extending of the right of citizenship to every member of the human family. In Egypt and Sparta, the nobles only *communed*; with Moses the *communion* was restricted to the Hebrew race; but Christ calls upon all men to enter the Kingdom of Heaven, and thus throws the *communion* open to every one of the children of Adam. “For in Christ there is neither Jew nor Greek, bond nor free, male nor female.” Is it not evident that the Christian communion is the organization of the principle of equality?

But let us follow the order of the establishment of this divine institution. In our Lord's discourse (commencing at the thirteenth chapter of John's Gospel) which he spake to his disciples, as they were assembled together around the table to partake of the feast of the Passover, we find abundant indications of the profound meaning which he intended to embody in the ordinance. First of all, our Lord rose from the table and, girding himself with a towel, *he began to wash and to wipe his*

² It is possible that we speak here too favorably of the actual legislation of Moses.

disciples' feet! Behold Satan falling like lightning out of heaven! If our Lord had intended to teach the dogma of equality, (which he evidently did) could he have taken a more effectual course than this? What action could be more worthy of him who said; "He that is greatest among you, let him be your servant;"—of him who taught us to call those to whom we delegate power, not lords, not kings, not rulers by divine right, but *public servants!* Listen to the Master's words—"Ye call me Master and Lord: and ye say well; for so I am. If I then, your Lord and Master, have washed your feet, ye ought also to wash one another's feet: for I have given you an example, that ye should do as I have done unto you." Where now is the aristocracy of Egypt and Sparta? The walls of partition are thrown down, and every vile slave, every member of the degraded castes, is called upon to receive the Christian illumination, to enter into *communion*, to receive the right of citizenship.

Verily, Moses promulgated the eternal anathema against slavery; but Christ has done more than this, he has proclaimed the abiding curse against all social inequality whatever;—he has opened the way for the establishment of God's justice among the children of men.

The Apostles misunderstood the tenor, in some points, of their Master's doctrine. They supposed he came merely to extend the Mosaic institutions: they endeavored, therefore, to establish fully the Mosaic agrarianism; they endeavored to establish a community of goods, and to put the levelling system in complete operation. "The multitude of them that believed were of one heart, and of one soul: *neither said any of them that aught of the things he possessed was his own; but they had all things common.*"—Acts 4: 32. The Mosaic system was powerful for *levelling down*, for repressing all aristocracy: but our Lord did not come for this. He came to level up. He came to confer nobility on the whole human race. He came to make all men priests and kings.—Rev. 1: 6. The system of Moses caused the Jewish nation to stagnate; it was destructive to all progress; whenever any change occurred, his laws levelled everything back to their original position: but the system of Christ is the very incarnation of the spirit of progress. Christ throws all gates open to men; he constitutes his disciple a son of God—can any one lay claim to a more aristocratic descent than that? He confers upon his disciple the right of citizenship in the whole universe; nay, the right of citizenship in the highest heaven itself;—where now are the privileges of Rome and Sparta? "Let no man glory in men; for all things are yours; whether Paul or Apollos, or Cephas, or the world, or life, or death, or things present, or things to come; all are yours; and ye are Christ's; and Christ is God's."—1 Cor. 3: 21, 22, 23.

Are we not justified in affirming that the dogma of *Equality* is hidden in the very centre of the Christian ordinance of Communion? But what necessity is there for prolonged discussion? Is there a man in the Christian Church who dares to go to the Communion table denying that he goes as an equal to meet with equals?

2. The Banking System.

When a certain number of persons desire to be incorporated as a banking company, they petition the legislature of the state in which they reside, praying for such privilege. If the prayer be granted, they are incorporated; and the amount of their capital is fixed in the act of incorporation. This sum is divided into shares; public notice is given; books are opened for subscription; and individuals subscribe for as many shares as they desire, and are able to take. The subscribers are called *Stockholders*, and the shares are called *Stock*. When the necessary amount has been subscribed, the stockholders meet, and choose, from their number, certain persons to conduct the operations of the bank, who are called *Directors*. The Directors then choose from their own number, a *President*, and some person, not of their number, to be *Cashier*. Upon the President and Cashier (under the control of the board of Directors) the active duties of conducting the affairs of the bank depend.

So far all is clear: but certain consequences follow necessarily whenever a bank is established;—what are these consequences? Answer for yourself, reader! Would not the stockholders, if no bank had been established, have remained individual capitalists, competing with each other in the market? Would not this competition have had the effect of depressing the rate of interest? But now, by the establishment of this bank, these capitalists have become stockholders; and thus, by uniting their interests they have escaped competition, and all its attendant effects. The capitalist is unquestionably benefitted; but he appears to be benefitted at the expense of the borrower. At first sight, therefore, it would appear that banks are established for the exclusive benefit of the lenders. Let us examine this matter, however, a little more carefully. Competition is natural to man. Every blow aimed at competition, is a blow aimed at liberty and equality; for competition is but another name for that liberty and equality which ought to exist in every manufacturing and commercial community. In the natural order, the borrowers compete with each other, and thus raise the rate of interest; meanwhile the lenders, by competition among themselves, depress that rate. By the establishment of a bank, the lenders prevent competition among themselves, and thus prevent a fall in the rate of interest; it is evident, therefore, that the borrower could obtain money on better terms if the bank did not exist.

A laborer who has no tools, no raw materials to work upon, can bring little, or rather nothing, to pass, no matter how industriously he may follow his calling; he seeks therefore, first of all, to obtain tools and the raw material; that is, he endeavors to find some capitalist who will lend him the money requisite for the purchase of these things. The capitalist, on the other hand, finds his money to be of little use to him so long as he cannot lend it out at interest;—his machinery and raw material will spoil on his hands if he can find no laborer who will make them available for useful purposes. The capitalist and the laborer are mutually necessary to each other; and, for this reason, they are always seeking each other. Banks (according to the true theory of such institutions) ought to be established for the purpose of bringing together the borrower and lender, the laborer and the capitalist. Whoever has anything to lend, ought to be able to go to the bank,

and there lend it, provided there is some person in the community who desires to borrow; and borrowers ought to have like facilities. So much for theory; what is the fact?

Banks are instruments whereby the lenders escape their fair share of the general competition: they are instruments whereby a certain number of lenders are enabled to bring an immense, combined, and crushing force to bear upon every person who does not belong to their number. A bank is a model equality, a model community, a model fraternity, if we consider the stockholders only; but it is a horrible inequality, if we consider it in its relations to the mass of the people.

Banks confer exclusive privileges upon a certain class. Every unprivileged member of the community operates in his own strength; but the stockholder in a bank operates with the whole strength of the corporation. These stockholders mutually insure each other; for, when the bank makes a bad speculation, the loss is equitably divided among all. There is equity among themselves; but woe to him that is on the outside! The unprivileged individual lies awake nights, thinking of his liabilities; he labors hard to bring his affairs to a prosperous issue. The stockholder of the bank folds his hands, and sleeps soundly; he is insured from loss, and has hired the officers of the bank to think and be anxious for him. If operatives combine with each other, because they find competition bears too strongly upon them, and strike for higher wages, they are legally liable to severe punishment: but, if capitalists combine to prevent competition among themselves, and thus prevent a fall in the price of the commodity they have to offer in the market, the legislature applauds their action, and grants them a charter to enable them to accomplish their purpose more easily and effectually. It is affirmed, nevertheless, that we live in a country of equal laws. If it is for the good of the community that laborers should compete among themselves, it is equally for the good of the community that the capitalists should compete in like manner: at least, so it would appear.

