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► **To cite this version:**

Pierre Januard. Risky exchanges: Price and justice in Thomas Aquinas's De emptione et venditione ad tempus. 2021. halshs-03153997

**HAL Id: halshs-03153997**

**<https://shs.hal.science/halshs-03153997>**

Preprint submitted on 26 Feb 2021

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**Risky exchanges:**

**Price and justice in Thomas Aquinas's *De emptione et venditione ad tempus***

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Pierre Januard\*  
February 2021

*Working paper*

*Abstract*

Thomas Aquinas's *De emptione et venditione ad tempus* is concerned less with usury than with commercial exchange. Cross-referencing the economic aspects of forward selling and the role of the virtue of justice with Aquinas's concepts of *sign* and *analogy* leads us to revise our understanding of the just price, drawing a distinction between three different levels of reality (normative, market, and singular exchange), each of which gives rise to analytical, commercial, and strategic risks. This risk-analysis grid offers a basis for a new reading of his later works, notably the *Summa theologiae*.

Keywords: Thomas Aquinas, scholastics, just price, usury, forward selling, sign, analogy

JEL classification: B11

*De emptione et venditione ad tempus* (1262) is the first specifically economic treatise by Thomas Aquinas (1225-1274), the only other being the *Letter to the Duchess of Brabant*.<sup>1</sup> It is situated on Aquinas's journey from youth to fruitful maturity, between the *Commentary on the Sentences* (1254-1256) – notably *In III Sent.*, d. 37, a. 6 on usury and *In IV Sent.*, d. 16, q. 4, a. 2, qc. 3 on trade – and the major economic texts dating from the 1270s.<sup>2</sup> Being a brief letter that at first attracted little attention, for a long time *De emptione* remained in the shadow of the *Summa theologiae* (*S. T.*, IIa IIae, q. 77 and q. 78). However, given the way that it develops and broadens the intuitions of the *Commentary on the Sentences* (Januard [2021]), a study of *De*

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<sup>1</sup> These writings are published in *Opuscula III* of the Leonine edition: *De emptione et venditione ad tempus* (*Forward Purchase and Sale*; we retain the Latin name by which the treatise is known), pp. 391-394, and the *Letter to the Duchess of Brabant*, pp. 375-378.

<sup>2</sup> For the years 1268-1272, the introduction to each treatise contained in the Leonine edition, where it is available, as well as the *Brief Catalogue* established by Émery [1993], give a glimpse of a vast body of works dealing with economic questions around 1268-1272. These mature works, too, have sometimes been eclipsed by the *Secunda pars* of the *Summa theologiae*, of which q. 77 and 78 are a part, which was written in 1271-1272 in Paris. We must note the *Quodlibetal Questions* (II, q. 5, a. 2 and III, q. 7, a. 2), dated 1268-1272, the *Disputed Questions De malo* (q. 13, a. 4) written around 1270, the *Commentaries on Aristotle's Politics* (*Politicorum*, I, 6-9) and *Nicomachean Ethics* (*Ethicorum*, V, 9), dated 1269-1272 and 1271-1272 respectively, and the *Letter to the Duchess of Brabant* (*Ad ducissam Brabantiae*), dated 1271. The *Collationes in Decem Praeceptis* on the Ten Commandments, a late finalised edition of his sermons in Italy given in his mother tongue, could be the last or, on the contrary, one of the first of Aquinas's contributions. Torrell [1985] and Émery [1993] hesitate between the traditional dating of a Lenten preaching in 1273 and a dating corresponding to Aquinas's previous Italian sojourn in 1261-1268.

*emptio* makes it possible to understand how the synthesis constituted by the *Summa* emerged. And the text provides additional elements for the analysis of risk through the study of the phenomenon of *forward sales*; such transactions are of significant interest since they unite a commercial exchange with a credit operation, and thus combine the risks specific to each of those two activities.

With respect both to its approach and its results, the present study on *De emptio* differs from what is usually encountered in works on Aquinas's economic thought. The literature, in fact as a methodological choice, seeks to study the medieval and modern scholastics as a whole or by major periods, paying little attention to the unique path of each author or to those of his works deemed minor. *De emptio*, therefore, has not been the object of particular attention, even though, in dealing with forward sales, it ties together questions of commercial exchange and interest-bearing loans, of the just price and usury.

Moreover, having rarely taken sufficient account of the moral dimension of Aquinas's contributions to economic issues, and thereby implicitly segregating them from the rest of his work, the literature does little to mobilise Aquinas's philosophical and theological conceptual apparatus. Yet his concepts of *sign* and *analogy* provide relevant keys to understanding the just price both in its essence and in its articulation in several levels of reality, extending beyond its manifestations on the market or in singular exchange. The focus of the debate between the production cost approach (e.g. Tawney [1926]) and the market approach (e.g. De Roover [1958] and [1971] and Langholm [1992]), based on a contemporary understanding of price and sometimes neglecting the primacy of pre-existing normative justice, may have led to a confusion between the just price itself and its manifestation in the acceptable effective price. Recent works show a stronger focus on the normative dimension of the just price, advantageously reorienting the discussion towards the notion of justice (e.g. Hamouda and Price [1997]; Gomez Camacho [1998]; De-Juan and Monsalve [2006]; Monsalve [2014a]), and sometimes engaging in a normative approach based on Aquinas's own works (e.g. Franks [2009] and Hirschfeld [2018]).

However, it seemingly remains difficult to fully emancipate ourselves from the categories in which the debate between market price and cost-based price has enclosed our understanding of the just price, or to take full measure of the radical consequences for the very nature of the just price that the adjective "just" commands. We must, therefore, make a leap in *nature* and not mere of *degree*. The just price is not a price determined by the market while integrating elements of justice, but rather a price that is determined by normative justice, and which may eventually manifest itself in the market and in singular exchange.

We are still in need of the proper conceptual tools to think about the relationship between these three instances of the just price. The scholastic categories of *sign* and *analogy* provide a means to articulate the three levels of reality of the just price – namely the price as given by justice, price on the market, and price in singular exchange. The normative just price manifests itself as a sign and by analogy in the price on the market and in the price in singular exchange. In addition, the combination in forward sales, developed in *De emptione*, of the risks linked to the credit activity as well as to the commercial exchange makes it possible to distinguish three categories of risk: the risk of error of analysis and understanding, which concerned usury in the *Commentary on the Sentences* (Januard [2021]) and which relates here to the just price; the commercial risk, reinforced by the intertemporal dimension of the exchange; and the strategic risk, resulting from the usurious behaviour of the co-contracting party. Cross-referencing the three levels of reality of the just price and the three categories of risk produces a structural typology of nine elementary forms of risk – characterised, therefore, by their category of origin and their level of expression.

I approach this typology of risks, first, by showing how Aquinas's discussion is based upon the notion of price (section 1). I argue that forward selling should be read as a commercial transaction that takes place over time, rather than through an approach that would be immediately formulated in terms of usury. The intertemporal dimension of the trade leads to two new risks: the increased complexity of estimating the just price, and the possible occurrence of a usurious situation. I then propose to rethink the notion of just price (section 2) by first making a distinction of nature between value and price, and then by distinguishing between just price and acceptable prices. Starting out from the scholastic categories of sign and analogy, I articulate the three levels of reality of the just price: the normative justice price, the price on the market, and the singular price (section 3). Finally, this will make it possible to draw up a cross-typology of risks and, for each of the three levels of reality of the just price to which *De emptione* leads through its account of forward selling, to map the three related risks: analysis risk, commercial risk, and strategic risk. This study of risks will lead us to highlight the role of price in reducing the lack of information.

### **From price to risk: a historical and methodological *addendum***

Beyond the strictly historical aspects, the secondary literature from the second half of the 20<sup>th</sup> century onwards, notably with the works of De Roover, Noonan and Baldwin, has shed significant light on price and usury, concepts which lie at the heart of Aquinas's thinking on forward selling. These include a) a conceptual elucidation of usury; b) a rediscovery of the moral dimension; and c) a transformation of the classical debate on Aquinas's conception of price.

a) *A conceptual elucidation of the Aquinas's notion of usury:*

- Medieval understanding of the interest loan (McLaughlin [1939] et [1940]; De Roover [1953] and [1971]; Noonan [1957]; Baldwin [1959]; Mélitz [1971]; Lapidus [1987] and [1991]; Langholm [1992]; Chaplygina and Lapidus [2016]; Monsalve [2014b]);
- The nature of the commitment, freedom, and responsibility of the loan partners through the notion of conditional freedom (Langholm [1992], [1984] and [1998]; Ege [2014]; Sturn [2017]);
- The loan as an exchange involving a risk and subject to a price (Langholm [1984]; Lapidus [1991]; Sivéry [2004]; Franks [2009]; Ege [2014]);

b) *A progressive rediscovery of the moral and normative dimension of the Thomasian analysis:* (Noonan [1957]; De Roover [1971]; Lapidus [1987] and [2021]; Langholm [2003]; Sivéry [2004]; De-Juan et Monsalve [2006]; Franks [2009]; Koehn and Wilbratte [2012]; Ege [2014]; Monsalve [2014a]; Hirschfeld [2018]; Santori [2019] and [2020]);

c) *A transformation in the understanding of the Thomasian just price:*

- The classic debate on the Thomasian price (De Roover [1958] and [1971]; Baldwin [1959]; Hollander [1965]; Langholm [1992]; Sivéry [2004]; De-Juan and Monsalve [2006]);
- Taking into account the primacy of justice in the just price (Hamouda et Price [1997]; Gomez Camacho [1998]; De-Juan et Monsalve [2006]; Franks [2009]; Koehn and Wilbratte [2012]; Monsalve [2014a]);
- The distinction of levels between normative and acceptable just prices (Friedman [1980]; Lapidus [1986] and [1994]; Chaplygina and Lapidus [2016]; Sturn [2017]).

The study of the combination of risks arising from commercial activity and those arising from credit activity is an extension of these achievements. At first glance, however, the lexicon of *De emptione* might lead one to believe that it posits a risk-free universe. The noun *dubium* (doubt) appears three times in *De emptione*, used to signify that there is no doubt that a situation is usurious. The noetic and moral lexicon of the imperfection of information or its use is present, however, through the terms *incaute* (incautiously) and *imprudenter* (imprudently, unwisely), which indicate the possibility of recklessness on the part of the agent. Contenting ourselves with these observations, however, would be insufficient. The major characteristic of Aquinas's contribution is that the question of risk is approached in a surprisingly diverse manner. Risk is also reduced by an objective focus on the transaction and by the use of the price as a visible and objective indicator of the usury situation. Nine basic forms of risk can be distinguished, divided into three main categories.

*The risk of understanding and analysis*

1. A risk of error concerning the nature and criteria of justice of the just price, about which Aquinas is not explicit. There is a moral and legal risk for all agents, buyers and sellers alike, who may all find themselves in a situation of usury.

2. A risk of error and of approximation concerning the effective just price on the market, which is based on an estimate.
3. A risk of error about the value of the individual good and the content of the acceptable effective price, and on what it can incorporate.

*The commercial risk:*

4. A risk of a plurality of acceptable prices that are consistent with the normative just price.
5. A risk of a fluctuating price on the market.
6. A risk concerning bargaining power (agent in an unfavourable situation due to his conditioned will).

*The strategic risk:*

7. A strategic risk of the co-contractor circumventing or interpreting notions of justice and usury for usurious purposes.
8. A strategic risk of price manipulation by passing off the usurious price as the non-usurious price on the market.
9. An individual strategic usurious risk. The intention of the contracting party to deliberately take advantage of the conditioned will, universalised in *De emptione*, or of the agent's particular lack of information, remains private information and is hidden.

These three main categories of risk (analysis risk, commercial risk, and strategic risk) are located at the three levels of reality of the just price. Indeed, drawing on the scholastic categories of the sign (visible sign of an invisible reality, which it makes present) and the analogy (ratio of proportion and partial resemblance), which Aquinas uses in his non-economic writings and which serve as a conceptual background, the expression "just price" can be understood in three complementary senses: the just price is, in its ultimate reality, *res*, the normative and pre-existing just price; but it is also, by analogy and as sign and second reality, *sacramentum et res*, the acceptable current just price practised on the market; finally, and still by analogy and as sign (neither ultimate nor second reality), *sacramentum tantum*, it is the just price in the singular exchange.

It is these elements drawn from Aquinas and scholastic philosophy which will be our focus in section 3 of this article. These elements will make it possible, based on the establishment of the role of price (section 1) and the nature of the just price (section 2), not only to draw up a cartography of the implicit or explicit risks present in *De emptione*, but above all to establish a structural typology of the risks on the just price, and so to articulate the three categories of risks in line with the three levels of reality of the just price.

## 1. A risk-based approach

After having dealt separately with usury and merchant activity in the *Commentary on the Sentences*, in *De emptione* Aquinas addresses the conjunction of these two activities; this conjunction could thus be understood either as a particular modality of lending or as a particular modality of commercial exchange, whereas it is to the latter which the analysis of the text tends to lead us. From a commercial perspective, the price, which is the result of the exchange ratio, reveals the justice of this exchange. Since the forward sale is an intertemporal operation, we must begin by specifying whether time can be integrated into the price. Aquinas sets aside the temporal register, which refers to the situation of usury, and remains in the commercial register by focusing his criterion for the justice of a price on the value of the good, not on time itself. The specific nature of the forward sale, namely its intertemporality, then highlights two new risks: the margin of error in the approximation of the just price on the market, and the universalisation of the conditioned will, because everyone in the course of the exchange may be found to be in a situation of usury, with the related legal, social, and moral risk, or may be a victim of usury, in a state of necessity and with little bargaining power.

