



## USURY IN SCRIPTURE

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The word “usury” is often defined in the modern world something like this: “The practice of charging, taking, or contracting to receive excessive or illegal rates of interest for money on loan.”<sup>i</sup> Up to the sixteenth century, however, the word was generally used to mean any kind of *interest* charged for a loan of money or property. This essay will examine what Scripture teaches on this subject. The thesis of this essay is that the Old Testament universally condemns usury on money or property loaned out to fellow Israelites, but that it does so out of a specific historical context. To some degree that context had begun to change even by New Testament times, and even more so as agrarian economies gave way first to mercantilism and then to free market approaches. At the end of the essay, there will be a brief word on Church history and on the applicability of these specific biblical texts to the modern world.

### BIBLICAL TEXTS ON USURY

Seven primary texts in the Old Testament deal with the issue of usury. While the New Testament does not address the issue directly, there are at least two texts in which “interest” issues are briefly mentioned. These texts will be examined carefully in an attempt to ascertain the exact biblical teaching.

**Exodus 22:25-27.** The Decalogue is given to Moses in Exodus 20:3-21, followed by a command from the Lord that Moses build an altar (Exodus 20:22-26). The three following chapters (21–23) contain what many scholars call the Covenant Code, which is “a basic block of laws that guide the behavior of God’s covenant people.”<sup>ii</sup> These include laws on servants (21:1-11), laws on injuries to people and animals (21:12-36), laws on property (22:1-17), social and religious requirements (22:18–23:9), laws on Sabbaths and annual religious festivals (23:10-19),

instructions to obey God during and after the conquest of the land (23:20-33), documentation of the covenant and God's confirming glory (24:1-11), and introduction to laws on the tabernacle and worship (24:12-19). In the middle of the section dealing with social and religious requirements (Exodus 22:18–23:9) is a brief though solemn bit of instruction about borrowing and lending.

Borrowing and lending have been part of the structure of society presumably since its inception. Some people have been more successful economically and others less so, and through history the less successful have had to place themselves in positions to borrow from those who had the wherewithal to lend. In the Ancient Near East, lending was very common, as attested by surviving evidence from the time. In Babylon it was common to lend food or produce at thirty- three and one-third percent interest and to lend money (silver bullion) at twenty percent.<sup>iii</sup> In Nuzi in the same period, some loans were made at fifty percent,<sup>iv</sup> and there were specific regulations in many lands about what that interest could be.<sup>v</sup> In a detailed study of such Ancient Near East practices, one scholar has demonstrated that the interest on such loans would be taken out at the time the loan was made, not at the time of repayment.<sup>vi</sup> Then, if the loan were not repaid on time, further interest would be charged. Such rates were injurious and subjected many of those who acquired them to be perpetually in the underclass. This was not to be the case for Israel, or so the Lord intended.

God's instructions to Moses here do not simply limit the rate of interest on loans to other Israelites to a moderate amount, but prohibit *any* interest on such loans. "This law is not dealing with 'usury' in our modern sense of the word, i.e., exorbitant or illegal interest, but interest of any kind to a fellow Israelite."<sup>vii</sup> The significance of this fact is highlighted by the fact that while many earlier portions of the Covenant Code were given in the third person (such as, "if a man seduces a virgin . . . he must pay the bride-price," Exodus 22:16), beginning in verse 22 God the grammar now shifts to second person; it is now not merely "he," but "you" and "I." "If you lend money to one of my people among you who is needy, do not be like a moneylender. . . . When he cries out to me, I will hear, for I am compassionate" (22:25, 27, NIV). This is obviously a matter that the Lord took with great seriousness.<sup>viii</sup>

The Hebrew word translated "usury" in the KJV ("interest" in many recent translations) is *neseq*. The medieval Jewish commentator Rashi (Solomon ben Isaac) pointed out that this Hebrew root meant "to bite," and commented, "it resembles the bite of a snake . . . inflicting a small wound in a person's foot which he does not feel at first, but all at once it swells, and distends the whole body up to the top of his head. So it is with interest."<sup>ix</sup> Brevard Childs, who quotes Rashi, and other modern commentators concur with that interpretation of the word.

In this day of commercial loans and the common practice of borrowing money to purchase a home, the emphasis of this text and related texts might be confusing to the modern reader. The person in need of money in this text and others is a poor person, indeed, a very poor person. So the "aim was mainly to protect the poor."<sup>x</sup> The legislation was given so that those who found themselves temporarily dependent on the good will of others would not be forced permanently into such a status by the need to pay back more than was borrowed. Such loans were not

“advances of money needed for the development of a commercial enterprise, but advances for the relief of destitution.”<sup>xi</sup> This hermeneutical point needs to be kept in mind, in view of the other relevant passages.

After giving the instruction to “charge no interest,” God further instructs Moses that items may be exchanged as a pledge of the repayment of the loan; but if it is a necessary item for daily use, it must be returned “by sunset” (Exodus 22:26, NIV). Specifically, a man’s cloak is something that he would need in the cool of the evening, so it must be returned. There may be irony here. “The provision invites a ludicrous scene of the creditor each night going to the house of the poor man to drop off the coat, and returning each morning to pick it up.”<sup>xii</sup> The point is that part-time collateral is not collateral at all. The upshot of the text is that charging interest to fellow members of the covenant people would have been “an example of an illegal action that was especially unfair and exploitative.”<sup>xiii</sup>

**Leviticus 25:35-38.** Leviticus is an expansion on and a series of additions to the briefer giving of the law in Exodus. Since the Israelites remained near Mt. Sinai for “the better part of nine months”<sup>xiv</sup> (cf. Exodus 19:1; 40:17), there was ample time for the construction of the tabernacle and the instituting of the Levitical service. Leviticus covers the laws of sacrifices (chapters 1–7), a variety of matters related to priestly ministrations (8–10), laws of cleanness (11–15), Day of Atonement (16), laws of personal and priestly holiness (17–22), feasts and worship (23:1–24:9), laws for strangers and Israelites (24:10-23), laws of land use (25), warnings against apostasy (26), and laws concerning gifts and endowments (27). In the section on laws of land use is a statement on usury. It is similar to the statement in Exodus but adds some new information: “Now in case a countryman of yours becomes poor and his means with regard to you falter, then you are to sustain him, like a stranger or sojourner, that he may live with you. Do not take usurious interest from him, but revere your God, that your countryman may live with you. You shall not give him your silver at interest, nor your food for gain” (Leviticus 25:35-37, NASB).

