

## **“Go For Broke”**

### **Deuteronomy 28:1-14 \* June 7, 2009**

#### *I. Destination: Debt*

A. *How do student loans affect young adults?*

B. *The impact of debt on average Americans (story from the New York Times)*

#### *II. Destination: Deuteronomy*

A. *What do you notice about the condition of these people?*

B. *What was the key that brought them here?*

#### *III. How Does The Bible Want Us To View Debt?*

A. *First, we ought to look at debt with \_\_\_\_\_ and \_\_\_\_\_.*

1. *Does the Bible give a red light to debt (forbid us to have it?) What does Romans 13:8 say?*

2. *According to Proverbs 22:7, what does borrowing make us?*

a. *When might it be OK to borrow money?*

#### *IV. But The World Has Brainwashed Us Into Adopting A Green-Light Perspective of Debt*

A. *How has Americans' view of debt changed since the Great Depression?*

B. *Then came the rise of the ‘Debt-Monster’: the...*

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#### *C. Stats on Credit Cards:*

\_\_\_\_\_ million Americans have them.

\_\_\_\_\_ million pay the balance each month.

\_\_\_\_\_ million carry balances.

\_\_\_\_\_ million pay only the minimum required

\_\_\_\_\_ is the average credit card debt per family

#### *V. The Second Way The Bible Wants Us To View Debt:*

*Learn to Live \_\_\_\_\_ - \_\_\_\_\_.*

A. *To do this requires three things:*

1. *You have to \_\_\_\_\_ that it's possible.*

2. *You have to lay in motion a \_\_\_\_\_ for it.*

3. *You sustain it by adopting the right \_\_\_\_\_ about earthly possessions.*

B. *You Have To \_\_\_\_\_ That It's Possible.*

1. *What I discovered in the basement recently.*

C. *You have to lay in motion a \_\_\_\_\_ for it.*

1. *The first thing we did was set up a meaningful, realistic \_\_\_\_\_.*

a. *What two questions does this answer?*

b. *How much extra do people spend when they use credit cards over cash?*

2. *For a budget to work, what critical idea must you eradicate and eliminate from your thinking?*

3. *What is a good ‘debt-to-income-ratio’?*

D. *You sustain it by adopting the right \_\_\_\_\_ about earthly possessions.*

1. *What happens in the end to all our toys and treasures...and to me? (Source: John Ortberg)*

## “Go For Broke”

### Deuteronomy 28:1-14 \* June 7, 2009

#### I. Destination: Debt

##### A. How do student loans affect young adults?

Average student loan debt today is \$20,000.

They force young adults to live at home longer, postpone savings, delay marriage, and put off going to graduate school.

##### B. The impact of debt on average Americans (story from the New York Times)

#### II. Destination: Deuteronomy

##### A. What do you notice about the condition of these people?

They are so blessed financially that they are not in debt, but in fact are free enough to be generous to others.

##### B. What was the key that brought them here?

Obedying what God said.

#### III. How Does The Bible Want Us To View Debt?

##### A. First, we ought to look at debt with **fear** and **trembling**.

###### 1. Does the Bible give a red light to debt (forbid us to have it?) What does Romans 13:8 say?

Paul says in Romans 13:8 – “Let no debt remain outstanding,” he’s assuming there will be times when we may have to borrow. But the Bible doesn’t give a green light either. Its attitude is clearly not, “Oh go ahead, full throttle. Have at her! No worries.” Clearly the Bible’s teaching about debt is a great, big, flashing yellow light.

###### 2. According to Proverbs 22:7, what does borrowing make us?

A slave to the lender.

##### a. When might it be OK to borrow money?

To have a reasonable mortgage allows you access to your own home. To have a reasonable car payment allows you access to the freedom of driving. Most people don’t have the money laying around to start up a business, so in a capitalist economy you obtain capital by finding someone who will invest in your business. You repay them as your business gets off the ground. But each and every time you borrow money, you need to know that you become in some measure a slave to the one who loans to you. And you now enter into this quest to get out from under this slavery.

#### IV. But The World Has Brainwashed Us Into Adopting A Green-Light Perspective of Debt

##### A. How has Americans’ view of debt changed since the Great Depression?

As the economy started to revive after World War II, the idea of a mortgage for your house became more and more acceptable. The idea of going into debt to buy a car took a little longer to catch on. Most people did not have car payments a generation or two ago. You bought your car with cash. But now that thinking began to shift.

##### B. Then came the rise of the ‘Debt-Monster’: the...

#### **Credit Card**

##### C. Stats on Credit Cards:

**145** million Americans have them.

**55** million pay the balance each month.

**90** million carry balances.

**35** million pay only the minimum required

**\$9,000** is the average credit card debt per family

#### V. The Second Way The Bible Wants Us To View Debt:

##### Learn to Live **Debt - Free**.

##### A. To do this requires three things:

1. You have to **believe** that it’s possible.

2. You have to lay in motion a **plan** for it.

3. You sustain it by adopting the right **attitude** about earthly possessions.

B. You Have To **Believe** That It's Possible.

1. *What I discovered in the basement recently.*

I found a receipt from 1988 when we bought our bedroom furniture set. It's a nice solid oak set, it'll last until the day we die. It cost just over \$1500. And we financed the purchase. But what embarrassed me was seeing the interest rate we paid for this furniture. We paid 18%. \$477 of interest we paid over the next three years. And I never even batted an eye at it, back then because the possibility of living a debt-free life never ever cross my mind.

C. You have to lay in motion a **plan** for it.

1. *The first thing we did was set up a meaningful, realistic **budget**.*

a. *What two questions does this answer?*

A budget is a piece of paper or two on which you have written down specific answers to two questions: what do we have to live on? In other words, what's coming in? And secondly, where is our money going? What does it take to just live life each month?

b. *How much extra do people spend when they use credit cards over cash?*

**12-18% more.**

2. *For a budget to work, what critical idea must you eradicate and eliminate from your thinking?*

**Buy now – Pay later**

3. *What is a good 'debt-to-income-ratio'?*

Your total housing expenses (including mortgage, taxes, insurance) should never be more than 28% of your gross monthly income. This is called the *debt-to-income ratio* which measures the financial stability of a given household. (Take your total debt, divide it by your total income, and you have your debt-to-income-ratio.) Have too much debt, and you are ringing the dinner bell for disaster. And while we're on the subject, most financial advisers say you're total debt to income ratio of all your debt –

house, car, student loans, everything – should never exceed 36% of your gross monthly income.

D. You sustain it by adopting the right **attitude** about earthly possessions.

1. *What happens in the end to all our toys and treasures...and to me? (Source: John Ortberg)*

**It all goes back into the box. (And we do as well.)**

And when you die, there's the real part of you, your soul, your spirit, the real you, and that part of you returns to its Maker and stands before Him, and on that day you're going to look back and start to see your earthly possessions in an entirely different way. And if you worshipped those earthly possessions of yours and turned them into idols and lived, and worked and bled for them, and ignored your family, your soul, and your God, you will have hell to pay on that day. God does not want that for you. So rather than wait until that day, why not *today* begin to adopt the right attitude about all your earthly treasures. Why not today remind yourself that they all sooner or later go back into the box, and you go back to God.