



A TALE OF TRAVELERS' CHECKS, HIGH FINANCE, AND ANTI-SEMITISM

[music]

Joshua Holo: Welcome to the College Commons Podcast, passionate perspectives from Judaism's leading thinkers, brought to you by HUC Connect, the Hebrew Union College's online platform for continuing education. I'm Joshua Holo, Dean of HUC's Skirball Campus, and your host.

[music]

JH: Welcome to this episode of the College Commons podcast and our conversation with Professor Francesca Trivellato. Francesca Trivellato is an Italian historian of early modern cultural, economic, and social history. She's currently the Andrew W. Mellon Professor in the School of Historical Studies at the Institute for Advanced Study in Princeton, New Jersey. She was awarded a Guggenheim Fellowship in 2012, the Jacques Barzun Prize in 2020, and her recent book, *The Promise and Peril of Credit: What a Forgotten Legend about Jews and Finance Tells Us about the Making of European Commercial Society*, won the 2021 Jordan Schnitzer Book award. Professor Trivellato, welcome to the College Commons Podcast.

Francesca Trivellato: Thank you for having me.

JH: In your book, *The Peril of Credit*, you argue that a very influential tool of the 16th to 19th centuries called a bill of exchange was falsely presented as if a Jewish invention, and that this attribution to the Jews played into longstanding anti-Jewish stereotypes. Let's begin at the beginning and tell us what was a bill of exchange.

FT: A bill of exchange was the most important financial tool for international trade in the early modern period. It allowed merchants to make money available in a distant location in local currencies. And it also involved a credit transaction because there was a time lag between when the merchant purchased the bill of exchange, which was simply a physical slip of paper, a money order, in one location and when the slip of paper was redeemed in a different location. They were part of the international trade system in Europe, beginning with the late middle ages. And then during the 16th century, bills of exchange also became speculative instruments that were used by a few international bankers, no longer to trade in commodities, but also to speculate on different currency exchange rates. And so they symbolized the separation between

what today we call the real economy and the financial sector, the sector in which value and profit were produced simply through financial speculation without the production and the trade of goods.

JH: So it sounds a bit like a money order or a traveler check, but it's laden with these ideas of credit and speculation, which our listenership will recognize as trigger words for some of the most enduring anti-Semitic stereotypes in the world. What was the legend, in fact, that you investigate, and that connected specifically this financial mechanism, the bill of exchange, to the Jews?

FT: So this legend, as I call it, emerged from a text that was printed for the first time in the middle of the 17th century, so not during the middle ages, and that's important, as part of a commentary on commercial and mercantile law. In this text was a narrative historical account of something that is not true, but came to be believed widely, and it stated that Jews who were expelled from France between the seventh and the early 14th centuries, so during the early and late middle ages, invented marine insurance and bills of exchange as a way of securing, for themselves and their families, some of their assets that were being confiscated at the time of the expulsion.

FT: So it attributes to Jews a clever invention of a financial tool that allows the transport of value in immaterial terms from one location to another. And the narrative continues, not so much by targeting Jews, but, in fact, by putting on the spot those that they are called the Lombard merchants, that is Northern Italian merchants, who once they learned about this invention, thought it was a very good idea, and they themselves began to use bills of exchange for their own trade. And this narrative continues to emphasize how there are good and bad ways, that are never spelled, that's very important, of using these bills of exchange. So it is not an outright condemnation of the commercial society that supposedly Jews had invented, but rather on its potential excess.

JH: So the Jewish valence is not just about travel or mercantile economy, it's about the negativity or negative practices they're in. How did you determine that this legend is in fact false?

FT: In fact, we had forgotten about this legend, as I say, precisely because during the 20th century, there is a lot of serious scholarly work by economic historians that have investigated the emergence of bills of exchange in European history. There was no single inventor. There were not a single group or certainly not an individual, but there's a lot of scholarly work on the progressive evolution of these instruments that came to meet the needs of growing international trade, say, from the time of the fair of Champagne in the 13th century and then through the 16th century with the age of European commercial expansion. So the fact that it's false also began to be discussed already, in fact, as early as 1690, very soon after the first time this narrative was circulated, and what is interesting is that it persisted in spite of doubts about it. So its allegorical valence continued and its symbolic purchase was so strong because, as you noted, of the

anti-Jewish associations between certain kind of money economy and Jews in the Christian imagination. But the inaccuracy and unreliability of the narrative itself is beyond doubt.