Verse 35 seems to depict a case where a poor man is destitute and in need of assistance.<sup>xv</sup> He is to be helped by his neighbors or family either with money or food, and they are not to charge interest on such assistance. That person and his family are to be “sustained” since they are brethren in the covenant. Verse 36 then is a “conclusion” to the previous verse, and the man in question is not to be treated as a foreigner living outside Israel.<sup>xvi</sup> Verse 37 reinforces the command not to charge interest on anything loaned, whether silver or food. Two separate words are used in verse 37. The first is the word already examined, *nesek*; the second is *marbit* and means “gain.” Lend not silver for interest (*nesek*) nor food for gain (*marbit*). The Israelites were not to profit from the misfortune of other Israelites.<sup>xvii</sup>

This command is followed by a solemn statement analogous to the final comment in the Exodus text: “I am the Lord your God, who brought you out of the land of Egypt to give you the land of Canaan and to be your God” (Leviticus 25:38, NASB). It serves as a reminder of the fact that God takes these matters seriously, as seen in the Exodus text; but it also reinforces the truth that God truly brought them from Egypt and would take them to Canaan so that they, all of them,

“poor” and “rich” alike, would enjoy the fruits of the land of promise. In other words, the usury legislation examined so far is directly connected to the land promise made to Abraham (Genesis 12:7; 15:7, 18-21). It is an extension of the promises of the Abrahamic covenant into the Mosaic covenant. Ideally, none should be disenfranchised, but all should be blessed, even the poor.

**Deuteronomy 23:19, 20; 24:6.** Deuteronomy consists mostly of a series of three addresses (Deuteronomy 1:6–4:43; 4:44–28:68; 29:1–30:20) given by Moses on the plains of Moab (1:5). In the second address, Moses turns attention to family and neighborhood relationships (23:1–25:19) and briefly speaks yet again to the issue of interest on loans. The text reads, “You shall not charge interest to your countrymen: interest on money, food, or anything that may be loaned at interest. You may charge interest to a foreigner, but to your countrymen you shall not charge interest, so that the Lord your God may bless you in all that you undertake in the land which you are about to enter to possess” (Deuteronomy 23:19-20, NASB). While most of the ideas here are not new to this essay’s exposition, note that in addition to “money” and “food,” Moses adds “anything.” Israelites are not to be charged any kind of interest on the borrowing of any kind of commodity. Verse 20 adds something new, though it might be inferred from the Leviticus text: Israelites are allowed to charge interest if they loan money to “foreigners,” even as foreign lenders would have charged interest on loans made to Israelites.<sup>xviii</sup> Foreigners would have been used to paying interest on loans, but that is not the main reason that this exception to usury is allowed. They are not “brothers” (the literal meaning of “countrymen”). They are not part of the covenant; and, as already noted, they were used to charging and paying interest on loans.<sup>xix</sup> Further, they are not part of the community that has been promised the blessings to be found in Canaan. The provision of charging interest to Gentiles may be due to the fact that in business dealings with them, Israelites might find themselves needing credit from such merchants. Since the foreign merchants would charge interest on such credit, it was justifiable to charge interest back to them.<sup>xx</sup> The last part of verse 20 repeats that the prohibition of interest of any kind to fellow Israelites has to do with the prosperity of the people once they enter the land, a significant concern all throughout the book of Deuteronomy (see especially chapter 28). “Proper treatment of a brother in such matters would ensure the blessing of God in the land of promise (v. 20). God himself gives freely and graciously, so why should people profit from the misfortune of one another?”<sup>xxi</sup> If Israel wishes to receive the blessings promised to Abraham, they will not give loans to other Israelites with any provision for interest payments.

In Deuteronomy 24:6, Moses speaks briefly to the issue of taking some kind of collateral for a loan. Similar to the “coat” of Exodus 22, here he instructs the people that they are not to take as a “pledge” a “handmill” or a “millstone,” since that would be “taking a life in pledge.” The concept is unusual to today’s readers, since few people in modern culture grind their own grain or meal; but in the Ancient Near East these items would have been “necessary kitchen utensils in every house.”<sup>xxii</sup> Since millstones were used for grinding grain for the family’s sustenance, to take one of these items was to remove from a family its means of livelihood. Not even the upper millstone, “the most easily carried part,”<sup>xxiii</sup> was to be taken. Even poor people must be allowed the wherewithal to work and to provide for themselves.

How are these matters treated outside the books of Moses? It is to those texts that this essay now turns.

**Psalm 15:5.** In this Psalm of David, the author begins with a question posed in synonymous parallelism: “Lord, who may dwell in your sanctuary, who may live on your holy hill?” (Psalm 15:1, NIV). As one scholar notes, “The question is vital, for the answer given to it will affect the questioner in preparation for worship.”<sup>xxiv</sup> The psalmist then answers his question with a series of ten positive and negative conditions. He “describes the approved servants of God, as distinguished and known by the fruits of righteousness which they produce.”<sup>xxv</sup> These qualities include walking blamelessly, living righteously, and not slandering others. The wise man keeps his vows, despises the vile, but honors those who honor the Lord. Such a wise way of living also shows up in his relationship to the poor. He “lends his money without usury” (Psalm 15:5, NIV), or “he does not put out his money at interest” (NASB). Recall the point made earlier that the person who receives such a benefice is almost certainly very poor, even destitute. “The poor at times needed a loan to keep themselves from being sold into slavery.”<sup>xxvi</sup> Both of the last two characteristics of the wise man in this Psalm, the two “most specific of the ten,”<sup>xxvii</sup> have to do with the handling of money: usury and bribery. The man who will “live on God’s holy hill” will not charge interest on a personal loan.

