

Finances: Debt and Separate Bank Accounts

Ricardo Campos, Teaching Elder Grace Chapel, Orange, CA June 5, 2011

I. Introduction

How should husbands and wives manage their debt? They already have \$20,000 in credit card debt, should they buy that new car they've been wanting? Is it OK to have some debt or is God against debt altogether? And what if you get into financial trouble and have to file for bankruptcy, is this a sin? What about separate bank accounts, is God OK with each spouse having their own money and living separate lives financially?

II. What Does God Say About Debt?

What's man's view of debt: if you can't afford it, borrow. If you borrow too much and can't pay it back, file for bankruptcy. This is evident from the way people treat debt. Estimates are that the average American has over \$6,500 in credit card debt...and each credit card holder owns multiple credit cards. What's God's view of debt?

Beware of debt, God says, "owe no one anything," Romans 13:8. Why? Because the lender is the hunter and the borrower the prey. Thus, God advises us not to even cosign for someone, Proverbs 6:1–5. If we want to be secure, we must hate cosigning, Proverbs 11:15. Thus, the cosigner should hate to cosign and the "cosignee" should hate to put others at risk for their debt. Why? Because the borrower becomes the slave of the lender, Proverbs 22:7.

Some debts are necessary/allowed, though God is against debt, He understands that some debts are necessary (food, clothing, shelter, etc.), Exodus 22:25–27; Leviticus 25:35–38—we also cannot charge the poor interest or take a needed possession as collateral. From Deuteronomy 23:19–20 we learn that business debts are also allowed and that we're not to charge fellow Christians interest. But how can the Mosaic Law apply to Gentiles? It was also written for their "learning" (Romans 15:4) and "admonition" (1 Corinthians 10:11).

Thus, our goal is to owe no one anything. However, some debts are allowed: debts of necessity (food, clothing, shelter, etc.), convenience (using credit cards to pay for goods/services), business (home loans, student loans, business loans, etc.). But we must always apply the principles God teaches us regarding debt because every one of these debts can become sinful behavior. We must be wise about our debt.

Lend but don't expect it back. There is a purpose to everything we do before the Lord, including what we do with our possessions. As lenders, God wants us to emulate His merciful behavior and lend to our enemies though they don't deserve it. They may pay it back, but we're not to expect it back, Luke 6:35.

Is it OK to file for bankruptcy? God had bankruptcy protection built into the Mosaic Law. Every seventh year, all debts were cancelled. If Israel obeyed, God would bless them, Deuteronomy 15:1–6. If an individual sold himself into debt slavery, you could only hold them 7yrs. After that you had to release them and their debt. But you must release them with provisions, enough to start life over, Deuteronomy 15:12–18.

Though the Law didn't have laws against predatory lending, it was prevented by the built-in bankruptcy protection: a lender who lent more than 7yrs worth of wages would lose money when the seventh year of debt-release arrived or the 7yrs of debt slavery was over. Thus, though you were responsible to pay your debt, the lender could not victimize you through decades of debt slavery.

How does this help us deal with bankruptcy today? Bankruptcy in and of itself is not wicked. God provided it because some lenders would be wicked, and some borrowers foolish. To apply it correctly, we must figure out how much is our fault (through foolish borrowing) and how much is the lender's (through predatory lending). Then, we can decide which type of bankruptcy to use: Chapter 7, 13, or ___. Or you make arrangements to repay the entire debt.

Conclusion: As it applies to us, though some debts are allowed (food, clothing, shelter, or business), our goal is to have little/no debt because the borrower can become the slave of the lender. We can also file for bankruptcy, but we must ensure that the manner we choose is ethical. As it applies to others, if we lend to the poor, we cannot charge interest or take a needed possession as collateral. If we lend to an enemy, we don't expect it back.

III. "That's Her Money, This is My Money"

Separate bank accounts, since the core feature of marriage is oneness, separate bank accounts works contrary to this. If you're currently married and have separate bank accounts, slowly transition into holding all accounts jointly. Begin by putting a budget together and agreeing on how to pay for it, i.e., from which account(s). Next, make all financial decisions together and begin to slowly eliminate all separate bank accounts. If one spouse is better at managing the finances, then agree together that they be the one to manage them. Whatever the issue is behind separate accounts, address it biblically so that you can fulfil the oneness God designed for marriage.

He brought to the marriage \$10,000 in debt, she \$10,000 in savings, whose money is it? Some would say that this is her money; she should decide what to do with it. God says, "The money belongs to both. But He needs to love her sacrificially and she needs to respect his authority." Everything the husband and wife bring to the marriage, good and bad, now belongs to both because they are "one flesh," Genesis 2:24. And whatever decisions they make must be in keeping with God's commands to each: she submits to his authority and he puts her interests above his own. In this instance the husband would be wise to listen to the counsel of his helpmate, since she's got a better grasp of God's wisdom on wealth and debt.

IV. Conclusion

Does God care about what we do with our credit cards or why we get a Home Equity Loan? Yes, He does. At all times God wants us to manage our debt wisely. He also cares about **how** we manage our finances as a couple. We should always make decisions that strengthen our unity in marriage not tear it apart.