

MONEY DEBT AND FINANCES

CRITICAL
QUESTIONS
AND
ANSWERS



JIM NEWHEISER

“I’ve read plenty of books on finances, from both Christian and secular perspectives, but I’ve yet to encounter one that combines sound biblical wisdom with down-to-earth practical advice in the way that Jim Newheiser’s *Money* does. I wish it had been available to me in my early 20s, as a newly married university graduate, but even now it has helped me reassess my stewardship of the monetary resources that God has provided for my family. Whatever your current financial situation and stage of life, you’ll benefit from reading this book. You can take that to the bank!”

—**James N. Anderson**, Carl W. McMurray Professor of Theology and Philosophy, Reformed Theological Seminary, Charlotte

“I am very grateful to Jim Newheiser for this work. Jim clearly lays out from the Scriptures that we are managers and not owners of the resources that the Lord has given us. This resource will help you understand how to be a good steward not only in your giving, but also in your work, spending, and savings. I highly recommend this book, and I will refer to it often.”

—**Tony Anderson**, Pastor of Counseling/Executive Pastor, Christian Family Chapel, Jacksonville, Florida

“The combination of Dr. Newheiser’s background in business, ministry, and counseling makes him well qualified to discuss difficult financial issues. He deals with broad topics, such as the blessings and dangers of wealth, the importance of work, and preparing for the future, including retirement. He also discusses very practical issues, such as laziness, creating a budget, avoiding debt (or getting out of it), and different kinds of investments. Many scriptural principles are woven through the book, and when Scripture is not entirely clear on a matter, that is also pointed out. No matter what your current financial situation is, you will benefit from this book. If you know people with financial troubles, they will certainly be helped by the practical wisdom in these pages.”

—**Richard P. Belcher Jr.**, John D. and Frances M. Gwin Professor of Old Testament, Reformed Theological Seminary; Academic Dean, Reformed Theological Seminary (Charlotte and Atlanta)

“I love reading books, but I shout out loud when I’m reading a book by a seasoned author whose wisdom has been forged in the trenches of real life, sitting across from people in desperate need of godly counsel. The book in your hands is that kind of book. Pastoring and counseling for over thirty years now has afforded me the privilege and pain of seeing the fallout from foolish financial decisions that often haunt people for decades. Jim brings practical and biblical clarity to the financial land mines that people keep stepping on as he addresses credit cards, debt, insurance, student loans, cosigning, investment strategies, the temptation of wealth, and more. You’ll love this book and likely find yourself saying, ‘I wish I’d read this years ago.’ Read it, live it, recommend it to others.”

—**Brad Bigney**, Lead Pastor, Grace Fellowship Church (Evangelical Free Church of America), Independence, Kentucky; counselor, Association of Certified Biblical Counselors (ACBC); author, *Gospel Treason*

“Jim Newheiser believes in the sufficiency of Scripture. I have known Jim for nearly twenty-five years, and I have learned much from him. He is a trusted guide. Everything Jim writes is deeply biblical and wonderfully practical, and this book is no exception. In my opinion, this is now the go-to book for biblical wisdom on finances. It is God-centered. It is biblical. It is wise. It is comprehensive. It is arranged so that you can go straight to a topic. But it is also designed so that it could be used in small groups or Sunday school classes. Jim writes so that God’s people would glorify God in their work and their finances. May God be pleased to use this book to help sanctify the church by disabusing us of society’s money myths and by renewing our minds by the Word of God.”

—**Brian Borgman**, Founding Pastor, Grace Community Church, Minden, Nevada; author, *Feelings and Faith*

“Any Christian book on the subject of money faces a challenge: it must deal with both timeless principles and contemporary applications—issues that transcend time and context and those that are inexorably

bound to a particular time and a particular context. Jim Newheiser's *Money, Debt, and Finances: Critical Questions and Answers* strikes just the right balance. It carefully distinguishes between what the Bible says to all people in all times and what it says to a certain people at a certain time. For that reason and many more, I am glad to recommend it."

—**Tim Challies**, Author, blogger, and book reviewer,
www.challies.com

"Jim Newheiser has done an excellent job in writing *Money, Debt, and Finances: Critical Questions and Answers* to address the challenging issues that face most of us on our sanctifying journey as believers. Jim has devoted a lifetime to collecting information on these topics, not only from Scripture but from his experience as a pastor, a businessman, and a biblical counselor. I heartily recommend this book to anyone seeking God's answers to these critical and common financial questions."

