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Jesus on Lending, Debt, and Interest

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ABSTRACT: Jesus and the Mosaic Law of the Old Testament provide much instruction for how believers should regard and practice lending, indebtedness, and interest accrual. Studies to date have focused on the Old Testament, believing that Jesus has little to say about the issues. This paper shows that Jesus provides much instruction on the matters, applying both to believers and to the wider world. This paper reviews seven sayings by Jesus with implications for lending, debt, and interest. They are found to disfavor lending in the expectation of return and to favor releasing borrowers from debt and thereby eliminating interest that might apply to a loan. These teachings extend the Old Testament position on these issues. A final section considers whether a modern economy could function on the basis of Jesus' teachings.[1]

INTRODUCTION

Disagreement exists among Christians today on how lending and loans should be regarded. One aspect of this difference concerns the legitimacy of interest. If biblical teaching holds that interest is incompatible with its instruction, interest should be done away with. As Elder (1999) puts it, "If God's command was for all times and all places, we need to abolish interest charges." However, he believes "that there is no complete ban on charging interest" (p. 36). Contrarily, Ballard (1994) holds that "not lending money (or anything else) at interest is a biblical doctrine" to be followed in any economic context (p. 210). The historical context of the debate is put by Cooper (2012) that "for the major part of church history … the mainstream answers … from Christian teachers have been strongly against the practice of borrowing and lending at interest. The church fathers vehemently condemned what has traditionally been called 'usury' (that is, any interest made on a loan)" (p. 3). This view was maintained by medieval scholastic theologians, such as Aquinas, and later by the likes of Luther and Latimer, although not by Calvin.

Previous Christian examination of lending and interest in the Bible has focused on the Old Testament (Mills, 1993; Ballard, 1994; Biddle, 2011). Important as these are in formulating a Christian perspective on the subject, Jesus' teaching has received less emphasis. Sometimes, this is because it is thought that Jesus has little to say on the subject. For example, Elder (1999) suggests that aside from Luke 6:34-35 and Matthew 25:14-30, "no other New Testament passages deal with the topic" (p. 43). Although all Scripture is God-inspired and useful for teaching (2 Tim 3:16), Jesus is the primary example for Christians to emulate in behavior and instruction. It is incumbent on Christians to explore Jesus' teaching concerning lending, debt, and interest.

This introduction establishes the meaning of lending and interest in the Bible and its possible distinction from usury. The second section looks at seven teachings by Jesus that have implications for lending, debt, and interest: four from Matthew, and three from Luke. A conclusion from these teachings is that Jesus does not expect lenders necessarily to receive back the full amount of their loans and certainly nothing in excess of the loan. Interest is therefore precluded.

The meanings of interest in biblical terms and in contemporary parlance are similar (Ballard, 1994). Interest is a price paid by a borrower of assets, usually money, to the lender in exchange for the use of the assets. Or, as Porter (1999) puts it, interest is "a price for the loan of money or a premium" (p. 43). Among biblical scholars, it is believed that interest and usury are the same thing. Ballard (1994) points out that "the Hebrew words translated 'usury' (or 'interest' and sometimes 'profit') in English editions of the Bible signify the taking of *any interest at all* above the principal in a loan" (p. 214; original emphasis). Elder (1999) holds a similar position that "all of the biblical words used have to do with what we call *interest* and not usury" (p. 34). This is the position taken here. Nevertheless, in common contemporary parlance, usury is often identified only with "excessive" interest. An interesting speculation is put by Porter (1999) for why the distinction between interest and usury is maintained today. As he speculates, "One might ponder if the modification of usury's meaning is indicative of humans' attempts to rationalize charging of interest and alter the teaching of God. Is this another game of semantics, attempting to mitigate an action's sinfulness? A child contends that a *fib is not a lie*, a president asserts *fellatio is not sex*, and Christians profess that *interest is not usury*" (p. 44; original emphasis).

JESUS' TEACHING ON LENDING, DEBT, AND INTEREST

Matthew 5:42

Seven statements by Jesus relevant to establishing his position on lending, debt, and interest are examined below, assisted by the interpretations of biblical exegetes. This is not to say that Jesus' other teaching on these matters is irrelevant, but the seven texts to be examined here pertain directly to the topic. The first time the New Testament mentions Jesus saying anything to do with lending is Matthew 5:42. Here, Jesus says, "Give to everyone who begs from you and do not refuse anyone who wants to borrow from you." Borrow means getting "temporary use of money etc. to be returned … without being the true or original owner" (Oxford Dictionary), while the Macquarie Dictionary has "to take or obtain (a thing) on the promise to return it or its equivalent."

