

National Black Church Initiative

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THE NATIONAL BLACK CHURCH INITIATIVE LAUNCHES A HISTORIC SAVINGS PROGRAM FOR THE BLACK COMMUNITY

Savings program will affect every Black family in America

The National Black Church Initiative, a coalition of the 34,000 African American churches, is launching its Savings for Life Program. This is an ambitious, bold and historic move on behalf of the Black Church. The Black Church believes it has no alternative given the devastating economic times in which we have witnessed the destruction of Black families, Black communities and Black economic structures. We feel that we have to gain the upper hand on these economic times and that calls for a biblically based savings initiative. In the Old Testament it discusses seven good years of harvest and seven bad years of harvest. During the good years of harvest God urged the people of Israel to store grain because there would be bad years. One can easily understand that this represents the ebb and flow of life and cycles; it is a natural order. Nothing in this world goes up and continues to go up forever. It is against nature and it does not make sense. Given the economic principles that you cannot have continuous growth you have to prepare yourself, your family and your community for the years where there is no growth at all. We are experiencing these times now.

In the past 20 years we have witnessed an economic diminishment of Black wealth largely stemming from the fact that there is a lack of capital available. Banks have traditionally refused to invest in the African American community and when they do it is less than ten percent than what the white community receives. If the Black community has hundreds of billions of dollars in these banks, they will have no other choice but to invest in African American communities. It is incumbent on the Black church's community to devise a new and bold plan and this new plan comes in light of a devastating economic downturn. This collapse was so devastating it nearly bankrupted the country, but one principle shined brightly in the gloom of this crisis: those who have prepared by storing up grain during the seven years of harvest could withstand this particular seven years of drought. The National Black Church Initiative has concluded through great deliberation and prayer over the last year that we must never allow our congregants to suffer through such devastating economic times when they were not the root cause of the problem. Therefore, we have decided to launch the Savings for Life Program.

This program urges every Black family in America to start saving upwards 20 percent of their salary per year over the next seven years. This will be done so that they may have at least one year of savings in the bank after 5-7 years. This would allow those families to withstand the economic downturns of this capitalist economy and allow them to pay their mortgage, take care of their bills, provide food and shelter for their loved ones and also prepare for any emergency, including a terrorist attack. The motivation for this program comes out of this economic crisis, but was crystallized during the Katrina disaster where poor African American families were wading through the waters of Jordan in the streets of New Orleans and did not even have \$200 in the bank to take a bus to safer grounds. This was shameful, maddening and spoke to the soul of the Black community and the Black church. The church's mission, role and job is to protect the poor and to spread the gospel. The best way the church can do this is to prepare the poor and this is why we are announcing this progressive savings program that has never been heard of or attempted and can only have positive results for not only the individuals who are saving, but also for our nation's economy.

We also will urge Black families to make strategic purchases during these times. These would be big ticket, energy saving items like cars or refrigerator or something that will last the family a long time. An economic crisis is often made an ever greater hardship when there is a family emergency like the car breaking down, the icebox shutting down, the roof leaking or an accident occurring. To avoid these things the Black Church will be offering financial literacy, advocating to African American churches across the country, teaching them how to reduce spending, how to plan for these "small" family crises and how to continue their savings programs and goals.

The purpose of strategic buying is to take advantage of government or privately sponsored programs that are going to give the family a significant discount in the purchase of large items like discussed previously. For instance this is an excellent time to buy a car or a house because of the government based incentives. This saves the family anywhere between ten and 20 percent depending on the nature of the program, like the Cash for Clunkers program. The government is now offering homeowners \$8,000 off the cost of their new home; you can also get an \$8,000 for buying a new car. One can see the savings in these two items and there are also savings on purchasing energy efficient windows, appliances and other goods. What we are urging families to do is do away with frivolous spending and immediately cut their debt in half or eliminate it over the seven year period.

A comprehensive, computer-based program on NBCI's Savings for Life program can be found on NBCI's website (www.naltblackchurch.com). We will offer all those interested in saving an economic health checklist of their situation and also offer 100 tips on savings, 100 tips how to curb frivolous spending and 100 tips on how to reduce debt. All this information will be at their fingertips.