Biblical Interpretation of Gary North's Theonomy

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ABSTRACT: Theonomy is the idea that the Mosaic Law should be practiced in modern societies. Theonomists reject the more usual belief that the civil and ceremonial laws of the Mosaic Law are no longer applicable. This approach to Christian economics has received little critical scrutiny, despite a volume of work by its main protagonist, Gary North. Reasons for its relative neglect appear to emanate both from within theonomy itself, and from Christian economics. This paper assesses the nature of biblical interpretation used within theonomy, illustrated in Gary North's mammoth economic commentary on the book of Exodus. How North interprets matters of lending and interest in Exodus is the focus. His commentary extends far and wide beyond Exodus, even to Jesus. Some of these excursions are investigated here, including the books of Leviticus and Deuteronomy, and Jesus too, whose instruction on lending and interest is compared to North's interpretations. Since Jesus had so much to say on these matters, the second-to-last section considers how Jesus' teaching on lending and interest is being practiced in the advanced capitalist economy and what scope may exist for its extension. With some caveats noted, North's interpretations in Exodus, Leviticus, and Deuteronomy are substantially different from most biblical exegetes. His readings of Jesus, moreover, do not sit comfortably with most of them.

KEYWORDS: biblical interpretation, theonomy, Exodus, Jesus, contemporary practice

INTRODUCTION

Theonomy is the idea that the Mosaic Law should be practiced in modern societies. Theonomists reject the more usual belief that the civil and ceremonial laws of the Mosaic Law are no longer applicable. They are more likely to accept the civil laws as binding but not the ceremonial law. Theonomy is a binding system of biblical law with severe penalties for infringement, such as blasphemy and excluding non-Christians from voting. It forms the basis of personal and social ethics and is the abiding standard for all government. It represents a particular strand in theology that is not widely accepted. This definition of theonomy is derived from North but is our own. The reason why the concept of theonomy is important for the reader to comprehend is that it is a particular strand on the relation between theology and economics. Aside from Gary North, it has been little studied, much less evaluated, which is what this paper strives to do. Theonomy has an anomalous place in Christian philosophy and economics. The intellectual output of its chief protagonist, Gary North, is enormous, but barely cited. This paper assesses North's interpretation of Exodus, especially its teaching relating to lending and interest.

North (2014) partly explains the lack of citation to his work by holding that economists — even of Christian persuasion — are not interested in theology. The neglect of theonomy in Christian economics might be related to North's seeming disinclination to engage in academic debate. It is as though he decided since his contribution to *Faith & Economics* in 1997 that the conversation is of scant worth. A related aspect was noted by Noell (1993), concerning the "vitriolic language" North applies to Christian economists, leading to charges of "arrogance" (pp. 15, 18). Another reason might be that North's writings are immense and more easily available free on the web than in hardcopy (for example, none of the six theological libraries in our city have hard copies of any of his work or the work of other theonomists). This might seem like a contradiction, but it would only be a determined student who is prepared to download, say, the nearly 1,300 pages of North's Exodus commentary, and read them. Another reason arises for the relative neglect of theonomy.

Despite North's output, it relies on a fairly narrow range of references. This means that biblical explication outside theonomy (sometimes called Christian reconstructionism or dominion theology) is downplayed.

A more important reason might explain the disregard of theonomy by Christians. Its methodology of focusing on the Old Testament — and giving the New Testament much less weight — probably does not conform to beliefs held by most Christians. If a hierarchy of narrative occurs in Scripture, as Fee and Stuart (2003) claim, Jesus' sayings would seem to have at least equal weight as God's instruction in the Mosaic Law (p. 91). Perhaps even more, for Jesus is the only authoritative interpreter of the law. While Jesus accepts the enduring validity of the law, he reinterprets it in the context of extending God's covenant to all people. The law has to be explained through the lens of Jesus. In sum, responsibility for the neglect of theonomy in Christian economics seems to rest partly with theonomy itself and partly with Christian economists outside the school.

Noell's chapter in Oslington (2014) is a welcome depiction of the economic implications of theonomy. Perhaps it would have been appropriate to invite North to write the chapter. However, he likely would have been harshly critical of orthodox economics, unlike the general tone in Oslington (2014). Both Noell and North, if he had contributed, can be taken further. This is toward a critical evaluation of economic reasoning in theonomy in relation to the biblical text that is attempted here. Noell's (2014) helpful treatment is basically an account of theonomy, akin to how North might have presented, rather than comparing it to the biblical text. Noell (1993) assesses theonomy in relation to the Austrian school, to Douglas Vickers' work, and to that of other Christians who have explored the economic implications of the Mosaic Law (John Mason, Christopher Wright) (pp. 14-17). Criticism of theonomy by evangelicals and theonomy's criticism and support of Austrian economics is reported by Terrell and Moots (2006).

