

77 Benefits of Budgeting

- 1) Freedom
- 2) You can do more of what you want
- 3) You can pay the bills right when they come in the mail
- 4) Helps you achieve your goals
- 5) Reduces stress
- 6) Reduces the likelihood of divorce
- 7) Enables you give more
- 8) Won't get creditor calls
- 9) Credit report is clean and outstanding
- 10) The money is there before the bills arrive
- 11) Financial Faithfulness is a high priority to God
- 12) Increases likelihood of hearing "Well done good an faithful servant"
- 13) You sense you are pleasing God
- 14) Helps you get out of debt
- 15) Keeps you out of debt
- 16) So you can buy more of what you really want
- 17) Don't have to feel guilty
- 18) So you can buy a cup of coffee and not feel guilty
- 19) Your Budget, Plans, and Goals become the focus instead of the balance in your checkbook
- 20) Proverbs 27:23 – Know well the condition of your flocks and herds
- 21) Gives you a good picture of your finances at all times
- 22) You know where it all went
- 23) You can show your spouse were it all went
- 24) Helps you communicate with your family
- 25) Helpful when filling out your taxes
- 26) Less likely to bounce a check
- 27) Don't have to pay checking account fees
- 28) Don't need to pay for protection fees
- 29) For most families, frees up between \$200 to \$300 per month
- 30) Provides numerous positive discussions about money
- 31) Helps you communicate with your spouse
- 32) Helps you communicate with your children
- 33) It provides a "Yardstick" or measuring stick
- 34) A budget becomes a decision making tool
- 35) Helps you give sacrificially
- 36) Helps you count the cost
- 37) Provides tremendous joy
- 38) Helps to get rid of strife

- 39) Helps to get rid of envy
- 40) Helps to get rid of coveting
- 41) Helps to get rid of impatience
- 42) Helps you learn to be content
- 43) Increases openness and honesty
- 44) Increases Trust
- 45) No need to hid purchases
- 46) Teaches discipline
- 47) Unity through common goals
- 48) Accountability
- 49) Communicate with those outside the family
- 50) Gives you sense of security
- 51) During times of emergency you know where you stand financially
- 52) It's like have you set belt on in the car, after a while you just don't feel comfortable driving without it
- 53) It's like driving down a mountain road knowing there is a guard rail to keep you from going off the cliff
- 54) Reduces the "bought it with my own my" attitude
- 55) Helps you work towards common goals
- 56) Promotes self discipline
- 57) Controls impulse spending
- 58) Puts longings and urges into perspective
- 59) Shows that a dollar can only be spent once
- 60) Moves your spending decision into alignment with your spending priorities
- 61) Helps you train your children
- 62) Teaches you to wait on God
- 63) Helps you see and recognize God's faithful provision
- 64) Increases prayer and dependence
- 65) See miracles
- 66) Prepares you for spiritual ministry
- 67) Prepares you to receive and manage things of great value from God's perspective
- 68) Enables you to manage God's money
- 69) Sense of obedience to God
- 70) Managing the 90% keeps the 10% from being in jeopardy
- 71) Keeps you from robbing God and others
- 72) Teaches you diligence
- 73) Proven character
- 74) Helps you meet one on the qualifications for becoming an elder
- 75) Makes it much easier to talk together
- 76) Gives you the credibility or platform from which you are able to teach others
- 77) Helps you deal with what seems to be the highest felt need in America



Name(s) _____

Date _____

MONTHLY EXPENSES

SHARING	
Tithe	
Offering	
Charitable Giving	
Other:	

TAXES	
Federal Income (FITW)	
State Income	
Social Security (FICA)	
Other taxes:	

SAVINGS (Med/Long Term)	
Retirement Income: 401k (%)	
Retirement Income:	
Retirement Home	
Children's College Expenses	
Other Goals:	