On Jesus' teaching, people are to lend to anyone, including enemies, not just to brothers. Jesus includes this precept in his Sermon on the Mount, directed specifically to his disciples. However, at its end in Matthew 7:28, "the crowds were astounded at his teaching," presumably meaning that the crowds were also its recipients. Jesus extends and reinterprets Old Testament texts such as Deuteronomy15:7-11 to relate to all people, not just to his followers or the poor of the land.

Biblical exegetes stress that discretion in giving and lending in Matthew 5:42 remains with the person who gives or lends. We do not need to loan whatever is asked. Bruner (2004) emphasizes this point as, "What? A knife to a murderer?" (p. 257). A right reaction is called for to any request for a loan. As Nolland (2005) expresses it, "There is no precise definition of the behavior called for… it involves responding appropriately to an initiative taken by another" (p. 260).

Since Jesus couples giving and lending in the same sentence in Matthew 5:42, it may be that He regards them as very like entities. In giving, there is no expectation of return, but, conventionally, there is in lending. However, as Jesus puts it, it is possible for a loan to become a gift. If a borrower could not repay, s/he may beg to be excused from the loan. Repayment is not to be the criterion by which loans are to be made. This mode of thinking about giving and lending is part of the new paradigm of thought into which Jesus encourages His followers. Witherington III (2006) explains that they are "to think in a different way about things, think of what they ought to do, not merely what was legal for them to do, or even what they might be justified in doing if they are wronged. In light of the new eschatological situation, they are to act on the basis of what they should do." In this way, "the fundamental principle generating the ethic is that of love rather than reciprocity" (pp. 135, 137).

As with the Golden Rule — "Do to others as you would have them do to you" — retribution is proscribed. Repayment is not to be exacted. To France (2007), "Jesus' position is shockingly radical — not only no retaliation, but even no resistance to one who is admittedly 'bad.'" Jesus' intention portrays "an unselfish and uncalculating benevolence which thinks only of the other's needs or desires, not of protecting one's own resources or even one's honor" (p. 217). In this way, for Hendriksen (1985), people are to "give, not grudgingly or gingerly but generously; lend, not selfishly, looking forward to usury…, but liberally, magnanimously," providing biblical illustrations of behavior conforming to these precepts (p. 311).

Adhering to Jesus' Matthew 5:42 teaching means to "do the opposite of what is expected" or is "customary, conventional, legal, or is interpreted as reflecting our rights." This is to push human relationships to "a new level of reciprocity," acting as "the peacemakers Jesus commends" (Gardner, 1991, pp. 109-110). Smith (1989) goes so far as to assert that "Jesus brushes aside as of no consequence all such matters as credit checks, references, co-signers, security, contracts, and interest rates, all the devices invented to protect ourselves in a chancy world" (p. 103). This may be reading too much into the text, for the potential giver/lender retains discretion in her giving and lending.

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Matthew 6:12

Matthew 6:12 is Jesus' second reference to lending-related terms, this time focusing on our debt to God and those in debt to us: "And forgive us our debts, as we also have forgiven our debtors." Like Matthew 5:42 above, this teaching is included in the Sermon on the Mount, directed both to the disciples and the world in which Jesus' potential followers are to be found. Most exegetes understand debts to be encompassed by sins, where sin encompasses violations of God's will and missing the mark of God's intentions (Childress, 1986, p. 585). Debt is an image or metaphor for sin (Keener, 2009, p. 223). Having someone in debt to us means we are sinning against them. The sins and debts of others against us are to be forgiven. Nolland (2005) translates "forgive" as "release," arguing that "it is quite likely that forgiveness at the human level quite often involve[s] the cancellation of debts" (p. 290).

Forgiveness or release "of others [is] a necessary condition for seeking God's forgiveness" (Nolland, 2005, p. 291). This is because we are all in debt to God, for sin is a debt owed to God. As Wilkins (2004) puts it, "sin creates an obligation or 'debt' to God that we cannot possibly repay" (p. 279). Since sins encompass debts, Matthew 6:12 extends Matthew 5:42 above: lenders should not expect their loans to be repaid, debt is to be forgiven, interest to be cancelled. All this is because without our own forgiving or releasing disposition, "we ourselves cannot be forgiven" by God (Hendriksen, 1973, p. 335). This view is expressed by Harrington (1991) that "the idea of granting a release of debts because God has released one's own debts appears in Deuteronomy 15:1-2" (p. 95).

