Biblical Perspectives on Family Finances

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FAMILY FINANCES

A major problem in marriage is money. Do you worry about money? Most Americans do. One survey found that 54% of Americans are concerned about their financial status.

In marriage, worry quickly leads to war. Do you and your mate fight over finances? Most couples do. One authority on the family has estimated that one-half of all divorces are caused by disagreements over money!

The issue is not how much you have or how much you make. Couples who are just beginning are strapped financially and struggle with the checkbook, but so do couples who have more miles in their marriage and more money in their money market account. Several years ago a friend of mine, who at the time was a financial counselor for couples, told me of a case he had involving a doctor and his wife. My friend began the session with the question, "What is the problem?" The wife immediately responded, "It's simple. We cannot live on the $80,000 a year he makes." The amount is not the issue; every couple struggles and many fight over money.

Does the Bible offer any help on the subject of family finances? The answer is yes and no. Yes, the Bible has something to say about family finances, but, frankly, it says very little. On the other hand, it has much to say about money in general. These guidelines should be applied to family money matters. So while there are not many passages in the Bible that speak directly to family finances, there are several that give principles of money management which should be applied.

HONOR THE LORD - PROVERBS 3:9

Proverbs 3:9 says, "Honor the Lord with your possessions and with the first fruits of all your increase." The Hebrew word translated "possessions" means "wealth." The "first fruits" is a reference to the first portion of the crops which the Mosaic Law says was to be given to the Lord (Exodus 23:19, Deuteronomy 26:1-3). The Jews were to give the first part of their production, their earnings, to the Lord.

Those who did were blessed. Verse 10 states, "So your barns will be filled with plenty and your vats will overflow with new wine" (Proverbs 3:10). "Piety produces prosperity" is a concept repeatedly taught throughout the Old Testament (Deuteronomy 28:1-8 and Malachi 3:10).

How should Proverbs 3:9-10 be applied? During the Old Testament dispensation that verse simply meant that every Jew should give a tithe and if he did, God would bless him materially. Applying it to this dispensation is more difficult.

In the first place, tithing is conspicuous by its absence in the New Testament. Rather than tithing, the New Testament teaches proportionate giving, which implies that the more you have the more you should give (compare 1 Corinthians 16:1-4). And while the New Testament does not guarantee material benefits for giving, it does say that you will be rewarded one way or another for it (compare Galatians 6:6-10).

Simply put, the principle is – Honor the Lord and He will honor you (1 Samuel 2:30). Now the question is – Do you honor the Lord with your checkbook? Do you give to Him first, or does He get the leftovers?

A friend of mine tells of selling some junk. The fellow to whom he sold it gave him several twenty dollar bills. When he got to church, it was all that he had on him, so he put in a twenty and thought to himself, "I'm giving the Lord my junk." In his case that was not all bad, because he regularly and faithfully and proportionately gave to the Lord. But, unfortunately, some people only give their junk to the Lord.

SAVE SOME

The second principle that should be applied to family finances is – Save some of your money. That concept is deeply rooted in American tradition. Is it a biblical idea? Some say no. There is no passage which says we should save money. Furthermore, they say, saving for the future is contrary to Scripture, because we are to trust the Lord for our daily bread.

Granted, there is no verse which explicitly commands us to save money, but Scripture does recognize the wisdom of the principle. Proverbs, the book of wisdom in the Bible, says, "Go to the ant, you sluggard! Consider her ways and be wise, which having no captain, overseer or ruler, provides her supplies in the summer and gathers her food in the harvest" (Proverbs 6:6-8). Solomon sends the sluggard to the lowly ant to learn a valuable lesson of life. The ant, says Solomon, is wise in that even though it has no boss it works. It is also wise in that it prepares for the future by preparing food in the summer harvest and storing it for the winter. The ant saves in the present for the future. This characteristic of the ant has been noted by writers since ancient times. One modern commentator points out that two different species of ants in the Holy Land lay up large stores of grain for the winter.

If there is any doubt whether the Bible would permit a person to save and store up wealth, consider Proverbs 13:22, "A good man leaves an inheritance to his children's children."

The application of this principle is to save money. How much should a person or family save? The standard answer has traditionally been 10%.

Personally, I've never been able to do that. I got married after I graduated from college but before I entered a four-year seminary program. I didn't make enough money during those days to live, much less save. By the time I got out of seminary, I had two children and a very low-paying job. Perhaps I should have disciplined this area of my life more than I have, but be that as it may, the principle is sound. I've advised many couples just starting out to save 10% of their income.