### 1.1. A commercial exchange over time with a price

Sale on credit, which crosses commercial exchange and loan, has long been considered a modality of usury, while *De emptione* has been read as a presentation, in the literary form of a letter as opposed to an article, of the doctrine contained in *S. T.*, IIa IIae, q. 78 devoted to usury. The lexical field of the title as well as the details of the content orient us towards an account of commercial exchange in the particular modality which is intertemporal exchange. This implies, firstly, that since the transaction is commercial, the risks involved in the transaction are therefore commercial and not financial; secondly, that the moral framework of Aquinas's thinking is that of the justice of the exchange ratio, i.e. that the price charged is a just price; and lastly, that Aquinas's attention is focused on the situation of each agent, seller and buyer, at each stage of the transaction in relation to the just price, and not on a predefined status and unchanging categorisation of them as usurer or usury victim.

#### 1.1.1. *Forward and credit sales: loan or trade exchange?*

*De emptione* did not appear in the catalogues of Thomas Aquinas's works until the 14<sup>th</sup> century, and its attribution was considered doubtful until the beginning of the 20<sup>th</sup> century when Pierre Mandonnet ([1910], pp. 116-120) established its authenticity and dated it to 1262; this date was confirmed, with greater caution, by the *Commissio Leonina* in the critical edition published almost sixty years later (Dondaine [1979], p. 384). The text therefore precedes the mature economic writings by about ten years and would thus appear to be an intermediate work,

roughly halfway between the *Commentary on the Sentences* and the subsequent writings, which therefore benefit from the more technical reflections of this short treatise. The addressee would be friar James of the Dominican convent of Viterbo, who seems to have solicited Aquinas (Dondaine [1979], pp. 384-385). Mandonnet gives details of Aquinas's appointment and fills in the context. James was a lecturer in the convent of Florence, a city where the draper's trade and associated industry had been developing rapidly since the turn of the century: "As a professor in the most famous convent in the city, [James] like his confreres often had to give solutions to cases of conscience, which were made all the more difficult by the intense business life in Florence" (Mandonnet [1910], p. 119).

This short treatise, barely two pages and eighty lines long in the Leonine edition, was slow to spread and is found only within the Italian manuscript tradition, with the exception of a late copy written in Mainz in 1471 (Dondaine [1979], p. 385). And for a long time *De emptione* remained unknown. Indeed, in just two questions devoted to economic problems the *Summa theologiae* (*S. T.*, IIa IIae, q. 77 and q. 78) offered a masterly and satisfactory synthesis of Aquinas's thought on moral philosophy and theology. The editors of the *Commissio Leonina* thus justified the lack of initial diffusion of this text by its lack of originality: "This little piece of writing, this *Responsio*, may have escaped the first collectors of *Opuscula Thomae*. The doctrine is that of the *S. T.*, IIa IIae (q. 78, a. 2, ad 6), condensed into this simple norm: there is usury when one sells the period of payment" (Dondaine [1979], p. 385). Mandonnet, for his part, seemed to afford the treatise more originality, saying that Aquinas was nowhere else so "in touch with the realities of everyday life and the economic concerns of his time" (Mandonnet [1910], p. 119).

Yet in two respects *De emptione* adopts a different emphasis in the analysis of risk. On the one hand, it combines the study of price and value (found in *S. T.*, IIa IIae, q. 77) with the temporal dissociation of payment and delivery. It therefore introduces an additional variable in the determination of risk: time. On the other hand, it is appropriate to question Dondaine's assimilation of *De emptione* to the prohibition of the charging of the cost of credit formulated in the passage of the *Summa theologiae*: "If, as a guarantee for the money he has received, the borrower gives a pledge whose use is appreciable at a price, the lender must deduct this income from the sum to be returned to him by the borrower. If he wanted this income to be granted to him free of charge in addition, it would be as if he were lending at interest, which is usurious" (*S. T.*, IIa IIae, q. 78, a. 2, ad 6).

In comparing *De emptione* with the *S. T.*, IIa IIae, q. 78, Dondaine and the Leonine editors present the sale on credit or at term as a variety of usury. In this they follow a common practice found in the Decretals of Gregory IX (1234), whose chapters 6, 10, and 19 (decree *Naviganti*) of the title *De usuris* (*Decretals*, l. 5, t. 19) study the sale on credit. As reprised in the *Decretals*



of Gregory IX, when dealing with usurers who must be judged (*usurarius debet judicari*) Urban III (1186) states that "a trader [*an negociator*] must in the same way be condemned to punishment, who sells his goods at a much higher price [*merces suas longe majori pretio distrahit*] if the time limit for payment is extended [*si ad solutionem faciendam prolixioris temporis dilatio prorogetur*] than if he is paid in spot [*quam si ei in continenti pretium persolvatur*]" (*Decretals*, l. 5, t. 19, c. 10). Commercial credit is a commercial substitute for interest-bearing loans intended to circumvent their prohibition (see the historical overview in Noonan [1957], pp. 15-17; Langholm [2003], p. 16, Chaplygina and Lapidus [2021]), and often turns out to be usury by the merchant, similar to usury in general (Lapidus [1991]). Determining usury status is important because the repression of usury is facilitated by the development of commercial writings (Feller [2020], p. 45) and the spiritual, legal, and social penalties can be very severe, although their application remains difficult to assess (McLaughlin [1940], pp. 5-22), and usury is practised in many ways (Wyffels [1991]) and via many means of circumvention (Mélitz [1971], p. 475 and pp. 484-485, Ege [2014], pp. 392-403, Chaplygina and Lapidus [2016], pp. 35-37 and [2021]).

Thus, when Aquinas is questioned about the moral status of forward selling, his first reflex is to avoid the deliberate intention of usury: "Assuming [*supposito*] that this use of deferring payment for three months, as in the case proposed, is for the common good of the merchants [*ad commune bonum mercatorum*], as in the dispatch of goods, and not with a view to usurious fraud [*in fraudem usuram introducta*], it seems that a distinction must be made [*videtur esse distinguendum*]" (*De emptione*, I). Aquinas here takes up two important points: first, unlike his predecessors Robert of Courçon<sup>3</sup> and William of Auxerre,<sup>4</sup> he does not focus on usurious intent, which is condemnable but remains hidden (Chaplygina and Lapidus [2021]). In this way Aquinas bypasses the imperfection of the observer's information, and thus his risk of error. Since he does not have access to the agent's intention, Aquinas does not try to find out whether the agent intentionally wants to disguise usury through a forward sale, but limits himself to observing the economic transaction on the basis of a postulate of honesty regarding the parties' intentions. Then, by focusing on *the common advantage of the merchants*, Aquinas places the whole treatise within a commercial framework.

Aquinas's moral determination relates to the usurious situation, but falls specifically within the scope of the commercial activity, since this letter does not deal with the usury of the interest-

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<sup>3</sup> "If in fact he hoped to receive something in addition to the capital, he mentally [*mentaliter*] committed the contract of usury" (Robert of Courçon, *De usura*, p. 13) and "this sole intention [*ex intentione*] already makes the usurer" (p. 79). Georges Lefèvre dates *De usura*, which he edited and translated in 1902, to 1202. The treatise is now dated slightly later (1208 for Langholm [1992], p. 40).

<sup>4</sup> "Usury is the will [*voluntas*] to acquire by a loan [*mutuum*] something in addition to the capital [*aliquid preter sortem*]" (William of Auxerre, *Summa aurea*, III, XLVIII, c. 1, q. 1, l. 1-2). The *Summa aurea* would date 1215-1229.

bearing loan but rather with the payment period (and, at the beginning, the delivery period). Moreover, Mandonnet differs from the approach that would later be taken by the Leonine editors by taking a primarily commercial view of the text and the activity it deals with, when he concludes: "It deserves, first and foremost, to take its place in the history of Florence and its commercial life" (Mandonnet [1910], p. 120). Aquinas gave a commercial and not a financial name to his treatise: buying and selling. It is therefore to be situated, as its author indeed does, within the commercial whole that he will frame with *S. T.*, IIa IIae, q. 77. This distinction is important because Robert of Courçon had already dealt extensively with the sale on credit, but in the last part of his *De usura* where it was approached as a form of usury, as Aquinas would briefly do in *S. T.*, IIa IIae, q. 78, a. 2. This is not the case with *De emptione*. Beyond the need to respect the hermeneutics peculiar to each author, we may say that although merchants are the object of a general suspicion inherited from the Church Fathers (Baldwin [1959], p. 12), the merchant's activity is not that of a banker, and the scholastics do not associate them with the opprobrium reserved for usurers (Noonan [1957], pp. 31-32; Baldwin [1959], pp. 63-64; Langholm [2003], p. 34; Chaplygina and Lapidus [2016], p. 26). It should be noted, however, that there are links between the two activities and that the same agents can sometimes assume both charges, in particular to mask usury through trade or currency exchange, as Giles of Lessines theorised in *De usuris in communi* (1276-1285), and as confirmed by the observations of De Roover ([1953], pp. 33-35) and, more recently, of Feller ([2020], pp. 59-61), based on gambits appearing in account books. After describing the loan transaction as a commercial transaction, the risks associated with it must be determined. Non-payment or non-delivery are commercial risks incurred by the same actors who are already subject to the classic risks of any seller and buyer, as would be discussed in the *S. T.*, IIa IIae, q. 77.

### 1.1.2. *Can cost integrate time?*

Aquinas takes as his starting point the question that has obviously been put to him, which considers the three-month payment to be a use or "a custom [*illa consuetudo*]". The practice is "for the common good of the merchants [*ad commune bonum mercatorum*]" (*De emptione*, I). This may be an asymmetry in the commercial relationship, unless "merchants" is to be understood as meaning each of the contracting parties, as in the *Summa theologiae* in *S. T.*, IIa IIae, q. 77, a. 1, resp. where the exchange is made "for the common utility of each [*pro communi utilitate utriusque*]". However, the asymmetrical hypothesis appears to be the relevant one (Langholm [1998], p. 100): the credit or deferred payment is not granted at the request or for the good of the customer, or even if it is, it ultimately benefits the merchant, who is thus able to sell his goods to buyers who might not be able to pay cash. Moreover, the "common good of merchants" has a practical dimension, since sale *ad tempus* does not only concern payment, but also delivery, when the payment period is "for the dispatch of the goods [*pro expediendis*]

*mercationibus*"]. The period (*ad tempus*) which may intervene in the course of the commercial act is therefore not necessarily financial or usurious, but may belong intrinsically to the activity of buying and selling goods.

Aquinas then turns to consider the issue which lies at the heart of *De emptione*, namely the term of payment. The moral issue of determining the situation of usury is based on Aquinas's economic understanding of price. Neither the delivery period nor the payment period in itself forms a usurious situation. Rather, the usurious criterion is that of price: "Either the seller sells his goods at that time [*ad terminum praedictum*] more expensive than the just price [*ultra quantitatem justii pretii*] because of expectation [*propter expectationem*], or he sells them at the just price [*aut secundum justii pretii quantitatem*]. In the first case there is no doubt that it is a usurious contract, since the expectation of time enters into the price [*cum expectatio temporis sub pretio cadat*]" (*De emptione*, I). Usury is the remuneration of the payment period as a delay, which manifests itself as a deviation from the just price. Aquinas does not explain what the just price is, except to point out some of its properties, such as the fact that it is the price excluding expectation. He therefore refuses to include a time supplement in an overall price, since this would add something to the just price. It can therefore be assumed that the just price is the spot price. However, Aquinas suggests the possibility of an opposite situation, where the just price is the forward price.

Aquinas adds two major elements when he states: "There is no impediment if [the seller] sells [his goods] for a lower price if it is paid immediately [*Nec obstat si pro minori pretio daret si statim pecunia solveretur*]" (*De emptione*, I). On the one hand, Aquinas distinguishes between over-invoicing for payment delay, which is usury, and under-invoicing for spot payment, which falls within the range of acceptable price situations. The difference in treatment between the two situations indicates that it is not time alone that explains why a situation is usurious, since time is also implicated, by its contraction, in the case of immediate payment with price reduction. The responsibility or the freedom of the agent who suffers the damage is also decisive. If the agent decides to accept a situation which is to his prejudice, the situation is in conformity with the just price even if time enters into the price in reverse, so to speak. On the other hand, it is through this latitude given to the agent that Aquinas introduces the idea of a plurality of acceptable prices (Lapidus [1994]) in conformity with the just price, but without being confused with it – the twenty-one occurrences of "just price" in his works are in the singular. This plurality of possibilities, which is due to the agent's freedom to impose a financial prejudice on himself, is found in the *Summa theologiae*: "However, he who acquires an object that is very advantageous to him [*ex re alterius accepta multum juvatur*] may, on his own initiative [*propria sponte*], pay a surplus to the seller [*aliquid vendenti supererogare*]: It is honest [*quod pertinet ad ejus honestatem*]" (*S. T.*, IIa IIae, q. 77, a. 1, resp.). The conceptual

distinction between the just price and the honestly practised prices introduced in *De emptione*, I is a waiting stone to understanding the account in *De emptione*, II on the price "practised in the common market [*secundum communem forum*]".