We are to ask God to forgive us our debts (sins) to him. Bruner (2004) expresses this idea that "it is shameless for a debtor to approach a creditor and ask for remittance. Yet, Jesus teaches us to approach God in this 'shameless' way" (p. 308). However, since "forgiveness is a reciprocal principle" (France, 2007, p. 249), we are to forgive others the sins they might have committed against us or ask their forgiveness for sins we might have committed against them, including any debts they might have to us. The initiative for forgiveness or release is with us. On this reasoning, "an unforgiving Christian is an oxymoron" (Witheringtron III, 2006, p. 147).

Matthew 18:23-35

Matthew 18:23-35, the Parable of the Unforgiving Servant, is Jesus' third teaching with implications for lending and debt release. As in Matthew 6:12 above, debts are taken to mean sin. Just as the king (God) had forgiven the debts (sins) of his slaves, so the unforgiving slave should have forgiven the debts (sins toward him) of his fellow slaves. Forgiveness is to replace indebtedness. Obligations are not to be insisted on because of the rights one may have over another. In so far as debts incurred by another from you are an obligation to you, they are to be absolved. Forgiveness is to be extended without limitation.

The crux of the parable is "the metaphor of forgiven debt for forgiveness of sins" (Hagner, 1995, p. 539). Nevertheless, Jesus gives the parable a specific social context.

According to Evans (2012), "The Aramaic word for 'debt' is *hoba* which may also be translated as 'sin.'" Using the term "debt," also meaning sin, would speak to those listening to the parable. Evans gives "biblical and extrabiblical examples of individuals and families sold into slavery to repay debts or where children inherit their parents' debts" (p. 337). On the other hand, a ruler might act more benevolently. Keener (2009) explains that "when poor crops or other circumstances forced a ruler to forgive taxes, he did so with the understanding that his people would demonstrably respect his benevolence; if he released his subordinate ministers' debts, they in turn must release the debts of those indebted to them" (p. 459).

As with Matthew 6:12, if we do not forgive others, neither will our Father forgive us. Luz (2001) expresses this as "divine forgiveness presupposes human forgiveness" (p. 476) or that "the magnitude of God's saving grace is the proper model for forgiveness" (Keener, 2009, p. 457). However, "God's forgiveness can be lost through human unkindness so that one's earlier guilt returns" (Luz, 2001, p. 477). However, because "our behavior as disciples affects our relationship with God," so "we are forgiven as we forgive" (Witherington III, 2006, p. 355). Therefore, "those who will not forgive must not expect to be forgiven: the measure they give will be the measure they get back (7:1-2)" (France, 2007, p. 708). Accordingly, the parable "depicts the consequences of human unforgiveness," the necessity for reconciliation (Keener, 2009, p. 460). In so far as debts are encompassed by sin, it is incumbent on Christians to be ready to release others from their indebtedness to us. This cannot be done by human will or power alone or be given a secular rationale, for "in the realm of God's grace through Christ… the forgiven person must *always* be ready, in turn, to reveal the forgiving spirit to others" (Hendriksen, 1973, p. 704; original emphasis). Only God in Christ enables the person to forgive and release without any aftermath of bitterness.

Matthew 25:14-30

A fourth Jesus' teaching in Matthew relating to lending, debt, and interest is the Parable of the Talents (Mt 25:14-30). As Elder (1999) noted, this parable has been used to justify the contention that Jesus approves of the payment of interest (e.g., Barr, 1980, p. 92). Biblical exegetes do not interpret the parable in this way. Blomberg (2012) provides a consensual summation of the meaning of the parable:

> (1) Like the master, God entrusts all people with a portion of his resources, expecting them to act as good stewards of it. (2) Like the two good servants, God's people will be commended and rewarded when they have faithfully discharged that commission. (3) Like the wicked servant, those who fail to use the gifts God has given them for his service will be punished by separation from God and all things good. (p. 271; emphasis removed)

Viewed in this way, no insinuation can be drawn that Jesus approved the payment of interest or that he was providing guidelines for how Christians should run their economic life. Further exegetes interpret the parable in this manner. Witherington III (2006) explains that "while the parable is using money as a metaphor, Jesus is talking about tasks and abilities and endowments bequeathed to the disciples and what they do with such opportunities" (p. 464). To Hendriksen (1973), "the point of the parable, then, is this, *Let everyone be faithful in using the opportunities for service which the Lord has given him*" (p. 884, original emphasis).

Similar interpretations of the parable are by France (2007), that "the parable thus teaches that each disciple has God-given gifts and opportunities to be of service to their Lord" (p. 952). In like vein, "disciples who neglect the resources entrusted to them in this life will be damned" (Keener, 2009, p. 601).