Banks of Discount obtain profits (1) *from interest on notes discounted*. This is the great source of their revenue. You go to the bank and offer your note, payable after a certain lapse of time; if the bank considers you, or your indorsers, good, and believes the note will be paid, the officers will give you the money borne on the face of your note, deducting from it interest for the time the note has to run. This deduction is called the *discount*. All this appears very fair. We have seen, however, that in the natural order, the borrower and lender meet on equal terms, since they are equally necessary to each other:—You are obliged, nevertheless, to ask the bank to grant you a discount as a *favor*; you are liable to insult from the bank officials if you happen to be a poor man; you will oftentimes get no discount if you do not belong to some particular political party, or, perhaps, to some particular social clique. You will oftentimes be required to leave on deposit in the bank, ten per cent. of what you draw; thus you will be forced indirectly to pay illegal interest. The bank has the advantage of you in every way; for you are dealing with a hundred stockholders, who, by combination, have escaped all the effects of competition among themselves, while you stand in your unassisted individual strength;—and your strength is evidently weakness. The bank decides on your claims arbitrarily, and you have no remedy. On your part, you are subject to human feeling; the conduct of the bank toward you may give rise in your heart to hope, fear, joy, or mortification; but, on the part of the bank, there is the insensibility of a body without a soul.

We have said that banks ought to bring the lender and borrower together; but they never perform this office; and here lies the greatest evil of the whole system. It is the stockholder who is the lender; the bank officer is but an agent. The borrower comes to the bank, his mind filled with anxiety; he is thinking of his wife and children, and is depressed in consequence of reflection on the state of his business; he knows he can give good security for all he wishes to borrow, but fears

his offer will be rejected. The lender, instead of meeting this trembling, anxious human being on equal terms as a human being, sends the remorseless engine which is called a bank, to transact the business for him, and in his stead; and the borrower finds himself suddenly, perhaps, in the presence of the infernal powers.

Banks of Discount obtain profits (2d) *from deposits*. You deposit your money in a bank, and the bank lends your money, and receives interest upon it. All interest received in this way is divided among the stockholders; no part of it is given to you, although you ought to have the whole, (except so much as would pay the officers of the bank for their trouble,) since you bear all the risk. Thus banks obtain profits by receiving interest on your money; they make it at your expense and at your risk.

Banks of Discount obtain profits (3d) *from exchange*. But it is difficult to see how any money can be made in this way if no recourse is had to fraud. The rate of exchange can never rise above the cost of the transportation of specie, including the insurance: if the bank charges more than this, with perhaps a slight addition to pay for the trouble, it charges too much. But banks sometimes make money by the following method:—You go to the bank and ask a discount on your note: you are answered that the bank cannot spare any money, but that you can have a draft on some specified city: you know that exchange is against that city, and that you will be obliged to sell the draft at a loss if you take it: nevertheless, you take it, because you are pushed for money. Thus the bank charges you interest to the full amount, although it knows the draft to be not worth what it purports on its face to be worth. Perhaps the bank refuses to discount for you if you do not consent to pay some artificial rate of exchange. Perhaps an agent of the bank follows you into the street, and buys back the draft at a discount, so that no transaction in exchange really takes place at all.

Banks can add nothing to the capital of a country; though they may augment the private fortunes of those interested in them. Banks enable lenders to live without working. If there were no banks, the capitalist would become acquainted with the laborer to whom he lends money: he would be obliged to understand the order of business: he would naturally seek out and encourage industrious and honest laborers, giving them facilities, for thus he would in create and secure his own income; by being interested in a great many operations he would become capable of giving advice and instruction to artisans and mechanics, and thus he would be perhaps the most useful member of the community; thus all would be enabled to labor to a more effectual purpose. If there were no banks, the capitalist would unfold his hands, would become human, would have a feeling for common accidents and infirmities: he would no longer isolate himself from mankind; he would no longer feel that no evil could come near him; he would no longer make it his pride to cultivate a patrician haughtiness calculated to give him an immediate ascendancy over all who approach him. But the capitalist is now so secure, he is so well protected by the banking system, that nothing can come near him without his permission. He has no favor to ask of any one, and every body has favors to ask of him. His merit is considered so great by the human race, because he accumulated a fortune in some past time, that he receives (what Socrates demanded for himself) a support at the public expense. He is never called upon to spend a dollar of the fortune he accumulated; he is never called upon to raise his hand for any useful purpose; he is never called upon to exert his mind to look narrowly after his affairs; on the contrary, an arrangement is made by which the public indirectly pay the officers of a bank for furnishing him semiannually, without trouble or anxiety to himself, with a certain amount of money in a fixed

proportion to the fortune he is not called upon to spend; and he lives upon the money which he thus receives so long as he condescends to exist among men upon the surface of the earth.

We think we are justified in drawing the conclusion that banks operate, practically, to enable the few to bring the many under tribute. So far as the community is concerned, banks do, in practice, cover nothing but conspiracies and combinations to defraud the public. No: the word *defraud* is too severe; for the stockholders in the banks are as honest as the common run of men; nevertheless, we know of no other English word which properly characterises the practical operation of the banking system.

But to proceed with our remarks a bank may issue bills to the amount of its whole capital, and the bill-holders be perfectly safe. Indeed, they are doubly secured. First, there is specie enough in the vaults of the bank to redeem all the bills, and, secondly, the bills were issued in exchange for notes by which responsible individuals bound themselves to pay sums of money to the bank, equivalent to the value they received in bank bills. No bank bill can honestly get into circulation, except in exchange for a note binding the person who receives it from the bank for its amount. Now it is found that a bank can issue bills to a far greater extent than the value of the specie in its vaults, and still redeem every bill, at sight, in specie. For, while one person presents a bill and demands specie, some other person will probably be depositing specie in the bank: besides, it is almost impossible that the bills would all require to be paid at the same instant. From these reasons combined, it is evident that the bank may, without violating its obligation to redeem in bills in specie at sight, issue a larger amount of them than it contains specie in its vaults. Every bank which thus issues its bills to an amount greater than that of the specie in its vaults, is called a *Bank of Circulation*. If it keeps within the amount of the specie it has on hand, it is not a bank of circulation, for its bills are mere specie checks. We are under the impression that banks in this State, have the power of issuing bills to the extent of two and a half times their capital.

All this, again, presents a very fair appearance, as indeed everything does connected with the system of banking; but what are the facts? First of all, the banks seldom have more than one fifth part of their capital on hand in specie; and therefore they would find it impossible to fulfill the solemn promises borne on their bills, if there should be a run upon them for specie, for a single day. But this is a very commonplace criticism; let us examine the matter more carefully.

