VII. What to do with money? Spending, saving (investing), giving (and inheritance)

A. Spending
1. Spending is one good use of the money we receive
   a. Spending turns money into goods & services that we can use with thankfulness to God (1 Tim 4:1-5; 6:7; Matt 11:19)
      i. We must spend to provide for ourselves food, clothing, shelter, and (for some) to provide for our families
      ii. 1 Thess 4:11; 1 Tim 5:8
   b. God intends us to enjoy the good resources he has put in the earth for us to develop & use (Gen 1:28; 2 Tim 6:17)
      i. (see earlier outline IV above on producing goods and services)
2. But it is possible to spend too much or too little
   a. Spending too much: foolish, wasteful spending on self, giving little or nothing to others, saving little or nothing for future
      i. Luke 15:11-13 (Prodigal Son); James 5:5
   b. Spending too little: miserly, stingy, fearful hoarding of wealth, failing to use it for purposes God intended, failing to use it with thanksgiving to God (Eccl 6:1-2; 1 Tim 4:1)
   c. Then how much should you spend?
      i. That depends on how much you decide to save and how much you decide to give away.

<table>
<thead>
<tr>
<th>Total income</th>
<th>100%</th>
<th>100%</th>
<th>100%</th>
<th>100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>- giving</td>
<td>-10%</td>
<td>-10%</td>
<td>-15%</td>
<td>-30%</td>
</tr>
<tr>
<td>- saving (incl. invest)</td>
<td>-0%</td>
<td>-10%</td>
<td>-20%</td>
<td>-60%</td>
</tr>
<tr>
<td>= spending</td>
<td>=90%</td>
<td>=80%</td>
<td>=65%</td>
<td>=10%</td>
</tr>
</tbody>
</table>

d. Don’t spend more than you have! (accumulating debt - a serious & generally unnecessary problem in the US)
   iii. This is often not a question of “right” vs. “wrong” choices, but of “good” vs. “better” vs. “best” choices
      a. God gives us much freedom here, does not command a certain amount
      b. But all these choices have consequences, and bring more or less reward both in this life and in heaven
      --> see material below on blessings of generous giving

B. Saving
1. Saving for the future is another good use of the money we receive
   a. Imitates God’s attributes of wisdom, independence, knowledge of time and awareness of future, love for others.
   b. It is right to save for a time when we cannot work (due to age, weakness, sickness, loss of job)
      i. Only a few people die while they are still working. Therefore, not saving and assuming that we will need no savings in the future is basically deciding to impose a burden on our children or relatives.
      (it is not trusting God for anything that Scripture gives us warrant to trust him for)
      Insisting that “I will always be able to work” is wrongly “forcing a test” on God (Matt 4:7; 1 Thess 4:12)
   c. It is right to save in order to be able to provide for unforeseen emergencies (illness, injury, loss of home or car, theft, lawsuit, etc.) - James 4:13-17
      i. From the earliest years when people earn an income, they should have some plan and pattern of regular saving that will accumulate over time.
      ii. We don’t know the future, & because there is still suffering and evil in the world, purchasing insurance (life, home, car) is a wise way to guard against large/catastrophic expenses (this is in addition to saving for unforeseen emergencies)
   d. It is right to save to purchase things that are more expensive than our current assets
      i. Child saving for bike, going to camp; adults saving (for house/college/wedding for children, vacation, business
      e. Some kinds of savings (bank deposits/stocks/bonds) have added benefit of doing good for others by allowing them partial use of what we have saved
      i. Banks loan our money to others, & companies use our money to grow (money we used to buy their stock)
      ii. Thus, when we save, several other people gain use of our money at the same time as it belongs to us!
2. But saving also provides temptations to sin
   a. Savings can increasingly tie our hearts to earth, not to heaven and to God (Ps 62:10; Matt 6:19,24; Luke 12:15-21; Deut 8:11-14; Eccl 5:10; Heb 13:5)
   b. It is possible to save too much or too little
      i. Too much: hoarding, trusting in riches rather than God, lack of faith --> see verses in previous section
      ii. Too little: being foolish, not being reasonably prepared for future, in many cases resulting in having to depend
on others to care for you (the extreme form of this is not saving but accumulating greater and greater debt, which
is spending your future life before it happens)

iii. a very common pattern in the U.S. today: too much spending, too little saving and too little giving

C. Giving

1. Giving money to others, or to the Lord’s work, is a third good use of the money we receive
   a. God expected his people to give throughout the history of the Bible (Lev 27:30-32; 1 Cor 16:1-2)
   b. This also is a uniquely human activity (not found in animal kingdom).
i. The ability to choose to give to the needs of others is a noble human virtue. It allows us to imitate God’s attributes in several ways (which?).

c. Giving reminds us that we are not God, and life is not just about us!