HOUSING / SHELTER	
1st Mortgage/Rent	
Lot Rent	
Real Estate Tax	
Homeowner's/Renter's Insurance	
UTILITIES: Electricity/Gas	
Fuels (LP Gas, Propane, etc)	
Water	
Trash pickup/Septic/Sanitation	
Telephone (Basic+Long Distance)	
Maint (Repairs/Upkeep/Yard)	
Other: Cell Phone	

FOOD & PERSONAL CARE	
Beauty Shop/Hair Cuts/Nails	
Eating Out/Home Delivery	
Home Delivered Dairy/Meat	
School lunches	
SUPERMARKET: Groceries	
Household Supplies/Cleaning	
Cosmetics/Toiletries	
Health Food/Vitamins	
Beer/Liquor/Tobacco/Lottery Tkts	
Other:	

TRANSPORTATION		
Auto Loan Payments	See	Debt List
Auto Insurance		
Gasoline		
License/Registration/ Property Tax		
Maintenance & Repair		
Parking & Tolls		
Public Transportation		
Other:		

CLOTHING	
Clothing/Shoes	
Clothing Accessories	
Diapers	
Laundry/Dry Cleaning	
Shoe Repair	
Tailoring/Alterations/Sewing	
Other:	

ENTERTAINMENT / REC	
Baby Sitters	
Cable Television	
Video/VCR Rentals	
Computer/Video Games	
Camera/Movie/Video Equipment	
Concert/Movie/Theater Tickets	
Hobbies	
Hunting/Fishing/Boating	
Recreational Equipment	
Scouts, AWANA, etc	
Sporting Events	
SUBSCRIPTIONS: Books	
CDs/Tapes/Videos/etc	
Magazines/Newspapers	
Outings/Trips	
Film and Development	
Other:	

FAMILY DEVELOPMENT	
Bible Studies	
CLASSES: Exercise/Wt Control	
Crafts (Ceramics/Stained Glass/etc)	
Computer/Electronics	
Computer Hardware/Software	
Internet Fee	
EDUC (adult): Tuition	
Books	
Material/Equipment	
Educational Books/Tapes/Videos	
Gym/Health Club/Tanning	
LESSONS: Ballet/Dance/Drama	
Piano/Musical Instrument	
Musical Instruments/Equipment	
Private/Home Schooling/ Tutoring	
Seminars	
Special Uniforms	
Other:	

GIFTS	
Anniv/B'day/Wed'g/Shower/Grad	
Birthdays—Family	
Cards (Thank You, Get Well, etc)	
Christmas	
Office Gifts	
Packaging/Shipping	
Other:	

HEALTH & INSURANCE	
Medical Insurance	
Medical Costs (additional)	
Medicines: Prescription	
Non-Prescription	
Dental Insurance	
Dental Costs (additional)	
Orthodontics/Braces	
Eye Care/Eyeglasses	
Life Insurance:	
Disability Insurance:	
Umbrella Policy	
Other:	

MISCELLANEOUS	
Allowances (personal)	
Child Care	
FEES: Checking Acct/ATM	
Legal	
Tax Preparation	
Counseling	
Financial Counseling	
Office Supplies/Stationery	
Pet Care/Veterinarian	
Pet Food	
Postage/Stamps	
Toys	
Union/Club/Office/etc Dues	
Other:	

SUPPORT PAYMENTS	
Children	
Ex-Spouse	
Parents	
Other:	

DEBT REPAYMENT	
(For details see Debt List.)	

SAVINGS TO SPEND	
FUNDS: Emergency	
Furniture/Appliance	
Home Improvements	
Next Car	
Opportunity	
Vacation	
Other Goals:	

