FORGIVE US OUR DEBTS:
Reporting on a faith-based campaign against high interest rates

Jesse James DeConto

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Approved by:

Lucila Vargas

Chris Roush

Jason Byassee

ABSTRACT

JESSE JAMES DECONTO: Forgive Us Our Debts: Reporting on a Faith-based Campaign Against High Interest Rates
(Under the direction of Lucila Vargas, Chris Roush and Jason Byassee)

Postmodern people may think of money as a secular matter and religion as a personal one, without much connection between the two. But the Bible has more to say about economic relationships than about any other earthly topic. This study examines a biblically based grassroots campaign to help people out of debt, both by confronting banks and political leaders about high interest rates and by teaching families how to manage their household finances. This series of three articles will report on the theological roots of a protest rally outside big Charlotte banks, a church-sponsored budgeting class and the lives of the two pastors leading these efforts.

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INTRODUCTION

Author and preacher Brian McLaren once said in a meeting of Christian leaders that if the church should be known for one thing in contemporary capitalist society, it is impeding the forces of greed. A former pastor, McLaren is one of the leading voices among 21st-century "Emerging" Christians who generally embrace experience of God in the concreteness of everyday life against an abstract spirituality, which puts them in closer harmony with mainline Protestant liberals than with the evangelical tradition out of which they are "emerging." "Truth is best embodied in story and art and human flesh rather than abstraction or outline or moralism," McClaren wrote in his seminal book, *A New Kind of Christian (2001)*.

Last year, I began looking for that "truth" embodied in the human flesh among congregants at one Emerging church, Durham's Emmaus Way. As I sought such connections between divine Dpirit and human flesh, my research drew me to the Rev. Dan Rhodes, Emmaus Way's assistant pastor. Rhodes helped Shaw University Divinity professor Mikael Broadway to write a theological position paper calling on banks to end "usurious" practices and set a cap on consumer loans, especially credit cards, at 10%. Activists convinced 25 theologians from nine different seminaries in the Carolinas to sign the statement, and the community-organizing group Industrial Areas Foundation has been confronting bank executives with it since July. "People are losing their jobs, they're losing their homes ... families are being uprooted," said Rhodes, as IAF kicked-off its

10% Is Enough campaign in Durham. "A time of economic mistakes and misfortune should not be an opportunity to take advantage of those who are in crisis." Credit-card companies feverishly raised their interest rates last year, even as Congress tried to stop them. Rhodes and IAF want elected leaders to take a harder tact, renewing the strict "usury" laws that kept legal interest rates below 10% for most of U.S. history until about 1980. Broadly, my research asks: How does the Industrial Areas Foundation's 10% Is Enough campaign put into practice what McClaren suggests, by attempting to impede the forces of greed?

My non-traditional thesis project includes three articles to address this question. I have written one story published in my newspaper, *The News & Observer,* plus two longer cover articles for *The Christian Century* and *Prism* magazines.

Literature Review

Usury in Christian Tradition

The relevant literature on Christianity and banking stretches back 3,500 years. Ancient Hebrew law is unequivocal in banning interest charges against fellow Jews in need. Exodus 22:25 states, "If you lend money to one of my people among you who is needy, do not be like a moneylender; charge him no interest." Leviticus 25:35-37 likewise commends free loans as acts of mercy: "If one of your countrymen becomes poor and is unable to support himself among you, help him as you would an alien or a temporary resident, so he can continue to live among you. Do not take interest of any kind from him, but fear your God, so that your countryman may continue to live among you. You must not lend him money at interest or sell him food at a profit." In Psalm 15, David described a righteous man as one "who lends his money without usury." Ezekiel

18 echoes the Psalm, listing usury among such “detestable” sins as adultery, robbery and idolatry.

In Deuteronomy, charging interest was permissible only as an act of war (Kerridge, 2002, p. 17; Buckley, 2002, p. 97). Chapter 23 protects all Hebrew borrowers, poor or not, but lifts the prohibition for outsiders: “Do not charge your brother interest, whether on money or food or anything else that may earn interest. You may charge a foreigner interest, but not a brother Israelite, so that the LORD your God may bless you in everything you put your hand to in the land you are entering to possess.”

The New Testament, of course, has plenty to say about sharing resources but surprisingly little to say about usury in particular. Luke 6:34-35 is the text that comes closest to addressing it directly: “If you lend to those from whom you expect repayment, what credit is that to you? Even 'sinners' lend to 'sinners,' expecting to be repaid in full. But love your enemies, do good to them, and lend to them without expecting to get anything back.” Mirroring the Good Samaritan parable, Jesus here seems to blow up the Deuteronomic distinction between Jew and Gentile and to urge against not only charging interest but even expecting repayment of principal. Ancient church father Tertullian saw the Hebrew ban on interest as foreshadowing an even more merciful Gospel ethic of giving freely, rather than lending (Buckley, 2000, p. 97). Later, European Christendom permitted Jews, but not Christians, to lend at interest, producing the stereotype of the greedy Jew and a ready excuse for anti-Semitism (Smith, 1999; Hsia, 1995; Graboïs, 1990.) St. Jerome thought Christ in Luke 6 had universalized the prohibition to include all borrowers and lenders, Jew or Gentile (Buckley, 2000, p. 98; Glaeser & Sheinkman, 1994, p. 32).

Jesus' parable of the unmerciful servant in Matthew 18 also condemns a lender who fails to show mercy on his debtors even though he has been shown mercy by his creditors. But it wasn't until the 12th century that the Church officially began reading Jesus' words to excommunicate lenders at interest (Buckley, 2000, p. 107). Four hundred years later, it was Calvin who first interpreted Jesus' words as treating Jews and Gentiles alike, thereby allowing interest charges to either (Buckley, 2000, p. 33; Tiemstra, 2006, p. 368).

In an agrarian economy where trade was limited, the early church fathers, like the Old Testament writers, considered the morality of moneylending primarily from the perspective of a needy person borrowing in order to survive -- to secure food, clothing and shelter, as opposed to an entrepreneur. St. Ambrose, the most prolific patristic writer on usury, allowed compensation for late repayment – like the interest on a credit card – but harshly condemned practices that oppressed the poor (Kerridge, 2004, p. 18). "Is it not a wicked thing to demand under the guise of a kindly feeling a larger sum from him who has not the means to pay off a less amount?" he wrote. "Thou dost but free him from debt to another, to bring him under thy own hand" (Jones, 2004, p. 28). Chrysostom preached that moneylenders sinned by driving debtors into poverty (Jones, 2004, p. 29). Drawing on Jesus' teaching on the "least of these" in Matthew 25, Augustine believed usury harmed Christ embodied in the poor (Jones, 2004, p. 30).

Medieval church councils opposed lending at interest, calling to excommunicate interest-charging clergy and unrepentant lay moneylenders (Buckley, 2000, pp. 106-108; Reed & Bekar, 2001, p. 350). In the ninth century, the Holy Roman Empire outlawed usury, "where more is asked than is given" (Buckley, 2000, p. 100; Glaeser &

Sheinkman, 1994, p. 33). By 1159, canon law defined usury as "whatever is demanded beyond the principle" (Buckley, 2000, p. 107; Glaeser & Sheinkman, 1994, p. 33). Twenty years later, the Third Lateran Council again called for excommunicating "manifest usurers" -- rejecting tithes and denying Christian burial to moneylenders known to charge more than 40% annual interest (Buckley, 2000, p. 107; Glaeser & Sheinkman, 1994, p. 33). Anselm, leaning on Augustine, took a conservative tact, labeling usury as "theft" – a sin against justice, regardless of the borrower's own financial status or the purpose of the loan (Buckley, 2000, p. 106). Beginning in the 1400s, though, robust Renaissance trade challenged the Church to make moral judgments on loans made not for food and shelter but for business investment. Up through Aquinas in the 13th century, theologians permitted interest only upon late repayment.

