



## **Part 2: Debt and the Collapse of Antiquity - Michael Hudson**

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**Colin Bruce Anthes (CBA):** Welcome back to *theAnalysis* for part two of our conversation with Dr. Michael Hudson on *The Collapse of Antiquity*.

**Michael Hudson (MH):** I think the character of early Christianity is what is in the Lord's Prayer. "Forgive them their debts as we forgive the debtors." Christianity, especially Roman Christianity, made a travesty of this. They used the word sins. "Forgive us our sins as we forget the sins of the debtors." What they meant was every kind of sin except economics.

**CBA:** A reminder, if you haven't done so already, to like, subscribe, and ring that bell for notifications so you don't miss our material.

I want to do a little bit of name-dropping here. It's a surprisingly fun book to read because of how culturally rich it is and how many of these references to philosophers, playwrights, and reformers get thrown in there. People who are familiar with the plays of William Shakespeare might know *Coriolanus*, but there's a very different take on him here as someone who was being protested by the poor indebted and basically joined the enemies of Rome, the Volscians, and attacked Rome because of his class alliance. It was not to his people; it was a class alliance.

**MH:** The same thing happened in Greece under Alcibiades, who ended up as an opponent of Athens.

**CBA:** Then we get to Julius Caesar. Julius Caesar, you've mentioned already, was a mild reformer. I think there was a concern that he was, at the risk of drawing too many

contemporary comparisons, a bit like maybe an FDR [Franklin D. Roosevelt] figure who started out as a mildly reformist elite and became more of a reformer as time went on. There was that kind of fear about Julius Caesar as someone who was really alleviating things for the wealthy but that he might become more sympathetic to the plight of the masses. Something I didn't know that was in this book was that Brutus was a money lender charging 48% interest.

**MH:** Yes. Let me talk about Caesar first. He was very brilliant as a political manoeuvrer as well as as a General. He borrowed a lot of money to run for office and paid the money. He was able to play the political game as a very, very intelligent manoeuvrer. What people were really frightened about with Caesar was that he was independent, and they didn't want independent people. Just like in American democracy, the last thing you want is a president who's independent and who's a leader. You want a president who's working for his campaign contributors.

Well, that's what most of the heads of Rome usually were. They were leaders of the oligarchy, and that was the job of the Senate. But here was Caesar being independent and trying to retain solvency for the economy as a whole. They didn't want an independent head of Rome any more than you would have modern democracies wanting an independent president.

Caesar was accused of kingship. What did the kings do? The kings cancelled the debts and redistributed the land; that was the invective that was used against Caesar. For Brutus, that brings us back to Cicero. Cicero was appointed the local head of Sicilia, which controlled Cyprus at the time. One day, people came to him from Rome and said, "Since you're the ruler here, we've lent some money. The local Sicilians have borrowed money at 42%." Cicero said, "But the legal rate of interest is only 12%. I'm supposed to be the governor here, and I'm supposed to represent the rule of law. That's what all my rhetoric is all about." They said, "Well, here's the document. What are you going to do?" Then Cicero found out that the so-called debt collectors were really working for Brutus, and it was Brutus who had made the loan at 42%. When his collectors asked for armed guards to go and kill everybody who wouldn't pay the debt, grab all their land, and enslave their families, Cicero said, "he felt very bad about that. " He wrote to his friends, "But what else could I do?" So, so much for Cicero.

**CBA:** So much for Cicero. You write that this was maybe the last chance for there to have actually been reform that could have gotten Rome back on the right course. The assassination of Julius Caesar was nothing particularly new. In fact, these assassinations had accelerated since Tiberius in 133 BC. Correct?

**MH:** Then in the whole 80s, you had the wealthiest Roman Generals opposed to a very popular military General who had the troop support. Each General began to put up lists of all the followers of their opponents who had to be assassinated. If you assassinated them, you got to grab all their property, or at least you got a portion of the property that they had after

you'd killed them. So basically, if people wanted property, you would go and add the name of somebody whose property you wanted to the list of supporting the opponent of the General. You had a vicious civil war between Marius, who was the popular General at the time, and Crassus and others who were supporting the opposite end.

**CBA:** Right. I guess this starts to move us into, and you've mentioned it already, Jesus and Jesus's references to the Jubilee year. Can you talk a little bit about what this movement was and what the practices of early Christianity were, including their practices regarding usury?

**MH:** Well, when Jesus gave his first big sermon reported in Luke, he unrolled the scroll of Isaiah to the point where Isaiah was calling for the year of the Lord, meaning the Jubilee year. Jesus said that was what his destiny was, what he had come to proclaim. There was apparently wide support among the Jewish population advocating the restoration of the Jubilee year against the Rabbinical school that opposed it and represented it. Luke said that the Pharisees loved money, and their leading Rabbis had their debtors sign documents. They would borrow money and waive their rights under the Jubilee year. That's what Jesus wanted to change. So after Jesus gave his sermon, a lot of the population got very upset because they didn't think it was fair to cancel the debts. The leading Jewish leaders went to the Roman pro-consul and said, "Well, we can't put him to death, but you can because he's seeking kingship." They knew the magic word of invective that the Romans didn't like— kingship. It was the Romans who agreed to put Jesus to death. The movement was way beyond Christianity. It was beyond Jesus. We know from the scrolls, the Dead Sea Scrolls that I've described in the preceding volume of the trilogy I'm working on— *On the History of Debt*. I cite the scrolls that were sort of [inaudible 00:08:23] of all of the debt cancellation advocacy of the Bible.

