

Episode 37

Stories from General Conference

DEBT

NARRATOR: This is “Stories from General Conference”, here on the Mormon Channel. The topic of this special episode is “debt”. This special collection edition features a classic conference address by President J. Reuben Clark on this topic, plus excerpts from more recent General Authorities.

For many years, Church leaders have counseled us to avoid debt. During the 1930s, during the Great Depression in the United States, President J. Reuben Clark, then First Counselor to Church President Heber J. Grant, gave an address in the April 1938 General Conference. His talk was in response to letters he had received asking for financial advice. Although it was specifically applicable to the situation at the time, it contains principles that still pertain to us today. We begin this special episode with an original transcription disc recording of the address, given by President J. Reuben Clark on April 6, 1938.

(J. Reuben Clark address, April 1938 General Conference)

NARRATOR: Over fifty years later, President Gordon B. Hinckley, then First Counselor to Church President Howard W. Hunter, spoke of his personal memories of the Great Depression, the setting for President J. Reuben Clark’s address just heard. The following excerpt from President Hinckley’s address was delivered in the April 1992 General Conference:

(President Gordon B. Hinckley, Priesthood Session, April 1992)

“The world at that time was on a reckless pursuit of riches. Then came Black Thursday of November 1929. I was nineteen years of age, a student at the university. I saw the economy crumble. I saw men whom I knew lose everything as their creditors moved against them. I saw much of the trauma and the stress of the times. I thought then, and I have thought since, how so many people might have been saved pain and misery, suffering, embarrassment, and trouble had they listened to the counsel of a prophet concerning personal debt.”

NARRATOR:

It seems human nature pulls us from good advice given by the leaders of the Church over many years. Greed, self-indulgence and selfishness prevail where thrift and practicality would serve us better. In the April 2009 General Conference, Elder Robert D. Hales echoed advice similar to President Hinckley's, and added an illustration from his personal life.

(Elder Robert D. Hales, Saturday Morning Session, April 2009)

“I speak to all whose freedom to choose has been diminished by the effects of ill-advised choices of the past. I speak specifically of choices that have led to excessive debt and addictions...that diminish one's sense of self-worth. All of these excesses affect us individually and undermine our family relationships. Of course some debt incurred for education, a modest home, or a basic automobile may be necessary to provide for a family. Unfortunately however, additional debt is incurred when we cannot control our wants and addictive impulses. And for both debt and addiction, the hopeful solution is the same—we must turn to the Lord and follow His commandments. We must want more than anything else to change our lives so that we can break the cycle of debt and our uncontrolled wants.”

“May I share with you two lessons in provident living that can help each of us. These lessons, along with many other important lessons of my life, were taught to me by my wife and eternal companion. These lessons were learned at two different times in our marriage—both on occasions when I wanted to buy her a special gift.

“The first lesson was learned when we were newly married and had very little money. I was in the air force, and we had missed Christmas together. I was on assignment overseas. When I got home, I saw a beautiful dress in a store window and suggested to my wife that if she liked it, we would buy it. Mary went into the dressing room of the store. After a moment the salesclerk came out, brushed by me, and returned the dress to its place in the store window. As we left the store, I asked, “What happened?” She replied, “It was a beautiful dress, but *we can't afford it!*” Those words went straight to my heart. I have learned that the three most loving words are “I love you,” and the four most caring words for those we love are “We can't afford it.”

“The second lesson was learned several years later when we were more financially secure. Our wedding anniversary was approaching, and I wanted to buy Mary a fancy coat to show my love and appreciation for our many happy years together. When I asked what she thought of the coat I had in mind, she replied with words that again penetrated my heart and mind. “Where would I wear it?” she asked. (At the time she was a ward Relief Society president helping to minister to needy families.)

“Then she taught me an unforgettable lesson. She looked me in the eyes and sweetly asked, “Are you buying this for me or for you?” In other words, she was asking, “Is the purpose of this gift to show your love for me or to show me that you are a good provider or to prove something to the world?” I pondered her question and realized I was thinking less about her and our family and more about me.

“After that we had a serious, life-changing discussion about provident living, and both of us agreed that our money would be better spent in paying down our home mortgage and adding to our children’s education fund.

“These two lessons are the essence of provident living. When faced with the choice to buy, consume, or engage in worldly things and activities, we all need to learn to say to one another, “We *can’t* afford it, even though we want it!” or “We *can* afford it, but we don’t *need* it—and we really don’t even want it!””

NARRATOR: **President N. Eldon Tanner, a past member of the First Presidency, was known and well-respected for his financial prowess and practicality. In the October 1979 General Conference, President Tanner gave the following advice:**

(President N. Eldon Tanner, Saturday Morning Session, October 1979)

“I am convinced that it is not the amount of money an individual earns that brings peace of mind as much as it is having *control* of his money... Those who spend a little more than they earn are controlled by their circumstances. They are in bondage.”