Though the Reformation is often cited as the beginning of the end of strict usury laws, morality in lending was the subject of fierce debate among both Catholics and Protestants in that era. Hostiensis, a 13th-century cardinal, first approved interest charges from the start of a loan, as in a car loan or home mortgage (Buckley, 2000, p. 121). A hundred years later, Pope Leo X reversed the Church's absolute ban on usury, allowing charitable pawnshops to undercut illicit profiteers with interest rates around 6% to defray operating costs (Buckley, 2000, p. 134). Leo likewise allowed lenders to collect interest when land put up for collateral gained value. "Luther is said to have taken [this] as proof positive that he was the Antichrist" (Kerridge, 2004, p. 50). Calvin is sometimes called the father of capitalism because he approved 5% interest on business loans, paving the way for the modern church to view usury as "excessive" interest. But Calvin was equally clear that “no one should take interest from the poor,” and he encouraged partnerships with shared risk, even in business loans (Broadway, 2009, p. 5).

The capitalist economy gained moral license during the Reformation and came into its fullness in the 19th and early 20th centuries. In fact, the IAF's anti-usury movement has a predecessor in the Russell Sage Foundation's successful campaign in the late 19th century to legalize short-term loans at 2% to 4% a month, favoring reputable banks over loansharks, who often evaded enforcement and charged 10 times as much (Peterson, 2007). While the tactic was to expand lending, rather than restrict interest rates, the motive was the same: to protect the borrower. This, of course, hearkened back to Pope Leo X's charitable pawnshops – legalizing lenders for the purpose of undercutting usurers. Russell Sage is but one example of the cultural foment that prompted a new wave of “usury” scholarship in the mid-1900s. Scholars such as Benjamin Nelson, J.T. Noonan, R.H. Tawney, Ernest Troeltsch and Max Weber debated the significance of late medieval and Reformation-era religion for modern capitalism. In this decade, Susan Buckley (2000), Eric Kerridge (2002) and David Jones (2004) have written books on the morality of usury in historic religion, particularly Christianity.

Recent Reporting

Interest-rates also captured attention from popular periodicals in the wake of the 2008 economic collapse. In April 2009, *Harper’s* magazine printed a cover story, “Infinite Debt: How unlimited interest rates destroyed the economy.” The Associated Press and member newspapers consistently covered last year’s passage of and reaction to the Credit Card Accountability, Responsibility and Disclosure Act. The Credit CARD Act, however, did not set a hard cap on interest rates, and journalists have not written much about attempts by senators Bernie Sanders and Dick Durbin and others to legislate a 15% cap. IAF's campaign kick-off in July captured the attention of the *Washington Post*, *The Boston Globe*, *The Nation* magazine, *The Observer* and *The Guardian* in London and National Public Radio. With the campaign most active in Boston, London and North Carolina, my stories, along some in the *Globe* and the British press, followed its progress and the banks' reactions to it. When the mainstream media have covered attempts at lending reform, they have not often revealed how religion has grappled with this issue through history. The *Harper's* article may be the exception that proves the rule.

The IAF's 10% Is Enough Campaign so far

Since July, IAF's campaigners have been contacting banks and legislators, holding rallies and trying to convince institutional borrowers – like denominations and local governments – to boycott lenders who refuse to lower their interest rates. As a result of a 500-person march in downtown Charlotte in October, they have been able to meet with executives at Bank of America and Wells Fargo. They made progress with Wells on getting a 6% rate cap for military veterans and a reduction in foreclosures but were not able to move toward the 10% cap for consumers. When the IAF affiliate in Boston questioned the Democratic candidates for Ted Kennedy's Senate seat about interest rates, most supported a cap, with eventual nominee Martha Coakley specifying 10%. Soon after that, Citigroup CEO Vikram Pandit told the *Boston Globe* he would support a rate cap as long as it applies to all banks and exempts existing accounts. Rep. Louise Slaughter, D-N.Y., also responded by sponsoring a bill to cap credit-card rates at 16%.

Research Questions

What is the strategy that the Industrial Areas Foundation's 10% Is Enough campaign implements to impede the forces of greed? How is this faith-based campaign impeding those who want to profit from others' deep debt? How is the campaign getting in the way of those who want to profit from others' deep debt? How is it treating something as seemingly secular as money instead as something intensely spiritual?

Method

This project required standard reporting techniques: collection and close reading of the campaign's primary documents, statistical data, other reporters' work, and academic scholarship, coupled with interviews and observation of events such as rallies (Freedman, 2006). Prior to the approval of my proposal, as I reported on the campaign, I published three news stories for my employer, the *News & Observer*. I drew on these articles for my thesis work.

My research questions concerned the various constituencies impacted by credit card rates: activists, lenders and borrowers. The inquiry started with the activists, who are raising the issue and making the news. Regarding activists, I addressed the following specific questions: Who is the Industrial Areas Foundation? Why do they want banks to cap interest rates? How are they carrying out their campaign? What do historic religious texts have to say about usury? Why are 3,500-year-old religious texts relevant to the modern economy? Seeking answers to these questions, I observed events such as inter-faith rallies, public demonstrations and faith-based budgeting classes. I interviewed IAF leaders and consulted other religious experts and texts to understand usury from a theological perspective.

I also considered the lenders, asking: How are they responding to the campaign? Why do they charge the interest rates that they do? I contacted bank representatives and economists to understand why rates are what they are. I also consulted economists as to what impact interest caps might have on the economy.

I sought further to interview consumers trying to pay off their debt, those most affected by high interest rates. I asked debtors what it is like to live under heavy debt at a high interest rate. How did they incur the debt? What have they done to escape it? How have their lives changed as a result of the debt? I tried to see the issue from the perspective of “the objectified other” most likely to be marginalized by a news event or coverage thereof (Durham, 1998). In seeing debtors and the activists working on their behalf as newsmakers, I gave voice to “subordinate, suspect and dissident groups” who may need journalism’s voice the most (Barney, 1996; Borden, 2005; Durham, 1998; Stoker, 1995). Beyond just interviewing these sources, I also tried to experience their lives, particularly when debtors became activists and I could participate alongside them. I walked with a woman holding thousands in credit-card debt as she protested big banks in Charlotte. I sat with others trying to conquer their debt through faith-based budget classes. “That’s the best place to be, if you want to learn about somebody else, is somewhere in between the poles of participant and observer,” wrote literary journalist Ted Conover (Sims xii).

