



MONTHLY NEWSLETTER



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HOW TO GET OUT OF DEBT?

Debt is something that affects most Americans today. In fact, Comet reports that 80.9% of Baby Boomers, 79.9% of Generation X, and 81.5% of Millennials are currently in debt. That's a lot of people! The adverse effects of debt can be detrimental – it can greatly harm your physical, mental, spiritual, relational, financial health. But trying to get out of debt seems like an insurmountable task to most. So, what is the best way to pay it off, and how do you get started?

Two methods are suggested

1. Organize your debts from smallest to largest amount. This includes your student debt, car loan, any credit card or medical debt, and mortgage. Continue paying the minimum payment for all your debts and then put any and all extra cash towards paying off the smallest debt.

2. The other method is to organize the debt from the highest interest rate to the lowest and attack the highest rate debt first. continue making minimum payments on all your other debts and rollover what you were putting towards the first debt towards the next until they're all paid off. This method is strategic and will save you time and money!

THREE REASONS FOR BEING IN DEBT



" Many, very many, have not so educated themselves that they can keep their expenditures within the limit of their income. They do not learn to adapt themselves to circumstances, and they borrow and borrow again and again and become overwhelmed in debt, and consequently they become discouraged and disheartened."

The Adventist Home , p. 374.

1. Ignorance. Many people, even the educated, are financially illiterate. They were simply never exposed to the biblical or even secular principles of money management.

2. Greed. In response to advertising and personal desire, people simply live beyond their means. Many of them also feel that they are just too poor to tithe. As a consequence, they live their lives without God's promised wisdom and blessing (see Malchi 3:10-11)

3. Hardship. People may have experienced a serious illness without adequate health insurance. They may have been abandoned by a spendthrift marriage partner. A natural disaster may have wiped out their possessions.