Well, what developed by about the fourth century was something that occurred not only in Rome but all the way to Persia. Throughout the whole ancient world, there was a revulsion at the decadence of extreme wealth in the face of extreme poverty and bondage that had developed. This decadence, especially the women who were the wives of the leading aristocrats, became Christians. Finally, you had Constantine, who made Christianity the official religion of the Roman Empire.

Well, there's obviously one problem. What do you do if you're making Christianity the official religion? The origins of Christianity were centered on the Jubilee. You cancel the debts, you liberate the debt bondage, you restore the lands to them, redistribute the land, make people independent, and you protect the poor instead of enslaving them. Well, you had to change the whole character of this. I think the character of early Christianity is what is in the Lord's Prayer. "Forgive them their debts as we forgive the debtors." Christianity, especially Roman Christianity, made a travesty of this. They used the word sins. "Forgive us our sins as we forget the sins of the debtors." What they meant was every kind of sin except economic sin, except the sin of creditors.

Under St. Augustine, it was largely sexual. All of a sudden, the focus of Augustinian Christianity became sexual egotism, not the wealth addiction of the creditors. After all, if the leaders of the Christian Church, the archbishops and the bishops, were all going to be taken from the wealthy families, you'd hardly have them criticize their own wealth. You stripped away from Roman Christianity the economic and social context that had guided early Christianity. The great aim of Christianity was its anti-Semitism. The last thing it wanted was Jewish Christians because they knew the original Christianity and because that evolved out of Judaism as a whole. You had the first great excuse for expelling not only the Jews but reformers, which was done by probably the most evil saint in Christianity— although it's hard to say who's the most— Cyril of Alexandria. Alexandria had a very large Jewish population, and Cyril organized big pogroms to kill the Jews and, in fact, anybody who could read the book. The one thing that the Roman Christians hated was people who could read. If you could read, you'd read the Bible. If you read the Bible, you'd know that there was a clash. So I think the most famous person that Cyril killed was Hypatia, a woman who was a mathematician.

**CBA:** One of the philosophers at the time, right?

**MH:** Yes. He sent his thugs, Peter the Hammer, down to the seashore, where they grabbed her, grabbed seashells and scraped all of the skin off her body so there'd be no memory. That was the Christian way of killing.

First, Cyril had a consul at Ephesus calling on the Roman military to kill all of his opponents. You had Christianity hijacked by Cyril. The wealthiest part of the Roman Empire by this time, the fourth and fifth centuries, was North Africa— Egypt and Hippo. The old Carthaginian area was the breadbasket of the Roman Empire; that's where the grain was made. The Christians there opposed the creditors. They opposed the Romans. They said, "No, what the Romans are doing is not Christianity." Rome wanted them to turn over all of their sacred books so that they could be destroyed. You can't have Christianity, as the medieval Christians realized, if people can read the Bible. If they read the Bible, they see that Christianity, under Roman Christianity, fights against everything that the Bible is all about. The North African Christians, many of them refused to turn over the sacred books, and they were killed.

Finally, Augustine came to power, and he sponsored the pro-Romans. There was a civil war that went on decade after decade, preventing the local Roman landowners from indebting the population, from enslaving them. Augustine called on the Romans to take away their churches and to give him their churches. So essentially, Augustine expropriated the Christian churches and made them his own deviant Christianity— I hate to even call it Christianity, it's really Augustinianism— in a wave of violence.

Peter Brown, who's the main writer and historian of this period, rightly states that Augustine is the true founder of the Inquisition ever since the Roman Church became the Church of the Inquisition. That's what I talk about in the third volume of my trilogy, where I pick up matters with the Crusades. So what Rome bequeathed to the West was not only creditor-oriented law but a creditor-oriented Christianity. This is what you have in American Evangelism today. King Jesus will make you rich. Essentially, that became Christianity as it evolved in the West.

Finally, in the 11th century Roman Christianity, there were five churches that survived the decline of the Roman Empire: Antioch, Jerusalem, and Byzantium became the key. What survived the Roman Empire was the Byzantine Empire and its church, which was Orthodox Christianity. Orthodox Christianity maintained many of the qualities of original Christianity, including debt cancellations when there was a crop failure through freezing or a frost that killed the crops and caused a loss of land and indebtedness. You had Constantinople as the main bishopric, with Antioch and Jerusalem. Rome became a backwater until you had the Norman Invasion of Europe Rome made deals with William the Conqueror in England and, before that, the Norman Conqueror of Sicily. If you conquer the land, we will bless you if you agree that you are the feudal serf of the Pope. The kings of England, the kings of Sicily and southern Italy pledged fealty to the Pope, who organized armies to have new crusades with new inquisitions under the Dominicans against Christians who didn't agree with Roman leadership, whether it was the French Cathars or ultimately the Crusades that looted Constantinople and destroyed its ability to resist what became the Ottoman takeover at the time.