Issues of Reflexivity

This project started by giving priority to debtors and the activists speaking on their behalf, giving them a platform from which to plead their case, allowing them to set a news agenda. It presupposed that a great inequity between borrowers and lenders – the high interest rates that restrict debtors' economic choices while reaping profits for banks – is no mere fact, but a problem than merits public discussion. This, of course, is a value judgment that may reflect the Christian faith or at least the ethical framework that I share with many of the activists and probably many of the bankers as well. I believe that my journalistic training in fairness and balance in presenting all sides of an issue has counteracted any bias that may have favored one side or the other, yet I cannot deny that a passion for shedding light on injustice is what drove my interest in this topic. I trust that my training, along with the editorial oversight of my thesis committee and at the publication level, will buff away my opinion to reveal the bare facts, inviting readers to form their own judgments.

Limitations

A limitation of the thesis lay in the fact that the project timeline ended before some aspects of the campaign. Master's program guidelines called for a draft of the completed project to be turned into my adviser by March 15. This did not allow for the project to include the final outcome of the campaign. I was not able to follow legislation to its conclusion, for example, or attend a full run of budgeting classes at a local church.

A final limitation was geography. My research focused on IAF's work in North Carolina, but the organization has been just as active in London and Boston. I relied on secondary reporting in order to capture the scope of the campaign.

Future Research

My research has revealed a few avenues for further investigation that fall beyond the scope of this project. As I mentioned in the preceding section, there is an opportunity for ongoing reporting on future credit-card legislation, particularly Rep. Slaughter's 16%

cap. Also, the IAF campaign represents interfaith cooperation, particularly in the sense that Christian activists are looking at Islamic banking as a model for moral finance, a trend worth exploring.

Chapter 1

March on Charlotte: confronting big banks with biblical economics

Walking down Trade Street in downtown Charlotte, N.C., Melinda Graham spied the Bank of America football stadium a few blocks away. “That’s all my money, right there,” said Graham, one of hundreds who marched on BofA and Wachovia that autumn day to demand a 10% cap on credit-card interest rates. Graham talked of how she’d cut her household budget after her debt topped $8,000 – about the average for nearly half of Americans who carry a credit-card balance. She used to go to the cinema once a week, or rent half a dozen movies to watch over the weekend. “I can’t do the things I like doing, like getting away on the weekend,” she said. No more monthly trips to the beach, the mountains or down to Atlanta. “Charter fishing is my favorite,” she said. “I can’t do that no more. I buy only the necessities.” But temptation is never far. A few minutes past the stadium, Graham spied a pair of brown leather stilettos on a sharply dressed young woman. “Look at her shoes,” she urged her daughter. Then she looked at me, the reporter asking about her credit-card debt: “I’m a shoe fanatic,” she said.

Graham had come to Charlotte with her church, New Life Worship Center in Lexington, N.C., among 500-plus congregations from the Midwest to the East Coast and Great Britain supporting the interest-rate limit. The lead sponsor is the Industrial Areas Foundation, a community-organizing mammoth whose local chapters have worked for living-wage laws, affordable housing and school reform in cities across the United States.

Perhaps best known for training and employing President Obama as a community organizer in the 1980s, IAF's history stretches back to the meatpacking labor movement of the '30s and '40s.

But Christian pastors, the main recruiters for the interest-cap movement, are looking deeper into the past, to 3,500-year-old texts in Exodus, Leviticus and Deuteronomy and teachings throughout Christian history that weigh against "usury" – that is, charging a fee for the "use" of money, what we normally call "interest." Grappling with economic evolution, the medieval scholastics allowed moneylenders to profit in cases of shared risk, lost business opportunities or late repayment – as with credit cards. The Reformers expanded the possibilities for legitimate gain but urged interest rates at 5% or below, helping to redefine "usury" as "excessive interest." Usury laws throughout the United States kept most loans below 10% until 1978, when the Supreme Court allowed banks to incorporate in lax states but do business anywhere. Three decades later, average credit-card rates hover around 15%, and some rise above 40%.

"It's usurious if a credit card's going to charge you 22% interest," said David Jones, a Southern Baptist ethicist who authored a 2004 book on the Reformation-era usury debate. "If you're profiting off of somebody else's misfortune, then that's always been viewed as wrong."

Usury in Christian Scripture and history

Christian theologians such as Jones trace the usury prohibition back to Old Testament law. The Torah is unequivocal in banning interest charges against fellow Jews in need. Exodus 22:25 states, "If you lend money to one of my people among you who is needy, do not be like a moneylender; charge him no interest." Leviticus 25:35-37 likewise commends free loans as acts of mercy: "If one of your countrymen becomes poor and is unable to support himself among you, help him as you would an alien or a temporary resident, so he can continue to live among you. Do not take interest of any kind from him, but fear your God, so that your countryman may continue to live among you. You must not lend him money at interest or sell him food at a profit." In Psalm 15, David described a righteous man as one "who lends his money without usury." Ezekiel 18 echoes the Psalm, listing usury among such "detestable" sins as adultery, robbery and idolatry.

The IAF's proposed 10% cap hearkens to the biblical tradition of "tithing" that much of one's income to church or charity. Activists argue that lenders shouldn't take any more from borrowers than God expects from his followers. But the Old Testament rule is even stricter.

In Deuteronomy, charging interest was permissible only as an act of war. Chapter 23 protects all Hebrew borrowers, poor or not, but lifts the prohibition for outsiders: "Do not charge your brother interest, whether on money or food or anything else that may earn interest. You may charge a foreigner interest, but not a brother Israelite, so that the LORD your God may bless you in everything you put your hand to in the land you are entering to possess."

The Christian churches who make up the IAF believe that Christ fulfilled much of the Hebrew law and, therefore, the Old Testament is no longer binding. Thus, the New Testament holds greater moral weight. The New Testament, of course, has plenty to say about sharing resources but surprisingly little to say about usury in particular. Luke 6:34-

35 is the text that comes closest to addressing it directly: “If you lend to those from whom you expect repayment, what credit is that to you? Even 'sinners' lend to 'sinners,' expecting to be repaid in full. But love your enemies, do good to them, and lend to them without expecting to get anything back.” Mirroring the Good Samaritan parable, Jesus here seems to blow up the Deuteronomic distinction between Jew and Gentile and to urge against not only charging interest but even expecting repayment of principal. Writing around the turn of the third century, Tertullian, an early Christian apologist, saw the Hebrew ban on interest as foreshadowing an even more merciful Gospel ethic of giving freely, rather than lending. Two hundred years later, St. Jerome thought Christ in these words had universalized the prohibition to include all borrowers and lenders. But it wasn’t until the 12^{th} century that the Church officially began reading Jesus’ words to excommunicate lenders-at-interest. Four hundred years later, it was John Calvin who first interpreted Jesus’ words as treating Jews and Gentiles alike, thereby allowing interest charges to either.

In an agrarian economy where trade was limited, the early fathers, like the Old Testament writers, considered the morality of moneylending primarily from the perspective of a needy person borrowing in order to survive, to secure food, clothing and shelter, as opposed to an entrepreneur. Jerome’s contemporary St. Ambrose, the most prolific patristic writer on usury, allowed compensation for late repayment – like the interest on a credit card – but harshly condemned practices that oppressed the poor. “Is it not a wicked thing to demand under the guise of a kindly feeling a larger sum from him who has not the means to pay off a less amount?” he wrote. “Thou dost but free him from debt to another, to bring him under thy own hand.” Chrysostom, another fourth-century father, preached that moneylenders sinned by driving debtors into poverty. Drawing on Jesus' teaching on the "least of these" in Matthew 25, Augustine believed usury harmed Christ embodied in the poor.

