

## Did Jesus Approve of Interest Loans?

His master said to him in reply, 'You wicked, lazy servant! So you knew that I harvest where I did not plant and gather where I did not scatter? Should you not then have put my money in the bank so that I could have got it back with interest on my return? Now then! Take the talent from him and give it to the one with ten.'  
-Matthew 25:26-28

The above scripture comes from a popular parable and is fairly well-understood by most people. The idea that sloth is a sin is so well-ingrained in our culture that this parable is alluded to in the phrase "use your God given talents." Indeed, I think this parable is so well-known that it is taken for granted. Or at least I have taken it for granted. I never noticed the word "bank" in the story until someone asked me what kind of banks they had back then. All of a sudden, I became aware of a gap in what I had considered to be good understanding of the scripture.

The problem for me was not concerning the bank itself, but the fact that interest was to be gained while the talent was there. This is an important detail, as interest was explicitly forbidden by Exodus 22:24, Leviticus 25:35-38 and Deuteronomy 23:20-21. It is interesting that the first two laws forbade interest to the impoverished, as giving aid to them was supposed to be done out of charity. It is in Deuteronomy that interest was forbidden unilaterally among the Hebrews, but it still allowed interest to be charged on foreigners.

Israel was mostly an agricultural nation early on. They needed insurance more than credit, and neighbors were encouraged to help each other out. There was almost no need for an organized bank to take in or loan out money. Instead, people would normally bury their wealth for safekeeping, and this practice was still around during the time of Jesus. He used this practice a few times in his teachings, including this parable (the servant is being berated for doing this instead of investing it in verse 25). We also see this in the parable of the Hidden Treasure (Matthew 13:44).

During the exile periods, Israelites became acquainted with high financing from the conquering empires. Not only that, they appeared to have done so well in learning it that they often surpassed their teachers. Consider Mordecai in the book of Ester, and Daniel's experiences with King Nebuchadnezzar (Daniel 1:19-20). But even with this experience, Jewish banks did not resemble what we call a bank today. The word that is commonly translated into "bank" from this time actually refers to a table or bench from which monetary transactions took place (consider Matthew 21:12). Loans were not necessarily performed here, but money changing (such as to pay the temple tax) and promissory notes were common needs. In lands beset by robbers and thieves (the parable of the Good Samaritan, Luke 10:25-37), promissory notes were a safe alternative to carrying wealth while one traveled. Also, these centers could hold money and parcel it out to those holding notes signed by the money owner (in a manner similar to today's checking system). Of course, all these transactions could incur a fee for the service provided. As a service fee, there is no problem at all with Mosaic Law. Also, when one promises money now in advance for goods later, and/or changes money from one currency to another, fluctuations in market prices and foreign exchange rates can allow a smart person to justly earn a profit. Finally, it was considered fair for a borrower to promise to sell goods back at reduced market price later in exchange for the assistance now. For example, if one borrowed 40 head of cattle but agreed to pay this debt off by charging an animal at only 80% its value to the lender, then the lender would get 50 cattle back as full payment (we see this in reverse with the parable of the Dishonest Servant in Luke

16:1-13). And all these concerns became especially important with the Roman conquest. Instead of Hebrews being strangers in foreign lands, now they had to deal with strangers in their own land. And the Romans brought strangers not only from the Middle East, but from the entirety of the Mediterranean and continental Europe.

Of course, for a banker to perform any of these tasks, he had to have a supply of money himself with which to work. Although my research failed to find explicit proof that third parties could themselves loan money to the bankers to finance these operations, there is no logical reason to suggest this did not take place. The maxim that one can become well-off from one's own work, but one can only become wealthy by the work of others, should apply then just as much as it does now. And these "silent partners" who helped fund the bank would deserve compensation just as much as the banker himself.

With this background in mind, what can we say about Jesus' attitude towards charging interest? As God, who is unchangeable and therefore cannot contradict Himself, it is not possible that Mosaic law can be contradicted. But is Jesus contradicting Himself with this apparent endorsement of charging interest? I believe we have several alternatives that can explain what Jesus said in this parable while at the same time keep the prohibition against interest. Admittedly, I will not be able to prove any theory is correct, but then again perhaps none of them are wrong. This is not necessarily an "either/or" situation; an "and/or" situation is very possible. As the real purpose of this paper is to show that Jesus did not contradict Himself, all I have to do is provide one plausible explanation as to how this is possible. I will be exceeding this standard.

The first alternative is perhaps the weakest. While Jesus cannot contradict Mosaic law, He can build upon it and bring it to a more perfected form. One can argue that the nomadic Hebrews had little use of capital, but rather needed insurance against bad times. Such loans were truly acts of charity. The one getting the loan was trying to get his life back together, not attempting to build a money-making franchise. These loans would be short-term, just enough to regrow what was lost and then use surplus to pay back the debt. This fits perfectly with the Exodus and Leviticus bans, when wealth was measured in livestock. Once the lands of Israel were settled, herders-turned-farmers would not need much more help either. But at this same time, when the Hebrews went from nomads to semi-civilized (during the time of Deuteronomy), the matter of dealing with foreigners became important as well. These foreigners would primarily be those running businesses themselves, which could suggest that the ban on interest did not apply to wealth-making endeavors. By the time of Jesus, the Hebrews were quite civilized (at least in Jerusalem), and they would have been building businesses for profit and needing capital to do so. I call this theory weak because I am unable to find any apostolic tradition that suggests that Jesus allowed interest loans in the case of for-profit institutions. Furthermore, this is such a minor detail in a bigger story, that to suggest Jesus was breaking new ethical ground on interest fails, in my mind, to be credible. Meanwhile, usury (excessive interest) has always been condemned by Christians. So while this is a reasonable theory, the early Christians found no reason to support it and plenty of arguments for demonstrating the potential evils of it.