This paper takes the critical assessment in a different direction by assessing North's economic interpretations of theonomy compared with the biblical text itself. The economic issue selected for scrutiny is instruction on lending and interest (or usury) in Exodus. This is pursued via the enormous theonomic commentary on Exodus — *Tools of Dominion-The Case Laws of Exodus* (North, 1990). Section two of this essay scrutinizes texts cited in Exodus dealing with loans and the payment of interest and assesses what North makes of them. Throughout the paper, comparisons are made with how biblical interpreters read the same texts with which North deals.

Since North digresses into Leviticus and Deuteronomy in his Exodus commentary, section three discusses his treatment of lending and interest in those books. A standard definition of interest is employed in North's treatise as the price paid by a borrower of assets, usually money, to the lender in exchange for the use of the assets. Exodus 20-23 is the component of the Mosaic Law known as the Covenant Code with its interest implications discussed in section two. Questions of lending and interest feature also in Deuteronomy and Leviticus. North has written enormous economic commentaries on Deuteronomy (North, 2008) and Leviticus (North, 1994, 2007) with the three commentaries encompassing the entire Mosaic Law (Ex 20-23; Dt 4-31; Lev 17-26). Each commentary is so large that all three cannot be examined in one article. In his Exodus commentary, North refers to his interpretations of loans and interest in Leviticus 25:35-37, and more extensively, Deuteronomy 15:1-15, but his separate commentaries on Deuteronomy and Leviticus are not examined here. Also not considered is North's (2014) exposition of how he sees Christian economics.

North also draws conclusions about Jesus' Parable of the Talents (Mt 25:14-30) in his Exodus commentary, and these are discussed in section four. The argument is that North's judgments about the parable do not conform to those made by a consensus of biblical exegetes. In this section, Jesus' further teaching on lending and interest is reviewed. The conclusion, contradicting North's judgments, is that Jesus' teachings reinterpret the Exodus instruction, to advocate giving not lending, and nil interest. Section five of the essay considers the extent to which Jesus' teachings on these matters are practiced in the advanced capitalist economy. The following section looks at North's interpretations of lending and interest in the book of Exodus.

EXODUS' TEXTS ON LENDING AND INTEREST, NORTH'S INTERPRETATION

This section argues that North's deductions from Exodus are in error. The laws of the Covenant Code are "generally regarded as the oldest collection of laws in the Hebrew Bible." They "are often thought to have arisen in the premonarchic contexts of local villages, clans, and tribes" (Knight, 2011, pp. 21, 22). The first mention of lending and interest in these laws is Ex 22:25-27: "If you lend money to my people, to the poor among you… you shall not exact interest from them" (NRSV). North often calls interest in the law "usury," even though the Hebrew words do not distinguish between the two. Unlike modern day parlance, usury did not mean excessive interest; it meant any interest, as North recognizes (1990, p. 721). Prohibiting interest toward the poor set Israel apart from other proximate societies. Berman (2008) notes that "alone among the cultures of the ancient Near East, the Bible issues prohibitions against charging interest" (p. 96). This was in the socioeconomic context of the ancient Near East where interest rates were high by modern developed world standards — money loans 25%, grain loans 33.3%.

Meyers (2005) suggests it was important for the poor in premonarchical Israel to have access to loans, for "the harsh realities of socioeconomic life in the highlands of Canaan meant the frequent need for farm families to borrow food or seed" (p. 200). To what extent this was valid is unknown, for if the Mosaic Law had been practiced in its entirety, God promised that everybody would have enough to eat. However, since the law was not practiced in this manner, Meyers' contention appears reasonable. In any case, the window of opportunity for the law to be followed turned out to be restricted. The time from Israel entering the Promised Land (perhaps 1250 BC) (Bright, 1972, p. 129) until the disintegration of the Tribal League from the eleventh century BC was only a couple of hundred years. The biblical explanation for this disintegration is that the Law as a whole was not obeyed.