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Though the Reformation is often cited as the beginning of the end of strict usury laws, morality in lending was the subject of fierce debate among both Catholics and Protestants in that era. Hostiensis, a 13th-century cardinal, first approved interest charges from the start of a loan, as in a car loan or home mortgage. Pope Leo X reversed the Church's ban on usury, allowing charitable pawnshops to undercut illicit profiteers with interest rates around 6% to defray operating costs. Leo likewise allowed lenders to collect interest when land put up for collateral gained value. "Luther is said to have taken [this] as proof positive that he was the Antichrist," wrote economic historian Eric Kerridge in

Usury, Interest and the Reformation. Calvin is sometimes called the father of capitalism because he approved 5% interest on business loans. But Calvin was equally clear that "no one should take interest from the poor," and he encouraged partnerships with shared risk, even in business loans. IAF campaigners cite Calvin on the dangers of lending at interest: "[It] almost always travels with two inseparable companions: tyrannical cruelty and the art of deception."

"For the world that God loves"

Christian tradition weighs heavily against high interest rates, and the Puritans brought usury laws with them to the New World. In 1713, the Statute of Anne had capped interest in England at 5%, and after 1791 all 13 colonies had usury limits at or below 8%. By the late 1800s, "loan sharks" were illegally charging as much as 500% on what we might now call "payday loans," and states adopted new annual rate-caps of 24% to 42% as part of licensing these small, month-to-month loans. In 1978, the U.S. Supreme Court ruled that banks could loan across state lines, relying on the rate-cap of their home states. "This seemingly innocuous holding was like a gunshot starting a frenzied race-to-the-bottom in American usury law," wrote University of Florida law professor Christopher Peterson. "Any bank can charge any interest rate it wants anywhere it wants." So now we send our credit-card payments to places like Delaware or South Dakota. As C.S. Lewis wrote of traditional usury laws, "The modern economic system has completely disobeyed."

Preaching from Deuteronomy 15 at an interfaith service in Durham, N.C., the week before the Charlotte rally, the Rev. Dr. Mikael Broadway of Shaw University Divinity School compared ancient Hebrew and historic Christian economics to today's bankers, like those who hiked Melinda Graham's credit-card rate to 24% even as her own tax money was helping to stabilize their industry. It has taken Graham four years to pay her balance down by $3,000. She was laid off from her job at a cardboard factory in April. As she attends community college to become a physical-therapy assistant, she pays about $200 a month to JPMorgan Chase, but almost half of that goes to interest. It could take years for her to erase the $5,000 that remains.

"We're all very capable of making a mess of our lives," Broadway said. "A few people can bungle it up for the rest of us. This is not the kind of economic system intended for the world that God loves. God has a bailout plan for the Sabbath year and the Jubilee. It's especially for making sure that people who fall on hard times don't have to stay there forever."

Broadway drafted a theological statement targeting banks in Charlotte, one of the nation's leading financial centers. Twenty-five faculty members from nine seminaries in the Carolinas endorsed it. Organizers delivered it to Bank of America, Wachovia (part of Wells Fargo), SunTrust and other financial institutions last summer. The statement cites the Lord's Prayer: "Forgive us our debts, as we forgive our debtors." For the signatories, interest rates are matters of faith because "many banks (and hence, many businessmen and women of faith) currently are forcing people out on the street."

A half-century ago, C.S. Lewis anticipated modern economics would create a conflict the Church would have to face. "Some people say that when Moses and Aristotle and the Christians agreed in forbidding interest, they could not foresee the joint stock company, and were only thinking of the private moneylender, and that, therefore, we need not bother about what they said," he wrote. "This is where we want the Christian economist."

Boycotts vs. budgeting classes

Baylor University professor Earl Grinols is president of the Association of Christian Economists. He sees the issue both as a finance expert and as a father who paid off thousands in credit-card debt for his adult daughter and son-in-law. The couple relocated twice in search of employment, charging for moving expenses and daily living between jobs. They racked up some $10,000 in debt on four different cards. They decided to pay off the balance of one card, not knowing that would make the banks think they were transferring balances to new cards. The rate on their other balances nearly tripled, to 27%, even though they had always made their payments on time.

"They would have become virtual interest-rate slaves to the credit card companies," Grinols said. "We have in the credit-card industry today a lot of intentionally predatory behavior that any sensible person would not agree to."

Grinols actually boycotted L.L. Bean, one of his favorite retailers, until it dropped Bank of America as its logoed credit-card carrier. Still, Grinols doesn't favor strict usury limits. His beef was with Bank of America profiting disproportionately from fees and penalties. Rather than reinstating old usury laws, Grinols favors regulation like the Credit Card Accountability, Responsibility, and Disclosure (CARD) Act, signed into law by President Obama last May.

This law requires 45 days notice before a company raises your rate, bans rate hikes on existing balances, encourages hard spending caps instead of over-limit fees, and mandates that payments go toward high-rate balances first, minimizing interest charges for the borrower. Issuers have responded by raising rates before the deadline, prompting Congress to consider moving up the start. In the first half of ‘09, rates rose 20% on average, according to the Pew Charitable Trusts. Pew also found that nearly all card-agreements allow companies to raise rates at any time. The national average is now around 15%, far above traditional limits. A bill failed last spring to make 15% the maximum, rather than the average. Vermont Sen. Bernie Sanders, the bill’s sponsor, found rates as high as 41%. Illinois Sen. Dick Durbin has pushed a more modest proposal capping consumer credit at 36%, a limit that already protects active military members.

Like Grinols and most economists, Calvin College professor John Tiemstra thinks low interest caps would force lenders to deny credit to low-income borrowers who pose a higher default risk. Tiemstra applauds John Calvin for granting moral approval to lenders at interest.

“There are just some times when it’s mighty handy to be able to borrow money, even if it’s at a really high interest rate,” Tiemstra said. “Whether he’d agree with 30% interest rates, I’d kind of doubt.”

Tiemstra favors policies like consumption taxes that encourage people to save, rather than spend. The real problem, from his perspective as a Christian economist, is that Americans take too much risk with their money. Incomes haven’t kept up with the corporate success of the past 30 years, yet consumers want to enjoy the riches shown off by advertisers and wealthier neighbors.

“People say, 'We have all this economic growth, and I’m going to take part in it someday,'” Tiemstra said. “'Until I do, I’m just going to borrow and make it up.'”

Said Jones, the Baptist ethicist, “If you’re using it to buy a flat-screen television that you don’t really need, the problem isn’t really the credit-card interest rate, it’s your use of the credit.”

For that reason Jesse Blocher, an economics Ph.D. student at UNC-Chapel Hill, has disagreed with members of his church and the local IAF affiliate in Durham over the 10% Is Enough campaign. Blocher worked with IAF on improving school facilities in Durham but has spoken and blogged against the anti-usury movement.

“A lot of new businesses are started by a couple of guys in their garage maxing out their credit cards,” he said. “The people that need the money the most … end up having to go to Tony Soprano to get their loans.

“We as the church would better spend our time trying to help people get out of debt rather than trying to take on Bank of America.”

