

## LENDING AND INTEREST IN THE OT: EXAMINING THREE INTERPRETATIONS TO EXPLAIN THE DEUTERONOMY 23:19–20 DISTINCTION IN LIGHT OF THE HISTORICAL USURY DEBATE

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**Abstract:** Four issues are identified in a study of the three Torah “usury” passages, Exod 22:25, Lev 25:35–37, and mainly Deut 23:19–20 in which there is no specific reference to the poor: (1) the relationship among these three passages; (2) the morality of usury; (3) the scope of the usury ban; and (4) the type of contrast intended in Deut 23:19–20. Furthermore, regarding this fourth issue, three interpretive options are presented representing differing decisions about the other three issues: (a) ethnic status/total usury ban, (b) ethnic status/two-tiered ethic, and (c) economic status/poor-merchant contrast. Then, an argument is offered for the economic status/poor-merchant distinction that the three Torah usury passages make the same point. Assessments of the other positions are offered, including a survey of the church history usury debate, concluding with some contemporary applications.

**Key Words:** usury, interest, lending, economics, poor, business, commerce, Deut 23:19–20, Exod 22:25, Lev 25:35–37, Nehemiah 5, נִשֶּׁק (nešek), נֹכְרִי (nokri)

Extending credit with interest has been a commercial practice from ancient times. An early example of a loan of silver and barley comes from Sumerian cuneiform documentation in southern Mesopotamia around 2350 BC.<sup>1</sup> Moreover, a significant OT ethical commonplace to protect the poor and needy is evident in the prohibition against interest on their loans, a particular norm differing from legal codes of the ancient Near East:

The [biblical] laws prohibiting the charging of interest recognize the potentialities of human need and human callousness and promote genuine assistance, thereby expressing God’s demand for justice and social responsibility.... This sort of religiously based valuation of human beings is in marked contrast to the main concern of ancient Near Eastern penal law, which is simply economic; that is, the safeguarding of property and the restitution of losses.<sup>2</sup>

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<sup>1</sup> Marc Van de Meiroop, “The Invention of Interest: Sumerian Loans,” in *The Origins of Value: The Financial Innovations That Created Modern Capital Markets* (ed. William N. Goetzmann and K. Geert Rouwenhorst; Oxford: Oxford University Press, 2005), 20.

<sup>2</sup> Michael J. Williams, “Taking Interest in Taking Interest,” in *Mishneh Todah: Studies in Deuteronomy and Its Cultural Environment in Honor of Jeffrey H. Tigay* (ed. Nili Sacher Fox, David A. Glatt-Gilad, and Michael J. Williams; Winona Lake, IN: Eisenbrauns, 2009), 128. Williams’s chapter offers an informative brief survey of the loan practices of the ancient Near East (120–26).

Three OT Torah passages command that no interest should be taken. For two of them, the restriction applies on loans to the poor (Exod 22:25; Lev 25:35–37). Yet for Deut 23:19–20 there is no such qualification. “You shall not charge interest on loans to your brother....”<sup>3</sup> At its core, the usury debate stems from that textual difference of referent for the ban on interest in this passage—a loan for a “brother” rather than for the “poor” that was specified in the other two Torah passages.<sup>4</sup> Deut 23:19–20 was the central OT passage in the historical usury debate and continues to be so today.

Two main purposes guide this study. The first segment of the article clarifies the relevant issues and interpretive options for making an informed decision about an OT perspective on lending and usury (Parts 1 and 2). The controversy involves four main issues: (1) whether or not there is a relationship between Deut 23:19–20 and the two other usury Torah passages (Exod 22:25; Lev 25:35–37); (2) whether charging interest itself is moral or immoral; (3) what is the intended scope of the prohibition against interest on loans (only to the poor, only to Israelites, or a total ban for all?); and (4) what type of contrast is intended between “brother” and “foreigner” in Deut 23:19–20?<sup>5</sup>

Regarding this Deut 23:19–20 distinction, three possible interpretive options are presented, in which each option encompasses a view about the other three issues: (a) ethnic status/total usury ban; (b) ethnic status/two-tiered ethic; and (c) economic status/poor-merchant contrast. Table 2, which appears near the beginning of Part 2, provides an at-a-glance visual summary of these points. The literature sometimes refers to this passage as the “Deuteronomy double-standard.”

A second purpose of the study is to offer support for the third interpretive contrast (an economic status/poor-merchant distinction) in which the three main Torah passages (Exod 22:25; Lev 25:35–37; Deut 23:19–20) are understood as conveying the same Torah teaching on usury (developed in Part 3). Part 4, then, provides an evaluation of the other two interpretive options, including a brief survey of the church history debate on usury. The conclusion offers a few suggestions for contemporary application. Table 1 lists the three Torah passages about loans and interest, identifying Hebrew terms to receive some attention in the article. The focus of this investigation is on the topic of lending and interest; matters related to the broader subject of charity for the poor are beyond its scope.<sup>6</sup>

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<sup>3</sup> Translations of Scripture are from the ESV unless otherwise noted. Scripture references follow the English version, assuming that those familiar with the Hebrew Bible know the differences (e.g., two Torah usury passages have these variations: Exod 22:25 is recorded in the Hebrew Bible as v. 24, and Deut 23:19–20 is recorded as vv. 20–21).

<sup>4</sup> As explained below, “usury” was the basic term conveying the meaning of any “interest” on a loan for most of church history.

<sup>5</sup> As to general method and working framework, the OT text under study is the text of the Hebrew Scriptures as standardized by the Masoretes and adopted by the Christian church. Regarding the sequence or chronology of the Torah texts that relate to this study, I affirm David Baker’s basic point, “There is general agreement that the Book of the Covenant [Exod 20:22–23:33] is earlier than either the Holiness Code [Leviticus 17 or 18–26] or Deuteronomic Laws [Deuteronomy 12–26]” (*Tight Fists or Open Hands? Wealth and Poverty in the OT Law* [Grand Rapids: Eerdmans, 2009], 9).

<sup>6</sup> For further reading on charity for the poor, see Baker, *Tight Fists*.

| Exod 22:25  | Lev 25:35–37   | Deut 23:19–20   |
|---|--|---|
| <p>“[25] If you lend money to any of my people with you who is poor, you shall not be like a moneylender [אִשָּׁה, <i>nōšeʾ</i>, participle] to him, and you shall not exact interest [נֶשֶׁק, <i>nešek</i>, noun] from him.”</p> | <p>“[35] If your brother becomes poor and cannot maintain himself with you, you shall support him as though he were a stranger [גֵּר, <i>gēr</i>] and a sojourner [תּוֹשָׁב, <i>tôšāb</i>], and he shall live with you.</p> <p>[36] Take no interest [נֶשֶׁק, <i>nešek</i>] from him or profit [תְּרִבִּית, <i>tarbîṭ</i>], but fear your God, that your brother may live beside you.</p> <p>[37] You shall not lend him your money at interest [נֶשֶׁק, <i>nešek</i>], nor give him your food for profit [מַרְבִּית, <i>marbîṭ</i>].”</p> | <p>“[19] You shall not charge interest on loans [נֶשֶׁק, <i>nāšak</i> II, verb] to your brother, interest [נֶשֶׁק, <i>nešek</i>, noun] on money, interest [נֶשֶׁק, <i>nešek</i>] on food, interest [נֶשֶׁק, <i>nešek</i>] on anything that is lent for interest [נֶשֶׁק, <i>nāšak</i> II, verb].</p> <p>[20] You may charge a foreigner [נֹכְרִי, <i>nokrî</i>] interest [נֶשֶׁק, <i>nāšak</i> II, verb], but you may not charge your brother interest [נֶשֶׁק, <i>nāšak</i> II, verb], that the LORD your God may bless you in all that you undertake in the land that you are entering to take possession of it.”</p> |

Table 1: Three Main Usury Torah Passages and Key Terms

## I. PRELIMINARY MATTERS OF CLARIFICATION

Before moving to a description of the key issues and interpretive options, Part 1 clarifies a few preliminary matters of background information.

1. *“Usury” meant any interest.* For most of church history, the term “usury” (whether Hebrew *nešek*, Greek *τόκος*, or Latin *usura*) meant *any* interest on a loan, not just excessive or usurious interest, and it was regarded as a sinful, immoral practice. For example, the 1611 KJV employs the noun “usury” for all OT occurrences of *nešek* (interest; treated later). Eventually, around the 18th century, these two terms—usury and interest—became widely recognized as bearing separate meanings as they do today. Harper and Smirl explain, “Originally the term [“usury”] referred to the charging of interest per se—that is, requiring a borrower to repay more than the principal sum borrowed from a lender. Over time borrowing and lending evolved to become an integral part of commercial life, and usury came to refer to the charging of excessive or unconscionable rates of interest on loans.”<sup>7</sup> In this article, “usury” and “interest” are used interchangeably; qualifiers such as “legitimate” or “illegitimate” are added when needed.

2. *An orientation to key Hebrew terms.* A few Hebrew terms require explanation. First, an important difference must be noted between two verbs. The verb נָשַׁךְ (*nāšak* II, 5x) carries the idea of lending at interest and appears four times in our

<sup>7</sup> Ian Harper and Lachlan Smirl, “Usury,” in *The Oxford Handbook of Christianity and Economics* (ed. Paul Oslington; Oxford: Oxford University Press, 2014), 564.

passage, Deut 23:19–20 (see Table 1).<sup>8</sup> The distinctive use outside of Deuteronomy is in Hab 2:7 as a participle נִשֵּׁךְ (*nōšēk*, creditor, treated in note 16). The noun נִשְׁכָּ ( *nešēk*, “usury, interest,” 12x, discussed below) is also derived from this root.

The other verb נָשָׂא (*nāšā* I or נָשָׂה, *nāšā* II; 12x verb only) conveys the meaning of lending with a pledge (e.g. Deut 24:10–11). It occurs as a term in the economic crisis of Nehemiah 5 (vv. 7, 10; discussed later). The participle נֹשֵׂא (*nōšē*, 6x, creditor, derived from *nāšā* I) is the predominant term for creditor or money-lender in the OT, and occurs in Exod 22:25 (considered later).

Robin Wakely explains the difference in these terms between lending with interest and with a pledge. He defines the verb *nāšak* (II) as “q. pay/give/earn interest; hi. charge/exact/lend at interest” and *nāšā* (I) as “q. lend/be a creditor against a pledge; hi. advance a loan against a pledge.”<sup>9</sup> He notes, “The vb. [*nāšā*] is often mistakenly understood to refer to the practice of lending money at interest.... An examination of the use of the vb. in other passages suggests that it means lending against a pledge.”<sup>10</sup> As two of the Torah passages explicitly teach, loans to the poor and needy were to be without interest. Yet these loans typically included a pledge, as suggested by the proximity in context of the command banning usury to the poor (Exod 22:25) with the following two verses that mention a pledge, “If you take your neighbor’s cloak in pledge” (Exod 22:26–27).