**Ezekiel 18:7-8; 22:12.** During the Babylonian Exile, the prophet Ezekiel twice spoke to the issue of interest or usury. His words in Ezekiel 18:7-8 are reminiscent of the Leviticus passage examined previously, even to the use of the two words *nesek* and *tarbit* (here a slightly different form of *marbit*). The oracle (beginning in 18:1) is well known to readers of Scripture. “What do you mean by using this proverb concerning the land of Israel, saying, ‘The fathers eat the sour grapes, but the children’s teeth are set on edge?’” (Ezekiel 18:2, NASB). It is a question that the Lord has instructed the prophet to pose to the people in exile, people who were undoubtedly spouting that proverb, as if to blame their plight on their fathers. Ezekiel then details a list of qualities that the Lord looks for in his faithful people, in a manner similar to Psalm 15. “‘If a man is righteous and practices justice and righteousness and does not eat at the mountain shrines or lift up his eyes to the idols of the house of Israel, or defile his neighbor’s wife, or approach a woman during her menstrual period—if a man does not oppress anyone, but restores to the debtor his pledge, does not commit robbery, but gives his bread to the hungry, and covers the naked with clothing, if he does not lend money on interest [*nesek*] or take increase [*tarbit*], if he keeps his hands from iniquity and executes true justice between man and man, if he walks in My statutes and My ordinances so as to deal faithfully—he is righteous and will surely live,’ declares the Lord God” (Ezekiel 18:5-9, NASB). The quality identified in verse 7, “restores to the debtor his pledge,” refers to “any object demanded by a creditor as a guarantee or surety that the debtor would pay off his debt.”<sup>xxviii</sup> Amos briefly addressed this issue when he spoke of those who commit idolatry while lying on “garments taken in pledge” and “in the house of their god they drink wine taken as fines” (Amos 2:8, NIV). “The wealthy took advantage of the poor, especially finding orphans, widows, and strangers easy prey for their extortion schemes.”<sup>xxix</sup> Contrary to the proverb being bandied about among the exiles, Ezekiel was making the point that “This list of examples clearly

demonstrates that a man's attitude and acts toward others provide a true index of his faith and attitude toward God."<sup>xxx</sup> Implicitly, Ezekiel is saying that the failure to walk in the right manner was what put the "fathers" of Judah into exile, and the reversal of her fortunes will come only when the "children" learn to walk in this way again.

In Ezekiel 22:12, the prophet again addresses the issue of interest on loans in the context of another oracle on the sins of the nation, beginning with Ezekiel 22:1. "In you they have taken bribes to shed blood; you have taken interest [*nesek*] and profits [*tarbit*], and you have injured your neighbors for gain by oppression, and you have forgotten Me,' declares the Lord God" (Ezekiel 22:12, NASB). This statement hearkens back to Leviticus. Here the ones being indicted for actual past crimes are the "rulers of Israel" (22:6). In the previous oracle, Ezekiel gave the ideal of how one should live, with only an implied suggestion that they had broken these statutes. By contrast, here is an "ominous" development in the oracle. Here is "the systematic presentation of the case against Jerusalem, particularly her political leaders."<sup>xxxii</sup> This is one of the primary reasons for the exile, in part, the assessment of usury by the leaders of the land. The problem "first and foremost" was the "manner in which power was exercised."<sup>xxxii</sup> The rulers in Jerusalem had repeatedly violated Torah, and God had sent them into captivity.

**Nehemiah 5:6-13.** In the post-exilic period, a Jew serving as cupbearer to King Artaxerxes of Persia heard of the plight of his Jewish brethren in Jerusalem. They had begun their return from exile in 538 BC; but now, almost a century later (445 BC) the walls of the city, torn down by the Babylonians in the conquest of the early sixth century, have not been repaired. There were also many other problems with Samaritans and other foreigners, moral problems, intermarriages with idolaters, and a variety of issues related to worship and political stability. That Jewish cupbearer, Nehemiah, petitioned the king to allow him to return to help his brethren. The request was granted, and Nehemiah would eventually become governor of the province (Nehemiah 5:14).

The relevant part of this story comes up in chapter 5 of the Book of Nehemiah, a story that is somewhat complex. Up to this point in the narrative, Nehemiah had laid a heavy burden on the people of Judah to rebuild the walls of the city, a necessity in their politically turbulent situation with enemies all around them. The rebuilding was moving along quite well. But then the people came to Nehemiah with a series of complaints (Nehemiah 5:1-5). They were very poor, partly because they had been cut off from commercial activity with their Gentile neighbors due to strained relations (see chapter 4) and also because Nehemiah's demands for their labor had prevented them from working their fields and vineyards sufficiently to provide for their needs (5:1-3).<sup>xxxiii</sup> Some of them had to mortgage their property to other Jews in order to bear up under the financial strain (5:3, 10-11). Further, they were suffering under heavy taxation from Persia on their fields and vineyards (5:4). In order to remedy this situation, they had sold many of their children into servitude, presumably to Gentiles who had taken some of the daughters as second wives.<sup>xxxiv</sup> Some of those children had been redeemed by wealthy Jews in the area who had bound them over as servants, taking advantage of the economic situation (5:5).<sup>xxxv</sup>

