

Separation of Church and State and aspects of usury

Robert W Vivian, Prof of Finance and Business, University of the Witwatersrand

Abstract

As the influence of the church wanes it can be expected that the state will increasingly encroach on the sphere of influence of the church. This may extend to the state compelling persons to act contrary to clear scriptural injunctions. One usually thinks of the state being the executive, the government. This view however fails to realise that in the US abortion was introduced by the courts and not the executive or legislator. This article examines a recent court case where the court ruled that income tax was payable on interest free loans, on interest not charged or paid. Essentially the state compels usury, the charging of interest on a loan, to ensure the tax is paid. This mandatory charging of interest conflicts with the usury provisions in scripture, freedom of conscience and freedom of contract.