In the next sentence Aquinas leaves the commercial vocabulary behind and goes back to the general financial lexicon, taking the example of "other debts [*in allis debitis*]" repaid before maturity, for which the creditor grants a discount. While the general situation (interest-bearing loan) is usurious, the act of reducing the price is not: "If a thing is due to someone for a given term, regardless of the reduction in the [amount] due if it is paid more quickly, it is clear in this case that the person to whom it is owed is entirely free from the sin of usury because, although it is usury to receive more than the sum due because of the time elapsed [*propter temporis dilationem*], there is no usury to be received less than the sum due to be paid earlier, especially from one who receives less [*minus recipit*]" (*De emptione*, I). By leaving the purely commercial sphere, the term "price" disappears. There is here a legitimately due sum (without usury) and an additional, usurious sum from a time billing. Repaying the interest-free (i.e., free from the cost of time) sum corresponds to paying the just price (spot price) in the previous example.

Aquinas does not focus on the status of the agent, but rather on his situation at a given time. This leads him to consider that it is the customer who falls under the sin of usury because it is he who benefits from an advantage in terms of time, through the discount applied to him by paying on the spot: "From the point of view of one who gives less [*minus dat*], in order to pay back more quickly [*ut citius solvat*], there seems to be a form of usury, since he is selling an interval of time [*cum spatium temporis vendat*]" (*De emptione*, I). Whether one is a buyer or a seller, there is usury when one takes advantage of time to receive more or pay less. The shift of perspective effected by Aquinas is important, because it does not focus on one agent – i.e., the seller who is suspected of usury – but rather on the situation of usury as an economic operation, which can concern all agents. This shift from the person to the operation is noteworthy because, shortly before that, William of Auxerre had attached himself to the usurer as a determined agent: "The Church persecutes usurers [*usurarios*] and prostitutes because they sin publicly [*publice enim peccant*]" (*Summa aurea*, III, XLVIII, c. 1, q. 1, l. 9). William's attention is focused on those persons who, by their social behaviour, lead others to sin; by showing that different agents can find themselves in turn in a situation of usury, Aquinas departs from this *ad hominem* position. In addition, the example shows the link between usury and trade, since usury occurs when people take advantage of time to deviate from the just price in a commercial transaction (buying and selling goods).

## 1.2. Two new risks: approximation of price and the situation of usury

After setting out the framework for his reflections, Aquinas presents two new elements: price estimation, and the reversal of the potentially usurious situation, since the seller can be a usurer by selling more on credit, but the buyer can in turn be a usurer if he buys less for a spot payment. Everyone can therefore find themselves in a usurious position. We can then postulate the emergence of two new risks: the existence of a margin of error in the approximation of the just price, and the universality of necessity, or the symmetry of the conditioned will, with the seller becoming a borrower in spite of himself. Each agent therefore runs the risk of finding himself in a situation of usury or, on the contrary, of falling victim to it, if the intertemporal commercial exchange is carried out at a price that does not conform to the just price because of the passage of time.

### 1.2.1. *Is estimating the just price risky? Estimation or approximation*

At the end of *De emptione*, I, Aquinas introduces the expression "just estimation" (Lapidus [1991]): "This is why, in the proposed case, there would be more reason to fear usury for the buyer [*plus esset de usura timendum emptori*] who, by paying three months earlier, buys fabrics cheaper than the fair estimate [*justa estimatione*], than for the seller who receives less to be paid earlier [*ut citius ei solvatur*]" (*De emptione*, I). Aquinas does not specify what he means by the expression, however, except to say that the estimation is fair (*justa*). It is therefore necessary to clarify what the estimate relates to and whether it includes the existence of a margin of error – and, if so, where the imperfection of information which is the cause of this error lies. Aquinas does not speak here either of the price or the just price, but the expression "just price" appears above and it is indeed an amount which pertains to a transaction. Does the estimate relate to the just price itself, or to the determination of a price that would be in line with it? We should note, before proceeding, that the use of the term "*aestimatio*" concerning the price is rare in Aquinas's works: apart from *De emptione*, I, it is found in *S. T.*, IIa IIae, q. 77, a. 1, *ad* 1 and q. 78, a. 2, *ad* 3 and 4, and less prominently in *Super Job*, c. 28 and *Catena in Lucam*, c. 12, l. 2.

*S. T.*, IIa IIae, q. 77, a. 1, *ad* 1, indicates that the "just price of things [*justum pretium rerum*]" is not "determined with precision [*non est punctualiter determinatum*] but is most often established by an estimation [*sed magis in quadam aestimatione consistit*]". We then find ourselves confronted with justice by estimation, the source of which remains to be identified. This can be deduced from Aquinas's formulation "*non est punctualiter determinatum*". Here again two interpretations are possible, depending on whether *non est* applies to *punctualiter* or to the whole expression. *Determinatum* indicates a passive determination of the subject (the just price), thus carried out by economic agents, whether they be the contracting parties or, as can

be found in late scholasticism, the authorities or a common work (Muñoz de Juana [2001], p. 28). According to a first interpretation, the just price is "determined [*determinatum*]" in the course of the exchange, even if it is not *punctualiter*. In this case justice is brought in from outside by the agents. According to a second interpretation, the negation applies to the whole of the expression. This latter hypothesis seems to be supported by the tension between *determinatum* and *consistit*. Indeed, *consistit*, usually translated according to the etymology by "consists", means "to put oneself, to place oneself, to stop, to stand". These are pronominal or intransitive verbs which give a good account of the action of the price itself to make itself just and which sets its own level by a process of estimation. In this case, there would be a level of justice of the price, pre-existing the exchange, to which the price would place itself in order to thus become a "just price" which would then not simply be the fruit of the exercise of external positive justice.

Once it has been accepted that the source of the estimate lies in a justice that pre-exists the exchange, it remains to analyse its implementation. It should be noted that the estimate includes an idea of imperfect approximation, for example when the value is transcribed into monetary prices, since the just price is not determined precisely (De Roover [1958], p. 624; Sturn [2017], p. 660), which justifies "a slight variation in the price [*modica additivo vel minutio*]" (S. T., IIa IIae, q. 77, a. 1, ad 1).<sup>5</sup> The same idea suggests that "the person who has received more will therefore be required to offer compensation to the one who is damaged, if however the damage is significant [*si sit notabile damnum*]" (S. T., IIa IIae, q. 77, a. 1, ad 1). The effects on prices of the narrowness and malfunctioning of the markets in Aquinas's time, help us to understand the persistence of differences between the prices charged and the just price (Persson [2014], p. 227). However, this price is considered acceptable when the damage is not significant, thus not giving rise to a right to compensation. Thus, the imperfect information at work in the determination of the price is not always a factor of unfairness that needs to be corrected. By estimation, it is then a question of finding a just price that already exists, and not of making it emerge *ex nihilo*. This is then confirmed where he writes: "a slight variation in the price [*modica additivo vel minutio*] does not seem to affect the equality of justice [*tollere aequalitatem justitiae*]" . It is then concluded that not only does the just price pre-exist the exchange, but so does what makes it just, namely the level of equality of justice that is given on a normative level.

However, it remains possible to understand the estimate no longer as an approximation with a margin of error, but as a measure which as such would not presuppose imperfection. This is for instance the case for the occurrences of "price estimation" in *Super Job*, c. 28 and *Catena in*

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<sup>5</sup> This explains the importance of the *estimator* or *arbitrium boni viri* (Baldwin [1959], p. 27) to avoid errors as much as possible and minimise the risk to agents.

*Lucam*, c. 12, l. 2. Moreover, in *S. T.*, IIa IIae, q. 78, a. 2, ad 3, when Aquinas deals with the loan and the interest, the term *aestimatio* does not necessarily indicate a margin of error: the lender cannot accept a financial interest but he can accept a spontaneous reciprocal loan offer (*spontanea mutatio*) coming from "a feeling of benevolence which does not fall within the scope of a financial estimate [*sub aestimatione pecuniae non cadit*]". Estimation here refers to the process that determines a price level, a financial amount to be accepted, demanded, or expected (*accipere et exigere et exspectare*). The following answer pursues this link between estimation and money by distinguishing what can be "estimated with money [*pecunia aestimari potest*]" and what cannot (*S. T.*, IIa IIae, q. 78, a. 2, ad 4). Estimation thus appears here to be the action of evaluating and measuring a monetary price and regains its broad and classic sense of recognising the value of an object. It should be noted that this sense of evaluation and measurement is the one Aquinas assigns to most of the non-economic occurrences of the term *aestimatio* (there are a total of 1,641 occurrences of the noun and the verb in Aquinas's works), where it is often a question of estimating, thinking, and judging a moral situation. Estimation is therefore made in relation to a pre-existing moral reference. Notably, when Aquinas comes to treat of the separation between the market and non-market universes using commercial vocabulary, he does so in the form of estimation: "The person of a free man surpasses all pecuniary estimation [*superat omnem aestimationem pecuniae*]" (*S. T.*, IIa IIae, q. 189, a. 6, ad 3). Estimation is then the process that holds together justice and price, even if we are forced to conclude in this borderline case that this is impossible.

A study of the expression "*justa aestimatio*" in *De emptione*, I thus reveals two possible meanings that are not mutually exclusive. In the commercial context, the hypothesis of a meaning involving an approximation and a risk of error is the most plausible, since it is to be found in *S. T.*, IIa IIae, q. 77, a. 1, ad 1. But it can also refer to a process of pricing, regardless of a possible margin of error (*S. T.*, IIa IIae, q. 78, a. 2, ad 3 and 4) within a moral framework (*S. T.*, IIa IIae, q. 189, a. 6, ad 3 and the general meaning of the term in Aquinas's works). We can see here two facets of a process of quantitatively transcribing a moral judgment into a price – a process which involves a risk of error or approximation. The objective of *justa aestimatio* thus remains to estimate fairly: not to establish a level *ex nihilo*, but to find and approach a pre-existing level of justice.

The just price, by its very essence, can be considered to facilitate trade because it ensures social order (Sturn [2017], p. 646) and reduces transaction costs (Friedman [1980]), since there is no process of negotiation. However, the estimation of the price indicates that the operational determination of acceptable prices and the choice of an effective transaction price are not immediate, and that the effective price is not simply given immediately by the normative just

price but is the result of a process of fixing. Understanding the estimate as a proxy adds to the remaining transaction cost, therefore, the cost of the existence of a margin of error.

### 1.2.2. *Universalisation of the conditioned will and of the risk of usury*

The hypothesis of the appearance of another risk, the universalisation of necessity or conditioned will, must also be verified in this situation of lower and early payment. Before Aquinas, the first asymmetry between the lender, who is free to lend, and the borrower, concerned freedom, since the borrower's will is conditioned by the need that drives him to borrow at interest (Langholm [1984]; Lapidus [1987] and [1993], p. 1087; Ege [2014]; Chaplygina and Lapidus [2021]). William of Auxerre, following in the footsteps of the Fathers, makes lending a systematic oppression of the poor who are subjected to a vital necessity, which thus leads him to affirm that "usury is directly against charity [*dare ad usuram directe est contra caritatem*]" (*Summa aurea*, III, XLVIII, c. 1, q. 1, l. 5). Albert the Great made this "*voluntas conditionata*" the first argument against usury (Albert the Great, *In III Sent.*, d. 37, a. 13).

Aquinas distances himself from the authorities as early as the *Commentary on the Sentences*, envisaging the conditioned will in *In III Sent.*, d. 37, a. 6, ad 6 only as a possibility: "He who pays interest [*ille qui usuras dat*] and receives a loan in case of necessity does not sin, nor does he share the fate of the usurer as such, for he does not give interest voluntarily, but as forced by necessity". Necessity therefore no longer appears as so systematic (Januard [2021]), and this strengthens the borrower's bargaining power, which was previously confined to the lower bound of a negotiation space with very little gain from exchange because of the vital necessity that drove him to borrow.

After the *Commentary on the Sentences*, *De emptione*, I heralds a new stage in Aquinas's distancing himself from the idea of conditional freedom inherited from his predecessors. After the lightening of the role of necessity, we now see its universalisation. The phenomenon of advance payment leads to a permutation of roles. Admittedly, Aquinas says nothing about the potential permutations of weak bargaining power, nor the risk for the seller of having to accept a lesser and earlier repayment, whereby his co-contractor, the buyer, in turn becomes a usurer: "To find oneself in a situation of usury is more to be feared by the buyer [*plus esset de usura timendum emptori*]" (*De emptione*, I). Does this mean that, in accordance with Albert's position, the seller is moved into a state of necessity? In this case, the conditioned will would therefore be symmetrical and the risk of necessity would become universal, since in the course of the transaction the usurer's position is transferred. A study of the treatment of freedom in economic transactions in Aquinas's later works, notably the *Summa theologiae*, may help us to verify this hypothesis.



First of all, it should be noted that in trade, need is at the origin of exchange: "each needing what the other possesses [*dum silicet unus indiget re alterius et e converso*]" (*S. T.*, IIa IIae, q. 77, a. 1, resp.). This can lead to one of the agents being harmed: "Purchase and sale may in certain circumstances turn to the advantage [*in utilitatem*] of one of the parties and to the detriment [*detrimentum*] of the other, for example when someone has great need of something [*aliquis multum indiget habere rem aliquam*] and the seller is harmed [*laeditur*] if he disposes of it" (*S. T.*, IIa IIae, q. 77, a. 1, resp.). Consent is therefore not always perfectly free, and the prejudice of a lack of freedom may affect each of the parties (Langholm [1998], p. 100).

