



Broadcast Transcript

Broadcast: Let the Buyer Beware – Part 2

Guest(s): Dave Ramsey

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- Dr. James Dobson: Welcome, everyone, to Family Talk. It's a ministry of the James Dobson Family Institute, supported by listeners just like you. I'm Dr. James Dobson, and I'm thrilled that you've joined us.
- Roger Marsh: Well, welcome back to Family Talk, the broadcast division of the Dr. James Dobson Family Institute. I'm Roger Marsh, and on today's program, we're going to hear part two of Doctor's fascinating conversation with Dave Ramsey, talking about how to manage your money.
- Dr. James Dobson: Shirley and I have been there too. In 1972, we bought a new house. Wasn't a brand new house, but new to us, but that was only the beginning of the things we needed because the furniture didn't fit, so we had to buy new furniture, and then a washer and dryer, and we bought all that stuff, and then for some reason I chose that moment to buy a new car. I was driving down the freeway one day and thinking, and adding that up in my head. I just remember saying, "Man, alive, we're getting into a hole here," and some of it should have been thought through more than it was, and I said, "This has got to stop," and we made some changes.
- Roger Marsh: I'm sure many of us can relate to what Dr. Dobson just shared here, discussing finances and how it impacts the family budget. Today's program that we're going to hear features a conversation Dr. Dobson had with financial expert, Dave Ramsey. It was recorded several years ago, but, you know, it seems even more relevant right here in 2024. No doubt many families are struggling in today's economy. Right now, the average American family actually carries over \$100,000 in consumer debt.
- That's everything from credit cards to student loans, maybe a mortgage or a car loan, or other debt. It's clear to see why finances can be a source of tension for many families, and here at Family Talk, we are committed to providing resources to strengthen the family, including when it comes to financial issues. Dr. Dobson's timeless conversation with Dave Ramsey today is a great tool for learning to manage money better and to reduce one major source of tension in marriages and families. Today, we're going to hear the conclusion of their conversation, and feel free to take notes as well, as Dave Ramsey will be sharing some solid, practical concepts that will help get your family's finances back on

track. Dave Ramsey is the author of eight national best-selling books on finances.

The discussion you're about to hear is based on information from his classic book called *The Total Money Makeover*. Dave Ramsey is the host of The Ramsey Show, which reaches millions of people weekly on radio, and television, and online. Dave and his wife, Sharon, have been married for over 40 years, and they raised three grown children together. Here now is Dr. James Dobson and his guest, Dave Ramsey, to continue their conversation on today's edition of Family Talk.

Dave Ramsey: I grew up old-fashioned parents. I mean, if we threw a fit around our house, we'd get our tail tanned. You know what I mean? That would happen, and if you really want to get your tail tanned, you could do it in the grocery store and embarrass mama, then it'd be bad, and-

Dr. James Dobson: Now, you just throw a temper tantrum.

Dave Ramsey: That's the old-fashioned temper tantrum. And I was in the grocery store the other day, and I saw this little kid in there. He's a little toddler, and he's having one of those moments that they have, and he doesn't know how close he is to getting it. I can tell mom's getting ready to get after him, but he's screaming and throwing a fit, and, "I want it, I want it, I want it, I want it," and it suddenly occurred to me that that little kid, that we all know him, we've all seen him, he lives inside of me. And when I was standing in front of that HD Bose surround sound plasma screen the other day, he woke up.

He started having his own little fit right there in a Dave body. That's kind of embarrassing. And I've seen people do that in furniture stores. It's embarrassing to watch a 54-year-old woman have a temper tantrum, and that little kid's name is I want it, I want it now immaturity.

Dr. James Dobson: Are you telling me that when I brought that Buick Century, that it was my little boy, sitting behind the wheel?

Dave Ramsey: I think that's what Shirley told you. I didn't say it. I didn't say it. I'll blame that one on Shirley.

