

Christians & Debt:

The Wicked Borrow but Do Not Pay Back

Tim Conway | illbehonest.com

Question: From Julia: "I have debts that I defaulted on." So this is a debt question. This is a Christian and money question. "I have debts that I defaulted on and the company wrote off the debt. I have debt that is with a collection agency. They haven't written it off. I have student loans. How do I approach the different kinds of debt? For example, the defaulted debt - do I send the credit card company the defaulted amount? Or do I give the money to the poor?"

Discussion:

Tim: So that's the question. So, a verse that I hope would jump out at everybody is Psalm 37:21. Somebody look that up and read that. Psalm 37:21 "The wicked borrows but does not pay back, but the righteous is generous and gives."

So, say that again. "The wicked borrows but does not pay back." "The wicked borrows and does not pay back." Now, to read that verse in this context - talking about debt with credit cards, student loans, etc., it might lead you just to simply think about borrowing from banks; taking out a formal loan. But listen, borrowing. Borrowing.

Young people - we have a lot of young people here. This has to do with whether you borrow from a family member, whether you borrow from a church member, whether you borrow from your friend. Listen, when you take somebody else's property and you don't return it, or you return it in a condition other than you borrowed it in, do you know under Moses there were things said about if you borrowed something and you brought it back in not the same condition - like let's say you borrowed an animal to plow with and you brought the thing back lame or dead. Do you remember what Scripture says? Anybody have any idea?

(from the room): Where is that at?

Tim: Like Exodus 22:14 would be one text. "If a man borrows anything of his neighbor and it is injured or dies, the owner not being with it, he shall make full restitution." Ok, now catch that. "The owner not being with it." So the idea is this. If I ask you to come mow my lawn and the owner is with the riding lawn mower, the owner comes. Let's say Glenn buys a riding lawn mower and I break my leg and I can't go out and mow it. And I say, Glenn, would you come? He's out here mowing my yard and he hits the stump out here and he shatters his mower deck. And I'm not responsible. Why? Because the owner was with it. But if I go over there and I borrow that thing from him. I didn't break my leg. And I bring it over here and I haul it back over there, and I'm returning it to him - well, sorry, I hit the stump.

I am surprised at young Christians - how often they do those kind of things. Listen, there's principles in Scripture on borrowing, and one of the things is if you borrow and you don't restore, return, or even make full restitution if the thing you borrow is not able to be returned in the same condition in which you borrowed it from, you know who you're like? You're like the wicked. That's what the wicked do. Righteous people don't do that. Righteous people borrow and they pay back again. And I think one of the texts that's very similar to this is the man who ascends the hill of the Lord. And he swears to his own hurt and he changes not, and that's in Psalm 15. And he swears to his own hurt and changes not. In other words, you sign a contract. You know what? Nobody takes out a student loan without a signature. Nobody takes out a credit card without some kind of signature, or authorization. If you do that, you're swearing to your own hurt. What you're doing is you're giving your name - you're giving your word. That's the idea behind swearing. It comes to your own hurt when it doesn't turn out the way you expected it to. By your own hurt, it's like, ok, this isn't in my best interest anymore. Yeah, but the problem is you sign the mortgage. The problem is you sign for that cell phone service. You see, that's the issue. Christians who get cell phones and then just bail and run to another phone provider - that's wicked. You signed up for that. You say, but I got all these charges and I couldn't pay for them. Yeah, that's to your own hurt, but you gave your word in the beginning. You entered into a contract with them. You have a responsibility. Now look, if I am the lender, I'm free anytime to say you're released from the debt.

In fact, under the Old Testament, do you know how often debts were forgiven?

(from the room:) every 7 years.

Tim: They were supposed to be. Now, that's how God set it up, that nobody would be in debt longer than 7 years. Can you imagine if we all of a sudden instituted that today? It'd be good. I mean, our government would be helped big time. But nobody would loan to them anymore which would be good. Our federal government is wicked because they borrow that which they know they can never pay back again. They're wicked. The way our government operates is criminal and crooked. Running up the national debt the way they do, that's just wicked, corrupt, greedy men ruling this country. But Christians aren't supposed to be like that.

Now look, if I owe somebody something - like let's say I smash the mower deck. And I take it back to Glenn and Glenn says, brother, don't worry about it. That mower - I was going to get rid of it anyway. I don't care about it. Don't worry about it. Could he do that? Would I be off the hook? Yeah. Yeah, if he forgives the debt. I would say this, if somebody writes off debt. She's wondering, I think, should I still pay it? My thing would be this. Have I coerced somebody or twisted their arm to forgive my debt? Because I don't want to be that person. In other words, I've defaulted on it, and it's been so long - or I defaulted on it to the point where they just recognize they weren't going to get anything, but I pretty much forced them into that position by my own lack of responsibility. Or is it valid? I mean, did somebody say, we recognize that you've got some financial issues and we're going to forgive this debt?

We had a situation - no health insurance, Santa Rosa Children's Hospital ran up \$7,000 or \$8,000 of debt just like that when Joy had pneumonia. And we went in and they forgave it. They forgave it. They wiped the book clean. Well, I didn't feel like, oh, well, the wicked - they borrow and they don't pay back, so I've got to pay it nevertheless! No, they forgave it. That's ok.

