

Debt (1)

by Charles Hodge

TEXT: "If anyone does not provide for his own, and especially for those of his household, he has denied the faith, and is worse than an unbeliever" (1 Timothy 5:8).

My daddy always said, "We cannot afford it," even when we had the money. This is a vital principle we have not given our children. Inferior things must not come at the price of eternal things. There are many things Christians simply cannot afford.

Our money says, "In God we trust." Do we trust God or merely say that we do?

CONSUMERISM

The "Baby Boomers" fuel our economy. They are consumers. "Now!" is the word. There is no place for deferred gratification. The government, business, school, house, and persons are all "up to their ears" in debt. The greatest creditor nation is now the world's greatest debtor nation! Debt has done us in! Debt is now the accepted lifestyle.

In 1945 (WW II was over), credit cards were virtually unknown. Loans on cars were a rarity. Only G.I.'s had mortgages for starter homes. How time has changed! Even kids have plastic cards. Cars are financed up to eight years. There are thirty-year house mortgages. Young couples owe \$100,000.00 within two years of marriage. This is the first generation with "entitlements." It is expected, yea demanded!

In the '70s, every segment of society was dependent upon debt; in the '80s the economy was fueled by debt. In 1978 there were 50,000 bankruptcies, in 1988, 600,000! Debt reveals an inherent character flaw. It is the deception of the big lie! All think they can handle money, and debt! You can trace the divorce upward spiral

with debt. Indebtedness and divorce go hand in hand. Why? Greed, being spoiled, no discipline, etc., cause both!

Companies now offer to send you credit cards through the mail. Department stores want you to use cards (not a cash discount as prior to 1945). Credit card companies do not want you to pay off that bill fully each month (because of the 16 to 21 per cent annual interest which they receive). They want you only to pay the minimum. Credit cards are the number one tool for impulse buying. "Buy now, pay later." Some people have many credit cards . . . a few have even learned how to "kite credit cards." Most stores' goal is to have 80 per cent of the purchases put on cards.

There are three basic causes of over-indebtedness:

(1) Ignorance (not stupidity). We have not taught our children basic finances. They do not have a value for money. The Bible talks about the naive in Proverbs 22:3. We need Bible classes taught on Christian finances.

(2) Indulgence (yuppyism). Men making a huge salary yearly have terrible financial problems! Can you believe that? The super-rich are in debt! Pawn shops now serve the rich more than the poor! This proves that "simply more money" is not the answer. Teaching, discipline, and priority are the answers. Impulses can always out-grow salaries.

(3) Poor planning (Proverbs 21:5). Credit makes it too easy to splurge and too difficult to pay back. Diligent planning either is not done or is "thrown out the window."

WHAT THE BIBLE DOES NOT SAY

(1) Romans 13:8 is abused and misused. There is nothing inherently wrong either in loaning or

borrowing money. The Bible does not promote debt; it does not prohibit debt. Jesus even talked about usury (Parable of the Talents). The Bible (the Old Testament) did legislate for the poor. You could not charge a poor Jew interest. You had to give the poor his coat back (collateral) nightly since he slept in it. You see these loans were for *survival*, not productivity! You were not to take advantage of the poor. All of us are debtors (Romans 13:8) . . . in love. This debt can never be paid. This text involves relationships, not business.

(2) Contrary to the “prosperity gospel” of TV preachers, God has nowhere promised to bail us out of debt. We should not try to manipulate God.

WHAT THE BIBLE DOES SAY

(1) The *debtor* is in servitude to the *lender* (Proverbs 22:7). We think we know Proverbs 22:6; we probably do not know Proverbs 22:7 exists. It says, “The rich rules over the poor. And the borrower becomes the lender’s slave.” Indebtedness presumes upon the future. *You rob the future for today*. Indebtedness, rather than increasing your living standard, can lower it. It is hard to climb up the ladder of success; it is more difficult to come back down it.

(2) Never co-sign a note (Proverbs 6:1-5; 11:15; 17:18). *Remember!* Proverbs are maxims, not laws! Proverbs are wisdom, not commands.

(3) Beware of a long-term debt. The maximum in Scripture is *seven* years! With but little increase in payments you can pay off a house in *fifteen* years—not thirty! “Borrowing is hazardous to your health.” Every Christian ought to have a goal to be debt free! *Stay out of debt; get*

out of debt; *use* debt wisely.

(4) *Have an absolute commitment to repay!* As Christians we are failing in our ethic (honesty). Bankruptcies at times may be necessary. But a debt is a vow, a covenant, or a pledge! Your word, your character, your integrity, your name, your conscience, and your reputation are on the line (Ecclesiastes 5:4, 5; Psalm 50:14, 15)! God keeps His promises.

BASIC CHRISTIAN COMMON SENSE

Get acquainted with this title-heading! When in debt, where is the first place you turn? It *must* be the Bible. How can one claim faith in God without allowing God to enter into his personal finances? Is God for life? Are finances the basic in life? Is God smart concerning finances? The Bible is a book about finances. God’s financial planning is revealed only in the Bible! Why don’t we automatically turn to the Bible in any need? God’s “primary advisory” is the Bible!

Do not borrow for speculative ventures. The oil boom in Texas went from “boom to bust.” Most blamed the oil! The price of oil is not the problem. The problem is greed, “leveraged debt.” James called it “presumption upon tomorrow.” People simply bought more than they could pay for. The Hunts, Donald Trump, and even the big corporations have gone this route. You should have known. They even called their bonds “junk bonds.” Our nation is drowning in debt. The government did not cause our problems; greed did (Proverbs 28:20).

Remember! “You can spend money as you wish, but you can only spend your money once.”