



## ‘I Owe, I Owe’: The Deceptive Cult of Consumer Credit

We need to get out of debt and be good stewards of our funds.

Everyone is talking about it...*Dr Gordon Preece* gives some good advice.

Remember the car stickers lamenting, “I owe, I owe, It’s off to work I go!” How apt they were and are. Debt could be added to the famous unavoidable duo of death and taxes. In fact, given the sometimes fatal effects it has on marriages and families, some suggest a new vow—“Till debt us do part”! Dr Tim Seelig from the Australian Housing and Urban Research Institute says many are struggling with huge levels of debt in a bid to own their own home and inadvertently damaging family life. They cut spending on family holidays and make long commutes, reducing time at home, all paradoxically for their family. Seelig says high housing prices are trapping many in the rental market, but a shortage of rental stock raises rents too—it is a Catch 22. These people will struggle to acquire assets as they move closer toward retirement.<sup>1</sup>

Consumer credit card debt is a particular culprit. Again, it is assumed as some kind of inevitability. Yet there are major differences in credit usage levels internationally: for example there are over 47 million credit and store cards held, from 1200 to choose from in the UK, compared to fewer than three million cards in Germany. Australians follow the Anglo not the Saxon trend. “The credit card has just turned 50 years old but for many Aussies struggling to keep up with the payments it’s not such a happy birthday. Australians now owe a record \$44 billion in credit card debt.”<sup>2</sup> Yet the same announcer and show were blown away by a gale of hot air about a new credit card—David Jones’ new Amexcard, with rewards from any shop, employed supermodel Megan Gale to sign people up, often to super-debt.

### Three perspectives

Let me question this model-induced money-mania from three sources: contemporary investment media analysts; Dickens, the classic novelist; and the Bible.

First, ABC’s *Media Watch*<sup>3</sup> blew the whistle on the media hypocrisy, describing the card as ‘Plastic Too Fantastic’. Channel Seven’s *Today Tonight* cited Christopher Zinn from *Choice*<sup>4</sup> saying, “Stores love the credit card, because it reels in those who cannot afford it. [But] it’s only worth it if you’re not paying in-



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terest on a credit card,” no matter how many steak-knives they throw in. Not rocket-science, but worth a listen.

Another breakfast media star David Koch writes an investment column for *The Age*. He counselled, ‘Go Cold Turkey on Credit’<sup>5</sup> and cited Merrill Lynch economist David Rosenberg’s prediction of “a community return to frugality and conservatism similar to . . . the 1950s; a period when saving is hip, eating in is in, eating out is out and we ditch the car for the bus . . . This trend is starting to take hold here and will escalate throughout next year.” Koch’s prescription for surviving the financial crisis is simple, “We have to cut our debt, curb our spending and . . . live within our means.”

Similar moral medicine is found in Robert Douglas-Fairhurst’s *How to Triumph in the Crisis – take a leaf out of Dickens*<sup>6</sup>. The great Christian chronicler of 19th century poverty depicts a world that in many ways mirrors ours when he says, “. . . the scramble for credit, financial scandal, panic . . . Dickens combination of ambition and anxiety make him unmistakably our contemporary.”

In *Little Dorrit*<sup>7</sup> we see the desperate scene of William Dorrit, the longest-term resident of Marshalsea prison, imprisoned more than 20 years previously for debt—a memory of Dickens’ own father John imprisoned there when Charles was a lad. It was a great and permanent shame to him, which he sought to banish by accumulating £93,000, making him a millionaire today. Yet he learnt to steward his finances while being well-known as very generous.

Fortunately Dickens delivers good news of an alternate way he sought to embody himself. . . As says “*In A Christmas Carol*”<sup>8</sup>, Scrooge learns that money means nothing when compared with the sight of the Cratchits eating their scanty Christmas meal together—their values priceless. Perhaps we can learn from them that expensive gifts aren’t the only ‘love language’—humble hospitality is the love language of Scripture and the body language of the church.

And again, “Even in *Little Dorrit* . . . Dickens offers a cheering alternative to the credit crunch, because another word binding the novel together is ‘credit’. This is not just a reference to financial wheeling and dealing. It is also what people earn by their actions in each others’ eyes, as when Arthur Clennam decides that nothing he does should interfere with his business partner’s ‘honour and credit.’ ”<sup>9</sup>

This leads thirdly towards Scripture’s stress on character—of individuals and institutions, such as Banks. Are they creditable—in the sense of true, trustworthy or honourable as when we say ‘you wouldn’t credit it’ or ‘you’d bank on it?’ Do we and they display wisdom or prudence, a cautious approach opposite to the idolatrous pride that comes before a catastrophic fall (1 Cor 10:12), in the share, mortgage or idol (meat) market.

Another appropriate virtue or character trait for Christians is thrift. The great Sunday school classic story of Joseph (Gen 41:25-36) reminds us of the need for individuals and institutions to store up during the good years in preparation for the lean years. In Proverbs 6:6 (NRSV) we are told to “go to the ant you lazybones; consider its ways and be wise. Without having any chief officer or ruler, it prepares its food in summer, and gathers its sustenance in harvest.” This is not just about hard work but

being prepared, to avoid poverty coming upon you like a robber. The old wisdom to ‘put a little away for a rainy day’ is wise advice when we realise that “God sends rain on the righteous and on the unrighteous,” (Mat 5:45)—there are no separate dry-weather financial forecasts for the righteous. Christians are not exempt from the vicissitudes of life and the erratic nature of the economy, despite what the prosperity gospel might preach.

In *Recovering Thrift to Solve the Credit Crisis*<sup>10</sup>, English theologian Peter Heslam is on the money in arguing that “the credit crunch stems from a deeper moral and spiritual crunch. At stake is a virtue on which capitalism depends—thrift. Resolving the crisis will involve a recovery of this virtue.”

For Heslam, despite the silence of preachers, “The Scriptures support a theology of thrift. Literally, thrift means ‘prosperity’ or ‘well-being’, meanings encompassed in the Hebrew notion of shalom . . . True, Jesus warned against laying up treasure on earth. But his warning is against greed and miserliness, which undermine thrift and generosity.” In Jesus’ parable of the talents (Mat 25:14-30) the two servants who put their money to work, reflect a God who inspires the imagination, productivity and risk-taking that characterise the thrift needed to convert barren money into fruitful, productive capital for the Kingdom.

Across the Atlantic, Heslam is joined by many distinguished leaders authoring *For A New Thrift: A Report to the Nation*<sup>11</sup>. It addresses the linked problems of over-indebtedness, lack of savings and growing inequality in the US. It argues that democratic institutions encourage thrift by more people saving, conserving and asset building. When society fails to do this more people over-spend, consume compulsively and drown in debt. They forget how to be content (Phi 4:11-13). A return to the biblical virtue of contentment and thrift, perhaps given a make-over as slow spending (AKA the slow food movement)—is long overdue if we are not to become sullen slaves to debt, chanting the maudlin mantra, “I owe, I owe, it’s off to work I go.” (A)

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