

*Surviving Financial Meltdown*  
**Discussion Guide**

**Chapter 1**

**Riding Out the Economic Storm**

*How to Prepare for Economic Uncertainty*

1. Would you say the current economic storm hit suddenly, like Hurricane Ike, or did you notice storm clouds gathering over the past several years? Explain.

2. Warren and Pam Adams were the only homeowners in their coastal community who took effective steps to storm-proof their house, even though another hurricane had ravaged the area just three years before. Why do you suppose that was? In your observation, how many families had prepared well for the current economic “storm”? Why?

3. The apostle Paul lived through many storms, both literal and figurative. In 2 Corinthians 11, he lists the hardships he endured, including being shipwrecked, spending a day and night in the open sea, and being flogged. Yet while in prison for preaching the Good News, he told some fellow believers, “I know what it is to be in need, and I know what it is to have plenty. I have learned the secret of being content in any and every situation, whether well fed or hungry, whether living in plenty or in want. I can do everything through him who gives me strength” (Philippians 4:12-13). How closely does Paul’s statement reflect your own experience? Explain.

4. Which of the following economic indicators concern you most? Why?

- plunging home values
- declining 401(K)
- rising cost of living (food and energy prices)
- difficulty securing credit
- lack of personal savings
- unemployment (or risk of job loss)
- consumer debt
- rising cost of college
- other \_\_\_\_\_

5. How would you summarize your personal financial strategy up until now?

6. The authors recommend that every family begin, and then maintain, four practices that lead to financial health:

- a. spend less than they earn
- b. minimize the use of short-term debt
- c. maintain emergency savings
- d. think long-term with goals and investing

How would you rate how well you're doing in each of these areas?

7. After reading this chapter, what first step might you begin taking today to put your family on solid financial footing?

## **Chapter 2**

### **The Economy Is Unique, Just Like Every Other One before It**

#### ***Dealing with a Challenging Economy***

1. The authors mention the rising popularity of coupons and the falling sales at Starbucks as two signs of widespread economic troubles among consumers (see page 11). In what ways has this challenging economy affected the way you shop and/or save?

2. While the authors advocate careful financial planning, they caution against “planning for extremes” (see page 13). Why is that good advice?

3. What personal takeaway did you find in the sidebar “5 Economic Realities for Tough Times” on page 14?

4. “Command those who are rich in this present world not to be arrogant nor to put their hope in wealth, which is so uncertain,” says the apostle Paul, “but to put their hope in God, who richly provides us with everything for our enjoyment” (1 Timothy 6:17). How do you think American individuals or families who live out this verse behave differently from their neighbors?

5. On page 15, the authors advise readers to use “noise-canceling headphones” to tune out negative news chatter. What are some practical ways to do that?

6. What are the advantages to being a thermostat rather than a thermometer (see page 18)? If you’re a thermometer (reactive) who’d prefer to be a thermostat (proactive), how might you make that happen?

### **Chapter 3**

#### **No Sense Being Pessimistic—It Wouldn’t Work Anyway!**

##### ***Dealing with Your Financial Fears***

1. What promise of Scripture (such as one listed on page 22) means the most to you during tough times? Explain.

2. How did the process of identifying and analyzing your top financial fears (pages 26–28) affect your thinking about them?

3. Have you ever thought that if you had enough wealth, you would finally be secure and/or significant? If so, what affect do economic ups and downs have on you? If not, what is the source of your security and significance?

4. Are you more susceptible to the fear of failure or fear of the future (see pages 28–32)? Explain.

5. Based on the criteria on page 32, can you think of a fear-based decision you've made in the past? Explain.

6. In your own words, how do fear-based decisions differ from wise and thoughtful decisions?

#### **Chapter 4**

##### **This Isn't Going to Hurt a Bit. . . .**

##### ***Step 1: Take a Financial Physical***

1. Why do you think the authors advise against skimping on giving during tough financial times (sidebar, page 36)?

2. Have you ever considered establishing a “finish line” (see page 37)? If not, how might you do that? What benefits do you think it might give you?

3. Review the four questions that need to be answered during a financial physical on pages 38–41. How well do you currently keep track of these areas? How can you improve your oversight?

4. What questions, if any, do you normally ask yourself before making a large purchase? Which of the seven questions in the sidebar on page 40 do you find most helpful?

5. Joseph is generally revered as a wise and faithful steward.\* Consider Joseph’s role as chief operating officer (COO) to Pharaoh. What insights does he offer to us as we consider taking our own financial physical? See Genesis 41:33-36 and Proverbs 27:12.