Dr. James Dobson: You got that right. Let's talk about some of the catchphrases that you use in this book and in this chapter of the book. You make a distinction between wants and needs. What is that distinction?

Dave Ramsey: Well, that comes along with one of the five steps you need to go through if you're going to make a major purchase, and one of those things is you need to check your motives. If you check your motives, then you back up and say, "Is this a want or a need?" And the bottom line is most people listening to these

broadcasts really don't have any needs. They're pretty well-covered. Needs are food, and we got no issue with that by and large in America.

I mean, yes, there's some hungry people. I'm not saying that, but I'm saying most people listening to this broadcast, food's not a problem except too much of it. Clothing, most of us have clothing. Wanting some more clothing is different than needing some more clothing. Shelter, most of us have shelter.

Now, do we want to own a home or rent a different home? That's a luxury. It changes. Transportation, I look down, my feet are attached the end to my legs, and we got great bus systems, and you can buy a great car for 1,000 bucks at a garage sale if you're broke.

Dr. James Dobson: And a bicycle for less.

Dave Ramsey: Absolutely. And before I have car payments, that's where I'll go. So you need to really pretty much say, "Whatever it is I'm buying, it's probably a want," and that's okay, by the way, but don't rationalize it. I'm amazed when people call my show and they say things like, "I was forced to buy a car." You were forced?

They had a gun? "I needed a dress." No. You wanted one, and that's okay to want one, but don't use that as a rationalization to make a rash and poor decision. Always consider your motives.

That's one of your steps. And this really kind of comes down to contentment. "Godliness with contentment is great gain," Scripture says. And I think that contentment may be the most powerful financial principle there is. If you can receive Christ in such a way that you get peace in your spirit, and it revolutionizes your spiritual walk, all of this flurry and all these things trying to impact me, I'm just calm, and I don't have to have that to be happy.

What happens when we don't have contentment is we get fun and happy, confused. You can buy fun, you can't buy happy.

Dr. James Dobson: What about delayed pleasure? You talked about that.

Dave Ramsey: Well, learning to delay pleasure, that's a sign of maturity. If you're going to be a grown up, whether you're 54 or whether you're 14, you have to learn to put off the good to get the best. We never are hardly having a problem with the bad, it's we're trading good for best, and I've even taught my teenage daughters about that, my son about that. We're talking about interaction sexually with the opposite sex. Don't trade the good for the best.

Dr. James Dobson: Yeah.

Dave Ramsey: Delay gratification. Do it right. It's the same thing when you're buying stuff. When you save up and pay for things, you own it. It doesn't own you. The borrower is slave to the lender. I'm not paying payments the rest of my life.

Dr. James Dobson: Yeah. You have two sets of lists in this section of the book that I'd like you to give us. The first one is five guidelines that you offer to help people when they're making a significant purchase, and I think you defined significant is \$300 or more. It's probably changing with time, but-

Dave Ramsey: It is, and significant is different in each household, but generally speaking, if you're making 40 or \$50,000 a year, you're spending \$300, you notice that.

Dr. James Dobson: Okay, what are the guidelines?

Dave Ramsey: Number one is wait overnight. Wait overnight. If it's over \$300, regardless, "Well, it'll be gone." It won't be gone. They got 17 of them in the back shrink wrapped, you know?

It's not going to be gone. "We've only got one. The sale only lasts till 5:00, and then we won't honor it." Well then, I won't buy it, okay? Wait overnight.

The Bible says, "He who is impulsive exalts folly." Folly is the verb for fool. Fool in action is folly. Been there, done that. I've got all the T-shirts. You don't need to do it.

Wait overnight. Number two, if you can't pay for it, don't buy it. Number three, consider your motives, what we just talked about. Is it a want? Is it a need? Is this a contentment thing?

Number four, always take the counsel of your spouse. Always take the counsel of your spouse. Never buy a major item without discussing it and being in unity with your spouse. The preacher said, "And now you are one," and when you go making major decisions by yourself, you're operating on half your brain.