With regard to loans, Aquinas takes up the Aristotelian and Albertian thesis (Langholm [1984], pp. 140-149; [1998], p. 21 and pp. 63-64; Sturn [2017], p. 655) of the borrower's lack of freedom: the borrower acts "with a certain necessity [*cum quamdam necessitate*]" and "does not give absolutely voluntarily [*non simpliciter voluntarie dat*]", and so is not totally free because he needs (*indiget*) this sum (*S. T.*, IIa IIae, q. 78, a. 1, ad 7). It should be noted, however, that *quamdam* and *simpliciter* bring important nuances concerning the conditioned will of the debtor, since Aquinas does not say that he is totally deprived of his freedom. In *S. T.*, IIa IIae, q. 78, a. 4, resp., Aquinas deals with the incitement exercised by the borrower on the usurer to sin, depending on whether he was already prepared to do so (*paratus est facere*) and whether he already practises usury (*usura exercet*) or not. The borrower is thus presented here as relatively free and as the initiator of the act of usury, which relativises their conditional freedom. Finally, *De malo*, q. 13, a. 4, ad 8 refers in the objection to a strong necessity, the mitigated violence (*violentum mixtum*) at the source of the loan, but Aquinas's response does not echo it, thus abandoning the idea of confining the borrower to a structurally extremely weak bargaining power, and turning him instead into an agent whose bargaining power varies according to the situation.

From the study of the conditioned will it emerges that Aquinas opens the way, in *De emptione*, I, to a double mutation of the risk, concerning on the one hand its universality, and on the other hand the relativity of necessity. Indeed, firstly, the risk is not eliminated by the consent of both parties to carry out the operation. The fact that the seller of *De emptione*, I consents to the discount may arise from what he perceives as a lesser evil, linked to the balance of forces in a case of commercial bargaining linked to need (*S. T.*, IIa IIae, q. 77, a. 1, resp.); but this does not remove the risk that he will be harmed, since another price, a just one, is what was foreseen. Aquinas once again distances himself from an approach which conceives of the agent according to his status, wherein the borrower, i.e. the buyer on credit, would be seen as the victim of a structural and unilateral necessity that would benefit the seller-lender. The situation is reversed, the buyer becoming the usurer, and Aquinas, without mentioning the conditional will or necessity, does not commit himself to the seller's total freedom to accept a spot payment at a

lower price. The symmetry opened up by the hypothesis of early repayment, which places each agent in the potential situation of becoming a usurer, but also in the situation of having to agree to depend on usury (for the buyer, agreeing to pay more on credit; for the seller, to receive less with early repayment) introduces a generalisation of the risk of the conditioned will, which is no longer reserved to the buyer-borrower.

Finally, the risk of necessity is lower than in Albert's works. Moreover, Aquinas does not explicitly mention the conditioned will in *De emptione*, I, and in Aquinas's works it is not presented as being as strong as in Albert's – neither in the *Commentary on the Sentences (In III Sent., d. 37, a. 6, ad 6)*, nor here (*De emptione*, I), nor in later works (*S. T., IIa IIae, q. 78, a. 1, ad 7; a. 4, resp; De malo, q. 13, a. 4, ad 8*). Paying more attention to the mechanism of the operations than to the economic status of the agents (lender or borrower, seller or buyer) allows a more precise identification of the shifts in risk during the operation, a better assessment of its intensity, and a more exhaustive consideration of this risk.

## **2. Reconsidering the just price: towards a new approach to risk**

Standing at the confluence of trade and credit, forward selling combines two approaches involving justice. The situation is thus non-usurious when the price is a just price, i.e. when the sale is made at a price corresponding to what the good is worth (its value). However, Aquinas uses the term "value" polysemically: he does not clearly define what is meant by "just price", and does not assert an absolute identity between value and price. In the eyes of the reader this creates a risk of error in the analysis and understanding of price and the justice of exchange. Even today, the debates on whether the just price should be seen as the market price or the price by cost of production, and more recently the emphasis on the primacy of the moral dimension of justice, show that the notion of the just price remains under discussion. A proper consideration of *De emptione*, however, suggests a way in which we may be able to create a new foundation for our understanding, which would be a prerequisite for the identification and analysis of the risks incurred by agents in the course of the operation. It should be noted that Aquinas rarely uses the expression "just price": the term appears only twenty-one times in all his works, including twice in *De emptione*, I, in the context of an illustration of usury through an example in which sheets are sold "for more than they are worth". The absence of usury, like the just price, would therefore result from the effective transcription of the value of the good, even if there is no identification between value and price. The just price is not a price determined by the market but a price based on justice that reflects this value and that can be found on the market. It can be seen that the virtue of justice, in its normative and moral dimension, is primary, and that the just price is a price of justice, ontologically pre-existing the exchange. It is then translated into a set of acceptable effective prices that are in conformity with it.

## 2.1.From value to just price

Since in order not to be usurious an exchange should not consist in selling a good forward for more than it is worth, the first step must be to explain the reasons for the possible difference between the effective price and the value. The lack of precision in *De emptione* allows two possible hypotheses to be formulated. According to the first, it would be the *value* that could change, either through time or space, with the evolution of the price of the good on the market, or by integrating subjective or individual factors such as the prejudice caused by the forward sale and the payment period. The second hypothesis supposes that the value of a good is intrinsically stable, so it would be the *price* that would change. It is not possible to give a definitive ruling. However, it appears that there is no necessary relationship of identity between value and price.

### 2.1.1. *The dialectic between value and price*

The second chapter, concerning Tuscan sheet dealers coming to the Lagny fair, proposes a reversal of what was described in *De emptione*, I: no longer a reduction for spot purchase but an increase in price for a sale on credit. This chapter, which is both brief (59 words in Latin) and dense, introduces usury when selling fabrics "for more than they are worth" (*De emptione*, II). Although the term "price" does not appear explicitly, the sale presupposes an exchange ratio, i.e. a price, which must not exceed the value of the good. A new analytical risk then arises, because the expression "for more than they are worth" maintains a dialectic between price and value such that translators sometimes use one for the other or add one or the other term (such as Spicq [1935]), and where commentators omit to distinguish between them and treat the Thomasian expression exclusively in terms of price, or switch from value to price without explaining why (typically De Roover [1958], p. 422 and [1971], p. 52 and pp. 56-61; but this phenomenon is widespread, to varying degrees, in the literature). To understand the nature of the non-usurious price that would be the effective just price, we need to go back to what Aquinas means by "worth (*valeant*)". I will address this question first from within the framework of the lexicon available to Aquinas, then the entire Thomasian corpus, and finally in *De emptione*.

In lexical terms, "value" covers a much wider field than "price". The verb *valeo* in classical Latin means to be strong, vigorous, to have moral value, to be effective in doing something, to rule, or to be well, but the market and monetary connotation comes only in the last sense and is a declination of the previous ones (Ernout and Meillet [2001], p. 712); to express the verbs "to be worth" or "to cost", the term *consto* is to be preferred (Quicherat [1893], p. 249 and p. 1194). The noun *valor* might have been used only rarely and late, and was not taken up by Quicherat [1893] and Ernout and Meillet [2001]. In the Middle Ages, the monetary and mercantile meaning of *valeo* spread, while remaining the last meaning of the verb (Blaise [1954], p. 835)

and *valor* took on the meaning of market value, which Blaise ([1975], p. 945) translated as price, but also the meaning of war value, salary, profit, and power. Three aspects of the classical and medieval lexicon of value can therefore be highlighted: a broad polysemy; an oscillation between a characteristic of the subject in itself and of the subject in its relationship with its environment, with a dimension which is at once intrinsic, and pertains to usefulness and to moral value; and an economic meaning whose diffusion comes late and remains poorly defined in the Middle Ages, and which assimilates all the existing polysemy. What appears to today's reader as a risk of analysis stemming from the lack of information on this value can therefore also be seen, alternatively, as the effect of a wealth of information on the good. Value is thus a concept with a broad spectrum. It is this breadth that the translation into price terms on the one hand, and then the conceptual precision and development of value theories over the following centuries on the other, will reduce.

The term "value" is not widespread in Aquinas's works: 47 occurrences for the noun (*valor*) and 368 for the verb (*valeo*), the vast majority of which deal with non-economic issues. Neither the *Commentary on the Sentences* nor *De emptione* offer a draft theory or even a definition of value. *De malo*, q. 13, a. 4, ad 15 states, as does *De emptione*, that if the price is higher than the value there is usury, and *Ethicorum*, V, 9 deals briefly with the value of money. The *Summa theologiae* sheds some light, although this is often less a matter of Aquinas's own explanations than of the translators' and commentators' projections, because they are looking for a theory of value where price is often mentioned. The misunderstandings about the nature of value highlighted by Lapidus ([1986], pp. 17-28 and [1994], p. 440) undoubtedly stem from an overly quick identification between value and price, whereas the study of medieval vocabulary encourages caution.

It is remarkable that the first properly economic question of the *Summa theologiae*, *S. T.*, IIa IIae, q. 77, begins precisely, in its article 1, with the dialectic between value and price. A too-quick reading of *S. T.*, IIa IIae, q. 77, a.1, resp. could lead one to believe that value is defined by common utility (*pro communi utilitate utriusque*) or need (*indiget*). Thus, when Aquinas states that it is "the quantity [*quantitas*] of things which come to the use of men which is measured according to the price given [*mensuratur secundum pretium datum*]" (*S. T.*, IIa IIae, q. 77, a.1, resp.), Spicq [1935], in a French translation which has long been authoritative, unduly introduces the term "value" and translates *quantitas* as "quantity or value". However, the only issue here is price (*pretium*). The value then appears only to represent the link between the thing and the price, thus affirming the need for conformity but not a formal identity: "if the price exceeds the quantity of the value of the thing [*quantitatem valoris rei*], or conversely if the thing exceeds the price [*res excedat pretium*]", and then in the concluding sentence: "therefore to buy more or sell less than it is worth is in itself unjust and illicit" (*S. T.*, IIa IIae, q. 77, a.1, resp.).

The value seems to be distinguished immediately afterwards from the effective just price, which takes account of utility and prejudice: "The just price must be established not only in regard to the thing sold [*respiciatur ad rem quae venditur*], but in proportion to the prejudice suffered by the seller" (*S. T.*, IIa IIae, q. 77, a.1, resp.). Once again, Spicq [1935] introduces "value" for *respiciatur*, where the Latin does not mention it. Thus, *S. T.*, IIa IIae, q. 77, a.1, resp. seems rather to indicate that it is the just price that integrates and transcribes utility, need, and prejudice, rather than the value from which it derives.

Far from defining unequivocally what he means by value, Aquinas unites two values in the same sentence: the intrinsic value, *secundum se*, of the thing, and the value for the possessor: "One may licitly sell something beyond its intrinsic value [*plus quam valeat secundum se*], although it is not sold more than it is worth to the possessor [*plus quam valeat habenti*]" (*S. T.*, IIa IIae, q. 77, a.1, resp.). This double mention underlines the fact that there is no contradiction between the two conceptions of value, that of the thing itself and that of the thing for the agents. We find here from Aquinas's pen the classical polysemy, which presents itself more as a complementary plurality than as an opposition between value in itself and value for others, or utility. This tends to confirm the hypothesis that Thomasian utility or need are relatively objective notions, the value derived from utility not being decoupled from the value of the thing. Utility is thought of more as a characteristic of the thing than as a subjective characteristic of the agent.

In *S. T.*, IIa IIae, q. 77, a.1, obj. 3, value appears more as a value *secundum se* which does not integrate utility and need. Compensation for a benefit (*beneficium*) sometimes exceeds the value of the thing (*excedit valorem rei datae*) if the need for the thing is great. Aquinas concludes the objection with the dissociation between price and value: it is permissible to exchange at a price higher than what the thing is worth (*pro majori pretio quam valeat*). The answer to the objection dismisses the proportionality between compensation and utility and adopts an objective proportionality of "the equality of the thing exchanged [*secundum aequalitatem rei*]". The value/price dialectic is manifested by a price that reflects a value that is either *secundum aequalitatem rei* or arises from a common objective utility, but not from a singular subjective utility.

Some passages which suggest the integration of a utility dimension in the price may have been read too quickly as indicators of a utility value, as the literature reviewed in Lapidus ([1986], pp. 17-28) testifies. Thus, echoing Augustine, Aquinas compares the utility of a horse and that of a slave. The price of things is not estimated according to a hierarchy of nature (*gradum naturae*) but according to utility (*S. T.*, IIa IIae, q. 77, a. 2, ad 3). The study of the relationship between value and price supports Lapidus's reservations ([1986], pp. 17-28 and [1994], p. 440),

which relate in particular to the nature of utility, since it is in fact the relationship between utility and price, but not value as such.

