

“The Steps to Financial Freedom”
Breaking Out Of The Debt Trap Part 4 of 4
Proverbs 3:1-10 May 17, 2009

This week I tried to find out how much unsecured debt there is in America. Instead of getting a number, I got several thousand offers to help me deal with my debt. I don't need that help but the number of responses tells me that a whole bunch of people do. Over all, as near as I could tell, the citizens of the United States owe over 6 trillion dollars in debt. But the Federal government owes almost twice that much, which is about \$20,000 per person right now. And the debt is growing much faster than the population. Something needs to be done. Fortunately we have some very good advice to follow. It comes from the Lord.

There are nine steps, nine points that I will lift up today. I know that's a lot so I will do my best to make next week's sermon pointless. But this week, think of this sermon as financial aspirin. It might be hard to swallow and it might upset your stomach, but it will help the financial headaches go away. We can get out of the debt trap. And it begins with ...

1. Commit to Becoming Debt Free Now.

It starts with a commitment. Psalms 37:21 *"The wicked borrow and do not repay."* To borrow and not repay is wicked. Why? Because obviously it hurts the lender, but it also hurts the debtor. Now bankruptcy might be the easiest thing to do, but the Bible says that is a wicked way to go. Understand that there are all sorts of things we can do, but they are not necessarily the right thing to do. Have I ever advised a person to declare bankruptcy? Yes, I have. But my hope was that this action would get them out of the sinful lifestyle of debt in which they had been living. That did not mean that it wasn't wrong, that it wasn't sinful, just that it appeared to be the lesser of two evils. But if bankruptcy is easier, why would God want to make my life harder, more difficult. First of all, he cares about both the debtor and the lender. Not repaying them can do harm to them. Second, because if we begin to place our desires over the commitments we have made to others, that temptation will always be with us, and it will become easier for us to no longer care what it does to those around us. And thirdly, not paying debts can put others in the same situation that we are desperate to get out of. But in most situations there is another way out. It might be tough. It might take a while. We might have to alter our lifestyle, but it can be done through discipline, will power, perseverance, and it all starts with commitment.

2. Start Paying God and Yourself First.

These are the principles of tithing and saving. Deuteronomy 14:23 *"The purpose of tithing is to teach you always to put God first in your lives."* The first 10% goes to God since God is first in our life. The next 10% is to be saved for the future. It is the 10-10-80 plan we talked about a couple of weeks ago. 10% to God, 10% to savings, and 80% on which to live. This plan will be a major financial reorganization, but it will help us get out of the debt trap. And it also has a great payoff. If you make just \$15,000 a year for the next 20 years, you will give \$30,000 to God, and if you get only a 2% interest rate, you will have \$41,180 in savings. If you are making \$30,000 and average a 5% rate over 20 years, \$60,000 goes to the Lord and over \$116,000 will be found in your savings. That's how far you would be ahead. Would that help you find financial freedom? It's not easy. It requires discipline and will power, but it works.

3. List All I Own and List All I Owe

Be honest about it and write it down. Proverbs 24:3 *"By wisdom a house is built and through understanding it is established."* We have to understand our situation. What do we have? What do we owe? What's coming in? What's going out? We have to know the truth and we will not know it until we put it on paper. But often we are afraid to do that. We would rather live in a fantasy world where everything is just peachy keen. Remember that the fear we hide from is always greater than the fear we honestly face. Get real. See it for what it is, not what we think it is. Once we know the facts, we can begin to plan where we're going. But we need to know the facts. Proverbs 18:13 *Alt is stupid to decide before knowing the facts."* We need to know the facts so we can make wise financial decisions.

4. Have a Sale.

If you're in debt, it's likely that part of that debt is due to the stuff you have around you. Sell it. These things are only weighing you down. Get out from under it. Sell the stuff you don't really need. You might say, "But that's already paid for." Great. That means that there is more equity that you can get out of it. And maybe you could even cut down on your insurance bill or whatever funds you spend to maintain it, even if it is only spraying to dust it. Sell it.

Ever buy a car for the wrong reason? Not for transportation or the safety of your family, but for status. Some people do that. The number one reason for buying a Prius is not for the environment or the mileage, but *A*how others will think about me." How bright is that? If you want to buy a hybrid to help save the environment, go ahead. Knock yourself out. But financially, most hybrids will only make financial sense if you drive that car about 400,000 miles. And that's at an average gas price of \$3 per gallon. Sell what you don't need. Now if you have something you don't need, yet can't bring yourself to let it go, that's what the Bible calls an idol. An idol is anything that we put ahead of God, that we hope will give us status or power, satisfaction or joy. Things will never do that. Never could, never will. If there is some thing that you are putting ahead of God, get rid of it, for it sure isn't worth the price you'll pay for it. Instead pay attention to Ezekiel 20:7: *A*Get rid of every item." Have a sale.

5. Set up a Repayment Plan.

Proverbs 21:5 *"Good planning and hard work lead to prosperity."* Be intentional about getting out of debt by planning to do it. Now to do that right you might need a financial counselor but be careful because in this economic climate there are many out there who are ready to take advantage of you. Go to reputable people. But you can make your own plan as long as you are honest, realistic, committed and disciplined. Still, there is no shame and often some wisdom in going to a professional. The scriptures tell us, *A*Get advice if you want your plans to work." If we go to a doctor when we're sick, if we go to an oncologist to deal with our cancer, it makes sense to go to a professional when our finances are ailing. After all, debt is like a financial cancer that eats away at our finances. We can try to ignore it and pretend that it's not there, but that will not work. The value of a counselor is that there's always somebody who can help us make a wise plan. And we should always seek wise counsel before we make any financial decision. Get wise counsel, because often we buy things emotionally. Find someone with a clear mind and seek wise counsel.

