

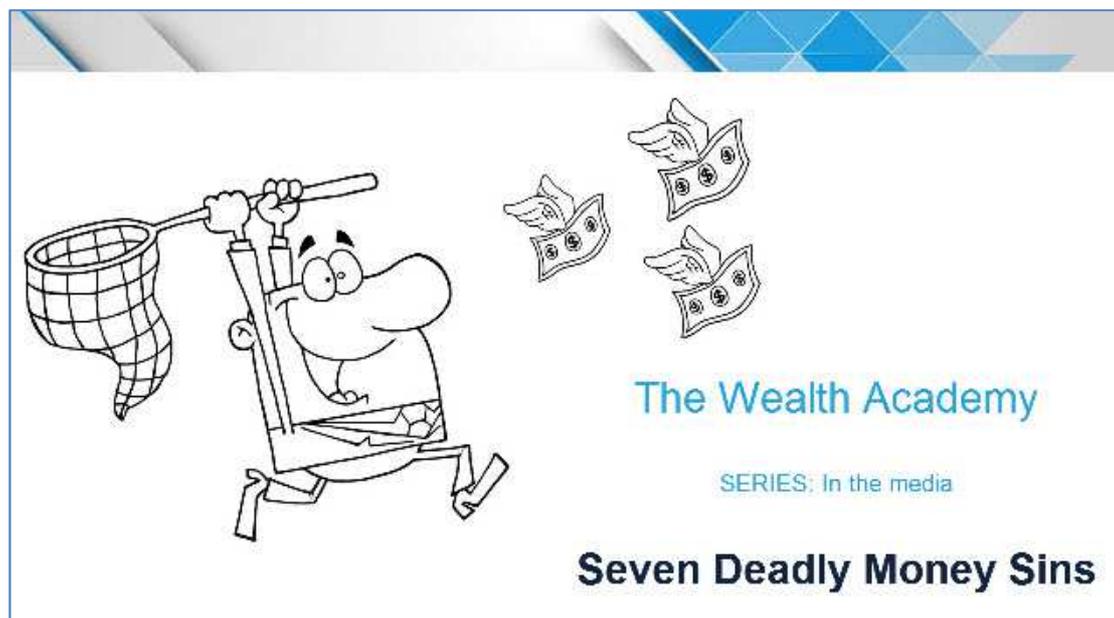
Seven deadly money sins

Thinking about our use of money

Focus

The media often refers to the Seven Deadly Money Sins. The perspective of journalists is that money can corrupt thinking, causing problems for individuals and society as a whole.

Students in secondary education have the opportunity to critique such articles, finding their advantages and disadvantages, and reflecting on how they may relate to themselves or others in the community.



Contact information

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Australian Curriculum Links

This activity has links to the General capabilities, Economics and Business content descriptions, and Work studies descriptors identified in the tables below.

General capabilities

| Literacy | |
|---|---|
| <input checked="" type="checkbox"/> Interpret and analyse learning area texts | <input checked="" type="checkbox"/> Express opinion and point of view |
| <input checked="" type="checkbox"/> Use language to interact with others | <input checked="" type="checkbox"/> Understand learning area vocabulary |

| Critical and creative thinking | |
|--|--|
| <input checked="" type="checkbox"/> Pose questions | <input checked="" type="checkbox"/> Transfer knowledge into new contexts |
| <input checked="" type="checkbox"/> Identify and clarify information and ideas | <input checked="" type="checkbox"/> Draw conclusions and design a course of action |
| <input checked="" type="checkbox"/> Consider alternatives | |

| Ethical understanding | |
|--|---|
| <input checked="" type="checkbox"/> Recognise ethical concepts | <input checked="" type="checkbox"/> Examine values |
| <input checked="" type="checkbox"/> Consider consequences | <input checked="" type="checkbox"/> Explore rights and responsibilities |

| Personal and social capability | |
|---|--|
| <input checked="" type="checkbox"/> Develop reflective practice | |