Once again, however, we note that the Thomasian understanding of value is not univocal, and that this may justify a rapprochement between value and price, which sometimes seem to be confused. In *S. T.*, IIa IIae, q. 77, a. 3, ad 4 Aquinas describes the fluctuation in terms of value, whereas objection 4 was formulated in terms of price (*minuatur de pretio*). The value varies either because of the state of the thing – "the defect of a thing causes its present value to decrease [*in praesenti esse minoris valoris*]" – or because of the state of the market – "in the future the value of the thing is expected to be lower because of the arrival of new merchants [*in futurum res expectatur esse minoris valoris per superventum negotiatorum*]" (*S. T.*, IIa IIae, q. 77, a. 3, ad 4). On the other hand, in *S. T.*, IIa IIae, q. 77, a. 4, ad 2, to the objection that a good cannot be sold for more than it is worth, Aquinas responds by justifying a variation in the price either because of an improvement in the object, or because of a change in the price of the thing (*pretium rei est mutatum*) according to the various places and times, or because of the risks of transport, but he does not explicitly mention value. In this case, the price will evolve to reflect an evolution of the good, and therefore of its intrinsic value, but also of the elements external to it, thus pleading for a conceptual distinction between value and price.

Thus, even though Aquinas considers value in its economic sense, this use retains the imprint of a Latin literature where value was largely polysemic. This polysemy, which resonates with the historical analysis of medieval economy (Franks ([2009], pp. 36, 51 and 69; Persson [2014], p. 227; Hirschfeld ([2018], p. 28)), is a natural consequence of the usage of the term "value" to integrate a wide range of connotations that are at once ontological, efficient (utility), and moral.

Value is not defined in *De emptione*, and its relation to price is always indirect and is effected through usury. This interweaving of value, price, justice, and usury is rendered in the very structure of the text. The five occurrences of *pretium* are found in *De emptione*, I, including two occurrences of *justii pretii*. Three of the four occurrences of *valeo* are found in *De emptione*, II (with one occurrence in *De emptione*, IV). The question of justice can be found on the one hand in the expression *justii pretii*, and on the other hand in the standard formula which combines sale and value: "*plus vendant pannos quam valeant*". It is found, with slight variations, twice in *De emptione*, II and once in *De emptione*, III. It should be stressed here that it is the question of justice that makes the link between value and price. This should not lead us to draw hasty conclusions: Aquinas gives a clear description, in *De emptione*, of a mechanism linking value, price, and justice. However, the question of justice is approached through that of value when he discusses a commercial action (the sale). On the contrary, price denotes a situation that here has no direct relationship with value. The distinction between value and price thus takes on not only an operational character through a mechanism, but is also based on a semantic distinction:

price is separated from value less in terms of level or degree than in terms of nature. Price describes an exchange ratio, which may or may not be just, whereas value constitutes the broader moral reference of justice within this exchange.

### 2.1.2. *Does the value vary?*

If value embodies the moral reference of justice that presides over the exchange, *De emptione*, II juxtaposes two propositions that seem to muddy the tracks on the determination of this value:

- *Proposition 1*: If merchants "sell [the fabrics] for more than they are worth according to the common market [*plus vendant pannos quam valeant secundum communem forum*] because they are waiting for their money until Easter, there is no doubt that there is usury".
- *Proposition 2*: "if they do not sell the fabrics for more than they are worth [*plus quam valeant*], even if they sell them for more than if they were paid immediately [*plus tamen quam acciperent si statim eis solveretur*], there is no usury" (*De emptione*, II).

How can we understand the articulation of these two proposals and their associated criteria that determine whether the situation is one of usury? Proposition 1 suggests that the price is just (non-usurious) if it is lower than the price found on the market, which corresponds to the value of the good. Proposition 2 can be read in two ways: either the temporal price difference is linked to the market fluctuation, in which case the price is a just price (non-usurious) as long as it corresponds to the market price, which reflects the value of the good, even if the market price increases and a forward sale, taking place during the term, is made at a higher price; or the temporal price difference is a difference *due to* time and not simply *over* time, in which case the price remains non-usurious as long as it remains below the market price, which reflects the value of the good, even if it includes a time surcharge.

While it is therefore not possible to derive an univocal definition of value or to clarify definitively the value/price dialectic from later works, we can nevertheless, on the basis of the plurality of meanings of Aquinas's notion of value and the lexical study of *De emptione*, formulate two interpretations of his two propositions and, more broadly, of the expression "not to sell a good for more than it is worth": one where the value varies, either with the evolution of the price of the good on the market (interpretation 1a), or by the integration of subjective or individual factors such as the prejudice caused by forward sale and the payment period

(interpretation 1b); the other where the value of a good has an intrinsic and stable character, and it would therefore be the price that would change (interpretation 2).

*Interpretation 1a:* The value varies with the price of the good on the market.

The value varies with the price of the property on the market in a given place and at a given time. We consider a situation where the price of the sheet increases. The price of the singular exchange could increase, but not beyond the price charged on the market. The value of the good would thus correspond to the just and non-usurious selling price, which would itself be the current price on the market, and this could lead to us seeing it as a prefiguration of a market price, which itself is understood as a price resulting from an adjustment process that makes supply and demand behaviour compatible. The market would thus determine not only the price but also the value of the good. The rare translations of *De emptione* usually retain "*secundum*" (according to, on) to render "*valeant secundum communem forum*" in the first proposition of *De emptione*, II. O'Rahilly [1928] thus translates as follows: "*than it is worth in the general market*". However, in the debate between the production cost approach and the market approach, commentators have sometimes hardened the expression by giving the market an active role, for example, by using the translation "according to the market price [*d'après le cours du marché*]" (De Roover [1971], p. 59) and by rendering the corresponding expression in Albert the Great, "*secundum aestimationem fori*" (Albert the Great, In IV Sent., d. 16, a. 46), as "*estimation of the market*" (De Roover [1958], p. 422). Moreover, the expression "market price" is regularly used to refer to the Thomasian or scholastic just price (De Roover [1958], p. 422; thirty-nine times in Hollander [1965]; regularly used in Monsalve [2014a] when distinguishing between the cooperative scholastic market price and the competitive liberal market price). Despite its anachronistic tone, the use of "market price" seems to indicate that it is the most commonly used hypothesis. However, it must be noted that we are dealing here with a value and not a price. Nothing is said about the possible fluctuation of this value, nor about its determination. What is more, it is striking that throughout *De emptione* there is no direct link between the terms "value" or "worth" and "price", and there is no common phrase or proposition to match them with. The only explicit lexical links are sale and usury (usury is when you sell something for more than it is worth). It is therefore the act of the transaction and the observed situation of justice that bridge the gap between value and price, so that it cannot be said here that the effective just price on the market, sometimes for convenience called the market price, is, by identity, the value of the good. On the other hand, it can be objected that value can be revealed by prices on the common market without being identifiable or, even more so, being derived from them. This value is therefore situated ahead of its actual translation in terms of price. The Thomasian expression simply says that this value is found on the market, supposedly in the form of the just price, but this remains implicit. We can therefore transform the interpretation as follows: the non-usurious price must be a price in line with the current price



that reflects the value of the good exchanged on the market. There is conformity but not identity between the value, which remains veiled, and the effective price on the market.

*Interpretation 1b* : The value would include the cost of credit.

The very value of the property would change, and would include the prejudice resulting from the deferred payment. This hypothesis is left open by Aquinas's second proposal. The prejudice would lead to an increase in the value of the sheet exchanged in the singular transaction, and therefore in the price charged in this exchange. According to this hypothesis, Aquinas would be justifying the integration of the need to cover the cost of the credit in the good's value itself.<sup>6</sup> Deferred payment combines two economic operations, trading and lending. The porosity of the financial and commercial lexicons, with the application of the term "usury" to a discrepancy in the value (Aquinas does not use the word "price" here) of the sheet, is an indication of a relatively unified way of thinking about this activity.<sup>7</sup> Aquinas would thus be taking a first step towards the possibility of a loan surplus.<sup>8</sup> Indeed, *Commentary on the Sentences*, in *In III Sent.*, d. 37, a. 6, condemned interest, but the presentation of the loan as an intertemporal exchange subject to a price (Januard [2021]) prepared the possibility of a surplus later on, with the alternative model of the *societas* in *S. T.*, IIa IIae, q. 78, a. 2, ad 5 and especially in *S. T.*, IIa IIae, q. 78, a. 2, ad 1 by stipulating compensation for the damage caused by the deprivation of the sum, i.e. the opportunity cost (broadening the framework of *damnum emergens* – the need to borrow –, but excluding *lucrum cessans* – loss of profit) and in *De malo*, q. 13, a. 4, ad 14, where Aquinas opens the way to *poena conventionalis*, a penalty for late repayment.

There is nothing here to confirm or reject interpretation 1b, which must therefore remain open. However, this interpretation would have to be modified on the basis of the notion of *mutuum* and extrinsic titles on the one hand, and on the basis of the distinction between value and price on the other. Indeed, the existence of a surplus is established by the existence of extrinsic titles associated with the *mutuum*, a Roman law interest-free loan (McLaughlin [1939], pp. 125-147; du Passage [1946], col. 2361 and 2364; Franks [2009], pp. 71-82; Burke [2014], pp. 111-113;

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<sup>6</sup> This hypothesis would testify to Aquinas's involvement in the long-term movement of the progressive opening of the scholastics to extrinsic titles, as part of their ongoing adaptation to economic realities (Munro [2003], pp. 510-511; De-Juan and Monsalve [2006], pp. 105-106; Monsalve [2014b], p. 218). This analytical grid, based on the idea that the scholastic authors come from a theology that is hostile to wealth, is criticised by Lenoble and Toneatto ([2019], pp. 27-31).

<sup>7</sup> Berthoud ([2005], p. 66), on the contrary, is keen to demonstrate the specific moral character of the loan, which is irreducible to exchange, and sees in the interest what he calls a "false price".

<sup>8</sup> *De Emptione* does not stipulate any free compensation on the part of the buyer on credit. Indeed *De emptione*, IV is severe: "[a person who obtains a discount because he pays early] cannot claim as an excuse [...] that he does so at the invitation of another [*hoc ab aliquo inducitur*], because that reason would excuse all usurers". Aquinas slightly relaxed his position in *S. T.*, q. 78, a. 2 (spontaneous loan granted in return, in ad 4) and the possibility of demanding compensation that cannot be assessed at a price, such as the benevolence, friendship or gratitude of the borrower (*respondeo*). However, Piron [2005] insists on Aquinas's distinction between contract and friendship and on his distance from the notion of *antidota*, which at the beginning of the 13<sup>th</sup> century placed gratitude within the very framework of the loan.

Ege [2014], p. 403; Monsalve [2014b], pp. 231-232; Chaplygina and Lapidus [2016], pp. 35-37; [2021]; Lapidus [2021]). The surplus is therefore external to the good: strictly speaking it is a supplement to the price, not to the value. It is not the value of the sum loaned that is modified but the repayment price, which may include in addition compensation for the cost to the lender. A distinction is therefore made between the value and the surplus integrated into the exchange ratio. The proposal could therefore be formulated as follows: the non-usurious price transcribes an exchange ratio which, beyond the value of the good exchanged, may include a surplus provided that it is acceptable.

*Interpretation 2* : A stable *secundum se* value.

According to a *prima facie* reading of Aquinas's second proposal, the price, which may fluctuate, must remain below the value of the sheet, which is nowhere said to evolve, neither over time in the market (interpretation 1a) nor because of time in the forward sale (interpretation 1b). This value would depend, then, neither on the price on the market nor on the prejudice of the seller on credit. Only the price in the singular exchange would increase. The situation would not be usurious as long as this price, despite its increase, remains lower than or equal to the just price corresponding to the value of the good. Several arguments support this thesis. Aquinas does not use the term "price", and the term "value" appears only in verbal form. There is, however, a price-value tension. The price, expressed by the comparative "*plus... quam*", here corresponds to an effective exchange ratio in a sales transaction between an identified seller, the Tuscan merchant, and an implicit buyer. The value is not related to the agents, but only to the fabrics, to the good exchanged. Moreover, in Aquinas's first proposition, the value on the market does not explicitly fluctuate, whereas the price on a market does vary. This interpretation must be nuanced, however, because it is not formally stated that it is a *secundum se* value and, while there is nothing to say that it varies, there is nothing to state definitively that it does not. Aquinas's later writings do not allow us to make a definitive statement on this point. Interpretation 2 can therefore be reformulated by stating that the non-usurious just price, which may possibly vary (interpretations 1a and 1b), but not necessarily (interpretation 2), visibly and observably transcribes the value of the good which is not determined in *De emptione* and which remains equivocal in all the Thomasian works.

The above interpretations remain open. There is no way to say what the value comprises or whether it changes. On the other hand, all the arguments plead in favour of a distinction between effective price and value which would not simply be a discrepancy in *level* or *degree*, but rather a difference in *nature* between an exchange ratio and the value of the thing – where the latter is a value of justice, since it is the criterion of conformity to the effective just price, and is upstream of the effective exchange. It should then be noted that the polysemy of value, and therefore the

imprecision of its determination, represents an informational risk as well as a risk concerning the understanding of the justice to which the effective exchange must conform.