Let's think about debt. Sometimes you get people like George Mueller, Hudson Taylor, they take the text Romans 13:8 - "Owe no man anything except to love one another," - they take that as forbidding all debt. The problem is that it's not consistent with the Greek verb. The idea there is keep on (incomplete thought). Don't keep owing somebody. And in fact, if you look at verse 7 - why don't we turn there? If you look at v. 7, what he's not saying is never get in a place where you owe somebody. He's assuming that living in this life, you will get in a place where you owe people. And the idea isn't that you never get to where you owe somebody. The issue is keep on owing nobody anything. Pay what you owe. And if I'm under an obligation to pay so much every month on my mortgage, well, then I need to pay it. I need to be good to my word. That was the arrangement. But you can see - somebody read v. 7. "Pay to all what is owed to them: taxes to whom taxes are owed, revenue to whom revenue is owed, respect to whom respect is owed, honor to whom honor is owed." Tim: Yeah, and you know how we talk about elders being worthy of double honor. That is a financial terminology. That has to do with money. And the idea here is pay what you owe. Pay it as you owe it. It's not the idea that you simply can never enter into some kind of debt.

Now, we know this, there are two basic kinds of debt. There is a secured debt and there is an unsecured debt. Unsecured debt is like a student loan. Very risky. Here's the thing, you get into massive debt through student loans - say you're in debt \$100,000. That's an unsecured loan, which means there's no asset behind it. If you don't finish your degree, you've got a lot of wasted debt there. Or, let's say you do finish, but then you can't get a job. It's very risky. I don't want any of my children getting into debt over college. You can work. Parents can help and you can work. Or maybe you think the parents shouldn't help at all. The kids can work.

Then there's secure debt, like buying a home. Stewardship-wise, I think it's wiser to buy a home than to rent your whole life. I believe there's wisdom in that. We paid off this house in six years, and now all it really costs to live here that's different from renting is I pay property taxes. I mean, that's pretty cheap living. And if I die, Ruby has a paid for home. The beauty in Texas, they can never take your homestead away because you don't pay property taxes. So Ruby could never pay property taxes on this the rest of her life and they wouldn't take it away. Now, those property taxes would be - there would be a lien put against the home so that whenever it did get sold, eventually all that would be recollected, but anyway.

The big issue in all of this is that if we borrow, we pay what's owed. If we borrow, we return. If we borrow, we make sure people get back what we borrowed from them. We're not looking for ways out. You get a traffic ticket? Pay it. You've got old phone debt? You pay it. Now look, that doesn't mean you can't call the company. In fact, you need to. If you get in a situation where you can't pay, you need to communicate with the people you can't pay. If you're under an obligation,

you need to be good to your word. Look, this is integrity. When you owe somebody something, and you can't make a payment, and you just disappear, and you avoid their phone calls, what's that? That's what the world does. That's not being honest and full of integrity and uprightness. That's acting like the wicked. What you want to do is you want to communicate.

And you know what? If there's a place to call a company and say look, you guys charged me all this for medical bills and perhaps I can pay one lump sum and you guys want \$8,000 from me. Well, how about if I pay \$3,000 right now and we're good? If they say ok, well ok. Negotiating is not bad. Now you'd be twisting their arm if you say look I'm not paying it. Unless you let me get by with \$2,000 I'm not paying it. Well, there's not integrity in that because all you're doing is coercing them. You're seeking to twist their arm. You're seeking to manipulate them. But if they're willing to do that, then it's good. Just be people of honesty. Be people of integrity. You know what? I recognize that you're not going to have a credit score if you simply don't borrow anything. But, Christians with poor credit scores because you've defaulted on different things and you've missed paying bills and you haven't been faithful and you've got collection agencies against you... Do you know one of the things that we're told to discipline people out of the church for is greed? And oftentimes, that's exactly what it comes down to. People want stuff they can't afford. (incomplete thought) People who have outstanding ongoing credit card debt is probably a sufficient amount of demonstration of greed that people ought to be put out of the church, if we were dealing faithfully with 1 Corinthians 5, and what greed really is. And I recognize some people, they amass that debt when they're lost and then they get saved. That's where I was. I had this debt. I got saved. And then for the first time in my life, I really began looking at finances through biblical lenses and sought in the years after that to try to get everything squared. And one of the things was restitution. Just looking at things I took, I stole, I borrowed and never gave back, or I destroyed and seeking to make restitution there.

Any other thoughts on this?

(from the room) I remember when I had to finish college and I had no debt for the college I attended, but my family did help me out and now they were asking for it back, I remember I was feeling like the Proverbs 21:7 where it says that the borrower is a slave to the lender. And I just felt like they had some control over me because I had a loan that wasn't paid back. (unintelligible) I just felt like a slave to them.

Tim: And there's reality in that. The borrower is servant to the lender. Your life is being controlled when you're in debt. I mean, you're in a place where you have to maintain a job. You have to maintain an income. There's tremendous freedom when everything is paid and you don't owe anybody anything. Because you're very free to pack up and go. You're free to make a lot of decisions in your life that you would not otherwise be able to make. The truth is that if somebody has large debt, and they're feeling like the Lord is really pressing them to go to the mission field, how could they do that? How could they do that? They can't. But you see if you have a secured debt where you actually have an asset, like with a house, even if I owed \$70,000 on this house, you see because I actually have an asset behind what I borrowed, I could sell the house and I'm

still free to go and do what I want to do. Because there's this asset here. I could sell it. But unsecured debt like student loans, like credit cards - don't go there. Don't go there at all. Why do you need to go there? Basically what you're saying is I need a lifestyle beyond what God is providing for. Don't go there. Don't be stupid when it comes to cars.

(from the room) Can I just clarify Proverbs 22? Not 21.

Tim: Anyways, we're not getting into cars. Right, we did one on that.