

### **Financial Sensibility**

Have you ever dreamed of winning it big? Waking up one morning to find that you are one million dollars richer? 15 million dollars richer? Imagine that.

But, the problem with winning big time does not mean you have the financial sensibility to know what to do with that money.

Callie Rogers won £1.9million in a UK lottery. The ecstatic 16-year-old spent her winnings on vacations, homes, shopping, friends, and even a couple of breast improvements. Six years later, Rogers is a 22-year-old single mother of two. She now works as a maid to sustain herself and her family. She is paying off debt going back to her spending binge. Reflecting upon her journey, she writes, *"My life is a shambles and hopefully now it has all gone I can find some happiness. It's brought me nothing but unhappiness. It's ruined my life."*

When William "Bud" Post won \$16.2 million in a 1988 lottery, one of the first things he did was try to please his family. Unfortunately, his kin was of the unfriendly sort. Post's brother hired a hit man to kill him, hoping to inherit some money. Other family members persuaded him to invest in two businesses that ultimately failed. Post's ex-girlfriend sued him for some of the winnings. Post himself was thrown in jail for firing a gun at a bill collector. Over time, Post accumulated so much debt that he had to declare bankruptcy. He now relies on Social Security for income. Reflecting on his journey, he writes, *"I'm tired, I'm over 65 years old, and I just had a serious operation for a heart aneurysm. Lotteries don't mean (anything) to me."*

They're just two stories. I came across a bunch of them this week. It seems that good old common sense and money don't inherently go together. Having money – even lots of it, does not mean we have the financial sensibility to know what to do with it.

Now, it's easy for all of us to look at them and go 'what were you thinking?' But, we have all just come through a recession that was ultimately caused by spending habits that went beyond what we could handle. So, it seems that well educated people and financial sensibility don't always go hand in hand. It seems that even the vast majority of us in our culture need some common sense as we come to this subject of money.

What I want to do today is look at some advice from the Bible about our finances. Contrary to some thought, the Bible contains a lot of information about money because God knows that money is such a big part of our life and it isn't just paper and coins. It is much more than that.

What I want us to do today is to imagine that this \$20 note could talk to us. Yes, I realise it can't – but imagine that it can. What would it say to us if it actually wanted to ruin our lives? And, what would it say to us if it wanted to enrich our lives?

Somebody once said, *"Money talks I'll not deny. I heard it once, it said 'goodbye.'"*

It might just say more than that too. Let's listen...

#### ***What money would say to us if it wanted to ruin our lives?***

##### **1. Live beyond your means**

Money says, "spend more than you earn. Live beyond your means."

I did some research over these last few weeks about spending habits of kiwis. Do you know how much the average kiwi spent for every \$1 we earned? In 2006, it was \$1.17. In 2010, it is projected to be \$1.08. I'm not a genius when it comes to money but I do know that means we are living beyond our means. We're all going into debt.

Much of that debt is due to credit cards and hire purchase agreements. As at September 2006, New Zealand's credit card debt stood at a staggering \$4.5 billion. Of that 4.5 billion in credit card debt, \$3 billion incurred interest in July 06 at an average 18.8%. During just that year, as kiwis we paid \$540 million in credit card interest charges alone.

It's very easy in our culture to live beyond our means. Buy the 42inch TV on a hire purchase deal, use the store credit card for the clothes, and use your visa or mastercard for the trip overseas. You can have it now. The problem is that you get into debt, it is very hard to get out of it. A lot of our culture are in that boat for just day-to-day purchases on credit card and hire purchase. In fact, I was reading one article that quoted Darryl Evans from the Mangere Budgeting Service in South Auckland who said that the average person they see has about \$43,000 worth of debt - and multiple cards. He's not talking about mortgage on a house which most will see as a little different. This is just stuff we spend week by week.

Scripture warns us:

*"The poor are always ruled over by the rich, so don't borrow and put yourself under their power." - Proverbs 22:7 (The Message)*

Parents tell us to act our age. When it comes to finances, *we need to act our wage*. If you earn \$100 a week, the most you can spend is \$100 a week. If you earn \$20,000 a week, the most you can spend is \$20,000 a week. We need to live within our means.

