

Usury

by: Rabbi Jeremy Rosen

The Torah is very definite in its condemnation of lending money for interest:

Exodus 22:24 – If you ever lend money to anyone amongst the poor of My People (says God) do not become an oppressor by lending for interest.

Leviticus 25:36 – Do not take interest (from someone fallen on hard times). Do not take interest or apply oppressive terms, but respect (the will of) God and allow your brother to live with you (in dignity)...for I am the YHVH your God who took you out of Egypt.

And, finally, Deuteronomy 23:20 – Do not oppress your brother through money or charging interest on food or anything else or any other way of oppressing him financially.

In Judaism, lending money to start or sustain a business has been regarded as the highest expression of charity, giving someone in one's community the opportunity to be self-sufficient with dignity. To take advantage of someone else's misfortune to enrich oneself was regarded as immoral. This was not a matter of being anti-capitalist; a person could make as much profit as he could. But it was to highlight the difference between commercial gain and social responsibility, and to insist that commercial activity that took advantage of poverty was unacceptable. It was not that charging interest was wrong in itself. After all, you could charge interest to those beyond your community. But it was an assertion of the need to make credit available to the poor of your society (not exclusively, but as a priority), to help them establish themselves without taking on an intolerable burden.

These rules were made in an era that was predominantly agricultural, where barter was the dominant means of exchange, and in which, as today, each society reserves special benefits for its own citizens. Over time, as commerce became more sophisticated and dominant, in trading internationally interest became the norm and Jews participated in order to survive financially (the Christian world having closed off almost every other opportunity to make a living). So a degree of flexibility became necessary.

Only in post-Medieval times did the famous Heter Iska, (Permission to Do Business), the technical contract that found a way around the usury laws, emerge. It is interesting in that it is almost identical in spirit to the way Islamic Banks deal with exactly the same issue. (Christianity ultimately turned a blind eye to the issue.) It is also interesting that only now, as Jews have so many more opportunities to make money than they did, that the use of the Heter Iska has become far more widespread than previously, particularly in Israel.

But the principle remains that there is nothing wrong with lending at interest when it is controlled and where charity is readily accessed, through societies or the individuals. Judaism banned usury only to ensure that money was available to the poor and the poor would not be taken advantage of. That's why the Bible reiterates the link between not lending for interest and God's presence as a moral deterrent, or our being brought out of a corrupt oppressive regime in Egypt to ensure that we established a caring one.

The sadness of modernity is that it is precisely the poor who pay the most exorbitant rates of interest to loan sharks and criminals, and of course the usurious rates charged by certain types of lenders operating within the law, because they have no other access to money. This is why the new fashion for microlending is an essential element in modern charity.

Anyone familiar with the Orthodox world knows that the "Gemach", Free Loan Society, takes its name from Gemillut Chesed, Kindness, and is the foundation of lending in Orthodox, Charedi social life. Only outside of the Orthodox world is the concept almost unheard of (as indeed is the Chevra Kaddisha, the voluntary society of those who help clean the dead and prepare them for burial), so far removed from our essential values are the majority of Jews nowadays. But the principle that lending for interest has a deleterious side to it and is not the ideal needs to be reiterated particularly at a time when so much in this often dubious financial world of ours is suspect. And anyone who has the moral commitment to highlight the potential evils of usury should be praised and encouraged.

All this has been provoked by the case of Rabbi Natan Asmoucha, the rabbi of Bevis Marks Synagogue. He is charged by the Mahamad, the lay body of the Spanish and Portuguese community in London, with joining Christian and Muslim clergy in a protest against usury, permitting Bevis Marks to be the meeting place and the staging post for a multi-faith demonstration against usurious practices that targeted a bank in the city. A noble undertaking totally consonant with Jewish values as outlined above. I know and like Rabbi Abraham Levy, the Spiritual Head of the Spanish and Portuguese community in Great Britain. We were at the same school and we share many core values about Judaism and its relation to the outside world. So I cannot believe he is to blame. I do not know Rabbi Asmoucha, but like me, he was the rabbi in Bulawayo (Southern Rhodesia in my time, Zimbabwe in his). So I have an interest.

I don't know what it is that affects perfectly normal, reasonable, and professional people when they join a synagogue board, but in each and every synagogue I have ever come across, it turns their brains into mush. It seems (for I have only secondhand information) that they wanted to make Rabbi Asmoucha redundant, but to avoid paying compensation, they decided to charge him with impropriety so they could fire him, thus hoping to circumvent the moral law of the land. Initially they wanted to use his association with an Imam as the excuse, but then discovered that the Chief Rabbi of Britain had been on the same platform with him, so they had to backtrack on that one.

You see, money usually lies at the root of most conflicts and that is precisely why the Torah warns us consistently, in these laws I have quoted,

against making financial gain the primary concern. It is charity, human sensitivity, and Gemilut Chesed that should be the decisive factor in human affairs, not profit.