I Have a Question
Max W. Brown

Since the early days of the restored Church, Latter-day Saints have been counseled to live within their means, to avoid debt, and to get out of debt. Elder L. Tom Perry of the Quorum of the Twelve Apostles reiterated this counsel:

“Avoid excessive debt. Necessary debt should be incurred only after careful, thoughtful prayer and after obtaining the best possible advice. We need the discipline to stay well within our ability to pay. Wisely we have been counseled to avoid debt as we would avoid the plague. …

“ ‘Live within your means. Get out of debt. Keep out of debt. Lay by for a rainy day which has always come and will come again. Practice and increase your habits of thrift, industry, economy, and frugality’ ” (“If Ye Are Prepared Ye Shall Not Fear,” Ensign, Nov. 1995, 36).

Some necessities such as a home and an education may require that we incur long-term debt. But the relative ease with which we may qualify to secure a loan should not be an excuse to live beyond our means.

“I do not mean to say that all debt is bad,” Elder Ezra Taft Benson said in 1962. “Of course not. Sound business debt and reasonable debt for education are elements of growth. Sound mortgage credit is a real help to a family that must borrow for a home. …

“If you must incur debt to meet the reasonable necessities of life—such as buying a house and furniture—then, I implore you as you value your solvency and happiness, buy within your means.

“So, use credit wisely—to acquire an education, a farm, to own a home.

“But resist the temptation to plunge into a property far more pretentious or spacious than you really need” (“The Dangerous Threat of Increasing Indebtedness,” The Instructor, May 1962, 159, 162).

The following principles can help us avoid, or at least limit, unnecessary debt:

- **Pay tithes and offerings.** President Joseph F. Smith gave this direction: “One of the best ways that I know of to pay my obligations to my brother, my neighbor, or business associate, is for me first to pay my obligations to the Lord. I can pay more of my debts to my neighbors, if I have contracted them, after I have met my honest obligations with the Lord, than I can by neglecting the latter; and you can do the same” (Gospel Doctrine, 1966, 259–60).
• **Live within your means.** Avoiding the grasp of unnecessary debt requires that we control or, in some cases, change our spending habits. Establish a budget, but keep it flexible enough to avoid frustration. If necessary, seek financial advice. As a family, discuss your financial situation so that each member understands the family’s monetary constraints. Review the family’s financial progress each month. Good financial planning often enables us to afford things that, if purchased compulsively, could lead to unnecessary debt.

• **Use credit wisely.** Pay with cash whenever possible, and avoid the temptation to use credit cards. A widely accepted credit card is useful in emergencies and in situations when carrying cash may be unwise, such as during a vacation. But credit cards usually carry high interest rates, and their convenience can easily lead to unnecessary debt. If you are tempted to make impulsive purchases because of the convenience of using credit cards, make it a policy to wait 24 hours before acting so you can consider the purchase more objectively.

• **Establish a savings account.** Pay yourself a little money each month via a savings account so that you have cash on hand for financial emergencies and desired purchases. A savings account can offer great peace of mind because it provides a buffer between spending and debt.

Our resolve to avoid unnecessary debt can be strengthened if we remember Nephi’s statement when he was asked to return to Jerusalem for the brass plates. Responding to the difficult assignment, Nephi said, “I will go and do the things which the Lord hath commanded, for I know that the Lord giveth no commandments unto the children of men, save he shall prepare a way for them that they may accomplish the thing which he commandeth them” (1 Ne. 3:7).

Through his prophets, the Lord has counseled us to avoid unnecessary debt. We can do that by putting the Lord first and by planning, saving, and sacrificing.