—**Howard Dayton**, Founder, Compass—Finances God's Way

"Who knew that a seasoned pastor, seminary teacher, and biblical counselor had so much to say on the topic of money! By answering forty-one practical questions, Jim Newheiser explores the astounding relevance of scriptural principles on spending, budgets, poverty, work, debt, gambling, giving, vocation, wealth, and the intriguing-but-overlooked connection between our heart and our finances. It's difficult to imagine any reader's having unanswered questions after reading this comprehensive guide!"

—**Dave Harvey**, President, Great Commission Collective;
author, *When Sinners Say I Do* and *I Still Do*

"It is always a pleasure to read a book by Jim Newheiser, and *Money, Debt, and Finances: Critical Questions and Answers* does not disappoint. As a physician, I am painfully aware that doctors are well known for playing golf badly and doing a worse job of managing our money. This book is on the list that I wish I had read when I was starting out. It offers a wide variety of biblical principles by which to govern our use of money in forty-one concise chapters. I found this book helpful

in ordering my own finances. I highly recommend it for those who are looking for guidance on how to honor God with the resources he gives us.”

—**Charles Hodges**, Medical Doctor; Fellow, Association of Certified Biblical Counselors (ACBC); author, *Good Mood, Bad Mood*

“Newheiser provides a comprehensive, biblically driven resource—strewn with practical suggestions—on how to view money and how to gain and spend it, when to borrow or lend it, and how to save and invest it, always with a consistent, explicit aim to honor God, who owns all our possessions. My new starter guide about money both for me and for those I disciple and counsel.”

—**Robert D. Jones**, Associate Professor of Biblical Counseling, The Southern Baptist Theological Seminary; author, *Pursuing Peace and Uprooting Anger*

“Many books, programs, and financial gurus will tell you what to do with your money, but God’s Word is the ultimate source of financial wisdom. First and foremost, it gives us our goal as Christians—not to be debt-free or to get rich, but to glorify God in all things. All other financial principles in Scripture flow out of this high calling. In an accessible Q&A format, biblical counselor and former financial consultant Jim Newheiser presents financial wisdom that is grounded in faithful biblical exegesis and rooted in sound theology. What are common misunderstandings about money? How can you create and balance a budget? How can you get out of debt? What insurance do you need? He answers these questions and more, providing a go-to resource for laypeople and those who counsel them.”

—**Robert W. Kellemen**, Academic Dean, Dean of Students, Professor, Faith Bible Seminary; Founder and CEO, RPM Ministries

“I always knew that the Bible spoke a lot about money, but I never realized how much until I read this wonderful new book by Jim Newheiser.

With a commitment to the sufficiency of Scripture, and with remarkable depth and wisdom, Newheiser shows us that the Bible provides essential guidance on a wide range of financial questions. I highly recommend *Money, Debt, and Finances: Critical Questions and Answers*.”

—**Michael J. Kruger**, President, Professor of New Testament,
Reformed Theological Seminary, Charlotte

“Jim Newheiser’s book on money is a must-read. You need this book to know what money is, how to think about it, what the Bible says about it, and how to honor God with it. On every page I found myself educated and edified. I am praying that this book finds its way into many hands!”

—**Heath Lambert**, Senior Pastor, First Baptist Church,
Jacksonville, Florida

“This will be my go-to book when counseling Christians about finances. It is excellent, based on biblical principles, and highly practical. It should be very helpful for young and older Christians. It will be useful for counseling people who are irresponsible in money matters. And it would be a great textbook for teaching a class. I will recommend it often. It covers a plethora of important money matters.”

—**Wayne Mack**, Elder, Lynnwood Baptist Church, Pretoria,
South Africa; Director, ACBC Africa

“Books on money and personal finance are, ironically, a dime a dozen. This one by Jim Newheiser is worth its weight in gold. Not only does Jim get into the practical nuts and bolts of how to acquire, spend, save, and invest money (as well as manage debt), he also addresses the ways that finances reveal the idols of our hearts and how the gospel can wean us off such cheap God-substitutes. Jim shows us that stewarding our financial resources wisely is not just good for us; it constitutes a significant aspect of a life of worship, lived in grateful obedience to our Savior. *Money, Debt, and Finances: Critical Questions and Answers* provides hope for those who have already met financial ruin, as well as further wisdom for those who are already making good choices.

Jim's book will become the first resource I pass out to those who need mentoring in this crucial area."