Dr. James Dobson: There you go, beating up on me for the Century. Good.

Dave Ramsey: You chose the metaphor.

Dr. James Dobson: I'll never tell it again.

Dave Ramsey: Seek the counsel of your spouse. Proverbs 31 says, "Who can find a virtuous wife? For her worth is far above rubies. The heart of her husband safely trusts her, and he will have no lack of gain." Be in unity, and be in unity about your giving too. If you're trying to decide, "Are we going to give to this parachurch organization? Are we going to give to this building program?," if you can't get in unity about it, that's God talking.

That's the Holy Spirit talking. My wife's got these little antennae that fit on top of her head. I don't have them. It's not that mine don't work, I just don't even have them.

Dr. James Dobson: It's kind of disgusting, isn't it?

Dave Ramsey: It is. It's awful.

Dr. James Dobson: I mean, I have a Ph.D. in something, and I can spend an evening with some guy, and Shirley's sitting there beside me, and when we get home, she's got all kinds of information that I didn't pick up.

Dave Ramsey: Absolutely.

Dr. James Dobson: And the trouble is I will know it in 30 days, but she got it the first night. That is amazing how God equipped women with that intuitive perspective.

Dave Ramsey: I'll know it in 30 days or I'll know it \$20,000 later, which really scares me. I don't want to do that. The next one is consider the opportunity cost. If you had \$4,000, you could put it in a mutual fund, in a Roth IRA, or you could go on a cruise. Either one is a great thing to do.

Cruises are great. They're fun, and a mutual fund, Roth IRA is a phenomenal thing. In 20 years, what will the cruise be worth? It's a memory with some pictures, and it was fun, and you need to do some of that in your life, but if you're considering a cruise, consider, "Did I fund my Roth IRA?," and in light of that, "Do I need to do a cruise?," because what will \$4,000 be worth? Oh, 40, 50, \$60,000 later, and even more later after that, and even more later after that.

And so we're either going to turn \$4,000 into some pictures in a nice memory, or we're going to turn it into an investment that could change our family tree, where we leave a legacy. You have to think through those things.

Dr. James Dobson: What do you have against fun? I think you have a campaign against fun.

Dave Ramsey: We just teach people if they'll live like no one else, later, they get to live like no one else.

Dr. James Dobson: Delayed pleasure.

Dave Ramsey: And if you do that Roth IRA and you got a couple \$100,000 laying there, then you go on the cruise. The cruise is more fun because you get to do stuff on the cruise. And lastly, never buy anything you don't understand, particularly financial things. Don't buy insurance you don't understand, don't buy investments you don't understand. Yes, we need professionals to advise us, but they need to advise us with the heart of a teacher.

"Oh, I put mine with Henry, but Henry had a good suit, and Charlie's over at the church." Listen, there's dummies in church too, okay? And there's well-intentioned nincompoops there too, okay, that don't mean to rip people off, but they thought it was a good deal too. You-

Dr. James Dobson: And there are some people in the church that do know they're ripping you off.

Dave Ramsey: That's sad. I didn't want to go there. I'll let you do that. But it is. It's true. Your job is to understand your deal, and it's not, "Oh, so-and-so ripped me off."

No, you didn't understand. You wouldn't have got ripped off if you'd have slowed down, waited overnight, your spouse's antennas were in play, you considered the opportunity cost, and you understand it before you do it. It's about personal responsibility. Quit being a victim and everything financial. Quit being a victim in all your purchases.

"I didn't understand. The warranty didn't cover that." Well then, why'd you buy the warranty? Don't buy it. You ever hear anybody coming into the emergency room, "I hope my health insurance covers this," with their arm dangling?

This is the wrong time to ask. You should have been asking for the 22 years you've been paying the premiums on the health insurance if this was going to be covered.

Dr. James Dobson: We were talking about impulsivity and supermarkets, that time before someone said that you should never go to the supermarket when you're very, very hungry, because then, you are vulnerable to all kinds of impulse buying.