A pledge, a personal guarantee to repay this interest-free loan, could be any household item such as a cloak (Deut 24:10–13; Neh 5:3), or house, or land (Lev 25:25–28; Neh 5:3–4), but not a millstone (Deut 24:6). Also, another form of repayment could be a promise to work without pay for a period of time (pledged as a bound laborer, Lev 25:40) by the debtor and possibly dependents (Lev 25:39–43; Deut 15:12–18; Neh 5:5). In the seventh year, those committed to pledged labor would be released (Exod 21:2; Deut 15:12; or at Jubilee, Lev 25:40, 50), and the debt would be deferred or cancelled (Deut 15:1–15; Neh 5:5).<sup>11</sup> This difference between lending at interest and lending with a pledge will come into discussion in a later section.<sup>12</sup>

<sup>8</sup> Usually terms appear in Hebrew font at their first appearance, when relevant in tables, and in summary sections. Otherwise Hebrew terms are transliterated for a wider readership. Frequency counts of Hebrew terms are mainly based on the *Koblenberger/Mounce Concise Hebrew–Aramaic Dictionary of the OT*, available on *Accordance*.

<sup>9</sup> Robin Wakely, “נִשֵּׁךְ,” *NIDOTTE* 3:187; “נָשָׂא,” *NIDOTTE* 3:175.

<sup>10</sup> Wakely, “נָשָׂא,” *NIDOTTE* 3:175.

<sup>11</sup> Regarding options to address the discrepancy about release year—seventh year or Jubilee—see Baker (*Tight Fists*, 166–73). On the matter of the seventh year release of loans (Deut 15:1–2), it is difficult to determine the meaning from the Hebrew language alone (Deut 15:1–2), whether it signifies a deferral of payment on the loan (with a temporary release of the pledge) or a complete remission and forgiveness of the loan; for further reading see Baker (*Tight Fists*, 280) and Christopher J. H. Wright (*God’s People in God’s Land: Family, Land, and Property in the OT* [Grand Rapids: Eerdmans, 1990], 147–48).

<sup>12</sup> Beyond these two terms, *NIDOTTE* (5:118) identifies three other Hebrew verbs that convey a notion of lending or borrowing. The most general term is לָוָה (*lāwā*, II, to lend or borrow [14x]; e.g. Deut 28:12 [2x]; also Exod 22:24 [1x]; Neh 5:4 [1x]). Another term, אָבַף (*ābaf*, [5x]), conveys the notion of lending with a pledge (i.e. Deut 15:6 [2x]; 15:8 [2x]; 24:10). Finally, שָׁמַט (*šāmat* “to drop down, stumble” [9x]), carries the meaning of release or remitting [a loan or pledge], with the verb appearing only in Deuteronomy 15:2, 3 (2x).

Second, there is a long-standing confusion regarding the relationship between the noun *nešek* (interest), its related verbal form נָשַׁק (*nāšak* II, “to earn interest”), and a verbal homonym, the verb נָשַׁק (*nāšak* I, “to bite”). The literature evidences a blending of these two meanings, as illustrated in the following two comments involving the term *tarbit* (a term treated later).

The most widely accepted view today is that *neshek* was derived from the Hebrew root *n sh k*, “to bite,” and referred to interest “bitten off” or deducted before the loan was advanced, while *tarbit* meant “increase” and referred to the additional sum above and beyond the principal which the debtor paid the creditor.<sup>13</sup>

According to Calvin, Jerome translated both the Hebrew terms to mean “usury,” but most philologists regarded that translation as inaccurate, since *neshekh* means “bite,” while *tarbit* means “legitimate interest.”<sup>14</sup>

Yet *DCH*, *NIDOTTE*, and *HALOT* identify two distinct roots for these homonyms, root I “to bite,” and root II “to earn interest.”<sup>15</sup> The verb *nāšak* (I, “to bite” from a snake) occurs 11 times (Gen 49:17; Num 21:6, 8, 9; Prov 23:32; Eccl 10:8; Jer 8:17; Amos 5:19; 9:3; and Mic 3:5, an unusual usage that NASV translates as “to bite with their teeth”). The verb *nāšak* (II, “to pay, give, earn interest”), as noted, occurs in four of the five uses in Deut 23:19 [2x], 20 [2x].<sup>16</sup> Thus, despite the shared Hebrew form, the concept of “to bite” has no connection with “to earn interest.”

Third, some English Bible translations employ the word “usury” in Neh 5:7 and 10 (also Neh 10:31). “You are exacting usury from your own countrymen!” (5:7, NIV, 1984; also NASV, NKJV). Yet another Hebrew term occurs here, מַשְׁכָּא (*maššā*, a loan against a pledge [3x]; derived from *nāšā* I, to lend against a pledge). A related term מַשְׁכָּא’ (maššā’ā, [secured] loan [2x]) occurs in passages about loan-pledges (Deut 24:10; Prov 22:26). During the rebuilding of the city wall, Nehemiah was outraged by the outcry of the people regarding their economic burdens (Neh 5:1–6). His strategy (Neh 5: 7–11), as Joseph Blenkinsopp suggests, was to “use the occasion of economic crisis to proclaim an emergency jubilee.”<sup>17</sup> Although Nehemiah himself was following the Torah in receiving pledges for loans offered,

<sup>13</sup> Hillel Gamoran, “The Biblical Law against Loans on Interest,” *JNES* 30 (1971): 131. Gamoran reports the opinions of others, but is silent about whether he agrees.

<sup>14</sup> Joshua Buch, “Neshekh and Tarbit: Usury from Bible to Modern Finance,” *JBQ* 33 (2005): 17.

<sup>15</sup> *DCH* 5:777–78 [2001]; *NIDOTTE* 3:185–89 [1997]; *HALOT* 2:729 [1995, German original, 1967–1983]. The following sources retain the conceptual link under one root: *TDOT* 10:61–65 [1999, German original, 1986]; *TWOT* 2:604–05 [1980]; and *BDB* 675 [1906]; Strong’s *Concordance* (1890) identified a single number (#5391) for *nāšak* indicating one root; *TLOT* has no discussion of these verbs.

<sup>16</sup> In Hab 2:7 we find the fifth use of *nāšak* (II, earn interest) and the singular occurrence of the participial form of *nōšek* (creditor). As we do today, the verse may indicate a play on words to bring the two concepts together (*nāšak* I, to bite, and *nāšak* II, to earn interest). Wakely suggests this paraphrase for Hab 2:7–8: “The debtors turned creditors [*nōšek*] ... will become the biters, and the oppressor will himself be bitten” (“נָשַׁק”, *NIDOTTE* 3:186). Such a word play would require the use of the *nāšak* (II) verbal form for “creditor,” the only occurrence of this verbal form outside of Deut 23:19–20.

<sup>17</sup> Joseph Blenkinsopp, *Ezra-Nehemiah: A Commentary* (OTL; Philadelphia: Westminster, 1998), 259.

"However, he realized that the situation now required giving, not lending" (Neh 5:10).<sup>18</sup>

The main problem Nehemiah confronts is the matter of loan pledges, not interest, as Clines explains. "The reason for his rebuke is apparently not because they were charging interest, but because of the evils which arose from demanding pledges."<sup>19</sup> That the focus is on loan pledges in this context is supported also by the explicit use of the verb *nāṣā* (I, to lend against a pledge) in Neh 5:7 and 5:10. Thus, the *JPS Tanakh* (1917) offers this translation, "Ye lend upon pledge, every one to his brother," and the NET Bible has, "Each one of you is seizing the collateral from your own countrymen!" (5:7).<sup>20</sup>

Finally, some relevant terms that appear only in association with *nešek* (interest) need explanation. The terms *תַּרְבִּית* (*tarbît*, fem. nom., 6x) and *מַרְבִּית* (*marbît*, hi. part. 5x), both derived from *רָבָה* (*rābā* I, to become numerous, increase), occur in Lev 25:36–37 (see Table 1). *Tarbît* occurs six times, always paired as the second partner with *nešek* (Lev 25:36; Prov 28:8; Ezek 18:8, 13, 17; 22:12). *Marbît* usually conveys the idea of a "largest part" or "increase" (1 Sam 2:33; 1 Chr 12:29; 2 Chr 9:6; 20:18), yet carries the particular notion of "profit" or "interest" only in Lev 25:37.

There is no consensus as to their meaning in relation to *nešek* (interest). Three options have been proposed. As noted in the quotations above by Gamoran and Buch, some have considered *tarbît* to have the meaning of "legitimate interest," whereas *nešek* is considered to be the illegitimate kind, expressing a difference *in degree*. But the main support for this discussion employs the confusion that the underlying meaning of *nešek* is "to bite." The use of both *nešek* and *tarbît* in Lev 25:36–37 is regarded by Samuel Loewenstamm as an important clue in an argument for a difference *in kind* between the two terms. "Perhaps, therefore, the solution of our semantic problem is that נֶשֶׁךְ [*nešek*] denotes the interest on a loan of money,

<sup>18</sup> Mervin Breneman, *Ezra, Nehemiah, Esther* (NAC 10; Nashville: B&H, 1993), 205. Although an argument from silence, it is surprising that there is no explicit comment about usury among the economic sins listed by Amos, which might lend support to the idea that taking interest from the poor was not a major problem during that era (c. 758 BC). Amos's list of economic sins includes denying justice to the poor by taking bribes (5:12; 2:7, 5:10), sale of those enslaved by debt (2:6, 8:6), pledges not returned (2:8, with no explicit comment about usury, mention of pledges might indicate a reference to interest-free loans), improper fines collected (2:8), excessive taxes (5:11), and deceptive scales and prices by merchants (8:5–6). Yet usury did make the sin list during the time of the 597 BC exile (Ezekiel 22:12).

<sup>19</sup> D. J. Clines, *Ezra, Nehemiah, Esther* (NCBC; Grand Rapids: Eerdmans, 1984), 168.

<sup>20</sup> An obscure use of the Hebrew word for the number 100 (מֵאָה, *mē'ā*) occurs in association with silver, grain, wine and oil in Neh 5:11. Kidner offers this resolution to the problem, "The demand in this half of the verse is for a refund either of interest charged on the loans (cf. RSV), or (as I prefer) of the income derived by the creditors from the property they have taken in pledge (cf. NEB)" (*Ezra and Nehemiah* [Leicester: InterVarsity, 1979], 97).

When land is given as an antichretic pledge for a loan (a transfer of property including fruits or rent income in lieu of payment on a loan), it permits the creditor to receive the harvest yield from the land. In a comment on Deut 15:1–3, Christopher Wright states, "The most convincing view is that the land was used by the creditor as an 'antichretic' pledge—that is, the usufruct [a right to use the advantages of another's property] of the land was taken over by the creditor and went towards the repayment of the debt" (*God's People*, 171–72).

while **מִתְרִבִּית** [*tarbîṭ*, *marbîṭ*] signifies the interest on a loan of victuals [food, produce] ... simply referring to the interest on these two different kinds of loans (Lev 25:36; Ezek 18: 8, 13, 17, 22:12; Prov 28:8).<sup>21</sup> Lowenstamm identifies a similar pair of distinct terms in Akkadian. Williams offers another option. He notes the Akkadian evidence is not as consistent as Lowenstamm asserts. “A third possibility is that two terms simply refer to two aspects of the same phenomenon—one from the borrower’s, the other from the lender’s perspective,” forming a customary pair such as “buying and selling” thus referring “to complementary aspects of interest on loans.”<sup>22</sup>

In the discussion that follows, *nāšak* (II, to earn interest) and related forms (e.g., *nešek*, interest) indicate lending at interest, whereas *nāšā’* (I, to lend against a pledge) and related forms signify lending with a pledge. Furthermore, *nešek* (interest) has no connection to the verb *nāšak* (I, to bite), and will be understood as having a similar meaning as *tarbîṭ* or *marbîṭ* (interest).