“The key to spending less than we earn is simple—it is called discipline. Whether early in life or late, we must all eventually learn to discipline ourselves, our appetites, and our economic desires. How blessed is he who learns to spend less than he earns and puts something away for a rainy day.”

“Let us learn from the sorrows of the past and avoid enslaving our time, energy, and general health to a gluttonous appetite to acquire increased material goods.”

“I know of no situation where happiness and peace of mind have increased with the amassing of property beyond the reasonable wants and needs of the family.”

“Perhaps parents should be more like the father of the college boy who wired home, “No mon, no fun, your son.” His father wired back, “How sad, too bad, your dad.””

NARRATOR: **Perhaps the college boy could have better used his time in industrial and self-reliant pursuits.**

Animals are blessed with instincts that normally provide safety in times of need. In the April 1981 General Conference, Elder Mark E. Petersen, a past member of the Quorum of the Twelve Apostles, drew the following analogy using a personal observation.

(Elder Mark E. Petersen, Sunday Morning Session, April 1981)

On the street in front of my house is a row of chestnut trees. In the spring they are beautiful, all covered with gorgeous blossoms.

As the summer moves on, I see nuts begin to form in their little green pods. In the autumn the nuts drop to the ground. As they do, squirrels seem to appear from nowhere. They sit on the sidewalk, bite off the pods, and then run quickly away with each nut to store it for their winter's supply.

They are wise little animals, and they are industrious. They are quite fearless, too, for no one on our street ever disturbs them. It is intensely interesting just to watch them work for their living the way they do.

They do not allow the chestnuts to go to waste, not one of them. They know their lives must depend on them during the cold and unproductive winter months when nuts do not grow on trees.

They don't depend on anyone else to gather those nuts for them, either. They rely entirely upon themselves. The Lord gives them the harvest, but they must gather it in.

They teach us a great lesson in self-reliance. It is a lesson that is applicable to human beings as well as to the creatures of nature.

NARRATOR: **Perhaps the college boy in the previous story by President Tanner could also have benefitted by a family environment described by Elder M. Russell Ballard in the October 2005 General Conference:**

(Elder M. Russell Ballard, Saturday Afternoon Session, October 2005)

“Have a simple family economy where children have specific chores or household duties and receive praise or other rewards commensurate to how well they do. Teach them the importance of avoiding debt and of earning, saving, and wisely spending money. Help them learn responsibility for their own temporal and spiritual self-reliance.”

NARRATOR: **Elder Marvin J. Ashton, past member of the Quorum of the Twelve Apostles, was known for his practical wisdom gained over a lifetime of experience. In the October 1981 General Conference, Elder Ashton offered the following advice about recognizing needs over wants, and avoiding debt.**

(Elder Marvin J. Ashton, Saturday Morning Session, October 1981)

“One of the most rewarding projects for the individual and the family is to avoid debt whenever it is possible...For many of us, credit is like a magic carpet on which we can

fly to places we couldn't ordinarily get to. We ride free at first, but forget that a little later we will have to pay for the magic carpet."

"The practice of thrift is not outdated. We must discipline ourselves to live within our incomes even if it means going without or making do. The wise person can distinguish between basic needs and extravagant wants. Some find budgeting extremely painful, but I promise you, it is never fatal."

NARRATOR: The topic of debt must have remained on Elder Ashton's mind. In the April 1982 General Conference, only six months later, his address provided additional advice on avoiding debt.

(Elder Marvin J. Ashton, Saturday Morning Session, April 1982)

"Fortunately, or unfortunately, the business climate is always good for those who have a deal to promote. In times of recession or depression, unwise debt is encouraged by promoters who would give us the opportunity to supplement our inadequate means. During periods of prosperity and plenty, some try to convince us that then is the time to borrow, speculate, and move up to higher levels of living by riding the waves of a guaranteed prosperous tomorrow. How often do we hear, "I would have made it big if the economy had not slowed down"? History should have taught all of us that there is enough risk and uncertainty in normal or conservative investments to cause the cautious to rebel at the exorbitant returns offered by those who would have us "bet on the come."

"More often than not, those who can least afford to go into debt to provide funds for scheming money managers are those hurt the most when the day of final accounting arrives. It is true, getting into debt is a tanglesome web."

NARRATOR: Counsel about avoiding debt has come regularly from Church leaders over many years. In the April 1981 General Conference, President Marion G. Romney, then serving as Second Counselor in the First Presidency, issued the following warning regarding debt.

(President Marion G. Romney, General Welfare Session, April 1981)

"Today, individuals and governments seem to think that they can achieve economic prosperity in spite of a spend thrift mentality. They spend and spend, mortgage and mortgage, pile up debts and obligations and thereby lose stability, lose security, and lose independence."

NARRATOR: **In the April General Conference of 1986, Elder James E. Faust provided the following counsel:**

(Elder James E. Faust, Saturday Afternoon Session, April 1986)

“Payment of obligations is a sacred trust. Most of us will never be rich, but we can feel greatly unburdened when we are debt-free.”