In view of the comments by the exegetes above, Elder's (1999) point (1999) about Jesus' parables are apt and underline that this parable cannot be used to justify Jesus approving the payment of interest:

> The parable of the talents, Matthew 25:14-30, mentions putting money in a bank and earning interest. This parable is seen as a statement by Jesus allowing interest to be given. However, parables usually have one primary point, and it is dangerous to make too much of the story used to make the point. The primary point made by Jesus in this parable is the using of the gifts God has entrusted to us. To make the parable one as endorsing interest would be to read too much into the parable. (p. 39)

Luke 19:11-27

Three texts in Luke by Jesus have relevance to lending, debt, and interest. Since we have just dealt with Matthew's Parables of the Talents, Luke's similar Parable of the Pounds (Lk 19:11-27) is discussed first. Like Luke's parable, this has also been used to justify that Jesus accepts the legitimacy of paying interest on loans. Interpretations by most biblical commentators suggest this is unlikely. In the main, exegetes read the parable as Jesus alerting His followers to be faithful in their use of the talents God gives them. Beed and Beed (2011) summarized comments by exegetes on this parable (p. 32). Bock (1996) puts it that "the disciples' responsibility … is to faithfully serve the absent king by making use of the gifts and responsibilities he has given," in which "faithful stewardship is required." The "business" the slaves undertook is a metaphor for stewardship (p. 1525). Another dimension is that "those who have heard the Gospel must proclaim it," and every sphere of life "(social, economic, political, educational, etc.) is [to be] brought under the influence of the Gospel" (Hendriksen, 1978, p. 860). Most exegetes do not interpret the parable as providing normative guidance for wealth creation or economic activity. Just Jr quotes Johnson "that the possessions motif is here a subsidiary to a political one … the parable is therefore 'about' the successful establishment of a kingdom" (Just Jr., 1997, p. 727; Johnson, 1991, p. 292). The Parable of the Pounds is aimed specifically at the world in general, not just to disciples (Lk 19:11).

The following comments relate both to the Parable of the Talents, and the Parable of the Pounds. Focusing on the monetary return or interest each of the slaves makes, as though this provides guidance for economic life, commits the fallacy of misplaced concreteness. This construal is as mistaken as believing that the Parable of the Sower and the Seed (Matt 13:1-23; Mark 4:3-20; Lk 8:4-15) has to do with farming techniques. In his teaching, Jesus described people and events occurring in the life of his times but whose behavior he was not setting up as a normative model. In the Parable of the Pounds, the master was "hated" by his citizens (Lk 19:14), being ultimately slain in the master's presence (Lk 19: 27). In the story of the waiting householder (Matt 24:43; Lk 12:39), God is likened to a "thief" who comes when he is not expected. That Jesus describes hard men, slaughter, thieving, dishonesty, beating (Lk 12:48), self-mutilation (Mt 5:29, 18:8-9), and even torture (NEB Mt 18:34), does not mean he approves of these. The descriptive detail in these stories is just a vehicle for their underlying message (Shillington, 1990, p. 16; Sider, 1995, p. 84; Jones, 1999, pp. 21-22). As Snodgrass observes, "The parables are fictional descriptions taken from everyday life," in which the descriptive detail represents something else, so that interpretation cannot be obtained by "assigning correspondences to the elements" of a parable (2008, pp. 18, 410). A parable explains something different from the situation described. Jesus used parables to challenge people's modes of thinking to make the connections between their life's experiences and what He said. On the basis of these comments, it does not seem possible to conclude that the Parables of the Talents, and of the Pounds, have Jesus approving the payment of interest.

Luke 6:34-35

Here we have Jesus saying, "lend, expecting nothing in return," again to the crowds as well as to Jesus' disciples (Lk 17, 7:1). Garland (2011) suggests that Jesus says this because his teaching reaffirms the essence of the Old Testament prohibition against interest. He suggests Jesus likely "takes for granted that one can expect only the same sum in return" (p. 81), that is, what one has loaned. This differs from how most people lend money, "they expect to get back more in return, not the same amount" (p. 2). Some commentators suggest that "the same sum in return" could include accrued interest. Whether it does or not, the return of sums loaned does not feature in Jesus' instruction. Loans are to be made as grants or gifts, akin to the debt cancellation in Deuteronomy 15:1-11. The fact that Jesus' instruction is so close to Deuteronomy 15:1-11 suggests also he was following the Old Testament prohibition against exacting repayment of loans.