Hearing this, and undoubtedly being informed in greater detail, Nehemiah responded (5:6-13). He knew this placed the people in great danger, since a healthy economic infrastructure (as it would be phrased today) was crucial to the Jewish recovery. Although he was angry, Nehemiah responded carefully and respectfully (“I consulted with myself”) and with specificity and firmness (5:6-7, NASB). The chief problem lay with the “nobles and rulers” (reminiscent of the Ezekiel text), and Nehemiah gathered them together for a public consultation, a “great assembly” (5:7, NASB). He queried them, “We according to our ability have redeemed our Jewish brothers who were sold to the nations; now would you even sell your brothers that they may be sold to us?” The narrative goes on, “Then they were silent and could not find a word to say” (5:8, NASB). The act of redeeming the Jewish young people from the Gentiles was a commendable act, as was the loaning of money for mortgages; but that was not the end of the story. It appears that these “nobles and rulers” were now demanding interest on their investment of redemption. “Please, let us leave off this usury” (5:10, NASB).

Nehemiah then gave them specific instructions: “Please, give back to them this very day their fields, their vineyards, their olive groves and their houses, also the hundredth part of the money and of the grain, the new wine and the oil that you are exacting from them” (5:11, NASB). From verses 10 and 11, it seems clear that the wealthy Jews were charging interest on property, money, and grain, in direct violation of the covenant commandments given by God through Moses. The “hundredth part” likely means usury to the tune of a hundredth percent interest per month, or twelve percent per year.<sup>xxxvi</sup> That is considerably less than what was being charged back in Persia, Nehemiah’s birthplace, where the interest rate was twenty percent.<sup>xxxvii</sup> The nobles and rulers responded, promising, “We will give it back and will require nothing from them; we will do exactly as you say” (5:12, NASB). Nehemiah then had them take oaths before the priests that they would do so; and he himself, reminiscent of certain “prophetic acts”<sup>xxxviii</sup> found in Isaiah, Jeremiah, and Ezekiel, shook his garments out before the people as a warning. “Thus may God shake out every man from his house and from his possessions who does not fulfill this promise; even thus may he be shaken out and emptied” (5:13a, NASB). The action ought not to be seen as a covenant-renewal ceremony,<sup>xxxix</sup> but it does demonstrate a willingness on the part of the people to be led to honor the law given by Moses, even at personal expense.

What of that personal expense? This is the most remarkable aspect of the text. Nehemiah instructed the nobles to “give back” to the people all that had been mortgaged or held as a pledge. Nehemiah’s instruction went far beyond the dictates of the law, as this study so far has shown. All that the law required was that they return the pledged possessions upon the repayment of the original loan. The most probable reason for this cancellation of debt was the depth of the poverty of the average debtor.<sup>xl</sup> There was no way in the foreseeable future that they would be able to pay the debt, and the community need to move forward with its great task without the distraction of who owed what to whom. The depth of their poverty caused Nehemiah to call for “gifts, not loans.”<sup>xli</sup> The net effect was spiritual renewal: “And all the assembly said ‘Amen!’ And they praised the Lord. Then the people did according to this promise” (5:13b). When people praise the Lord after giving away great wealth, good things cannot be far away!

Having examined the key Old Testament texts that deal with interest or usury, attention now turns to the few New Testament texts that seem to address this issue.

**Matthew 25:14-30; Luke 19:11-27.** The New Testament does not address the issue of “usury” in the same way that was evident in the examination of key Old Testament texts, that is, not charging interest on personal loans made to impoverished brothers who are fellow members of the covenant community. That is not to say that there is no concern for the poor in the New Testament, but the issue is addressed differently. The matter of earning “interest” does come up in the New Testament twice, both times in the parables of Jesus. Because this essay concerns interest and usury, in consideration of full treatment these two texts will be addressed, but in a much briefer compass as they are not as relevant to the concerns of this essay.

In the parable of the talents (Matthew 25:14-30), Jesus introduces the idea of earning interest on an investment. That is not the primary purpose of the parable, but it does come in as a secondary concern. The story is well known. A rich man goes on a journey and leaves his liquid capital in the stewardship of his slaves. They are likely considered at some level as partners in his affairs and would probably have received some share in whatever profits were made, an incentive for them to “invest” wisely.<sup>xliii</sup> One was given five “talents” (Greek, *talanton*), one was given two, and the third received one. The talent was a monetary unit of exchange in silver that probably equaled 6,000 *denarii*.<sup>xliii</sup> The *denarius* was the common wage for a day worker hired to work in the fields, so a talent was a considerable sum of money. Each steward was instructed to make investments; the reckoning would happen upon the master’s return (25:14-15). The first two servants invested in some unspecified venture, but the steward who received the one talent merely hid his money in the ground and invested nothing at all (25:16-18, 25). The master returned “after a long time” (25:19) and called his servants for the reckoning. The first two servants were rewarded for their wise trading and were subsequently put “in charge of many things,” (25:21, 23), a reward for their accomplishments. The third servant, however, had his talent removed and he himself was cast into outer darkness, since he merely hid his talent in the ground, a fairly common way of “banking” in the Ancient Near East, and made no investment or return on investment at all (25:24-30).<sup>xliv</sup>

In Luke 19:12-27, Jesus tells a similar parable, this time about a nobleman who went to a distant country to receive a kingdom for himself. Before he left, he placed ten of his slaves in charge of his business affairs. The results were nearly identical to the Matthew 25 parable. Both parables address the issue of “life in the interim between Jesus’ resurrection and his return,”<sup>xlv</sup> and both feature servants who were given the task of making investments from their master’s wealth in the interim period. Even though many of the details are similar, they are separate parables.<sup>xlvi</sup> In the parable in Luke, the faithful servants who earn a return on their master’s property receive lordship over cities, rather than some other kind of reward (Luke 19:16-19). Otherwise, the issues in the Luke parable are the same as in the Matthew parable.