JH: So it would seem somewhat discouragingly that there's a persistent energy to anti-Jewish feeling all its own. [chuckle]

FT: Absolutely. [chuckle]

JH: But you have determined its falsehood, but you very interestingly point out in the book that the French enlightenment philosopher Baron Montesquieu himself accepted the truth of the Jewish roots, the Jewish component of this legend. But that he divested this legend of its negativity and pointed out the benefits of the bill of exchange. Is it at all possible that he's at least partially right both in accepting some component of Jewish origin to the bill of exchange and also in evaluating it positively?

FT: He was wrong in believing that there was any Jewish origin, but Montesquieu, like many other enlightenment philosopher, used Jews and Judaism in order to make their polemical arguments. That was sort of an arsenal of ideas inherited from Christianity and sometimes challenge Montesquieu, who was a big critic of the Catholic Church and the Inquisition. Montesquieu was also an aristocrat who was critical of what he perceived to be as an excessive concentration of power by the king away from the nobility. Montesquieu gave a so-called positive interpretation of the story because, in his view, once Jews invented bills of exchange, the Monarch was no longer able to confiscate their goods arbitrarily, because if he confiscated bills of exchange, they would be just pieces of paper that he could not redeem because they were ad personam and they did not have an intrinsic value.

FT: So for him, the allegory was one in which the arbitrary power of the king, which, while he wanted to criticize, had been undermined by a Jewish financial invention. I think he was also probably being very provocative in restating this, whether he believed it or not. But the theologians of the [0:10:15.9] _____ censored this part of his work. Montesquieu was also writing in 1748 when it was long before the French Revolution. France had expelled the Jews in 1390, definitely, and housed a few Jews who were living in the region where Montesquieu wrote, but France was still a society of orders in which Jews were fairly segregated and contained within society, and they didn't pose the kind of indiscriminate threat that they did after the French Revolution gave them full citizenship, and they became indistinguishable legally from all the other French citizens. So I think that part of the critique that Montesquieu made by invoking Jews should be situated in the time when he wrote it.

[music]

JH: The College Commons Podcast is proud to be part of HUC Connect, the Hebrew Union College's online platform for continuing education. HUC Connect features four programs; webinars, live conversations with social and cultural influencers on topics of civil society, arts

and culture, religion, and redefining allyship, Community Connect, ready made lesson plans for synagogue and community learning, the masterclass, live sessions of Judaica with HUC faculty exclusively for our alumni. Enroll soon because seats are limited. And, of course, the College Commons Podcast, in depth conversations with Judaism's leading thinkers. For more information about HUC Connect and all it has to offer, visit huc.edu/hucconnect. And now back to our program.

JH: At roots, this legend and its anti-Jewish baggage, derive from the negativity associated with credit and interest, as the title of your book itself intimates. And by the way, not just a distaste for usury, which is understood as excessive, but even for any interest at all. Indeed you point out passages from Exodus, Leviticus and elsewhere to illustrate the point, even though you also take pains to remind us that it's been a long time since we were under the illusion that the Catholic Church was somehow dead set against leveraging money for profit. We know that that wasn't the case and other churches were also very open to lending money. So what's going on here? Why the negativity associated with the very idea of interest?

FT: This is a very good question. By the 17th century, usury also acquires a fairly generic meaning of economic malpractice. But these economic malpractice are not always, and in fact are rarely defined in specific terms, and therefore they are difficult to pin down and even more difficult to prosecute to say from a legal point of view. After the 16th and 17th century in Europe, and particularly in France, where this legend first emerged and from there spread across Europe, a growing number of people, not just merchants as a recognized group, but people from all walks of life, whether aristocrats or commoners, become to be dependent on credit. The social boundaries that had been harder in the past began to blur, and this blurring of the social boundaries is what created a lot of anxieties of the time.

