

Financial Management 2

Management of Debts

1. Do not run into debts

The rich rules over the poor, and the borrower is the slave of the lender. (Prov 22:7)

One in debt loses his freedom. This is the consequence of being in debt. Nowadays in our society soaked in consumerism, most people will indulge themselves in all sorts of entertainments. It is very easy to have a credit card, and this is also a big snare. Many youngsters do not have much sense on their savings, and when they come into something that please them, they will swipe the credit card, even though they may not have enough money in the bank. Some do not have money to cover their monthly expenditure, and depend on overdrafts with credit cards, presuming they would be able to pay them back next month. There is a Chinese saying, "Do not spend tomorrow's money." This is a wise saying, and close to the truth. Tomorrow's money is not yet in your possession. Using something not in your possession is in fact "stealing"! And you will not be at ease when using something which is not bought with your own money. If you have such a habit, please develop a new habit of using money, "Living within your means". Do not run into debts because of face, vanity, desire and greed.

2. How to get rid of debt?

Confess your sins and repent

Draft a budget

List out what you have, and what you need to keep? What can be sold out?

List what you owe

Draw up a plan to repay the debt

Increase your income

Control the use of credit cards

Be conceited with what you now possess (1 Tim 6:6-8)

Think seriously of changing your lifestyle

Never give up

3. Do not be a guarantor

One who lacks sense gives a pledge, and puts up security in the presence of his neighbor. (Prov 17:18)

Be not one of those who give pledges, who put up security for debts. If you have nothing with which to pay, why should your bed be taken from under you? (Prov 22:26-27)

Being a guarantor may become a debtor. So unless you are sure that you have enough money to cover up the debt, do not pledge for something that you are not able to shoulder. This may destroy the reputation you have been working hard to build up, and run into debts.

4. Do not crave for dirty money

God has given us the skills to work. He is in control of success and promotion. If we are faithful and diligent, we will be appreciated. "Whoever is slothful will not roast his game, but the diligent man will get precious wealth."(Prov 12:27) Each one of us should work diligently instead of craving for easy money. Work can train our characters. "Let the thief no longer steal, but rather let him labor, doing honest work with his own hands, so that he may have something to share with anyone in need."(Eph 4:28)

In Genesis, Joseph was a good model. No matter he was serving a minister of the Pharaoh or in a dungeon, he was serving with a fearful heart to God, and therefore God let him prosper. He was faithful to his duty, trying his best to glorify God. When we serve faithfully and whole-heartedly, fulfilling our responsibility, we will be appreciated by God and by our boss as well. We may be treated unfairly in the process, we may have grievances, but all these are only temporary, because our heavenly Father will reward you! Just like Joseph, he was falsely accused by his mistress and jailed, but God finally raised him up to a high position. God is watching and He is treating us with righteousness and loving-kindness. We should all serve God with a fearful heart, employers and employees alike.