Matthew 25 and Luke 19 feature several teachings that deal with eschatological issues, the return of Christ and final judgment. The lesson of the parables is about the kingdom of God, the long



delay of the coming king, and blessings or curses to be administered at the time of his return. But Jesus couches the lesson in the context of investments and the earning of interest. So is Jesus turning his back on the clear and powerful Old Testament teachings about interest and usury? At one level it is difficult to know for certain, since “Jesus’ parables are so flexible that he sometimes uses examples of evil to make a point about good (e.g., Luke 16:1-19; 18:1-8).”<sup>xlvi</sup> However, the discussion does not have to be left there, as if no one can ever know whether earning interest on investments might be right or wrong. The main point here is that the situation in Jesus’ parables is not analogous to the law given to Moses or to the situation in the time of David, Ezekiel, or Nehemiah. In all of those passages, loans were made to people who were poor or even destitute, people who had no ability to repay interest, even if they might one day repay the principal. Here in this parable are persons who were commercial investors, making a profit from the fact that they had large amounts of capital that others borrowed in order to make a profit themselves. Kaiser is helpful here: “The fact that interest was approved for ventures that did not try to circumvent one’s obligation to the poor is reinforced by Jesus’ allusion and apparent approval of taking interest on commercial loans in Luke 19:23 and Matthew 25:27.”<sup>xlvii</sup> The word “approval” might be too strong in light of Carson’s caveat, but the next sentence in Kaiser’s treatment is worth citing: “Thus, the use of money for commercial or international ventures, and the security of a reasonable rate of interest, was a different matter from the requirement of aiding one’s destitute brother.”<sup>xlvi</sup> Kaiser is correct. There is no blanket prohibition in Scripture that makes the earning of interest on investments or the paying of interest on loans a sin.

There is still more biblical material to examine on this subject. What does the New Testament teach about the poor and how they are to be treated? If there is no specific instruction on usury, what does it say? It actually says a lot, but there is room here for only a brief summary. Jesus spoke of “lending” to the needy and not expecting anything in return (Luke 6:34-35); however, a glance at the context makes it clear that “lend” here means “give,” a teaching that can also be found in the Sermon on the Mount (Matthew 5:40-42), where Jesus instructs his hearers to “give to him who asks of you” (5:42, NASB). On several occasions in the Pauline epistles, the author addressed the need to take an offering for the poor in Jerusalem (2 Corinthians 8:8-11; 9:1-5; Romans 15:27). To Timothy he wrote that Christians should always be ready to share (1 Timothy 6:18), and he often commended churches for their financial generosity, such as in Philippians 4:14-16. John wrote that if someone has the world’s goods, then sees a brother in financial need but does nothing to help, he cannot claim to have a heart of Christian love (1 John 3:17-18). James, in a very compact epistle, said a great deal about the rich and the poor. He instructed this church not to despise the poor man (2:5-6), to give to the one who has neither food nor clothing (2:14-17), not merely to use their resources for personal purpose but to aid those in need (4:1-4), not to presume that riches will gain them anything truly important since material blessings are fleeting (4:13-17), and for employers to pay those who work for them in a righteous manner (5:1-6). Since these letters were all written to local churches, presumably those within a congregation (the covenant community of the New Testament) should seek to help those within their congregation who are in need, though at times, offerings were taken from local churches to help another church or churches in their needs. The New Testament way to treat the truly poor is to help them, whether they can pay back the money or not.

## THE CHURCH'S INTERPRETATION OF USURY

The primary concern of this essay is what Scripture teaches on interest and usury, but a *brief* mention of how the Church has interpreted these matters is salient to the examination of the subject. There is room to scan only a few key interpreters, and the focus will be on the changes that took place over time.

Before the sixteenth century, all Christian writers condemned the practice of charging *interest* on loans, appealing to the commonly accepted interpretation of “usury” as meaning just *that*. Tertullian, Clement of Alexandria, Basil the Great, and others could all be cited in this regard; but none was more specific in his denunciation of charging interest than Ambrose of Milan (AD 339-97). He wrote, “If a man has need of assistance because he has not enough of his own wherewith to repay a debt, is it not a wicked thing to demand under the guise of a kindly feeling a larger sum from him who has not the means to pay off a less amount?”<sup>i</sup> Similarly Augustine (AD 354-430), though more enlightened than many of his contemporaries on many economic issues (such as profits in business transactions), condemned usury outright. “Lend not money at interest.” One who does so will “go into the flame.”<sup>ii</sup> This all came from a straightforward reading of the Old Testament texts with no consideration of the hermeneutical or contextual issues involved. Similarly, the Council of Nicea (AD 325), the Council of Laodicea (AD 364), and the fourth Lateran Council (AD 1205), among others, all inveighed against usury.<sup>iii</sup> The universal position of ancient and medieval Roman Catholicism (though not of Eastern Orthodoxy after AD 1054) was that any interest charged on loans for any reason whatsoever was a violation of scriptural demands.

Though in the Catholic Church in the sixteenth century, changes were already in the offing on the issue of usury, the real game changer was John Calvin (AD 1509-64). Calvin taught and wrote, not as an economist or political theorist, but as a pastor and a theologian. For him, economic life was “part of the fallen world,”<sup>iii</sup> which meant that borrowers might default on their loans. Though Calvin recognized that usury was clearly subject to abuse in the form of exorbitant interest assessments, he contended, “We must hold that interest . . . is not altogether to be condemned.”<sup>liv</sup> This was his comment on Ezekiel 18, a text already examined here at some length. Make no mistake: Calvin knew well that professional moneylenders often extorted unjustifiable sums from unfortunate people. In his *Commentary on the Psalms* he noted, “It is also a very strange and shameful thing . . . that money-mongers should sit at their ease without doing anything, and receive tribute from the labor of all other people.”<sup>lv</sup> He also urged that there should be exceptions to the charging of interest. “It is always wrong to exact usury from a poor man.”<sup>lvi</sup> Like all activities in a Christian commonwealth (which Calvin sought to institute in Geneva), lending practices should be governed by love. “Now whether a Christian may from time to time make some profit on a loan . . . I have already shown that Christ only wished that the faithful in lending should go further than profane men.”<sup>lvii</sup> Martin Luther (AD 1483-1546) did not share Calvin’s views; he opposed all forms of usury. Though both men lived in the sixteenth century, “Calvin was bridging to the seventeenth century, Luther to the fifteenth.”<sup>lviii</sup> The future lay mostly with Calvin.