If you can't save 10%, at least save something and, as you are able, increase the amount until you reach 10%. Someone has put it like this.

Can you find yourself here, either now or later?

Age 21-30 — I can't save now. I'm just getting my start in life. I don't make a lot yet. I'm entitled to a little fun while I'm young. There's plenty of time. Wait until I start making a little more, then I'll save.

Age 30-45 — I can't save now. I've got a growing family on my hands. Children and a house cost a going. As soon as they're a little older it will cost less, then I'll save.

Age 45-55 — I can't save now. I've got two children in college. It's all I can do to pay their expenses. In fact, I had to borrow for their tuition last fall. This is the most expensive period in a man's life. I can't save a penny.

Age 55-65 — I can't save now. I know I should, but things aren't breaking like they were. It's not easy for a man my age to step out and get a better job. I'll have to ride along where I am. Maybe something will break.

Age 65 — I can't save now. We're living with my son and his wife. The Social Security check doesn't go very far. I wish I'd started saving 20 years ago, but it's too late now. You can't save when there's no income.

PROVIDE FOR YOUR FAMILY

The third principle is self-evident. It speaks about financially supporting a widowed mother or grandmother. Paul says, "But if anyone does not provide for his own, and especially those of his own household, he has denied the faith and is worse than an unbeliever" (1 Timothy 5:8). The phrase, "those of his household," refers to a person's immediate family. Clearly, one is to financially support his family.

Paul levels two charges against one who does not amply and adequately provide for his family. First, he has denied the faith. What he is doing is contrary to the essence of Christianity. God the Father loved His family and provided for it. Not to do likewise is ungodly. Secondly, such a believer is worse than an unbeliever. Unbelievers, at least, take care of their own. Pagan reverence for ancestors is well known.

A prudent application of this principle includes budgeting one's income. The Greek word translated "provide" literally means "to foresee." Foresight and forethought are bound up in the essence of the word "provide." Gromacki writes that this verb " ... stresses the concept of thought beforehand." The believer must perceive the needs of the family and plan in advance to meet those needs.

Every situation is different, but as a general rule a family budget should look something like this.

The Lord	10%
Savings	10%
Housing	25-30%
Food	15%
Clothing	5%
Medical	5%
Transportation	10%
Vacation/Recreation	5%
Miscellaneous	5%

The issue is not the high cost of living but the cost of high living. Calvin Coolidge said, "There is no dignity quite so impressive and no independence quite so important as living within your means." Or as Charles Dickens put it, "Income 20 shillings — expenditure 19 shillings

and 6 pence — result happiness. Income 20 shillings — expenditure 20 shillings and 6 pence — result misery.

AVOID INTEREST PAYMENTS

There is a fourth principle in the Scripture that if applied could save you a great deal of money. Simply put, as much as possible avoid interest payments. Again, the Bible does not say that in so many words, but recognizes the wisdom of it. In the Mosaic Law, God commanded, "You shall lend to many nations, but you shall not borrow" (Deuteronomy 15:6, 28:12). Granted, the New Testament believer is not under the Old Testament law (Romans 6:14); therefore, this is not an absolute for today. Nevertheless, it is still true that "the rich rules over the poor and the borrower is servant to the lender" (Proverbs 22:7). As the modern proverb says, "He that goes a-borrowing, goes a-sorrowing."

This truth can be misunderstood and misapplied. Borrowing is not morally wrong. In the Sermon on the Mount, Jesus said, "Give to him who asks you and from him who wants to borrow from you do not turn away" (Matthew 5:42). Had borrowing been a sin, Jesus certainly would not have said that. Yet while borrowing is not wicked, we have seen that the Scripture recognizes it as unwise. It should be avoided as much as possible.

In our society, it is not possible for people to avoid credit entirely. If they did, they would possibly never own a home. But excessive credit is like the fellow who said, "My wife thinks she is Teddy Roosevelt. She keeps running from store to store yelling, 'Charge! Charge!'" Or the man who said, "My economic philosophy of life is middle of the road. I spend left and right." As much as possible, all credit should be eliminated. It may take time, years perhaps, but it can be done. Here's how I did it.

When I was in college I had several friends who got married, immediately got deep into debt, and consequently had to drop out of school. As a result of watching their failure, I decided that when I got married I would not get any credit at all, at least not until I finished school.