That’s why the IAF in Durham tacked budgeting classes onto its anti-usury organizing. Liza Farmer, a Civil Rights veteran who marched on Charlotte last fall, sees plenty of blame to go around. Credit card companies keep her paper-shredder busy, destroying piles of balance-transfer checks that come in her mail every month. Ever since the 1950s, when the Maas Brothers department store expected her to pay off her “charge card” every month, Farmer has stayed out of debt. But her oldest son wasn’t so careful. He went bankrupt in his late 50s, after divorce led to a drinking problem that cost him his six-figure job.

“He’d gotten used to living high off the hog very quickly,” his 80-year-old mother said. “He was making lots of money, and he was throwing it all away. He just bought whatever he wanted. There comes a rainy day, and he just wasn’t able to see it.”

So there she was, this elderly woman who has marched against segregation and poor labor conditions for factory workers, singing protest songs outside Wachovia headquarters in Charlotte with debtors like Melinda Graham, raising hell about easy, costly credit.

"I just see how it has caused us to want more and more."

Chapter 2

Learning to balance your checkbook – in church

"I'm going to plant a little seed here," said the Rev. Maggie Crandall, a 61-year-old former business consultant in her second career, leading a Tuesday-night financial-literacy class at Mt. Level Missionary Baptist Church in Durham, N.C. "Did anybody die 10 years ago if they didn't have a Blackberry or whatever? I just want people to start thinking about phone costs, cable costs, stuff like that, as to how valuable that is to you."

"Can I ask a question, too?" said 35-year-old Tim Lattimore. He and his wife are the youngest members of the class. "I'm only asking because I really want to know. A lot of decision-making, say, for instance, where y'all's decision may be different from ours as a younger generation as far as we may have a cell phone, we may have cable, where y'all may be in a more settled position in life where you're retired or you're settled down, where a younger version, we're … like, where would you be at when you were 25 or 30? Did you have the cable? That's what I'm kind of asking."

"This is a fascinating thing that you've just done," answered Crandall. "Which all of us do. I'm not picking on you. You can do it based on age. You can do it based on your neighborhood or your friends. You can do it based on what your family did. That's what we call a horizontal question.

"That's where I might say, 'Well, my sister doesn't think you're real if your blouse didn't cost $300. My brother has a bedroom that is the size of my entire house,'" Crandall went on, cueing cries of astonishment from the older women in the classroom, most of whom grew up poor in rural North Carolina. "I have just made what is called a horizontal reference point. That's where I refer to another human being's lifestyle as my reference point to compare myself to. In this class, we are going to work ourselves toward a vertical reference point, which is, what does God want me to do? And that's a big job, because the whole world wants to pull us horizontally."

In a concrete-walled Sunday-school classroom, with blue and purple Zonderkids' New Adventure Bibles stacked haphazardly atop coat racks and folding tables, Crandall is spearheading what she calls the "defensive strategy" for an international campaign to rescue people from debt. Her colleague, the Rev. Dr. Mikael Broadway, like her a white assistant pastor at the historically black Mt. Level church, took the offensive, writing a theological position paper calling on banks to comply with millennia-old Jewish and Christian bans on oppressive interest. Two dozen theologians from nine seminaries in the Carolinas endorsed it, and the Industrial Areas Foundation, the community-organizing group that trained Barack Obama in the 1980s, has been confronting Charlotte-based banks with the paper since last summer. The IAF's "10% Is Enough" campaign has also been active in other major financial centers throughout the Midwest, East Coast and in London.

With the average credit-card rate around 15% and climbing, the campaign is a darkhorse. But it gained some traction last November when an IAF Massachusetts affiliate, the Greater Boston Interfaith Organization, held a high-profile forum with Democratic candidates for the late Sen. Ted Kennedy's vacant seat. Eventual primary-winner Martha Coakley and her closest rival, U.S. Rep. Tom Capuano, promised the

GBIO they would support a 10% cap. Within days, *The Boston Globe* asked Citigroup CEO Vikram Pandit on whether his bank would support interest-rate limits. Pandit said it would, as long as every credit-card lender was subject to it and pre-existing accounts were exempt. Soon thereafter, Rep. Louise Slaughter, D-N.Y., chairwoman of the House Rules Committee, sponsored a bill to cap credit-card rates at 16%. Coakley, the Massachusetts attorney general, later lost the special election to Republican State Sen. Scott Brown, but her support had helped garner some attention.

IAF senior organizer Arnie Graf says Slaughter's bill would bring the campaign closer to victory, but it's a longshot. The IAF is focused on convincing state and local governments and religious denominations to move their assets unless their banks negotiate to lower interest rates for consumers. Graf said when Slaughter's bill eventually gets a hearing, it will draw attention to the usury issue, which might spark grassroots support, even if the bill doesn't make any progress in the near term.

"That's way, way, way down the road," he said.

An "ace" materialist meets Jesus

While Broadway, Graf and the IAF pressure banks and legislators to enact limits on credit-card rates, Crandall is working to keep people out of debt in the first place. In Boston, the IAF affiliate has offered financial education through its Debts to Assets program since 2005, but Crandall's class, starting in January, marked the anti-usury campaign's first foray into what she calls the "micro-strategy." A small woman with graying hair and side-parted bangs, Crandall proudly describes herself as a Scottish "tightwad of the first order" who wears "plaid underwear" and found Christ 24 years ago, at age 37. At one of the first class sessions, another Mt. Level pastor, the Rev. Linda Rawley, asked Crandall whether Jesus had made her less stingy.

"Oh, well, that Scottishness doesn't go away," said Crandall. "But, hey, here's the deal: Now, the excitement is to be thrifty in order to share. If I don't waste on something I don't need, then I have more to give. Now I know that's the most fun thing in the whole world, and the first time I experienced it, I actually felt angry, because it was so much fun to give the Lord's way, that I said, 'Who kept this happiness from me? How come nobody told me? I feel ripped off. You mean all this fun has been going on and somebody else has been having it?'"

Crandall's mother was an industrious farmer whose father had taught her to fill out her own tax return at age 5. Crandall's own father, a mechanical-engineer-turned-full-time-farmer, taught her to hold tightly to her money, because the government, church and charitable organizations would try to get their hands on it. As an adult, she lived that philosophy for nearly 20 years, graduating from Purdue at age 19 to save money, sewing her own clothes and driving a Volkswagen Beetle with no heat and an undercarriage rusted clear through so she could see the pavement racing by as she drove. A foreign-language major, she learned sales and got a graduate degree through a paper company in Louisville, then moved to Kansas City, where she joined a firm that pioneered intellectual-property agreements between scientists and pharmaceutical companies. Using her fluency in French, Spanish and German, she traveled the world negotiating those contracts. In the 1980s, her income perched her among the top 1% of working women.

"I assure you I was focused on dollars. 'Show me the money,' and I was very clear about it," she told her class. "You're not going to find anybody who knows materialism better than me. I'm ace, OK, and complete with MBA."

Crandall's story parallels that of Larry Burkett, whose great legacy is the financial-education program Crown Financial Ministries, which provides the curriculum for Crandall's class. The textbook is Burkett's "How to Manage Your Money," one of 70-plus books he wrote, exceeding 11 million copies sold. A former electronics executive, Burkett became a Christian and left his company in the 1970s to work as a financial counselor with Campus Crusade for Christ. Within a few years, he founded Christian Financial Concepts, which merged with Crown in 2000. By the time of his death in 2003, his radio programs had reached 1,100 stations.