## BETWEEN TWO WORLDS

Among John Stott's many excellent writings is his book on preaching: *Between Two Worlds*.<sup>lix</sup> In essence, Stott argues that the preacher has his feet in two worlds: one in the world of biblical revelation, the other in the contemporary culture. The task of bringing those two worlds together so that modern people are impacted with the pure message of Scripture is part science and part artistic craft, and all of it a lot of hard work.

Here are a couple of examples of such bridging in the area of ethics. The people of Israel lived for many centuries under kings who ruled them. The ancient and medieval worlds were largely ruled by kings and princes. With the rise of European Christianity, many scholars and preachers taught that this was the biblical form of government and that it ought to be maintained. One of the first significant Christian writers to depart from this belief was, not surprisingly, John Calvin. He determined that this form of government was not mandated in Scripture; further, even as it was the case in the Bible, this form of government easily gave way to abuse since it placed too much authority in the hands of a very small group of people. Rather, a more "biblical" form of government (in the sense that it understood the need for government but balanced it against the fact of human depravity) was a smaller commonwealth governed by a group of godly magistrates chosen by the people.<sup>lx</sup> Slavery provides another example of ethical bridging. The Old Testament gave specific legislation as to how slavery could work in the covenant community. Slavery existed in the New Testament world, and the Apostle Paul gave specific instructions to Christians on the treatment of their slaves. Among the theological apologists for the planter class in the American South, the Bible's legislation and instruction were taken to legitimize the "peculiar institution." Hardly anyone would read it that way today. Why? Not because people no longer take the Bible seriously. The United States has moved from monarchy to republic and from a slave economy to a free one at least in part because Americans *do* take the Bible seriously, and in part because the world around Americans has changed.

What about usury? As Jay Richards has observed, laws prohibiting interest on personal loans made sense in the historical context of the Old Testament. "The Old Testament passages were all written when the Israelites had a static, agrarian, semi-nomadic society. In other words, they were written when not much new wealth was being created beyond what could be coaxed from the fields, and were written to people who didn't have much surplus money."<sup>lxi</sup> That is not today's world. The world has moved over the last 3,500 years (from about Moses' time) from agrarian economies (ancient world) to economies based largely on slave labor (Roman Empire) to economic systems based on feudal and manorial relationships (Western Europe and England from about AD 800) to mercantile systems based on the notion that wealth consisted in precious metals (beginning around the Crusades and continuing into the eighteenth century) to the world of free markets today.<sup>lxii</sup> In the course of this transition, the nature of "money" was transformed. Seen by the ancients as something "sterile, functioning only as a means of exchange," it became through the process of the economic transformation of the Western world a dynamic force that could be used for the good of society.<sup>lxiii</sup> One would not expect that moral instructions given largely due to

a specific economic reality would hold the same force given a very different economic context. No case is to be made for moral relativism. This kind of argument could not justifiably be made, say, to defend gay marriage or unmarried cohabitation, just because today offers a different cultural context. Those two issues are rooted in creation and in specific moral teachings found throughout Scripture, and there is no reason, redemptive-historical<sup>lxiv</sup> or otherwise, to imagine that they could reasonably be under debate by people committed to the inerrancy of Scripture.

## CONCLUSION

So, what? In the Old Testament, those who were able were instructed to be generous to needy Israelites, but they were not to expect to receive anything in return more than what they had lent: no interest, no usury. It was absolutely forbidden. In the New Testament, the truly poor were generally to be helped from within their local church. In the NT, the instructions about charity were congregationally focused, not governmentally focused. For many centuries Christian teachers assumed that usury principles should be literally applied to the loaning of money. By the time of the Reformation, however, some began to recognize the need to understand and apply Scripture in a redemptive-historical manner, and also to recognize that on some moral issues, historical contexts need to be taken into consideration when applying moral principles to the modern world. Because of the fact that the nature of “money” is seen so differently today, it would be inappropriate to apply the usury laws of the Old Testament in a straightforward and literal manner in today’s world.

In the Western world of today, there are mortgages, retirement investments, car loans, credit cards, and various other situations in which a lender places financial resources into the hands of people who might not pay it back, and situations where people place their money with institutions that use it for investment, with the promise that investors will receive it back with interest. That is today’s world. With some exceptions (for instance, Amish communities) people do not live in covenanted enclaves like the people of ancient Israel. This is a place and time in which paying and receiving interest is not only a fact of life but acceptable to most people. This essay has demonstrated that there is nothing unbiblical or un-Christian about that. Everyone wants to borrow money at the lowest interest rates, of course, and everyone wishes to receive the highest return on investments. So people shop and invest as wisely as possible. Along with that, Christian people will wish to be generous with those who are in need. The principle “love your neighbor” and its implication for financial matters (“give generously”) never have an end.