2. Comment on SBC helpful approach to visitors on this topic: not asking for money!

a. But at some point a church must teach on this topic from the Bible

3. The basis of giving should be a trust in God growing out of a personal relationship with Christ

a. You don’t give money to get right with God, but give after you are right with God & begin to trust him

b. Giving flows out of trust in God, and giving also demonstrates trust in God

4. God blesses regular, generous giving in several ways

a. God will provide for our needs
   i. In OT, resulted in abundant provision when they gave what God commanded, but economic hardship when people did not give what God had told them to give (Prov 3:9; Mal 3:8-11; Deut 26:12-13; Hag 1:2-11; 2:15-19)
   ii. Jesus also promised abundant blessing for generous giving (Luke 6:38; Phil 4:19; 2 Cor 9:8)

b. God will give blessing and good results from your giving (2 Cor 9:6-10)

c. God will be pleased with your giving & will grant you his favor in this life (at least regarding this aspect of your life)
   i. Phil 4:17-18; 2 Cor 9:7,11

d. But the New Testament does not teach the “prosperity gospel”
   False idea: if you have enough faith, God will make you rich in this life." (answer: Jesus, Paul, Job)
   Many strong Christians in poor countries, under oppressive governments.

e. Still, God will grant you greater heavenly reward (Matt 6:19-21; 1 Tim 6:18-19)

f. You will have the joy of caring for the needs of others and seeing good results in their lives (Acts 20:35)
   i. Through evangelism, some will come to personal forgiveness of sins, relationship with Christ
   ii. Many will have their physical needs met, their lives changed (1 John 3:17)

5. How should we give?

a. Willingly, cheerfully (2 Cor 8:8; 9:7)

b. Regularly - have a plan (1 Cor 16:1-2)

c. Proportionately: give from what you have earned (1 Cor 16:12; 2 Cor 8:12)

d. Generously (2 Cor 8:1-5; 9:6; 1 Tim 6:16-19)

e. I think that sacrificial giving brings special blessing from God (2 Cor 8:1-3; Mark 12:42-44; Acts 4:32-33)

6. How much shall we give?

a. God expects us to give something, and I think 10% is a good guideline at least to start

b. Giving more will do more good for others, and will advance the work of the kingdom of God more

c. It is not a matter of “you have to give X %” but rather, “How much good would you like to do in the world with the resources you have?” -> God gives you a choice, and also a great opportunity

7. Where should we give?

a. Church, parachurch, others in need: many good choices
   i. I think it is healthy for us to donate most of what we give to places where we don’t control the expenses
   ii. NT emphasis is on giving to other Christians in need, & giving to others who come to our attention (Gal 6:10)

8. Temptations regarding giving

a. Giving too little (stinginess), giving too much (irresponsibility), pride, control

D. Inheritance

1. Giving property & possessions to children as inheritance was the normal practice in Israel (Num 27:6-11; Luke 12:13)

2. Giving an inheritance to children was seen as a good thing (Prov 13:22; 19:14; contrast Eccl 5:13-15)

3. Passing down a family’s property through generations had economic and political benefits:
   a. Guaranteed widespread ownership of private property (land and other wealth), which is necessary for sustained economic prosperity in a nation (see Landes study of history)
   b. This prevented excessive concentration of power in the hands of a few wealthy families, or in the hands of the government (which leads to political corruption and economic stagnation)
   c. Fundamental problem: people accumulate wealth, then they die. This goes on in every generation.
      i. The question: what to do with that increasing wealth? Options:
         a. people can will it to whomever they choose (usually their children & other relatives)
         b. government can confiscate it (“death tax”)
            i. but this gives government too much power (people, not government, should own most of the property in a society)
            ii. Jesus refused to be the one to decide how a family’s inheritance would be divided (Luke 12:13-14)
            iii. So option (a) seems the wisest solution: it should be yours to give away as you wish