Upon graduation from college, I got married, moved to Dallas, Texas, and entered Dallas Seminary. For the next four years, I managed to avoid credit. In my last year in seminary, I decided it would be convenient if I had a gasoline type credit card. Thinking I had perfect credit, I applied to one of the major oil companies for a credit card only to discover that I didn't have perfect credit — I had no credit at all! A member of my church who owned a service station came to my rescue, and as a result I obtained my first credit card.

From the beginning of my credit card experience, I adopted the practice of paying them off every month, thereby avoiding any interest payment. However, in order to establish a credit rating, I did buy some furniture on time and eventually a house.

The day it dawned on me that credit and interest payments were an expensive proposition, was the day I bought my first car on time. I bought a year-old Chevrolet for $2,000 (inflation has taken its toll on the automobile market!). The dealer gave me a $500 trade-in on my old Chevrolet, allowing me a balance of $1,500. The credit company gladly loaned me that $1,500, but by the time I

paid it back over a three year period, I'd paid them almost $2,000! Because I had to borrow the money, the car cost me nearly 25% more than its market value. I decided there had to be a better way. It was then that I decided to eliminate credit from my life as much as possible.

In order to do that I drove that Chevy until I had it paid off. Then, instead of trading cars, I continued to drive it and I continued to make car payments. Only this time I opened a savings account and made car payments to myself. My plan was to rebuild the Chevrolet until I had enough money in the bank to buy another car. A fender-bender which was not my fault interfered with those plans. The car was totaled and I had no other choice but to buy another car. This time I took out a personal loan to be paid out in one year, and it cost me a grand total of $30 (interest rates on car loans have also suffered from inflation!). I then drove that car until I had enough money in the bank to buy my next one. I followed this practice through every car I have purchased since. I have bought at least six cars without paying one nickel in interest.

I carry the standard credit cards in my wallet. With few exceptions, I pay them off every month, thereby avoiding any interest payments. I also use the car plan for other major purchases. For example, if we need an item of furniture, I'll open a savings account and start making payments to myself. When I have enough for the purchase, we buy that item, but not until we have the total price in the bank.

Look at the logic and the savings of such a plan. To keep it simple, suppose you bought a $100 suit and charged it to your credit card (I'm well aware that a good suit costs more than $100). If you took a year to pay it off, you would end up paying $118-121 for the suit. On the other hand, if you put $100 in a savings account and made 6% or so on your money, and then bought the suit for $100, you would not only have saved the $18-21 in interest, you could have made $6 besides. In other words, the borrower paid $118 for the suit that you paid $94 for (you made $6 on your $100). The borrower paid 25% more for the suit than you did.

But there's still more savings to be had by this plan. If you have the cash and are not the slave of a credit card, you can wait until the suit is on sale. A good sale would net you at least 10%, 25%, or as much as 40%. That $100 suit can be had for $75 and maybe even $60. If you paid $72 for a $100 suit, you would have paid 40% less for it than the one who purchased it on credit and ended up paying $120.

Be wise; avoid interest payments as much as possible.

To sum up, the biblical principles of money management which should be applied to family finances include honoring the Lord, saving some, providing for your family and, as much as possible, avoiding interest payments.

If these suggestions were followed, your church would be better off, because you would be giving regularly. Your family would be better off, because you would be saving ; and your children would be better off, because you would be modeling responsibility to them.

You're thinking, "I can't afford it." The truth is, if you ever get started, you'll never miss it.

A church in a rural area needed a treasurer. A businessman who managed the local grain elevator in town

was selected. He agreed to take the job with two stipulations: (1) that no one ask for a report from him for a year, and (2) that no one ask him any questions.

The board debated the request, but because he was such a devout, dedicated man, they decided they would trust him for at least a year. At the end of his first year, he gave this report: "The church indebtedness of $25,000 has been paid off. The church parsonage has been redecorated. The missionary giving has been increased by 200%. The cash balance of $12,000 is in the bank, and there are no outstanding bills."

The congregation was shocked and thrilled. They asked how such a financial boom had struck their church. He answered, "Most of you bring your grain to my elevator. As you did business with me, I simply withheld 10% on your behalf and gave it to the church in your name. You never missed it. Do you see what we could do for the Lord if we were all willing to give the first tithe to Him?"

If you practice honoring the Lord and saving, you will never miss it.

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