Is Borrowing Money a Biblical Principle?

The subject of borrowing money is somewhat controversial in the Christian community. I have heard certain preachers warn us about the evils of borrowing. In addition to that, I've spoken to individuals who say they pay cash for everything and would never borrow money. If they don't have the money to pay cash for it, they believe they don't need it. Now some of this is a little extreme, and some of it is good advice. Allow me to bring some clarity to these thoughts.

The Bible is clear about being cautious in borrowing money. It tells us when we borrow from another individual, we can actually become a servant to them. However, borrowing may be necessary in some instances. The most obvious examples would be in borrowing money to purchase a car or buy a new home. Yet we must use caution when it comes to borrowing for even these necessary items.

Most of us would not own a home if it wasn't for a mortgage company or bank advancing us the funds to make the purchase. Buying a home has always been the American dream and one that most individuals and couples look forward to accomplishing. When my wife and I purchased our first home, we were cautious and concerned about the monthly payments. Then we realized that we had to make payments to rent a place to live. So, why not purchase a home, and at least it could be an excellent investment. In addition, the interest payments on our mortgage would be deductible on our income taxes. In that instance, borrowing money was a good decision.

Today we own our home, and it has become the largest asset we have. Someday we will sell it and purchase a smaller home for less money. The funds we have remaining from the sale of our home will be a blessing to our retirement. That mortgage loan was a blessing.

Now we need to look at borrowing to buy a car. Automobile loans are necessary for almost everyone. We must be careful in this area of borrowing. The first step is to determine how much of a monthly payment we can afford. We can only determine that if we have a budget. Cars are not an investment for most of us. A car or truck is an ongoing expense. They are necessary and the second largest purchase most of us make. My suggestion is to buy a three year old car every three years. This will save you the huge depreciation in the first three years of a new car yet provide reliable transportation that may not have significant repair costs.

The financing of your automobile is a major decision. Never let the car dealer talk you into buying more than you can afford. Be aggressive in negotiating your loan interest rate. Many times banks will offer special auto loan rates. Tell the dealer to match or beat the bank’s rate. Another area to watch is the number of years in your loan. A car dealer will get your monthly payment down by lengthening the number of years of the loan.

Most of us need a car, and borrowing to buy one is not making us a servant to the lender. If we financed less than the price of the car by making a down payment, we can always sell the car and pay the loan off.

We borrow money to build churches, hospitals, medical clinics, private schools, shopping centers, places for entertainment and the list goes on and on. Borrowing can be used for good and bad purposes.

In my next article on borrowing, I will cover co-signing a loan, consolidation loans and steps to get out of debt. My book entitled *Experience the Joy of Debt-Free Living* can be found at .

May you prosper and be in good health as your soul prospers.

For more tips on how you can manage your money in alignment with the Holy Spirit, listen to *Quality Christian Living* on the Charisma Podcast Network. {eoa}

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