

Interest, usury and the ethics of wealth: Zwingli and Bullinger — overview and summary

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Anyone who takes out a consumer loan in Zurich today signs a contract whose price is capped by federal law. Since 1 January 2026 the maximum effective annual rate has been 10 per cent for a cash loan and 12 per cent for an overdraft or a credit card. A contract that exceeds the ceiling is void, leaving the borrower owing the principal but no interest and no costs.¹ The same client, walking out of the bank onto the Bahnhofstrasse, is a few minutes from the Grossmünster, where Huldrych Zwingli preached from 1519 and where Heinrich Bullinger led the Zurich church for forty-four years. The distance between the two places is also a distance in time and ideas. The conviction that the state may and should set a limit to the price of money was formulated in Zurich in the sixteenth century with a clarity that has left traces in law, institutions and habits. The same Reformers held that lending is legitimate when it serves productive purposes and oppressive when it exploits need, teaching also that wealth carries duties towards the community.

This chapter traces that formulation. It begins with a brief reminder of the late medieval doctrine of usury and the legal forms, above all the *Rentenkauf* and the *Gült*, through which credit nonetheless flowed (both treated fully in Part A). It then follows Zwingli's attempt, in the turbulent years 1523 to 1525, to hold together a radical biblical critique of interest and tithes with an insistence that existing obligations must be honoured. He made that attempt under pressure from peasants who refused their dues and from former disciples who became Anabaptists. The core of the chapter concerns Heinrich Bullinger (1504–1575), whose long leadership consolidated the Reformed city after the catastrophe of Kappel in 1531. Bullinger's teaching on property, contracts and interest, expounded in the *Decades* and pressed upon the council in formal addresses, produced what may be called a moderate doctrine of interest: credit could grow, but within moral limits guarded by the magistrate. The customary rate of 5 per cent,

the Sittenmandate (morals mandates) and the Zurich preoccupation with frugality and reputation form the institutional frame of that doctrine.

Two further sections widen the view. Calvin's letter on usury of 1545, which became the most famous Reformed text on the subject, is discussed briefly, as Chapter B.IV compares Zurich and Geneva in full. The debate opened by Max Weber in 1904–05 on the relationship between Protestantism and capitalism is then examined with a view to what it can and cannot explain about Zurich, taking account of recent quantitative economic history. The last section draws the line to the present: to the maximum interest rules of the Consumer Credit Act, to the treatment of usury in Swiss private and criminal law, and to the importance of reputation for a financial centre whose clients entrust it with other people's money.

1 Notes

1. Eidgenössisches Justiz- und Polizeidepartement (EJPD), press release "Höchstzinssatz für Konsumkredite sinkt per 1. Januar 2026", 31 October 2025, <https://www.admin.ch/de/newsb/DDMAgqQLfpn8NHgjWIIrt>. The release explains the mechanism based on the three-month compounded SARON and the consequence of nullity. ↩

2 Conclusion

The Zurich Reformers inherited a doctrine that condemned all interest on loans and an economy that relied on interest-bearing rents secured on land. Zwingli responded in 1523 with a distinction between divine and human righteousness that allowed him to condemn interest as falling short of God's will while requiring that it be paid under the law of the magistrate. Under pressure from peasants who refused tithes and from Anabaptists who rejected property and the oath, he defended the binding force of contracts and the legitimacy of private property while urging the council to reform abuses through legitimate means.

Heinrich Bullinger, who led the Zurich church from December 1531 to his death in 1575, consolidated and refined this position. In the *Decades*, which spread his teaching across Protestant Europe, he grounded property in the commandment against theft and justified a moderate return on money lent for productive purposes by analogy with the lease of land. He left the fixing of the rate to the magistrate and addressed the council on usury, poverty, schools and morals in formal addresses between the 1530s and the 1570s.

The Confederate authorities, Zurich among them, fixed the rate for money rents at 5 per cent in the sixteenth century to protect borrowers. That figure survives today as the statutory default rate of the Swiss Code of Obligations.

The moderate doctrine of interest formed part of a larger ethic of wealth: property as stewardship, frugality enforced by morals mandates, public poor relief financed from secularised church property and a strong link between conduct, reputation and credit. Calvin's letter of 1545 and the Genevan 5 per cent limit show that Zurich and Geneva reached similar conclusions by different routes. Read against the Zurich evidence and the recent quantitative literature, Weber's thesis of the Protestant ethic is best replaced by a more modest account. In that account the Reformation reframed the ethics of credit, invested in literacy and cultivated habits of saving and reliability that later proved favourable to commercial and financial development.

For the financial centre of today, the legacy is visible in the maximum interest rules of the Consumer Credit Act, in the protection against usury in private and criminal law, in the dominance of moderately priced mortgage credit and in the importance attached to reputation. The Zurich Reformers designed a Christian commonwealth in which credit had a legitimate but limited place. The balance they struck between the freedom to lend and the duty to restrain has remained one of the defining features of Zurich's approach to money.

3 In five sentences

1. Zwingli's sermon *Of divine and human righteousness* (1523) condemned interest as falling short of God's will but required that existing rents, tithes and debts be paid under the law of the magistrate, a distinction that protected the sanctity of contract during the peasant and Anabaptist unrest of 1523–1525.
2. Heinrich Bullinger (1504–1575), Zwingli's successor from December 1531, taught in his widely translated *Decades* that property was legitimate stewardship and that a moderate return on money lent for productive purposes was lawful, by analogy with the rent of a farm.
3. The Confederate authorities, Zurich included, fixed the rate for money rents at 5 per cent in the sixteenth century to protect borrowers, while Bullinger pressed the council on usury, poverty and morals in formal addresses such as those of 1534 and 1558.

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4. Morals mandates, the marriage court, public poor relief and an ethic of frugality linked conduct, reputation and access to credit, while the Zurich case fits the human capital explanation of Protestant prosperity better than Weber's thesis of Puritan worldly asceticism.

5. The legacy survives in the 5 per cent default rate of the Code of Obligations, in the SARON-linked maximum rates of 10 and 12 per cent under the Consumer Credit Act since 1 January 2026 and in the weight that the Zurich financial centre places on moderation and reputation.

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