4. In OT, the gov’t did not have the right to confiscate property owned by individual families (1 Kings 21:1-3; Ezek 46:18)

5. What will you inherit (personally)?
a. NT warns against setting heart on earthly inheritances rather than God (do we need this reminder?) - Lk 12:13-15
b. Great heavenly inheritance that the NT repeatedly emphasizes (Matt 5:5; 25:34; Eph 1:14,18; Col 3:24; 1 Pet 1:3)
c. OT gave indications of this future heavenly inheritance (Heb 11:8; Num 18:20,24; Deut 10:8-9; Ps 16:5; 73:26)

6. The Bible also reminds us that God’s providence will eventually allocate good inheritances to those who are obedient to him, not to those who continually disobey him (Ps 37:9,11,22,29,34; Prov 11:29; 13:22; 1 Cor 6:9-10)

7. When should an inheritance be given to children?
   a.Warnings against giving it too soon (Prov 20:21; Luke 15:11-16)
      i. “In general, the more dollars adult children receive, the fewer they accumulate, while those who are given fewer dollars accumulate more” (p. 143)
      ii. “Paying for an education is the equivalent to teaching your children how to fish .... Conversely, what is the effect of cash gifts that are knowingly earmarked for consumption and the propping up of a certain lifestyle? We find that the giving of such gifts is the single most significant factor that explains lack of productivity among the adult children of the affluent .... Cash gifts earmarked for consumption dampen one’s initiative and productivity. They become habit forming. These gifts must then be extended throughout most of the recipient’s life” (pp. 148-149).
      iii. They also say that earmarking gifts to start or enhance a business do not have this negative effect but are like paying for an education, (p. 148)
      iv. ”If you are wealthy and want your children to become happy and independent adults, minimize discussions and behavior that center on the topic of receiving other people’s money” (p. 195).
   b. Thomas J. Stanley and William D. Danko, The Millionaire Next Door (New York: Pocket Books, 1996) have many warnings (pp. 141-174) against wealthy parents giving children too much, too soon, so that the children become not “welfare dependent” but “daddy dependent”
      i. James Dobson quote (Rich Kids): “large trust funds are usually destructive to those who inherit them”
   c. An ‘inheritance’ will normally be inherited at the time of the death of the second parent
      i. Perhaps some can be given before that, but with caution, and only after the children have demonstrated financial independence and wisdom themselves (Eccl 7:11)
      ii. One question is whether they are as wise or wiser stewards than you are at any given point in life.

8. How much should be given to children, other heirs?
   a. If you don’t have a will, government will require that your possessions will be distributed according to a standard formula for people who die “intestate” (that is, without a will). In certain cases your estate will also pay more taxes.
      i. This is not exercising wise stewardship before God – can’t you decide better than a fixed, one-size-fits-all formula?
   b. Should you give all your assets to your family members? This may not be the best plan! There is wisdom in deciding to give X amount (a specific amount, of whatever size) to your children and then giving all the rest to various ministries before you die, or at the time of death (rather than leaving it all to your children).
      i. On the other hand, some families own a family business and there is nothing wrong with passing that on to children down through several generations. – esp. if they demonstrate wisdom and good stewardship, and if they are gradually trained for it.
   c. That way, you can use your best judgment in maximizing kingdom effectiveness for your possessions
   d. In some cases (with a larger estate) a charitable foundation such as
      i. Arizona Community Foundation (www.azfoundation.org)
      ii National Christian Foundation (www.nationalchristian.com)
      iii. Arizona Christian Foundation (www.arizonachristianfoundation.org)
      iv. Similar foundations in other states, can save substantial amounts of taxes and can be a good “parking place” for money before you decide where to give it
      a. Note that it does not actually reach any kingdom ministry until you move it out into a ministry!
      b. “Heavenly credit” in the Phil. 4:17 sense comes primarily when the money reaches a ministry, and that is when the ministry can be advanced through your giving as well

Audio recording of classes and these handouts are available on the class website: http://www.christianessentialssbc.com.

See also www.waynegrudem.com