## II. CLARIFYING THE ISSUES AND INTERPRETIVE CONTRASTS REGARDING THE DEUT 23:19–20 DISTINCTION

We now examine Deut 23:19–20, a passage that has played a central role in the usury debate throughout church history to the present time. The four relevant issues concern: (1) the relationship among the three Torah usury passages; (2) the morality of usury; (3) the scope of the usury ban; and (4) the type of contrast intended in Deut 23:19–20: (a) an ethnic status/total usury ban; (b) an ethnic status/two-tiered ethic; or (c) an economic status/poor-merchant contrast.

Table 2 offers a visual overview of these four main issues, including some representative proponents for each option. Placing proponents with their respective interpretation was not a straightforward task since a few did not address all issues. Accordingly, two columns of author placement were developed. The first column (Table 2, col. 3, second part) identifies basic affirmations of the first three main issues, lacking sufficient information about Deut 23:20, while the latter column (Table 2, col. 4), offers author placement for all four issues.<sup>23</sup>

<sup>21</sup> Samuel Loewenstamm, “נשך and מִתְרִבִּית,” *JBL* 88 (1969): 79.

<sup>22</sup> Williams, “Taking Interest,” 119–20.

<sup>23</sup> Most of the names included in Table 2 are cited in the article; five authors not cited are listed here: Samuel L. Adams (*Social and Economic Life in Second Temple Judea* [Westminster/John Knox, 2014], 108–9); Roland Boer (*The Sacred Economy of Ancient Israel* [Louisville: Westminster/John Knox, 2015], 157); Douglas Knight (*Law, Power, and Justice in Ancient Israel* [Louisville: Westminster/John Knox, 2011], 220); Ronald Sider (*Rich Christians in an Age of Hunger* [5th ed.; Nashville: Thomas Nelson, 2005], 73–74); and Leon Epsztein (*Social Justice in the Ancient Near East* [London: SCM, 1986], 125–26).

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|---|---|--|---|--|
| 1. Relation of 3 Torah “Usury” passages                 | 2. Morality of “Usury”  | 3. Scope of Ban on “Usury”                 | Affirms Respective Points for Issues 1, 2, and 3 (yet insufficient information about Issue 4 and Deut 23:20)                        | 4. Type of Contrast in Deut 23:19–20: Three Interpretative Options   |
| <i>Dissimilar: Deut 23 Overrides Exod 22 and Lev 25</i> | <i>“Usury” is Essentially Immoral</i>                                   | <i>Total Ban on “Usury” for All</i>        | a. Basic Recognition of Total “Usury” Ban (no implications about loans with foreigners)<br><br>Bell 2012<br>Boer 2015<br>Buch 2005  | 4a. Ethnic Status/Total “Usury” Ban:<br>Israelites vs. the Foreigner as Israel’s Enemy<br>Ambrose (d. 397)<br>Ballard 1994 (divorce/hardness of heart rationale)<br>Mills 1993, 2012 (affirms 1, 2, and 3, but for 4 prefers Two-Tiered Ethic; yet “usury” is still immoral) |
|   | <i>“Usury” is Morally Legitimate (within certain economic contexts)</i> | <i>Ban on “Usury” among All Israelites</i> | b. Basic Recognition of “Usury” Ban Among Israelites (no implications about loans with foreigners)<br><br>Knight 2011<br>Sider 2005 | 4b. Ethnic Status/Two-Tiered Ethic:<br>No “Usury” Among Israelites yet “Usury” is Legitimate with Non-Israelites<br>Adams 2014<br>Gordon 1982 ( <i>lex talionis</i> )<br>Guttman 1926<br>Maloney 1969<br>Neufeld 1955<br>Williams 2009<br>Wright 2004                        |
| <i>Similar: Deut 23 Affirms Exod 22 and Lev 25</i>      |   | <i>Ban on “Usury” to Poor Only</i>         | c. Basic Recognition of a Poor-Focused “Usury” Ban (no implications about commercial loans)<br><br>Epsztein 1986<br>Gamoran 1971    | 4c. Economic Status/Poor–Merchant Contrast: No “Usury” for Poor, but “Usury” is Legitimate for Other Loans, including Commercial Loans<br>Baker 2009<br>Biddle 2003<br>Meislin and Cohen 1964<br>Stein 1953  |

Table 2: Four “Usury” Issues and Three Interpretations of the Deut 23:19–20 Distinction

“Usury” refers to any interest, not just usurious interest.



These views can be distinguished from each other by their respective commitments to the other three issues. Regarding the relation of the three Torah passages on usury (Table 2, col. 1), both (4a) the ethnic status/total ban contrast and (4b) the ethnic status/two-tiered ethic hold that Deut 23:19–20 overrides the other two passages, whereas (4c) the economic status/poor-merchant contrast affirms a continuity of the teaching for all three. On the morality of charging interest (Table 2, col. 2), (4a) the ethnic status/total ban option alone regards charging interest as essentially immoral, whereas the other two views acknowledge the moral legitimacy of the practice in certain economic contexts. As to the scope of the usury ban (Table 2, col. 3), (4a) the ethnic status/total ban view affirms a comprehensive ban for all people, and (4b) the ethnic status/two-tiered ethic view asserts a usury ban for all Israelites, while (4c) the economic status/poor-merchant view restricts the usury ban on loans to only the poor and needy, in continuity with the other two Torah prohibitions. A brief description of each option follows.

1. *Ethnic status/total usury ban distinction (4a)*. Making the distinction as one of ethnicity identifies a difference between one's relationships within a covenant of "brotherhood" among the Israelites, in contrast with foreigners who were outsiders. Relevant points for the total usury ban perspective—the view with the longest history—include:

a. Deut 23:19 is the more comprehensive statement than the other two Torah pronouncements of the interest ban (Exod 22:25; Lev 25:35–37), adding exclusions against any interest on money, on food, or "on anything that is lent for interest."

b. In Deut 23:19 the referent for the ban on interest is identified as "your brother," in contrast to the other two Torah teachings that explicitly name the poor as the object of the ban (Exod 22:25; Lev 25:35–37).

c. Subsequent references in the OT to interest on loans predominantly convey a negative view against taking interest (Ps 15:5; Prov 29:9; Ezek 18:8, 13, 17; 22:12).

Thus, by inference, taking interest on any loans is inherently immoral and sinful, a perspective voiced by the following three authors, with the final quotation about the views of the eastern Church Fathers.

Having set out the biblical teaching on loans and interest, a survey will be made of previous lines of interpretation and the approach of modern economics. It will then be argued that the institution of interest is morally wrong and destructive of the economic paradigm that the Bible sets out.... It is hoped that the line of argument will be sufficiently convincing to ensure that the prohibition of interest is not dismissed as naïve wishful thinking but comes to be regarded as an essential ingredient of a God-centered economy.<sup>24</sup>

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<sup>24</sup> Paul Mills, "Interest in Interest: The OT Ban on Interest and its Implications Today," (Cambridge: Jubilee Centre Publications, 1993), 1; [www.jubilee-centre.org](http://www.jubilee-centre.org). Mills, an economist, is a former UK treasury advisor and current board member of the Christian think tank, Jubilee Centre. In Mills's view, Deut 23:19 is the key passage; the permission for taking interest from foreigners (Deut 23:20) is an incidental matter and "can be explained in a number of ways" without affecting the total ban on interest ("Interest," 28).

The Old Testament clearly condemns lending money or anything else at any interest at all. The New Testament reiterates and extends this requirement (cf. Luke 6:35).... If my exposition of the doctrine of usury is correct, then interest-taking is as much a sin as ever.<sup>25</sup>

This sense of providential dependence, of humble vulnerability, is behind the church's long-standing ban on the taking of interest. Building on passages like Deuteronomy 23:19–20 and Luke 6:35, the church long held that it was wrong to collect interest on one's wealth. To do so was to be guilty of the sin of usury.<sup>26</sup>

"While it is dangerous to make sweeping statements, I will risk it with the following: none of the early Greek authors considered usury beneficial.... One safely concludes that they did not consider usury to be either a moral, justifiable, or advantageous action, but in fact, almost unanimously argued against the practice."<sup>27</sup>

Additional comments regarding this view and the next are offered in Part 4.

2. *Ethnic status/two-tiered ethic distinction (4b)*. Although this view agrees with the previous position that the contrast is about ethnic status (issue #4) and that Deut 23:19–20 overrides the other Torah passages (issue #1), yet it takes vv. 19–20 at face value, applying the ban on usury to Israelites only, "your brother" (#3), while affirming that taking interest is morally legitimate within certain economic contexts (i.e. with foreigners, or non-Israelites; issue #2). Thus, Israelites ought to take the higher moral ground by not charging interest on loans among themselves, whereas it is lawful to charge interest and receive interest from foreigners, yielding a two-tiered ethical distinction.

One cannot require those outside of the "brotherhood" to follow the strictures of the Mosaic Covenant and, similarly, when engaging with non-Israelite nations, one must comply with their common business practices, as Guttman explains:

The foreigner could not very well be expected, in a year which the Israelites celebrated as a release year, to remit the debt of his Israelitish debtor. Nor could he be expected to loan money to his Israelitish customer without taking interest. If an equal basis for trading between Israelites and foreigners was to be established it could be attained only in this way; that the restrictions of the release year and the law of interest, which were not binding on the stranger a priori, were also void for the Israelite in so far as trade with foreigners was concerned.<sup>28</sup>

Ballard offers a variation on this theme. "In the case of the allowance for conditions of divorce in the Old Testament, [Jesus] tells us that such laws were given not as ideals but as constraints on a practice God never intended, 'because of

<sup>25</sup> Bruce Ballard, "On the Sin of Usury: A Biblical Economic Ethic," *Christian Scholar's Review* 24 (1994): 214, 227. Ballard is a philosopher.

<sup>26</sup> Daniel M. Bell Jr., *The Economy of Desire* (Grand Rapids: Baker Academic, 2012), 163. Bell is a professor of theological ethics.

<sup>27</sup> Brenda Llewellyn Ihssen, *They Who Give from Evil: The Response of the Eastern Church to Moneylending in the Early Christian Era* (Eugene, OR: Pickwick, 2012), 188.

<sup>28</sup> Michael Guttman, "The 'Term 'Foreigner' (נכרי) Historically Considered," *HUCA* 2 (1926): 7.

the hardness of heart.’ This [ideal-constraint juxtaposition] would explain why the Jews were forbidden to charge fellow Jews interest on loans but to charge it to non-Jews.”<sup>29</sup> Although Ballard suggests this analogy for his (4a) total usury ban view, it seems this “divorce/hardness of heart” rationale provides a better analogy for the (4b) two-tiered ethic version. As there are legitimate moral exceptions for divorce (e.g. Matt 19:9), so also there is a legitimate moral exception to take interest from a foreigner.

Thus the ethnic status/two-tiered ethical stance supports the taking of interest on loans as a legitimate economic practice, but not the most ideal. When in Rome, do as the Romans do; when in Jerusalem, a higher ethic applies.