## 2.2. From just price to just prices

Having shown the conceptual distance between value and the effective just price, further investigation is needed to understand the term "worth in the market", which commentators have sometimes unfairly glossed as "market price". Bringing together the various economic elements of *De emptione*, including the renewed understanding of valuation as an approximation and as a determination by reference to a pre-existing moral criterion, along with the lexical study of the expression "*secundum communem forum*", and then mobilising the recent rediscovery of the normative and moral framework of scholastic reflection on price, makes it possible to provide new foundations for the notion of just price. The just price is now seen not as a market price, but first of all as a pre-existing normative price, rooted in the virtue of justice, which is translated into a plurality of acceptable prices that are in conformity with it, and that can eventually be found on the market.

### 2.2.1. "Worth on the market" or "market price"?

After distinguishing between value and price, the concepts of price and just price need to be clarified. The expression "just price" does not appear in *De emptione*, II; however, it is in this chapter, amidst a background of confusion over the difference between value and price, that the debate on the meaning of the Thomasian "just price" has its roots (De Roover [1971], pp. 57-58). While there is no formal mention of the just price, the situation of usury indicates that the sale, and therefore implicitly the price charged, is not in accordance with justice, i.e. the price of the exchange does not correspond to the value of the good. In *In IV Sent.*, d. 16, q. 4, a. 2, qc. 3 on market activity, Aquinas had not taken up the question of price which had been introduced by Albert the Great in *In IV Sent.*, d. 16, a. 46: "the just price [*justum autem pretium*] is what, according to market estimation [*quod secundum estimationem fori*], the thing sold can be worth at that moment [*illius temporis potest valere res vendita*]" (see Langholm [2003], pp. 57 and 245). *De emptione*, II seems to return to Albert with a lexical closeness: "sell the fabrics more expensive than they are worth according to the common market [*plus vendant pannos quam valeant secundum communem forum*]" without introducing any necessary variation in value or just price. One can then try to reverse the expression to obtain a definition of the just price as it was introduced in *De emptione*, I: in *De emptione*, II to conform to it would therefore consist in selling at the price prevailing on the common market. Two readings of the expression "just price" are then possible, based on the assumptions previously made about value:

*1<sup>st</sup> reading:* The just price is the price applied on the market.

In this case it is the price set on the market that determines a just price that is equal to it. The ease of translating *secundum communem forum* as "market price" reinforces the perception of a market as an entity which determines the just price (although the term *pretium* is absent from the original sentence). In this case the Thomasian just price would be a market price (as in De Roover [1958], p. 422; Langholm [1992], pp. 228-233; and Sivéry [2004], p. 703; for an overview of this position, see Lapidus [1993], p. 29; Franks [2009], pp. 87-89; and Monsalve [2014a], pp. 10-11), or a current market price outside of a crisis situation (De Roover [1971], pp. 57-58), or a market price with the exception of situations of fraud and default on the one hand and force and need on the other (De-Juan and Monsalve [2006], pp. 103-104).

*2<sup>nd</sup> reading:* The just price cannot be considered *to be* the market price.

Several elements speak for this hypothesis. Firstly, the study of the "*justa aestimatio*" in Aquinas's works shows that estimation does not consist in establishing the just price but in approaching a normative and pre-existing just price. The use of the expression in *De emptione*, I is not very explicit, but the occurrence found later in *S. T.*, IIa IIae, q. 77, a. 1, ad 1, is more eloquent. The market does not make the just price, but, if it functions in a just manner, it does lead to acceptable prices that are in conformity with justice. The estimation process points to a variety of prices that result from approximation, and that are acceptable although they deviate from the just price. Thus, "a slight increase or decrease in the price [*modica additio vel minutio*] does not seem to be able to take away the equality of justice [*non videtur tollere aequalitatem justitiae*]" (*S. T.*, IIa IIae, q. 77, a. 1, ad. 1). Further, the agent has a certain freedom: "Whoever acquires an object that is very advantageous to him may, on his own initiative [*propria sponte*], give something extra to the seller [*aliquid venditi supererogare*]. This is honest [*quod pertinet ad ejus honestatem*]" (*S. T.*, IIa IIae, q. 77, a. 1, resp.). The criterion of justice here is the agent's freedom to offer a price that is unfavourable to him. Finally, in *De emptione*, II the reference of justice is the value according to the common market (*valeant secundum communem forum*); this is not explicitly a question of a price on the market but rather of a value.

The study of the meaning of the preposition *secundum*, which introduces the link between value and market, reinforces this distance between value, price and market. *Secundum* primarily means "behind", "along with", or, in a temporal meaning, "immediately after"; this then gives it the meaning "second", "of a lower rank". Yet there is a fourth meaning, "according to", "in accordance with", "in favour of", which is opposed to *adversus*, and which is also found in other Indo-European languages (Quicherat [1893], p. 1013; Ernout and Meillet [2001], p. 608). In the Middle Ages, the preposition takes on a temporal, causal and final meaning: "at the moment of", "as a result of", "in view of" (Blaise [1975], p. 833), "during", "following", "regarding",

"for", "in the aim of" (Blaise [1954], p. 747). The sense of conformity is broadened both quantitatively and qualitatively, to include the locative: "in proportion to", "in the same manner as", "in", "among" (in the Hellenistic sense); and a distributive sense: "simultaneously", "at the same time". Depending on the meaning chosen for *secundum*, the link between value and market takes on a different structure: one can choose a simple locative or temporal meaning, the value which one finds on the market then being like something situated along the edge of a sea (*secundum mare*), which one might gloss as "during" the market. One might envisage a meaning in the sense of a "manner" or "means", the value thus conforming to the market in the way that an agent might conform to the law (*secundum legem*). One might also consider a quantitative meaning, but the market would then not be a place but a price whose value would be proportional.

The translation as "market price" implicitly retains the strongest causal meaning. However, three objections can be made to this choice. First, even if the value were *secundum forum* in the same way as it would be *secundum legem*, there would still remain a distance, introduced by *secundum*, as well as a margin of conformity, which is not identity. It should be added that the preposition *secundum* does not usually have a fully causal meaning, and conformity only has the sense of a "manner". In this case, the market sets a price, but value is broader than price, so that we cannot identify value and price, and the causal link is reversed since the lexical study of value has shown that price is an expression of value, in all its polysemy, and not the other way round. In Aquinas's works, *secundum* as a preposition is used in a way that might suggest, if not a causal sense, then at least a sense of subordination, when the referent (in the accusative case) is a principle that has ontological precedence over the subject, which is a concrete reality. A distinction may, for example, be *secundum rationem* (according to reason) or *secundum esse* (according to being); or a reality may be *secundum justiciam* (according to justice), *secundum legem* (according to law), *secundum veritatem* (according to truth). The general principle is the rule of conformity of the subject. However, the only occurrence of a variant of *secundum communem forum*, in *In III Sent.*, d. 37, a. 6, and the four occurrences of *forum* in the sense of market (*In I Sent.*, d. 37, q. 3, a. 2, ad 3; *De malo*, q. 1, a. 3, ad 16; two in *In Physicorum*, L2, n. 7 and n. 2) are temporal and locative, the last three occurrences being found in the expression 'going to the market'. There are also 395 occurrences of the form *foris*, often in the general Latin locative sense of "to be outside", "in the square", or "at the market". It would therefore seem that it is difficult to consider the market as an immaterial principle which would determine a singular material reality which would be value. It is more likely that the market is, on the contrary, the place of value's manifestation. Finally, Aquinas does not explain the polysemy of *secundum* and does not present any contradiction between its different meanings. It is therefore possible that for *secundum*, as for *valeo*, it is necessary to retain the plurality of meanings

establishing both a link and a distance between the subject and its complement, without it being possible to specify the nature of this link.

The double lexical and conceptual distinction, between value and price on the one hand, and between the different meanings of *secundum* on the other, proves to be decisive here in order to avoid the two shortcuts that turn "worth on the market" into "market price" by translating "value" as "price" and giving the market an active role of justice.

### 2.2.2. *Just price and acceptable prices*

The normative character of a *just* price as distinct from *possible* and *acceptable* prices has only gradually emerged in the secondary literature. Distinguishing between possible and acceptable prices and the just price, as the second hypothesis does (Lapidus [1994]; Chaplygina and Lapidus [2016], p. 25) based on the normative framework of scholastic reflection (Chaplygina and Lapidus [2016], p. 20), leads to a rethinking of the debate on the just price (Franks [2009], pp. 84-89) by taking it out of the ontological framework to which it was assigned by the subsequent re-reading of the market economy (Franks [2009], p. 69). Indeed, the just price in this case is *not* a market price, as it appears in De Roover ([1958], p. 422; [1971], pp. 57-59), Langholm ([1992], pp. 228-233) or Sivéry ([2004], p. 703), in the sense that it is the result of the market; *nor*, as maintained by the thesis against which this approach was developed, is it a price through the costs of production "in labour and expenses [*in labore et expensis*]" (*Ethicorum*, V, 9) as supported by Tawney ([1926], p. 41; see also Baldwin [1959], pp. 73-74), in the sense that it would be the fruit of their determination; *nor* is it even a price resulting from a combination of both approaches, which would be a market price oscillating around production costs (Hollander [1965]). The recent emphasis on the moral dimension of the just price, however, has enabled a new step to be taken: Hamouda and Price ([1997], pp. 192-193), Gomez Camacho ([1998], p. 535), De-Juan and Monsalve ([2006], pp. 100-101), and Monsalve ([2014a], p. 5) begin to introduce a distance between "just price" and "market price" by underlining that the just price includes moral elements. Koehn and Wilbratte ([2012], p. 505), for their part, shift the subject of justice from the price to the person, the just price then being the price adopted by the just person. Man is first *homo justus*, before becoming *homo oeconomicus* (Monsalve [2014a], p. 16). Santori ([2019] and [2020], p. 278) has recently highlighted an earlier stage, man being first for Aquinas *naturaliter homo homini amicus*, the friend, who gives himself over to the gift (*donum*), before being considered *homo justus*; and Franks ([2009], pp.105-181) and Le Goff [2010] stress the significance of an anthropology of the gift through the development of *caritas* (charity).

It seems, however, that it is not enough simply to blend the market with elements of justice, but rather that a distinction must be made between two different pricing planes: that of the just price

and that of effective prices. The just price would then be the normative framework within which effective prices could be determined, or in other words the trade ratio, according to production costs and the bargaining power of agents.

Thus, if the just price is a normative price of justice that pre-exists the exchange, it remains to explicate its connection with value, which is the ultimate referent of justice. Nothing permits a distinction in *content*, or of *level* or *degree* between just price and value, since both designate the norm of justice, which remains veiled but which is manifested in the actual just price. There is therefore a correspondence between value and the normative just price. However, the lexical and conceptual distinction between value and price speaks in favour of a distinction in *nature* between value and just price. Whereas the term "just price" already expresses justice, lexically speaking, in terms of the exchange ratio, "value" has a polysemy that gives it an ontological (but not quantitative) content that is much broader. Conceptually and ontologically speaking, therefore, the normative just price is not the value; rather, it is the perfect expression, in terms of normative justice, of value in terms of the exchange ratio.

It should be noted that while value remains veiled, the just price itself is not defined by Aquinas. The polysemy of value therefore seems to be transferred onto the notion of the just price, when translating this reference point of justice into an exchange ratio. We might underline the not-very-explicit character that will still be evident in the *Summa theologiae* in the expression at *S. T.*, IIa IIae, q. 77, a. 1, resp., to "give something more to the seller". What is the reference used to determine what the buyer is paying extra over? Is it the price on the common market (as *De emptione*, II puts it), the "agreed price" between the contracting parties (as Spicq [1935] translates it into French, diverging from the Latin), or a normative just price? And in addition to which price may the buyer pay a supplement? It is only by articulating these three levels – the normative level of justice, the market and individual exchange – that we will be able to arrive at a clear definition of what the just price is.

### **3. A typology of risks based on the scholastic conceptual apparatus**

Starting out from the rediscovery of the ontological primacy of justice and the articulation between the just price and a set of acceptable prices, a reading of *De emptione* in the light of the whole of Aquinas's work allows us to mobilise two concepts, both familiar to him, in order to deepen the notion of the just price and establish a mapping of the related risks. The mobilisation of the scholastic categories of *sign* and *analogy*, notions with which Aquinas was well acquainted, allows us to take a new step by making a distinction of *nature* and not of *degree* between three levels of reality of the just price: the normative just price, the market price, and the effective price of exchange. For each level of reality, three categories of risk are present: the risks of analysis or misunderstanding of what the just price is and the process through which it

manifests; the commercial risks inherent in any market exchange, to which are added the specific risks linked to the intertemporal dimension of forward sales; and the strategic risks when one of the agents adopts a usurious position and goes outside the sphere of the just price and acceptable prices. This therefore makes it possible to propose a typology of risks, in the form of a cross-tabulation of the three levels and three categories.

### 3.1. Conceiving the just price through the scholastic categories: sign and analogy

To deepen our understanding of the interrelation between normative and acceptable prices, we may appeal to two medieval – and, indeed, particularly Thomistic – categories: that of the thing (*res*) and the sign (*signum, sacramentum*), and that of analogy. These categories are widely employed by Aquinas in dealing with philosophical and theological questions, and they constitute part of the framework within which he was accustomed to reason. We can therefore mobilise non-economic examples in which these devices are explicit in to articulate the different levels of understanding of the just price – since it is one and the same author, Aquinas, who dealt with issues of the sacraments, the divine names, and the just price. The theology of the sacraments, based on the philosophy of the signifier and the signified, suggests we think in terms of several successive levels of reality, from the sign to the thing. Thus, if we apply the signifier-signified sequence to three levels of reality that Aquinas uses for the sacraments, the effective price would in a way be the sign of a thing, the market price, which would itself in turn be the sign of an ultimate reality, the normative just price pre-existing the exchange. The philosophy of language, meanwhile, which deploys the concept of analogy, suggests we consider the possibility of there being several meanings for the same term, which are linked together by a causal chain but which are not identical. This makes it possible to preserve each level of the just price in its own space of determination, and to envisage a set of acceptable prices resulting from the normative just price.

