



“The rich ruleth over the poor, and the borrower is servant to the lender” (Proverbs 22:7).

Should I Borrow and Lend Money?

Central Truth: Your debt decisions deserve careful consideration.

L234. Date: February 1994. **Text:** Deuteronomy 23:19-20; Nehemiah 5:4, 5; Proverbs 11:15; 17:18; 21:5. **Topic:** Money: Possession of; Stewardship: Of Money.

Debt can be a help or a hindrance, depending on how you use it. There is no verse in the Bible (not even Romans 13:8) which tells you not to borrow or lend money. There is no verse in the Bible which obligates you to borrow or lend money. However, “Borrowing is always discussed in the Bible as a negative rather than a positive principle,” according to Larry Burkett.

Proverbs 22:7 teaches that you should not be hasty in making a financial decision either to borrow or to lend. *“The rich ruleth over the poor, and the borrower is servant to the lender.”* So whether you are borrowing or lending money, you should move only after careful forethought.

Debt is a great problem to some. It has been estimated that fully 40 percent of divorce cases involve family finances as a major part of the problem. Dr. Louis Evans said, “Over many a marriage may be written, “Till Debt Do Us Part!” The problem is not with creating debt but with the abuse of it. We need Bible instruction here.

The Benefits of Borrowing and Lending

Most businesses find it necessary to operate on a credit basis. How many merchants would be able to stock their stores without short-term credit? How many automobile dealers could carry on their business without

a line of credit? How many families would be able to purchase a home and pay cash for it? In such instances as these, credit is a blessing.

The problem with credit is usually not those major items which have a long-term payment schedule, such as a house. But the problem is the impatience of people to wait and save to purchase less costly items such as food, clothing, or appliances for the home. With the easy availability of credit cards, it is far too easy to create credit beyond one's ability to pay.

There is a benefit in having enough self-discipline to wait for a desired item. There is the joy of anticipation as one saves up the purchase price. There is the thrill of obtaining a long-sought item when at last it can be purchased. There is the peace of paying cash and knowing the purchase will not hang over you for months or years. Our generation needs to have that experience and not go into debt so carelessly.

The Bondage of Borrowing and Lending

The major problem with creating debt is that another person will have first claim on your resources. That is why Proverbs 22:7 says the one who borrows becomes a servant to the one who lends. Before your money ever comes into your hands, it is already obligated to another person. Thus you lose control over your own resources.

If you owe a debt that requires a payment of \$150 a month, and you work for fifteen dollars an hour, the lender has a right to demand ten hours of your life every month. The borrower is obligated under God to pay the debt he has created. To borrow and not repay is a form of theft. That is the “bondage” of which the people complained in Nehemiah 5:5. Beware!

You may even lose control over your own family. Citizens complained to Nehemiah that they had created debt at high interest rates to pay their taxes to the king. The persons who had lent the money demanded payment. When they could not pay, their houses and lands were taken in lieu of payment. When that was not sufficient to settle the account, their sons and daughters were taken to serve until the debt was paid (Nehemiah 5:4, 5). The borrowers lost control of their own families as a consequence. Lest that seem heartless, remember that the national debt, which is created by excessive spending by our government today, is creating a tax load for our children and grandchildren which they must pay for us. And some parents are failing to provide adequately for their children because of debt created for non-essential items.

Debt may cause you to lose control of your possessions. Proverbs 22:26, 27 warns against creating excessive debt. It reminds you of the

danger of foreclosure on mortgaged property, saying, *“If thou hast nothing to pay, why should he take away thy bed from under thee?”* Excessive debt puts all you have at risk. Be wise in borrowing and in lending.

The Bane of Borrowing and Lending

Have you ever co-signed a note for another person, pledging to pay if the other person could not? That is a dangerous risk which is warned against in the Bible. Proverbs 11:15 warns that he who is surety for a stranger will suffer for it. Before you assume liability for someone whom you do not know intimately, stop and take warning. Be sure you can meet the demands of payment before you sign that note.

What about being surety for a friend? Proverbs 17:18 says the person who does that is “void of understanding.” That is, he is not using good judgment. That is a good way for friendship to be broken. I moved to a new pastorate many years ago and was given this offer by a faithful member of the church: “God has blessed me financially,” he said. “If you have need for money, I will be glad to lend to you what you need.” I replied, “Brother, I appreciate your offer more than I can express. However, I will use regular financial institutions for my personal finances. If I am in a situation I cannot handle, I will feel free to come to you.” Why did I not go to him for small loans? I did not want to endanger my relationship and ministry to a brother in the church. Even closest friends can fall out over finances.

The Benevolence of Borrowing and Lending

Suppose a Christian brother is in need, comes to you for a loan, and you have the resources to help him. Should you lend to him? Yes, if you wish. But there is a catch to that loan if you would follow biblical principles. Deuteronomy 23:19, 20 says you must not charge your brother interest on the loan! You may charge interest to a stranger, but not to a brother. Why? *“That the LORD thy God may bless thee in all that thou settest thine hand to in the land whither thou goest to possess it”* (verse 20). The principle is that brothers are to help one another, not make a profit off one another.

It is an indication of Christian love to refrain from making a personal profit off a Christian brother or sister. Jesus asked, *“If ye lend to them of whom ye hope to receive, what thank have ye? for sinners also lend to sinners, to receive as much again”* (Luke 6:34). The Christian is to show that he is a Christian even in his financial dealings.

That principle of no interest to a brother must be interpreted in the light

of current society. For instance, I buy a car on credit from a Christian brother who is a car dealer. He has a line of credit at his bank and has to pay interest on his investment in the automobile. I must pay interest to him because the interest he is paying on the line of credit is a part of the cost of the vehicle. So it is not a hard and fast rule of no interest under any circumstances on any occasion. The call is for Christian love.

We show benevolence by not foreclosing on a brother. Nehemiah 5:1-13 reports a rebuke of the wealthy men who lent money and then foreclosed on their brothers' mortgaged property. Nehemiah became angry and asked God to judge them for it. He called an assembly of the elders and had a trial. He called for God to cast them out if they continued the practice. They repented and restored the property to its rightful owners. And God blessed the people.

Why does God give you wealth? He wants you to provide for your needs, to give to glorify God, and to help other people in need. The wrong use in borrowing and lending money can thwart the divine purpose for which money is entrusted to you. Resolve to be a good steward of your assets. That includes wisdom and brotherly concern in making, saving, giving, borrowing, and lending your money.

Questions for discussion

1. Why do most people find it necessary to borrow money?
2. What warning does Proverbs 21:5 give about debt?
3. Why does God obligate the debtor to repay in full?
4. What place should bankruptcy have in a Christian's finances?
5. What is the danger in creating debt?
6. Why should a Christian be careful in co-signing a note?
7. What do you think about Christians charging interest on debt?
8. Under what circumstances, if any, should a Christian foreclose on a mortgage?
9. How can abuse of debt interfere with our stewardship before God?
10. How can you be a Christian steward in borrowing and lending?