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14 November 2018 | by [Nathan Mladin \(/author/435/nathan-mladin\)](#)

# Maxed-out morality: the dark side of debt

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## Broken Britain

This is Talk Money Week, which aims to get more people talking about money in order to improve their financial management. But we also need to talk about debt, the darker face of our materialist society.

The facts are well known. As we are borrowing hand over fist, our debt levels keep rising. Today, personal and household borrowing are at levels unseen since the financial crisis 10 years ago. There is around £240 billion of unsecured debt in the form of credit cards, personal loans and overdrafts – a growth of 9 per cent

since 2014. All the while, wages are falling by 0.4 per cent a year, taking inflation into account.

More than 8.3 million people in the United Kingdom face debt problems. Precarious work arrangements, low incomes, mental-health issues and relationship breakdowns are some of the reasons people end up stuck in debt. Young people today are one of the worst groups affected. Clearly, economic and fiscal measures could be taken to address some of these problems. Interest rates, for example, have been kept at very low levels since the financial crisis, the Bank of England base rate sitting at 0.75 per cent today.

There are reasons for this, but one thing is clear – the regime favours borrowing over saving. The third of the British population that has less than £500 put aside for a rainy day bears this out. What behaviour does a low-interest rates policy encourage? What message does it send? There is precious little public conversation on these questions. That has to change.

But there is something else going on, which economic and fiscal policies alone cannot address. The reasons why people get into debt problems show us something that we intuitively know but seldom discuss – that debt is never merely an economic or financial issue. It is also a moral and relational one.

Debt depends on judgements about what is right and fair, and who should bear the associated risks. It has to do with the kinds of relationships that we are creating with one another and the ability, or lack thereof, of all to participate in a common life. These are not issues that can be settled in a neutral way or decided in a technocratic fashion. This is one of the key arguments Theos and St Paul's Institute are making in a forthcoming report, *Forgive us our Debts*. In thinking about debt and addressing its worrying features, we should pass through, but also move beyond, the territory of technical and bureaucratic solutions into the moral and relational realms.

Research shows that people with distressing debt problems are twice as likely as the general population to consider suicide. In a recent BBC2 documentary on the debt counselling charity, Christians Against Poverty, the CAP clients profiled are seen to have two kinds of problems.

One type of problem is practical. Rent arrears, unpaid utility bills, payday loans and credit card debt – the daily choice between heating and eating. This is the kind of problem that state agencies could help to resolve, although, at present, they are more likely to be making the situation worse. The other problem can only be described as a radical loss of hope. This is usually brought on by a personal crisis – the death of a parent or sibling, a broken marriage, a business failure.

At least in the cases shown in the documentary, it's not just that those who seek help with debt problems face almost insurmountable financial hurdles. It is that they face them alone. Getting someone out of debt is only half a job; the real solution to the problem of debt can only come with friendship, community and finding new purpose and meaning.

There is no single solution to problem debt. The right economic and fiscal policies would take us a long way in the right direction. But lack of purpose, meaning and hope, which may account in part for overconsumption, the breakdown of personal relationships and the loneliness that make coping with debt so difficult, are not things that can be cured by the Chancellor on Budget Day.

The Church, through its network of parishes and schools and charities is uniquely placed to offer whole-person support, to address not just the negative bank balances and the mounting bills, but the isolation and the loss of hope that either are on the surface of debt problems or immediately underneath.

Perhaps the Church's greatest opportunity around debt problems today, however, is to model an alternative way of living, based on generosity and sharing, on trust rather than credit score, on relationships of reciprocity rather than competitiveness and exploitation.

To a debt-intoxicated world, the Church and the Christian charities can speak powerfully, in word and action, about a God who, as the theologian Luke Bretherton says, "comes to a people in debt bondage and makes a way where there is no way, who lavishes credit on those the world considers sub-prime, who riskily invests, to the point of emptying himself, in those who cannot repay, and who seeks a dividend of love and Sabbath fruitfulness, not of material prosperity".

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