## **Chapter 5**

### **Aim at Nothing and You’ll Hit It Every Time**

#### ***Step 2: Think Long-Term—Set Goals***

1. Review the questions on page 45. Which of them seems most pertinent to you right now? How does it correlate to one of your financial goals?

2. After working through the goal-setting exercise on pages 46–51, how difficult was it to come up with and quantify a top-five list of goals? Were you surprised at what came out on top? Why or why not?

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\* Interestingly enough, *Fortune* magazine recently ran an article on the wisdom of Joseph and how, by spending in the boom years and saving in the bust years, we’ve been behaving just the opposite of what he advised. See Geoff Colvin, “A Recession of Biblical Proportions,” *Fortune*, February 2, 2009, [http://money.cnn.com/2009/02/02/news/economy/colvin\\_depression.fortune/index.htm](http://money.cnn.com/2009/02/02/news/economy/colvin_depression.fortune/index.htm) (accessed 2/6/09).

3. How have your financial goals changed in the past ten years? in the past year? What contributed to the change?

4. The authors recommend that spouses and individuals consider taking a goal-setting retreat. How else can families remain united and keep track of their progress toward their financial goals?

5. What questions would you recommend adding to the goal-setting topics on pages 52–53?

6. Americans often pride themselves on how they can get ahead due to their own efforts. What counsel would you offer someone going after the American dream, based on Proverbs 19:21; 23:4-5; Philippians 4:19; Revelation 2:9; 3:17?

## **Chapter 6**

### **I'm Stuck in a Traffic Jam on the Road to Riches**

#### ***Step 3: Spend Less than You Earn***

1. Reflect on Proverbs 13:11: “He who gathers money little by little makes it grow.” How does that contradict society’s push to “have it now”?

2. How have you or someone you know or read about come up with an innovative way to give to others during these tough times?

3. The five short-term uses of money are giving, taxes, saving/investing, short-term debt repayment, and lifestyle choices (see page 58). How would you describe the way your family determines how much will go toward each?

4. Why is lifestyle spending the most challenging “bucket” to control?

5. Which of the six common long-term goals on page 60 is most important to you? Why?

6. How closely does the “Biblical Financial Decision-Making” process on page 63 match your current financial decision-making system? What would you have to change to make financial decisions in this way?

7. If you’ve felt financially pinched lately, have you thought either about ways to earn more money or ways to spend less? Explain in your own words why it generally makes more sense to spend less.

8. The appendix, which begins on page 109, contains 40 money-saving ideas. If you were contributing to the list, what idea(s) would you add?



## **Chapter 8**

### **I'm Being Eaten by the Borrow Constrictor**

#### ***Step 5: Avoid Debt***

1. During the past decade, consumers were bombarded with credit card offers and zero percent financing deals by automakers. Overall, how well do you think this served individuals and the economy as a whole? Why?

2. Discuss the consequences of debt discussed at the bottom of page 77. Have you experienced one or both of these? If so, explain how it influenced a specific decision.

3. Solomon warned that “the rich rule over the poor, and the borrower is servant to the lender” (Proverbs 22:7). How have your own experiences or observations confirmed this statement?

4. Why is “getting rid of any debt . . . a guaranteed profitable investment” (page 79)?

5. Review the authors' list of key beliefs on debt on page 80. Do you disagree with any of these points? If so, explain. (For a more complete treatment of the authors' beliefs, see their *Complete Guide to Faith-Based Family Finances*.)

6. On pages 80–81, the authors pose seven questions to ask yourself before taking on a debt. How do those questions affect any current decision you're making? How would they have affected any recent borrowing decisions?

7. The authors list several specific areas in which debt can be harmful (see pages 81–82). Personally, which concerns you the most? Explain.

8. The authors discuss the importance of spousal unity in financial decision making. What particular strengths do you think men and women *generally* bring to the financial decision making process?

## **Chapter 9**

### **Honey, I've Shrunk Our Portfolio!**

#### ***Step 6: Think Long Term with Investing***

1. According to pages 88–89, why does contributing to a 401(k) or other company-sponsored retirement plan almost always make sense?

2. What has been your reaction to the stock market's impact on your retirement fund?

3. In your own words, explain why the authors advise not making long-term investments until all credit card and consumer debt has been eliminated and you've established an emergency fund.

4. What is diversification in investing? Why is it so important? See Ecclesiastes 11:2.

5. Define dollar-cost averaging. How does it work in favor of investors?

6. The 10 biblical principles of successful investing on page 106 really apply to all areas of personal financial management. Now that you've read this book, which insight do you consider most valuable to you?

7. How would you explain the most important change you will make in your financial situation as a result of reading this book?