During a 15-minute break in her office schedule one day 24 years ago, Crandall says she had a Damascus-Road experience, seeing Jesus in a vision. After she converted, she moved to North Carolina for a job in ad sales and eventually struck out on her own as a marketing and licensing consultant in the biopharmaceutical industry. She built her business, and another company was given to her. She gave the profits to charities, but she felt God wanted something else from her. She entrusted her business to capable employees and enrolled at Duke Divinity School in 1996. Ordained in the Baptist church, she later convinced her old preaching professor, the Rev. Dr. William Turner, the senior pastor, to make her an unpaid staff member at Mt. Level, opening doors for her first priority: prison ministry. She preaches a few times a year at the church and spends most of her time visiting with prisoners around central North Carolina.

As she sees it, materialism – and the debt that often comes with it – is its own sort of prison, and what God offers is freedom. She lives an hour south of the church, and her night vision is poor, so on Tuesday evenings this winter, she stayed with a friend near the edge of Durham so she could share her knowledge of business and theology with people seeking financial freedom.

"I just have wanted to do this for so long, I would just do anything to make it happen," she says. "I'm tired of the banks making people captive. … Christ said, 'I came to set the captive free.'"

Show them my checkbook?

Churches around Durham are filled with Duke Divinity graduates such as Crandall. One of them, the Rev. Dan Rhodes of Emmaus Way congregation, helped Broadway, another one, to craft the anti-usury paper. With so many Duke alumni preaching and teaching in Durham, it's impossible to escape the influence of world-renowned theologian Stanley Hauerwas, who seems to revel in making Christian ethical principles hard for mainstream America to swallow; he once argued, for example, that the Pentagon ought to worry more about Christian soldiers than gay soldiers in its "Don't ask/Don't tell" policy because Christian faithfulness demands peacemaking rather than killing.

Early on, Crandall introduced her students to Hauerwas' view of personal finance.

"He likes to say that in a church that is really a church, everybody in that church should feel free to pull out their checkbook and share it with everybody in the church," she said, sparking laughter from the class.

"Oh, really?" said 69-year-old Melvin Harper.

“Ohhhhh boy,” said a chuckling Lattimore. “That’s a new one to me.”

“Everybody don’t know how to spend money,” said Harper, still laughing. Both in their 60s, he and his wife are still butting heads about money. He’s a saver; she’s a spender.

“Yeah, everybody don’t know how to spend money,” agreed Lattimore. “That’s a new one, now. He feels that everyone should do that?”

“Right,” said Crandall. “In a church, he says if this is the body of Christ, we should feel absolutely secure.”

By now, the laughter had stopped, and the class was silent.

“I can tell this is a meeting stopper,” said Crandall, sparking more laughter. “A church that is truly the body of Christ should be so enmeshed in love and confidence of one another that they don’t have any problem showing a checkbook and that checkbook should reflect the life of Christ, so it should begin with a tithe and then it should show a careful consideration of every spending as to what is the greatest blessing to the Earth in how we spend. It should be based on need, not want, and on compassion for others guiding our decisions. What would a checkbook like that look like?”

“I always wanted to be accepted.”

Lattimore already fretted about opening his checkbook every month to an older mentor in the church -- never mind the entire church body. Long-time real-estate agent Plummer Dillahunt had met Lattimore through their joint volunteering with Exodus Foundation, a nonprofit aimed at keeping black men out of prison. Lattimore himself had spent eight-plus years locked up on a federal cocaine-sales conviction. Released in 2005, he struggled to find work as an ex-felon, so learned to cut hair and opened a barber shop.

Even as a drug-dealer, Lattimore says, he had more ambition than his peers.

"If you call me at 2 in the morning, I'm going to get out of bed and come see you," he says during an interview in his shop. "I use that same ambition for my work ethic. I'll be here at 7:30 in the morning. I might not have no clients, but it's just my work ethic."

Born to a teenaged mother and raised by his grandmother, Lattimore grew up at Faith Christian Methodist Episcopal Church in the Hidden Valley neighborhood of Charlotte. He aspired to be a family man. He sold cocaine powder and crack rocks in the '90s in an effort to escape the "hood."

"I always wanted to be accepted, like I wanted to be an outcast from the street. That's why I dress different," he says, sporting a striped Nautica dress shirt, black v-neck sweater vest and pleated gray slacks. "I want to be like corporate. I want to be that type of person. That's why I do these seminars. That's why I put myself around these people, to rub off on me."

Lattimore studied for his GED at a federal penitentiary in Estill, S.C. He read his Bible and attended church services. After his release, he committed to celibacy until he met his wife June last year. A justice-of-the-peace married them within a month, and Mt. Level church threw them a reception soon afterward. Crandall's is his third financial-literacy class since leaving prison. He has learned about managing a budget, building his credit score and deducting from his income taxes. Every month, Dillahunt helps him track his spending with QuickBooks – chiding him about his cell-phone bill.

For Lattimore, a cell phone is part of the "high-society" lifestyle he is striving for. He thinks shopping at thrift stores would "degrade" him and that a "professional image" can help him get ahead. He's not convinced that older folks such as Dillahunt and Crandall remember what it's like to be in their 20s or 30s. But classmate Priscilla Parker struggles, too, with how material things form her identity.

"I can wear the same clothes over and over and over and over and over," she told her classmates, a few minutes before Lattimore asked about cable TV. "It doesn't bother me. I don't have to just run to the store and buy all the time."

"So you have peace," said Crandall.

"I don't care," Parker said.

"That's one of His promises," said Crandall.

"But I'm thinking, people see the same thing on me all the time, well, if it's not ragged and it's clean, I'm satisfied. It might be the same thing for years. I can wear the same pair of shoes over and over," said Parker. "But I'm thinking about it sometimes, is that normal?"

Crandall answered, "See the secular world, the people in the shoe business, want you to feel …"

"Discomfort," said 63-year-old Cornell Parker, unrelated to Priscilla, wearing a simple, gray hooded sweatshirt.

"That discomfort," agreed Crandall. "And so God is promising peace; the secular world wants you to feel discomfort. That is, 'Am I OK?' That's a suggestion made to you by people who sell shoes and brought to you by their advertising agency."

"The pair of tennis shoes I have now, I've had 'em for over a year. I paid $100 for 'em," said Priscilla Parker.

“Wow!” said Crandall, who had already mentioned how in seminary she pledged to pay no more than $10 for each full clothing outfit, shoes included.

“But I’ve been saying, who would wear a pair of tennis shoes for a whole year? Is that normal? I don’t know. Maybe I am crazy,” Parker said.

“I heard you say, ’Wow’ when she said $100,” Lattimore told Crandall.

“Well, see, to me that, to pay $100 to buy a pair of shoes, is to me, overwhelming,” said Crandall.

“Let me ask you this question,” said Lattimore. “Before the 37 age, did you think like that?”

Crandall did not take the bait. Not yet. “Money for me meant independence,” she said. “It meant that nobody could own me or tell me what to do, and I wasn’t really that interested in other people’s opinions about what I wore, which might be somebody else’s point of view. For me, it represented the power of …”

“Freedom,” said Cornell Parker, who grew up in poverty and now drives a late-model Cadillac after a career in computers at a local hospital.

“Freedom, a sort of freedom,” said Crandall.