Each Other

\$ 40 / m

Prepared By	Initials	93
Approved By		

DATE	DESCRIPTION	✓#	IN	OUT	BAL
1 AUG 23	Beginning Balance				120.00
2 27	D - Taco Tico	1649		7.99	112.01
3 27	Movie - Huck Finn			8.00	104.01
4 31	Flowers			8.45	95.56
5 SEP ①	MONTHLY DISTRIBUTION		4000		135.56
6 6	L - Lucille BBQ	VISA		17.95	117.61
7 27	L - Kentucky Fried Chicken - WEEKOUT			5.50	112.11
8	D - Hayes House	VISA		29.91	82.20
9	Hotel - Cottage House	VISA		60.45	21.75
10	D - Tom's Hamburgers			11.60	10.15
11	Snacks			5.66	4.49
12	Turquoise Fee			.80	3.69
13 30	Gift - Nuts			5.00	1.31
14 OCT ①	MONTHLY DISTRIBUTION		4000		38.69
15 4	D - Western Sizzlin + Tip \$3.00	VISA		15.69	23.00
16 18	L - Picadilly			7.50	15.50
17 22	Card for K			4.16	11.34
18 29	L - China Garden	1652		8.49	2.85
19 NOV ①	MONTHLY DISTRIBUTION		4000		42.85
20 11	B - Shoney's			10.25	32.60
21 11	Sitter	1664		12.00	20.60
22 23	Motel - KS City Trip extra day			38.00	17.40
23	B - hotel			12.68	30.08
24	L - Burger King			5.76	35.84
25 ②	TRANSFER FROM FOOD		35.84		0
26 DEC ①	MONTHLY DISTRIBUTION		4000		40.00
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WORKING MOTHERS

Over 90% of women surveyed say that money is the number one reason they work outside the home. If so, it would make sense to make sure that working outside the home makes cents! ... What do the figures say to you?

EXAMPLE

FILL IN YOURS

Wife's/Mother's...

Monthly Gross INCOME (\$15,000/y ÷ 12) = \$1,250

MONTHLY EXPENSES

FIXED EXPENSES

Tithe (10% of Gross Income)	125	_____
Federal Income Tax (FITW)	187	_____
*Adjustments	-87 (Day Care Tax Credit)	_____
Social Security Tax (FICA)	93	_____
State Income Tax	50	_____
Day Care	<u>250</u>	_____
SUBTOTAL	\$618	_____

*adjust for Day Care Tax Credit or Earned Income Credit, if applicable

VARIABLE EXPENSES

Transportation	260	_____
Lunch, coffee, snacks, etc	30	_____
Restaurant, carry-out, etc	55	_____
Clothes (extra), uniform, etc	33	_____
Beauty shop, nails, etc	16	_____
Other ("bought-it-with-my-money")	<u>50</u>	_____
SUBTOTAL	\$444	_____
TOTAL EXPENSES (add Subtotals)	<u>\$1,062</u>	_____

NET ADDITION TO FAMILY INCOME \$188

at 40 hrs/week (160 hrs/month), \$188 represents a wage of just \$1.18/hour!

at 50 hrs/week (200 hrs/month), \$188 represents a wage of just \$0.90/hour!

Adopted and modified from *You Can Beat the Money Squeeze* by George & Marjean Fooshee, page 103

Everyone's situation is different. That is why you are encouraged to use the worksheet.

Taxes: In all our lives, taxes and the title come right off the top. You can very accurately estimate how much of the wife's income will go to taxes. Because the wife's income is added to the husband's, look up and subtract from the combined income tax rate, what you would have paid if ONLY the husband's income had been earned. The difference divided by 12 is your monthly hit. A conservative guess is 15% for Federal, 4% for State, and 7.5% for Social Security & Medicare.

Day Care: This is a very touchy subject. ^{Our} ~~Are~~ children are important and finding a good, yet alone a great place for our children is difficult. It is not uncommon for us to find this expense in excess of \$500 per month, especially if you have two or more children in daycare or some other after school program. You know what it costs. In most situations, this item alone makes the primary difference.

Transportation: Avis reports that it costs 35 cents per mile to drive the most economical car. Our experience indicates that the working mother drives more than the "stay-at-home" mother. Not only does she drive to work everyday, she is also usually forced to do her errand running during the busiest times of the day.... during the lunch hour or just before going home. While moms that don't work outside the home can combine trips, shop the sales, go to the park, and will usually spend less time standing in lines or sitting in rush hour traffic. We feel an extra \$260 dollars is conservative, if you disagree, it is easy to determine the correct answer, simply keep records. Putting a little time into record keeping might save you a substantial amount of money and future heartaches. Also, consider the option of being a one car family.