Dave Ramsey: That's exactly right. Anything you're buying, you need to buy with a plan. How about going with a list, and don't buy anything that's not on the list? And that way, you will avoid the marketing tactics then. "Well, it was a really good deal."

No, probably it wasn't. It really wasn't. It would've been on your list if you needed it. And, "Well, I forgot." Well, maybe. Maybe, but these are the way our minds play, and so go eat dinner, have a nice list, and then go shopping.

Roger Marsh: You're listening to Family Talk with Dr. James Dobson and his guest, financial expert, Dave Ramsey. I'm Roger Marsh. And if you're a parent, you might be thinking about how to teach your kids about money. Some experts even say that we see four to 10,000 advertisements every single day. What a staggering number.

Well, how do we help our kids see past all of that clutter and manage their own money well? Well, let's return to the program now, as Dave Ramsey addresses this key issue.

Dave Ramsey: When you mix all of these things together, you get a culture of consumption, and regardless of whether we're believers or whether we're in the church or whether we're not, we're impacted by that culture of consumption. And so when found money hits culture of consumption, philosophy, we start thinking, "Oh, I can go get some happiness now." When my daughters were young teenagers, they always wanted to go to the mall, go to the mall, "Go hang out with my friends at the mall," and I was dropping them off one day with one of their little friends, and all the little rules covering the rules, and I said, "Oh, by the way, while y'all are in there, pick me up a box of fun. Pick me up a box of happiness." And she said, "Oh, dad," and I said, "Oh, I know it's got to be for sale in there, because you're in there looking for it all the time. It must be in there."

The mall must be where happiness is. It's right between the Gap and the Limited. It's a franchise. Happiness is right there. And, gosh, I don't know, but we have that tendency, and I teach this for a living, and I have that tendency to think that, "Oh, found money. I get to buy me something," and that's self-centered and self-driven, which is really not Christ-like, in my case.

Dr. James Dobson: Dave, what do people say when you begin teaching these concepts?

Dave Ramsey: I think their lights come on. They start to realize things that they already knew. They suspected that there was a lot of money spent on trying to direct to their behaviors, and when you kind of give it credence, you give it credibility, they slow down, they stop, and they become very thoughtful. And I think it adds a level of wisdom to people when they hear these steps.

Dr. James Dobson: And that is your motive.

Dave Ramsey: Absolutely. I'm not against you having some nice things. I'm not one of these financial guys, says you need to leave in a cave, collect lint, and only come out on triple coupon Thursday. I want you to have a life. God wants you to have a life.

You're a King's kid. You ought to have fun. We ought to take dominion over things. We ought to enjoy this stuff. We ought to be giving. And neither fun, giving, all those things can mix together.

There's only really three things you can do with money, have fun with it, invest it and save it, and give it, and you better be doing all three, but we got the fun one down. We need to work on the other two.

Dr. James Dobson: We started the program last time, talking about the fact that you were 26 years of age and you had made \$4 million, and within four years, you'd lost it all. How do you look back on that now and especially in the way you live your life now? Are you really making different decisions today than you did then? Have you made a dramatic change in the way you handle money, and have you stayed with it?

Dave Ramsey: We've stayed with it, and we've become more and more intense because we've become more and more confident in the principles. I read them in the Bible, so I knew they were the truth. I knew when it said the borrower's slave to the lender. God meant it. He wasn't kidding.

I got it intellectually, but over a couple of decades of living without any debt, living on a budget, taking the counsel of my spouse, not being impulsive to exalt folly, and so on and so on and so on, I've just become so excited, and more and more and more intense about it, to where I really can't even get in an argument with somebody because I have to win, because this stuff works. God's ways of handling money, it just works.

Dr. James Dobson: That's a wonderful experience not having to worry about financial ruin, isn't it? I mean, it's almost worth delayed pleasure.

