

Lending in the Old Testament, the New Testament, and the Christian Tradition

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In Moses' Teaching God forbids Israelites to "impose interest on" poor members of "my people" when lending them money—literally, "silver", for coinage was a development of the Persian period (Exodus 22:25 [22:24 in Hebrew Bibles]). The reference to the poor indicates that the text does not refer to regular commercial loans, even though it speaks of money not goods in kind. It is possible to imagine successful Israelite farmers borrowing to (e.g.) enlarge their herds, but the Old Testament does not refer to such loans. It rather presupposes a situation in which (e.g.) a farmer's harvest has failed and he needs to borrow to feed his family and/or tsew for the next year.

The Hebrew term for "interest" is *neshek*—literally a "bite". Other passages use the words *tarbit* and *marbit*—literally "increase"—with similar meaning. Older English translations understand the words to refer to "usury" (i.e., excessive interest, however that may be defined), but I think this is mistaken. The text forbids any lending to the poor at interest. Many English translations also introduce the idea of charging interest or the idea of usury into the use of the verbs *nasha' /nashah* and related nouns, though in themselves these verbs simply refer to lending. But it is the case that the passage in Exodus tells people not to behave like lenders (*nosh'im*) when they lend (*lawah*) money to people. It looks as if *lawah* refers to lending in general, in the way that an ordinary person might lend something to a friend, while *nasha' /nashah* refers to something more formal or commercial, which by its nature would be likely to involve interest.

But it would be quite possible for creditors to keep the regulation concerning lending at interest yet still treat debtors oppressively. Lenders are not to take the necessities of life as pledges, such as an ox or ass, or a garment, or a millstone—or a baby (Deut 24:6, 17; Job 22:6; 24:3, 9). One oppressive lender is a man who insists on taking away a widow's children (so that they can work for him) because of the family's debt (2 Kings 4:1). A story about community controversy in Nehemiah 5 concerns oppressive lending: it may refer to charging interest or to other tough actions such as foreclosing on loans. It alludes to two reasons for debt, crop failure and imperial taxation. The two stories also make clear the results of default. One may forfeit fields, orchards, and houses, and/or one may end up in "slavery"—but that term is misleading, since it resembles temporary indentured labor more than the chattel slavery imposed on the ancestors of many African Americans.

A second passage in Moses' Teaching expands on the point in Exodus, referring to the poor person as "your brother" and referring to the need to "revere God". It also includes reference to lending food, which makes more explicit the kind of predicament, of poor harvest, that the texts are concerned to regulate. The passages urges the aim of letting your brother live with you as a resident alien—that is, someone who can maintain himself even though he has had to forfeit his land (Leviticus 25:36-37). People who are doing well are expected to lend freely to the needy and to accept payment in the form of labor, or of the eventual repayment of the debt in money that the person had earned through labor. So the debtor would seek to work his way back to solvency by committing himself to indentured labor for a set period or to paid employment in relation to someone who did have land—the equivalent to getting a job rather than the norm of being self-employed.

A third passage in Moses' Teaching makes explicit that people must not impose interest on any form of loan, in money or in kind (Deut 23:19 [23:20 in Hebrew Bibles]).

That passage also makes explicit that Israelites are permitted to impose interest in lending to a foreigner (Deut 23:20 [21]), as one does not have to remit a foreigner's debts in the sabbath year (15:3). This is an example of a number of obligations that did not apply to foreigners. It did not imply usury was acceptable in relation to foreigners; the First Testament says nothing explicit about usury. This exemption has been of considerable influence in encouraging Jewish people to be involved in the commercial world. But we do not know the original background or significance of the requirement. Perhaps it allows commercial loans to (e.g.) local Canaanites or foreigners involved in trade. Perhaps it refers to resident aliens who chose not to take up full membership of Israel. Or perhaps it is a purely theoretical rule—permitting loans at interest to Israelites is a way of underlying the prohibition on loans at interest to nearly all the people that anyone would be asked to make a loan to.

Historically, it may be that none of the material in Exodus, Leviticus, or Deuteronomy goes back to Moses. The question of the origin and relative dating of different parts of Moses' Teaching is a complex one that is unlikely ever to get resolved. A few decades ago there was some scholarly consensus on the matter, but that has now collapsed. It therefore seems to me to be necessary to work with the material as it stands without any particular theory about dating, while recognizing that the material developed, perhaps over nearly a millennium from Moses' own day to the Persian period.

Beyond Moses' Teaching, Proverbs 28:8 promises that people who augment their wealth by lending at interest “gather it for people who are kind to the poor”—i.e., they will not see the profit themselves. Psalm 15 asks the question, “Who may sojourn in God's tent”—i.e., stay in God's presence. Its answer includes the general requirement of a life of integrity and truthfulness, and also some concrete expectations such as avoiding slander, keeping oaths, refusing bribes—and not lending money at interest. The prophet Ezekiel speaks in similar terms in listing obligations that people should fulfill if they wish God to treat them as righteous, such as worshiping by means of images, defiling their neighbors' wives, robbing people—and lending at interest (Ezekiel 18:8, 13, 17). Ezekiel implies that people were not fulfilling these obligations, and later makes explicit that the well-to-do in Jerusalem have committed many of the wrongs he lists, including this one (22:12).

