

“Following God’s Financial Plan” 1

Breaking Out Of The Debt Trap Part 1 of 4

Luke 16:10-15 April 19, 2009

The financial situation of this nation has been pretty scary over the past six months. In September the Consumer Confidence Index for the Present stood at 61.1%. And the view for the future was even a little brighter at 61.5%. Now the future index has dropped to 28.9%, and the present rate is even lower at 21.5%. And it's not surprising. Unemployment is rising and the stock market has dropped. Retirements are being postponed because what we thought we would have to spend, no longer exists. Many people find themselves deeply in debt, and the debt of our nation is growing to inconceivable heights. What is a person to do? Though this economic crisis appeared to have erupted all of a sudden, in truth, we have been working toward this for some time. When we, individually and collectively, abandoned the traditional ways to save, borrow, and invest, we started down the road to an artificial prosperity. An attitude of instant gratification has led us to financing our present with our future, but that bubble has burst and the time has come to pay the bills. It is time to return to the stability of those financial traditions. To do that, it is important to look to the Lord. And that is what we are going to do.

Jesus tells us that God measures our spiritual maturity by how we handle money; that God evaluates how much He can trust us with spiritual blessings by seeing how we handle our physical and financial blessings. Luke 16:11: *"If you have not been trustworthy in handling worldly wealth who will trust you with true riches?"* If we're not responsible with our pennies, nickels, dimes and dollars, if we're not responsible with material things, how can we expect God to trust us with the real wealth of spiritual blessings. Fortunately God has given us instructions on how to handle money. Many principles of money management are found in Solomon's Book of Proverbs, and he should know because Solomon was the wisest and richest man who ever lived. So if we are going to turn around our economic situation, it might be a good idea to look to Solomon and to God's financial plan. There are five principles for financial freedom. The first three we will look at this week, with the remaining two to follow next week.

1. Keep Good Records.

The Principle of Accounting. Know where our money comes from and where it's going. Proverbs 27:23-24: *ARiches can disappear fast. So watch your business interests closely. Know the state of your flocks and herds.*" Keep good records! When this was written, most people's assets were tied up in sheep or goats or both. He said, "Know the condition of your flocks." Today, know the condition of your stocks. Know your assets. Know your bank account. Know your real estate. Know where your assets are in life. Practice good accounting, where is our money coming from and where it is going?

People say, "Money talks!" No it doesn't. It just quietly slips away. And it doesn't say where it's going. Have you ever said, "I just don't know where my money goes!" If you did, it means that you're violating the first principle - keep good records. If we don't know where our money is going, we are going to be in debt. Maybe you're already deeply in debt and don't yet realize it. If you're in the dark about how much you make and where it's going, you're setting yourself up for failure. Establish or return to God's principles. Keep good records. Proverbs 23:23: *AGet the facts at any price.*" We

cannot keep ourselves in the dark. We have to know where the money’s going. According to scripture, there are four things that we always need to know. What I own. What I owe. What I earn. Where it goes. On these things, we need to keep good records.

Learn this equation: Ignorance of your financial condition plus easy credit equals disaster. If you have credit cards and you’re not keeping good records, chances are you’re already in debt. And it is easy to get even deeper in debt. In pre-marital counseling the subject of money often comes up. A major problem will occur if one spouse keeps the other spouse in the dark about how much is coming in and where and how it’s going out. We need to share the details. And it is not a matter of trusting the other, though it might be, but it is about everything being known.

The first step of financial freedom is to write it down. Keep a log. Keep good records. If you are computer savvy, use the software that is available. If not, get a note book and write it down. Find a way to keep a record of your spending and your savings. When I was in banking, many had come to me saying that the bank overdrew their account. I told them to bring in their checkbook, and often there was nothing, absolutely nothing written down. AOh I always know how much is in my account.” Apparently you don’t. Young people have told me that keeping a checkbook register is an old generation thing. Today they just check the ATM. But the ATM doesn’t tell them what is still outstanding, and the account is overdrawn. The bank charges \$30, whoever you wrote the check to charges another \$20, all because good records were not kept.

Some say, *AI don’t have time to do that.*” But if we have time to worry about our finances, we have time to keep good records, for when we keep good records, we won’t have to spend so much time worrying. So stop worrying about your finances and start writing down everything. Know what’s coming in and where it’s going. Know the state of your finances, your flocks.

2. Plan Your Spending.

The Principle of Budgeting. A budget is simply planned spending. A budget says where you want your money to go rather than wondering where it went. Everyone needs a budget, for without it, we are headed for financial disaster. We need to plan our spending. Set some goals for savings, for spending, and for giving. Don’t just go through life drifting and spending, wondering, doubting, and guessing: *AI think I know where the money went.*” No. Plan your spending.

Proverbs 21:5 *APlan carefully and you will have enough. If you act too quickly you’ll never have enough.*” Understand that financial freedom is not determined by how much you make. That’s one of the biggest myths in America. Some think, “If I just make a little bit more then I’d be financially free.” No, you won’t. If you can’t live on what you’re making right now you won’t then. Why? Because your yearnings will always exceed your earnings. You’re always going to want more than you have. Always. If you can’t make it on ‘this much’, you still won’t be able to make it on ‘that much’ because Financial freedom is not based on how much we make. It’s based on how much we spend. Financial freedom comes not from making more, but from spending less. That means that no matter how much we make, we can be financially free. All we have to do is bring our spending in line with our income. If we spend less, we don’t have to make more. So to be financially free, we have to plan our spending.