There's a couple of reasons we might live beyond our means. Money certainly reminds us of them. It says,

## 2. Compare yourself with people who have more than you

A professor did an interesting study on the happiness level on Olympic Athletes who won medals. After an event is over, a gold medallist did best, a silver second and a bronze medallist – third.

How did this compare with the happy scale? The one who got the gold medal was happiest. The second happiest person was the bronze medallist. He compared himself to the guy who got 4<sup>th</sup> and realized that he was this close to missing out on a medal altogether.

The one who was most unhappy? The silver medallist - because he compared himself to the person who won gold.

It's easy to look at the car your neighbour drives and think of what they have and what you don't have. It's easy to flick through the magazine and see people that look your age happy with so much more. It's easy to look at the person sitting in front of you or behind you and think of what they have and what you don't have. But, at some point we need to stop making those comparisons and live within our means.

It's not easy. I read this week that the average western person reaches the age of 20 they have watched over 1,000,000 TV ads. I'm not going to spend my time counting to check the accuracy of that – but it shouldn't surprise us. That marketing often lures us in because it makes us look at what we have and don't have and compare us with a model in an advertisement that has something that we feel we're entitled to have as well.

It doesn't have to be this way. The apostle Paul writes about his experience: *12 I know how to live on almost nothing or with everything. I have learned the secret of living in every situation, whether it is with a full stomach or empty, with plenty or little. 13 For I can do everything through Christ, who gives me strength.* – Phil 4:12-13.

We often take that verse out of context to apply to all sorts of things. – “I can do everything through Christ...” But, what Paul is saying is that God is able to give you the help you need in order to be content. You don't have to buy everything you want. The Spirit of God is able to help us walk through St Lukes Shopping Mall and say, ‘I have enough.’ To see what is on TV and say, ‘I have enough. I can do all things through Christ who strengthens me.’ (outloud)

## 3. You can trust in me to provide security

“You can trust me,” money says. “Once you have enough of me stored up, you won't need to worry about a thing. Just make sure you have enough.”

But, the problem is ‘how much is enough?’

When the apostle Paul was writing to his young protégé Timothy, he instructed Timothy to teach people who are rich – like all of us when compared to world standards - *“Teach those who are rich ... not to trust in their money, which is so unreliable.”*

Sometimes, when life is going the way that we want, when the financial charts have the line going up, we live as if we have the right to expect that the economy is going to expand annually at 7%. We live as if a large enough savings account, a low enough mortgage, and a safe enough investment can make us secure. We live in the thought that money buys security.

Then, a recession hits or the stock market bursts and economic conditions change and we panic. To be honest, we don't panic because bad things are happening, because bad things always happen. Bad things happen every day. The reason that everybody panics in a recession is that we have placed our confidence in money as our security. Suddenly, the myth of ‘money as security’ is exposed, and all of a sudden, we all realize our vulnerability. In reality, we were always vulnerable. Every day of our life is suspended by a thread, but we can usually live in the illusion of security, and when a panic like this comes, we face the truth.

One of the richest men in the world 3000 years ago wrote this: *“The rich think of their wealth as a strong defense; they imagine [ie not real] it to be a high wall of safety.”* Proverbs 18:11 (NLT).

Poor people don't put wealth in money. They can't. We do as rich people. The same person wrote, *“Whoever loves money [ie whoever leans into it for security] never has money enough; whoever loves wealth is never satisfied with his income. This too is meaningless.”* Eccl. 5:10

The Bible is very upfront about money and the hollow security that it promises.

Do you know how much money you actually need to be totally financially secure? Answer: More than you currently have is always the answer to that question! That's why the number one issue that causes anxiety is money. That anxiety increases, not decreases, the more you have.

You see, generally poor people realise they have to rely on somebody outside of themselves for help. Rich people who have stuff, like all of us, get worried because we place so much security in our stuff. The Bible says, ‘don't listen to the hollow promise of money. Don't place your security in it. It can't be found there.’ Instead, place it in the one we can actually depend on.