So essentially, you had this split at the time, and most people look at Western civilization as the continuity of Rome without realizing how the Empire itself, under Augustine, made yet another break from the Near East that continued to be the wealthy, solvent part of the Empire in Constantinople and the Near East.

**CBA:** You say that by the time we get into the fourth century or fifth century AD, we get the vandals coming in and taking Hippo. You say that by that time, the economic devolution that had happened was such that there was practically no resistance. The fact that they had wiped out their opponents and instituted such a rentier state meant—

**MH:** It's not simply that there was no resistance, that people went over to the side of the vandals. You had a lot of churchmen saying, "Why is it that the Roman Christians are going over to the side of the vandals?" It's because they have more freedom. They're the Democrats. They're overthrowing feudalism; that's why they're going over to them. There was an admiration of the vandals coming in the Germanic tribes because they were the progressives, and of course, the people went over to their side. You couldn't have had just a few vandals taking over the vast armies of North Africa and the rest of Europe if the people weren't supporting them.

**CBA:** Right. I want to bring this into the contemporary moment, and we've already been, of course, connecting the dots throughout this conversation. You say there is a disturbing trend among contemporary classicists to sidestep the history that we have been going through today and that they're really following the lead of neoclassical economists. Do you want to comment on that?

**MH:** Well, here's the problem. Most historians don't study economics. What they do study is the kind of economics that you're taught in universities, and that's neoliberal economics. Neoliberal economics doesn't study history because if it studied history, it would know that societies polarize as a result of debt. They'd know what I describe in *The Collapse of Antiquity*. They'd realize that instead of there being automatic stabilizers that don't require kingship, automatic stabilizers mean the free market, the market of wealthy individuals and that the market will always provide an optimum solution. You don't need any regulator of the market. Any regulation of the market is bad.

Well, in all earlier civilizations, from the first time we could pick up written records in the Bronze Age, there was always a public override to the market. The role of kings, churches, and the whole ideology that people were taught in their religion and their politics was you have to shape the market in a way that would promote overall economic growth. The primary way in which you have to shape the market is to prevent the debt overhead from leading to a transfer of labor and property from debtors to creditors. You have to keep the economy free enough so that citizens can serve in the army and perform public work. You don't let a creditor class evolve.

Today that's called socialism. Biden will call it autocracy. Well, it's not autocracy. That's the irony. Greece, Rome, and medieval Europe have not done a good job in preventing oligarchy from developing as a financial oligarchy and as a land lordship oligarchy, with the financiers turning public utilities into private monopolies to get monopoly rent along with interest and land rent. Well, that's the dynamic that occurs. Not only has economic history been taken out of the curriculum, but most classical historians begin the history of civilization with Greece and Rome as if it began without this mixed economy, without the 3,000 years of the Bronze Age and late Neolithic takeoff that I describe in the first volume— *And Forgive Them Their Debts*.

**CBA:** Is it safe to say that we have adopted the model of a failed state, a failed state model, as our economic model?

**MH:** Yes, you've put it quite succinctly.

**CBA:** When we look at the practices of debt forgiveness and when we look at how people had understood these principles before and applied them very productively, is there any

reason other than sheer political power and campaign contributions? Is there any reason we couldn't take up that subject successfully today and reinstate citizenship, equality, a greater sense of equality, at least, and a productive economy again today?

**MH:** Well, in order to do that, you'd have to have a definition of what is the alternative. Neoclassical economics says there is no alternative. Margaret Thatcher and Ayn Rand are the economic models of today. If you believe there's no alternative, then you're not going to take steps to create a more balanced economy. In that sense, you could say that the fight between North America and the NATO countries against the remaining 85% of the world's population is a fight between an oligarchic society and a mixed economy wanting to use governments to shape markets in order to promote general prosperity and liberty for the population as a whole.

**CBA:** You use the term in your book, you call that democratic liberty as opposed to oligarchic liberty.

**MH:** That's right. Except, the meaning of democracy seems to only be successful when you have a state strong enough to prevent a financial oligarchy from destroying democratic principles.

**CBA:** Well, you've certainly given us a lot to think about in this conversation. I also really encourage people to pick up this book and read it. As I say, it is an authoritative account, but it also is a great joy to read because it is so culturally rich. People who have an interest in history, who have an interest in drama or an interest in philosophy are all going to find that this is a really invigorating book to read. So, Michael Hudson, thank you so much for being here. This was a pleasure. Thank you.

**MH:** Well, thank you for reading the book and understanding it so well and bringing it out in this discussion.

**CBA:** If you enjoyed that content, consider going to our website and hitting the donate button so we can produce more like it. Thank you so much for watching. Take care.

**END**