Exodus 22:25-27 points out that interest-free loans were available only to the poor, as North recognizes. The poor are never defined in the Covenant Code, but it was probably perfectly obvious in the small self-contained villages who was having difficulty feeding their families or themselves. Since the Law often specified widows, orphans, and resident aliens as requiring special treatment, it might be assumed that food shortages could have confronted them more than peasants farming their own parcels of land. However, unless they were aliens, widows and orphans would have been part of extended families in Israel, and their sustenance would depend on how the family fared. Resident aliens could have been in a more parlous position, for they received no initial land allocation, and it does not appear they were able to sell themselves to native farmers as slaves or bondservants (Ex 21:2). While Domeris (2007) regards these groups as "the indigent poor" or the "oppressed" (p. 146), some degree of evaluative judgment was required of the elders at the gate, or magistrates, as North calls them, to assess who was poor. This is because "'poverty' is too subjective a category to be defined by statute law" (North, 1990, p. 713). But where indigence or vulnerability was identified, the well-off had a voluntary obligation to make loans to them. As North puts it, "God's civil law does not compel a man to make a loan to a poor person" (p. 713).

North (1990) accepts the propositions above concerning Exodus 22:25 (p. 705), but then proceeds to read into them something not there. This is that interest-free loans are to be made only to the deserving, not the undeserving, poor, that "the impoverished person must be part of the *deserving poor*" (p. 722; original emphasis). It can be agreed with North that Exodus 22:25 is directed to the economically vulnerable, but he adds the rider that assistance is only directed to the poor who are in this state "*through* no *fault of their* own. They are 'victims of circumstances'" (North, 1990, p. 705; original emphasis).

Exodus 20-23 does not distinguish between these two categories of poor people. It does not specify the degree to which poor people bear fault for their poverty. How far does no fault extend? Not to "a drunk who drinks up his family's substance" (North, 1990, p. 705). The problem is that people who are poor — "victims of circumstances" — may become "victims of their own evil behavior." We see this today. People who become poor by losing their job or home, by suffering a disabling mental or physical illness, may turn to alcohol and/or drugs to assuage their pain. Mutual interaction occurs between poverty and ill-judged behavior. While the poor who are "victims of circumstances" can ill-afford to provide for themselves and families, they may try to soften their material circumstances by engaging in non-righteous behavior. Hamilton (2011) holds that Exodus 22:25 "does not ask whether the borrower is righteous or if he is responsible and trustworthy" (p. 414) Instead, lenders as "people of compassion are always philanthropic and risk takers." Whatever the reason, Exodus 22:25-27 does not discriminate between the deserving and the undeserving poor, unlike North's reading.

A theonomic implication of the interest-free loans is that they are only of a charitable nature (North, 1990, p. 707). They do not apply for productive purposes. Again, it would be up to the magistrates (elders at the gate) to define what a charitable loan is (p. 713), but usually "it would have been a very small loan" (p. 715). This is not an uncommon reading. For example, Baker (2009) holds that "clearly the sort of loan envisaged is to help a poor person facing a shortage of basic supplies, not one sought by someone wanting to raise capital" (p. 258). This seems to be reading into the text, which has no mention of charity or anything like it. It can be accepted that loans might not be regarded as desirable for entrepreneurial ventures because this could disrupt the "relatively egalitarian" nature of the sought economy (Lunn, 2002, p. 15). As Meyers puts it (2005) puts it, business loans would not be very prevalent, "for Israel's economy was not one in which resources were lent for entrepreneurial ventures" (p. 200). However, in practice, such a finite division might not exist between charitable and productive loans. Suppose an ox used for ploughing died or a plough broke, and the farmer could not afford to replace them. The loan provisions would seem appropriate to buy another ox or plough. The loan would be directed to maintaining the farmer's "independent productive existence" (Jacob, 1992, p. 706).

No further texts in Exodus' Covenant Code than Exodus 22:25-27 discuss lending, interest, and collateral. Indirectly, laws are laid down for the release of Hebrew slaves who might have got into their position by not paying a debt, but nothing related to interest arises here (Ex 21:1-6). However, the general tenor of the Covenant Code is to minimize such situations. Every seven years, balances outstanding on charitable loans were cancelled, and the slave could go out free if he chose.

What then is left in North's chapter 23 on the prohibition against usury in Exodus (pp. 705-756)? After dealing with Exodus 22:25 (pp. 705-710), North digresses into the law's treatment of lending and interest in Leviticus and Deuteronomy, adding in Jesus' Parables of the Good Samaritan and of the Talents. He wants to contend from the Mosaic Law as a whole, and from Jesus, that interest-free loans applied only to the poor, that interest-free charitable loans nowadays apply only to other Christians, that interest can be charged on business loans, that Jesus condones interest, that the church historically misinterpreted interest, that J. M. Keynes was guilty of "crackpot economics" (p. 734), that interest is inescapable in any economy, and that there is no such thing as a zero-interest economy. None of these conclusions can be drawn from the Covenant Code. What started out as a commentary on Exodus quickly turns into something other than Exodus. To examine all these contentions requires looking at Deuteronomy, Leviticus, and Jesus' instruction, and even more widely. The next section briefly reviews North's treatment in his Exodus commentary of Leviticus and Deuteronomy texts pertaining to lending and interest.