That draws our attention to the fact that we cannot draw inferences from Moses' Teaching regarding actual Israelite practice. The Old Testament histories include no reference to Israel ever implementing the teaching about the sabbath year or the jubilee year, let alone lending without charging interest, and includes a number of criticisms of Israel regarding such matters. Yet we may mislead ourselves in expecting that Israelite practice would necessarily conform to Moses' Teaching. Christians, at least, tend to understand Moses' Teaching as “law”, but the word *torah* has broader meaning. While Moses' Torah or Teaching includes regulations that look designed for quasi-legal literal implementation, other material looks more like concrete embodiments of a style of life whose point we would miss if we took it legally—we might fulfill the law's letter but not its inner demand. Similar issues are raised by Jesus' “Sermon on the Mount”. I imagine that the ban on charging interest would indeed have been intended for literal implementation, but that in asking about its implications for us in a different social context we need to look at it in the light of the various aspects of its stated rationale—e.g., in its concern for the poor. In more commercial contexts and in a competitive situation people might charge interest on commercial loans without infringing the principle underlying this teaching.

Exodus 22 begins “*If you lend*”, but it presupposes *that* you will do so. To refuse to lend would contravene other exhortations regarding concern for the needy. The point is explicit in Deuteronomy 15, which urges people to lend generously to poor members of their “family”. Righteous people do well in life and are therefore in a position to give and to lend and thus to be a blessing (Psalm 37:25-26). Things go well for the person who deals generously and lends (Psalm 112:5).

The New Testament confirms the stance of the Old without adding to it. As with Moses' Teaching, so we do not know how much of Jesus' Teaching goes back to Jesus himself, and I leave aside this question in the conviction that the Christian development of Jesus' teaching in the New Testament scriptures is also normative for the Christian community, just as the Israelite development of Moses' Teaching in the Old Testament scriptures is normative for both Jewish and Christian communities.

The New Testament refers to lending on interest only in the context of a parable, about a man entrusting his assets to his servants (Matthew 25:27; Luke 19:23). One cannot infer an ethical position from such parables, which start from realities of life in order to make a point about something else. Jesus does urge his followers to lend to whoever asks for a loan (Matthew 5:42) and makes explicit that this applies even to enemies and applies even if you do not expect to gain in any way from the act (Luke 6:34-35). 4 Maccabees, a Jewish work from about the same period that some Christians came to treat as near-canonical, claims that when people start conforming their lives to Moses' Teaching, even if they are by nature greedy they start lending to the needy without charging interest (2:8).

Christians have reckoned that Jesus' Teaching was more radical than Moses' but I cannot see this is so. Moses' Teaching about loving one's neighbor offers no exemption if one's neighbor is one's enemy and specifically requires one to help one's enemy (Exodus 23:4-5). It would also imply that one should not hold back from lending because the needy person was one's enemy.

I am not competent to comment on the development of Christian attitudes to lending at interest over the centuries, but I understand that through the first millennium of the Common Era the Christian Church simply affirmed the Old Testament principle that lending on interest was disapproved, on the continuing presupposition that lending was an aspect of care for the needy. But in practice lending on interest was tolerated as long as rates were not judged excessive. Where Christians adhered to the principle of not lending on interest, Jewish moneylenders were able to fill the vacuum on the basis of the Deuteronomic permission on charging interest to foreigners. In the second millennium commerce began to develop in new ways and the practice of lending on interest became prevalent, initially despite the church's opposition. In due course, however, in keeping with the usual pattern the church conformed itself to the secular pattern and provided a theological rationale for it. In fifteenth century Italy public pawnshops developed with Franciscan support to offer loans to the poor more cheaply than those offered by regular moneylenders, charging a very low interest designed simply to cover expenses. In 1516 the Fifth Lateran Council approved these. As years went by these pawnshops began also to lend for commercial purposes at higher rates.

Feeling unbound by the course of discussion within the medieval church and perceiving that the Old Testament was concerned with caring for the poor and not with commercial loans, John Calvin removed the ban on lending at interest, with safeguards that predictably were conveniently forgotten. In due course the Roman Catholic Church also removed its ban on lending at interest. More seriously, as the capitalist world developed, the idea that the point about lending is to be caring to the needy became lost. In Victorian Britain, the development of the Cooperative movement and the Building Society movement attempted to recover it. In effect the customers of the Coop were the shareholders, while building societies worked by attracting safe investments from people who hoped eventually to buy a house and lending the money to people who were already in a position to do so. Until a generation ago, it was often difficult to get Anglican clergy in England to retire when they should do so because they had always lived in a church parsonage and had nowhere else to go. When the church wanted to introduce compulsory retirement it had to solve this problem. So to get clergy out of their parsonages, it began lending them the money to buy a house—on interest (but a very low rate!).

Some implications of or reflections on or questions that arise from this story:

- Do we have to think separately about loans for the needy and about commercial loans?

- It seems self-evident that we have treated countries in the two-thirds world on a commercial basis when we should be thinking about them on a need basis.
- That in turn suggests that we need to think about whether we want to view people outside our communities or nations as alien or as like members of the family. The scriptural material gives membership of one family priority over the question how good or bad are the relationships between lender and borrower.
- Must we think differently about standards we as believing communities accept for ourselves and standards we press on the secular world? On the one hand, the commercial instinct is strong out there; on the other, ordinary unbelievers often rise to a challenge.
- The focus of the scriptural material is on the predicament of needy people. Lending is a way you care for the needy, not a way you make money. The haves share with the have-nots by lending. Lending is a means of being a blessing