Economics and Business Learning Area

| Year 8 [Delete unnecessary] | |
|------------------------------------|--|
| Knowledge and understanding | <ul style="list-style-type: none"> • Markets • Aboriginal and Torres Strait Islander communities ✓ Rights and responsibilities • Businesses • Work |
| Skills | <ul style="list-style-type: none"> ✓ Questioning and research ✓ Interpretation and analysis • Economic reasoning, decision-making and application • Communication and reflection |

| Year 9 | |
|------------------------------------|---|
| Knowledge and understanding | <ul style="list-style-type: none"> • Economy – Australia, Asia, global • Economic interconnections ✓ Manage financial risks and rewards • Competitive advantage • Roles and responsibilities - workforce |
| Skills | <ul style="list-style-type: none"> ✓ Questioning and research ✓ Interpretation and analysis • Economic reasoning, decision-making and application • Communication and reflection |

| Year 10 | |
|------------------------------------|--|
| Knowledge and understanding | <ul style="list-style-type: none"> • Economy • Living standards • Economic management ✓ Financial decisions and consequences • Productivity |
| Skills | <ul style="list-style-type: none"> ✓ Questioning and research ✓ Interpretation and analysis • Economic reasoning, decision-making and application • Communication and reflection |

Work Studies

| Year 9-10 | |
|-------------------------------|---|
| Skills | <ul style="list-style-type: none"> • Learning to learn ✓ Work skills • Entrepreneurial behaviours |
| Career and life design | <ul style="list-style-type: none"> • Career development and management ✓ The nature of work ✓ Gaining and keeping work |

Teaching and Learning Activities: Seven Deadly Money Sins

The following activities are based on the video slideshow: **Seven deadly money sins**

Teachers may use the activities as is, or adjust to suit the needs of students.

Aim: To introduce students to concepts related to the poor use of money.

Duration: 30+ minutes approximately

Note: These lessons are not in a linear progression. Teachers may choose any lesson in any order, adjust them to suit their context, or create their own lesson from the lesson suggestions below.

| Activity | Steps |
|------------------------|---|
| Preparation | Either make copies of one or both articles or ensure web site URL are both available for students to peruse. |
| Vocabulary of interest | Sins, mortal wealth, budget, interest rate, account, market, consumer society, financial disaster, non-deductable debt, commitments, repayments, debt, rates, insurance premiums, credit card, savings plan, tax-deductable |
| Lesson procedure | <p>Differences in opinion</p> <ul style="list-style-type: none"> • Introduce the concept of the <i>Seven deadly money sins</i>. • Share with students that the concept of seven deadly sins has been around for centuries, and is often applied to various contexts. One such context is the use or misuse of money. Ask the class to make a list of possible sins regarding the use of money. Discuss some of these examples. • View the introductory video slideshow <i>Seven deadly money sins</i>. Students identify the key messages and respond to the questions within the slideshow. • Students compare and contrast the perspectives in the vodcast with their prior deliberations. Discuss points of interest. • Students discuss the statements below and determine whether they agree or disagree. (Resource Sheet 1): <ul style="list-style-type: none"> ○ The seven money sins reflect a lack of ethical thinking and behaviour. ○ The sins are linked to a person's values. ○ Some sins are not bad as others. ○ There are times when you should be greedy. |
| Lesson 2 procedure | <p>Readings - Critical and creative thinking</p> <ul style="list-style-type: none"> • Introduce the concept of the <i>Seven deadly money sins</i>. • Share with students that the concept of seven deadly sins has been around for centuries, and is often applied to various contexts. One such context is the use or misuse of money. • Students read one or both readings. . • Students discuss the merits of one or both readings. Key questions could include: <ul style="list-style-type: none"> ○ What is your opinion of one or both articles/readings? ○ What do you agree and disagree with? ○ Why do you believe ninemsn Money would write this article and publish it on their web site? ○ Why do you think National Australia Bank would reference these |

'sins' and offer possible solutions?

- Is this article useful for students? Why?
- How could the messages in these articles influence your use of money in the future?
- What could be the consequences of such behaviours?
- What questions would you pose to Nab and ninemsn about their reference to these sins?
- What conclusion can you draw from NABs and ninemsn use of these articles?
- What questions would you pose to people who are perhaps displaying these 'sins'?
- Is it ethical for banks and other financial providers to share concerns about the misuse of money?
- Identify alternative 'sins' and provide examples for each.