#### 3.1.1. *The effective price as a visible sign of the just price*

Aquinas uses the notion of *sacramentum* in theology when treating of invisible holy realities, in particular concerning the sacrament, which is a visible sign (*sacramentum*) of a holy reality (*res et sacramentum*), itself in turn being a visible sign of an ultimate and higher reality (*res tantum*) – there are 92 occurrences of this triptych in his works (Michel [1939], col. 581-582 and Revel [2004], pp. 477-520).<sup>9</sup> The sign is not always just an indicator. The sacrament is *sacramentum efficax* (effective, which produces an effect) – 285 associations of these two terms, including 68 occurrences of the expression as constituted – and it fulfils what it means

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<sup>9</sup> For baptism, for example, "something is the *sign only* [*sacramentum tantum*], like water that flows out and does not remain, something is *the sacrament and the thing* [*sacramentum et res*], which always remains, this is the character, and something is the *thing only* [*res tantum*], a day remains, a day passes, this is grace" (*In IV Sent.*, d. 3, q. 1, a. 1, qc. 1, ad 1).



(Rosier-Catach [2004]). Thus Aquinas repeats the phrase *sacramenta significando efficiunt* (the sacraments do what they must mean) nine times in his works. They are thus sign and cause (*signum et causa*), not as the principal efficient cause which would be at the origin of holy reality, but as the instrumental efficient cause which makes the principal efficient cause effective (*S. T.*, IIIa, q. 62, a.1).

Since Aquinas does not use the expression *sacramentum* concerning the just price, it is advisable to guard against too rapid a transposition which would make the acceptable and effective prices simple "sacraments" of the normative just price. However, the just price applied by the contracting parties can be considered as a sign that manifests a just price applied on the market, which would be the sign that manifests the normative just price, where the latter is not seen but results from equality of justice. The category of sign allows us to introduce a relation of conformity while refraining from positing a straightforward identity between the levels of reality of the just price. Furthermore, the notion of instrumental cause makes it possible to account for the fact that the particular co-contracting parties, and the market, practise prices that make the just price effective, and which manifest it, yet without being its origin – the principal cause being equality of justice. Finally, Aquinas's sacramental triptych, which starts from visible and material elements and moves towards an invisible reality, highlights the need for the three levels. Just as they are present for all the sacraments, and the *sacramentum tantum* and *res tantum* are necessary to go to the *res tantum*, the price of justice can only be accessed through its effective manifestations. We also locate, through the necessity of the intermediate stage that is the *sacramentum et res*, the place given by *De emptione* to the market, since the justice of singular exchange is envisaged in relation to the value "*secundum communem forum*" (*De emptione*, II) and not in direct conformity with pre-existing normative justice.

### 3.1.2. *The effective just price as an analogy for the normative just price*

The notion of analogy is also of great utility for the analysis of the just price. The primary meaning of the philosophical concept "analogy (*ἀναλογία*)" is mathematical proportion, and then by extension ratio or correspondence, but always with an idea of proportionality (Gilson [1965], p. 124). Analogy also evokes a resemblance with a dissimilarity, or a partial resemblance (Chollet [1903], col. 1142). Reasoning by analogy is also biblical, rooted in Wisdom 13:5: "for the greatness and beauty of creatures makes them contemplate their author by analogy", taken from the Greek text (Septuagint), as underlined by Humbrecht ([2009], p. 73). Aquinas takes up the concept of analogy (Chollet [1903], col. 1142-1154; Gilson [1965], pp. 121-129; Montagnes [2008] and Imbach and Oliva [2009], pp. 83-84) and uses it in *S. T.*, Ia, q. 13 in his reflection on divine names, which constitutes an essay at a theory of language. The linguistic work deployed in his theological reflections is enlightening for understanding the different meanings of the expression "just price". The distances between creatures may mean

that nothing is univocally attributable to them (the same adjective may take on different meanings depending on the subject it qualifies), but since the distance between creatures and God is infinite, there can be no univocity of language when speaking of creature and creator.

Aquinas takes the example of the word "wise": "Given to man, it circumscribes in some way and contains the signified reality, whereas when it is said of God, it leaves the signified reality beyond all limits and beyond the meaning of the name" (*S. T.*, Ia, q. 13, a. 5, resp.). God's wisdom cannot be limited to what we know of man's wisdom. The equivocality, however, is not total, since otherwise we could know nothing about God. Aquinas, starting from the link of creation (cause-effect), then introduces a relationship of analogy of language whereby everything that is said of the invisible from the visible is true. For this he relies on Romans 1:20: "The invisible attributes of God are made manifest to us by means of his works". However, the analogical discourse does not say everything about the invisible reality, which preserves its divine transcendence. The analogy is then thought in terms of proportion: "It must therefore be said that the names in question are attributed to God and to creatures according to analogy, that is to say, according to a certain proportion" (*S. T.*, Ia, q. 13, a. 5, resp.). Aquinas adds to the following article that if the names are first known to us through the creatures (through the visible), they are first of all attributable to the cause: "For when we say: God is good or wise, we mean not only that God is the cause of wisdom or goodness, but that in him wisdom and goodness pre-exist in a supereminent way" (*S. T.*, Ia, q. 13, a. 5, resp.). It is therefore from the invisible cause that creatures derive their attributes: "It is from God that these perfections derive in creatures" (*S. T.*, Ia, q. 13, a. 6).

Taking this discourse by analogy, which makes it possible to speak of an invisible and pre-existing cause on the basis of its visible effects, and applying it to the concept of the just price, would lead to the conclusions that the normative just price pre-exists the effective just prices, can only be apprehended on the basis of these effective just prices in real transactions, and that it is from the normative just price that the justice of these effective just prices derives. It should be noted here that the lack of information on the just price does not prevent fair exchanges at an acceptable price, because it is compensated for by information on effective prices. The term "just price" can be used to refer to the price of the single transaction, the common market price, or the normative price, but in the first two cases it is applicable only by analogy. The concept of analogy is all the more relevant here since it is usually used to grapple with the invisible or poorly known on the basis of what is known, or to trace the known effect back to the cause. The normative just price is not clearly known and the criteria that determine it are not explained by Aquinas, but the prices that result from it are known. There remains, however, a margin of appreciation and error that is not found in the theological use of analogy. Indeed, we may ask: is the effective just price the price charged on the market, the price fixed on the basis of

production costs, or the market price oscillating around a cost-based price and mixed with criteria of justice such as the prohibition of fraud? The classic debate on the Thomasian just price thus reveals imprecision in our understanding of the just price by means of analogy. However, the Thomasian analogy deployed in *S. T.*, Ia, q. 13, admits and even honours the equivocality within creation itself: "wise" takes on a different meaning depending on whether it is a child, a philosopher, or an old man of whom it is predicated, but each of these meanings says something about God's wisdom. In this spirit, both the price according to the common market and the price according to production costs can be the just price. A plurality of acceptable prices would then correspond not only to a plurality of situations, but also to a plurality of economic approaches to price.

The category of sign and the category of analogy make it possible to reintroduce an ontological approach to the just price, but at a new cost. Aquinas's *sacramentum*, in realising what it signifies, affords access to the holy reality that it designates, and the analogical discourse is compatible with ontology in the sense that the prices of the singular transaction or those practised on the market may be just, and *are* thus "just prices", but from a justice that emanates from the normative just price, which is both the principal cause and the signified reality.

### 3.2. From the just price to the typology of risks

The conceptual diversion through the notions of sign and analogy, which leads us to propose three levels of reality of the just price, makes it possible to identify three related risks. As long as the justice of the Thomasian price was presented according to a distinction of *degree*, where the just price resulted from a multifactorial equation potentially integrating criteria of justice, production costs, market price, and utility ratio, the risks concerning the just price could manifest at two levels: in the determination of the level of price demanded by each of the factors, and in the weight given to these factors. The abandonment of this route in favour of a distinction of *nature*, which, with reference to a pre-existing normative price level, presents us with analogous uses of the expression "just price" to describe prices that are considered to be fair, leads us to consider risk at each of the levels of the "just price". It is also possible to start from the three categories of risk – analysis risk, commercial risk, and strategic risk – and to distinguish, for each of these categories, the risks relating to each level of reality of the just price. Once the mapping and the typology have been drawn up, we can identify how Aquinas reduces risk by circumventing the lack of information about the agent's intention and the nature of the just price.

### 3.2.1. Three levels and three categories of risks on the price

There are therefore three stages at which the observer and the co-contractors can make mistakes in determining the just price. The first analytical risk lies at the normative level, since Aquinas does not make clear the criteria of justice that govern the determination of the just price. This represents a risk to the analysis and understanding of the justice of economic activity. It is an external risk that is imposed on agents who are dependent on the moral, social, and legal framework that rules the justice of exchange. When dealing with usury in the *Commentary on the Sentences (In III Sent., d. 37, a. 6)*, Aquinas, distancing himself from the traditional understanding of interest loans (Januard [2021]), identified the risk of error in understanding usury and determining the usurious situation. Here, Aquinas does not seem to perceive the lack of normative information that weighs on the observer, nor the risk that this poses for all economic agents. Indeed, an error in the moral understanding of the criteria of justice entails the risk for agents that the universe of acceptable prices is in reality not fair, and that they will find themselves harmed by the effective price that will result from an erroneous normative just price. Moreover, in the context of the forward sale described in *De emptione*, the agent runs a legal and moral risk of being wrongly considered a usurer, since the criterion for determining the usurious situation is a price criterion.

The second analytical risk concerns the second level of reality of the just price: this is the estimation and approximation risk on the market. This is partly an internal risk because it depends on the estimation capacity of the agents during the transaction. The analysis error here no longer concerns the normative criteria but rather the means of approximating the just price by the market. From this perspective, the perfection of the market does not lie in the meeting between supply and demand, but in the fact that this meeting leads to an exchange ratio that conforms to the normative just price. Since it is not the market price that is the just price but the just price that must be translated into a market price, risk intervenes in two ways: in the adjustment of supply and demand, but also in the perception and implementation (or not) of corrections allowing the meeting of supply and demand to happen at an acceptable price that is in conformity with the normative just price. Thus the idea that the Thomasian just price is the market price not only reverses the logical order between normative primacy and market effectiveness, but also leads to a risk of misunderstanding the transition from the normative price to the market price, and thus to a risk that the market price is not fair. Indeed, this position does not envisage that, in order to be a just price, the price need not necessarily result from the simple meeting of supply and demand, but that corrections may be necessary to reflect as closely as possible the normative just price.

The third analytical risk is located at the third level of reality, and concerns the possibility that the effective price of the singular exchange should not fall within the universe of acceptable

prices. This can occur if factors that are not in accordance with justice are admitted in the determination of the singular price. Here again, this is partly an internal risk because it depends on the ability of the singular agents to apply the right criteria of justice during the exchange. Forward selling, as described in *De emptione*, seems to present a clear, objective and visible criterion of justice: there is usury, and therefore injustice, when the variation in price due to time, by delay of payment or advance payment, exceeds the just price. However, it should be noted that the distance taken in the *Commentary on the Sentences* (Januard [2021]) from the traditional argument against usury, as well as the introduction of a risk of analysis in the understanding of interest loans, make it necessary to include the risk of our making a mistake in our analysis of the very notion of usury itself. Aquinas does not call into question the condemnation of usury, but his introduction of a risk of error in its understanding entails that this condemnation itself poses a risk of injustice, and therefore of a mistaken moral characterisation of forward sales that include a variation in price due to time. In addition, *De emptione* does not provide a complete presentation of the factors which may or may not have an influence in the transition to the singular price in a commercial exchange.

Each of the three levels of reality of the just price also corresponds to a non-usurious commercial risk which is inherent in any exchange, and is aggravated by the introduction of a temporal dimension. In the transition from a pre-existing normative just price to a set of acceptable prices, the price at which the exchange takes place, even if just, need not necessarily be the best for the agent. The commercial risk relating to the first level of reality of the just price is therefore not temporal but linked to the very articulation of the three levels of reality of the just price and to the plurality of effective possibilities. It is therefore an external risk, since agents exchange within the framework of this plurality, which is given to them. The commercial risk emerging at the second level of reality is temporal: it is the risk of price fluctuation on the market. This commonly observed price can vary for multiple reasons, depending on the evolution of supply and demand. Within the set of acceptable prices, the price observed on the market, while remaining fair, may yet vary to the advantage or disadvantage of sellers or buyers. Here again, this is an external risk, with agents receiving the price emerging from the market. Finally, the third level of reality, that of singular exchange, may see the price vary within the set of acceptable prices for commercial reasons linked to the confrontation between the bargaining powers. This is a mixed risk: an internal risk, since it stems from the exchange itself; but this risk is also external in the sense that the powers exercised in the process of bargaining during the exchange reflect a situation that is determined outside it. The conditioned will, which Aquinas universalises in *De emptione* through the potentially usurious dimension of forward selling, and which he extended ten years later in the *Summa theologiae* to simple commercial exchange (*S. T.*, IIa IIae, q. 77, a. 1, resp.), can lead to a price that is just but disadvantageous. To the need to carry out the exchange at a time when the price on the current price is

unfavourable is added the effect of weak bargaining power on the effective price during the singular exchange.

