

Understanding Debt Biblically

Why is it immoral for countries to continue prioritizing debts that are in fact onerous and have not even served the purposes for which they were contracted?

In the first place, the loans that fall under this category are mostly behest loans that would have been paid many times over if not for the fact that the interest rates are so high.

This brings us to the second point, Scriptures clearly prohibits the exaction of interest for loans that are made under circumstances of great need. Leviticus 25:36-37 strictly forbids imposing interest on loans made by poor Israelite: *“Do not take interest or any profit from them, but fear your God, so that they may continue to live among you. You must not lend them money at interest or sell them food at a profit.”* Balancing this is Matthew 25:14-30, where Jesus tells of the parable of the talents. In the story, it seems that extracting interest on loans was fairly accepted as a standard business practice during those times. Clearly, interest is allowed for commercial purposes, but lending to the poor, in a situation of great need, is not. Lending to the poor is charity and not business.

Applied to our own times, this means that not all loans or debts can be charged with interest. This can apply to poor countries burdened with such loans. It is tragic that up to this day, poor countries like ours continue to pay so-called ‘development loans’ which actually would have been paid and settled already if not for the overlapping interest stacked upon them. What is more tragic is that it is ordinary citizens who bear the burden of paying and not the leaders who make the decisions about debt servicing.

Also, there is a case for cancellation of debts. In Old Testament culture, there were a ‘sabbatical’ and a ‘Jubilee’ year on the seventh and the fiftieth years. During these years all debts were to be cancelled and slaves were to be freed. This was to give a chance for a fresh start to the less-fortunate and those mired in debt (Deut. 15:1-11, Leviticus 25:39-55). We are enjoined to prioritize the rights of the needy and the less-fortunate over the right to demand and collect payment from them.

The Jubilee year seems to have been what came to the mind of every Jew who recited the prayer taught by Jesus: “forgive us our debts as we also have forgiven our debtors.”

As eagerly as we request our daily bread, may we also develop the courage to seek forgiveness for our debts, especially for those that did not benefit the people at all. And if forgiveness is granted, let us not forget to treat each disadvantaged fellow with the same grace and charity as we receive.

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