—**Phillip S. Marshall**, Pastor, Adult Education & Discipleship, Founders Baptist Church, Spring, Texas; Assistant Professor, Department of Classics and Biblical Languages, School of Christian Thought, Houston Baptist University

"*Money, Debt, and Finances: Critical Questions and Answers* is an amazing book combining biblical principles and very practical advice. It will answer all your questions about money and God's perspective. I like this book a lot and plan to give it to all our children and adult grandchildren. I wish my husband and I had had it when we were young."

—**Martha Peace**, Certified biblical counselor; author, *The Excellent Wife*

"Jim Newheiser masterfully applies biblical principles and values to the dozens of important money decisions that Christians must make today. His book is one of the few that connect the big question of how to glorify God with the myriad money questions faced in daily life. The result is a veritable 'Wikipedia' of godly money guidance. *Money, Debt, and Finances: Critical Questions and Answers* charts a course around the many financial minefields for youth, college students, young couples, middle-agers, those in business, those approaching retirement, the struggling, and the wealthy. This is the most thorough money guide for Christians in print today."

—**James C. Petty**, Author, *Step by Step: Divine Guidance for Ordinary Christians* and *Act of Grace: The Power of Generosity to Change Your Life, the Church, and the World*

"Without doubt, one of the significant challenges that many people face is financial pressure, and Christians are certainly not immune. To add to this challenge, many questions are regularly raised about the use (and misuse) of money. This subject is heightened even further when you consider that Jesus himself said that 'where your treasure is, there your heart will be also' (Matt. 6:21). Given this critical truth from our

Lord, Jim Newheiser has applied his considerable skill in answering forty-one different questions related to this incredibly important topic. If you, like me, have struggled to carefully understand and practically apply what the Bible teaches about money, this is just the book for which you've been waiting."

—**Lance Quinn**, Senior Pastor, Bethany Bible Church,
Thousand Oaks, California

"People need discernment—biblical discernment. This is expressly true when it comes to money. What Dr. Jim Newheiser does here is to provide the church with an exceptional resource for developing biblical discernment about money. His book is useful to disciples of Jesus Christ who want to glorify God through their understanding and use of money. Built on faithful exegesis, Jim's volume provides biblically sufficient, practical guidance for the people of God to think rightly about money and use it wisely for the glory of God."

—**Andrew Rogers**, Pastor, Kindred Community Church,
Anaheim Hills, California; Executive Director, Overseas
Instruction in Counseling

"In his wonderful book *Money, Debt, and Finances: Critical Questions and Answers*, author Jim Newheiser shares both biblical and practical wisdom about virtually all areas of finances. In a world in which even many Christians struggle with financial bondage, stress, and pressures, this book offers solid principles that, when applied, can lead to true financial freedom. Given that money conflicts in marriage are one of the leading causes of divorce, *Money* will serve as a valuable resource for the Christian counselor who wants to know how to counsel—through the lens of biblical stewardship. I highly recommend this book to every Christian counselor and to everyone else who wants to learn biblical and practical principles that lead to wise stewardship and financial freedom."

—**Jeff Rogers**, Founder, Chairman of Stewardship Advisory
Group and Stewardship Legacy Coaching; ForbesBooks
featured author, *Create a Thriving Family Legacy: How to
Share Your Wisdom and Wealth with Your Children and
Grandchildren*; coauthor, *Investing & Faith*

“A guide full of important information for those who want to apply God’s Word to their financial life. It not only discusses the many financial roadblocks that we face today, but leaves readers with answers that they can begin to reflect on. It equips them to go deeper than just getting out of debt: it encourages them to become financial disciples. I look forward to using this book as a reference to answer the many questions that we receive.”

—**Julia Sizemore**, Financial Coach; Founder, Connect Financial Ministries

“Stewardship of money and resources is a frequently recurring subject for most experienced counselors because it is a persistent problem among Christians. Mark Twain sarcastically remarked, ‘The lack of money is the root of all evil,’ because everyone knew that it was not true. As Scripture says, it’s the *love* of money that is the root of all kinds of evils (1 Tim. 6:10)! Jim Newheiser’s book *Money, Debt, and Finances: Critical Questions and Answers* is a carefully written analysis of how a Christian should handle the financial resources that God has provided. The amount of money one possesses is not nearly as important as its stewardship. This book is packed full of very practical counsel, using God’s Word as the standard and guide for some of the most important and difficult financial decisions that you will face in life. The biblical backdrop for handling money must be understood if you plan to bring glory to God, and this book very effectively unveils that backdrop. I believe it will benefit Christians around the world for a long time to come!”