NORTH'S FURTHER COMMENTS ON LENDING

This section reports North's further views on lending from the Mosaic Law and makes a critical assessment of them. He stresses the charitable nature of loans in Deuteronomy 15 (North, 1990, p. 712). Above it was held that the line between a charitable loan and one designed to maintain the economic independence of Israelites could not be drawn absolutely. The only criterion for a loan was "anyone in need" (Deut 15:7). It is pushing the division between charity versus other loans to hold that "Deuteronomy 15 is not dealing with business loans; it is dealing with charity loans" (p. 713). Nothing in Deuteronomy suggests this. Business loans probably had little meaning in the settled agricultural economy of ancient Israel. North does cite the other instance in Deuteronomy where interest is prohibited (p. 721). In Deuteronomy 23:19-20, "you shall not charge interest on loans to another Israelite," while allowing it to foreigners (v. 20). No inference occurs here that loans to other Israelites were only charitable.

North suggests there is a penalty for not repaying interest-free loans; "if he cannot repay his debt on time, he can be legally sold into bondservice" (p. 714). What "on time" means is not specified in the biblical texts. Instead, debts were to be cancelled every seven years. If this did not occur, "God would be the avenger, not the State" (p. 712). It is unclear how common bondservice was, sometimes described as slavery. Baker (2009) suggests that "slavery is strongly discouraged in the covenant community" (p. 149). Even where it applied, at the end of the seven years, the slave has a choice to go free or remain permanently with his master.

Not in Exodus, but from Deuteronomy 15:7-10, North puts it that "all debts to a neighbor are to be forgiven" (p. 711). The question arises as to "who is my neighbor?" Jesus reinterprets the law to extend the concept of neighbor to everyone, as the Parable of the Good Samaritan shows. However, in the context of the Mosaic Law, neighbor did not include non-resident foreigners, so that interest loans could be made to them. As North (p. 709) puts it, Deuteronomy 23:20 allows interest on loans to "a foreigner" who is not a resident alien. Although North recognizes that Jesus extends the concept of neighbor to everyone, he still holds that interest-free charitable loans are applicable only to other Christians. As he puts it, "the prohibition on usury clearly and absolutely prohibits interest payments on all charitable loans to other Christians" (p. 708). On the other hand, "the Bible specifies that certain kinds of *positive charity* are appropriate for believers in certain circumstances, but are not required in our dealings with unbelievers in the same circumstances" (p. 722). North concludes that "the taking of interest… [is] biblically legitimate" (p. 754).

North suggests that it is a mistake to interpret Exodus 22:25, Deuteronomy 15, and Leviticus 25:35-38 "as if they were prohibitions against all forms of interest, rather than prohibitions against interest earned from charitable loans to fellow believers" (p. 719). On the other hand, for Christians, the relevant criterion is how Jesus interprets these provisions, reviewed in the next section. North diverges from biblical exposition from page 723 onwards in his chapter on the prohibition of usury. Much of the remainder of the chapter concerns North's views on inescapability of interest, secular causes of interest (pp. 724-728), absence of a zero-interest economy (pp. 730-736), fractional reserve banking (p. 739), and the creation of money (pp. 736, 741). None of these is related to matters of biblical interpretation but derive from forms of secular reasoning. His main contention seems to that "the person who lends money at zero interest is clearly forfeiting a potential stream of income" (p. 753). Another way of saying this is that "if there is no interest return on the loan, *the borrower gets something for nothing*" (p. 725; original emphasis). Since "*the phenomenon of interest applies to every scarce economic resource*" (pp. 753, original emphasis), "interest is inescapable" (p. 755). How these contentions relate to the interest-free economy proposed in the Mosaic Law — clearly recognized by North — and to Jesus' teaching, remain unexplored. It could be argued that a God-guided economy in which people placed a higher value on future goods, especially their redemption in heaven, would have a lower interest rate than the converse. The next section looks at North's comments on Jesus' attitude of lending, into which he digresses in his commentary on Exodus.

