

# Study links subprime mortgage crisis to U.S. poverty & hunger

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WASHINGTON (RNS)—The poorest counties in the United States are among the hardest hit by the subprime mortgage crisis, according to a study released by the Christian anti-hunger advocacy group [Bread for the World](#).

The report, titled ["Home Ownership, Subprime Loans and Poverty,"](#) found a strong correlation between poverty rates and percentages of mortgages that are subprime.

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In eight of the country's 15 poorest counties, which have poverty rates exceeding 40 percent, the percentage of homeowners holding subprime mortgages is even higher—up to 60 percent, according to the study.

Data in the study were compiled from a variety of sources, including the Corporation for Enterprise Development and the Federal Financial Institutions Examination Council.

David Beckmann, president of Bread for the World, said the inequity

reflects an ignorance of the biblical condemnation against usury.

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-David Beckmann, Bread for the World

"If you were lending money to a really poor person, you couldn't take his coat as security for the loan."

Denunciations of usury—disproportionately high interest rates—are found throughout the Bible, including Exodus 22:25, which states, "If you lend money to any of my people who are poor among you, you shall not be like a moneylender to him; you shall not charge him interest."

Bread for the World contends the continuing effects of the subprime mortgage crisis and hunger are interrelated, since victims of high-risk mortgage lending often limit their food purchases because they are saddled with increasing payments.

"Since you can't cut back on mortgage payments or renegotiate the price of gas, the only place where you can save money is food," said study author Todd Post.

To counteract the prospect of increased hunger, Bread for the World is

calling on lawmakers to increase emergency food assistance, to compel lenders to renegotiate loans if they do not do so willingly, and to strengthen nonprofit lending institutions, among other actions.

“Some of the poorest people are going to be forced into deeper poverty because of widespread subprime lending,” said Beckmann. “In a country such as ours, there is no excuse for people to go hungry because of this.”

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