—**John D. Street**, Graduate Professor, The Master’s University & Seminary; President of the Board of Trustees, Association of Certified Biblical Counselors (ACBC)

“This book is a wonderful blend of solid biblical principles and practical application to the way we handle the money that God has entrusted to us. Jim Newheiser is a seasoned pastor, professor, and biblical counselor, and he is also a trusted friend. Readers will learn solid truths that will guide their use of money, but more importantly will be drawn into

a more fulfilling relationship with Jesus as they find him to be their greatest treasure.”

—**Steve Viars**, Pastor, Faith Church, Lafayette, Indiana

“I didn’t want to read this book. Money can get me too nervous. Then, once I stepped in, I enjoyed its biblical clarity and reach, even extending to questions about college majors, school loans, and investments. The book helped me, it will help my adult children, and it prepared me for important conversations with friends.”

—**Ed Welch**, Counselor and faculty member, Christian Counseling & Educational Foundation (CCEF)

“In all my years of studying, teaching, counseling, and training others to do the same with the biblical principles of handling God’s money and possessions, I have always wanted a reference book like this one. A plethora of books have been written by godly businessmen who have studied God’s Word and have written about God’s ownership and our stewardship as well as practical subjects on budgeting, getting out of debt, giving, and operating a business. But very few books so thoroughly deal with dozens of the most common financial problems that show up in the counseling room (and in all our lives as believers) in such a thorough theological and scriptural manner. I plan to use this book heavily in my future teaching and counseling activities.”

—**Tom Wells**, Certified biblical counselor, Association of Certified Biblical Counselors (ACBC); former seminar instructor and budget coach trainer for Larry Burkett and Howard Dayton, Crown Financial Ministries

MONEY
DEBT AND
FINANCES

MONEY **DEBT AND** **FINANCES**

CRITICAL QUESTIONS
AND ANSWERS

JIM NEWHEISER


P U B L I S H I N G
P.O. BOX 817 • PHILLIPSBURG • NEW JERSEY 08865-0817

© 2021 by Jim Newheiser

All rights reserved. No part of this book may be reproduced, stored in a retrieval system, or transmitted in any form or by any means—electronic, mechanical, photocopy, recording, or otherwise—except for brief quotations for the purpose of review or comment, without the prior permission of the publisher, P&R Publishing Company, P.O. Box 817, Phillipsburg, New Jersey 08865–0817.

Unless otherwise indicated, Scripture quotations are from the NEW AMERICAN STANDARD BIBLE®. Copyright © 1960, 1962, 1963, 1968, 1971, 1972, 1973, 1975, 1977, 1995 by The Lockman Foundation. Used by permission.

Scripture quotations marked *esv* are from the *ESV*® Bible (The Holy Bible, English Standard Version®), copyright © 2001 by Crossway, a publishing ministry of Good News Publishers. Used by permission. All rights reserved.

Italics within Scripture quotations indicate emphasis added.

Printed in the United States of America

ISBN: 978-1-62995-437-0 (pbk)

ISBN: 978-1-62995-438-7 (ePub)

ISBN: 978-1-62995-439-4 (Mobi)

Library of Congress Cataloging-in-Publication Data

Names: Newheiser, Jim, author.

Title: Money, debt, and finances : critical questions and answers / Jim Newheiser.

Description: Phillipsburg, New Jersey : P&R Publishing, [2021] | Includes bibliographical references and indexes. | Summary: "Trying to budget? Struggling with debt? Deciding on insurance? Biblical counselor and former financial consultant Jim Newheiser gives guidance from Scripture as he answers major questions on diverse financial topics"-- Provided by publisher.

Identifiers: LCCN 2020038709 | ISBN 9781629954370 (paperback) | ISBN 9781629954387 (epub) | ISBN 9781629954394 (mobi)

Subjects: LCSH: Finance, Personal--Religious aspects--Christianity. | Money--Religious aspects--Christianity.

Classification: LCC HG179 .N4485 2021 | DDC 332.024--dc23

LC record available at <https://lcn.loc.gov/2020038709>

DEDICATION

For over thirty years, I have had the privilege of working in full-time vocational ministry, which means that I get to spend my days studying the Bible, reading edifying books, and teaching and counseling God's people. So I dedicate this book to my Christian brothers and sisters who have successfully worked hard and worked smart in their vocations and have given generously to the Lord's work so that this ox could be unmuzzled. I particularly thank God for the faithful members of Grace Bible Church in Escondido, California, for the generous donors to Reformed Theological Seminary (including S. T.), and for those who have supported other Christian ministries that have generously provided our income over the past three decades. Thank you all for your faithful example of godly stewardship.