Money is a commodity whose value is regulated, like that of every other commodity, by the ratio of the supply to the demand. Gold and silver possess a value which is fixed by the relation of the supply of the precious metals to the demand for them in the market of the world. When gold and silver become scarce in any country, the demand for them increases; their price rises; a given quantity of the precious metals will buy more of other commodities than it would have done before the rise; that is, the prices of other commodities fall. Merchants, finding the prices of commodities to be less at home than abroad, will export their goods, exchanging them for the precious metals: thus gold and silver will be imported, and this importation will continue until the currency of the country is restored to the level of the currency of the world. The cheapest commodity is always exported; if the precious metals are cheapest, merchants exchange their goods for them, and send the specie to some market where it will command a better price; and there they exchange it for commodities which command a good price at home. *Where there is no tampering with the currency, the balance of trade takes care of itself.* But if some of our banks once issue bills to an amount beyond the amount of specie in their vaults, and immediately the dollar falls in value, because there is more than the proper amount of money in the country. Money becomes the cheapest commodity, and is of course, immediately exported. But what sort

of money is it that is exported? bank bills?—Not at all. Bank bills are worth little or nothing in the market of the world. It is the gold and silver, therefore, which is exported. As soon as a quantity of specie is exported sufficient to cause a reinstatement of the value of money, the banks issue more bills, and a further exportation of specie takes place. At last, the currency of the country is composed entirely of paper, with the exception of the small quantity of gold and silver which is requisite for the purposes of making change. The banks are careful always to have bills enough in circulation to keep money plenty; that is, to keep gold and silver cheap. Thus the banks protect themselves against all foreign competition; for the foreigner cannot afford to bring his silver dollar into a market where it will at once depreciate in value. Do you say that we go too far, that we affirm a power in the banks which they do not possess in relation to this exclusion of foreign competition? Do you say that the value of money is determined by the rate of interest it loans, and that the debasement of the currency, by the issue of bank bills, does not therefore exclude foreign competition? We ask, then, what explanation you give of the remarkable fact that capitalists obtain only two and three per cent. interest for their money in Europe, while they might receive six per cent. for it here, and yet that they never enter our market in competition with the banks? The foreigner, it is true, sometimes invests money in our banks; but does he ever compete with them? We confess that the discount the foreigner is obliged to pay, when he brings his dollar into the market, is not directly charged, and that the process of the extortion is not evident at first sight. The foreigner brings his money, if he brings it all, in gold and silver, and loans it out at six per cent. interest; say on six month's notes. As soon as the money goes out of his hands, it leaves the country, because specie is at a premium for exportation. When the six months expire, his debtors pay him all they owe him, with the interest; but in what do they pay him? in gold and silver? Not at all: they pay him in the local currency of the country; they pay him in the bills of the banks of issue; and these banks, from that moment forward, roll their millstones upon him, even as they do upon the rest of the community. He has a large claim against the banks; he presents it, and demands specie: if banks are alarmed by the amount of the claim they apply to the legislature and obtain permission to suspend specie payments. The sympathy of the public is altogether on the side of the banks; for was not the suspension brought on by the necessity of contending against foreign capital? How can we contend against anything foreign? It is with difficulty that we contend against foreign pauper labor; how then can we contend against foreign capital? The people are innocent, and believe whatever the banks tell them. They seldom reflect that paupers do not labor; neither do they always remember that every dollar brought into the country increases the competition among capitalists, thus raising the rate of wages, and benefiting the working man. Specie payments are however, never suspended to protect the banks against foreign capital; for the foreigner knows his own interest, and is too wise to exchange his specie for paper promises.

Let us sum up the results of our investigation. (1) Capitalists, by combining with each other to form a bank, destroy competition among themselves. (2) Through the power of their organization, they bear with their united weight upon every individual with whom they have dealings. On the side of the bank, there is a small army, well equipped, well officered, and well disciplined; on the side of the community, there is a large, undisciplined crowd, without arms, and without leaders. Society is a contest between a large number of sheep who are entirely disconnected with each other, and a small number of wolves who meet every Saturday afternoon to confer upon the internal affairs of the common lupine interest. (3) Not content with these advantages, the stockholders petition the legislature, and obtain the privilege of being liable for the debts of a

bank, only to the extent of the stock they own in it. Thus the capitalist secures himself still further, by dividing his capital among several banks. The legislature, as is evident, has no favor left to confer on the community, or the holders of the bills; if the banks fail, the holders of the bills must suffer. (4) But the capitalists are not satisfied yet; they have protected themselves in every possible way against the community, in every possible way against competition among themselves; but they are still afraid that some one will come in from without to compete with them and lower the rate of interest. They therefore petition the legislature, and obtain permission to exert a power which ought never to be exercised by the government itself. Do they ask permission to coin money? No; they are not so modest as that: they ask permission to *create* money; they ask the privilege of having it recognised that a piece of paper coming from their hands, shall be worth as much as a silver dollar coming from the hands of any other person. After thus debasing the currency, they have no longer anything to fear from competition.

Now the banks have everything in their hands. They make great issues, and money becomes plenty; that is, all other commodities become dear. Then the capitalist sells what he has to sell, while prices are high. The banks draw in their issues, and money becomes scarce, that is, all other commodities become cheap. The community is distressed for money, individuals are forced to sell property to raise money—and to sell at a loss on account of the state of the market: then the capitalist buys what he desires to buy, while everything is cheap. The banks have control over every dollar in every private man's pocket; for, by a large issue, it can make money plenty, and thus diminish the value of money throughout the community. The capitalist trades for the dollar which is in the pocket of the private man, and receives it from him at its depreciated value. Immediately the bank draws in its issues, and the value of money is increased; but the dollar is now in the hands of the capitalist, who sells it to his former owner at its increased value. The operation of the banking system is evident: it is said, nevertheless, that banks are established for the convenience of the community.—And the half is not told yet!

3. The Repeal of the Usury Laws.

All usury laws appear to be arbitrary and unjust. The rent paid for the use of land and houses is freely determined in the contract between the landlord and tenant; freight is settled by the contract between the ship owner and the person hiring of him; profit is determined in the contract of purchase and sale: but when we come to *interest on money*, all principles seem suddenly to change; here the government intervenes, and says to the capitalist, "You shall, in no case take more than six per cent. interest on the amount of principal loaned: if competition among capitalists brings down the rate of interest to three, two, or one per cent., you have no remedy; but if, on the other hand, competition between borrowers forces that rate up to seven, eight, or nine per cent., you are prohibited, under severe penalties, from taking any advantage of the rise." Where is the morality of this restriction? So long as the competition of the market is permitted to operate without legislative interference, the charge for the use of capital in any of its forms, will be properly determined by the contract between the capitalist and the person with whom he deals. If the capitalist charges too much, the borrower obtains money at the proper rate from some other person. If the borrower is unreasonable, the capitalist refuses to part with his money; and money can always be invested somewhere, for there is always a demand for capital. If lands, houses, bridges, canals, boats, wagons, are abundant in proportion to the demand for them, the charge for the use of them will be proportionally low; if they are scarce, it will be proportionally high. Upon what ground can you justify the legislature in making laws to restrict a particular class of capitalists, depriving them invidiously of the benefit which they would naturally derive from a system of unrestricted competition? If a man owns a sum of money, he must not lend it for more than six per cent. interest; but he may buy houses, lands, ships, wagons, with it, and these he may freely let out at fifty per cent. if he can find any person willing to pay that rate! Is not the distinction drawn by the legislature arbitrary—and therefore unjust? A man wishes to obtain certain lands, wagons, &c., and applies to you for money to buy them with; you can lend the money for six per cent. interest, and no more; but you can purchase the articles the man desires, and let them out to him at any rate of remuneration upon which you mutually agree. Every sound argument in favor of the intervention of the legislature to fix by law the charge for the use of money, bears with equal force in favor of legislative intervention to fix by law the rent of lands and houses, the freight of ships, the hire of horses and carriages, or the profit on merchandise sold. We conclude, therefore, that legislative interference fixing the rate of interest by law, is both impolitic and unjust.

