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**BORROW LESS TOMORROW:  
BEHAVIORAL APPROACHES TO DEBT REDUCTION**

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## Borrow Less Tomorrow: Behavioral Approaches to Debt Reduction

Mounting evidence suggests that behavioral factors depress wealth accumulation. Although much research and policy focuses on asset accumulation, for many households debt decumulation is more efficient. Yet the mass market for debt reduction services is thin. So we develop and pilot test Borrow Less Tomorrow (BoLT), a behavioral approach to debt reduction that combines a simple decision aid, social commitment, and reminders. Results from a sample of free tax-preparation clients with eligible debt in Tulsa (N=465) indicate strong demand for debt reduction: 41% of those offered BoLT used it to make a plan to accelerate debt repayment. Using random assignment to BoLT offers, we find weak evidence that the BoLT package offered reduces credit card debt.

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