Lunches and Coffee Breaks: If you are keeping track of your expenses, this is easy to figure. If not, just guess... How many cups of coffee @ 25¢?... lunch at \$3.50? In addition, as you think through the month, how often is there an office party, office gift or that snack for breakfast? you know, getting kids and hubby off there just wasn't time for anyone to eat a good breakfast.

Restaurants and carry-outs: Again record keeping is the key. I know from experience that we ate out a lot more when I worked outside the home. It was so much easier to pick up something at a fast food place than to think about cooking after a hard day on the job. I found it less tempting in Japan, but we just had more prepared foods like frozen pizza and pot pies (Which are relatively expensive, but have something to be desired nutritionally). In 1980 the fast food industry determined that 30% of a typical family's food budget was spent eating out. When seeing all the new restaurants, I suspect it has gone up. It is not uncommon for us to see food budgets of \$600 a month for those that both work outside the home. A number of years ago we decided to separate our "eating out" budget from our "groceries" pocket because we kept busting the food budget by eating out. This additional information allowed us to better control ourselves when we drove past "fast food alley" on the way home from work.

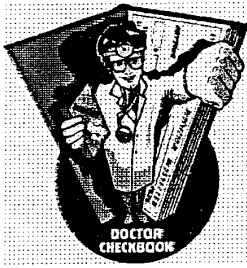
Extra clothes: Most working mothers need larger wardrobes than if they stayed at home. The "proper image" for your job probably costs more than a few nice outfits to wear to church, a bible study, to the store, or on a date with your husband. Also, the more clothes are used and washed, the faster they wear out. We have known a number of working women that feel they have "earned the right" to dress a little nicer. I don't want to give the impression that home executives should look or dress "homely", but let's face it, the standards aren't the same. Everyone knows you can look great and still be comfortable, casual, and yet, not pay a lot to do so. So, what will an extra \$33 per month buy you today?

Beauty Shop: This is another area of possible savings. Consider having your hair done once every two months instead of the usual monthly visits which are closer to the norm for those that must adhere to certain standards. Yes, it is uplifting to the harried worker to be able to relax while having your hair done, but what does it cost today for a wash, cut, and permanent and/or coloring?

Bought-it-with-my-money: Though it is not consistent month to month, it is generally a substantial expense. More than once, I've heard a mother say to her child that she was buying this widget with her money.... as if that solved all the guilt. We ask, "Why not splurge now and then for the family?"... more expensive Christmas gifts... extra clothes or toys for the children... a nicer vacation? I am sure your minds will recall and add to the list. We all seem set on the "fact" that when we are "making" money we have more to money to spend. The question is, Do we?

Conclusion: So, what is your real hourly "wage"? Divide what is left over by the number of hours you are away from home as a result of working. Is it really worth it? Is the time away from your children worth the monetary increase? Is there even an increase? Is it worth the spiritual, physical and emotional wear and tear on you and your family? Will the reputation of the Gospel suffer (Titus 2:2-5)? Isn't there some other way you can make up the difference?

For More Information or Personalized Counseling Contact: **Doctor Checkbook, 316-777-1414**



316-777-1414

Ways to Lower Your Home Insurance Costs

Today, with the information explosion, insurance is a highly competitive business. The price you pay for your homeowner's insurance can vary by hundreds of dollars each year, depending on the insurance company you select, the type of construction of your home, and what state or even county you live in.

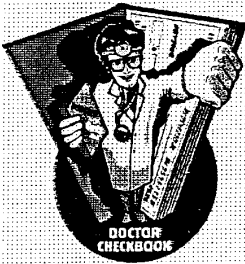
Seek Counsel from your neighbors and friends. Find out who they insure with. Read and learn. Consider paying an independent financial counselor to help you evaluate your policy.