That's why that verse we saw earlier goes on . . . “... <sup>17</sup> Teach those who are rich in this world not to be proud and not to trust in their money, which is so unreliable. *Their trust should be in God, who richly gives us all we need for our enjoyment.*” 1 Timothy 6:17-18

Money has this hollow promise of security. Money makes another claim:

#### 4. You need more before you can afford to be generous

“Giving is a good idea,” money might say, “but wait till you have more and then you can start giving.” “Giving is a good idea in theory but a bad idea in practice!”

But, generosity is not about how much you have. One of the most familiar stories in the Bible is about the widow who threw two small coins into the offering – probably an amount like \$1.50 in today’s currency. And yet, this was Jesus’ take on what happened:

*“Calling his disciples to him, Jesus said, “I tell you the truth, this poor widow has put more into the treasury than all the others. They all gave out of their wealth; but she, out of her poverty, put in everything—all she had to live on.” (Mark 12:43-44, NLT)*

She has put more into these receptacles than all the others – including all these rich people. Not, by the amount - but by the percentage. She was generous even though she had so little.

Generosity is not about how much you have. It is about the state of your heart. If you’re not generous when you have little, you will be even more stingy when you have a lot.

Warren Buffet, wealthy investor who has pledged to give 85% of his estate to the Gates Foundation, puts it succinctly: *“If you were a jerk before, you’ll be a bigger jerk with a billion dollars.”* – Warren Buffet

He hits it on the head in unpolished language. You see, the less you have the more you tend to give. That has been shown to be true across the western world for many years. Proportionately, those who have less give a higher percentage than those who have a lot more. Why? If you only have \$1, give 10cents, can’t do a lot with 10c. If you have \$100 and give \$10, can’t do a lot with \$10. Starts to go up – get \$1000 and give \$1000 – start to think of what you could do. Get \$100,000 and give \$10,000 – you can think of lots of things you could do with that money.

There’s a temptation when you’re a teenage or young adult to think that giving is something for later – when you have money. But, it starts now. It’s about training your heart to be generous – now. Money says, ‘wait till you have more.’ But, generosity isn’t about the amount as it is the state of your heart.

*If money could talk and wanted to ruin our lives, I think it would say things like this.*

Now, I’d be surprised if any of this is new information to you. Yet, we easily ruin our lives with financial anxiety, with unwise debt, with stinginess, and with discontentment.

So, it’s not a knowledge gap. I think we know all this but we fail to get to the heart of the issue – which is the heart. You see, our values and the expression of these values need to be trained. That doesn’t happen when we’re about to purchase something at

the shop. It happens by making decisions ahead of time as to what we do with our money.

Three weeks back I spoke about generosity and I had some conversations with people trying to work out what all this looks like for them. So, let me turn this question around to ask . . .

#### ***What money would say to us if it wanted to enrich our lives?***

So, I want to walk you through three things I think money would say to us if it wanted to *enrich* our lives. These three are illustrated by the buckets up the front here about the three categories we can use money in our lives.

The Bible talks about putting the money we have into each of these three buckets. The question is, how much should go into each one? These are the decisions each of us needs to make before God. If you’re married, you need to take some time to sit down and make these decisions together.

The first decision money would have us make is:

#### **1. Give: how much will I give away?**

The reason it’s the first bucket is because that’s the priority Scripture gives to it. The Old and New Testaments call the people of God to live a life that is focused on others with abundant generosity.

We see the foundation of this radical generosity laid down in the Old Testament and continued to be practiced in the New Testament. Let me walk you through some of the Old Testament that is probably a bit foggy to us. Growing up in church life, I used to hear about the mandated tithe but never really understood what was going on and how radical God’s call to his people really was.

God’s plan for his people in the Old Testament was to radiate a life focused on others by a display of radical generosity. So, he set up various laws that the people needed to keep at that time to help them see what generosity looked like.

*a. First, there was the tithe.*

The tithe simply means 10%. Before the people did anything else, they were to give 10% of what they earned, off the top.

*“A tithe of everything from the land, whether grain from the soil or fruit from the trees, belongs to the Lord; it is holy to the Lord. - Leviticus 27:30*

The language of the tithe indicates that you don’t give a tithe, you repay the tithe back to the owner. The tithe was seen as that part that belongs to the Lord, it was clear in the attitude of all that this portion belonged to the Lord. No one else had a right to it.