Garland (2011) points out that "the phrase 'expecting nothing back'… translates a verb that means … 'hoping nothing from it'" (p. 282). The hoping dimension is contained within Jesus' teaching in this text, not just forgoing interest. People were to lend without making judgments about the degree of hope they had that they would be repaid. This is the usual interpretation by exegetes. For Mullins (2010), "the challenge of love" includes "to lend without hope of return" (p. 229). Johnson (1991) translates verse 35b as "do good and lend without expecting a return" (p. 106) so that for Marshall (1978), "the thought of lending with a view to gaining interest is ruled out" (p. 264). Jesus is making a command that applies not only to lending to fellow Christians, but to anyone, even one's enemies. In this way, "the brother/foreigner distinction of Deuteronomy [23:19-20] is transcended" (Mills, 1993, p. 6). Jesus is strengthening the direction of Old Testament teaching on loans, indebtedness, and interest.

Luke 11:4b

Jesus' final Lukan teaching on lending-related matters is Luke 11:4b: "For we ourselves forgive everyone indebted to us," part of the Lord's Prayer, and, therefore, similar to Matthew 6:12. In praying this prayer, we make a request to God: forgive us our sins or debts to you, God. The basis for making this request is that we have forgiven others the sins they have committed against us, including any indebtedness they may have to us. In Garland's (2011) view, "this petition assumes that those who have been forgiven much not only must show their gratitude to God (7:47) but also must forgive debts owed to them" (p. 464). This is because "the daily flow of forgiveness from God would be impeded if there were not a corresponding practice of forgiveness at the human level" (Nolland, 1989, p. 618). The suggestion is offered by Tiede (1988) that "Luke's wording may tie the hope of the forgiveness of sins more directly to the disciples' remission of financial debts" (p. 213). This is particularly because "Luke used 'sins' and 'debts' interchangeably" (Stein, 1992, p. 326).

Jesus' Teaching on Lending, Debt, and Interest Summarized

From Jesus' teachings on lending, indebtedness, and interest, it is possible to draw some conclusions about his attitude to these issues. Most importantly, Jesus consistently calls for people to seek forgiveness from God. This forgiveness will only be forthcoming if each person in her heart pardons her brother and sister. Human forgiveness releases another from any obligation or debt s/he may have toward to you. People should display a readiness to forgive and release debt obligations others may have to you. One's own rights in these matters take second place. Liabilities, duties, responsibilities, and dues s/he may have to you are to be released or absolved. Literal debts come within these parameters. Lenders may not insist on being repaid their loans, debt is to be forgiven, as is any interest that may attach to it. Litigation is precluded. Jesus' teachings reflect the Mosaic Law's normative position on lending and interest, but he widens and extends it, as explained below.

This is to be expected, for most exegetes affirm that "Jesus demanded total obedience to the Scriptures." As Keener (2009) put it for Matthew 5:17-19 –"do not think that I have come to abolish the law or the prophets:"

> Jesus' language clearly affirms his commitment to the law of Moses, [for] to 'fulfill' God's law was to 'confirm' it by obedience and demonstrating that one's teaching accorded with it. The idea that Jesus'

> death and resurrection is the 'goal of the world,' thus allowing the law to be set aside as fulfilled, violates the whole thrust of the passage. Jesus upholds the law … but is the decisive arbiter of its meaning. (Keener, 2009, pp. 177, 178, 182)

For the same text, Hagner (1993) expresses similar views, noting that:

> It is necessary at the outset to indicate Jesus' full and unswerving loyalty to the law [involving his] presentation of the true meaning of the Torah. Fulfill [means] to present a definitive interpretation of the law. Jesus' teachings … penetrate to the divinely intended (i.e., the teleological) meaning of the law. The law [is to] be fully preserved … as definitively interpreted by Jesus the Messiah. The law, as interpreted by Jesus, will remain valid until the close of this age [with] Jesus as the infallible expounder of the truth of the Torah. (Hagner, 1993, pp. 103, 106, 107, 108, 110)

These views are summarized by Ballard (1994) that "altogether, the moral law remains from the Old Testament and is brought forward for the direction of Christian believers" (p. 212). Many Old Testament texts specify the normative position followers of God are to take on lending, debt, and interest. These include Exodus 22:25, Leviticus 25:36-37, Deuteronomy 15:1-11, 23:19-20, Nehemiah 5:1-13, Psalms 15:5, Proverbs 28:8, Ezekiel 18:7-8, 13; 22:12. Each of these cannot be explained here. In just one, Deuteronomy 15:1-11, no security was to be offered for a loan, and debts were to be cancelled at the end of every seven years. The possibility of repossession by the lender, of the lender suing the borrower, peonage, or of debtors' prisons does not arise. Cooper (2012) puts it that lenders faced "the risk of failing to recover the debt" (p. 10).