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- <sup>i</sup> *The Oxford English Dictionary*, 2<sup>nd</sup> ed. (New York: Oxford University Press, 1989), s.v. "Usury."
- <sup>ii</sup> Douglas K. Stuart, *The New American Commentary: Exodus*, ed. E. Ray Clendenen (Nashville: B & H, 2006), 473.
- <sup>iii</sup> Gleason L. Archer, "Interest," *The Zondervan Pictorial Dictionary of the Bible*, ed. Merrill C. Tenney (Grand Rapids, MI: Zondervan, 1975), 3:295.
- <sup>iv</sup> *Ibid.*
- <sup>v</sup> R. P. Maloney, C.M., "Usury and Restrictions on Interest-Taking in the Ancient Near East," *Catholic Biblical Quarterly* 36 (1974):1-20.
- <sup>vi</sup> E. A. Speiser, *Oriental and Biblical Studies* (Philadelphia, PA: University of Pennsylvania Press, 1967), 140-42.
- <sup>vii</sup> Walter C. Kaiser, Jr., "Exodus," in *The Expositor's Bible Commentary*, vol. 2, ed. Frank C. Gaebelein (Grand Rapids, MI: Zondervan, 1990), 440.
- <sup>viii</sup> The shift to the second person actually begins in verse 18 with the command about sorcery.
- <sup>ix</sup> Solomon ben Isaac, *Commentary on the Pentateuch*, quoted in Brevard S. Childs, *The Book of Exodus: A Critical, Theological Commentary*, Old Testament Library, gen. ed. Peter Ackroyd, et. al. (Philadelphia, PA: Westminster, 1974), 479.
- <sup>x</sup> Kaiser, *Toward Old Testament Ethics* (Grand Rapids, MI: Zondervan, 1983), 215.
- <sup>xi</sup> S. R. Driver, *A Critical Exegetical Commentary on Deuteronomy*, The International Critical Commentary, ed. Alfred Plummer and C. A. Briggs (Edinburgh: T. & T. Clark, 1895), 267.
- <sup>xii</sup> Walter Brueggemann, "Exodus," in *The New Interpreter's Bible*, vol. 1, ed. Leander E. Keck (Nashville, TN: Abingdon, 1994), 868.
- <sup>xiii</sup> Stuart, *Exodus*, 518.
- <sup>xiv</sup> Eugene H. Merrill, *Kingdom of Priests: A History of Old Testament Israel* (Grand Rapids, MI: Baker, 1987), 82.
- <sup>xv</sup> Mark F. Rooker, *The New American Commentary: Leviticus*, ed. E. Ray Clendenen (Nashville, TN: B & H, 2000), 308.
- <sup>xvi</sup> R. Laird Harris, "Leviticus," in *The Expositor's Bible Commentary*, vol. 2, ed. Frank C. Gaebelein (Grand Rapids, MI: Zondervan, 1990), 639.
- <sup>xvii</sup> Noth is helpful on this distinction. Martin Noth, *Leviticus: A Commentary*, rev. ed., Old Testament Library, ed. Peter Ackroyd, tr. J. E. Anderson (London: SCM, 1977), 191.
- <sup>xviii</sup> Joseph Reider, *Deuteronomy with Commentary* (Philadelphia, PA: Jewish Publication Society of America, 1937), 218.
- <sup>xix</sup> Medieval Jewish commentators such as Maimonides modified these restrictions somewhat. He taught that a person loaning money to a second party (Israelite) who then loaned it to a third party might charge modest interest. The *Shulcan Aruch* (a sixteenth-century text) reversed Maimonides and allowed for charging interest only to non-Jews. Joseph Shatzmiller, *Shylock Reconsidered: Jews, Moneylending, and Medieval Society* (Oakland, CA: University of California Press, 1989), 113-15.
- <sup>xx</sup> Earl Kalland, "Deuteronomy," in *The Expositor's Bible Commentary*, vol. 3, ed. Frank C. Gaebelein (Grand Rapids, MI: Zondervan, 1992), 143.
- <sup>xxi</sup> Merrill, *The New American Commentary: Deuteronomy*, ed. E. Ray Clendenen (Nashville, TN: B & H, 1994), 315.