3. *Economic status/poor-merchant distinction (4c)*. Finally, the third interpretive viewpoint proposes that the intended contrast is between the economic status of the parties mentioned, the poor (v. 19) and the business merchant (v.20). The נִכְרִי (*nokrî*, foreigner, Deut 23:20) represent travelling traders engaging in commerce in which paying interest is a common practice. In contrast, the “Israelite brother” (Deut 23:19–20) is an implicit reference to the poor in need of subsistence loans for which interest should not be charged, as is made explicit in the two other Torah passages. Biddle summarizes this perspective, “In fact, since most traders in the ancient Near East did business internationally, the permission to charge interest of ‘foreigners’ may be understood less as a form of ethnocentricity and more as drawing a distinction between lending to the needy in one’s community and credit as a component of commercial transactions.”<sup>30</sup>

The economic status/poor-merchant contrast makes the claim that no change of Torah teaching is evident in the Deut 23:19–20 distinction, supporting a continuity among the three passages (issue #1), in contrast with the previous two interpretive options. This view also affirms that, for loans beyond the poor and needy, taking interest on loans is morally legitimate (issue #2), as is implied by the other two Torah passages, particularly Exod 22:25. Furthermore, the same focused ban against usury for loans to the poor is made in all three Torah passages (issue #3). Thus, subsistence loans to the poor must not charge interest; for other types of loans, including commercial loans, interest may be charged.

### III. EVIDENCE SUPPORTING THE ECONOMIC STATUS/POOR-MERCHANT INTERPRETIVE CONTRAST

At this juncture, I turn from a description of the issues and interpretive alternatives to offer an argument supporting the third option—the economic status/poor-merchant contrast—over the two other positions (issue #4). Part 3 includes a discussion of two key terms, נֶשֶׁךְ (*nešek*, interest) and נִכְרִי (*nokrî*, foreigner), and then considers the three Torah usury passages together to examine points of compatibility. Table 3 compares the Torah teaching on lending and usury. Be-

<sup>29</sup> Ballard, “Sin of Usury,” 212.

<sup>30</sup> Mark E. Biddle, *Deuteronomy* (Macon, GA: Smyth and Helwys, 2003), 252–53; also see Biddle, “The Biblical Prohibition Against Usury,” *Int* 65 (2011): 117–21.

fore moving to these three items, a consideration of the larger context of the Torah passages is presented.

|                                      |  |   |  |
|--------------------------------------|--|---|--|
| Key Points                           | Exod 22:25–27<br>(1 passage)   | Lev 25:35–38<br>(1 passage)   | Deut 15:7–11 (1)<br>Deut 23:19–20 (2)<br>(two main passages;<br>three passages about pledges)  |
| Focus on poor and needy              | 22:25a: “If you lend money to any of my people with you who is poor”   | 25:35a: “If your brother becomes poor”  | 15:7–8 (1): “If among you, one of your brothers should become poor”  |
| Prohibition                          | 22:25c: “you shall not exact interest”   | 25:36a, 37: “You shall not lend him your money at interest”   | 23:19, 20b (2): “You shall not charge interest on loans to your brother”   |
| Contrast: Legitimate interest taking | 22:25b: “you shall not be like a נָשֵׂא (nōšē’, creditor) to him”  | —   | 23:20a (2): “You may charge a נֹכְרִי (nokrî, here, trader) interest   |
| God’s provision, blessing            | [For borrower regarding a cloak pledge:<br>22:27b: “And if he cries to me, I will hear, for I am compassionate”] | For lender:<br>25:37b: “but fear your God”<br>25:38: “I am the Lord your God who brought you out of the land of Egypt to give you the land of Canaan” | For lender:<br>15:10b (1): “because for this the Lord your God will bless you in all your work”<br>23:20 (2): “that the Lord your God may bless you in all that you undertake” |
| Loan pledge                          | 22:26–27a: “If you ever take your neighbor’s cloak in pledge”  | —   | 24:6; 24:10–13; 24:17b<br>Various items about pledges, including two cases about cloaks (24:6, 17b)  |

Table 3: Comparing Key Points of the Torah Passages on Lending

1. *Larger context of the three Torah usury passages.* Exod 22:25–27 is located within the larger “Book of the Covenant” (20:22–23:19 or 33), particularly within a section about three cases of social responsibility for the vulnerable (22:21–28): for the sojourner (v. 21), for widows and the fatherless (vv. 22–24), and for the poor (vv. 25–27). According to Sprinkle, “rather than being an independent precept, [Exod 22:28]

forms the generalizing conclusion of humanitarian precepts that precedes [20:21–27].”<sup>31</sup>

The main focus of Leviticus 25 is about land. The first part treats the need for a Sabbath for the land to lie fallow every seventh year (25:1–7) as well as during each Jubilee year (the seventh Sabbath year) at which time the land also reverts back to original ownership (25:8–24).<sup>32</sup> Then three particular cases are treated, each beginning with the phrase, “If your brother becomes poor”: v. 25 (how leased land can be redeemed), v. 35 (loans cannot take interest), and v. 39 (bound laborers can be redeemed by next of kin or freely released at Jubilee), suggesting three avenues to seek assistance for those who become poor: through a land-lease, a loan, or a term of bound labor. Furthermore, Leviticus 25 teaches that it is the moral duty of relatives (בן־אח, *gō’ēl*, kinsman redeemer; verb, 108x) to care for the poor within their own extended family.<sup>33</sup> Since the closest relatives were required to provide the first line of care for the needy within the familial network, they were also likely those from whom requests for loans were first made.

Regarding Deuteronomy, the topic of lending appears in several places (see Table 3). Along with Deut 23:19–20, particularly Deut 15:7–11 is relevant, since it is the first treatment of loans for the poor and needy, and sets a tone of generosity from the lender. Moreover, a few scholars have noted that the majority of the Deuteronomic Law material (Deuteronomy 12–26) has been laid out in discernible sections following the same general order as the Ten Commandments (Deut 5:6–21), offering “expansive examples of how the Israelites should respond to the Decalogue’s Words.”<sup>34</sup> The thematic placement of Deut 23:19–20 at the start of an elaboration of the eighth commandment section—not to steal—signifies that charging illegitimate interest is theft. Deuteronomy 15:7–11 is set within a section about the 4<sup>th</sup> command on keeping the Sabbath, clarifying the seventh year release (as did Leviticus 25). The remaining three passages relate to matters about the pledge or collateral for the loan and fit within the 8<sup>th</sup> command (24:6) and the 9<sup>th</sup> on bearing false witness (24:10–13; 24:7b).

Deuteronomy also notes that when Israel had sufficient surplus to offer subsistence loans to other nations it was indicative of God’s material blessing (Deut 15:6; 28:12), whereas their lack of surplus for such lending was an indication of

<sup>31</sup> Joseph Sprinkle, *The Book of the Covenant: A Literary Approach* (JSOTSup 174; Sheffield: JSOT, 1994), 168. Sprinkle suggests that Exod 22:28 signifies “do not disregard God’s moral standards” (ibid.).

<sup>32</sup> For a study on Jubilee, see Michael A. Harbin, “Jubilee and Social Justice,” *JETS* 54 (2011): 685–99.

<sup>33</sup> Lev 25:48–49 lists possible family benefactors such as a brother, cousin, uncle, or “close relative from his clan” (25:48–49).

<sup>34</sup> John Walton, “The Decalogue Structure of the Deuteronomic Law,” in *Interpreting Deuteronomy: Issues and Approaches* (ed. David G. Firth and Philip S. Johnson; Downers Grove, IL: IVP Academic, 2012), 103. Regarding the structure, Walton, who extends this structure from Deuteronomy 6–26, notes, “Nevertheless, this study confirms that the Decalogue is the primary organizing principle of DL [Deuteronomic Law]. That being the case, the material gathered in DL helps us to understand the spirit of the law. It also demonstrates that the Decalogue suffused Israelite life and that a hermeneutical process was in place from earliest times” (p. 117). I appreciate colleague Kenneth Way directing me to this framework.

God's judgment (Deut 28:44). Finally, the sections in Deut 15:7 and Lev 25:35 share two contextual features. Both begin with similar phrasing, and both sections are followed by a treatment on bound labor for debt (Lev 25:39–47; Deut 15:12–18).

The study required raising the question, What particular relationship do the three Torah passages have with each other (issue #1)? Among the principles guiding this research was the initial posture that regarded the Torah ("catechetical teaching") as a single written book (although later editing has taken place). Sailhamer notes, "Though we often think of the Pentateuch as a collection of five books, viz., Genesis, Exodus, Leviticus, Numbers, and Deuteronomy, it was originally intended to be read as a single book. References to the Pentateuch within the OT itself show that from the earliest times it was considered a single book."<sup>35</sup> Thus a working hypothesis was that the three Torah usury passages offered some common teaching on the matter, rather than seeing Deut 23:19–20 as making a distinctive break from the previous Torah teaching. As the study progressed, this perspective gained sufficient confirmation to be retained, as discussed below. Others have acknowledged that all three Torah usury passages convey the same ban. Craigie states, "Loans were normally made in an attempt to alleviate poverty [Deut. 23:19], as is made clear by the parallel legislation to these verses [Exod. 22:25; Lev. 25:35–36]."<sup>36</sup>

2. *Predominant use of נֶשֶׁק (nešek, interest) in other OT contexts with a focus on the poor.* Of the twelve OT occurrences of the noun *nešek*, the main term used for interest, half appear in the three main Torah passages (Exod 22:25 [1x]; Lev 25:36, 37 [2x]; Deut 23:19 [3x]) while the remaining half occur in Ps 15:15; Prov 28:8; and Ezek 18: 8, 13, 17; 22:12. Of the nine uses of *nešek* outside of Deut 23:19, the majority appear in contexts regarding the needy and poor.

Three of these uses of *nešek* appear in the Torah with explicit mention of the poor (Exod 22:25; Lev 25:36, 37). Regarding four other passages—in this second tier of passages being considered—the larger context implies the needy and poor as the focus. For example, Waltke notes, for the single occurrence in Prov 28:8, "The parallel, 'poor,' in Prov. 28:8 and the context (see vv. 3, 6, 11) strongly favors restricting its meaning to charging interest from the needy."<sup>37</sup> Likewise, in the other three (of these four) that appear in Ezekiel 18 (vv. 8, 13, 17), they are also placed in a section that includes the mention of "oppressing the poor and needy" (vv. 12, 16). For the two remaining occurrences of *nešek*—from the nine uses not including Deut 23:19–20—Waltke explains, "In Ps. 15:5 and Ezek. 22:12 that precise reference [of interest from the poor] is not as clear, but the latter is in the context of keeping the Mosaic covenant."<sup>38</sup>

In his article on *nāšak* (II, to earn interest), Wakely offers a comment about the academic consensus, "Most scholars maintain that loans made to Israelites were

<sup>35</sup> John H. Sailhamer, *The Pentateuch as Narrative* (Grand Rapids: Zondervan, 1992), 1.

<sup>36</sup> Peter Craigie, *The Book of Deuteronomy* (Grand Rapids: Eerdmans, 1976), 302.

<sup>37</sup> Bruce Waltke *The Book of Proverbs: Chapters 15–31* (NICOT; Grand Rapids: Eerdmans, 2005), 413.

<sup>38</sup> *Ibid.*, 412.

almost exclusively acts of charity for the relief of destitution as opposed to loans of a commercial nature for expanding business.”<sup>39</sup> Since, the predominant use of *nešek* is in contexts of loans for the poor, and since the two key Torah passages of Exod 22:25 and Lev 25:36–37 explicitly limit the ban of interest to the poor, then it is likely that the three uses of *nešek* in Deut 23:19 would also have that same limited scope (issue #3).