But let logic have her perfect work. If one arbitrary act of the legislature is impolitic and unjust, every other similar legislative act is equally impolitic, equally unjust. Suppose the usury laws were repealed to-day, would justice prevail to-morrow? By no means. The government says to me, "I leave you and your neighbor to compete with each other: fight out your battles among yourselves; I will have nothing more to do with your quarrels." I act upon this hint of the legislature, I enter into competition with my neighbor:—but I find the government has lied to me; I find the legislature has no intention of letting us settle our quarrels between ourselves; far from it;

when the struggle attains its height, behold! the government quietly steps up to my antagonist, and furnishes him with a bowie knife and a revolver. How can I, an unarmed man, contend with one to whom the legislature gratuitously furnishes bowie knives and revolvers? In fact, I enter the market with my silver dollar, while you enter the market with your silver dollar: my dollar is a plain silver dollar, nothing more and nothing less; but your dollar is something very different, for, by permission of the legislature, you can issue bank bills to the amount of two and a half times your capital. I tell my customer that I can afford to lend my dollar, if he will return it after a certain time, with four cents for the use of it, but that I cannot lend it for anything less; you come between me and my customer, and say to him, I can do better by you than that; don't take his dollar on any such terms, for I will lend you a dollar and twenty five cents for the same time, and charge you only four cents, what he charges for his simple dollar. Thus you get my customer away from me; thus you lend him a dollar and twenty five cents in paper money; and the worst of it is that you still retain a dollar and twenty five cents in paper, to seduce away the next customer to whom I apply. Nay, more, when you have loaned out your two dollars and fifty cents, you have your silver dollar left in your pocket, to fall back upon and carry to Texas, in case of accident; while I, if I succeed in lending my dollar, must go without money until my debtor pays it back. Yet you and I entered the market, each with a silver dollar;—how is it that you have thus obtained the advantage over me in every transaction? The *banking privilege* which the government has given you is a murderous weapon against which I cannot contend.

A just balance and just weights! Very well; but if we have an unjust balance is it not necessary that the weights should be unjust also. A just balance and unjust weights give false measure; and just weights with an unjust balance give false measure in like manner; but an unjust balance and unjust weights may be so ad-just-ed as to give true measure. Under our present system, the lender who is not connected with the banks, is oppressed; but the usury laws (unjust as they are when considered without relation to the false system under which we live) afford some protection, at least to the borrower. They are the false balance which, to a certain extent, justifies the false weights. In our opinion, it would be well to have a just balance, and just weights also: that is, it would be well to repeal the usury laws, and to abolish the power possessed by the banks of issuing paper money. But it will not do to put new wine into old bottles; nor to mend old garments with new cloth. When you lend me two and a half dollars, while you own only one, you get two and a half times the interest you are actually entitled to, on the capital you own. Insist, if you will, upon retaining your peculiar privileges, but consent, in the name of moderation and justice, to let me protect myself by the usury laws; for they are not very severe against you after all. The usury laws confine you to six per cent. interest on whatever you loan; but as the banking laws enable you to loan two and a half times as much as you own, you obtain fifteen per cent. interest on all the capital you really possess. You cannot complain that in your case the usury laws violate the right of property; for you own only one dollar, and yet receive interest, and transact business, as though you owned two dollars and fifty cents. *The usury laws are necessary, not to interfere in your right to your own property, but to limit you in the abuse of the unjust and exclusive privileges granted you by the legislature.* We look upon the antagonism between the usury and the banking laws, as a division of Satan against Satan, and trust that through their internal conflict and opposition, the infernal kingdom may one day be brought to destruction.

But let us now examine the great argument in favor of the immediate repeal of the usury laws—an argument which, according to those who adduce it, is in every way unanswerable. It is said that all the above considerations, though important, and certainly to the point, ought to

have very little weight in our minds, and that for the following reason:—*Men do*, notwithstanding the present laws, take exorbitant interest; and, whatever usury laws may be passed, *they will continue so to do*. If it be acknowledged that it is wrong to take too high interest, that acknowledgment will not help the matter; for, though we acknowledge the wrong, we are impotent to prevent it. The usury laws merely add a new evil to one that was bad enough when it was alone. Without a usury law, men will take too high interest; for they have the power to do it as credit is now organized; and no legislation can prevent them: *with a usury law*, they will continue to take unjust interest, and will have recourse to lies and fraudulent proceedings to evade the law. If the taking of too high interest be an evil, is it not a still greater evil for the community to demoralize itself by evading the laws? to demoralize itself by allowing individuals to have recourse to subterranean methods to accomplish the end they are determined to accomplish at all events,—an end which they cannot accomplish in the light of day, because of the terror of the law? Thus argue the advocates of immediate repeal—and with much show of reason. There are a hundred ways in which the usury laws may be evaded, of which the following may serve as an example:—A borrower is willing to give twelve per cent. per annum for the use of money: so he agree to give \$112 at twelve months credit for stock worth in the market only \$100. A broker finds a lender who has money but no stock, and manages the negotiation. The borrower buys the stock from the lender, and gives for it his note for \$112. Now the lender holds the note, and the borrower hold the certificate of the stock. Then the lender buys the stock on the spot for \$100 case, and the lender holds the borrower's note for \$112, payable in twelve months. Thus these two persons thought the agency of the broker, buy and sell what has no real existence. Such transactions are evidently illegal, but cases rarely occur in which an appeal is made to the law. The opponents of the law say that all this bears hard on the borrower, who has not only to pay the broker for his services, but also to pay the capitalist for the risk he runs in entering into an illegal transaction; they say that the borrower has to pay also for the wear and tear of the lender's conscience; and, according to them, all these conditions go to raise the rate of interest. As for the immorality of such transactions, as for the immorality of the state of society in which such transactions are inevitable, as for the wear and tear of conscience, we freely admit it all; nevertheless we are not prepared to acknowledge either the necessity, or the propriety, of the immediate repeal of the usury law.

We think few persons are aware of the power of capital in this Commonwealth. According to a pamphlet, published a year or two ago, containing a list of the wealthy men of Boston, and an estimate of the value of their property, there are 224 individuals in this city, who are worth in the aggregate, \$71,855,000: the average wealth of these individuals would be \$321,781. It is generally supposed that this estimate is below, rather than above, the truth. In this pamphlet, no estimate is made of the wealth of any individual whose property is supposed to amount to less than \$100,000. There are probably two or three men in the state not counted in the pamphlet, who are worth \$1,000,000 each. Let us, however, be moderate in our estimates, and suppose that there are, in all the towns and counties in the State, 3000 other individuals who are worth \$30,000 each; their aggregate wealth would amount to \$90,000,000. Add this to the \$71,855,000 owned by the 224 men, and we have \$161,855,000. These estimates are more or less incorrect, but they give the nearest approximation to the truth that we can obtain at the present time. The assessors' valuation of the property in the State of Massachusetts in 1840, was \$299,880,338:—we find, therefore, by the above estimates, that 3,224 individuals own more than half of all the property in the State. If we suppose each of these 3,224 persons to be the head of a family of five persons, we shall have,

in all 16,120 individuals. In 1840, the State contained a population of 737,700. Thus 16,120 persons own more property than the remaining 721,580: that is, *three persons out of every hundred*, own more than the remaining ninety-seven—to be certain that we are within the truth, let us say that six out of every hundred, own more property than the remaining ninety-four. These wealthy persons are connected with each other; indeed they are organized by the power of the banks; and we think (human nature being what it is) that their organization would be brought to bear still more powerfully upon the community if the usury laws were repealed. These persons might easily obtain complete control over the banks. They might easily so arrange matters as to allow very little money to be loaned by the banks to any but themselves; and thus they would obtain the power over the money market which a monopoly always gives to those who wield it,—that is, they would be able to ask and obtain, pretty much what interest they pleased for their money. There would then be no remedy: the indignation of the community would be of no avail. What good would it do you to be indignant? You would go indignantly, and pay exorbitant interest, because you would be hard pushed for money. You would get no money at the bank, because it would be all taken up by the heavy capitalists who control those institutions, or by their friends: these all get money at six per cent. interest, or less, and they would get from you precisely that interest which your necessities might enable them to demand. The usury laws furnish us with some remedy for these evils; for, under those laws, the power of demanding and obtaining illegal interest will be possible only so long as public opinion sees fit to sanction the evasions of the law—as long as the weight of the system is not intolerable to the community, every thing will move quietly; but as soon as the burthen of illegal interest becomes intolerable, the laws will be put in force in obedience to the demand of the public, and the evil will be abated to a certain extent. We confess that it is hard for the borrower to be obliged to pay the broker, to pay also for the wear and tear of the lender's conscience; but we conclude, from the foregoing considerations, that it would be worse for him if a few lenders should obtain a monopoly of the market. And, when the usury laws are repealed, what earthly power will exist capable of preventing them from obtaining this monopoly? But here an interesting question presents itself: What is the limit of the power of the lender over the borrower?