Priscilla Parker piped in, explaining her $100 shoes. “My foot got crushed,” she said.

“That’s a therapeutic shoe,” Crandall guessed.

“The whole mall – not like that,” Priscilla Parker insisted. “But before then I just wore any shoes. I had to have them fitted because my foot was crushed. I’ve tried cheaper shoes, can’t wear 'em. Cannot wear 'em. I have to go there and get 'em. It wasn’t a brag or anything – nothing like that.”

But Lattimore still wanted Crandall to answer his question.

"I was just asking because me as probably the youngest one at the table, or whatever, not to say I'm really into fashion, but the younger generation of our age, we're into fashion," he said. He'd worn fresh-dyed blue jeans, a plush white hoodie decorated in colorful Africa maps, and Timberland work boots he'd bought for about $70. "Now literally, do we go spend a whole bunch of money on clothes? You've got some that do and some that don't, but the younger generation, we like to look a certain way. Is that wrong?"

"What does the world deliver?" Crandall asked. "OK, the world delivers you a fashionable outfit, but if along with that it delivers you a debt that keeps you paying interest …"

"I've never owned a credit card," said Lattimore.

"OK," said Crandall.

"Ever in my life," he said.

"OK."

"And never probably will," he added

"God be praised," said Crandall. "But a lot of people have."

Lattimore pointed to the empty chair next to him, grinning. "My wife," he whispered, to no one in particular. She had briefly left the room, and he said later they were dealing with some household debt.

"The credit-card companies actually have a segment of their customers that they label, and they like them," Crandall went on. "These are people who will die never, ever having paid off the original price of the item. OK, that is, the credit-card companies have done the analysis, and there's about 15% of their customers who will at age 25 charge that pair of tennis shoes, and they'll still be paying on them at age 80."

"Wow," said Lattimore.

"OK, and that's why those bank buildings are as big as they are. And those people are what Dr. Turner refers to as wage slavery. They are engaged in wage slavery. They will pay perhaps for those tennis shoes 50 times over. They will never get past the minimum payment, and they will never pay down the original debt."

"And they like those customers?" asked the Rev. Rawley.

"Yeah, because, basically, it's like a heroine IV in your vein," said Crandall. "That's mainlining your money. You understand what I'm saying? That's what that is: it's mainlining your money. You are working for them. If you only pay the minimum payment, you may end up paying $500 for your pair of shoes. Or $1,000 depending on how long you let it run at that rate.

"Show me the joy you get out of interest. Can I wrap up interest in a gift and give it to you for Christmas? Can I give it to you for a birthday present? Show me your interest that you love to cuddle up with at night. Show me the interest that looks pretty in your living room."

Lattimore said later he felt Crandall had "shot" him with her answers to his questions. But he clung to one piece of wisdom she had shared, based on a book by former banker and now women's advocate Rosemary Williams, *A Woman's Book of Money and Spiritual Vision*: That your feelings about money, often inherited from family or built through life experience, will dictate how you deal with money. Lattimore believes his life of crime and incarceration have shaped him, perhaps permanently. He still wakes at 5 a.m., with no alarm clock, according to the penitentiary schedule. Isolation from society taught him nothing about managing money, so everything he knew, he learned from the street, where he once spent $8,000 on a new car stereo system without a second thought.

"$40,000 or $50,000, I could just go to my safe and get," he says. "It came so fast and so good. To somebody else, $1,000 might seem like a lot. I'd just throw that away.

"I've always had the mentality that I could get it back, so you know, you would give it away," he says. "I had a lot of money. It was dirty money, but I had a lot of money. I dealt with thousands and thousands of dollars, but I just threw it, like blew it. I got easy money, so money is easier for me to throw away. You always think that it'll come back to you, but it's a different story."

Lattimore seeks financial wisdom because he wants to "get ahead," to make more money, so he can live the "professional," "corporate," lifestyle he imagines. But Crandall and Dillahunt are trying to convince him he can live on the few hundred dollars a week he brings home as a barber; he just needs to manage what he has. He struggles to accept that, especially when they suggest shedding his $70-a-month cable bill. He says he doesn't party or go out to eat very often; he just wants to be able to watch his Los Angeles Lakers games after a long day at work.

"So you think like cable and stuff like that is not of God?" Lattimore pressed, after Crandall had distinguished between "horizontal" and "vertical" points of reference.

"I don't know," she said. "I don't know."

"I'm just asking," said Lattimore, his eyes wide, palms opened at his shoulders, elbows tucked to his sides. "You don't know if you don't ask questions."

It's the sort of question Hauerwas no doubt has in mind when he envisions a church of open check registers. Just by creating a space where people can put their spending up for communal scrutiny, Crandall challenges the status quo of privatized personal finance, commonplace consumer debt and long-term interest payments. Simply asking the questions raises God above mammon and kindles spirituality in economics, much as Broadway brings traditional Judeo-Christian ethics to bear on the modern financial system.

"One of the things is, we're in a Baptist church," said Crandall, gently grasping Lattimore's shoulder. "You and God talk direct. Right? Nobody's between. Not for all of his education, Dr. Turner doesn't come between you and the Lord, so that's a discussion that you have, and that will be something that through God's wisdom, His wisdom, that vertical axis you have, he will guide you in that decision, and that is a gradual process, a merciful process."

Information box:
Several nationwide organizations offer biblical resources for personal finance:

- Larry Burkett's program, Crown Financial Ministries, is the best-known and most widely used. Crown offers free tools like budgeting worksheets at its website, www.crown.org.
- Dave Ramsey, another evangelical finance guru, runs a for-profit program called Financial Peace University. For more information, visit www.daveramsey.com/fpu/home/. *The Atlantic* magazine recently profiled Ramsey at www.theatlantic.com/doc/200912/mcardle-ramsey-debt.
- Jim Sammons offers biblical wisdom on finances through Bill Gothard's Institute in Basic Life Principles. Their website is http://iblp.org/iblp/discipleship/financialfreedom.
- The Mormon church also offers advice on family finances through its Provident Living program at www.providentliving.org/channel/0,11677,1709-1,00.html.

Chapter 3

Preachers play offense, defense to tackle debt

Standing at the pulpit of Mt. Level Missionary Baptist Church last fall, the Rev. Dr. Mikael Broadway gave a pep talk for a march against Charlotte banks and what he called their “loan shark” credit card fees.

A few months later, in a classroom down the hall, the Rev. Maggie Crandall scribbled strategies from her debt-busting playbook on a Sunday-School chalkboard. She coached church members on how to separate needs from wants and lower their monthly expenses.

Financial freedom is the name of the game; Broadway and Crandall are the offensive and defensive coordinators for their church. They’re also teammates in a nationwide campaign to cut consumer debt.

Last spring, Broadway, a theological ethicist at Shaw University Divinity School, drafted a theological statement against “usury” -- the Jewish, Christian and Muslim concept of oppressive interest. The Industrial Areas Foundation (IAF), a community-organizing group that trained and employed President Obama in the '80s, confronted North-Carolina-based banks with it last summer.

Since January, Crandall has been leading Mt. Level members in a financial literacy course, calling into question the spending that many people take for granted: cell phones, cable TV, up-to-date fashion and monthly payments for new cars.

Together, these two associate ministers are trying to break the bonds of debt -- inside their church and beyond.