CONTENTS

Foreword by Ligon Duncan	xi
Acknowledgments	xiii
Preface	xv

PART 1: GENERAL PRINCIPLES

1. How Can the Bible Speak to Our Modern Complex Financial Issues?	3
2. What Is the Cause of Our Financial Problems?	9
3. What Are Common Misunderstandings about Money?	17
4. What Is Money?	20
5. What Are the Potential Blessings and Dangers of Wealth?	27
6. How Does God Use Financial Trials for Our Good?	35

PART 2: ACQUIRING MONEY

7. What Are Some Common Misunderstandings about Acquiring Money?	43
8. Why Is Our Work So Important?	51
9. What Are the Keys to Success in Your Vocation?	59
10. What Distinguishes the Wise Worker from the Sluggard?	65
11. What Are Illegitimate Ways of Making Money?	74
12. May Christians Gamble?	80
13. Should Christians Participate in Multilevel-Marketing Organizations?	87

Contents

14. What Practical Wisdom Can Be Offered to Those Who Need More Income? 94

PART 3: SPENDING MONEY

15. What Are Some Common Misunderstandings about Spending Money? 105
16. How Much of Your Money Belongs to God? 109
17. How Much Should You Give? 113
18. What Steps Can Be Taken to Successfully Create a Budget? 121
19. What Steps Can Be Taken to Balance Your Budget? 128
20. What Can Be Done to Help People Who Are Failing to Follow Their Budget? 133
21. What Else Can Be Done in Practical Terms to Avoid Overspending? 139

PART 4: DEBT

22. What Are Common Misunderstandings about Debt? 147
23. What Does the Bible Teach about Debt? 151
24. Is There a Wise Way to Use Credit Cards? 157
25. Is It Wise to Incur Debt to Finance Your Education? 162
26. Is It Wise, or Even Necessary, to Use Debt to Buy a Vehicle? 169
27. Is Home Ownership Always a Great Investment? 173
28. What Should We Think about the Use of Debt in Businesses and Government? 185
29. Why Is It Unwise to Lend, Borrow, or Cosign among Family and Close Friends? 193
30. How Can You Get out of Debt? 201

PART 5: PREPARING FOR THE FUTURE

31. What Are Some Common Misunderstandings about Preparing for Your Financial Future? 211

Contents

32. Why Do Christians Need to Save?	215
33. In Practical Terms, How Should Savings Be Accumulated?	222
34. What Are Wise General Principles for Investing?	227
35. What Are the Biggest Mistakes People Make When Investing?	234
36. What Kinds of Investments Are Available, and What Are the Risks? (Banks, Bonds, and Stocks)	243
37. What Other Investments Are Available, and What Are the Risks? (Rental Properties, Precious Metals, Etc.)	253
38. How Can You Wisely Prepare for Retirement?	260
39. What Insurance Do You Need?	267
40. How Can You Prepare for the End of Your Life? (Making a Will and Leaving a Legacy)	278
41. How Does Money Point Us to the Gospel?	284
Appendix A: Budgets	287
Appendix B: Balance Sheets	299
Appendix C: Randy Alcorn's Treasure Principles	305
Recommended Resources	307
Index of Scripture	311
Index of Subjects and Names	317

FOREWORD

The Bible is filled with instructions about the believer's attitude toward and use of money and material possessions. The very first page of the Bible makes it clear that God made all the material things in this world and that "it was very good" (Gen. 1:31). This reminds us of the divine blessedness of the creation and God's complacency (delight) in his creation. It directly assaults the view that matter is sinful or inherently incapable of proximity to God. He made it and delights in it! This means, among other things, that possessions and things aren't inherently bad, though our use of and preoccupation with them can be. In other words, material things—money and possessions—aren't the problem, but our love for them can be. Part of the beauty of God's material creation is that it is a gift of the Giver, and the Giver himself is greater than the gift. This is one key to the Christian attitude toward wealth. It is why Paul warned against "the love of money" (1 Tim. 6:10) and why Jesus declared that "you cannot serve God and wealth" (Matt. 6:24; Luke 16:13)—not because money, things, stuff, and material resources are bad, but because of our heart's propensity to turn even the gifts of God into idols and to treasure God's gifts more than the Giver himself.