3. *The explicit permission to charge usury on loans with the נִכְרִי (nokrî, in Deut 23:20 as “foreign merchant or trader”).* A second point affirming the intention of an economic contrast rather than an ethnic status contrast involves a study of the term *nokrî* (foreigner, 45x) appearing in Deut 23:20. There is sufficient scholarly consensus affirming the idea that *nokrî* (foreigner) in this context strongly favors a designation as a foreign trader or merchant, someone accustomed to taking out loans and having the capacity to pay interest. Tigay explains, “The foreigner is normally a businessman visiting the country for purposes of trade, and he borrows in order to invest in merchandise and make a profit, not to survive poverty. There is no moral imperative to remit loans made for such purposes [Deut 15:3] or forgo interest on them [Deut 23:20].”<sup>40</sup> Thirteen other commentators support this same inference.<sup>41</sup> Meislin and Cohen affirm this point, “The implications of permitting loans at interest to such foreigners may evidence an indulgence in permitting commercial investments at interest.... This was not subsistence or distress loans to Gentiles’ consequently, it cannot be construed in that regard as a dual ethic.”<sup>42</sup>

This economic association with *nokrî* becomes clearer in a distinctive use in Deuteronomy. *Nokrî* is one of four basic Hebrew terms for “foreigner” or “stranger,” along with גֵּר (*gēr*, 92x), זָר (*zār*, 70x), and תּוֹשָׁב (*tôšāb*, 13x; *gēr* and *tôšāb* appear together in Lev 25:23, 35, 47) of which only three occur in Deuteronomy, *gēr* (22x), *nokrî* (7x), and *zār* (1x). Of the seven uses of *nokrî* in Deuteronomy, two occur as “foreign gods” (31:16; 32:12) and the remaining five apply to humans (14:21; 15:3; 17:15; 23:20; 29:22). One use specifies that Israel should never appoint a *nokrî* as king (17:15). Furthermore, we find an interesting situation with *nokrî* in Deut 29:22. According to Corcoran, the *nokrî* was typically not one open to faith in God, yet this passage (29:22–29) suggests a future in which the *nokrî* are identified

<sup>39</sup> Robin Wakely, “נִשֶּׁךְ,” *NIDOTTE* 3:186.

<sup>40</sup> Jeffrey H. Tigay, *Deuteronomy, The JPS Torah Commentary* (Philadelphia: Jewish Publication Society, 1996), 218.

<sup>41</sup> J. Ridderbos (*Deuteronomy* [1950–51; trans. Ed M. van der Maas, repr. Grand Rapids: Zondervan, 1984], 665); Gerhard von Rad (*Deuteronomy* [Philadelphia: Westminster, 1966], 148); J. A. Thompson (*Deuteronomy* [Leicester: InterVarsity, 1974], 242); A. D. Mayes (*Deuteronomy* [NCBC; Grand Rapids: Eerdmans, 1981], 248); David Payne (*Deuteronomy* [Philadelphia: Westminster/John Knox, 1985], 132); Christopher Wright (*Deuteronomy* [Peabody, MA: Hendrickson, 1996; repr. Grand Rapids: Baker, 2012], 251); Duane L. Christensen (*Deuteronomy 21:10–34:12* [WBC 6B; Nashville: Thomas Nelson, 2002], 555); McConville (*Deuteronomy* [2002], 352); Biddle (*Deuteronomy* [2003], 352–53), Edward Woods (*Deuteronomy* [Downers Grove, IL: InterVarsity, 2011], 247), Daniel Block (*Deuteronomy* [NIVAC; Grand Rapids: Zondervan, 2012], 548); Ajith Fernando (*Deuteronomy* [Wheaton, IL: Crossway, 2012], 536); and Jack R. Lundbom (*Deuteronomy* [Grand Rapids: Eerdmans, 2013], 665).

<sup>42</sup> J. Meislin and Morris L. Cohen, “Backgrounds of the Biblical Law Against Usury,” *Comparative Studies in Society and History* 6 (1964): 264.

as among the audience, who will be “receptive onlookers,” having witnessed God’s judgment on Israel, reflecting on their disobedience, and moving into a “place of potential blessing.”<sup>43</sup>

The remaining three uses of *nokrî* are distinctive in Deuteronomy within conspicuous economic settings that offer a further confirmation for this unique association:

“You shall not eat anything that has died naturally. You may give it to the sojourner (*gēr*) who is within your towns, that he may eat it, or you may sell it to a foreigner (*nokrî*)” (14:21).<sup>44</sup>

“Of a foreigner (*nokrî*) you may exact [payment], but whatever of yours is with your brother your hand shall release [of a debt or pledge]” (15:3).

“You may charge a foreigner (*nokrî*) interest, but you may not charge your brother interest” (23:20).

From these verses, the meaning of *nokrî* can be discerned as one who engages in the commercial trade of animal meat (14:21), who can make payments on loans during the sabbatical year (15:3), and who can pay interest on loans in general (23:20).

Houston states, “There is a contrast with the foreigner, but not a chauvinistic one: the contrast is with *nokrî*, the foreigner as such, not with the *gēr*, the resident alien, and it is usually thought that the exception [for the *nokrî*] is intended to exclude commercial loans from the operation of the law [of the interest prohibition].”<sup>45</sup> In comparing ANE customs regarding the treatment of foreigners, Weinfeld explains, “It appears that an identical phenomenon can be found in Deuteronomy 15 [v. 3], for the foreigner was usually engaged in trade, and therefore the remission was not applicable to him.”<sup>46</sup> On this same passage, Block comments, “At the moment Moses is not concerned about foreigner’s well-being or *about Israelites who make business loans*.”<sup>47</sup>

<sup>43</sup> Jenny Corcoran, “The Alien in Deuteronomy 29 and Today,” in *Interpreting Deuteronomy: Issues and Approaches* (ed. David G. Firth and Philip S. Johnson; Downers Grove, IL: IVP Academic, 2012), 232; see also 2 Chr 6:32–33.

<sup>44</sup> One other passage in the Torah also connects *nokrî* with “selling” in which the designation as “trader” might apply (Exod 21:8). This unique section addresses selling daughters as concubines (Exod 21:7–11), in which a concubine held the status and rights in between those of a free wife and a chattel slave. On the economic connection related to *nokrî*, Baker notes, “The master may intend to take the girl as a concubine but then change his mind, in which case he is not entitled to *sell her on the slave-market* but must allow her to be redeemed by her family” (*Tight Fists*, 154, italics mine).

<sup>45</sup> Walter Houston, *Contending for Justice: Ideologies and Theologies of Social Justice in the OT* (LHBOTS 428; London: T&T Clark, 2006), 181–82.

<sup>46</sup> Moshe Weinfeld, *Social Justice in Ancient Israel and in the Ancient Near East* (Minneapolis: Fortress, 1995), 167.

<sup>47</sup> Daniel Block, *Deuteronomy* (NIVAC; Grand Rapids: Zondervan, 2012), 366 (italics mine). In light of the foregoing discussion, in the three Deuteronomy passages, *nokrî* could likely indicate more generally *any* merchant or trader, not just a foreign one, for these three particular occurrences in Deuteronomy that have a clearly contextually identified economic aspect. Translating the Hebrew term as “trader” or “merchant” here can make good sense: do not take interest from the poor, but you can take interest



Although it may seem unusual for a general term to include within its semantic range a particular commercial association, a similar correspondence clearly occurs with another term that can mean “trader” in certain contexts. *NIDOTTE* lists three main Hebrew word groups that can convey the notion of “trader” or “merchant”: סוֹחֵר (*sōhēr*, ptc. “trader, dealer, wholesaler, merchant” 15x, e.g. Gen 23:16), רוֹכֵל (*rōkēl*, ptc. “trader,” 13x, e.g., Neh 3:31–32), and כְּנַעֲנִי (*kēna’ānî*, “merchant, trader,” 10x). This third term provides some support that *nokrî*, in certain contexts, can also designate a trader or merchant.

*Kēna’ānî* (Canaanite) is derived from the geographical name “Canaan” (כְּנַעַן, *kēna’ān*). “Canaanite” refers mostly to an inhabitant or inhabitants of the land of Canaan. However, because the Canaanites were well known for their commercial interests, “Canaanite” came to have this secondary meaning. In eight clear contexts *kēna’ānî* is translated as “merchant” or “trader”: Job 41:6; Prov 31:24; Isa 23:8; Ezek 16:29; 17:4; Hos 12:7; Zeph 1:11; and Zech 14:21. A parallel appearance of *kēna’ānî* as trader occurs with *sōhēr* in Job 41:6 and Isa 23:8, and with *rōkēl* in Ezek 17:4. Furthermore, as Finley proposes, two other passages offer additional cases. By following the more difficult LXX reading over the MT regarding an enigmatic Hebrew phrase in Zech 11:7 and 11, the terms can signify “sheep traders” (ESV) or “sheep merchants” (NRSV), rather than “the oppressed of the flock” (NIV) or “the afflicted of the flock” (NASV).<sup>48</sup> This would bring the total to ten occurrences of *kēna’ānî* as trader. Accordingly, a comparable economic contextual understanding could also designate *nokrî* as a trader in these three manifestly economic Deuteronomy passages, offering an economic explanation for the permission to take interest on a loan in Deut 23:20 (issue #2).<sup>49</sup>

4. *An explicit-restriction/implicit-permission parallel among the three Torah usury passages.* When contemplating a restrictive decree, a logical inference can be drawn that permission is implied beyond the scope of that particular restriction. The explicit illegitimacy of charging interest of the poor recorded in Exod 22:25 and Lev 25:35 also then implies the legitimacy of charging interest on loans for other purposes. This implied legitimacy is made explicit in Deut 23:20, tying together the three passages on this point (issue #1), “You may charge a *nokrî* interest.” Stein notes, “[Deuteronomy] adds expressly that interest can be taken from an alien, whereas

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from a merchant (whether non-Israelite or Israelite; 23:20); cancel any unpaid loans from the poor and needy Israelites who cannot repay, but you may require payment on loans from merchants and traders (whether non-Israelite or Israelite) since they usually have the means to repay (15:3; the poor are mentioned in 15:4); and, you may sell the meat of an animal that had died naturally to a trader (whether non-Israelite or Israelite), who could then resell it to non-Israelites, since Israelites could not eat this meat (14:21).

<sup>48</sup> Thomas J. Finley, “The Sheep Merchants of Zechariah 11,” *Grace Theological Journal* 3 (1982): 51–65. Apparently the LXX scribes translated the Hebrew literally as “Canaanites.” The MT scribes (engaged in the project from about the 6<sup>th</sup> and 10<sup>th</sup> centuries AD), not having an acquaintance with the Hebrew “Canaanite” being designated as trader, attempted to make sense of the Hebrew by splitting up the letters into two words.