FT: And therefore, I think the reason why this legend had attributed to Jews the invention of this very important financial instrument had such traction has less to do with the status of the Jews in Europe and more to do with how these Christian European societies were adjusting to the diffusion of credit across the space and across social groups and the difficulty of setting clear norms for what were upstanding and beneficial users of bills of exchange, and those that were shadowy and potentially nefarious, potentially leading to oligopolies, to what we today will call predatory lendings and so forth. The difficulty of determining, from a legal point of view, which were good and bad credit practices led to the flourishing of anti-Jewish stereotype in which any potentially bad credit practice could be described as Jewish, whether the person who was implicated in it was Jewish or not. So the allegorical dimension of this legend is what gave it such traction precisely at the moment when the legal tools to control the financial world were so weak.

JH: Ultimately, you argue that much anti-Jewish expression depends on anxiety about the seamlessness with which the Jews are perceived to be able to pass in Christian circles. So does all this boil down to a theological need, perhaps sometimes sublimated in broader cultural

terms, but theological and religious nonetheless, where in some forms of Christianity feel threatened by Judaism's mere existence?

FT: I think that what you ask is really about why Jews in medieval and early modern Europe have fulfilled this extraordinary role in the Christian imagination in spite of their numerical [0:17:27.4] ____ they weren't threatening in any real way. I think this threat, that can manifest in different ways before and after emancipation, has nothing to do with the Jews. It's all about the insecurities of Christian European identity. I think the theological roots of this threat are extremely important and they will then be re-elaborated in so-called modern antisemitism. The particular region where the legend was first committed to the printed press, and where Ben Montesquieu picked it up, was the Southwest of France, which was the only region of early modern Europe other than Spain and Portugal, where Jews lived as baptized Catholics although everybody knew they were originally Jews who had converted forcibly and fled Iberia.

FT: So this theme of the Jewish so-called invisibility, which is a theological theme, and that exists even where Jews or crypto-Jews are not present physically was sadly particularly heightened in the Southwest of France, where, between 1550 and 1723, Jews lived as "Portuguese merchants". That's the name, the expression that was used in the Royal Charter that admitted them in 1550. Once France, for the first time in the history of Europe, emancipated Jews by giving them the same civil and political rights as all other citizen in 1790-'91, this invisibility, that originally had theological roots, became part of the nation state ideology and the fear that Jewish citizens now were indistinguishable from all other French men and later French women. And I think that, to some extent, account for the rise of what we often refer to as a pseudo racial antisemitism, when physical markers began to set Jews apart from other human beings, and that pseudoscience was a secularized response to the threat that similarly had been posed by baptism when Jews became Catholic, but so-called old Catholics never believed the newly-baptized Jews were fully Catholic.

FT: Other groups today can fulfill a similar function. I think all forms of racism, homophobia, anti-Muslim attitudes are versions of this sense of threat. I don't think there's any reason today to pit Islamophobia against antisemitism. They sadly coexist very well, but it's also important to understand the reason why Jews cut so deep in the Christian European consciousness. And it's because their theological and social presence goes back to millennia in ways in which, for example, Muslims don't, and their deep history of anti-Jewish and anti-Semitic sentiments has to be traced back to the pre-modern period.

JH: Well, Francesca Trivellato, I wanna thank you for this incredible conversation. And I wanna cite Joshua Teplitsky of Stony Brook University who reviewed your book and had great praise for it, calling it at once tightly focused and wide ranging as you've illustrated in this interview, a single legend representing such broad themes of Jewish European history, and indeed the human condition. Thank you so much. It's been a great pleasure. And congratulations on your award.

FT: Thank you for this conversation.

[music]

JH: We hope you've enjoyed this episode of the College Commons Podcast available wherever you listen to your podcasts. And check out HUC Connect, compelling conversations at the forefront of Jewish learning. For more information about all that HUC Connect has to offer, visit huc.edu/hucconnect.

[music]

(End of audio)