Two of these Old Testament texts specifically prohibited lending at interest to the poor (Ex 22:25, Lev 25:36-37). The remainder of the texts forbade exacting repayment and interest to all fellow Israelites, not just from the poor. On the basis of precluding charging interest to fellow-Israelites, but allowing it for foreigners (Deut 15:3, 23:20), Blomberg (1999) argues that the Mosaic Laws governing interest were mainly of a poor-relief nature, not commercial. He holds that "God wanted to distinguish between the economics of the business world and the principles God's people employ in lending to each other" (pp. 41-42). Presumably, this means that if a well-off Israelite made a loan for commercial purposes to one less well-off, say of seed or implements for planting, he could charge interest on it. The problem with this interpretation is that it contradicts the Mosaic Law texts. Rather, a socio-economic model has been imposed on the texts themselves.

Jesus reiterates the Mosaic Law demands but extends them to encompass all people. Cooper observes (2012) that "in the epoch of the Gospel the category 'foreigners' disappears completely," and that "the geopolitical profile of this group changes as the people of God become a global entity under the gospel of Jesus Christ" (pp. 28, 32). A similar position is expressed by Elder (1999) that "Christians came to believe that all people were part of a 'universal brotherhood' and that no one was outside of this brotherhood. The Jewish prohibition against charging interest to a person in the Jewish community was expanded to prohibit charging of interest to anyone" (p. 34). Ballard (1994) sums up Jesus' interpretation of these Old Testament teachings on lending, debt, and interest that "believers should lend fully expecting to receive nothing in return" (p. 212).

COULD A MODERN ECONOMY FUNCTION WITHOUT INTEREST- BEARING LOANS?

The purpose of this section is to offer some suggestive examples and glimpses of where Jesus' principles are put into action, or could be. The discussion acknowledges explicitly that much work has to be done to develop these ideas and practices. Jesus' teaching and the weight of Old Testament instruction is against the expectation that loans will necessarily be repaid, or, if they are, that interest will attach to them. An issue in this section also is whether a modern economy could function on this basis. First, it needs to be asked why borrowing exists. For commercial purposes, Cooper (2012) answers "to fund investment," say, "research into a certain kind of technological innovation." For domestic purposes, borrowing shifts "consumption from the future into the present (at a cost)," say to meet medical expenses (p. 14). Alternative ways of financing both these needs exist, as follows.

Three modes operate currently in the developed world other than interest-bearing loans to facilitate commercial development. One basis for extending credit to enable assets to become productive is through hire and rental charges, widely practiced in modern economies. Mills (1993) suggests that Scripture "sees little to object in

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charging for the use of property" (p 32). A simple example is the hiring of an animal (Ex. 22:15) for which only a hire fee is due. In the contemporary world, lease-financing by banks has some of these qualities. The bank bears some of the risk for the period it owns the asset. But the bank shifts risk onto the user/borrower by requiring collateral and payment for insuring the asset.

However, as a reviewer pointed out, it is a fine point whether rental income differs substantively from interest. This would be in the sense that I could "rent" you my money for a fee (interest). Why is it okay for me to rent you my $20,000 car for $50 a day but not my $20,000 for $50 a day? Analogously, if you want to borrow my cloak (or my car) and you really need it (it's not just something you desire), then I should give it to you or at least lend it to you for no charge. The problem is that this precludes my ability to rent to someone else. This does not seem to be an objection to not charging interest, however. Any choice involves an opportunity cost. If I lend you my $20,000 at interest or give it to you, this precludes me lending/giving it to anybody else. Following Jesus' teaching on this issue suggests that renters should be excused rent if they cannot pay.

Another manifestation of rental or hiring fees occurred in the Jubilee (Lev 25:1-24). Farmland held in trust by the Israelites from God could be temporarily hired by another for up to forty-nine years. The hire fee was equal to the number of yearly harvests remaining before the next year of the Jubilee (Lev 25:13-17). Wright (2004) points out that the Jubilee "existed to protect a form of land tenure based on an equitable and widespread distribution of the land and to prevent the accumulation of ownership in the hands of a wealthy few" (p. 207). It was a restoration not a redistribution of property. Since the Jubilee occurred in a seventh (Sabbatical) year, all debts owed by one Israelite to another were to be cancelled (Deut 15:1-11).