Question - Do you plan your shopping? I have read that the average American spends six hours a week in shopping related activities. For some, that’s way too low. After all, we have online shopping, the home shopping network and QVC. You don’t have to leave home to shop. And one study found that the more educated you are, the more time is spent shopping. But the more time we spend shopping, the less time we have to plan spending, and we act too quickly. Yet the scriptures tell us, *“If you act too quickly you will never have enough.”* Think about impulse buying, when we spend money on some cute little thing that we did not plan to buy, it is an impulse purchase. And impulse is based on emotion. AI see it. I want it. I’m shopping anyway, so let’s get it!” Spending on emotion will eat up our money in a hurry and we’ll never have enough.

Have you ever bought something impulsively and regretted it later? I think we all have. But here’s the thing, we live in America, and America is built on capitalism. Capitalism is built on advertising. And all advertising, 100%, is trying to get us to buy impulsively. No ad says, “Think about this for six months.” It’s a really good product, so put it in your budget and when you have the cash, come back and see us.” No! Ads say, ABuy it now! Get it now! You’ve got to have it now!” It’s sizzling. It’s sexy. It’s cool. It’s hip. And we say, AWow! How did I ever live without that? I didn’t know about it five minutes ago but now how am I ever going to live without it?” It is impulse buying and the Bible says don’t do it, because impulse buying leads to impulsive debt. If you act too quickly you will never have enough.

Of course advertisers know how to push our buttons. They are very big on telling us how much we will save. Have you ever said, AI’d like to buy it, but I really can’t afford to save that much.” But advertisers and businesses don’t want us to think that way. They don’t want us to plan our spending. ASee it. Buy it?” Standing at the checkout at the grocery stores there are all sorts of stuff that you would probably never need. But you see them, convince yourself that it’s not that much, and you toss it on the counter. The Bible says don’t do that. Plan your spending.

Great verse - Proverbs 21:20 *AStupid people spend their money as fast as they get it.*” It is a mark of immaturity. Take a child or a teen to a place where they can spend some money, give them \$20. And tell them that it has to last a week. Within the next 30 minutes, it has all disappeared. They blow it and then come complaining that they don’t have any money. With young people we can smile and hopefully turn it into a teaching moment. The sad part is that there are a lot of adults who act that way. The paycheck comes and let the spending begin. “Let’s go shopping! Let’s go to the mall! Let’s see a movie! Let’s eat out!” Without thinking about the expenses yet to come, they go forth and spend everything they’ve got. God tells us that it is very foolish to spend our money as fast as we get it.

Spending can be an addiction, like any other addiction. And I hear that addiction groups have sprung to life, like Debtors Anonymous and Shopper Stopper. They give creative ways to reduce buying. One impulse buyer keeps her credit cards in a bowl of water in the freezer. When she gets the urge to spend she has to wait for the ice to melt. Even if she sticks it in the microwave, she still has to wait and that can give her some time to think.

How can we break the habit of impulse buying and overspending? Establish and keep a budget. Plan your spending and don’t spend if it’s not in the budget. Without it, God will not bless your financial life because God wants us to learn to manage our money. How we handle the resources God gives us is a test of character. To control your debt, nip it in the budget.

Here’s your homework: Write down what you own, what you owe, what you earn and where it’s all going. What are your fixed expenses? Rent, mortgage, utilities, debt payments. Then add in your flexible expenses. Cable, cell phones, club memberships, whatever. Then add it all up. If there is more going out than coming in, adjust and revise, revise and adjust. Begin to establish a personal budget. Married couples, this is a shared project. Two became one, so do it together. And you might want some input from your kids, but always differentiate between what is wanted and what is needed. Teach your children along the way because often this sort of thing is not taught in school and our kids need to learn it. And pray, asking for God’s wisdom, for it’s never too late, or too early to start on God’s financial plans.

3. Save for the Future.

The last half of Proverbs 21:20 says, *“The wise man saves for the future.”* So how wise are we? The average family in Japan saves about 20% of their income. In Europe it’s 18%. In the United States, we spend 1% more than we earn. We have a “live for today” mentality. We strive to keep up with the Jones’, only the Jones’ went bankrupt and we’re still trying to keep up with them! And through it all, we can’t save anything for our future. Proverbs 6 talks about how ants work in summer to prepare for the winter. The implication is that anyone with a brain the size of an ant should know the necessity of savings. We should know that, but apparently we don’t because American Demographics magazine says that most baby boomers will be dead broke in retirement. And that was written prior to this latest downturn of the market. We’re not saving anything. Why not?

One of the major reasons is the envy that lives within the heart. We look around and see what other people have and we want it, too. Often I have seen people want what their parents have but won’t do what their parents had to do to get it. That is work and save. Don’t expect Publisher’s Clearinghouse Prize Patrol to pull up at your door. Save little by little, week by week. Proverbs 13:11: *“Money that comes easily disappears quickly, but money that is gathered little by little will grow.”* But we try to take the short cuts. And there are a bunch of people out there waiting to take advantage. We purchase things based on how much down and how much a month. We think that the income will keep coming in forever. Only it doesn’t. Due to inflation, the value of a fixed monthly pension will go down over time. Social Security will go bankrupt in a relatively short time. Like the ant, we have to prepare for the winters of life. We have to stop comparing and competing with the people around us and just decide that AI don’t care what other people have. I’m going to do what I know is right and save for the future.”

It’s easy to talk about budgeting and saving, but much more difficult to practice. But it’s not rocket science. It is easy to know what needs to be done, and even to know the steps we have to take to get there. Keep good records. Plan spending. Save for the future. That’s the beginning, but there is more to come. But know that if you want God’s blessings on your finances, it is possible. Look to God’s

principles, and in prayer, ask for God’s wisdom. And the power and the presence of the Lord will touch your heart and change your life. You don’t have to take my word for it. Just begin to try it, and in your life, may it be so. Amen.