This whole area is probably the matter in which more Christians have been conformed to the spirit of the age than any other single issue in our time and culture. And it means that we need biblical instruction, pastoral wisdom, good counsel, and deliberate discipleship on this topic in the church. That is one of the reasons I'm so thankful

Foreword

for Jim Newheiser's book *Money, Debt, and Finances*. Many pastors today consider themselves deficiently informed and experienced in these matters, and numerous specific issues are beset by complication and controversy. So how are we going to helpfully shepherd our people in this area? Thankfully, we have wise, experienced, and balanced pastor-teachers such as Jim to help us.

I've been helped by reading this book, and I think you will be, too. It will serve the pastor and counselor in helping Christians to think through these matters, as well as directly aid believers who wish to thoroughly work through these issues for themselves.

Ligon Duncan

Chancellor and CEO

John E. Richards Professor of Systematic and Historical Theology
Reformed Theological Seminary

ACKNOWLEDGMENTS

I am thankful to God for many people who were a tremendous help and blessing as I wrote this book. My buddy Tom Wells offered a wealth of experience and knowledge about biblical financial principles that I believe greatly enhanced this book's usefulness and accuracy (and during crunch time pulled an all-nighter for the first time since college). My TA, Taylor Wright, did an amazing job of helping me to complete and format the manuscript, while making numerous helpful suggestions about content. I am grateful to God for our friend Pat Kuhl, who did her usual careful and precise job of proofreading my manuscript. I am most thankful for my wife, Caroline, who has been a frugal and wise steward of the resources that God has entrusted to us over these past forty-plus years (Prov. 31:11–12). I am also thankful for the support and wisdom of John Hughes, Karen Magnuson, and Amanda Martin with P&R Publishing. I am blessed and humbled that they would want to publish my books, and I am thankful for how they improve what I have written, thus making it more useful for God's people. *Soli Deo Gloria.*

PREFACE

Why would a seminary professor/pastor/counselor write a book about money? I have always been a financial junkie. When I was a small child, I was eager to make money in any way I could by helping out around the house. I was a saver; by the time I was eight, I had about fifty dollars, which I invested, with my dad's advice, in the stock market. Not long after that, I started mowing neighbors' grass, and by the time I was twelve I had two paper routes and made even more money selling subscriptions door to door. When I went to college, while I yearned to go into full-time ministry, I chose to major in business so that I would have a marketable skill, remembering that Paul sometimes supported himself by making tents (Acts 18:3). I was also influenced by the fact that Jesus hadn't begun his public ministry until he was about thirty and that elders are typically older men. I wanted to be in a position to provide for my family if full-time support in ministry was not possible. After I completed college, I went to work as a financial consultant for the company that is now called Accenture, where I worked among driven, successful people in an extremely high-pressure, competitive environment. Then the Lord took my family to Saudi Arabia, where I worked for a former client, Exxon Mobil, while also serving as a tent-making pastor. The time in Saudi was richly rewarding both spiritually in the underground church and financially, since we were very well paid. As we worked and lived among people who were making more money than they had ever imagined, we watched how some foolishly wasted that bounty,

while others acted more wisely. At a very young age we had to learn how to manage our newfound wealth, facing challenging choices of how much to spend, how much to save, and how much to give away. We also learned a lot about investing through both the wise and the unwise choices we made.

After we were kicked out of Saudi Arabia on religious grounds, I attended seminary, where we were with students who were struggling financially as they tried to take care of their families, engage in ministry, and pay for school. Since completing seminary, I have been engaged in local-church pastoral ministry, biblical counseling, and leadership training. In addition to counseling people about their financial problems, I have discovered that many people with other presenting problems also have major financial challenges. We have watched others make disastrous financial mistakes, often involving family and friends. We have worked with people to make budgets, get out of debt, and save for the future.

I have continued to be a bit of a financial junkie. I read the *Wall Street Journal* every day, and I devour books that deal with financial issues. My hope in writing this book is to combine my background in finance with my theological training and my practical counseling experience in order to be a blessing to Christ's church.

This book, like my *Marriage, Divorce, and Remarriage*¹ volume, is arranged around questions and answers. Some people might choose to read straight through the book. Others might find it useful as a reference by which they can seek wise biblical answers for particular issues as they come up.

I want to acknowledge that I have learned much from others who have written on the topic of finances, including Randy Alcorn, Larry Burkett, Ron Blue, Howard Dayton, and Dave Ramsey. I have sought to give credit where credit is due, but am sure that many of my ideas are among those gleaned from many sources over the past forty years. Given that God's Word is the ultimate source of financial wisdom, it

1. Jim Newheiser, *Marriage, Divorce, and Remarriage: Critical Questions and Answers* (Phillipsburg, NJ: P&R Publishing, 2017).

should not be surprising that many of us have some similar things to say. My hope is that my perspective will be a useful addition for the glory of God.