Let us first explain the difference between legal value and actual value. It is evident that if every bank bill in the country should suddenly be destroyed, no actual value would be destroyed—except perhaps to the extent of the value of so much waste paper. The holder of the bill would lose his money; but the bank would gain the same amount, because it would no longer be liable to be called upon to redeem its bills in specie. *Legal value is the legal claim which one man has upon property in the hands of another.* No matter how much legal value you destroy, you cannot by that process banish a single dollar's worth of actual value; though you may do a great injustice to individuals. But if you destroy the silver dollars in the banks, you inflict a great loss on the community, for an importation of specie would have to be made to meet the exigencies of the currency, and this importation would have to be paid for in goods and commodities which are of actual value.—When a ship goes down at sea with her cargo on board, so much actual value is lost. But, on the other hand, when an owner loses his ship in some unfortunate speculation, so that the ownership passes from his hands into the hands of some other person, there is no loss of actual value, as in the case of shipwreck; for the loss may be a mere change of ownership.

The national debt of England exceeds \$4,000,000,000. If there were enough gold sovereigns in the world to pay this debt, and these sovereigns should be laid beside each other, touching each other, and in a straight line, the line thus formed would be much more than long enough

to furnish a belt of gold extending round the earth where its circumference is the greatest. Yet all this debt is mere legal value. If all the obligations by which this debt is held were destroyed, the holders of the debt would become poorer by the amount of legal value destroyed, but those who are bound by the obligations (the tax-paying people of England) would gain to the same amount. Destroy all this legal value, and England would be as rich after the destruction as it was before, because no actual value would have been affected: the destruction of the legal value would merely cause a vast change in the ownership of property, making some classes richer, and, of course, others poorer to precisely the same extent. But if you should destroy actual value to the amount of this debt, you would destroy about thirteen times as much actual value (lands, houses, products of labor, &c.,) as exists at present in the State of Massachusetts. The sudden destruction of \$4,000,000,000 worth of actual value would turn the British Islands into a desert. Many persons fail to perceive the secret of the persistency of the government of England. That secret is as follows:—The whole property of England is taxed yearly three per cent. to pay the interest of the public debt; the amount raised for this purpose is paid over to those who own the obligations which constitute this legal value. The people of England are thus divided into classes: one class is taxed, and pays the interest on the debt; the other class receives the interest, and lives upon it. The class which receives the interest knows very well that a revolution would be followed by a repudiation of the national debt; this class knows that the nation would be no poorer if the debt were repudiated; it knows that a large portion of the people look upon the debt as being the result of aristocratic perversity in carrying on aristocratic wars, for the accomplishment of aristocratic purposes: when, therefore, the government wants votes, it looks to this privileged class; when it wants orators and writers, it looks to this same class; when it wants special constables to put down insurrection, it applies to this same class. The people of England pay yearly \$120,000,000, the interest of the debt, to maintain a conservative class, whose function it is to prevent all change, and therefore all improvement, in the condition of the empire. The owners of the public debt, the pensioners, the holders of sinecure offices, the nobility and the established church, are the bands of Spartans who rule over the English Laconians, Helots and Slaves. When such powerful support is enlisted in favor of an iniquitous social order, there is very little prospect left of any amelioration in the condition of the people.

But let us bring the matter nearer home: the assessors' valuation of the property in the State of Massachusetts in 1790, was \$44,024,349. In 1840, it was \$299,880,338. The increase, therefore, during fifty years, was \$255,855,989. This is the increase of actual value. If now the \$44,024,349, which the State possessed in 1790, had been owned by a class, and had been loaned to the community on six months' notes, at six per cent. interest per annum, and this interest as it fell due, had itself been continually put out at interest on the same terms, that accumulated interest would have amounted in fifty years to \$885,524,246 This is the increase of the legal value. *A simple comparison will show us that the legal value would have increased three times as fast as the actual value has increased.* It is impossible, therefore, for the actual producer to compete with the holder of legal value. How many farmers are there who can give six per cent. interest, and ultimately pay for a farm they have bought on credit?

Suppose, when Virginia was settled in 1607, England has sold the whole territory of the United States to the first settlers for \$1,000, and had taken a mortgage for this sum on the whole property:—\$1,000, at 7 per cent per. Annum, on half yearly notes, the interest collected and reloaned as it fell due, would amount, in the interval between 1607 and 1850, to \$16,777,216,000. All the property in the United States, several times told, would not pay this debt.

If the reader is interested in this matter of the comparative rate of increase of actual and legal value, let him consult the treatise of Edward Kellogg on "Labor and other Capital," where he will find abundant information on all these points.

What answer, then, shall we return to our question relating to the power of the lender over the borrower? We are forced to answer that the borrower is *virtually*, according to appearances, under the complete control of the lender. A considerable time may elapse before this control is actually as well as virtually established; but as the ship in the eddy of the maelstrom is certain of being ultimately engulfed, so the producer of actual value (if no change is introduced in our social relations) is bound to be brought into ultimate complete subjection to the holder of legal value. What remedy can be applied to meet this growing evil? In answer to this question, we remark:—It is probably that God made the world right; it is probable that God made the world right; it is probable, if there is any thing wrong in our social condition, that the evil proceeds from the impertinent interference of men who have disarranged the Divine plan. Indeed, if God committed any oversight in creating the world, it is impossible for us to remedy his mistake now: if we would do anything to the purpose, therefore, we must go on the hypothesis that God did actually, as the Bible states, create this world according to the dictates of his unerring Wisdom, according to this Logos or Eternal Word. Now what is *Justice* but the application of this Infinite Wisdom? And what is Justice among men but the application of the principle of *Equality*? All social inequalities founded on partial legislation which exist among men, all exclusive privileges, are *unjust*. It is our belief that a remodeling of our laws according to the principles of *equal justice*, is all the remedy that is called for. All considerations of mere policy and temporary expediency, are found in the end to be impolitic and inexpedient: honesty is the only true policy, after all.

Capitalists have the same right to enter into partnership which other men possess. We cannot, therefore, justly pass a law prohibiting banking. But banks, like all other partnerships, ought to pay their debts:—*the individual stockholder ought, therefore, to be liable for all the debts of the corporation in which he owns stock*. Thus no privilege would be granted him, and none would be denied; he would merely be permitted to exercise his just rights. It is for his advantage to combine with his fellows, and he ought to assume the risk which is naturally attached to that advantage. This is plain and simple justice: it is policy also: for the community, in the natural order of things, will place confidence in no bank that is not founded on sufficient capital: and it is the responsibility of stockholders which must secure the public from loss. We would have banking companies stand upon precisely the same footing with other partnerships. It is true that with such a risk to capital, very few banks would be established: but so we would have it: we would have the individual capitalist administer his own money, operate at his own risk, and obtain that remuneration for his own labours which his individual intelligence would enable him to secure.

