



The Enslavement of Debt

- The American consumer debt is more than \$2.7 trillion dollars.
- There are over 1.3 billion credit cards in circulation in America.
- Average household credit card debt has increased 167% in the past 17 years.



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- 45% of Americans only make minimum payments each month.
- The average credit card debt is \$9,300.
- It will take over 13 years to pay off \$9,300 paying the minimum due at 15% interest.



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- The IRS calculates that the average filer spends 10 times more paying off interest on debts than he gives to charitable causes.
- Financial pressures caused by debt are major factors in more than half of divorces.

Source: (Randy Alcorn, *Money, Possessions & Eternity*)

Diagnostic Questions to Ask Before Taking on Debt

- Is not having enough resources to pay cash for what I want God's way of telling me it is not the time to buy it?
- If I must go into debt to provide for my "needs", is it because my "needs" are really wants in disguise?

Diagnostic Questions to Ask Before Taking on Debt

- Is it possible that this thing may be what God would approve, but that I do not have the money to buy it because of past unwise decisions?
- If a lack of wisdom has put me in a position where I cannot afford something, wouldn't I do better to learn God's lesson by waiting until—by his provision and my diligence—I save enough money to afford it?

Practical Steps to Break Free from Debt

1. Admit that you have been taken your cues from the world, not God.
2. Begin giving to God. (You are saying to him, “I recognize your ownership and trust you to bless my obedience.)
3. Stop spending! No new debts. (Motto: “If I can’t afford it now, it isn’t God’s will now.)
4. Develop an Emergency Fund of \$1000.
5. Systematically eliminate existing debts. Seek wise financial counsel.

Practical Steps to Break Free from Debt

6. Learn the difference between saving and spending. (Motto: “No good deal unless you can afford it.”)
7. If debt seems the best or a necessary choice, go slowly and prayerfully. Ask other Christians for help.
8. After debt is paid off, continue to build a savings account to save a few months of income in living expenses for such an economy as now.