

ChallengeNet.net

True Wealth

Written by: James Travis

Written on: March 29, 2007

For many people, the battle with debt is a constant struggle. Having to balance which bills to pay with having enough money to sustain life, and it is tough... I've been there myself on more than one occasion.

I have also heard many people say that "if I just had more money, all my problems would be solved". And I have had to calmly but firmly tell them that is not true.

At that point some of them gave me a dirty look and walked away, while others genuinely wondered why I said that.

Now it is not my intention to lump every single instance into a group or make sweeping generalizations, I want to make that perfectly clear. However, it is also my experience that in a vast majority of everyone I have spoken with, the reason they originally got into financial debt was because of one simple fact... They wanted something they couldn't afford, and instead of waiting patiently and saving up enough money to safely purchase the item(s), they turned to credit to satisfy that craving immediately.

No-one can honestly deny that we are really living in a "instant gratification" culture today. Microwave ovens, fast-food, high-speed internet, fast cars, everything needs to be fast. It is my belief that patience is becoming a lost art, and without being too preachy, I also believe that this could become a very serious problem for many people in many areas of life.

Today we are talking about true wealth, and as we have already seen, a large amount of people are introduced to financial debt because of the inability to be patient and save up enough money to purchase that hot new item without turning to credit. Once this pit is opened, it is *very difficult* to climb out of it.

The downward spiral of credit

Before we continue, it is necessary to show exactly why buying things on credit is so very dangerous; because I know there are some people out there who quite honestly do not know the dangers.

Even if you are one of the people who already understand the dangers of credit, you may still want to read this section because having some real numbers to look at will often "drive home the point" just a little bit further and may help you to remember it more clearly later on.

I'm not going to go into the absolute basics of interest, because everyone who has a credit card should already understand that, and if not, there are plenty of books and websites devoted to just that topic. I would however like you to consider the following hypothetical scenario:

Let's assume, Sam and Randy each has \$2,000 of credit card debt. The minimum payment is 3.0% or \$10.00 – whichever is greater.

Sam will only pay minimum payments each month in an attempt to make it through the month (a very common scenario for many people).

Randy manages to pay an extra \$10.00 on top of his monthly minimum payment. He is really trying to pay it off while still having food on his table every night.

So assuming the above scenarios of these two hard-working gentlemen, with an interest rate of 20.0% (again common these days) Sam will end up finally paying off his debt after 15 years! His total amount paid...\$4,240!

Randy, the one paying an extra \$10.00 on top of his minimum payment, will end up paying off his debt after 7 years, paying a total of \$3,276!

So while Randy came out ahead of Sam in our little situation above... really the only one who came out ahead is the credit card company. Both Sam and Randy ended up paying over one-thousand dollars more than what they borrowed, originally \$2,000. And even Randy, who managed to pay it off in only seven years, still had those seven years of debt and stress. It's not really worth it if we think about it.

The spiritual impact of credit debt

There is absolutely no doubt that having credit debt can have a significant spiritual impact on the people affected by that debt; those whom I've talked to have all literally described it as a heavy weight, a burden that they have to carry.

Relationships throughout time have been broken-up over money; wars have been fought over money. Countless books, radio programs and television specials with experts and panels of analysts are devoted to one topic... money.

Money is important, so why do so many people so carelessly spend it without forethought? Well my friends, this is why this article is on this website and specifically in the spiritual section... it is a spiritual issue.

It is clear that our spiritual enemy, Satan, has been using the burden of debt to add large amounts of stress and anxiety to so many lives. This is accomplished fairly easily because we as humans *want things!*

Now please allow to me to explain and make this perfectly clear: There is nothing wrong with wanting or buying nice and expensive things.

The problem is when we as responsible mature adults are not able to bely the need for instant gratification and wait to purchase whatever we desire when we can truly afford it without turning to credit; which as we have seen, ends up costing us time, stress, and money... which is simply unhealthy for us both spiritually and physically.

Controlling compulsiveness

So now that we have discovered the root cause of the issue, and we have seen the dangers of credit debt, we now need to understand how to go about applying the solution.

Firstly, we must realize that everything on this earth is indeed only temporary. Nothing on this earth is permanent, and so nothing on this earth is worth the trouble, damage, and spiritual detriment of the kind of debt we see today. Yes it is nice to have nice things, but to have nice things at the cost of a loved one or a marriage, or even food on the table? Trust me, that the new car or HDTV isn't worth that much.

Jesus taught several time about handling money and the desire for earthly things:

“Do not lay up for yourselves treasures on earth, where moth and rust destroy and where thieves break in and steal, but lay up for yourselves treasures in heaven, where neither moth nor rust destroys and where thieves do not break in and steal. For where your treasure is, there your heart will be also.” (Matthew 6:19-21)

As one man put it... I've never seen a U-Haul following a hearse. We can't take any of it with us in the end.

Secondly we must also do a very hard thing regarding our purchases, and that is think first. We must be able to stop ourselves before we make an impulse buy, and consider: Do I actually need this thing? And if so, do I need it right now? Can I justify spending this money now? Is the money even there to spend, or would I be digging myself into a credit trap?

These are all important and good questions which we must ask ourselves when we decide how to spend our very valuable and limited resource known as money.

Now please do not misunderstand what I am trying to say here... I am not advocating being a stingy Ebenezer Scrooge type of character here. If you have the extra cash laying around or burning a hole in your wallet and you see something you would like and can actually afford to drop the cash right there for it, then go for it and God bless you!

What I am trying to advocate here is wisdom in how we spend our money in daily life, when money is tight and we have a tendency to impulse buy and get ourselves in trouble.

As Jesus puts it:

"For which of you, desiring to build a tower, does not first sit down and count the cost, whether he has enough to complete it?" (Luke 14:28)

We must learn the value of fore-planning self-denial. That may leave a bitter-taste in our mouths at first, but after a while we will see the benefits of it I assure you.

Conclusion

So this might have been a tough-love article for many of us, and there is a lot of self-evaluation and correction involved, but in this culture today of instant gratification and "keeping up with the Jones'" I thought it was very necessary for us to look at. I once heard it said that everyone was trying to keep up with the Jones', but the Jones' were deep in debt filing for Bankruptcy, and you know... I think it's true.

Also in closing I would like to mention that I understand that it is not always possible to avoid credit debt. We talked today about compulsive spending, but we did not mention emergencies such as medical or funeral expenses. Such situations are out of our control and they do add up and I am aware of that.

In such situations, there are methods to help eliminate the payments faster so that interest does not add up quite so much. I would recommend such methods as *debt snowballing*, since there is mathematical proof that it helps eliminating compound interest faster than just paying haphazardly.

Until next time I wish you all the best in both spiritual and physical health, and may you all continue to Rise to the Challenge!

James