

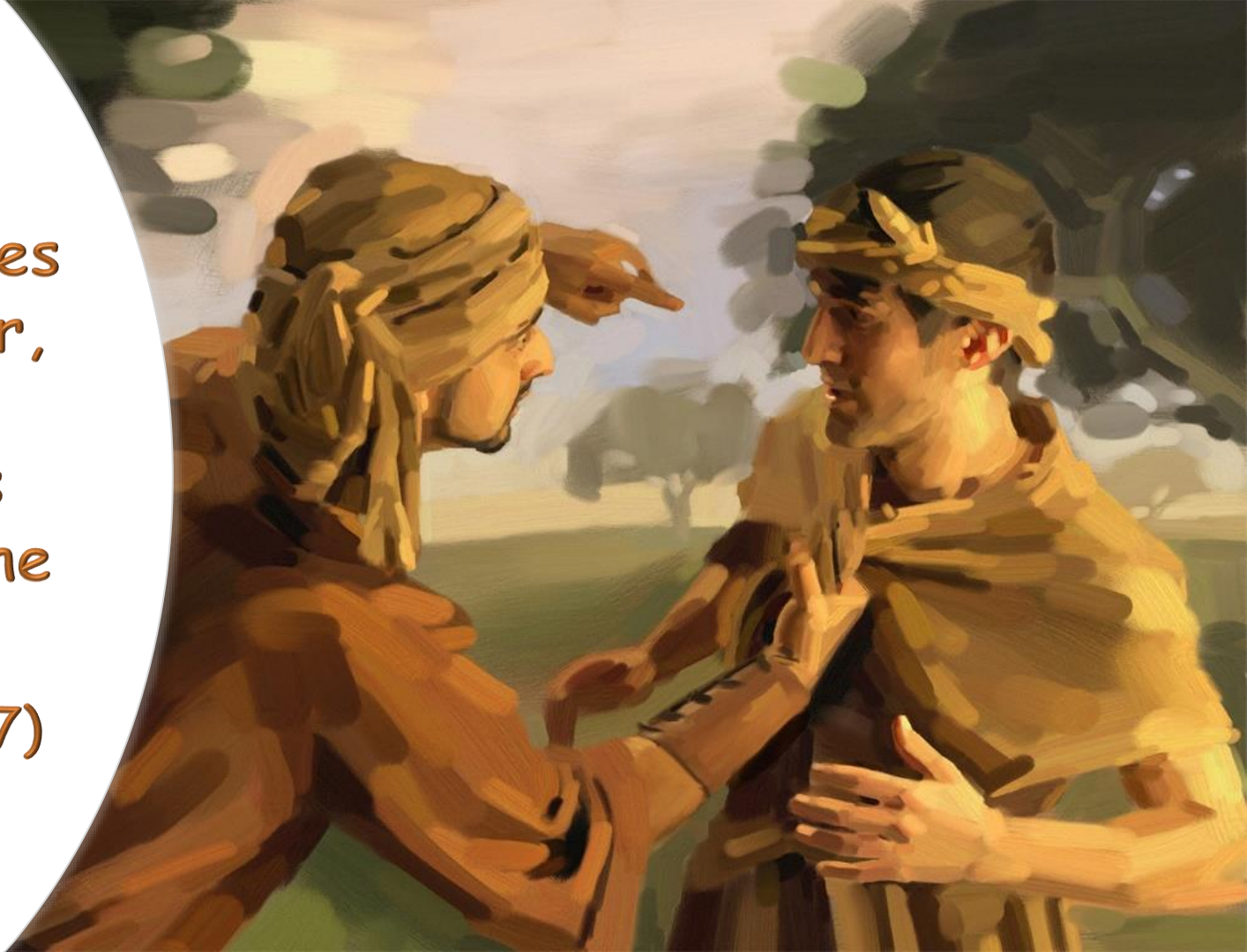


DEALING WITH DEBT

Lesson 5 for February 4, 2023

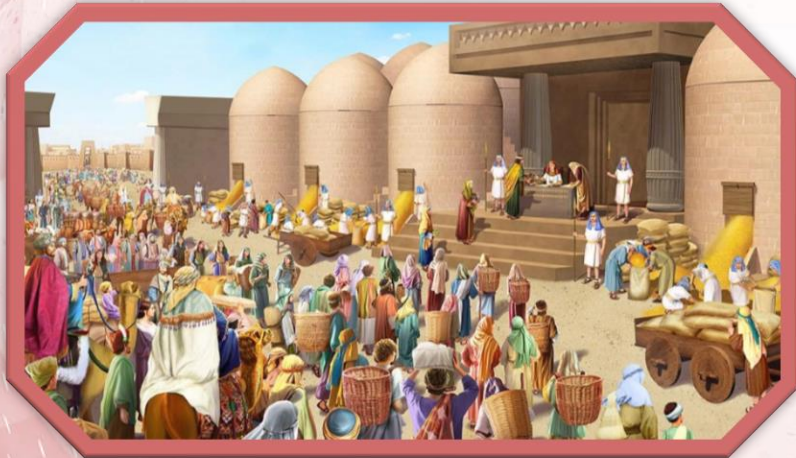
“The rich rules
over the poor,
and the
borrower is
servant to the
lender”

(Proverbs 22:7)



People usually go into debt because they have no cash to spend on something, so they borrow some or request a loan.