NORTH'S JUSTIFICATION FOR JESUS ACCEPTING LENDING AT INTEREST

This section argues that North's interpretation of the Parable of the Talents is misguided. In his Exodus commentary, North (1990) cites the Parable of the Talents (Mt 25:14-30) as indicating Jesus' support for paying interest (p. 722). The key verse to North is 27 where the master says to the slave, "You ought to have invested my money with the bankers, and on my return I would have received what was my own with interest." North holds to substantiate his claim that the Bible "does not prohibit interest payments on business loans" (p. 722). Again, North proposes that "the Bible does not prohibit loans that draw interest on business dealings, as Jesus' parable of the talents indicates" (p. 744). From this parable, North concludes that "*interest-taking is legitimate*" (p. 748; original emphasis).

This judgment does not sit well with views held by most biblical exegetes on the nature of parables. It appears to be based on a misunderstanding of what a parable is. A parable's message is something more than the description of the details contained within the parable — slaves investing or not investing a master's money. A parable is a story whose meaning and purpose are contained beyond the literal details of the presented depiction. The parable stands for something other than itself. Blomberg (2004) holds that many parables are allegories, meaning that they are figurative discussions of a subject under the guise of another, depicting in concrete a spiritual meaning and truth (pp. 13-16). Thus, in the parable of the talents, "Jesus is not teaching economic theory here; however we might warm up to the model of apparent capitalist investment! Rather, Jesus is using familiar imagery to symbolize spiritual truth" (Blomberg, 2004, p. 199).

Jesus describes in his parables all manner of people and things, but his message was not to advocate their behavior — such as putting money in a bank for interest. As Blomberg (1990) points out, each character in a parable is most likely to stand for something other than themselves (p. 163). Thus, Jesus says, take the one talent from the slave and give it to the other two slaves (v. 28), so that "to those who have more will given… but from those who have nothing, even what they have will be taken away." This cannot be used to suggest that Jesus was advocating taking from the poor to give to the rich. Capon (2001) comments aptly that "Jesus spoke in strange, bizarre, disturbing ways…. He found nothing odd about holding up, as a mirror to God's ways, a mixed bag of questionable ways: an unjust judge, a savage king, a tipsy slave owner, an unfair employer, and even a man who gives help only to bona-fide pests" (p. 1). God parades through the parables a succession of "pitiful turkeys," nasty people, and unacceptable behavior "to shock us, if possible, into recognizing the stupidity of unfaith" (Capon, 2001, p. 503).

Hagner (1995) points out for the Parable of the Talents that "the issue really at stake is not money but the stewardship of what has been given to individual disciples" (p. 734). A related perspective on the parable is by Blomberg (1990) that the wicked slave's failure to invest the one talent thereby earning interest on it means that "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. 214). A similar view is put by Kistemaker (1980), who argues the parable "teaches that the servants of the Lord must be faithful by promptly and efficiently administering what has been entrusted to them until the day of reckoning" (p. 138). While we wait for Jesus' return, "his followers are expected to work diligently with the gifts he has entrusted to them" (p. 144). More pointedly on its economic implications, Capon (2001) holds that the parable "emphatically does not say that God is a bookkeeper looking for productive results." He goes on to say, "Only the bookkeeping of unfaith" is condemned (p. 502). Finally, Wilkins (2004) points out that "Jesus is not advocating setting aside the Old Testament Law here" — prohibiting interest between Jews but not to Gentiles (pp. 807-808). Jesus may even be "using a prohibited practice of earning interest to make a point about a good thing (cf. the correspondence between the thief and the Son of Man in 24:43-44)."

The parable of the talents applies to all the gifts and abilities God gives to people, including wealth. North (1990) is correct to argue that "men are required to increase the value of whatever God has entrusted to them" (p. 746). But this has to be qualified. Wealth or interest in themselves are not signs that they come from God. Throughout history, and even now, riches and wealth have been earned in ways inimical to God's purposes, as from slavery and other exploited labor. "Whatever God has entrusted to" humankind belongs to God, and is to be used consistently with his purposes. Increasing "the value of whatever God has entrusted to" humankind also has to be done in ways consistently with his intentions. To say that "*the interest payment belongs to the master*," slides over God's necessity for the increment to be earned unfailingly according to his plans (North, 1990, p. 751; original emphasis).

Thus, no guarantee exists that earning interest conforms to God's purposes. If interest were derived from investment in nefarious purposes, it would not accord with God's intentions. Only prayer and human discernment with God would show when this occurs. Conversely, suppose the gifts God gives to a person include wealth that he expects to be used for the kingdom of God. The investment might yield zero interest but be directed to God's aims. On the other hand, it could yield positive interest and still be used consistently with God's purposes. The mere existence of interest *per se* is no guarantee that it conforms to God's objectives.