Why do we need another book about finances? I have three primary aims that I hope will make this book stand out:

1. Our goal is not to be debt-free or to be wealthy. Our goal is to glorify God in all things, including our finances.
2. Our objective is to present financial wisdom that is grounded in faithful biblical exegesis and rooted in sound theology.
3. This book is meant to be a reference for individuals and counselors to discover the Bible's answers and apply them to the most common financial problems and questions that people face today.

PART 1

GENERAL PRINCIPLES

1

HOW CAN THE BIBLE SPEAK TO OUR MODERN COMPLEX FINANCIAL ISSUES?

You picked up this book because you need wisdom about your finances. Perhaps you are having a difficult time making your mortgage payment. Or you are in a dead-end job with little opportunity for advancement in responsibility or salary. Or you feel that you are buried in debt from student loans and credit cards. You might wonder what the Bible, which was written thousands of years ago, can have to say about your problems. In biblical times, people didn't have credit cards, time-share payments, and student loans. Most people were farmers and didn't have the array of vocational options that we have today. There were no multinational corporations. Nor did Internet shopping and banking exist.

Second Timothy 3:16–17 tells us, “All Scripture is inspired by God and profitable for teaching, for reproof, for correction, for training in righteousness, so that the man of God may be adequate, equipped for every good work.” Isaiah 40:8 proclaims, “The grass withers, the flower fades, but the word of our God stands forever.” Jesus often taught about financial matters. Randy Alcorn calculates that 15 percent of everything that Jesus teaches relates to the topic of wealth.¹ God, who

1. Randy Alcorn, *The Treasure Principle: Discovering the Secret of Joyful Giving* (Colorado Springs: Multnomah, 2001), 9.

inspired the human authors to write his inerrant Word, knew what the future would hold and has given us not merely sufficient truth, but timeless glorious wisdom. He is the ultimate designer of human labor and commerce. His Word not only helps us to understand financial matters, but also equips us to live wisely as we seek to glorify him in all things.

While technology changes, human nature and basic economic principles remain the same throughout history. Niall Ferguson, in his book *The Ascent of Money*, points out, “Sooner or later every bubble bursts.”² He and others liken the modern collapses in banking, stocks, and real estate to various economic crises and collapses in history, including the famous tulip bubble in seventeenth-century Holland.³ Though our government leaders claim to have created sophisticated economic and banking systems run by highly trained experts, bubbles and financial crises still happen and will continue to happen. Many financial problems, for individuals, corporations, and nations, are caused by violating basic principles of biblical wisdom.

Scripture teaches many principles, which will be developed at greater length in subsequent chapters:

1. Private-property rights are affirmed. The Ten Commandments forbid not only stealing your neighbor’s property, but even coveting what doesn’t belong to you (Ex. 20:15, 17). The story of King Ahab’s trying to take Naboth’s vineyard (1 Kings 21) illustrates the reality that even a ruler does not have the right to take away a man’s property.
2. Vocational and financial success comes through hard work and skill (Prov. 6:6–11; 10:4; 22:29). God has designed the economics of the world in such a way that you will be rewarded according to your effort and your ability. The way to get ahead is to acquire valuable skills and to work hard in your vocation.

2. Niall Ferguson, *The Ascent of Money: A Financial History of the World* (New York: Penguin Books, 2008), 9.

3. Ferguson, *Ascent of Money*, 137.

3. Get-rich-quick schemes are foolish and lead to poverty (Prov. 13:11; 28:19–20, 22). In every age, there are people who try to circumvent God’s way of achieving financial success by going after schemes that promise prosperity without hard work and skill. Such unwise and greedy schemes will sooner or later fail, thus increasing one’s financial woes.
4. Wages and prices are to be equitable (Jer. 22:13; James 5:1–7). The concern for fair wages for laborers is not merely a modern phenomenon. God’s Word opposes the unjust oppression of the weak by those who possess economic power and requires that we treat others with fairness that goes beyond mere impersonal forces of supply and demand.
5. An extravagant lifestyle will make you poor (Prov. 21:17). People will always be attracted to pursue possessions and experiences that are beyond their economic means. The enjoyment of these luxuries might be pleasant in the short term, but they will lead to severe financial difficulties in the long run.
6. Going into debt (or cosigning for the debt of others) is foolish and can be financially ruinous (Prov. 6:1–5; 15:6; 17:18; 22:7, 26–27). Debt can be tantalizing. It can temporarily enable you to enjoy a standard of living far beyond your income. Corporations anticipate that they can increase their profits by financing their expansion through debt rather than equity. Governments have realized that spending on various programs is popular but that taxation is not, so they create massive amounts of debt. Debt greatly increases the risk of financial disaster for families, corporations, and governments. Sooner or later, the bills must be paid.
7. Saving for the future is wise (Gen. 41:33–36; Prov. 6:8). Those who are wise know that times of prosperity (for nations, corporations, and families) are often followed by financial downturns; thus, they exercise self-control in spending so that they can have reserves to ride out economic storms. They also put money aside for anticipated future expenses, such as major purchases (house and car), education, and retirement.

