

Lesson 8: Debt

Definitions

Debt – the amount of money a borrower owes the lender (often a bank or other creditor)

Mortgage – a debt on a house

Interest – the price paid for using someone else’s money (the old name was “usury”)

Charging interest on fellow Israelites was forbidden by the Law (Ex. 22:25; Lev. 25:35-38; Dt. 23:19-20).

Question – *Is debt a sin?*

Some say, “Yes!” – e.g. C. H. Spurgeon, J. Hudson Taylor, George Mueller

“Owe nothing to anyone except to love one another” (Rom. 13:8; cf. 1:14-15).

Others say, “No!”

The Lord borrowed a donkey, but someone could say that He is the Owner (Mk. 11:3 – “the Master”).

The Lord commanded us to “lend, expecting nothing in return” (Lk. 6:35).

If borrowing in itself was a sin, then the Lord would be encouraging us to cause another to sin!

Debt becomes a sin, when it caused by unbelief or the lack of self-control (e.g. impulse buying).

Answer – *Debt is certainly a sin when repayment is not made in the time allotted.*

For example, it may be very difficult to buy a house without a mortgage, though some are enabled to do it.

Technically, the so-called “homeowner” is in debt for up to *thirty years!*

However, if the mortgage payments are always made *on time*, did the person ever “owe” the lender money?

Just as a renter must pay rent every month, because the landlord owns the house,

so also a mortgage holder pays a mortgage every month, because the bank owns the house.

If both the renter and the mortgage holder make their monthly payments on time, do they owe money?

Debt should always be paid back:

“The wicked borrows and does not pay back” (Ps. 37:21).

Even if bankruptcy occurs, should not a Christian voluntarily seek to pay it all back?

Debt should always be paid back when it is possible to do so:

“Do not withhold good from those to whom it is due, when it is in your power to do it” (Pr. 3:27; cf. v. 28).

Illus. The steel payment versus using other people’s money in the recession of 2008.

Debt Is Dangerous and Often Foolish

The Bible has not one good thing to say about debt (Randy Alcorn).

In the Bible, debt assumes an emergency situation (Neh. 5:1-5)—there is no society of credit like ours.

In the Bible, debt is listed among the curses (Dt. 28) and with slavery (Dt. 15:1-2):

“The borrower is slave to the lender” (Pr. 22:7).

Debt limits your choices, because someone other than Jesus has a claim to your money.

And as we learned last year regarding work, we should work towards independence (1 Cor. 7:21-23).

Two Secrets – *about sinful debt*

First, sinful debt is **discontent** about the *present*.

Be content with what you have—your daily bread and the presence of God (Heb. 13:5-6; Ph. 4:10-13).

“Godliness with contentment is great gain” (1 Tim. 6:6-8 – food and clothing).

Second, sinful debt is **presumptive** about the *future*.

“Do not boast about tomorrow” (Pr. 27:1)—you do not even know if you will be alive (Jas. 4:13-16).

Two Animals – *about getting out of debt and staying out of debt*

If you are in debt, run from it like the *gazelle* (Pr. 6:1-5).

The counsel is given to someone who has co-signed a loan (remember, over 50% of co-signers pay it).

Illus. Dave Ramsey and the debt snowball

If you are out of debt, stay away from it by preparing for the future like the *ant* (Pr. 6:6-8).

This is the short-term savings we discussed in an earlier lesson.

Challenge – *Young person, stay ahead of the curve by saving up **now for your next big purchase (car, education).***

Once you are in debt, it is *very hard* to get out of debt due to keeping up with current payments (cf. homework).

Therefore, stay out of debt as much as you can—it is worth the wait to save up and pay in advance. Freedom!