Jesus gives more instruction on investment, lending, and interest than just the parable of the talents, clarifying his position on interest. Commonly, Jesus is thought to have made no such pronouncements. For example, Harper and Smirl (2014) suggest that "nowhere does the New Testament record Jesus teaching against the taking of interest" (p. 566). Merely noting that "an indirect reference to borrowing and lending occurs in Luke's record of the Sermon on the Plain " (Lk 6:34-36) is not enough.

Jesus first mentions lending in Mt 5:42: "Give to everyone who begs from you, and do not refuse anyone who wants to borrow from you." Giving and lending are identical in this statement, and there is no distinction between Israelite and Gentile. No inference occurs that borrowing is to incur an interest increment, for it is the same as gifting. This is so even though Jesus' statement can be interpreted that giving and lending remain at the discretion of the lender. The lender should lend only consistently for purposes conforming to God's. A gun would not be loaned to a burglar. With giving, no expectation of return occurs, unlike lending. An ethic of love is to govern gifts, not reciprocity. Repayment is not the criterion for a loan. Jesus' intention is to give generously, an inference of the Golden Rule. Interest is precluded. Jesus says in Matthew 5:42 in the context of the Sermon on the Mount, that, initially (Mt 5:1-2), appears to be aimed at his disciples. However, by the end of the Sermon (Mt 7:28), it is clear that "the crowds" have been its recipients as well. The "everyone" in Mt 5:42, therefore, is not just fellow Christians. Jesus reinterprets the Mosaic Law texts to apply to all people, not just members of any particular community or socioeconomic stratum.

Forgiving debts is Jesus' second instruction relating to lending and interest. Still in part of the Sermon on the Mount, Jesus teaches in the Lord's Prayer: "and forgive us our debts, as we also have forgiven our debtors" (Mt 6:12). Although debts can be thought of as a metaphor for sin, they also can mean literal debts, consistent with Matthew 5:42. Nolland (2005), for example, interprets "forgive" as "release," suggesting that "it is quite likely that forgiveness at the human level quite often involve[s] the cancellation of debts" (p. 290). The analogy is that we are in debt to God, for all manner of things, including our sins. He is ready to forgive us the debt of sin as long as we repent and ask his forgiveness. Therefore, we should be prepared to forgive the sins of those who have sinned against us and ask their forgiveness for sins we might have committed against them. One aspect of forgiving sins (debts) in Matthew 5:42 is that lenders should not expect their loans to be repaid, that can only mean for interest to be cancelled.

Jesus third teaching on lending and debt release is in the Parable of the Debtors (Mt 18:23-35). As in Matthew 6:12, debts are a metaphor for sins. The king (God) forgives the enormous debt (sin) of his slave who does not show the same forgiveness to those who owe him money. His punishment is to be "tortured" (v. 34) until he would pay his entire debt. Jesus' teaching is consistent from Matthew 5:42 to Mt 6:12: Since debts are a form of sin, and encompassed within it, they are to be forgiven. Four sayings by Jesus on lending, debt and interest have been canvassed above from Matthew. Three more in Luke are reviewed below.

The first is Luke 6:30-36, in which a key verse is 35 where Jesus says, "Lend, expecting nothing in return," again directed to the crowds and his disciples. Not even the same sum loaned is to be returned. The loan becomes a gift. Interest is irrelevant in this loan system, and does not occur. The phrase, "expecting nothing in return" translates as "hoping nothing from it" (Garland, 2011, p. 282). This means that people are to lend without anticipation of return or repayment. Lending with a view to an interest return is precluded. By directing this teaching to the world, Jesus is transcending the Mosaic Law distinction between fellow Israelite and foreigner. The second Lukan text is 11:4b, akin to Matthew 6:12, from the Lord's Prayer: "For we ourselves forgive everyone indebted to us." We are asking here, "forgive us our debts or sins to you, God." We make this request on the basis that we have forgiven others any sins they have committed against us, including any indebtedness they may have toward us, and us to them. Again, loans and interest are to be remitted. The final Lukan text is Jesus' Parable of the Pounds (Lk 19:11-27), bearing some similarities to the Parable of the Talents. Like the Talents, most exegetes read the parable as Jesus stressing the necessity for his disciples to use to the utmost the gifts and talents God has given them. They do not interpret it as providing normative direction for whether loans are to be made and whether interest attaches to them. The meaning of the Parables of the Talents and of the Pounds is very similar.