<sup>49</sup> Along with negative connotations associated with *kēna’ānî* as “trader” (e.g. Ezek 16:29; Hos 12:7) are also references of the term in which commerce is viewed as a normal activity of life (e.g. Job 41:6; Prov 31:24).

the other two laws in Exodus and Leviticus only imply this permission.”<sup>50</sup> Neufeld agrees, “Thus the permission to lend at interest or on usury to a *nokrī*, though implicit, as mentioned before, in the terms of Exodus and Leviticus, is granted explicitly only in Deuteronomy.”<sup>51</sup> Baker clarifies, “The context of these laws in the Book of the Covenant and Holiness Code is exploitation of the poor, so it does not follow that it is forbidden to lend at interest to the *rich*. From ancient times there has been a distinction between productive loans, providing capital for trade or investment, and unproductive loans, which are made to supply immediate need.”<sup>52</sup>

This explicit/implicit parallel is reinforced by an economic contrast that appears in Exod 22:25, which states, “If you lend money to any of my people with you who is poor, you shall not be like a *nōšē*’ [creditor, so NRSV, NASV; moneylender, so ESV, NET] to him, and you shall not exact interest from him.” This is the only occurrence of the participle נֹשֶׂה (*nōšē*’, creditor, moneylender, 6x) in the Torah. Use of this term in Exod 22:25 indicates acknowledgement of the practice of moneylending. Since the main command is not to charge interest, the comparison likely implies that the *nōšē*’ is one who usually charged interest on a loan, and this should not be the case with the poor or needy. Durham states, “The one who advances the money is not to do so as a businessman but as a fellow member of Yahweh’s family.”<sup>53</sup> Furthermore, here there is no implied disparagement of that general practice of lending with interest, outside of loans to the poor, and parallels the explicit permission in Deut 23:20 (see Table 3). The NIV conveys such a commercial implication, “If you lend money to any of my people who is needy, do not treat it like a business deal; charge no interest.”<sup>54</sup>

5. *Summary of the economic status/poor-merchant contrast argument.* Four statements of evidence developed in this section are listed below and are then aligned to support a decision about the four main issues to explain the Deut 23:19–20 distinction.

a. *Statements of evidence developed in this section.*

[A] The predominant use of נֶשֶׁק (*nešek*, interest) in other OT passages has a restricted focus toward the needy and poor, including three explicit uses and re-

<sup>50</sup> S. Stein, “The Laws on Interest in the OT,” *JTS* 4 (1953): 166–67.

<sup>51</sup> Edward Neufeld, “The Prohibitions Against Loans at Interest in Ancient Hebrew Laws,” *HUCA* 26 (1955): 366. Neufeld offers this claim as one who seems to hold the ethnic status/two-tiered ethnic view, for which this general claim does fit. Yet the full implications of this implicit/explicit parallel here support an economic status view.

<sup>52</sup> Baker, *Tight Fists*, 265.

<sup>53</sup> John Durham, *Exodus* (WBC 3; Dallas: Word 1987), 329.

<sup>54</sup> One may raise the question, how can the concept of interest be associated with the participle *nōšē*’ (creditor, moneylender) whose verbal root *nāšā*’ emphasizes “lending with a pledge”? Another consideration can override this normal association. The participle *nōšē*’ is the predominant term for creditor in the OT. Although appearing only six times, it occurs across all OT genres (1 Sam 22:2; 2 Kgs 4:1; Ps 109:11; Is 24:2; 50:1), so it likely carries the general idea of being a creditor or moneylender, which could involve charging interest and/or taking pledges.

For those suggesting an explanation for which the participle *nōšē*’ (moneylender) matches its *nāšā*’ verbal root (to lend with a pledge), the contrast could then be about not acting as a moneylender who seizes the pledge when the loan defaults. Although the topic of pledges is mentioned next (vv. 26–27), the idea of a loan default does not clearly come from the passage itself. Thus, the contrast is more likely about charging interest, than seizing pledges.

striction in Exod 22:25 and Lev 25:36–37; so it is likely that this poor and needy focus also applies to the three occurrences of *nešek* in Deut 23:19, taking “brother” as referring to the “poor and needy” brother.

[B] The permission to take interest on loans in Deut 23:20 is likely indicating a commercial loan, since the term נִכְרִי (*nokrî*) designates a traveling foreign merchant or trader, according to a majority of Deuteronomy commentators. Furthermore, since נִכְרִי (*nokrî*) appears in three economically distinct Deuteronomy passages (14:21, 15:3, and 23:20), the term may have a specific economic association as *any* “merchant” or “trader” (whether Israelite or not), as do the ten OT uses of *kēnaʾnî* for “merchant” or “trader,” a term which usually means “Canaanite.”

[C] The explicit permission of taking interest on loans to the נִכְרִי (*nokrî*) in Deut 23:20 is compatible with the implicit permission of taking interest on loans for other purposes beyond loans to the poor in both of the two other Torah passages, Exod 22:25 and Lev 25:35–38.

[D] In Exod 22:25, an explicit restriction against taking interest on loans for the poor is contrasted explicitly with the type of loan offered by a creditor, implying these latter loans were taking interest and were legitimate in doing so, in cases beyond loans for the poor. This particular contrast of a loan from a creditor (Exod 22:25) parallels a similar contrast made with a loan from a נִכְרִי (*nokrî*) as trader (Deut 23:20).

b. *Four main issues regarding the Deut 23:19–20 distinction, with support for an economic status/poor-merchant contrast:*

*Issue #1:* The relationship among the three Torah usury passages is one of compatibility. As a working hypothesis, it was assumed that the Torah generally intends to convey compatible teaching on matters, while allowing for some variation. In light of the evidence developed in the study, this compatibility perspective was confirmed: statements [A], [C] and [D] (also see Table 3).

*Issue #2:* The morality of taking interest on loans within certain economic contexts is explicitly affirmed in Deut 23:20: statements [B] and [C].

*Issue #3:* The scope of the prohibition against interest on loans is restricted to the protection of the poor and needy: statements [A] and [D].

*Issue #4:* The type of contrast intended between “brother” and נִכְרִי (*nokrî*) in Deut 23:19–20 is one of economic status: statements [A], [B], [C], and [D].

This cumulative evidence offers sufficient support to propose that Deut 23:19–20 affirms the same OT teaching on usury and lending as the two other Torah passages (Exod 22:25; Lev 25:35–38), and specifically, that the restriction against interest in Deut 23:19 applies to loans for the “poor brother,” which parallels the explicit reference to the poor in Exod 22:25, Lev 25:35–38, and not to all “brothers,” as proposed by an ethnic status contrast. This understanding could be paraphrased as, “Do not charge interest on subsistence loans to the poor and needy, but you may charge interest on loans for other purposes.”

Assessments of the other two positions are offered next, including a survey of the church history usury debate, and concluding with some contemporary applications.

#### IV. EVALUATION OF THE CONTRASTS AS ETHNIC STATUS/TOTAL BAN AND TWO-TIERED ETHIC

1. *Assessment of an ethnic status contrast.* Both alternate views support the ethnic status interpretive contrast for Deut 23:19–20 (issue #4), and that Deut 23:19–20 overrides the teachings of the other two Torah usury passages (issue #1), although they differ on the morality of taking interest (issue #2) and the scope of the prohibition (issue #3; see Table 2). With reference to this particular contrast, the main support is that the referent in the Deuteronomy passage is to “your brother,” and lacks any mention of the poor, as was explicit in the other Torah usury passages (Exod 22:25; Lev 25:35).

Yet what is the exegetical and theological basis for the significant change? This view proposes (a) the *expansion* in scope of the prohibition, from loans to the poor only (Exod 22:25; Lev 25:35) to include any loan to all Israelites, and (b) the *elimination* of the practice of taking interest-bearing loans other than to the poor that was implied in the other Torah passages, particularly in Exod 22:25, if the Covenant Code is regarded as an earlier text.

Mills, as a representative of the first interpretive option—an ethnic status/total ban contrast in which taking interest is inherently immoral—takes a comprehensive view of the Deuteronomy 23 prohibition, asserting that the “universal” wording of the Deuteronomy 23 prohibition must be taken at face value, with little weight given to the other two Torah passages. Furthermore, he asserts that the universal ban of the Deuteronomy passage needs to be read into the other two usury passages.

The reference in Deuteronomy, however, stresses the universal nature of the prohibition on loans to fellow Israelites.... If this reference had not been included in Deuteronomy, it might have been argued that the interest prohibition only applied to loans to the poor. Indeed, this has been how many commentators have interpreted the prohibition.... The all-embracing wording of Deuteronomy, however, rules out this line of interpretation, as well as that which would seek to allow interest on commercial as opposed to charitable loans. Indeed, it has been argued that since Deuteronomy is a restatement and reassertion of the other books of the law in covenantal form, the intention of the other references [Exodus 22; Leviticus 25] is a complete prohibition also since only ‘the poor’ would need to borrow in any case.<sup>55</sup>

An argument would provide more information than just an assertion.

Furthermore, although the ethnic status/total usury ban contrast offers positive implications for the “brotherhood” regarding covenant relations among the

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<sup>55</sup> Mills, “Interest in Interest,” 4; similarly affirmed in Paul Mills and Michael Schluter (*After Capitalism: Rethinking Economic Relationships* [Cambridge: Jubilee Centre, 2012], 18–19).

Israelites, a problem arises in how to frame the explicit assertion in Deut 23:20 that taking interest is permitted with a *nokrî*. To retain a view of a universal ban on usury in which taking interest is essentially immoral, one must accept an adversarial view of foreigners as enemies to be treated accordingly. Thus, Ambrose (d. AD 397) claims,

Upon him who you rightly desire to harm, against whom weapons are lawfully carried, upon him usury is legally imposed.... From him exact usury whom it would not be a crime to kill. He fights without a weapon who demands usury, without a sword he revenges himself upon an enemy, who is an interest collector from his foe. Therefore where there is the right of war, there also is the right of usury.<sup>56</sup>

An immoral means—taking interest—can be used in a just war with enemies. Particularly the enemy designation might apply if one regarded the foreigners as the Canaanites under the ban of God's judgment in the conquest of the Promised Land, as Luther asserted, "If, therefore, for the sake of vengeance on the Gentiles, God wants to punish them through usury and lending, and commands the Jews to do this, the Jews do well obediently to yield themselves to God as instruments and to fulfill His wrath on the Gentiles through interest and usury. This is no different from when He commanded them to cast out the Amorites and the Canaanites."<sup>57</sup>

Although holding to a two-tiered ethic contrast, Barry Gordon supports this line of reasoning with reference to Exod 21:23–25, Lev 24:17–22, and Deut 19:21. "Perhaps, the Deuteronomic support for interest taking from foreigners is best understood as an application to credit arrangements of the *lex talionis*.... The *lex talionis* might be construed as relevant to loans ... [in which] the borrowers suffer 'damages' from the standpoint of the Mosaic law."<sup>58</sup> Accordingly, that text specifies there should be reciprocity of justice, fitting the punishment for a crime.

Yet an adversarial view of the foreigner conflicts with the overall mission of Israel to be a blessing to the nations that is noted earlier in Deut 4:5–8 (also Gen 12:1–3). In his discussion of resolving conflicting statutes about slavery in the Torah, McConville recommends returning to the larger and original Genesis values for interpretive guidance regarding difficult OT passages.

Did not this narrative begin with an affirmation that all human beings were created 'as the image and likeness of God'? Was not Abram promised that in his

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<sup>56</sup> Ambrose, *De Tobia*, 15.51 (from a translation by Lois Zucker, *S. Ambrosii De Tobia: A Commentary, with an Introduction and Translation* [Patristic Studies 35; Washington, DC: Catholic University of America, 1933], 13; [http://www.povertystudies.org/Ambrose\\_DeTobia\\_Zucker.pdf](http://www.povertystudies.org/Ambrose_DeTobia_Zucker.pdf)). John M. Houkes notes that "[Ambrose] was among the first theologians who tried to reconcile the Deuteronomic 'double-standard' on usury with the position of the Church" (*An Annotated Bibliography on the History of Usury and Interest from the Earliest Time through the Eighteenth Century* [Lewiston, NY: Mellen, 2004], 61).