8. We should honor God from our wealth, which includes having compassion on the poor (Prov. 3:9; 19:17; Luke 12:21). We are stewards of the resources that God gives us. We are to give to the work of his kingdom by faith and in proportion to how he has blessed us. We are also to be concerned for the deserving poor among us, especially our earthly and spiritual families.
9. Taxation is a reality of life (Neh. 5:4; Luke 20:22; Rom. 13:6–7). As long as human government has been in existence, there have been taxes. These are not always fair. Nor do governments always spend our money wisely and justly. But we pay taxes, ultimately for the Lord's sake.
10. Wisdom thinks long term and is willing to postpone gratification (Matt. 6:19–21). This general principle of wisdom applies to many areas of life, including our finances. Living frugally and saving will produce blessing in this life. Forgoing earthly pleasures and possessions for the sake of God's kingdom will result in great blessing in the life to come.

Ferguson writes concerning modern financial crises: “Indeed, I believe that today’s crisis is in some measure to be explained by ignorance of financial history—and not only among ordinary people. The ‘masters of the universe’ also paid far too little heed to the lessons of the past, preferring to pin their hopes on elaborate mathematical models that proved to be false gods.”⁴ From a biblical perspective, we would say that God has revealed financial wisdom in Scripture and that history proves that people who think they are smarter than God wind up creating financial problems not only for themselves, but also for others affected by their folly: “Do you see a man wise in his own eyes? There is more hope for a fool than for him” (Prov. 26:12).

4. Ferguson, *Ascent of Money*, 14.

OUR APPROACH

This book will survey what the Bible teaches about finances—general principles, earning money, spending money, borrowing money, and saving for the future. We will seek to refute some of the unwise money myths of our day while offering biblical wisdom in their place. In addition, we will seek to provide practical steps you can take to make needed changes to your financial life so that you can live more wisely. We will also use case studies in order to make these principles more understandable.

SOME QUALIFICATIONS

It is important to distinguish between biblical commands, the violation of which is sinful; principles of wisdom, the violation of which is folly; and particular ways in which one may choose to apply biblical commands and principles of wisdom.

1. For example, it is sinful to steal, to take bribes, or to refuse to pay your taxes or your other obligations. A professing Christian could be subject to church discipline for various forms of theft (1 Cor. 5:11).
2. On the other hand, taking on debt or cosigning to take on the debt of others is risky and often unwise and could result in financial problems, but such actions are not necessarily sinful. The person who chooses to cosign for the debt of a family member might be advised by church leaders not to do so, but he would not be disciplined if he made this choice.
3. There are often multiple valid ways to obey a biblical command or to follow a principle of wisdom. We need to be careful not to legalistically treat our way of doing things as the only righteous or wise way to act. For example, it is wise to make a spending plan or budget (Prov. 21:5). One could choose to do this by using an electronic app, a chart on paper, or the envelope system advocated by some financial advisers. Another

example is that Christians are obligated to pay off their debts (Ps. 37:21), but Scripture does not compel everyone to use Dave Ramsey's debt snowball (paying off the smallest debt first) as opposed to another debt-reduction technique (such as paying off high-interest debts first).

OUR GOAL

The primary goal of this book, in contrast to other financial books, is not to help you become prosperous or even debt-free. Our chief goal is to encourage you to work, spend, give, save, think, and live to the glory of God (1 Cor. 10:31; 2 Cor. 5:9).

— QUESTIONS FOR REFLECTION —

1. How can the Bible, which was written centuries ago, speak usefully to our financial issues today?
2. What are some timeless financial truths taught in Scripture?
3. Why do people, including politicians and economic experts, continue to ignore the lessons of Scripture and of history?
4. In what ways do individuals, corporations, and governments today often violate biblical principles of finance?
5. What is the difference between a biblical command and a principle of biblical wisdom?
6. What should our chief financial goal be?