(See Resource Sheet 2)

Lesson 3 procedure

The sins at work

- Introduce the concept of the seven deadly money sins.
- Share with students that the concept of seven deadly sins has been around for centuries, and is often applied to various contexts. One such context is the use or misuse of money.
- View the introductory video slideshow *Seven deadly money sins*. Students identify the key messages and respond to the questions within the slideshow.
- Students discuss how the sins could become evident in a work setting. They identify possible scenarios when these sins could occur and what the potential consequences of those sins may be.
- Students discuss the self-discipline needed to ensure the sins do not become a habit in the life of a person/employee/employer.
- Students discuss the personal, business and social benefits that occur when the sins are not overly present within a family or business environment.

Lesson 4

Seven Deadly Money Sins - Video slideshow discussion

- Introduce the concept of the seven deadly money sins.
- Share with students that the concept of seven deadly sins has been around for centuries, and is often applied to various contexts. One such context is the use or misuse of money.
- View the introductory video slideshow *Seven deadly money sins*. Students identify the key messages and respond to the questions within the slideshow.
- Students provide examples of each of the sins (third person examples) and discuss the meaning of each of the quotations used in the vodcast. (Resource Sheet 3)

Further sources of interest

Seven Deadly Sins: The Book Club: Jennifer Byrne Presents

- Greed: <http://www.abc.net.au/tv/firsttuesday/s4046315.htm>

Reading 1: Seven Deadly Money Sins

by Allison Tait, ninemsn Money

Are you a financial saint or (like most of us) is your halo a little bent? You've probably heard of the seven deadly sins they're the transgressions we humans make that keep us from making the most of our spiritual selves. Stuff like lust, anger, greed ... sound familiar?

Well, those deadly sins have a way of crossing boundaries. It's not just your immortal soul that may be in danger, but your mortal wealth as well. It seems those little transgressions can have a big impact when it comes to your financial health.

If your current money plan is of the 'wing and a prayer' variety, chances are you're committing one (or more) of the seven deadly money sins. But don't panic. Once recognised, they can be worked on and expunged. And hallelujah, you too can be saved!

1. Sloth

Sloth (also known as 'sheer idleness' and 'bone lazy') is number one on the sin parade for good reason: we've pretty much all been there at some point. Have you ever thought 'I really must make a budget' and done nothing about it? Sloth! Have you ever considered a savings account and failed to follow through? Sloth!

The antidote to this sin is simple: action. Make a plan. Write down your budget; research the Internet savings account with the highest interest rate — and then actually apply to open an account. Keep the first steps simple and the rest will follow.

Oh, and if you're lying around waiting for Prince/ss Charming to sweep in and save you from a life of poverty, take a reality check: Prince/ss Charming types are in extremely short supply. In fact, last time we checked, Sleeping Beauty, Cinderella, et al had pretty much cornered the market.

2. Envy

They say that 'to err is human'. In the consumer society we've created, we could also say 'to envy is human'. It's difficult not to want what you have not got when an entire industry (advertising) is designed to get you in the mood. Having said that, allowing your desire to keep up with the neighbours is a recipe for financial disaster. The grass may well be greener on their side of the fence, but do you need to spend a small fortune on landscaping to try to compete? Probably not.

Keeping envy in check is not easy. Having a sound financial plan and sticking to it means that you at least build some thinking time in to that decision to call in the Backyard Blitz team. If you find yourself going green over something that someone else has, don't rush out immediately and transact a major purchase. Tell yourself that you can have it at the end of the month, if you still want it — chances are the fires will have cooled.

3. Gluttony

The sin of gluttony is defined as 'an inordinate desire to consume more than one requires'. Also known as the 'try stopping at one' sin. Whether it's clothes, food or houses, we're encouraged to buy more, more, more. No wonder, then, that our lives are cluttered with stuff, our debt per household is at its highest level ever. Twenty years ago, Australian households spent around 11 percent of their available income on meeting regular financial commitments (debt repayments, rent, council rates, insurance premiums and the like). In 2005, however, it took 18.5 per cent of our income for the same purpose, according to the financial obligations ratio. According to Deutsche Bank, which developed the measure, this means that the level of Australian debt is now at around 160 percent of disposable income.

