

Making Financial Decisions

Christians can best make financial decisions according to God's plan for their lives by understanding His directives for their lives. Every decision requires a thorough understanding of God's attitudes, and that understanding comes from studying God's Word and communicating with Him. If Christians never ask God's direction regarding investments of financial decisions, they will never receive an answer. There are some specific principles that Christians need to consider when making financial decisions: avoid speculation, keep finances current, keep Christian witness, give—do not loan, never cosign, avoid indulgence, prepare for decreases, and let peace rule.

Avoid speculation

Christians should seek God's increase rather than trying to increase their financial worth through speculative schemes. Many times enticing programs and "guaranteed" money-making schemes are not only unethical but border on being illegal. They must assess every so-called opportunity with their relationship with Christ and not let others make financial decisions for them. Instead, every decision must be made in light of individual goals, whether the venture is necessary, and whether it fits into God's individual plan for their lives. Precondition attitudes to avoid speculative "opportunities."

Keep finances current

Christians need to always manage their finances on a current basis, making no provision in their financial planning to borrow money beyond their abilities to repay. If what is wanted or desired jeopardizes future financial freedom, forget it. Impulse buying, either investment or consumption, is disastrous to budgets. So, when evaluating purchases or investments, always consider the financial obligation in light of known income or available funds.

Plan for tomorrow by prudence today; make plans in light of present circumstances, not on some future event; and maintain the principle of staying debt free.

Keep Christian witness

Consider every decision, especially financial decisions, on the basis of its effect on the work and reputation of Christ. Therefore God must not be placed into a financial corner and called on only during a time of economic crisis. To blindly pursue a course without a directive from God and then depend on Him to rectify any resultant financial disasters is not God's will; nor is it according to His plan. As an example, if one must borrow outside of God's people in order to remain in His will, beware! This course is not according to His plan. "The rich rules over the poor, and the borrower becomes the lender's slave" (Proverbs 22:7).

If Christians deal unfairly or unethically with any individual or any business, then it is the Christians' witness that will suffer>(*4) Therefore, Christians must establish that, no matter what the circumstances are, they will tell the whole truth, keep their vows, make decisions based on God's directive and God's plan, maintain financial honesty, and preserve the integrity of Christ in every aspect of life.

Give—do not loan

Christians should avoid lending to those in need if giving is possible.(*5) If someone approaches a Christian, requesting financial help in order to acquire wants or desires, then that request and justification for the request should be seriously questioned. But if that person is in need and God has directed that he or she is to be helped, it is the Christian's responsibility to supply that need.

Never cosign

To cosign means to pledge personal assets against the debt of another. It doesn't matter whether it is personal or business, Scripture specifically forbids this whenever it speaks of surety or striking of hands.(*6) "My son,

if you have become surety for your neighbor, have given a pledge for a stranger, if you have been snared with the words of your mouth, have been caught with the words of your mouth, do this then, my son, and deliver yourself; since you have come into the land of your neighbor, go, humble yourself, and importune your neighbor” (Proverbs 6:1-3). Of all the portions that warn against surety, or cosigning, in Scripture, this seems to be the one that is most explicitly warns against it.

Avoid indulgence

Christians need to learn to discern the difference between needs, wants, and desires in every financial transaction. This applies not only to purchases of material goods but to investments as well. Before buying, determine whether the purchase is a need or desire; then check it against God’s principles. Before investing, determine the reason for investing and what will be done with the money if God blesses with increase.

Many Christians get frustrated because they cannot distinguish between luxuries and necessities. Consequently, they seek fulfillment through the same channels as non-Christians and then wonder why they have fruitless Christian witnesses. God wants us to live comfortably, but He does not want us to live lavishly.

Prepare for decreases

Being prepared for unexpected decreases in funds is a vital part of keeping financially current. Evaluate all financial decisions on the basis of what would happen if there was even a small decrease of income or available funds. Could there be adequate adjustments made to live within new spending parameters without having to go into debt in order to maintain a current lifestyle? Do not operate at the upper limit of income or available funds. Instead, make financial decisions cognizant of the possibility that if there is a sudden drop in income, it may be necessary to reduce current living standards.

Let peace rule

Often Christians are not responsive enough to God’s Word or to His presence to hear Him, except through an inner turmoil known as lack of peace. As a last resort, God will use this to provide direction. Accordingly, if He does not give peace, do not get involved.*7) If a quick decision is required, do not get involved. Take the time to think and to pray about any decision, especially financial decisions that will affect the family, and be determined not to make any financial decision under pressure. “It is the blessing of the Lord that makes rich, and He adds no sorrow to it” (Proverbs 10:22).

Conclusion

Become sensitive to God’s guidance by becoming familiar with His directives and leadership procedures, through the study of His Word and by communicating with Him through prayer. He will always provide the right direction for those who seek it. Even when we fail to see the right path clearly in God’s Word or fail to hear Him in prayer, He will never fail to place an unrest or a peace inside that will confirm His preferred course and His will. If we are sensitive, we can usually avoid financial failures and bondage.

*1 Larry Burkett, *Your Finances in Changing Times*, Moody, 1975, p. 123

*2 Larry Burkett, *Biblical Principles Under Scrutiny*, “Avoiding Get-Rich-Quick,” *Christian Financial Concepts*, 1988

*3 Larry Burkett, *Debt-Free Living*, Moody, 1989, p. 100

*4 Larry Burkett, *Using Your Money Wisely*, Moody, 1985, pp. 138-139

*5 Larry Burkett, *Answers to Your Family’s Financial Questions*, Living Books, 1998, p. 101

*6 Larry Burkett, *Biblical Principles Under Scrutiny*, “Surety—What is it?” *Christian Financial Concepts*, 1986

*7 Larry Burkett, *Your Finances in Changing Times*, Moody, 1975, pp. 127-128