- <sup>xxii</sup> Duane L. Christensen, *Deuteronomy 21:10-34:12*, Word Biblical Commentary, vol. 6b, ed. Bruce Metzger (Nashville, TN: Thomas Nelson, 2002), 572.
- <sup>xxiii</sup> Kalland, "Deuteronomy," 147.
- <sup>xxiv</sup> Peter C. Craigie, *Psalms 1-50*, Word Biblical Commentary, vol. 19, ed. David A. Hubbard and Glenn W. Barker (Waco, TX: Word, 1983), 151.
- <sup>xxv</sup> John Calvin, *Commentary on the Book of Psalms*, 3 vols., tr. James Anderson (Grand Rapids, MI: Eerdmans, 1963), 1:206.
- <sup>xxvi</sup> William A. VanGemeren, "Psalms," in *The Expositor's Bible Commentary*, vol. 5, ed. Frank C. Gaebelein (Grand Rapids, MI: Zondervan, 1991), 153.
- <sup>xxvii</sup> Craigie, *Psalms 1-50*, 152.
- <sup>xxviii</sup> Daniel I. Block, *The Book of Ezekiel, Chapters 1-24*, The New International Commentary on the Old Testament, ed. R. K. Harrison and Robert L. Hubbard (Grand Rapids, MI: Eerdmans, 1997), 572.
- <sup>xxix</sup> Ralph H. Alexander, "Ezekiel," in *The Expositor's Bible Commentary*, vol. 6, ed. Frank C. Gaebelein (Grand Rapids, MI: Zondervan, 1986), 826.
- <sup>xxx</sup> *Ibid.*
- <sup>xxxi</sup> Block, *Ezekiel 1-24*, 707.
- <sup>xxxii</sup> *Ibid.* What makes this even clearer is that Ezekiel here is winding down his critique of the exiles. Beginning in chapter 25, the prophet rings the changes over to a message of hope, which occupies the remainder of the prophecy.
- <sup>xxxiii</sup> F. Charles Fensham, *The Books of Ezra and Nehemiah*, The New International Commentary on the Old Testament, ed. R. K. Harrison (Grand Rapids, MI: Eerdmans, 1982), 190.
- <sup>xxxiv</sup> H. G. M. Williamson, *Ezra, Nehemiah*, Word Biblical Commentary, vol. 16, ed. David A. Hubbard and Glenn W. Barker (Waco, TX: Word, 1985), 239-40.
- <sup>xxxv</sup> Fensham presents an excellent historical reconstruction of this situation in *Ezra and Nehemiah*, 190-96, as does Williamson, *Ezra, Nehemiah*, 239-43. They concur on the major details.
- <sup>xxxvi</sup> Fensham, *Ezra and Nehemiah*, 195.
- <sup>xxxvii</sup> Williamson, *Ezra, Nehemiah*, 240.
- <sup>xxxviii</sup> Fensham, *Ezra and Nehemiah*, 196; Williamson, *Ezra, Nehemiah*, 241.
- <sup>xxxix</sup> As it is interpreted by D. J. McCarthy, "Covenant and Law in Chronicles-Nehemiah," *Catholic Biblical Quarterly* 44 (1982): 25-44.
- <sup>xl</sup> Williamson, *Ezra, Nehemiah*, 240.
- <sup>xli</sup> Derek Kidner, *Ezra & Nehemiah: An Introduction and Commentary*, Tyndale Old Testament Commentaries, ed. D. J. Wiseman (Downers Grove, IL: InterVarsity Press, 1979), 97.
- <sup>xlii</sup> D. A. Carson, "Matthew," in *The Expositor's Bible Commentary*, vol. 8, ed. Frank C. Gaebelein (Grand Rapids, MI: Zondervan, 1984), 515.
- <sup>xliii</sup> Donald A. Hagner, *Matthew 14-28*, Word Biblical Commentary, vol. 33b, ed. David A. Hubbard and Glenn W. Barker (Dallas, TX: Word, 1985), 734.
- <sup>xliv</sup> That is, common people in the ANE often simply buried their money in the ground to hide it from others.
- <sup>xliv</sup> Darrell L. Bock, *Luke 9:51-24:53*, Baker Exegetical Commentary on the New Testament, ed. Moises Silva (Grand Rapids, MI: Baker, 1996), 1525.
- <sup>xlvi</sup> Craig Blomberg, *Interpreting the Parables* (Downers Grove, IL: InterVarsity Press, 1990), 217-20.
- <sup>xlvi</sup> Carson, "Matthew," 517.
- <sup>xlvi</sup> Kaiser, *Toward Old Testament Ethics*, 217.
- <sup>xlvi</sup> *Ibid.*
- <sup>i</sup> Ambrose, *Duties of the Clergy*, 3.3, *Nicene and Post Nicene Fathers*, second series, vol. 10 (Edinburgh: T. & T. Clark, 1885).
- <sup>li</sup> Augustine, *Enarrations on the Psalms*, 129.16, *Nicene and Post Nicene Fathers*, first series, vol. 8 (Edinburgh: T. & T. Clark, 1885).
- <sup>lii</sup> David W. Jones, *Reforming the Morality of Usury: A Study of the Differences that Separated the Protestant Reformers* (Dallas, TX: University Press of America, 2004), 31-33.
- <sup>liii</sup> Bruce Gordon, *Calvin* (New Haven, CT: Yale University Press, 2009), 297.
- <sup>liv</sup> John Calvin, *Commentary on the First Twenty Chapters of the Book of the Prophet Ezekiel*, tr. Thomas Myers, 2 vols. (Grand Rapids, MI: Eerdmans, 1948), 2:226.
- <sup>lv</sup> Calvin, *Commentary on the Book of Psalms*, tr. James Anderson, 2 vols. (Grand Rapids, MI: Eerdmans, 1949), 1:213.
- <sup>lvi</sup> Calvin, *Commentary on the First Twenty Chapters of Ezekiel*, 2:228.

<sup>lvii</sup> Calvin, *A Harmony of the Gospels Matthew, Mark, and Luke*, ed. David W. Torrance and Thomas F. Torrance, tr. A. W. Morrison, 3 vols. (Grand Rapids, MI: Eerdmans, 1972), 1:197.

<sup>lviii</sup> Jack Cashill, *Popes and Bankers: A Cultural History of Credit and Debt, from Aristotle to AIG* (Nashville, TN: Thomas Nelson, 2010), 65.

<sup>lix</sup> John Stott, *Between Two Worlds: The Art of Preaching in the Twentieth Century* (Grand Rapids, MI: Eerdmans, 1982).

<sup>lx</sup> Calvin, *Institutes of the Christian Religion*, 4.20.1-32, ed. John T. McNeill, tr. Ford Lewis Battles (Philadelphia, PA: Westminster, 1960).

<sup>lxi</sup> Jay Richards, *Money, Greed, and God: Why Capitalism Is the Solution and Not Part of the Problem* (New York: HarperOne, 2009), 153.

<sup>lxii</sup> This brief list is of course not exhaustive, and there have been many hybrids and heresies.

<sup>lxiii</sup> Richards, *Money, Greed, and God*, 140.

<sup>lxiv</sup> The redemptive-historical approach to interpreting the Bible takes account of the fact that through the history of redemption, many changes have taken place as a new redemptive era dawns. Cain was allowed to live after murdering his brother, but Noah was told to institute capital punishment. The Israelites were not punished for their idolatry in Egypt; but after receiving the Decalogue, Moses commanded the Levites to draw their swords, and they slew "about three thousand" people who were worshiping the golden calf. The great advance occurred after the death, resurrection, and ascension of Christ, when circumcision, sacrifices, food laws, and to some degree Sabbath worship were all rescinded. For more information see Peter J. Gentry and Stephen J. Wellum, *Kingdom through Covenant: A Biblical-Theological Understanding of the Covenants* (Wheaton, IL: Crossway, 2012).