Few instances occur of how these considerations could be practiced today. Conservative evangelical economist, Brian Griffiths (2004), points out that if the laws had been followed throughout history, "it would have been impossible for 'labor' to be in conflict with 'capital.'" The problem Marx addressed was "where capital was owned by a few, but the majority were without access to that capital…. This was precisely the situation which the property laws of the Pentateuch were designed to prevent" (Griffiths, 2004, p. 57). One partial endeavor to promote the Sabbatical year aspect of the Jubilee is by the Jubilee USA Network (an outcome of the international Jubilee 2000 campaign) in its efforts to persuade governments to cancel what it sees as unfair debt owed by developing countries. According to its website, the Jubilee USA Network is an alliance of more than 75 U.S. organizations (such as the Mennonite Central Committee), 250 faith communities and 50 Jubilee global partners. It reports gaining global financial reforms and more than $130 billion in debt relief for the world's poorest people. Perhaps its advocacy could be extended to indebtedness by poor people in developed countries.

A second basis on which economic activity could proceed is through profit and loss sharing between lender and borrower. Its working principle is the partnership, so that "when money capital is provided for commercial investment, any profit or loss is shared on a pre-specified basis." The lender might be a profit-share bank in which, where a "depositor designates his deposit for investment purposes, it is added to the bank's overall portfolio and allocated a share of any profit or loss that the bank makes on its investments" (Mills, 1993, p. 37). This process functions like a unit trust. The banks would need to work in close cooperation with potential commercial developers, employing or using business experts "to vet projects and to provide advice and financial assistance if the borrower runs into trouble or needs help in developing the business." A model is the Caja Laboral Popular Bank in Spain that "collects savings from co-operative workers and reinvests them in the associated co-operatives" (Mills, 1993, p. 39). Profit-sharing could also apply to the funding of government projects. Projects "expected to produce a financial return" could be funded "on a profit-share basis or the state could float marketable shares." Otherwise, there would be no alternative but to fund them from "full tax finance" (Mills, 1993, p. 38).

In theory, Islamic banks function on this basis (Dunn & Galloway, 2011), in which loans are secured on the basis of participation in future streams of revenue/profits. No-interest loans are akin to lending by a venture capitalist. His concern is to the potential profitability of the project of which he will get a share. Kuran (2004) explains that "the venture capitalist often participates in the execution of the projects he underwrites" (p. 9). Despite the rhetoric surrounding Islamic banking, Kuran suggests that cases of an entrepreneur putting in no capital to his project, or an entrepreneur putting in capital to his project, do not feature large in Islamic banking or by private Islamic finance houses (pp. 9, 10). More common is the case where the bank buys inputs to an entrepreneur's project and then sells them to the entrepreneur at a premium. However, this is virtually equivalent to an interest loan.

On the other hand, Dunn and Galloway (2011) suggest that joint venture agreements have "increased significantly" in Islamic financing (p. 58).

A third basis for an individual or organization to raise money would be a gift or grant, as per the provision of Deuteronomy 23:19-20. It is not easy to find examples of this process occurring in the developed world. However, a prominent one is the manner in which the Caja Laboral Popular Bank operates. A new cooperative and the bank agree to stay together until the business is profitable. The members of the new cooperative put up membership fees, and the bank loans any additional capital necessary at a nominal interest rate. If the business runs into trouble, the bank will loan additional capital at roughly half the rate of the initial loan. If the cooperative is still in financial trouble, the interest rate will be reduced to zero, and if more assistance is needed, the bank may donate additional capital ("Mondragon Corporacion Cooperativa, Spain," n.d.).

Alternative means to interest loans exist currently for meeting consumption needs. These encompass microfinance programs in the developed world. In Australia, the most prominent example is the No-Interest Loan Scheme (NILS). This was instigated by a Christian charity, the Good Shepherd Foundation, now working with 400 providers, including major banks and the Salvation Army. Loans are available for up to $1,200, repayable between 12-18 months. Last financial year, NILS loaned $18m to 20,000 borrowers, 70 percent to women, with a 93 percent repayment rate. The loans are available only for essential household goods and services. Potential borrowers need a pension/health-care card, issued on an income-means-test basis, directed to lower income people.

Other examples of no-interest loans exist, such as certain categories of student loans in the United States. Much older is the International Association of Jewish Free Loans. An example is New York's Hebrew Free Loan Society, with $13m in outstanding currently, at a repayment rate over 99%. The Hebrew Free Loan Society has operated for 120 years, during which time it has assisted 860, 000 borrowers. Islamic interest-free loans for consumption and production should be mentioned. Ijaraloans is a prominent U.S. lender for all types of purposes, including home ownership, while the largest Muslim lender in the U.S. is American Finance House Lariba. Major banks are starting to enter the no-interest loan market, including those directed to Muslim communities in non-Muslim countries. Some commercial businesses make no-interest loans available to purchasers of goods, but it is a moot point whether prices are inflated amounting to de-facto interest.