A long controversy has occurred among Christians about whether interest is legitimate. Views range from Ballard's (1994) that "not lending money (or anything else) at interest is a biblical doctrine" to be followed in any economic context (p. 210). Conversely, an acceptance of interest lending is often made. Scott (2001, with North, for example, argue that accommodation had to found to accept the legitimacy of interest because economic development depended on it (p. 93). This debate is not reviewed here. But if we look just at Jesus' teachings, a reasonable conclusion seems to be that he disfavors lending generating indebtedness and made in the expectation of return. He advocates lending without the lender expecting to get anything greater than the loan back — and even anything back (Lk. 6:34-36). This can only mean that he rejected interest, contrary to North's interpretation. Further, lending becomes gifting. The next section here considers the extent to which Jesus' instruction on these matters is currently practiced in the advanced capitalist economy.

NIL INTEREST IN ACTION, WITH GIVING NOT LENDING

Jesus is advocating giving, not lending, and certainly not lending at interest. Jesus' instructions are practiced in the modern economy to some degree. Examples following suggest their present operation, demonstrating they are not impractical and already at work in the capitalist economy. Given their prevalence, it may be possible to envisage their extension, rather than taking over the economy in a utopian manner.

First is the issue of nil interest lending. Three operational options have been canvassed elsewhere (Beed & Beed, 2014) — rental charges; profit and loss sharing between lender and borrower, including Islamic banks practicing joint ventures; and gifting, with Islamic banking examined in more Christian detail by Harper and Smirl (2014). This material is not repeated here but suggests their greater applicability in the capitalist economy. One form of contemporary Jewish non-interest lending is the *hetter iska*, a means of avoiding the Jewish prohibition against interest. Bleich (2014) explains that "its legal purpose is to create a partnership as distinct from a debtor-creditor relationship" (p. 198). One partner provides the investment money at no interest while the other performs the function to which the capital is applied. They are partners in the business undertaking, akin to the manner in which some venture capital is provided in the West. The financier shares in the profit (or loss) of the investment project. The *hetter iska*, therefore, applies mainly for business loans (Feldman, 2010, p. 245). It might be anticipated to feature large in Israeli banking, but this does not appear to be the case, for they all rely on interest. *Hetter iska* seems to be more common in private lending between Jews because it has to be drafted according to rabbinic law.

A final example of non-Jewish/Islamic banking with alleged zero-interest lending in the developed world can be mentioned. The JAK Members Bank in Sweden is one of few non-Islamic bank examples charging no loan interest, according to Carrie (2001) and Anielski (2004). Members (38,000) deposit in the bank, earning savings points that give them the right to borrow interest free. How much the depositor can borrow depends on a saving points formula in which points are subtracted during the loan period. A borrower is required to commit to regular repayments of the principal amortized over the loan period. In addition, a member's right to a loan is conditional on continued regular saving during the repayment period until the total savings points are in balance with the points consumed by the loan. When the loan has been fully repaid, additional saving has thus been made. A fee is charged to establish the loan, based on a formula depending on the loan sum and the repayment period. The loan fee is divided over the repayment period and paid together with repayment installments.

It could be argued that these arrangements represent disguised interest. If the charges were expressed as an interest rate, they would work out at about 3%. That seems cheap until it is realized that JAK requires its borrowers to lend it the sum that they borrow for an equivalent length of time. This means that, while they are lending to the bank, customers lose roughly the same amount of interest that they would have paid, net of the 3% service charge, if the JAK had been an ordinary bank and had charged them interest when they were borrowing.

Much more extensive in the capitalist economy is the second precept Jesus advocates — making resources available free of charge. Volunteering, philanthropy, and gifting come into this category in the advanced capitalist economy. Providing free labor is widespread. Twenty-five percent of U.S. residents volunteered in some form in 2015, generating $118 billion of services, according to the U.S. Corporation for National and Community Service (http://www.volunteeringinamerica.gov/national). Volunteers were fairly evenly spread among age groups, with each resident giving 32.4 hours per year, especially in the religious and educational domains. Sixty-five percent of residents also helped out their neighbors, a propensity with a long tradition in the U.S., such as owner-managed farmers sharing labor and equipment. Otherwise, the most common tasks volunteers were involved in included fundraising, collecting and distributing food, providing services such as transport, and teaching/tutoring. Parent volunteering in schools is important, including the help of working mothers. Some of the assistance is through AmeriCorps, providing volunteers and part-volunteers to hundreds of U.S. non-profits, including faith-based organizations. According to its website (http://www.nationalservice.gov/programs/americorps), 800,000 people have participated in AmeriCorps programs since its inception in 1994. Another provider is Senior Corps (http://www.nationalservice.gov/programs/senior-corps) linking more than 400,000 people over age 55 to volunteer services.

