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Debt is often central to financial decision making, and it plays a key role in financial counseling and planning. It also raises important ethical questions for individuals and families, small businesses, and lawmakers. Which forms of debt, and at what levels, are most conducive to financial well-being? Does financial literacy—such as understanding the often-complicated terms of debt—contribute to financial success, and is there any correlation with ethical behavior? Which policies would best support individuals and families as they acquire, repay, and sometimes default on debts?

The idea for this special issue grew out of a conference on the Ethics of Debt at Iowa State University (ISU) in September of 2015. The interdisciplinary conference, supported by ISU's Center for Excellence in the Arts and Humanities, brought together scholars from across the disciplines to discuss debt from multiple perspectives including the history of debt, philosophical approaches to debt, representations of debt in art and literature, the meaning and experiences of debt, debt and the economy, education and debt, and debt and the state.

The articles selected for this special issue address three themes that emerged from the conference. The first concerns the relationship between debt and individual knowledge or behavior. Martin Seay and colleagues examine the connection between financial literacy and the use of interest-only mortgages. They find that borrowers who were less financially literate were more likely to use such mortgages, compared with fixed-rate and adjustable-rate options. Jay Zagorsky studies the connection between ethical behavior and wealth accumulation. He argues that certain ethical decisions are correlated with financial success, especially later in life.

The second theme explores how debt contributes to or diminishes well-being. Kyoung Tae Kim, Melissa Wilmarth, and Robin Henager consider the connection between poverty and indebtedness. They find that individuals in severe poverty, although less likely to be in debt overall, are more likely to carry high debt loads and be delinquent in repayment. Jennifer Hunter and Claudia Heath examine multiple measures of household well-being in light of credit card use during the Great Recession. They analyze the relationship between carrying a credit card balance and self-reported feelings and perceptions of general household financial conditions.

The third theme addresses the policy implications of debt practices. Mark White considers regulatory reforms enacted in response to the 2008 financial crisis. He argues that many of these reforms are ethically problematic in ways that proponents have failed to realize. Ralph Abbey Ssebagala examines the current state of bankruptcy law in South Africa, where many households are highly indebted. He contends that the existing legal framework is inadequate and should be

replaced with a more straightforward method for discharging debt.

Together, these articles address many of the most pressing ethical questions raised by debt today. Financial counselors and planners regularly intervene in individual and family debt decisions. Often serving as client educators, they may prescribe optional use of debt to improve financial well-being. Moreover, financial counselors and planners need to serve as reliable and informed resources for policymakers in the development of ethical lending and borrowing practices. This special issue, we hope, will challenge readers to consider the ethical implications of their work and encourage more collaborative efforts to this end in the future.

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