

Financial Deception—Bankruptcy Will Solve My Financial Problems

When people get into financial difficulty, many believe that declaring bankruptcy will solve their financial problems. Unfortunately, bankruptcy just treats the symptom. Statistics show that approximately 80 percent of people who go bankrupt, do so again within 10 years. This is generally because *the real problem is the violation of God's financial principles*, which often continues even if current debts are eliminated by bankruptcy.

The Bible is clear that it is not God's will for anyone to go bankrupt. “The wicked borrow and do not repay, but the righteous give generously” (Psalm 37:21). In other words, it is a sin to declare bankruptcy. On the other hand, a righteous person pays what is owed (which is implied) and goes “the extra mile” by giving generously even where there is no financial obligation.

In addition, it is not a good testimony when a Christian declares bankruptcy. Hence, I believe that it is *not* God's will for a Christian to go bankrupt. If you are in financial difficulty, I recommend that you learn and implement God's financial principles in conjunction with a budget. If you do this, God has promised that he will meet your *needs* (Matthew 6:31–33), but not necessarily your *wants* and *desires*.

Since 1982, I have had the privilege of counselling more than 300 Christians who have been in financial difficulty. In those situations where the Christian learned and implemented God's financial principles, God blessed in unusual ways, and no one declared bankruptcy.

If you have declared bankruptcy already, then may I encourage you in several ways.

1. God loves you, and God will forgive the act of bankruptcy if you confess that sin to the Lord: “If we confess our sins, he is faithful and just and will forgive us our sins and purify us from all unrighteousness” (1 John 1:9).

2. In dependence upon the Holy Spirit and God's wisdom from his Word, ask God to reveal to you the real cause(s) of your bankruptcy. Even Christians can unknowingly violate God's financial principles. Or it may be an ungodly attitude or mindset about money that you need to change. It is critical that you study and meditate on God's Word with respect to finances so that you have “the mind of Christ” (1 Corinthians 2:16) in managing the money that God has entrusted you with. Excellent materials can be obtained from Crown Financial Ministries (www.crown.org).

3. Develop and implement a budget to ensure that you are spending less than you are earning on a monthly basis so that you have a surplus for non-monthly and unexpected expenditures. A budget is simply a tool that can be used in a practical way to do short-term and long-term financial planning.

In summary, the deception of this world is that bankruptcy will solve one's financial problems. Bankruptcy only treats the symptom. Generally, the true cause of the problem is the violation of one or more biblical principles. I recommend that, in dependence on God, you learn and apply God's financial principles in conjunction with implementing a budget.