This tithe went to support the priests and Levites.

*"I give to the Levites all the tithes in Israel as their inheritance in return for the work they do while serving at the Tent of Meeting. Numbers 18:21"*

The Levites were freed from working the fields so they could work to provide the leadership and spiritual feeding that the people of God required. It's probably the same challenge we face today in terms of staffing at the church. 55% of our budget as a church goes to staffing – which is right in line – to the percentage - with consultants who look at church budgets and healthy churches.

In case you were wondering, the Levites were also instructed to give a tenth of what they were given.

*"The Lord said to Moses, "Speak to the Levites and say to them: 'When you receive from the Israelites the tithe I give you as your inheritance, you must present a tenth of that tithe as the Lord's offering ...'" - Numbers 18:24"*

I guess that would involve people paid by the church, like myself. So, I'm not excused from generosity either. It's kind of funny because I never get the bag passed to me. It's lucky I pay through automatic payment.

But, the generosity God called his people to practice didn't stop there. This is the part we don't talk a whole lot about. Growing up, I heard about the tithe. What I didn't hear was the radical call towards generosity God called his people towards.

b. *There was another tithe, another 10%. This one went to a big party once a year for everybody.*

*"You must not eat in your own towns the tithe of your grain and new wine and oil, or the firstborn of your herds and flocks, or whatever you have vowed to give, or your freewill offerings or special gifts. Instead, you are to eat them in the presence of the Lord your God at the place the Lord your God will choose—you, your sons and daughters, your menservants and maidservants, and the Levites from your towns—and you are to rejoice before the Lord your God in everything you put your hand to." - Deuteronomy 12:17-18"*

I come across people who at times think that God calls us to live without extravagant celebration. Yet, here God has the people of God give 10% of their income for a national celebration that included all members of society, including the poor and foreigners, to truly participate in a party of praise for the goodness of God to them. This was extravagant.

c. *Then, every three years, there was a third tithe – When you have finished setting aside a tenth of all your produce in the third year, the year of the tithe, you shall give it to the Levite, the alien, the fatherless and the widow, so that they may eat in your towns and be satisfied. Then say to the Lord your God: "I have removed from my house the sacred portion and have given it to the Levite, the alien, the*

*fatherless and the widow, according to all you commanded. I have not turned aside from your commands nor have I forgotten any of them. - Deuteronomy 26:12-13"*

This tithe, another 10%, was taken every 3 years and was effectively a helping hand fund to help the poor members in society and foreigners struggling.

At the time of Jesus, we read that the people of God practiced these three tithes in obedience to their understanding of God's law. *(For more info, see Craig Blomberg, "Neither Poverty nor Riches.")*

But, it still doesn't stop there.

- d. *Agriculturists, in addition, were meant to leave corners of field and not go over vines again – but to leave these for poorer, less fortunate people. That might mean that you would leave behind 10-15% of your produce for the poor to follow along.*
- e. *Then, every 7<sup>th</sup> year was a sabbatical year. All debt was cancelled. That would be great, wouldn't it? Easy to get into debt and hard to get out of it. If you had made some poor financial choices on year one, they would be scraped year 7 so that there was no debt in the land! Talk about radical generosity to enable everybody to have the help they needed.*
- f. *But, the most radical thing happened every 50 years. Jubilee: all land went back to original family who first owned it. The playing field is evened again. So, let's say 45 years ago your granddad made a poor choice and lost the land. You have suffered because of his decision ever since that time. In a culture where wealth was all about land ownership, land ownership determined how well you did financially. But, God mandated that every 50 years, everything go back to the original family titles! This was to stop generation to generation of poverty and wealth. No other culture had anything even close to this thing like this level of generosity. What separated the people of God was extreme generosity.*
- g. *On top of all that were special offerings and sacrifices that the people could give freely to express further appreciation to God. The tithe it seemed was not a ceiling; rather it was a floor, a platform for a base line of giving.*

It's not sufficient to say that God's call was for the people to give 10% and leave it at that. God's call to his people in the Old Testament was to a life of radical generosity.