“Extended economic dependence humiliates a man if he is strong, and debilitates him if he is weak.”

NARRATOR: **Elder Faust followed his own advice, as evidenced in the following remarks by President Gordon B. Hinckley given over twelve years later when Elder Faust was then known as President Faust as a member of the First Presidency. These remarks were given by President Hinckley in the October 1998 General Conference.**

(President Gordon B. Hinckley, Priesthood Session, October 1998)

“We are carrying a message of self-reliance throughout the Church. Self-reliance cannot obtain when there is serious debt hanging over a household. One has neither independence nor freedom from bondage when he is obligated to others.”

“What a wonderful feeling it is to be free of debt, to have a little money against a day of emergency put away where it can be retrieved when necessary.”

“President Faust would not tell you this himself. Perhaps I can tell it, and he can take it out on me afterward. He had a mortgage on his home drawing 4 percent interest. Many people would have told him he was foolish to pay off that mortgage when it carried so low a rate of interest. But the first opportunity he had to acquire some means, he and his wife determined they would pay off their mortgage. He has been free of debt since that day. That’s why he wears a smile on his face, and that’s why he whistles while he works.”

NARRATOR: **The dangers of debt and the advantages of avoiding it was explained by Elder L. Tom Perry during the General Conference of October 1995.**

(Elder L. Tom Perry, Saturday Afternoon Session, October 1995)

...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.”

“It is so easy to allow consumer debt to get out of hand. If you do not have the discipline to control the use of credit cards, it is better not to have them. A well-managed family does not pay interest—it earns it. The definition I received from a wise boss at one time in my early business career was “Thems that understands interest receives it, thems that don’t pays it.””

NARRATOR: **Years later, in the General Conference of October 2008, Elder Perry repeated similar advice in the simple piece of counsel as follows:**

(Elder L. Tom Perry, Saturday Morning Session, October 2008)

“One of the better ways to simplify our lives is to follow the counsel we have so often received to live within our income, stay out of debt, and save for a rainy day.”

NARRATOR: **Next, Elder Robert D. Hales of the Quorum of the Twelve Apostles provides two brief pieces of advice. The first was given in the April 2006 General Conference, using debt as an example of making bad choices.**

(Elder Robert D. Hales, Saturday Morning Session, April 2006)

“For example, if we make choices that put us deeply in debt, we will lose our agency to meet our wants and needs or to save for that inevitable rainy day.”

NARRATOR: **In the April 2003 General Conference, Elder Hales provided a reminder and ended with a question each of us should consider.**

(Elder Robert D. Hales, Saturday Morning Session, April 2003)

“The living prophets have counseled us time and again to put our lives in order—to eliminate debt, to store food and other essential items, to pay our tithing, to obtain appropriate education, and to live the commandments. Have we obeyed these essential instructions?”

NARRATOR: **In the April 2004 General Conference, Elder Joseph B. Wirthlin of the Quorum of the Twelve Apostles, provided some guidelines to assist in financial planning.**

(Elder Joseph B. Wirthlin, Saturday Afternoon Session, April 2004)

“Remember this: debt is a form of bondage. It is a financial termite. When we make purchases on credit, they give us only an illusion of prosperity. We think we own things, but the reality is, our things own us.

“Some debt—such as for a modest home, expenses for education, perhaps for a needed first car—may be necessary. But never should we enter into financial bondage through consumer debt without carefully weighing the costs.”

“All too often a family’s spending is governed more by their *yearning* than by their *earning*. They somehow believe that their life will be better if they surround themselves with an abundance of things. All too often all they are left with is avoidable anxiety and distress.

Those who use credit cards to overspend unwisely should consider eliminating them. It is much better that a plastic credit card should perish than a family dwindle and perish in debt.

NARRATOR: **And finally, we conclude this special edition of “Stories from General Conference on the topic of debt with two brief summary excerpts from President Thomas S. Monson. The first was given in the General Conference of April 2006.**

(President Thomas S. Monson, Saturday Morning Session April 2006)

“The day of reckoning *will* come if we have continually lived beyond our means.”

“I urge you to live within your means. One cannot spend more than one earns and remain solvent. I promise you that you will then be happier than you would be if you were constantly worrying about how to make the next payment on nonessential debt.”

NARRATOR: **In the October 2008 General Conference, President Monson again urged members of the Church with the following admonition.**

(President Thomas S. Monson, Priesthood Session, October 2008)

“We urge all Latter-day Saints to be prudent in their planning, to be conservative in their living, and to avoid excessive or unnecessary debt.”

NARRATOR: **For many years, the leaders of the Church have made clear their advice on avoiding debt. We hope this advice will help guide your personal lives and enrich your future. This has been a special collection edition of “Stories from General**

**Conference” on the topic of debt. Thank you for listening to the Mormon Channel.
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