<sup>57</sup> Martin Luther, *Lectures on Deuteronomy*, vol. 9 of *Luther's Works* (ed. Jaroslav Pelikan; trans. Richard R. Caemerer; American ed.; St. Louis: Concordia, 1960), 145 [WA, XIV, 655, 656], in a comment about Deut 15:6. Mills acknowledges that the exegetical support for this point is weak ("Interest," 28).

<sup>58</sup> Barry Gordon, "Lending at Interest: Some Jewish, Greek, and Christian Approaches, 800 B.C.–100 A.D.," *History of Political Economy* 14 (1982): 411–12.

blessings all the families of the earth would be blessed? How do the distinctions proposed or assumed in the laws relate to the narrative's creational perspective, and further, to the texts which suggest that Israel's special status has as its purpose to reveal that nature of God to the world (such as Deut. 4:6–8)?<sup>59</sup>

How does the sanction of doing evil to one's enemy by charging interest fit within Israel's mission?

Furthermore, this particular interpretive view yielded grave historical outcomes. For hundreds of years during the medieval period, not only did it hamper the commercial activity for merchants, traders, and shopkeepers—at times including the threat of excommunication—it also contributed to the unintended consequence of various waves of anti-Semitism throughout Europe. To clarify the historical context, a brief survey follows.

2. *The usury debate in church history in three movements.* Three broad movements of thought can be identified regarding the usury debate in church history, generally aligned with the writings of the Church Fathers, the Scholastics, and the Reformers respectively. All basically agreed the poor should be protected so that taking usury from the poor was banned. Eventually the matter was raised whether or not that ban should apply also to commercial loans.<sup>60</sup>

The initial phase of the usury debate encompassed the patristic period in which the Church Fathers, generally speaking, supported a complete ban on any interest, interpreting Deut 23:19 as including all loans, whether for the poor or for commercial purposes. Robert Maloney states, “The Fathers saw the Old Testament prohibition [against usury] as still binding” and “that usury was incompatible with Christian love.”<sup>61</sup> An important factor in the anti-usury stance of the majority of patristic and medieval theologians was a misunderstanding about the nature of money, based on an extra-biblical belief about the sterility of money, a view attributed to Aristotle (d. 322 BC), succinctly summarized by Woods.

Then there are three fundamental points about the nature and use of money which we have already analysed, and which underlie most of the discussion about usury. Firstly, its proper use is not in loans, but in buying and selling. Secondly, it is fungible, which is consumed in use, and the use of it cannot there-

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<sup>59</sup> Gordon McConville, “OT Laws and Canonical Intentionality,” in *Canon and Biblical Interpretation* (ed. Craig G. Bartholomew et al.; Milton Keynes, UK: Paternoster, 2006), 276.

<sup>60</sup> The literature about usury is vast. For a helpful entrée into this research see Houkes (*An Annotated Bibliography*) and John T. Noonan (*The Scholastic Analysis of Usury* [Cambridge: Harvard University, 1957]). The following authors also offer varied surveys of the historical debate: J. B. C. Murray (*The History of Usury* [Philadelphia: Lippincott, 1866]), Patrick Cleary (*The Church and Usury* [Dublin: Gill, 1914]), Bernard Dempsey (*Interest and Usury* [London: Dennis Dobson, 1948], more economic analysis than history), Thomas Divine (*Interest: An Historical and Analytic Study* [Milwaukee: Marquette University, 1959]), Benjamin Nelson (*The Idea of Usury: From Tribal Brotherhood to Universal Otherhood* [2nd ed.; Chicago: University of Chicago, 1969]), and Charles Geisst (*Beggar Thy Neighbor: A History of Usury and Debt* [Philadelphia: University of Pennsylvania Press, 2013]).

<sup>61</sup> Robert P. Maloney, “The Teaching of the Fathers on Usury: An Historical Study on the Development of Christian Thinking,” *VC* 27 (1973): 263, 242. Maloney’s dissertation, on which this article is based, includes a larger scope of study: “The Background for the Early Christian Teaching on Usury” (S.T.D. diss., The Catholic University of America, 1969).

fore be separated from its ownership, as it can in the case of immovable goods like houses and fields. Finally, if it is stored, in this instance in a loan, it will neither increase nor diminish, which is another way of stating that it is sterile: barren money cannot breed.<sup>62</sup>

Calvin and others would later refute these notions. Also, it was understood that honest work was required to earn money from the “sweat of one’s brow” (Gen 3:19) and not on the Sabbath, yet the usurer violated both since interest was being earned without any labor throughout the term of the loan.

During a second phase of the debate (c. 1200s onward), the Catholic Church continued to condemn usury, yet a thawing against a total ban began to emerge. By clarifying legitimate exceptions not considered “usury” but “extrinsic” to a loan, refined distinctions were developed through thoughtful, theological study within the pre-Reformation discussions by the scholastics. Houkes notes, “Commercial activities increased and with it a greater need for productive loans for use as capital in industry and trade.... Because of the moral requirements of the merchant community a theory of exceptions to the prohibition [of usury] evolved. A gradual distinction between ‘compensatory’ or legitimate interest and ‘lucrative’ or forbidden usury emerged.”<sup>63</sup> These “extrinsic titles” permitted money to be earned beyond the loan principle (e.g. sharing risk in a business enterprise, compensatory loss).

Finally, during the Reformation era, a third phase can be identified in which both Protestant and Catholic theologians reexamined the Patristic basis for an absolute usury ban and affirmed a fundamental distinction between legitimate and illegitimate usury. John Calvin’s contribution in the debate had significant import, as David Jones clarifies: “Of all the major Protestant reformers, Calvin’s treatment of lending money at interest is the most systematic in regard to the Church’s traditional arguments against the practice of usury.”<sup>64</sup> The main points of his views of usury appear within four commentaries and four pastoral letters.<sup>65</sup> In sum, acting in authentic love does no wrong to a neighbor; follow the Golden Rule: “Calvin claimed that as long as usurious transactions [usury in the legitimate broader sense] do not harm either the borrower or the lender, they may be tolerated.”<sup>66</sup> Calvin regarded usury in the narrow sense as sinful and was concerned that his treatment might be misunderstood as being too lenient: “For if we wholly condemn usury, we impose tighter fetters on the conscience than God himself. Yet if we permit it in the least, many under this pretext will take an unbridled liberty to lend which can

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<sup>62</sup> Diana Wood, *Medieval Economic Thought* (Cambridge: Cambridge University Press, 2002), 161.

<sup>63</sup> Houkes, *Annotated Bibliography*, 114–15.

<sup>64</sup> David W. Jones, *Reforming the Morality of Usury* (Washington, DC: University Press of America, 2004), 72. Jones compares and contrasts views on usury among John Calvin, Martin Luther, and a group of Anabaptist reformers.

<sup>65</sup> A full English translation of John Calvin’s “Letter to Claude de Sachinus (Nov. 7, 1545)” [referred to here as Calvin, “Letter”] appears in Georgia Harkness (*John Calvin, the Man and His Ethics* [New York: Henry Holt, 1931], 204–6). It is a response to de Sachinus’s question whether or not usury was acceptable for Christians.

<sup>66</sup> Jones, *Reforming*, 81.

then be held in bounds by no restriction.”<sup>67</sup> In Calvin’s contention to permit interest on loans (usury in the broader legitimate sense), he rebuts key planks in arguments offered by the majority of early Church Fathers for banning all usury.<sup>68</sup>

Regarding the matter of Jewish moneylenders, although they provided needed lending services, their financial success resulted in great animosity. Muller explains,

And because the lending of money in medieval Europe had been linked to the Jews, that condemnation of commerce was often linked to anti-Semitism.... So closely was the reviled practice of usury identified with the Jews that St. Bernard of Clairvaux, the leader of the Cistercian order, in the middle of the twelfth century referred to the taking of usury as ‘Jewling’ (*indaiizare*), and chastised Christian moneylenders as ‘baptized Jews’.<sup>69</sup>

For example, in Shakespeare’s (d. 1616) “The Merchant of Venice” (1596–99), Shylock is cast as the stereotypical evil, scheming, and greedy Jewish moneylender. At various times, Jews were expelled in Europe (e.g. England, 1290; France, 1306, 1321–22, 1394; Spain, 1492; and Portugal, 1496–97).<sup>70</sup> One main reason for this severe action was the association with moneylending and sinful usury. In a few cases that motive was combined with the expedient need to fill the royal treasuries with confiscated Jewish property to cover royal debts.

Ideas (i.e. scriptural interpretations) have consequences. In his criticism of the interpretive view upholding a total ban on interest and regarding the foreigner as enemy, Nelson minces no words, “It is absurd to argue that usury is intrinsically evil, since God permitted the Jews to take it from aliens. It is fantastic to imagine that by aliens God meant the enemies of the Jews. It is horrible to suppose that it is lawful to discriminate against an enemy. The Ambrosian argument is historically unsound, economically ludicrous, and morally perverse.”<sup>71</sup>

3. *Assessment of the ethnic status/two-tiered ethic contrast.* This view overcomes the problem of the adversarial regard for the foreigner (the first interpretive option) by accepting Deut 23:20 as legitimizing the taking of interest on loans with foreigners as non-Israelites. Thus, proponents resolve the contrast by consenting to a two-tiered ethic, a view with better scriptural support than the previous alternative. Yet a two-tiered ethical orientation may seem to be out of step with the spirit of a sin-

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<sup>67</sup> Calvin, “Letter” (in Harkness, *Calvin*, 204).

<sup>68</sup> See Jones, *Reforming*, 81–86.

<sup>69</sup> Jerry Z. Muller, *Capitalism and the Jews* (Princeton, NJ: Princeton University, 2010), 18, 24. Instead of the conventional view that Jews were restricted by the Church from other occupations and indirectly guided into moneylending, Maristella Botticini and Zvi Eckstein present an extended argument that Jews voluntarily chose this profession: “In medieval Europe, as today, financial intermediaries required highly literate and skilled individuals and provided higher returns than other occupations. European Jews during the Middle Ages and their descendants worldwide have been leaders in this profession for more than a thousand years thanks to their comparative advantage in the four key assets required for success: capital, networking, literacy and numeracy, and contract-enforcement institutions” (*The Chosen Few: How Education Shaped Jewish History, 70–1492* [Princeton, NJ: Princeton University Press, 2012], 244).

<sup>70</sup> Botticini and Eckstein, *Chosen Few*, 5, 44.

<sup>71</sup> Nelson, *Idea of Usury*, 96.



gular ethical stance implied in the Genesis mission alluded to above.<sup>72</sup> Furthermore, C. Wright argues that

Israel was intended to function as a paradigm for others.... Israel's particularity serves their universal significance. Their concrete existence in history functions not in spite of its particularity but precisely through and because of it to disclose the kind of ethical behavior, attitudes and motivation God requires universally in human communities. *So, the reality of this people, rendered to us in the Old Testament scriptures, generates an ethic of paradigm and analogy, in which we assume the moral consistency of God and ask, "If this is what God required of them, what, in our different context, does God require of us?"*<sup>73</sup>

A two-tiered ethic in which Israel treats non-Israelites in a different ethical manner does not seem to fully convey this paradigmatic modeling. Finally, proponents will need to engage the discussion of the designation of *noḳrî* in Deut 23:20 as a "foreign trader or merchant" rather than merely a term with a general reference to "foreigners."