To the triple levels of risks of analysis and understanding on the one hand, and of commercial risks on the other, we must add a triple level of strategic risks, which are internal risks because they relate to the behaviour of agents during the exchange: the risk that an agent should deliberately try not to exchange at a just price in line with the normative just price but at a usurious, unfair, and illicit price that is more advantageous. This can happen even when the exchange takes place at the normative just price, through a distortion of the criteria of justice in favour of the self-serving agent. Aquinas's lack of precision on the criteria of justice, as well as the margin of application on the part of the civil authorities regarding the canonical and theological condemnation of usury, and the relatively slim practical prospects of fighting against usury (McLaughlin [1939], pp. 85-95 and [1940]), can all feed into this strategic risk which occurs at the first level of reality of the just price. And a strategic risk also appears at the second level of reality of the just price, that of the market price. Here, price manipulation strategies arise, which are to be distinguished from the corrections implemented to ensure that the universe of acceptable prices is fair. More precisely, in the usurious framework described by Aquinas, the usurious price, which integrates time, will be passed on to the non-usurious price. Strategic risk may also intervene in the determination of the singular effective price, for example by practicing a usurious forward sale and taking advantage of the conditional willingness of the contracting party to step outside the set of acceptable prices. Aquinas does not consider here simple commercial fraud, and therefore non-usurious strategic risks, such as the failure to reveal a hidden defect of the object sold, as he will do in the *Summa theologiae* (*S. T.*, IIa IIae, q. 77). In *De emptione*, the criterion of commercial injustice is that of usury.

This gives us the following price risk matrix:

Price \ Risks	Analysis risk	Commercial risk	Strategic risk
<i>1<sup>st</sup> level of reality</i> Normative just price	<i>1<sup>st</sup> level of analysis risk</i> Risk on the criteria of justice: ➤ Lack of precision of <i>De emptio</i> on the criteria of justice. Lack of information, moral and legal.	<i>1<sup>st</sup> level of commercial risk</i> Risk of plurality of acceptable prices: ➤ Just price but not the most advantageous price for the agent within the set of acceptable prices	<i>1<sup>st</sup> level of strategic risk</i> Circumvention of the notion of justice or interpretation for usurious purposes by the contracting party: ➤ Lack of information on the intention of the contracting party and on the true criteria of justice.
<i>2<sup>nd</sup> level of reality</i> Price on the market	<i>2<sup>nd</sup> level of analysis risk</i> Risk of error or approximation: ➤ When estimating in order to translate the just price into price on the market.	<i>2<sup>nd</sup> level of commercial risk</i> Risk of market price fluctuation: ➤ In time and space.	<i>2<sup>nd</sup> level of strategic risk</i> Risk of price manipulation strategies: ➤ The contracting party passes off as a non-usurious price on the market a price that in reality includes time.
<i>3<sup>rd</sup> level of reality</i> Price in the exchange	<i>3<sup>rd</sup> level of analysis risk</i> Risk of error on the value of the good and on the acceptable elements in the price: ➤ Lack of precision of <i>De emptio</i> on the definition of value, on the concept of usury and on the content of the acceptable effective price.	<i>3<sup>rd</sup> level of commercial risk</i> Risk of bargaining power: ➤ Unfavourable situation, within the set of acceptable prices, due to the conditioned will or necessity to carry out the exchange in a time and place in which the market price is unfavourable.	<i>3<sup>rd</sup> level of strategic risk</i> Individual usurious risk: ➤ Usurious strategic behaviour of the contracting party accepted out of necessity (conditioned will) or by lack of information.

Fig. 1: Distribution of risks in *De emptio*

### 3.2.2. Price as an instrument to reduce risk

This typology of risks sheds light on the way Aquinas effects a reduction of these very risks by mitigating the lack of information. First of all, it should be noted that in the effective exchange, the risks are intertwined. They can therefore impinge upon agents in a cumulative manner, while also appearing as irreducible because they are not clearly identified. Distinguishing them according to their category and level may then make it possible to treat each risk in a specific manner, facilitating action either by the agents, the observer, or the legislator. Secondly, the typology drawn up on the basis of forward sales, which is both a commercial exchange and a loan, applies to both aspects of this operation. This thus confirms the initial observation that, while distinguishing between loan and commercial exchange, Aquinas adopts a unified vision of economic activity through the justice of the price (Januard [2021]). Finally, the typology of risks highlights the role of the price, as a unique and visible indicator, in limiting the risk of information on the fairness of the transaction. Aquinas does not base justice on hidden elements

of the operation, such as the intention of the agents, but focuses on the price, which is observable.<sup>10</sup>

One question remains, however. In *De emptione*, I Aquinas excludes from his analysis deliberate usurious fraud (*non in fraudem usurarum introducta*), and this tends to reduce the strategic risk of the situations to which he refers. If one rests only with Aquinas's brief introductory mention of this issue, the usurious risk would be a risk of analytical error but would not result from a strategic intention on the part of the agents. In this case, the usurious situation resulting from a higher price due to the expectation in the forward sale (*De emptione*, I) would then be more related to the risk of error in the analysis of what the just price is. Similarly, in the event that the buyer, by obtaining a discount because of the advance payment, would in turn find himself in a situation of usury (*De emptione*, I and IV), it would be necessary to plead misunderstanding.

However, we can temper this moral optimism for several reasons. First, Aquinas does not describe an automatic mechanism, but deliberate actions by agents who sell and buy at a certain price. Secondly, they are well-informed professionals: in *De emptione*, II they are Tuscan merchants who come to the Lagny fair, i.e. merchants who criss-cross Europe, travelling traders meeting wholesalers from fair to fair (Dupuy [1992], p. 31; Le Goff [2001], pp. 9-40). Specialised or not, large or small, the traders are familiar with written contracts and keep "books of reason" (accounting). They must master navigation, accounting, foreign exchange, and elements of commercial law (Feller [2020], p. 57). For these professionals, who thus have a certain culture and a broad practical knowledge, the situation of usury therefore seems to result more from the exercise of a strategic will than from a conceptual and moral ignorance of the just price. Finally, in *De emptione*, III reference is made to merchants who want to "indemnify themselves [*se conservare indemnes*]" for the expectation or who invoke the need to "live more honourably or to develop their trade [*ut scilicet honorabilius vivant et maiores mercationes faciant*]". Here there is not necessarily a deliberate usurious intention, but there is nevertheless a clear strategic intention to bring into the determination of the just price parameters that are foreign to it, which Aquinas even equates with "expenses incurred without precaution and imprudently [*expensas quas incaute et imprudent fecisset*]".

Aquinas does not dwell on the agent's intention, since it remains hidden from the observer, although the Thomasian articulation of the link between causality and freedom makes human behaviour largely predictable (Conrad and Hunter [2020]); instead, he focuses on describing the different situations. However, the agent is always presented in *De emptione* as the author

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<sup>10</sup> Following Hamouda and Price ([1997], p. 200), the source of the achievement of exchange justice can be found in the four functions they identify for the scholastic just price: to compensate for a loss, to enable the satisfaction of a need, to provide a fair valuation, and to restrict abuses in trade.



who is responsible for his commercial acts and their moral character. It is noteworthy that the only case where the wording is nuanced – when Aquinas refers in *De emptione*, I to the buyer who, obtaining a discount for early payment, "would rather have to fear a situation of usury [*plus esset de usura timendum emptori*]" – returns in *De emptione*, IV in a more affirmative tone: "we see that he commits usury [*usuram committere videtur*] because he is obviously selling the prepayment [*quia manifesto tempus solutionis pecuniae vendit*]", a firm stance which is found *S. T.*, q. 78, a. 2, ad 7. The absence of an explicit characterisation of intent does not remove the moral and legal responsibility for the usurious nature of the act (Dejoux [2014], p. 854), since the agent "is required to reimburse" (*De emptione*, IV). Aquinas does not dismiss the subjective dimension of justice, characterised by intention, but the use of a visible and objective criterion of justice, no longer attached to the subjects (the agents) but to the object (the sale), is sufficient to ensure the justice of the exchange. Indeed, justice manifests itself in a relationship of proportion, therefore externally (Lapidus ([1994], p. 436), as the *Summa theologiae* testifies: "the matter of justice is an external activity" (*S. T.*, IIa IIae, q. 58, a. 10, resp) and "the object of justice [*objectum iustitiae*]" is "something external [*aliquid exterius constitutum*]" (*S. T.*, IIa IIae, q. 59, a. 2, ad 3). Injustice is the maladjustment of an external act to the right of another person, and is therefore a matter of the objective and external nature of the act, irrespective of the own agent's desire to be just (Delos [1932], pp. 194-195, 198-199).

It should be noted that Aquinas only addresses strategic risk on the side of the agent who directs an exchange to his benefit; nothing is said in *De emptione* about the responsibility for vigilance by the contracting party who would be the victim of an abusive price. *De emptione* does not yet contain the principle expressed in the adage *caveat emptor* (let the buyer beware) (De Roover [1971], p. 53), nor yet the principle *emptor debet esse curiosus* (the buyer must be curious), which Aquinas would develop ten years later in the *Summa theologiae*, when considering defective goods (*S. T.*, IIa IIae, q. 77, a. 3, resp.). The absence of a call for vigilance about strategic risk in *De emptione* is not due to an absence of this risk, but to the fact that Aquinas focuses his gaze exclusively on the one who influences or sets the price (the seller, who sells at a higher price forward, or the buyer, who obtains a discount for early payment). In this sense, the *Summa theologiae*, by proposing a broader view of all the partners in the exchange, would present a more explicit deployment of the three categories of risk (analysis risk, commercial risk and strategic risk) outlined in the *Commentary on the Sentences* (Januard [2021]) and in *De emptione*.

## Conclusion

*De emptione* extends the process embarked upon in the *Commentary on the Sentences* (*In III Sent.*, d. 37, a. 6 on usury and *In IV Sent.*, d. 16, q. 4, a. 2, qc. 3 on trade). These two early works thus offer a relatively complete and unified panorama of economic activity, in which Aquinas

stands out from his predecessors (Januard [2021]). By locating forward sale on the side of commercial exchange, with a purchase and a sale (*De emptione et venditione*) in time (*ad tempus*), and not within a treatise on usury as Robert of Courçon did in his *De usura* at the beginning of the century, Aquinas adopts a new stance.

Aquinas reduces the observer's risk of error by sticking to an objective and observable criterion, namely the exchange ratio translated by the price, without focusing on the agent's intention. His focus on the transaction itself allows him, as in the *Commentary on the Sentences*, to avoid sticking to a predefined status for the agent and to renew the conception of the conditioned will as it was defended by Albert the Great, both by relativising the systematic aspect of the situation of necessity as it weighs on the borrower, and by universalising the conditioned will, since in a forward sale both sellers and buyers may find themselves in a situation of usury or as victims of usury.

In the temporal framework of forward sales, the situation of injustice corresponds to the situation of usury, taken here as an indicator of the gap between value and price when there is a time factor in play. A conceptual leap will occur a few years later with Giles of Lessines, in his *De usuris*, who addresses much more complex situations and introduces foreign exchange. *De emptione*, by contrast, presents more simple situations and does not offer any speculative development on usury, value, or the effective just price, but it highlights the justice of the price as an adequacy to the value of the good, through the relationship between expensiveness and value (not selling a good as more expensive than it is worth). Moreover, it appears that the just price, both in its understanding and in its effective determination, is neither obvious nor immediate, as evidenced on the one hand by the Thomasian discussion of each of the cases presented in *De emptione* and on the other by the elements of the process leading to the effective just price, starting with the notion of estimation. Aquinas, as he had done for usury in the *Commentary on the Sentences* (Januard [2021]), thus suggests that the first price risk is a risk of analysis and understanding of what the just price is, and of how to determine an effective just price.

After the first reflections in the *Commentary on the Sentences*, Aquinas now opens the way for a second stage. If a price is a just price, this is because it is ontologically derived from justice, which is a virtue that pre-exists exchange. This leads to a distinction in nature, and not in degree, between the normative just price, the range of acceptable prices practised in the market, and the price actually adopted during the singular exchange. The debate that would oppose the *De emptione* and the *Summa theologiae* (market price) on the one hand to the *Commentary on Nicomachean Ethics* (price by production costs) on the other, is thus largely relativised, since it is no longer a question of giving these prices a function of determination but only of expression, as sign and analogy of the just price. Starting from justice and mobilising the

Thomasian conceptual apparatus of sign and analogy makes it possible to re-found the notion of just price by articulating it around three levels of reality (normative just price, market price, and singular price). For each of these levels, three risks are involved: a risk of error in analysing and understanding the just price; a commercial risk within the range of acceptable prices that comply with justice; and a strategic risk where the co-contractor seeks to step outside this acceptable range. The mapping of risks which arises from this reframing provides a grid for a new reading of Aquinas's subsequent works on exchange subject to price, whether this be a trade in goods or an interest-bearing loan.

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