Do you say that such a law would be unjust? Do you say that men of moderate means would be excluded from all the privileges of banking, and that capitalists would monopolize the whole business? We answer that we ought to exclude all men from all *privileges*: even justice is the law of the future. The men of moderate means would be able to bank moderately, and they ought not to bank moderately, and they ought not to bank otherwise. Your objection is the eternal, and ever-recurring fallacy of the false organization of credit. Who but the great capitalist can give that security to the public which ought to found confidence in a great banking institution? If men of moderate means go into a large business, they go into it at the risk and expense of the public. Once establish justice in our laws, and you will find that the capitalist and the laborer are

natural friends. It is the unprincipled speculator, with moderate means, and not the rich man, it is the individual who is managing to obtain a fortune from society without giving an equivalent in labor or otherwise, who is the true enemy of the people. In the present false organization of credit, the poor often hate the rich; and the rich, almost universally, fear the poor: once establish just laws, once abolish all exclusive privileges, and the rich and poor will live together in ever-increasing fraternal love. The rich man has a right to his natural advantages, as much as the poor man has to the advantages of his natural strength of body, or those of his acquired skill. All legal fictions by which men of moderate means are enabled to act as though they were great capitalists, are injurious both to the poor and the rich, but especially to the poor. Let all men enjoy any artificial advantage granted by the legislature; for if God has made no mistake in framing the world, and we conform our conduct to his Plan, every thing will come out right in the end. If we look forward prophetically, believing the present false organization of credit is to remain unchanged forever, we see nothing in the future but gold, sorrow, and tears: but, if we believe truth is to reign hereafter, we see for our descendants, the prospect of unbounded actual wealth, and the realization of the kingdom of heaven on earth.

But we must go on to the end, and abolish all usury laws; for these are but the unjust balances which are necessary, in the present evil times, for the justification of the unjust weights of the present social order.—Our ways must be equal: we must be just to capital, and just to labor. We must organize liberty and equality; and, as we have once said, so we repeat now, *Free Competition is but another name for that LIBERTY and EQUALITY which ought to prevail in every commercial and manufacturing community.*

4. The Red Republic.

The French national flag is composed, as every one knows, of three colors, red, white, and blue. These three colors represent the three estates of the former French realm: the white denotes the nobility, with the king at its head; the blue denotes the clergy; and the red denotes the people. According to some, the blue denotes, not the clergy, but the bourgeoisie, that is, the merchants, the master mechanics, &c., in general the class employing labor. The Red Republican party have, since 1780, opposed the tri-color flag, demanding that the red flag should be substituted in its stead: and it is from this fact that the Red Republicans derive their name. They affirm that there ought to be but one estate, the sovereign people, politically recognised in France. They say that if the people are truly sovereign, it is absurd to have any color in the national flag except the one that denotes the people. The red flag is related therefore, not to ideas of blood and of the guillotine, but to the idea of the sovereignty of the people. It is probably that a majority of the peace party in France, are red republicans.

Guizot, the prime minister of Louis Philippe, was opposed, not only to the red flag, but to the idea which it represents: he was opposed to the sovereignty of the people, and it was for this reason that the nation drove him, in February, 1848, from the soil of France. Some time since, a book was published, dedicated to M. Guizot, from which we make an extract, to show the tendency of Guizot's political views. The following passage occurs in the dedication: "I dedicate this book to you as to the prince of the historians of our age. You will recognize in it the trace of your principles, and the fruit of your advice, if I have been able to understand the first, and profit by the last." The author here affirms, by implication, that his book was written under the personal influence of M. Guizot. But let us come to the book itself.

The author says: "We will not waste our time upon the sense which the word proletary derives from its Latin etymology. Proletarius denoted something appropriate to the particular constitution of Rome. The word proletary denotes, in our ideas, something which is common to all societies. Thus there are, for example, among all the modern nations of Europe, and there were among all the ancient nations of Europe, certain families and individuals forming the basest portion, the lowest stratum, of society. Ordinarily, these families and individuals live by the painful and daily labor of their hands. The wages of the day is all they can count upon for the morrow; and landed property, if they ever obtain it, is for them much less the rule than the exception. These men, who are not landed proprietors, who have never been landed proprietors, to whom we dare not promise that the ever will be; these poor, obscure men, without fortune transmitted from father to son, and for whom all domestic traditions are reduced to the permanent necessity of earning daily their daily bread, these men are the Proletaries, and the condition to which they belong, is the Proletariat. This being stated, let us see what the proletariat contains: 1st, laborers; 2d, beggars; 3d, thieves; 4th, prostitutes. For a working man is a proletary who labors, and lives on his wages. A beggar is a proletary who either cannot or will not work, and who begs for a living. A thief is a proletary who will neither work nor beg, and who steals for a living. A public woman is a proletary who will neither work, beg, nor steal, and who prostitutes herself for a

living. The absence of all acquired property, of all fortune saved up, is therefore, as we have said, that which constitutes the Proletariat; and the necessity which persons are under when they possess nothing but natural bodies, either to work, to beg, to steal, or to prostitute themselves for a living, naturally divides the proletaries themselves into four great classes, which are those we have stated; classes in which they are distributed according to their education, their character, their physical and moral force; according to the particular condition of the families to which they belong; according to the general conditions of the society which surrounds them; sometimes according to their faults, sometimes according to the faults of others; often according to chance."

A famous French democrat—we know not whether to call him a red republic, or a socialist—comments on the forgoing passage as follows: "To say the least, some depth and accuracy of insight are shown by this author, who states the distinction between the Proletary and the true Proprietor as it ought to be stated. It is, says he, the absence of acquired fortune, of property laid up, which constitutes the Proletariat. Whoever lives upon wages, or would be forced by his natural condition to live upon wages, if he did not substitute begging, theft, or prostitution in the place of labor, is a proletary. He is a proletary who is under the necessity of earning his daily bread. All families and individual who live by daily and painful labor, and for whom the wages of the day is all they can count on or the morrow, are to be classed in the same general division called proletariat, in distinction from the condition of those who are not dependent on wages, and who live on acquired fortune, or property laid up. The Proletariat is equivalent, therefore, according to this writer, to labor, to wages, in like manner as the contrary of the Proletariat, or Property, is equivalent to interest, to dividends, revenue, the fruit of capital. A thief steals a sum of money, but he remains, nevertheless, a proletary, because this sum does not constitute a sufficient capital, and he will be obliged to return tomorrow to his guilty trade. A prostitute, although lodged at the Chaussie d'Antin, and furnished like a duchess, is still for you a proletary. So be it. The proletariat acknowledges that it comprehends the beggars, thieves, and prostitutes. But—noble writer, filled with contempt for your poor brothers who are degraded by misery! you have made herein no wonderful discovery. Open the Gospel, and you will find that while Jesus anathematised the scribe and Pharisee, he cast out neither the beggar, the thief, nor the prostitute. Jesus said to the chief priests, and to the elders of the people, "Verily I say unto you that the Publicans and the Harlots go into the kingdom of God before you." And it was the penitent thief who led the way to the Celestial City, going side by side with the Master through the gates of Paradise."