As Mills (1993) points out, "Consumption could be achieved without the prior need for saving through the straightforward rental of the goods in question or hire purchase" (p. 37). This means the purchaser is never in debt. Goods can be returned if rental/hire purchase payments cannot be maintained. In the same way, mortgage-finance for house purchase would not exist. Rent payments are the alternative. For example, a bank could buy a property and rent it to tenants who gradually accumulate an ownership share in the property. This is equivalent to buying a house on hire-purchase. The buyer is not necessarily committed to buying the whole property at once. Nor is s/he "forced to accumulate ownership if his or her circumstances worsen" (Mills, 1993, p. 38).

CONCLUSION

Jesus' instruction is that God's forgiveness of people is based on the extent to which they forgive their fellows. This is the main reason why the indebtedness of others to us is to be forgiven. A second motivation in Jesus' rejection of continuing debt and interest can be detected. This concerns the way debt and interest separate human labor input from financial return. The lender obtains a given interest rate without contributing to work within the project for which money is lent. This was something rejected by the Mosaic Law. To God and Jesus, financial return is to be gained only from doing work, including in Jesus' time, farming, trading, and spiritual ministration (Levites).

In the ideal scenario for today, money could still be loaned. For consumption loans to the poor, no interest should be charged, and the loan would be cancelled if the borrower could not repay it in a certain time. This principle is practiced to a limited extent in the developed world. Where the well-off want to purchase consumption goods, insurance is an option (say, for unexpected health costs), as is rental, leasing and hire-purchase. For commercial loans, the lender and borrower would share the operation of whatever venture was planned with the loan proceeds. The lender would work in the project. This would be a partnership in which risks were shared, akin to, but not identical to venture capital. Profit/loss share would be on an equity, not debt, basis. Foreclosure of assets would be avoided. Contrary to all these proposals, interest is usually derived from not doing work but lending in the expectation of return. The interest rate is not tied to the return earned by the loan. Turning money over to a bank to invest precludes the depositor from "actually doing anything" (Witherington III, 2006, p. 464). These considerations also help explain Christian opposition to the joint stock company or corporation. Shareholders contribute finance but usually do little in the way of running the company (Beed & Beed, 2010). Alternative forms of business organization exist, such as producer cooperatives, and the Focolare Economy of Communion, where its 800 member companies share profits between workers and the poor. Self-employment and partnerships also have the effect of mitigating the gap between those who do the work in the firm and those who provide the finance for its operation.

Rationalizations for rejections of the Mosaic Law regulations on lending, debt, and interest have been made by some Christian historians. Cooper (2012) cites Morris Silver's allegation that the ban on interest "would have seriously damaged their economy" (as cited in Cooper, 2012, p. 27). Cooper suggests that "this is to underestimate both the productive potential of non-contractual, family-like relationships of trust between people of close moral proximity and the power of God to bless those who act generously among their neighbors because of their obedience." There seems no reason why these requirements could not have been upheld historically to produce a different kind of capitalism from the one we know. This would have been one in which the munificence of God's blessings could have been maintained, akin to the promise to Israel of God's blessing (Deut 28:12, 15:6).

Contrarily, Scott (2001) holds that "since the laws forbidding interest are so clear, and since the development of commercial enterprises demanded taking interest, some accommodation had to be found" (p. 93). Scott's and Silver's objections to God's and Jesus' requirements for lending and interest is that they do not comport with structures in the capitalist economy. For example, the concept of time preference might legitimize the payment of interest, but it does not legitimize the objections raised in the paragraph above. For Christians, the time preference objection need carry little weight because God's instruction comes first. As Mills (1993) puts it, "The Christian should not need pragmatic [empirical or theoretical] justification for obedience to God's Word" (p. 42). As Jesus makes clear, His teaching on lending and interest is inherent to the new creation and economy He is in process of bringing to fruition.

ENDNOTE

[1] The helpful comments of two anonymous reviewers is acknowledged gratefully.

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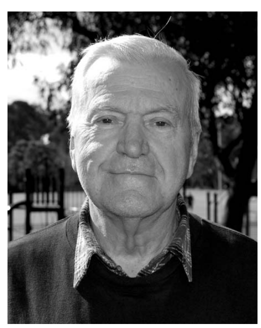

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