



In December 2001, encouraged by a few church brothers, and after prayer, I wrote my first quarterly letter. Ten years and 40 letters later, I am writing the last...at least, for now.

Much changed in this time. About eighteen months ago, I wrote my first article for [Technorati.com](http://Technorati.com). Later, I submitted articles to [EzineArticles.com](http://EzineArticles.com). To date, my content on the first site deals with macro economic and pseudo-political matters, and on the second, personal finances. I will continue writing for these sites, until the Lord shows me otherwise.

Before I wrote this 10th anniversary letter, I reflected on the changed circumstances, and decided that the time for these letters has passed. So, for 2012, I will not publish any. God willing, I will reassess this decision in twelve months.

With this background, I would like to review briefly some key events during these ten years. As well, I would like to share my view of Canada's looming household debt crisis.

### God's Call To Leave Alcan

A significant event happened in July 2002. God called me out of Alcan to be full time, in Managing God's Money. I enjoyed working at Alcan, and would have paid to remain as Vice President Business Planning. However, what a journey this post-Alcan period has been! I am thrilled working directly for the Lord; paying to do so, to boot!

### Prior Letters: Warnings!

Many of my earlier letters warned about events leading to the Great Recession that started in 2008. [Fall 2003's letter](#) spoke about soaring global household debt. [Summer 2004's, The Debt Explosion...Is There Hope?](#), suggested ways to deal with rising debt, including introducing the *spending fast*.

[Living The Debt-free Lifestyle, in summer 2006](#) preceded the most read letter:

["Watch Out Here Comes Another Vulture!"](#), published in summer 2007. In this letter, I explained the sub-prime mortgage crisis, before it hit the headlines.

Since 2008, many letters focussed on lessons from the recession, and strategies to guide us through.

### Household Debt Crisis

In Canada today, we have an impending personal debt crisis. Our heads are in the sand as we congratulate us for the great job we are doing managing our economy! "What are you saying? Everybody knows Canada's economy is performing among the best in world? Right?" Wrong; the numbers tell a different story!

Before 2008, the USA Federal Reserve boasted about the strength of the US economy. Its low interest rate policy fuelled skyrocketing household debt. Coupled with poor oversight, greed, lack of ethical business practices, the financial sector spiralled out of control. The deepest post-Great Depression recession resulted.

In Canada, though our financial regulatory infrastructure is relatively solid, our low interest rate policy continues to encourage irresponsible borrowing. Our recession was not as deep as others because consumers kept borrowing and spending; not because consumers and governments were more fiscally responsible!

At 153%, our household debt as a percentage of disposable income, has surpassed the USA and UK, and still is climbing. [The IMF is concerned!](#) Are we?

With our propensity to be victims, when we choke on our debts, folks will start blaming the "one percent," banks, government, everybody, but them. I pray the adjustment pain won't be too harsh, and we will not do as the USA is doing: try to give people money to stay in homes they could not afford to start. God, help us!

### FOUNDATION

[www.managinggodsmoney.com](http://www.managinggodsmoney.com)

- GAS Principle
- ABCs
- Money Triangle
- Affordability Index
- GPS Budgeting
- PEACE Budgetary Control
- Family Council
- Capital Fund

### FACTS

- God owns everything; we are stewards (Psalm 24:1-2)
- Tithing is not biblical; grace giving is today's biblical standard (2 Corinthians 9:7)
- We can't manage money, only our behaviour (Matthew 16:26)

### THIRD QUARTER 2011

- Canada's household debt jumped to 153% as a percentage of disposable income
- As a percentage of GDP, Canadian government debt is not as bad as most countries. It rose slightly to 46.9%



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