Support has been offered for the economic status/poor-merchant contrast in Deut 23:19–20, and respective challenges have been raised for these alternate interpretations.<sup>74</sup>

## V. CONCLUSION AND SUGGESTIONS FOR CONTEMPORARY APPLICATION

Four key issues were identified as important considerations regarding the OT teaching on usury in three Torah passages, Exod 22:25, Lev 25:35–37, and mainly Deut 23:19–20 in which there is no explicit reference to the poor: (1) the relationship among these three Torah passages; (2) the morality of usury; (3) the scope of the usury ban; and (4) the type of contrast intended in Deut 23:19–20. Furthermore, regarding this fourth issue, three interpretations were presented representing differing decisions about the other three issues: (a) ethnic status/total usury ban; (b) eth-

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<sup>72</sup> Protestants might regard the two-tiered practice of requiring celibacy of priests as providing no beneficial service either for the priesthood or for marriage.

<sup>73</sup> Christopher J. H. Wright, *OT Ethics for the People of God* (Downers Grove, IL: InterVarsity, 2004), 469 (italics his). Yet Wright seems to support this ethnic status/two-tiered ethic contrast, so perhaps taking interest from foreigners can be regarded as a temporary strategy until the ideal is fully welcomed. But Deut 4:6 also seems to enjoin a singular ethic, "Keep them and do them, for that will be your wisdom and your understanding in the sight of the peoples, who, when they hear all these statutes, will say, 'Surely this great nation is a wise and understanding people.'"

<sup>74</sup> Some proponents of total usury ban view recommend that societies adopt an interest-free economic model, similar to what Islamic banking must practice (e.g. Mills, "Interest," 33–37; Susan Buckley, *Teachings on Usury in Judaism, Christianity and Islam* [Lewiston, PA: Mellen, 2000], 187–308). Yet it is an ideal that cannot fully be practiced, according to Timur Kuran who was, at the time of publication, Professor of Economics and Law and King Faisal Professor of Islamic Thought and Culture at the University of Southern California. "Notwithstanding the utopian claims of Islamist ideologists, its practices differ only cosmetically from those of conventional banks. Where an ordinary bank charges interest openly and unabashedly, the Islamic bank charges a commensurate 'commission'" (*Islam and Mammon* [Princeton, NJ: Princeton University, 2004], 55).

nic status/two-tiered ethic; and (c) economic status/poor-merchant contrast. Part 2 clarified these issues and options (summarized in Table 2).

In Part 3, an argument was offered for the economic status/poor-merchant distinction in which the three Torah usury passages are understood as making the same point, paraphrased as: “Do not charge interest on basic subsistence loans to the poor and needy, but you may charge interest on loans for other purposes, including for commerce.” Support for this view was based on the predominant use of נֶשֶׁךְ (*nešek*, interest, 12x) in the OT as protecting the poor and needy; the economic association for נֹכְרִי (*nokrî*) as a merchant or trader in Deut 14:21, 15:3, and 23:20 (similarly as a secondary association for “trader” is evident with כְּנַעֲנִי, *kēnaʿānî*, 10x as trader); and on an explicit/implicit parallel among the three passages and particularly within Exod 22:25. Finally in Part 4, assessments of the other two positions were offered, including a brief survey of the usury debate in church history. For example, the ethnic status/total ban interpretation yielded a severe constraint throughout the Middle Ages on common business practices. Furthermore, it also indirectly led to waves of anti-Semitism and mass expulsions of Jews from various European countries during that period.

Thinking about contemporary applications may also provide another level of assessment of each position. For example, each view proposes a different understanding for the Hebrew term *nokrî* as (a) adversarial enemy; (b) outsider or non-Christian; and (c) trader or merchant (see Table 4). The first two interpretations yield problematic action points that raise concerns regarding their explanations of the Deut 23:19–20 distinction. Yet even the third interpretive option must navigate a path that fits with the commands of Jesus as noted in Table 4 (Matt 7:12; Luke 6:27; 10:27–28).

| Position  | נָכְרִי ( <i>nokri</i> ) as   | Legitimate Action   | Assessment   |
|---|---|---|--|
| a. Ethnic Status/<br>Total Usury Ban                | a. an adversarial<br>enemy  | Can employ im-<br>moral means (i.e.<br>taking interest) so<br>they suffer damages<br>as judgment          | Problematic, in that Jesus<br>commands us to love our<br>enemies and do good to<br>those who hate us (Luke<br>6:27).   |
| b. Ethnic Status/<br>Two-Tiered Ethic               | b. a foreigner<br>or non-Israelite<br>“outsider” (e.g.<br>non-Christian?) | Can treat outsiders<br>in a lesser ethical<br>manner than the<br>ideal                                    | Problematic, in that Jesus<br>commands us to do to oth-<br>ers what we wish done to us<br>(Matt 7:12); and to love our<br>neighbors as ourselves<br>(Luke 10:27–28). |
| c. Economic<br>Status/Poor-<br>Merchant<br>Contrast | c. a merchant,<br>business person<br>(whether Chris-<br>tian or not)      | Can take interest on<br>loans for purposes<br>other than subsist-<br>ence loans to the<br>poor and needy. | General principle is compat-<br>ible with Scripture; yet dis-<br>cernment is needed to treat<br>others according to the<br>same NT commands noted<br>above.          |

Table 4: Three Contemporary Applications of נָכְרִי (*nokri*) in Deut 23:20

Let us briefly consider applications for both parts of the Deut 23:19–20 distinction—subsistence loans without interest for the poor and needy, and loans with interest for other purposes.

1. *Subsistence loans to the poor and needy.* All three interpretive options affirm this point. The following comments fit the circumstances for those who have an immediate financial need through a short-term loan *and* who have the potential for repayment, that is, the lower-income poor. For those in financial need who cannot repay a loan, other forms of generosity better serve that situation such as outright gifts for relief and rehabilitation—important topics, but outside the scope of the study. Since ancient times, family and friends have regularly provided subsistence interest-free loans (*gō'ēl*, kinsman redeemer, Lev 25:48–49; Num 27:9–11), and continues today. I have both received such loans and been such a lender. Various lending guidelines from the Torah can be identified, for example, for the lender: to have an open heart and hand for genuine requests (Deut 15:7–8, 10) and that any such loan be forgiven in the seventh year (Deut 15:1–2), and for the borrower: to offer a pledge as a promise of repayment and a symbol of mutual exchange maintaining the dignity of the borrower. A key OT point for these loans is generous care for immediate needs without exploiting the poor and needy.

2. *Loans with interest for other purposes.* For the sake of illustration, we consider an application from an economic status/poor-merchant contrast perspective. In shifting categories, from informal “family and friend” lending to formal “institutional” lending, we ponder a topic for which the Torah usury teaching does not offer much information, aside from the acknowledgement in a few places of interest-bearing loans beyond those for the poor (e.g. Exod 22:25; Deut 15:3; 23:20). As

noted at the beginning of the article, commercial loans have been a common business practice throughout much of human history. Today, the vast majority of enterprises around the world regularly use commercial loans or lines of credit to further their productivity.

In the past few decades, activity in the business sector has contributed to the alleviation of global poverty. Griffiths, former economics advisor to the British Prime Minister, former chair of the Archbishop of Canterbury's Lambeth Fund, and former director of the Bank of England, proposes that business is the better long-term strategy than foreign aid.

Economic data show that, as aid has increased over a ten-year period, the GDP [Gross Domestic Product] of countries receiving aid have decreased.... There is no demonstrable relationship between increased foreign aid and poverty reduction in the long run.... We have become convinced that business and enterprise is a better way—if not the only way—to achieve long-term, sustainable transformation and poverty reduction in the Low Income Countries (LICs).<sup>75</sup>

Consider the case of microfinance institutions (MFIs), which offer small, short-term interest-bearing business loans to low-income entrepreneurs around the globe, as evidence of one way that business intersects with poverty alleviation. Fikkert and Mask, clarifying how the church can participate in this economic outreach, note, "Reaching over 204 million borrowers, MFIs are the premier vehicle for the 'microcredit-for-microenterprises' strategy."<sup>76</sup>

A basic economic principle for any business, including MFIs, is that outgoing operational costs (e.g. salaries, office rent, supplies) must be covered by incoming funds. For lending institutions, revenues include fees and interest on loans. Furthermore, since "financial systems are inherently very fragile," there is a greater complexity to sustaining an institutional lending service, than for loans from individuals.<sup>77</sup> MFIs realized that to increase the number of people whom they could serve and to sustain the operational costs, a nominal interest rate was needed. As Peter Greer and Phil Smith, leaders at Hope International, a leading Christian MFI, explain, "It is crucial for an MFI to charge interest rates that allow it to become self-sustaining in the long term so that it can continue to service its community [with] ... enough interest income to pay for inflation, defaults, and operational overhead.... A financially solvent MFI means the community can count on having access to loans and other financial services."<sup>78</sup> The same economic fact was discovered by the leaders of a lending organization started by two Franciscan brothers in

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<sup>75</sup> Lord Brian Griffiths and Dato Kim Tan, "Fighting Poverty through Enterprise," in *For the Least of These* (Bloomington, IN: Westbow/Zondervan, 2014), 187, 188–89. GDP, Gross Domestic Product, is a broad measure of a country's economic activity, the monetary value of goods and services produced.

<sup>76</sup> Brian Fikkert and Russell Mask, *From Dependence to Dignity: How to Alleviate Poverty Through Church-Centered Microfinance* (Grand Rapids: Zondervan, 2015), 55. Muhammad Yunus received the 2006 Nobel Peace Prize for pioneering the MFI concept and vehicle to alleviate poverty in Bangladesh, through microcredit services of the Grameen Bank, founded by him in 1976.

<sup>77</sup> Fikkert and Mask, *From Dependence*, 212.

<sup>78</sup> Peter Greer and Phil Smith, *The Poor Will Be Glad* (Grand Rapids: Zondervan, 2009), 107–8.

the 1400s, the *Montes Pietatis* (“mounds of piety”), a forerunner of the MFIs. As more *montes* were established and donations dwindled, organizers started charging a nominal interest rate to cover employee and administrative costs, a change which was then officially affirmed by the Catholic church in 1515.<sup>79</sup> The launching of these *montes* during the 15<sup>th</sup> century represents an innovative means for making credit and capital available to the working poor, an important need that MFIs address today.

The present study clarified the main issues and interpretive options regarding the OT teaching on usury. Hopefully it may promote further informed conversations about usury in the OT and stimulate additional nuanced guidelines for the appropriate contemporary application of this teaching. As Calvin emphasized, let the rule of love prevail in our financial dealings with others, and, accordingly, also in our study of a Christian view of economic matters.<sup>80</sup>

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<sup>79</sup> Thomas Divine, *Interest*, 57–58. Granted, whenever money is involved, greed and exploitation can arise due to the darkness of the human heart, as evident from news reports across all workplace sectors: businesses, not-for-profit organizations, and government. Yet such evil is not necessarily evident in every situation in which money is involved. Accordingly, church leaders (who are from the not-for-profit sector) can partner together with business and government leaders in good and effective strategies that contribute to alleviating poverty.

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