Dave Ramsey: It really is. And I tell folks it's kind of a little microcosm of that is if you can work for a few years and really watch what you're doing, and even get your mortgage paid off, what if you took your shoes off and walked through the backyard? I bet the grass feels different when you own it, you know? I mean, there's a sense of release in the spiritual realm. There's a sense of release in your relationships and your creativity when you're functioning in God's ways of doing these things because He gives you boundaries and He's growing you up in the process, and it manifests itself in so many ways in your life. It's positive.

Dr. James Dobson: Dave, I was thinking about this in preparation for this broadcast, and you may not want me to say this, but if everybody did what you're saying, if we all followed these principles, which the Lord would have us do, would not our economy tank because it's based on spending? And when a consumer gets nervous and quits spending, that stock market goes into the tank and everybody is sweating. Their mouth goes dry because this economy is based on wild spending.

Dave Ramsey: It is to a degree, and to a degree, that's true. If we could throw a switch and everybody quit at one time, oh, we'd collapse the economy. If over time we started to undo and go back to the way grandma was living, we'd have a more stable and a more healthy economy, because, Dr. Dobson, I haven't borrowed any money in 18 years since I went broke, but I didn't quit buying things. By the way, I got the big-screen TV, you know? I didn't quit buying things, I still buy things.

Dr. James Dobson: The little boy is still in there.

Dave Ramsey: He's still in there, and he won that fight. But you know what? It really didn't win the fight because a man bought that TV, not a little boy because I had saved up, I prayed about it, and given the ratios of my financial situation, it was a small purchase, and it made sense. My wife was okay with it. It fits.

That was a manly purchase then, and so you can convert the little boy into a man in that process. And, no, the economy would not collapse because I still buy things, and I might buy more now that I've got a little money.

Dr. James Dobson: The money is going to get spent. It's just not spent in advance and for foolish things.

Dave Ramsey: There might not be as many people sitting in cubicles, answering credit card calls.

Dr. James Dobson: Well, you've obviously found a niche, one that's based on Scripture because your books have all been best-sellers. Is that a shock to you that you can preach discipline, which is really what you're talking about? You're really talking about financial discipline, and people are typically not really excited about hearing those kind of things, delayed pleasure and so on, and yet, they must be, or they wouldn't be buying your books.

Dave Ramsey: Well, I think they're ready to hear it because they know their plan's not working. And the beautiful thing is, is that by bringing them a Christian way, a God's way of doing these things, it's going to work, and we're a mainstream talk radio show, given Scriptural financial advice, and so-

Dr. James Dobson: You have complete freedom to do that.

Dave Ramsey: Well, I own the show. They want Dave Ramsey's opinion. They're going to get Dave Ramsey's opinion.

Dr. James Dobson: Yeah.

Dave Ramsey: And when you make those stations money and get them ratings, they put up with a lot of things off of me. But the good thing is, is that whether somebody's in church or not, then I can get to them and give them a cool drink of water in the name of Christ, whether they realize that at that moment or not, but it opens the door, and it begins to move them towards hope and towards stability and a change in their relationships, and it's fun.

Dr. James Dobson: This is powerful stuff. And again, anything that comes out of Scripture and is repeated in so many ways within the Bible, has got to be right because God does not make mistakes. And so you approach it with a great deal of confidence, don't you?

Dave Ramsey: Yes, sir, more than when I started, but we've seen so many hundreds of thousands of lives affected, and Sharon and I are walking testimonies as well, that it just works, and it's extreme levels of confidence, but it's not confidence in me, it's confidence in God's Word is the truth. It just works. It's not real spiritual almost, it's real practical. There's a cause-effect scenario.

Dr. James Dobson: What else besides this book, Financial Peace Revisited? So this is a revised version. Is that right?

Dave Ramsey: Yes, sir.

Dr. James Dobson: All right. What else besides this book can people get of yours?