Why don't we seek counsel? Because we want what we want when we want it. We don't want anybody to tell us *A*No." But that's when we need wise counsel the most. We don't ask anyone

because we know in our hearts that we are doing the wrong thing, the foolish thing, and we don't want anyone to burst our bubble by telling us the truth. Especially in those weak moments we have to be honest, realistic, committed and disciplined. We need wise counsel. We need a repayment plan with the faithfulness to stick to it.

6. Decide to Do it in Half the Time.

“Half the time? That's impossible?” Maybe. But if you can make half a payment twice a month, even though you pay the same amount per month, you can save a ton of interest and payoff the loan a lot quicker. It's based on how interest is calculated. And beyond that, in Luke 18:27 we read, *“What is impossible with men is possible with God.”* It is amazing what we can do if we have the passion and we ask for God's strength. Choose to do it in half the time and beyond what you can do, begin to depend on God's strength and God's plan. When we get to that place, we will find that we are doing things that we never thought we could. It's not easy but with God's help it is possible.

7. Add No New Debt.

It makes no sense to try to payoff >this' debt if we are replacing it with >that' debt. We got into this position because we were spending more than we were making. If we follow the same pattern, we will get the same result - more debt. So we have to change the way we operate. We make the commitment to stop buying on credit. Do I use credit cards? Yes. But I never put more on that than I can payoff when the next bill comes. And that's not money that I think I will have, but what I actually have in the bank. There are principles here. One, pay it off every month. Two, never use it to buy something we can't afford. Three, if we violate one of the first two, get rid of the card! Many have been buried in debt because credit was used and then abused. If that is you, go home, put all your credit cards on a cookie sheet. Heat the oven to at least 450 degrees. Pop in the cookie sheet and watch your worries melt away. Or cut up the cards, return them to the lender with the demand that they never again send you another one of those vile, tempting cards.

It is important to live according to Hebrews 13:5 *“Be content with what you have.”* It is an attitude of contentment. When we use credit to buy stuff we can't afford, that shows discontent. Contentment is the greatest key for staying out of debt. A God, help me be content with what I have; to enjoy what I have because You gave it to me; to not always look at new things to try to give myself a thrill, but to be content with what You've already given me.”

8. Share My Plan with My Creditors.

When I was collecting delinquent loans, the thing I wanted most was communication. Talk to me. Creditors hate it when you don't say anything. So tell them your plan. Don't stop opening the letters or answering phone calls and pretend that they're not there. Tell them what you're going to do. Tell them, “I don't want to file bankruptcy because then you'll get nothing. And I can't pay \$25 a month but I can pay \$5.” Start there. Ask for help. Plan to pay off the smallest bills first so you can see that you're making progress. Or attack the bill with the highest interest rate. Then when one is paid off, apply that amount to the remaining bills. It will take time, but slowly, surely, those debts will begin to disappear. And what a difference it will make in your life when it happens.

Some think, "My creditors will never go along with that. They won't help me out." Don't doubt the promise of God that is found in Proverbs 6:7 *"When your ways please the Lord He will make your enemies into friends."* That's God's promise and it needs to be our prayer.

9. Stick to It.

Getting out of debt is not easy. It takes effort, discipline, and sacrifice, but these principles do work. They've worked for hundreds and thousands of people. But we have to work the principles in order for the principles to work for us. Ask for God's strength to stick to the plan. Galatians 6:9: *ALet us not get tired of doing what is right for after a while we will reap a harvest of blessing if we don't get discouraged and give up.* Again, it's not easy, but by God's strength, with God's help it can and will happen. But there are two vital commitments we must make.

First is the commitment to follow God's financial plan. It has to start there. Look at the note pages for this entire series. If you don't have the note pages, the sermons are available on the website, and at the sign-up table. Remind yourself to Keep good records, Plan your spending, Return 10% to God, Save for the future, Enjoy what you already have. Make the commitment to follow the plan. Put it down on a piece of paper that you can keep in front of you and sign it as your commitment to follow it. Take it seriously so your finances can benefit from it.

The second commitment is even more important. Follow God's plan not just for your finances, but for your entire life. We can't faithfully follow God's plan for our finances until we've decided to follow God's plan for our life. And in order to follow God's plan for our life, we have to realize that there is a debt that none of us can ever repay - the debt of sin. Those things that we have done or left undone that have hurt God, hurt ourselves, and hurt those around us. The decisions we made that took us down the wrong path. In and of ourselves we cannot cancel that sin out of our life.

So what do we do about it? Do we just live with this debt? Do we hide from it? Our Lord has a different answer. Colossians 2:14 *"We owed a debt because we broke God's laws. That debt listed all the rules that we failed to follow. But God forgave us and took away that debt and nailed it to the cross."* That is what the cross of Christ is all about. That's why He died there. He was paying the penalty. He was paying the debt for our sins.

We all need to go to God and say, *ALord, I know that I can never make up for the wrong things I've done. I need Your forgiveness.* That is where it starts. If we don't start there, we're going to live the rest of our lives with shame and blame. And that shame and blame will overwhelm us. But it doesn't have to. Ask God to forgive your sins and to come into your heart, your life, maybe for the first time, maybe for the one hundred and first time. But just do it. He is willing to do that. He is waiting to do that. Make the commitment, for when this debt is canceled, then you will begin to know what real life, true life is all about. Then you can begin to know the power of the presence, the joy and the peace that is found in the Lord Jesus Christ. That is where debt free living begins. And in your life, may it be so. Amen.