Debt is an old problem. There are stories of people who went into debt in the Old Testament for distinct reasons. Jesus also told parables regarding debt. The Bible contains practical advice on finances.



Debt:

- The source of debt
- Is debt a sin?
- How to get out of debt



Other financial issues:

- Surety and get-rich-quick schemes
- Loans



DEBT

THE SOURCE OF DEBT

"And having food and clothing, with these we shall be content." (1 Timothy 6:8)

In times of Nehemiah, some people had gone into debt to feed their large family (Neh. 5:2), to compensate for a bad harvest (Neh. 5:3), or to pay their taxes (Neh. 5:4).

What moves people to go into debt nowadays?



They are unaware of the Biblical and secular principles on finances

Ignorance



They want to have more things or to satisfy selfish cravings

Selfishness



They may not have enough income to cover their basic needs, or an unexpected circumstance may have affected them

Necessity



IS DEBT A SIN?

"Therefore put to death your members which are on the earth: fornication, uncleanness, passion, evil desire, and covetousness, which is idolatry." (Colossians 3:5)

Debt is not a sin. However, sometimes debt may be a consequence of sin:

- ❖ Greed and usury (Col. 3:5; Ez. 18:10-13)
- ❖ Covetousness (1Tim. 6:9; 1Jn. 2:15)
- ❖ Scam and fraud (Sal. 101:7; Mal. 3:5)
- ❖ The love of money (1Tim. 6:10)
- ❖ Unfaithfulness in the tithe and offerings (Mal. 3:7-10)

If one of those sins have gotten us into debt, we must seek God's forgiveness first and His help to abandon our sin.

God wants us debt-free, so He's given us useful advice in His Word. An important piece of advice is to put our faithfulness to God first and give back our tithe and offerings.

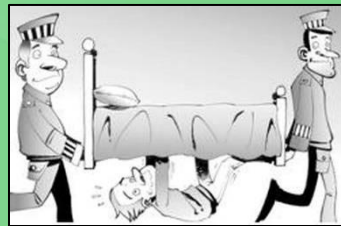


**SAY NO
TO
DEBT**



HOW TO GET OUT OF DEBT

"If you lack the means to pay, your very bed will be snatched from under you." (Proverbs 22:27 NIV)



Try to pay your debt as soon as possible, before you're so in debt that you cannot pay it anymore.

Your commitment to God will help, keep being faithful to God in your tithe. Then, follow the next steps:

First step: Do not go into more debt in no way whatsoever

Second step: When God blesses you with extra money, don't spend it. Use it to pay your debt

Third step: Arrange your debts from largest to smallest



Focus on the smallest debt and reduce it with extra payments

Once the smallest debt is fully paid, use the money you were spending on paying for it, and reduce the next one with extra payments

This way, you will eventually have more money available to pay for the greatest debt

OTHER FINANCIAL ISSUES

SURETY AND GET-RICH-QUICK SCHEMES

"Do not be one who shakes hands in pledge or puts up security for debts;" (Proverbs 22:26 NIV)

God doesn't want His children to be responsible for other people's debts and obligations (Pr. 6:1-5 NIV), not even for the poor's debt.

We may help people in need to pay for their debt if we have that opportunity (Pr. 3:28), but we should never become responsible or put up security for their debt.



On the other hand, trying to get rich quick is a source of financial trouble (Pr. 28:20; 1Tim. 6:9). All the methods that promise quick unbelievable earnings are surely a scam (like pyramid schemes or fraud) or imply excessive risk that may lead you to financial collapse. Let's be prudent.

LOANS

"At the end of every seven years you must cancel debts." (Deuteronomy 15:1 NIV)



After everything we've studied in this lesson so far, is it OK to request a loan?

In the Mosaic Law, God acknowledged that loans were necessary. However, He limited the debts to seven years the longest (Dt. 15:1-5). However, loans may be much longer today (mortgages, for example).

Requesting a loan is not a sin. However, a loan must be the last and unavoidable solution. For example, buying a home or other things that are actually necessary but cost more than we can have in cash in the short term.

In those cases, we must always seek the best possible solution (getting the best interest rate, requesting the least amount possible...).



“Make a solemn covenant with God that by His blessing you will pay your debts and then owe no man anything if you live on porridge and bread. It is so easy in preparing your table to throw out of your pocket twenty-five cents for extras. Take care of the pennies, and the dollars will take care of themselves. It is the mites here and the mites there that are spent for this, that, and the other, that soon run up into dollars. Deny self at least while you are walled in with debts.”

E. G. W. (Counsels on Stewardship, cp. 50, p. 257)