

**Moravian Women's Association  
Home and Overseas Paper – May 2014**

***“Money, money money...it's a rich man's world”***

Do you have a repayment mortgage, a credit card, a Bank account which pays interest, or have you ever made loaned to, or borrowed money from a friend or family member, and you or they paid back more than the loan? Are you a member of a Church which has taken out a loan, or receives interest on its cash at the Bank? If so, you have been part of a transaction where interest is involved.

We have read in recent issues of the Messenger about the Moravian Church's concern with poverty.

“*Usury*” is the old word for unethical or immoral money lending. This is particularly topical in the context of “pay-day lenders” which have appeared on many of our High Streets, charging huge rates of interest on loans. It is also topical in the context of “Islamic banking”.

I recently heard a discussion of this subject between these speakers:

- Shaykh Haytham Tamim - Shariah Scholar and founder of Utrujj Foundation
- Tarek El Diwany – Zest Advisory LLP
- Richard Higginson – Director of Studies, Lecturer in Christian Ethics and Director of Faith in Business, Ridley College, Cambridge

### **The Christian view**

Richard Higginson started the discussion by setting out the traditional Old Testament view [Leviticus 25:35 and 36], which is quite straightforward, *charging interest on a loan is not allowed*. The prohibition is out of concern for and solidarity with the poor, to ensure that they are not exploited. There is however, one passage [Deuteronomy 23:19] which seems to permit the Jews to charge *foreigners* interest.

The New Testament refers to lending without expecting any “return” (there is argument as to whether this means interest, or repaying capital?). The early Church prohibited and condemned all interest as “*usury*”, being almost deceitful, and akin to robbery, and certainly uncharitable. Prior to 1545 it was illegal to charge interest on loans in England, as it was considered unjust to ‘*take advantage of another's misfortune*’.

The result of this attitude, and the Deuteronomy text, meant that Jews emerged in Western Europe as money lenders, because it was acceptable under both Jewish and Christian law for Jews to lend to Christians. It was so acceptable that Lincoln Cathedral was built using a Jewish loan!

Gradually, some exceptions crept in. Thomas Aquinas considered that while interest is unjust and unloving, a lender is entitled to compensation in certain circumstances, for example if the borrower never returned the loan, or if the lender suffered some other loss.

It seems that views also started to change during the Reformation. Martin Luther held to the old view that usury was wrong, but Calvin allowed for “*interest*” which he distinguished from “*usury*”. There is some Biblical support for this from Jesus himself - remember the parable of the talents.

### **The view of Islam**

Shaykh then explained Sharia law. (I have not included Qur'an and Hadith references as they will be unfamiliar to most readers.) As with the Bible, lending money at interest is totally forbidden, as unjust and oppressive. So strongly forbidden, that it is referred to uniquely as “*war on God*”. We were also told that this is the only place where the Qur'an refers to “*war*”! It is one of Islam's 7 great sins, and applies to everyone involved in any way with interest, not just the lender and borrower. He mentioned that a very few modern day Islamic scholars consider the prohibition on interest to be outdated and out of place in modern society, but the overwhelming majority of respected scholars reiterate that interest

is forbidden.

Shaykh was quite clear that if Sharia law develops in the same way as mainstream Christianity by opening the door to “*interest*” – “*usury*” would result. Shaykh said that the purpose of life is to worship God, not wealth creation.

According to the Qur’an, *trade* is permitted and encouraged so there can be financial arrangements where “lender” and “borrower” are in partnership, and share gains. However this doesn’t work in our western economies where Banks cannot share risks.

Tari briefly referred to “Sharia compliant” banking products which started to develop in the 1970s, such as a “shared ownership mortgage” whereby the purchaser buys shares in the property over time, and rents the rest. He also said that free trade (using loans at interest) does not lead to “fair trade”, it promotes overuse of natural resources, such as tree-felling and over-fishing. This is because the economic system is based on perpetual growth.

The overall message was that under Sharia law, trading, and profit from trade is OK, but lending money at interest is not.

**The arguments for lending money for interest:**

The ability to charge interest kickstarted our whole Western economy. It enables entrepreneurs, makes money go further, keeps its value up with inflation, and has, for example, allowed the huge growth in home ownership in the UK. “micro loans” to small 3<sup>rd</sup> world entrepreneurs, and small credit unions in the UK, which help the poor, can only function by using interest.

**The arguments against lending money for interest:**

Unregulated interest promotes greed and an imbalance of power between lender and borrower. The poor always pay more than the rich, leading to serious debt problems. Organisations and countries are now forced into perpetual economic growth to repay debts.

Naomi Hancock

Can your group play the following ABBA song? – its very well known (*singalong!*), or at least read the lyrics and think a little bit about interest, usury, and the Christian and Islam positions...

“Money, money, money

I work all night, I work all day, to pay the bills I have to pay - Ain't it sad  
And still there never seems to be a single penny left for me - That's too bad  
In my dreams I have a plan - If I got me a wealthy man - I wouldn't have to work at  
all, I'd fool around and have a ball

Money, money, money  
Must be funny - In the rich man's world  
Money, money, money - Always sunny - In the rich man's world  
Aha-ahaa  
All the things I could do - If I had a little money  
It's a rich man's world  
It's a rich man's world

A man like that is hard to find but I can't get him off my mind - Ain't it sad  
And if he happens to be free I bet he wouldn't fancy me - That's too bad  
So I must leave, I'll have to go - To Las Vegas or Monaco  
And win a fortune in a game, my life will never be the same

Money, money, money - Must be funny - In the rich man's world  
Money, money, money - Always sunny - In the rich man's world  
Aha-ahaa  
All the things I could do - If I had a little money - It's a rich man's world

Money, money, money - Must be funny - In the rich man's world  
Money, money, money - Always sunny - In the rich man's world  
Aha-ahaa  
All the things I could do - If I had a little money  
It's a rich man's world  
It's a rich man's world”