When Jesus came, he continued that tradition. He said, 'If you want life, you need to give it away.' You find life through generosity, not consumption. "It is more blessed to give than receive." Jesus simply continues the cry for his followers to pursue radical generosity.

Then, we see the early Christians selling extra fields to help others in need. We see Christians in one city sacrificing to help brothers and sisters in another part of the world. We see the priority of giving, the way it is planned and the way people give a percentage of what they earn, although the New Testament doesn't state the amount.

Discussions about giving normally come around 'how much?' Discussions take place between what was mandated in the OT and principles that we see in the NT. There is often debate that goes on between two schools of thought.

As I was reflecting on this, I thought about parenting. When children are young, we lay out rules for them. We say, 'do this... don't do that.' It's mandated. But, good parents do this in the hope that one day these rules will be intrinsic values. We say, 'brush your teeth' in the hope that one day they will be an adult that values hygiene. We give rules about safety in the hope that one day they will intrinsically think about safety. In the OT, we have God giving rules, mandates for the people of God to show them what radical generosity looks like. When we come to the NT, the emphasis is that we are no longer led by rules but have the Spirit of God prompting our heart, our values – which is built on the foundation of the Old Testament.

So, the NT never gives us an amount. It simply continues the tradition of the Old Testament in this principle of radical generosity. It leaves you and me to determine what radical generosity looks like. Just like a parent leaving their adult children to make decisions for themselves.

Many throughout church history have given away 10% of their resources as a healthy starting point for followers of Jesus. Many have gone much further. The amount is between you and the Spirit of God as you seek after radical generosity.

The problem here is that some people can feel guilty when they keep anything. But, giving is only one thing we do with our money. Scripture gives us another two. Once again, we need to determine ahead of time as to what this looks like.

## 2. Save:

I tried to find some percentages about what kiwi savings patterns were like. But, to be honest, nobody is sure of how much we do/do not save. There are too many inconsistencies in all the equations. But, Scripture calls us to save and prepare for seasons where things will be harder.

*The wise have wealth and luxury, but fools spend whatever they get – Proverbs 21:20*

Back then there were no banks. You stored up in perfume or food in your barn.

You understand the difference between saving money and spending money. If you by an \$80 shirt for \$55 dollars you have not saved \$25, you have spent \$55! We had to replace our toaster this week. We found that was marked down from \$129 to \$50. It

had 'save \$79.' Yes, we didn't spend the extra \$79 but that doesn't mean we've saved it. It simply gives more to spend.

Come up with an amount and set it aside. There will be a time when you will need it - Job loss. Sickness. retirement.

So, you give, save and – finally – you live off the rest.

## 3. Live:

When you're giving generously and saving for the future, you can enjoy the rest.

That's what God wants.

*"And it is a good thing to receive wealth from God and the good health to enjoy it. To enjoy your work and accept your lot in life—this is indeed a gift from God". – Eccles 5:19*

Maybe that's a surprise to you. After Paul's instructions to rich people, he also says,

*17 Teach those who are rich in this world not to be proud and not to trust in their money, which is so unreliable. Their trust should be in God, who richly gives us all we need **for our enjoyment**. 18 Tell them to use their money to do good. They should be rich in good works and generous to those in need, always being ready to share with others. – 1 Timothy 6:17-19*

## Conclusion:

To have financial sensibility means to give, save and live off the rest.

Money is not neutral. It can be a source of anxiety, worry, conflict and frustration. But it can also be a source of joy, peace and significance. The difference is all about financial sensibility.

A lot of this isn't new today – but the practice of this is key. If you want to step into the joy and peace and significance of biblical common sense financial spending, I suggest you do two things this week:

1. Discuss and decide on percentages. If you're married, sit down together and make some decisions as to the percentages in each bucket. 10-10-80 is a good starting point. It might start off at 5-5-90. I've heard of people who can do 90-0-10 (have enough saved and only need 10% to live on).
2. Pray. I don't mean this as a throw-away line. But, since we are people led by the Spirit of God, practice a discipline of praying before every purchase over these next 3 days. Pray about major and even major minor decisions so that you see what give, save and live off the rest looks like as the Spirit of God prompts your heart and mine.