Examples of volunteer service abound, even including emergency workers, such as Red Cross volunteers in national disasters. Australia is prone to devastating summer forest fires (bush fires) fought mainly by volunteer rural fire brigades, using materials and equipment provided by the state government. This is dangerous work, but the local resident volunteers have a vested interest in mitigating the effects of fire around their townships. Their altruism extends beyond their own towns, for in the event of major fires in other states, a ready stream of volunteers is shipped at government expense to help their compatriots. Volunteerism extends well beyond fighting fires, such as surf life-saving clubs, whose members patrol popular summer beaches. Many people volunteer to run amateur organizations, including the Scouts, service and sporting clubs, and assisting those less fortunate than themselves.

Food banks play an important role in this respect, providing free or subsidized food to the food insecure. Feeding America (http://feedingamerica.org) uses volunteers (and paid employees) in its 200 foodbanks, catering for 37 million people. Coleman-Jensen et al. (2013) report that 14.5% of households (17.6 m) were food insecure at least some time during the year, with 5.7% severely insecure. A majority of these people had participated in Federal Government assistance programs, with SNAP (formerly the Food Stamp Program) being the largest provider. Private food banks supplement this assistance. Volunteering may be linked to philanthropy, for many of the organizations staffed by volunteers could not continue without charity. According to the US National Philanthropic Trust, 88% of Americans donated to charity in 2012, with a median donation of $870 (http://www.nptrust.org/philanthropic-resources/charitable-giving-statistics/).

Less obvious are other examples of gifting. The Internet is a partial case, as are some of the items carried on it, including Wikipedia and its offshoots, Google, open source and free software, works in the public domain, open source and royalty free music. In some advanced capitalist societies (e.g., Australia), blood for transfusions is donated, as are organs for transplants. A few countries allow freely donated sperm to be stored in banks for artificial insemination. Some car pooling and hitch-hiking services operate free of charge. Moving into less mainstream activities, free and swap shops exist, as do the Really, Really Free Movement and the Freegan Movement. Many of these tendencies are brought together in the yearly Burning Man Festival in Nevada. In sum, it would appear that Jesus' instruction to give without expecting anything in return (in the material sense, at least) is as widespread in the advanced capitalist economy as it is in the developing world.

How far the basis on which the examples above are run could be expanded in the advanced capitalist economy is an open question. Rates of interest in the U.S. are near zero at the moment, but the economy seems to be able to continue functioning. Currently, the benchmark interest rate in the US is 0.25%, the prime rate 3.25%, and the real interest rate 1.7%, with bank term deposit rates around 0.03% for 12 months, according to the World Bank (http://data.worldbank.org/indicator/FR.INR.RINR). No signs are emerging that the U.S. economy is grinding to a halt with such low rates.

Giving rather than lending is practiced in some degree in the commercial economy, often on the basis of cross-subsidy. An example is credit unions that usually do not charge fees for keeping deposit accounts. The cost of these activities is met from profits earned in other areas of their banking functions. More common is government subsidy making some services free-of-charge. For example, in Australia, medical services can be accessed without charge by all on the low income ladder. "Pay what you can" is a variant of gifting, practiced by Penara Care restaurants in the U.S., with examples also in web design and elsewhere, characteristic of the "sharing economy," "gift economy," or the "collaborative economy." Websites such as Airbnb and Streetbank facilitate this process.

CONCLUSION

Theonomy, and especially the work of Gary North, has received less attention in Christian economics than it deserves. Not only has North's output been enormous, but it represents a serious attempt to grapple with the Old Testament text and consider how it might be relevant to the contemporary economy. Like any non-theologian trying to understand the biblical text, North's interpretations will not be accepted universally. The unfortunate tendency in Christian economics to ignore his work probably stems both from North, and from Christian economists themselves.

This paper assesses how North derives his biblical interpretations from one book of the Old Testament: Exodus. North's Exodus commentary is so enormous that just one topic is examined, how the Covenant Code (Ex 20-23) lays down instruction relating to lending and interest. While North's analysis contains a great deal compatible with the biblical text, a number of his conclusions are judged to go beyond the bounds of the text. First, his deductions from the relevant Exodus texts are interpreted here to go beyond the meaning of the texts themselves. Second, this is true in terms of how North interprets Jesus in his study of Exodus. Jesus is the sole authoritative interpreter of the Law, and he addresses issues of lending and interest. Jesus' interpretations run counter to North, who believes that lending at interest is inescapable in the modern economy. Showing that Jesus' instruction on the matter is not fanciful in the modern economy is demonstrated in the penultimate section, where examples are given of economic operation without lending, and without interest.

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