Dave Ramsey: We have a 13-week series called Financial Peace University that's taught in corporate America, that's taught in churches, taught on military bases across America. That stuff's available. Lots of books, and DVDs, and programs and processes more than we can enumerate. They can just check the website at daveramsey.com if they want to know more.

Dr. James Dobson: Are you writing now?

Dave Ramsey: Yes, sir. Always.

Dr. James Dobson: What's coming?

Dave Ramsey: I'm working on some stuff. We've been running our business. We've done it as best we can figure out scripturally, and it works. And we've got a fabulous team and a fabulous culture, and I'm going to share some of the stuff that we've done there.

Dr. James Dobson: Well, when you get it done, when that book is out, you come back and talk to us about it, will you?

Dave Ramsey: I would be honored, sir. Honored to be here.

Dr. James Dobson: It is a pleasure to interact with you, and I hear the sound judgment in your voice that I heard in Larry Burkett's, who's gone on to be with the Lord, and Ron Blue, who have been on this program many, many times, and you're completely in harmony with these guys, aren't you?

Dave Ramsey: Well, to be put in the same sentence with them is quite an honor. Those men are icons in our world, and we're just hugely respectful of them. They planted the seeds that caused us to be able to do what we do today.

Dr. James Dobson: One last question, when did you give your heart to the Lord?

Dave Ramsey: I was 24 years old. I met the Lord as an adult, which may be why I do so much stuff in the mainstream. I want to get to the old Daves out there. And so that was 1984.

Dr. James Dobson: Thanks for being our guest again, and we will invite you back.

Dave Ramsey: Thank you, sir. It was an honor to be with you.

Roger Marsh:

Well, what a clear and powerful message about managing money God's way today here on Family Talk. That was the conclusion of Dr. James Dobson's conversation with best-selling author Dave Ramsey here on the program. Dave certainly delivers information with humor and candor, but he gets right to the heart of the issue. He definitely had some early financial failures himself. I'm sure you can relate.

I know I can, and he can easily identify with those of us who struggle with money issues even today, and feel like there's no way out, but the good news is there is a solution to your financial problems and it's found in God's Word. Jesus had more to say about money than any other subject in the Bible. He wanted to send us a clear warning about what poor money management can do, and also, the rewards of good stewardship. Unfortunately, so many people are experiencing some of those hard issues right now, and on top of that, many researchers say that financial difficulties are one of the leading reasons for divorce in America today. If you'd like to learn more about Dave Ramsey and his financial resources, visit our broadcast page at drjamesdobson.org/familytalk.

That's drjamesdobson.org/familytalk. Dr. Martin Luther King Jr. once said, "Our lives begin to end the day we become silent about the things that matter." That is why we, as believers, should ensure that our voices are heard during this upcoming election season and get out and vote. Thomas Jefferson, our third president once said, "We do not have government by the majority, we have government by the majority who participate." Sadly, many Christians do not participate.

Nearly 25 to 30 million Christians did not participate in the last national presidential election. Now, imagine the change we would see if every Christian who was eligible to vote and registered to vote actually voted. Now, if you'd like to be informed about the important issues facing the American people during this election season, you'll want to visit our election resource headquarters, drjamesdobson.org/countdowntodecision2024. There, you can watch the Decision 2024 Podcast and check out our free voter guide as well, and our podcast guests have included Riley Gaines, talking about the transgender and athletics issue, also Eric Metaxas, Kirk Cameron, and others. Go to drjamesdobson.org/countdown-to-decision-2024, and we encourage you to get our free voter guide and the other resources that are available there as well.

Here at the Dr. James Dobson Family Institute, we seek to share a biblical perspective on important election issues, so go to the Countdown Decision 2024 page at drjamesdobson.org today. Well, I'm Roger Marsh. Thanks so much for joining us today here on Family Talk. Enjoy a blessed rest of your day, and be sure to tune in again tomorrow right here for another edition of Dr. James Dobson's Family Talk.

Announcer:

This has been a presentation of the Dr. James Dobson Family Institute.