If finance experts have one overall message to share (beyond the 'create a budget' catch-cry, that is) it's this: it's difficult to create wealth when you're carrying a heavy burden of non-deductible debt. If you can restrict your appetite for the good things now, chances are you'll be able to indulge a lot more freely in the future.

4. Pride

Often touted as the sin from which all others arise, pride is not just about vanity and paying over the odds for your facials. Are you spending more than half your income on rent, just to live at an address you feel is 'suitable'? Do you live week to week, spending everything you earn to maintain a lifestyle that you really can't afford? Would you default on the rent rather than admit to friends that you can't afford another night out? It's not easy to accept that you have champagne tastes on a beer budget (as your gran would say), but the sooner you do, the sooner you'll be able to afford that Moët for real. Choosing a more realistic place to live or accepting that a couple of nights in front of the box won't kill you might allow you to make some inroads into that savings or investment plan you've been feeling guilty about (see Sloth). Small changes can make a big difference.

5. Lust

Hmm ... lust. Swept up in the passion of the moment, we do all sorts of strange things — like paying off one credit card with another so we can have the \$2200 Gucci platform heels of the moment. A word of warning: those shoes you 'must have or you'll just die' equals killing credit card debt. If you're still paying off last December's spending spree, you'll know exactly what we mean.

You know the drill: pay the card off in full, keep the number of cards to a minimum, yada yada yada. Or to really take the heat out of lust, you could try the old credit card in the freezer trick: by the time the ice melts enough for you to use it, you might find that the \$200 knock-off platforms are just as passion-worthy.

6. Anger

You never have any cash and Lord it makes you cross. Trouble is, you blame everyone but yourself. By the time you get through the boss who doesn't pay you enough, the shops that rip you off, the banks that charge too many fees, the boy/girlfriend who doesn't believe in paying and the credit card company that seems to, like, want money back every month, you're too spent to focus on the real root of the problem: you. It's time to put some calm back into your finances. Whether you meditate, channel Zen or get a financial counsellor to help, take a look at your money plan with a less aggro eye and you may be able to see where it's all going wrong. Then you'll be in the black instead of seeing red!

7. Greed

Back in the 1980s, a lizardsy Michael Douglas told us that 'greed is good'. But that was the '80s, before the dotcom bubble burst — and it was a movie, for heaven's sake. Greed is defined as the 'desire for material wealth at all cost' and as anyone who's ever experienced a mid-life crisis can tell you, it's not all it's cracked up to be. Are you working in a job you hate because the pay's good? Unfortunately, the old cliché that money doesn't buy happiness got its cliché status because it's true. Life coaches work off the premise that if you work at something you love, you won't feel as though you're working at all. And that can only be good.

Just as a footnote to that, remember that donations to charity are tax-deductible. So holding onto it all for yourself may be satisfying, but giving to others might work better for you on June 30.

Source: <http://finance.ninemsn.com.au/pfmanagingmoney/saving/8123102/seven-deadly-money-sins>

Reading 2: Seven Deadly Financial Sins

12 December 2011

National Australia Bank: Updated at (6:32 PM) 5 January, based on feedback from our customers.

We all need to invest time and effort in to managing our money, if we want a successful financial future. It's easy for anyone to get easily distracted by the comforts that short term material wealth can provide. As a result, we can get caught up in a deadly financial cycle at the cost of our own financial independence.

These ineffective money management habits are best described as Seven Deadly Financial Sins.

Sin one – Pride

Some people choose not to worry about their money, opting to wait for a financial saviour, or lotto, to rescue them from the burdens of their financial situation.

Rescue yourself by ...

- Saving regularly – just \$20 per week can add up to over \$7000 in five years in an online high interest bearing account.

Tip: Consider an interest bearing savings plan and watch your savings grow. Visit the Savings calculator and find out how.

Sin two – Sloth

Those who stick their head in the sand and are more relaxed when it comes to their financial situation may suffer from the financial deadly sin – Sloth.

Rescue yourself by ...

- Taking charge of your financial affairs, starting with your superannuation.

Tip: Find lost super by logging onto the ATO's Super Seeker website. All you need is your TFN, given name(s) and date of birth.

Review your super accounts if you have more than one. Determine if you should consolidate them. If so, you'll need to consider the risks such as exit fees and loss of insurance.