We hope we have succeeded in removing some prejudices attached to a name which is very innocent in itself: and we think the reader is now convinced that the appearance of the red republicans (a party acknowledging the sovereignty of the people, and the dogma of human equality) upon the scene of political action, was not altogether uncalled for by the circumstances of the times.

5. Plutocracy.

The term Plutocracy occurs in the Democratic State Address: it is derived from the words Plutus (the god of wealth, mammon) and krateo, (to hold, or govern); and signifies a government of wealth. An aristocracy is a government by a privileged class; a democracy is a government by the people; a plutocracy is an organization of society in which the government is administered by, and for the advantage of, the wealthy classes of the community. A Plutocracy is a Mammonocracy.

On the bureau of the English house of Commons, there is a sacramental book, a political Gospel, which expresses the thought upon which the whole governmental policy of England is founded: that book is the "Spirit of the Laws," by Montesquieu. Why have the English adopted this French book for their political Gospel? Let us open the book, and read!

"There are always"—says Montesquieu, *Esprit des Lois*, liv. XI, ch.6—"in a State, certain persons distinguished by birth, wealth, or honors. But if they are confounded among the people, and if they have only the same vote which other men possess, the common liberty would be their slavery; and they would have no interest to defend this liberty, because the greater portion of the resolutions would be against them. The part therefore which they have in the legislation, ought to be in proportion to the other advantages they have in the State; which will happen if they form a body having the right to arrest the enterprises of the people, as the people has the right to arrest theirs. Thus the legislative power will be confided to the body of the Nobles, and to the body which will be chosen to represent the people, and these bodies will assemble apart, and have separate views, and interests." This is Montesquieu's formula of the government of England, a formula whose accuracy is acknowledged by the English themselves.

The government of England is not built up on the idea of right, but on the fact of the unjust distribution of rank, wealth, and honor, which now obtains; and it has for aim and purpose, the perpetuation of the present injustice though all coming generations:—the government of England is therefore an aristocracy.

The English constitution does not recognise equality, but, on the contrary, consecrates inequality; it does not recognise virtue, but consecrates privilege:—the government of England is therefore, an tyranny.

The principle of the English Constitution organises the national power in favor of money, and not in favor of money, and not in favor of man:—the government of England is, therefore, a Plutocracy.

The English government is founded on privilege and on inequality; and its artifice consists in giving to the privileged classes a part in legislation proportionate to the other privileges they possess in the State.

The English government may be defined as being a Tyranny—Aristocracy—Plutocracy; one and indivisible, and yet triple: it is three in one, and one in three, and they mystery of iniquity.

If our Constitution ever degenerates, it will be by becoming gradually conformed to that of England. It will become first Plutocratic, and then Aristocratic; for Plutocracy paves the way for Aristocracy, even as Aristocracy paves the way for Tyranny.

The Plutocrats are they who desire to see the right of voting guarded (as they say) by a property qualification, in order that holders of property may have a part in legislation proportionate to the other advantages they possess in the State. The Plutocrats are they who are opposed to the Secret Ballot, because the secret ballot would take from them the power of intimidating dependent voters, and thus take from them the part in legislation proportionate to the other advantages in the State, which they now possess.

A rich man, even if he possesses millions of dollars, is not for that reason a Plutocrat; but he becomes a Plutocrat so soon as he endeavors to seize upon political power proportionate to the advantages he possesses in other respects.

6. Cain and Abel.

The history of Cain and Abel would appear—if we may place confidence in the system of interpretation adopted by Fabre d'Olivet an Pierre Leroux—to be a sublime allegory, wherein is expressed the eternal antagonism of the rich and the poor, the strong and the weak, the elect and the outcast, the patrician and the plebeian, the baron and the serf, the tyrant and the subject. Cain and Abel are mysterious symbols; and in the story of their conflict, lies hidden the secret of the wonderful sorrow that has, at all times, weighed on the heart of the children of Adam. Abel is the man of high, honorable, disinterested sentiment, whom Cain slew in the beginning, who Cain slays now, and whom Cain shall continue to slay, till the new Jerusalem descends from God out of heaven, and the reign of righteousness is established on the earth.

The meaning of the word Cain—which word symbolises the character of him that was designated by it—is simply this: *an acquisition, a possession*. Cain was a *proprietor*. Moses is careful to mark this meaning strongly, in the verse where Cain receives his name: “And Adam knew Eve his wife; and she conceived, and bare Kain, and said I have gotten (acquired, possessed—Heb. *kanithi*) a man who is Jehovah.” The idea of royalty or self-centering power, has always been attached to the word, Kan, Kin or Cain. Kanh or Kahn, is still the title of the monarchs of Asia; and the same word, with a slight variation, is the royal title in the west of Europe. Thus in Tartary, they have the great Kahn; and in England, the King.—The word Abel, signifies *vacuitas*, emptiness, a mere vapor. Abel was, therefore, *a non proprietor*.

The murder of Abel by Cain, his brother, is the establishment on this earth of unjust, jealous, exclusive proprietorship—proprietorship established by Cain at the expense of Abel: that is, the establishment of despotic ownership, of feudal tenures, of capital yielding usurious rents, interests, and profits. And not without the mysterious seal of a divine poetry, was this magnificent symbol impressed on the minds of men. The oriental nations have recognized in Abel the genius of good, and in Cain the genius of evil: Saint Augustin saw in Abel the figure of Jesus Christ and of his persecuted disciples, while in Cain he saw the figure of the persecutors. But the duality at the bottom of all these contradictions and antagonisms, must be sought for in the word pronounced by Eve—KANITHI, *I possess*. By the mere fact of Cain’s jealous and exclusive possession, Abel—the proletariat—is slain.

The world suppose, from the common translation, that God condemned Cain, because of the murder, to be a wanderer and a vagabond on the face of the earth: but the common translation leads us astray. For we must notice that Cain’s first act, after receiving the Divine sentence, was to build cities. God does not condemn Cain to wander, but gives him a sublime lesson in political economy. Because Cain followed the impulses of his own blind egotism, he rendered himself miserable; and such is always and everywhere the reflex penalty, and the natural consequence of egotism. Cain was condemned to remain poor by his very desire to possess all things: for he slew the brother who was predestined to make him rich. Cain usurped the earth by killing his brother, and thus the earth, being no longer cultivated by Abel, refused its fruits to him, Cain.

"And now art thou cursed from the earth, which hath opened her mouth to receive thy brother's blood from thy hand. When thou tillest the ground, it shall not henceforth yield unto thee her strength."—Gen. iv, 11, 12.

But Cain nevertheless believes that his is condemned to be a vagabond on the face of the earth. He does not himself understand the sublime lesson which the Almighty has given him. He supposes that he will be thenceforth under the necessity of wandering, and hiding from the face of God and man.

"Cain said, my punishment is more than I can bear. Behold, thou has driven me out this day from the face of the earth; and from they face shall I be hid; and I shall be a fugitive and a vagabond in the earth; and it shall come to pass that every one that findesth me, shall slay me."—Gen. iv, 13, 14.

But the Supreme reassures the murderer:

"And the Lord said unto him, Therefore whosoever slayeth Cain, vengeance shall be taken on him seven-fold. And the Lord set a mark upon Cain, lest any finding him should kill him."—Gen. iv, 15.

