

Debt

A subject full of interest

Debt is at the centre of current day economics. Individuals, companies and nations borrow almost at will. That borrowing may be to fund major assets or productive investment, or to cover a temporary cash flow deficit, or to fuel unrestrained consumption. The Global Financial Crisis of 2007 was a result of flawed lending policies that were based on the belief that ongoing economic growth and rising property values would cover the lack of security on loans and weak ability to repay borrowings. Credit cards and loan sharks also continue to trap unwary individuals into pits of debt that they cannot climb out of. Related to the subject of debt is interest – profit made from loans. What does the Bible have to say on these subjects?



Pray for clarity to see whatever God wants to reveal to you during this study.



For something you wanted to buy, would you:

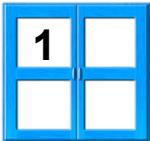
- Save up the amount required before purchasing
- Use time payment
- Put it on the credit card and worry about how to pay for it later
- Other...?



If you were offered the opportunity to invest in a profitable business making personal loans to people, what would you do?



If someone you know came to you needing a loan to buy food for their family what would you do or advise?



Types of Debt

The Bible has little to say about business loans, but they appear to be treated as an acceptable and common practice.

Luke 19: 11 – 27 The Parable of the Talents

What does this suggest about normal accepted business practice? NB especially v.23

Exodus 22: 25 – 27 Business loans and loans to the needy.

What distinctions are made here between a loan that is a business deal and a loan to meet a basic personal need?

In our day, how might a loan to the needy be treated differently to a loan for other purposes?



Lending that is Godly and Lending that is Ungodly

Ezekiel 22: 12

What makes this lending ungodly?

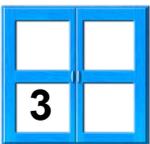
Psalm 15: 5

What makes this lending godly?



Matthew 5: 42

What does this suggest about how we are to approach lending to others?



Tackling the Issue of Debt

Nehemiah 5: 1 – 13

Nehemiah exposes a problem with debts.

What were the issues Nehemiah raised with the governing authorities?

What solutions were decided on?



What are the issues of debt that Nehemiah would draw attention to today?

What can be learned from this passage about how issues of debt may be dealt with today?





A Challenge to Limit the Grip of Debt

Deuteronomy 15: 1 – 11 Cancelling debt

In this passage, what does God require lenders to do?

What benefits does this passage say will flow from such an approach?

What do you think would be the effects of such a system?

How does this passage challenge today's usual approach to economic matters?

What can be learned from this passage about how issues of debt might be dealt with today?



What has this study revealed about the nature of God?



What new thought or understanding has come to you during this study?



What issues, questions or practical implications for your local church, your church denomination, or the wider Christian church, are raised by this study?



(This section may be used for personal reflection alone or may be shared within the group)

What personal debt do you carry?

How much is related to an asset – such as with a mortgage?

How much is consumer debt – time payments, credit cards, etc?

Do you know how much of your income goes into paying interest?

Has repaying debt ever created a financial burden or problem for you?

If so, how might you solve that or avoid it happening again?

If you earn interest, what sort of investment generates that interest?

Have you considered making use of ethical investment options?



Spend some time as a group praying over what you have discussed, asking God to bring into focus how you may respond to his Word in an ongoing way.



Notes on some of the passages referred to in this study:

Luke 19: 11 – 27 This parable is told by Jesus to speak of how God expects us to be serving him in our lives and not just waiting for the fulfillment of his kingdom or for heaven to come for us. The story itself is also useful for us in the insights it gives to aspects of life in Jesus' time, such as the depositing of money to earn interest.

Exodus 22: 25 – 27 These verses come within a passage that contains various moral instructions. These include some prohibitions against sexual misconduct, sacrificing to other gods, mistreating or oppressing those who are vulnerable, and blasphemy. It is interesting the charging of interest on a loan to a person in need was also regarded as morally reprehensible in the context of these Old Testament injunctions.

Ezekiel 22: 12 In our earlier study on Justice we noted the strong indignation that is expressed in Scripture whenever people do not deal justly with one another and when God's people drift from exclusively worshipping God. This chapter in Ezekiel is an example of that, condemning both improper worship and injustice. It is in that context that verse 12 includes condemnation of the practice of charging interest on loans to the poor.

Psalms 15: 5 This short psalm poses the question "Who may dwell in God's sanctuary?" The psalm then describes those who are righteous. Lending to the poor without interest is listed as a characteristic of the righteous.

Matthew 5: 42 We saw this verse in the previous study on giving. It is of note that loaning to a person in need appears to be an extension of generosity. Loaning to the needy does not appear in Scripture as something to profit from.

Nehemiah 5: 1 – 13 Nehemiah is renowned for being instrumental in rebuilding the wall around Jerusalem and re-invigorating the life of the city after the exile. He did so with the authority of being appointed Governor by the King of Persia. Nehemiah displays in this chapter a profound concern for the plight of the poor in the city and for the particular issue of the profiteering that was happening at their expense.

Deuteronomy 15: 1 – 11 We find this passage on debt nestled among other passages that give guidelines to the people of Israel on matters to do with worship, festivals, justice and servitude. Later in our tenth study we will see how this approach to debt fits within the whole Sabbath and Jubilee system.