If I may quickly discuss the problem with usury, the issue is the fact that the debtor is constantly earning more debt. It can get to the point where the interest exceeds one's ability to ever pay it off no matter how much one's actual surplus grew. At this point, the debtor and his family would become slaves (the ugly reality of "debtor's prison," as talked about in the parable of the Unforgiving Servant, Matthew 18:21-35; note how the whole family would join him in verse 25). When one agreed to return borrowed goods at reduced value as discussed above, one would eventually pay the debt back as long as one had the ability to produce more than one consumed. While some might look at the reduced

value system as a "cheat" to God's commandments, the truth is that it avoided the worst aspects of actual interest, while at the same time it encouraged lenders to give to needy, but productive, members of society.

A second theory has me questioning our interpretation of scripture. We live in a culture with a massive vocabulary and a very technological bent. So many terms have very specific applications and it is our tendency to assume that how we understand a word is how everyone else understands the word. But words have multiple meanings, and in specific cases words may have meanings not even used in the bible. So many unproductive debates stem from this problem. And to make matters worse, some people deliberately mislead others by using words they know the audience will take one way, allowing them to deceive the audience while at the same time speaking "truthfully." While I don't know how gullible those in Jesus' time were, they did have a much smaller vocabulary and were much less technologically advanced. I describe this phenomenon by claiming that our technical society is losing its ability to be poetic: to find an elegance in how words are used. By focusing on what words mean instead of how they are used, we are actually losing our ability to do either aspect justice.

But because they had a smaller vocabulary, both word meaning and word use was important in the time of Jesus. For example, they did not have an equivalent of our words "nephew" or "niece," and therefore used "brothers and sisters" instead. The famous debate over the alleged "brothers" of Jesus (James, Joseph, Simon and Judas) stems from this reality of ancient Israel. The debate is not helped by identifying their mother as "Mary" (Matthew 27:56). But careful reading of gospels reveals that there were three Mary's at the cross (John 19:25). The most likely explanation was that Joseph, the Earthly father of Jesus, either happened to have a sister who was also named Mary, or that Clopas, his brother, also happened to have a Mary as a wife.

Also, Christians, perhaps out of respect to Jesus our King, tend to interpret scripture as serious and somber. Jews, even today, do not share this view of the Old Testament. They find quite a bit of humor and even absurdity in scriptures, and they do so without conflict of faith. I find it very possible and even probable that when Jesus spoke of "charging interest," He was *not* implying literal, compounding interest. He may very well have meant any money-making program in general, many of which did not violate Mosaic law.

And we can even approximate interest without literally charging interest. The idea of lending out money short-term, getting back a profit only to give out subsequent, increasingly larger, short-term loans behaves just as interest does, yet has no legal or moral issues.

My next alternative is to simply accept that it truly was supposed to be an interest loan as written. As long as this loan was to a foreigner, there would still have been no conflict. As Jesus grew up in Galilee with a carpenter for an Earthly father, He would have seen all the Roman construction going on in the area. All that work no doubt brought entrepreneurs to support the construction, and they would have needed capital.

My final alternative, similar to the last one, opens up interest loans to the Jews as well. After all, the teaching here is to work with what one is given, not charity. While there are obvious parallels between the master and God, it is a mistake to assume a parable is a proper allegory of God. Indeed, a very similar story is told in Luke 19:12-27, but this one ends with the king slaying those who sought to dispose of him in his absence. This story from Luke is believed to be based on Archelaus, son of King Herod. When King Herod died (the one who murdered the innocents at the birth of Jesus, not the one who mocked Jesus during the passion), Archelaus went to Rome to be made king, but a delegation of

Jews arrived and petitioned Caesar to not do it. Archelaus was denied kingship, but still ruled over Israel. If this was indeed the context of who the "master" was in Luke's parable, then it is a mistake to assume the master cared about morality over pragmatism and greed. Indeed, even in Matthew's story, the master is described as a thief and scoundrel ("harvesting where you did not plant and gathering where you did not scatter" Matthew 25:24, and repeated by the master himself in verse 26).

Furthermore, we have other examples in parables where the authority figure is not a moral person. Unlocking Heavenly mysteries was the point of the parables, not rose-colored platitudes to charm the listeners. One that stands out in my mind comes from the aforementioned Dishonest Steward. Indeed, He immediately follows this parable up with the rebuke "For the children of this world are more prudent in dealing with their own generation than are the children of light." (Luke 16:9) The other is the Unjust Judge (Luke 18:1-8). We also have Jesus explicitly saying that actions done for bad reasons are better than no action at all ("If you then who are wicked, know how to give good gifts to your children, how much more will the Father in Heaven give the holy Spirit to those who ask Him?" (Luke 11:13) and "I wish you were either cold or hot. So, because you are lukewarm, neither hot nor cold, I will spit you out of my mouth" (Revelation 3:15-16)). In the context of the parable, Jesus could have meant that faithfully obeying the master, even if unethical, is better than doing nothing at all (consider "do and observe all things whatsoever they tell you, but do not follow their examples. For they preach but they do not practice" in Matthew 23:3).

In the end, I do believe that there is a way to understand the parable without the servant breaking Mosaic law. But one must also understand that Mosaic law was not being addressed here. The lesson was to be productive with God-given abilities. And even if Mosaic law was meant to be violated here, we still don't have a problem because there is also a strong tradition of humble obedience, and for that matter even honest rebellion (such as the story of Job), being preferable to wasting one's abilities.

Raymond Mulholland  
Original Publication Date: 10 August 2023