Taking all this as literal fact, would it not appear somewhat absurd that God should not only carefully preserve the life of the fratricide Cain, but should also establish, by this solemn precedent, as a principle of abiding justice, that the life of Cain is worth in his eyes the lives of seven aggressors upon Cain? Such justice on the part of the Supreme, would be inconceivable. But the Bible is not speaking in this place of one man, Cain, and of another man, Abel; it is, on the contrary, speaking of the establishment among men, of jealous exclusive property; and this under the symbol of two races, or rather of two humanities; one humanity of possessors and proprietors, called Cain, and another humanity compose of those who possess nothing, called Abel. What then is the signification of the words which Moses here puts into the mouth of the Almighty? The words of the Supreme are a continuation of the political lesson given to Cain: they characterize the law which God in his anger permits Cain to establish—the law of the strongest, which may be called the legislation of Cain, the Cainic law. God says that he will permit false right, false law, to reign on the earth; and herein is the manifestation of the Divine justice, of the Divine vengeance, if you will, against Cain. The ferocious murderer fears that some one may kill him. The Supreme answers, in that terrible and magnificent sentence which has been so absurdly taken for an act of merciful clemency,—Fear nothing! for it is thou, Cain, who shalt kill: thou hast established on the earth a law of violence which necessarily draws forth seven-fold violence upon him that exalteth himself against thee: whoever shall fall upon thee, thou, Cain, murderer that thou art, shalt render back to him a seven-fold recompense of evil!

But what was *the seal*, or mark, which God set upon the forehead of Cain, that whoever found him might not slay him? It is the *prestige* which protects the right of the strongest. The right of the strongest, right founded on mere material fact, has reigned from the beginning, and reigns now, in the earth. We behold the sway of this iniquitous right; and no one has power to overthrow it. It is, in fact, *consecrated*. It exists, after all, by permission of God; and vindictive kings do well to call it—*divine right*. In the absence of true right, false right reigns of necessity. Material force reigns, but material force is not the origin of right; for if force appeared as mere force, no one would willingly consent to obey it. Law is, however, so necessary to us, that we respect force as though it were law, because it stands in the place of law. Our hands are raised to strike, but they are arrested by the divine seal set upon the forehead of Cain. When Cain slays, and revenges himself seven-fold, he believes that he slays justly; and he against whom Cain rises up, experiences a

sort of fascination, which makes him admit, and recognize—up to a certain point—the right of Cain. For the aggressor upon Cain, in his act of armed rebellion, appeals to no right other than that which flows from the Cainic law. All the tyrannies which have invaded the earth, have been founded on this prestige of fact, of actual and forcible possession. The history of the present reaction in France, throws great light on the principle of the seven-fold vengeance of Cain. The violent party (so called *of order*) is the instrument in all countries, of seven-fold iniquity. Abel, if he presumes to act on the principle of the Cainic law, is always the victim of his temerity, is always slain afresh, the earth opening her mouth to drink up his blood.

The posterity of Cain complete the work of their founder, and organize proprietorship and inequality throughout the earth.¹

The Bible, in treating of the establishment and development of the Cainic law, speaks 1st, of Cain, whose name signifies *acquisition, property*: 2d, of Enoch, whose name signified *limitation*; for the first effect of the system of property, is the limitation of each individual within bounds which he naturally strives to enlarge; 3d, of Irad, whose name signifies *invading passion*; that inward cupidity which is a desire to encroach on the possession of one's neighbor's: 4th. of Mehajael, whose name signifies *manifestation, activity*: 5th. of Methussel or death's fathomless pit: 6th. of Lamech, whose name signifies *bond in dissolution*. Lamech fully establishes the Cainic law, and thus checks the movement of the Cainic society in its road downward toward extinction: for, first, *limitation* brings in isolation and division among the children of Cain: then *invading passion* sets those who already limit each other, into mutual antagonism: then this invading passion passes over into *open manifestation*, hostility, internal war: afterward, this hostility and internal war push society into the gulf of destruction, *death's fathomless pit*, threatening the race of Cain with utter extinction: at last comes Lamech, the legislator of iniquity, the great organizer of the right of the strongest, he who establishes a legal system of oppression, tyranny, and irresponsible power.—Lamech organises polygamy, and, by consequence, a system of castes; and then, standing in the door of his tent, he thus sums up, in an address to his harem, the final developments of the law of Cain:

“Adam and Zillah, hear my voice!
Ye wives of Lamech, hearken unto my speech!
For the least wrong done unto me, I will kill;
For a wound, I will kill a man;
For a deadly wound, I will kill a child even;
For if Cain avenge himself seven-fold,
Surely Lamech shall avenge himself seventy and seven-fold.”

Meanwhile, by a rapid movement of thought, and without any preparation of words, the writer of the book of Genesis brings back the primitive authors of the human family upon the scene.

“And Adam knew his wife again, and she bare a son, and called his name Seth: for God, said she, hath APPOINTED me another seed instead of Abel, whom Cain slew.”—Gen. iv, 25.

It was the man of system and conventions, that came into the world this time; for the name Seth signifies, appointed. Cain was the man of mere material fact; and his pretended legislation

¹ The reader may deny the authority of Fabre d'Olivet, and refuse to accept the interpretation of the name of the patriarchs, which we propose to lay before him; it is a matter of indifference to us; the philosophical sequence of idea is complete in itself, and will stand by its own weight.

was nothing other than the dictate of his own will and egotism: but Seth bears a very different character; for he brings conventions with him; and we may indeed discover in his legislation, the first germs of constitutionalism. The race of Seth is evidently contrasted in the Bible, with the race of Cain. Abel is no dead; Cain and Seth have the world to divide between them; society develops itself under new conditions: let us follow therefore, the order of the legislation of Seth. Seth begets Enos, whose name signifies *weakness, invocation*: the Bible explains this symbol by adding,

“The began me to call upon the name of the Lord.”—Gen. iv, 26.

Thus the line of Seth, feeling its weakness, threw itself in its desperation, on the protection of God; but it did not escape sudden ruin.

“Enos lived ninety years, and begat Cainan.”—Gen. v, 9.

Behold, therefore, the race of Seth, from the third generation, participating fatally in the condition of Cain, and reproducing, to a certain extent, the other race. For Cainan is no other than Cain (as Fabre d’Olivet shows by an examination of the biliteral roots) with a softening of his peculiar characteristics. Cainan begat Mahalaleel, who is a softening down of Mahajael, the fourth in the line of Cain. Mahalaleel begat Jared, who is the Irad of the other line. Jared begat Enoch, apparently the identical individual who appeared in the other list. (For it is allowable, *in a mythus*, to cause the same person to be born of various mothers.) Enoch begat Methuselah, the Methusael of the line of Cain: and Methuselah, as before, begets Lamech, the ultimate Legislator of the right of the strongest!

What else could indeed have been expected under the circumstances? All constitutional monarchies, all republics which are founded on mere material interests, or mere conventions, and which take no account of the proletariat, but sacrifice it to the supposed welfare of the privileged classes, all such constitutional monarchies and republics, are but an alliance of Cain and Seth, contracted over the dead body of Abel. It is Seth, the man of conventions, and of science, who consummates the murder of Abel. This legislation of Seth, which ends with Lamech, the oppressor of the weaker sex, and the organizer of inequality, begins with Enos, the man who ‘invokes God!’ Cain is a murderer, a highway robber, a pirate; but Seth is a respectable man, a church-member, as it were, who, though he does precisely what Cain does, yet does it in another way; for he does it scientifically, legally, and meanwhile invokes God! Cain, standing alone, is a lawless, bloody tyrant; but Cain in alliance with Seth, is a tyrant who contrived to work his arbitrary will in accordance with conventions regularly signed and sealed; but who, nevertheless, grinds the proletariat to powder, and always with the utmost deference to law and order.

Such is the sense, and the connection, of the mythus of Cain, Abel, and Seth.

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