Broadway was among nearly 500 church-folk who marched on Charlotte last October, demanding an audience with executives at Bank of America and Wells Fargo/Wachovia. Broadway has also been a key negotiator at ensuing meetings, pressing for IAF Southeast's agenda, which includes a 10% cap on credit-card rates, a 6% cap for active soldiers and veterans and a restructuring of existing mortgages to avoid foreclosures.

The average U.S. credit-card rate is near 15%, and congressional staff has found rates as high as 41%.

"It goes against the whole democratic process," said Lexington builder Tom Moore, who saw his credit-card rate double to about 29% last year, as issuers anticipated a federal crackdown on rising rates. Moore joined Broadway at the Charlotte rally. "We don't have any voice, and it affects us. We do all the right things. We pay our taxes. We work every day."

IAF Southeast director Gerald Taylor said Broadway helped the campaign by pointedly asking a bank executive at a recent meeting whether there's an interest rate high enough to call it immoral.

"It created the kind of moment you want in a meeting where people have to decide whether they're going to answer it or not," Taylor said. "[Broadway] plays a very important role as an interpreter, in helping to put into theological language what people are feeling and suffering."

Wells Fargo spokeswoman Lisa Westermann declined to discuss its talks with IAF but said credit-card rates are based on the risk reflected in a borrower's credit history.

Taylor said Wells Fargo has not agreed that an interest rate could be usurious, but Bank of America has been more open to discussion on that issue, pointing to a card it introduced last fall with a rate floating permanently at 14% above the prime rate.

"It wasn't a 100% shutdown," Taylor said.

Citigroup CEO Vikram Pandit has endorsed some sort of rate cap, as long as it applies to all issuers and not to existing balances. U.S. Rep. Walter Jones is the only Republican and the only statesman from North Carolina among 71 co-sponsors on a current bill to cap credit rates at 16%.

Based on their talks with various global banks, IAF leaders believe 14- to 17% interest rates can cover a credit-card issuer's costs. Anything above that is pure profit, they say, and they'll be satisfied with a cap in that range, as opposed to the 10% target they started with.

"We're not trying to be stupid," said Broadway. "If we want this to succeed, it's in our best interest to be able to, as much as possible, have a shared agenda with these banks."

Broadway is more academic than activist. He recalls his time at Golden Gate Baptist Seminary in the early 1980s, when members of his San Francisco church rallied to help Central American refugees.

"Fellow church members were creating the shelter, running the shelter," he said. "I was writing papers, reading books."

Later, the example of John Perkins and the Christian Community Development Association helped him connect his book learning to the activism he had seen in his church.

"The whole Gospel isn't concerned only for the person's eternal destiny; it's concerned for the whole person," he said. "I had a lot of theological and theoretical resources saying things like this, but this was the first grassroots example of understanding a church with this full-orbed mission."

He came to North Carolina for a PhD program in theological ethics at Duke, known for connecting faith and practice. After graduation, he joined the faculty at Shaw, where his students challenged him to look outside the Western tradition for philosophical resources, to "take off the blinders of whiteness." He hadn't been looking to teach at a historically black university; he'd applied to every college within driving distance of Durham, where his wife worked in the public schools. He taught part-time at four of them before Shaw offered him full-time work.

"I had to get a new education," he said. "I started reading authors that I hadn't read at Duke."

Around the same time, he started attending Mt. Level, a historically black church, as a white theologian from Texas wanting to learn how to "do church" alongside African-Americans. Though he had visited smaller black churches closer to his home in Durham's Trinity Park neighborhood, he opted for Mt. Level because its pastoral staff included faculty from Duke Divinity School and he knew his own doctorate wouldn't raise eyebrows.

“I could see a certain power issue,” he said. “There’s already an issue of assuming that the white person thinks they know better, and just adding one more layer to that, I wasn’t sure how well that would work. At Mt. Level, they had a pastor with a PhD. It just didn’t phase people. That didn’t necessarily make you unapproachable.”

Even as he thought of himself more as student than teacher, Broadway soon rose to leadership as the Mt. Level’s liaison with the IAF affiliate Durham Congregations, Associations and Neighborhoods (CAN). Mt. Level’s senior pastor, the Rev. Dr. William Turner, encouraged him to push the anti-usury campaign through Durham CAN. Other member churches soon signed on.

Both Crandall and Broadway are students of Stanley Hauerwas, an outspoken pacifist and communitarian whom TIME magazine named America's best theologian. Mt. Level deacon Larry Bumgardner said the two pastors, among about 20 volunteer associate ministers, encourage church members to think and talk about subjects most people avoid discussing: the plight of prisoners, poor housing conditions or personal finances.

“It begins to pull some other people into things they might not have done,” said Bumgardner, citing Crandall’s leadership in prison ministry and Broadway’s Durham CAN activism on after-school programs, childhood lead-paint exposure and credit-card interest rates.

Crandall, a former Methodist minister, recently joined the staff at Mt. Level to gain credentials to work as a chaplain in local jails and prisons. She is convinced that banks intentionally trap people in debt because it’s so profitable over the long term. A new federal law took effect last month requiring, among other things, that monthly statements include the length of time it would take consumers to pay off their balances if they make only the minimum payments -- a timeframe that stretches decades for millions of Americans.

Crandall's aim is to help consumers stay out of debt in the first place. She uses curriculum from Crown Financial Ministries, which supplies low-cost money-management resources to churches and other organizations all over the world. Crown recognizes that debt is commonplace and not necessarily sinful.

"As long as we are within the terms of our agreement, and not delinquent, it does not [teach] that we are outside of the Christian faith," Crandall told her students at a recent class session.

"That's good, because I owe the credit cards quite a bit," said retiree Vi Parker with a laugh.

"Well, we're going to work really hard to get you out of debt," said Crandall.

With expertise in both business and theology, Crandall is uniquely suited to do just that.

A native Tennessean, Crandall graduated Purdue University early, at age 19, in order to save money. She worked several jobs in her early 20s, and eventually landed at a paper company in Louisville, Ky., which paid for her MBA at the University of Louisville. She later joined a consulting company in Kansas City at the start of the biopharmaceutical revolution, negotiating contracts between medical researchers and the drug companies that bought their patents.

She eventually struck out on her own as a biotech consultant. She rose to the top 1% of female income-earners before converting to Christianity at 37 after what she calls a vision of Christ in her office. She said she fought off a call to ministry for years before enrolling at Duke Divinity School in her late 40s. She describes herself as a Scottish “tightwad of the first order” who pledged to spend no more than $10 on any single clothing outfit, including shoes, while in seminary.

“Christ said, ‘I came to set the captive free,’” Crandall said. “You can be captive to your material goods, and you can be very unfree, even if you have a lot.” She confronts her students about whether expenses like monthly car payments are really necessary, asking them to reflect on how their spending reflects childhood lessons and their emotional needs. She also urges them to buy second-hand clothing and weatherize their homes in order to cut unnecessary spending without changing their lifestyles.

“It isn’t just about doing without, which is the message a lot of people think the church is going to give them,” she said. “It can actually help you to not crave the things that you crave.”

Crandall, the businesswoman-turned-minister, coaxes her flock away from consumerism, while Broadway, the bookworm-turned-gadfly, confronts bankers who would profit from others’ careless or desperate spending. Together they are leveraging their church’s resources to free people from debt.

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