

## **Does the Bible Prohibit a Christian From Borrowing Money?**

God's Word does NOT prohibit the borrowing of money. If this were the case then it would also be wrong for us to loan money. As we read through the Scripture, you will see that God's plan was for His people to be the leaders. "The Lord will open for you His good storehouse, the heavens, to give rain to your land in its season and to bless all the work of your hand; and you shall lend to many nations, but you shall not borrow" (Deuteronomy 28:12 NASB). The reason the Bible makes the statement "You shall not borrow" is because the people of God, those who walk in obedience to God's Word, should be empowered with the provision of God and should not have to borrow. Now getting back to the question, does the Bible prohibit borrowing? The Bible prohibits a Christian from borrowing with the attitude that they will not pay it back. When you borrow you must make plans to pay back what you have borrowed. In fact, the Bible says "Evil men borrow and 'cannot pay it back'! But the good man returns what he owes with some extra besides" (Psalm 37:21 TLB).

### **Good Debt**

Is there any such thing as good debt? The answer is yes. Even though all debt produces some kind of pain, there is a thing called good debt. When it comes to good debt, your goal should be to pay it back as fast as you can.

A good debt would be a debt that works for you over time; a bad debt is a debt that works against you over time. Every type of debt that you owe will fall into one of two categories: good debt or bad debt.

An example of a good debt would be your home. If you are renting, you should not buy another car until you become a home owner. Owning your own home is a good debt that will work for you over time. As you repay your home loan, you build equity into your home and the interest that you pay each year is tax-deductible. I encourage people to borrow money to buy a home because it is just a good step for most people. I also encourage people, as they get older, to keep buying bigger homes because of the value that they have invested. It has been proven that a home is one of your best investments.

Good debts would also be an education for your children, land, or a loan to start a business. However, when it comes to any kind of loan you should seek counsel before you enter into it.

### **Bad Debts**

When it comes to bad debts, the list is long. Most of us own things purchased through revolving credit and other types of high interest loans. For instance, there is nothing wrong with owning a car because we all need one. However, use wisdom when buying an auto. You cannot afford a new car. A new car loses 30% of its value the minute you drive it off the lot, so it doesn't make sense to borrow money to buy one. Instead, buy a pre-owned car. I know, in most cases, that a person has to borrow to get their first or second car; it may be their only way to get one. So here are some tips on getting a car loan.

First, do not borrow for more than 36 months. I learned this from one of my mentors, and I learned how it works first hand. In a year and a half, your auto will be half paid for and, if you need to, you can trade it in. However, if you borrow for six years, you will be upside down for the rest of your life or until someone bails you out.

The wisest choice would be to pay the car off and begin to save for the next one; you will need another car in time. More money is wasted on cars than any other place. When you start to have car trouble and find you are spending more money on your car than you can afford, it may be a good time to start looking around for another car.

Bad debts are also things that you buy at the mall on credit cards. Beware of the call of the mall! It is one of the main debt monsters that, if fed, will grow up and destroy your peace.

Now if you pay off your credit cards at the end of the month, then you are in charge of your credit life. However, if you are carrying a balance from month to month, then you are headed for trouble.

You see, it is not borrowing that is wrong; it is the inability to repay that causes you the trouble. I would tell some people not to borrow at all because they cannot pay back what they have already borrowed. But for others that can use the lender's money to create more money, borrowing could be a wise choice.

I personally believe that it should be our goal to get out of debt and owe no man anything. Since I also know that it takes time to get to that place, consider living by these steps:

1. Develop a budget. A budget is a plan for managing money in your home. Planned spending.
2. Work out a payback plan. See our downloads online to discover a way to eliminate your debts.
3. Learn to trust God. Keep God in the picture and continue to tithe to your local church.
4. Exercise self-discipline as a lifestyle.
5. Seek counsel.
6. Start a wisdom fund of one to three months of income for things that come up that you were not expecting.
7. Attend a beginner's class on investing, and start a plan for creating wealth. Most of the time you can find a free class given in the community where you live.

As you can see God has a plan for your life, it begins by receiving His wisdom and walking in His Word. As you do you will discover the path that leads to wealth.

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