Sin three – Anger

Finding excuses or others to blame for your financial situation doesn't make it go away. If you find yourselves blaming everyone but yourself, you may be suffering from the financial deadly sin – Anger.

Rescue yourself by ...

- Take a reality check by doing a budget based on your income and expenses. You may be surprised.

Tip: Visit the budget planner tool. If it helps curb your needless spending ways, then you shouldn't be angry any longer.

Sin four – Greed

Do you find yourself saying, I want it now? I can't wait. If so, you're not alone. Some people live in a "now" society and the risk of this behaviour is it may trap you into spending more than you earn.

Rescue yourself by ...

- Building your wealth through sound financial strategies that suit your financial and lifestyle needs. This can give you peace of mind to have all that you want, with a little discipline.

Tip: A financial planner can help you make informed decisions about your financial goals and help you achieve them, with as much support as you need.

Sin five – Gluttony

Consumers with an appetite for debt and credit cards to feed their addiction – may suffer from the financial deadly sin – Gluttony. Before you know it, you can end up in way over your head.

Rescue yourself by ...

- Spring cleaning your debt – start with cutting up store cards and start to seriously consider protecting your wealth with adequate protection.

Tip: Income Protection insurance will provide you an income when you're sick or injured and unable to return to work. It's well worth considering.

Sin six – Lust

It can be hard to resist a good deal and get caught up in impulse shopping. Sometimes shoppers pick up items they had no intention of buying and may suffer from the deadly financial sin – Lust.

Rescue yourself by ...

- Invest in yourself first. In other words, take control of your financial future and put a portion of your regular income into savings and investments so it's not all lost through the temptation of impulse shopping.

Tip: A financial planner can help you make the most of the money you earn today so you can live the lifestyle you want.

Sin seven – Envy

Those of us who are forever envying their friends assets, may suffer from the deadly financial sin – Envy.

Rescue yourself by ...

- Considering an investment plan that works for your short, medium and long term goals.
- Help yourself by being realistic with what you can afford and what you can put off.

Set your own financial destiny.

It is possible to make our own luck and what we put into our life we reap the rewards from. The same principle applies to your financial future. And the good news is, it's never too late to rescue yourself and take control of your financial destiny.

Financial planners can provide straightforward and transparent financial advice. They can help you with your current situation and implement a plan to meet your needs at every stage of your life.

Which type of sinner are you and how are you rescuing yourself? Leave us a comment.

National Bank - <http://learn.nab.com.au/seven-deadly-financial-sins/>

Resource Sheet 1: Differences in opinion — Agree or disagree, why?

(Reference: Lesson 1.)

The seven money sins reflect a lack of ethical thinking and behaviour.

The sins are linked to a person's values.

Some sins are not bad as others.

There are times when you should be greedy.

| Student response |
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Resource Sheet 3: Seven money sins – Video slideshow discussion

What is the meaning of each of the following quotations? Give an example where possible.

Sin 1: Sloth - Financial decisions based on lazy attitudes and behaviours to using money lead to financial problems.

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Sin 2: Envy - Financial decisions based on keeping up with others are not good personal financial decisions

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Sin 3: Gluttony - Decisions about wanting more and more

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Sin 4: Pride - Financial decisions based on pride rather than reality are not good decisions.

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Sin 5. Lust - Financial decisions based on wants rather than needs, without informed thinking, lead to financial problems in the future.

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Sin 6: Anger - Financial decisions based on emotions, especially anger, are decisions you will regret.

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What is the meaning of each of the following quotations? Give an example where possible.

Sin 7: Greed - Wanting more money than is needed or necessary for self and others, can have unpleasant consequences.

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Knowing and understanding the sins may help us to make better financial decisions today and tomorrow!

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Earth provides enough to satisfy every man's need, but not every man's greed.
(Mahatma Gandhi)

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If you want to know how rich you are find out how many things you have that money can't buy. (Proverb)

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Too many people spend money they haven't earned, to buy things they don't want, to impress people they don't like. (Will Smith)

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It's good to have money and the things that money can buy, but it's good, too, to check up once in a while and make sure that you haven't lost the things that money can't buy.
(George Lorimer)

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