When you buy a home -- choose the location wisely - The wise man built his house upon the rock... For many of us, the location decision has already be made. However, if you are thinking of moving, do your "homework". With the recent advent of 100-year floods, it is important to do a little research. Location, Location, Location. You'll pay lower insurance premiums if you avoid areas that are prone to catastrophic weather patterns. Also, your ability to get the help you need in times of emergency impacts the rate you pay. For instance, your proximity to a police station, a full time/volunteer fire department or fire hydrant, all affect your premium. Just a few feet can make a big difference. County dividing lines can impact you and so do crime rates. Construction makes a difference, too. Brick resists both wind damage, earthquake, and fire damage. So call a few insurance companies before you move to see what you can do lower your costs.

Even with location and construction issues locked in, there still are a number of things you can do to lower the price you pay.

1. **Shop around** - There are many insurance companies today and pricing is competitive. In the car insurance area it is not uncommon to see a \$1000 difference in annual premium for the same kind of coverage for a family with a teenage son driver. Consumer Reports, the State Insurance Commissioner, and even National Insurance brokerage houses can give you an objective assessment of insurance companies, prices, and consumer ratings. The bottom line is you must call a few companies, compare what they cover, and what rates they charge. Now a days, you can even go online to shop around. However, be sure to look into a company's claims and service reputation as well as its price.
2. **Raise your deductible** - Raising your deductible can save you premium dollars. For example, by increasing your deductible from \$250 to \$500, you could possibly save up to 12 percent. Raise it to \$1,000 for savings up to 24 percent. While raising it to \$2,500 will only increase your savings up to 30 percent. Or a raise to \$5,000 might save you 37 percent, depending, of course, on your insurance company.
3. **Consider buying your home and auto policies from the same insurance company** - Some companies that sell homeowner's, auto and liability coverage will knock 5 to 15 percent off your total premium if you buy two or more policies from them. This is especially true if you buy "umbrella" insurance and can lower the individual liability coverage inside a complete package.
4. **Insure your house, not the land** - Do not include the value of the land when determining how much homeowner's coverage you need. (It will still be there, even if the house burns down.) By law you need to cover 80% of the replacement value of the structure in order to get 100% replacement. Many people are over insured. However, going below the 80% limit can be very costly, so do your "homework" and save.

5. **Beef up your home security** - Typically, you can get a discount of at least 5 percent for a smoke detector, carbon monoxide detector, burglar alarm, or dead-bolt locks. Some companies offer to cut your premium by as much as 15 or 20 percent if you install a sophisticated sprinkler system and a fire and burglar alarm that rings at the police station or other monitoring facility. But these systems are not cheap -- and not every system qualifies for the discount. Before you start spending money on such devices, first determine which ones your insurance company recommends, how much they cost and how much you'd save on premiums.
6. **Stop smoking** - Smoking accounts for more than 23,000 residential fires a year. It is the leading known cause for residential fires in the U.S. That is why some insurance companies offer reduced premiums if all the residents in a house are non-smokers.
7. **Ask about discounts for seniors** - Retired people spend more time at home, so they spot fires sooner than working people. Retired people also have more time for maintaining their homes. If you're at least 55 years old and retired, you may qualify for a discount of up to 10 percent at some companies.
8. **See if you can get group coverage** - Alumni and business associations often work out a package deal with an insurance company, with a discount for association members. Ask your association's director if an insurance company is offering a discount on homeowner's insurance to you and your fellow graduates or colleagues. Also policies change, recently USAA expanded its membership group to include all military members not just officers.
9. **Stay with the same insurance company...** If you've kept your coverage with a company for several years, you may receive a discount for long-standing policyholders. Several insurance companies will reduce your premiums by 5 percent if you stay with them for three to five years, and by 10 percent if you remain a policyholder for six years or more.
10. **Compare the limits in your policy and the value of your possessions** - It is wise to crosscheck your insurance with your possessions once a year and make adjustments. If you make additions to your house, you should increase your policy accordingly. On the other hand, some of your possessions may decrease in value. In this case, as these assets depreciate you will want to save money by reducing your floater coverage.



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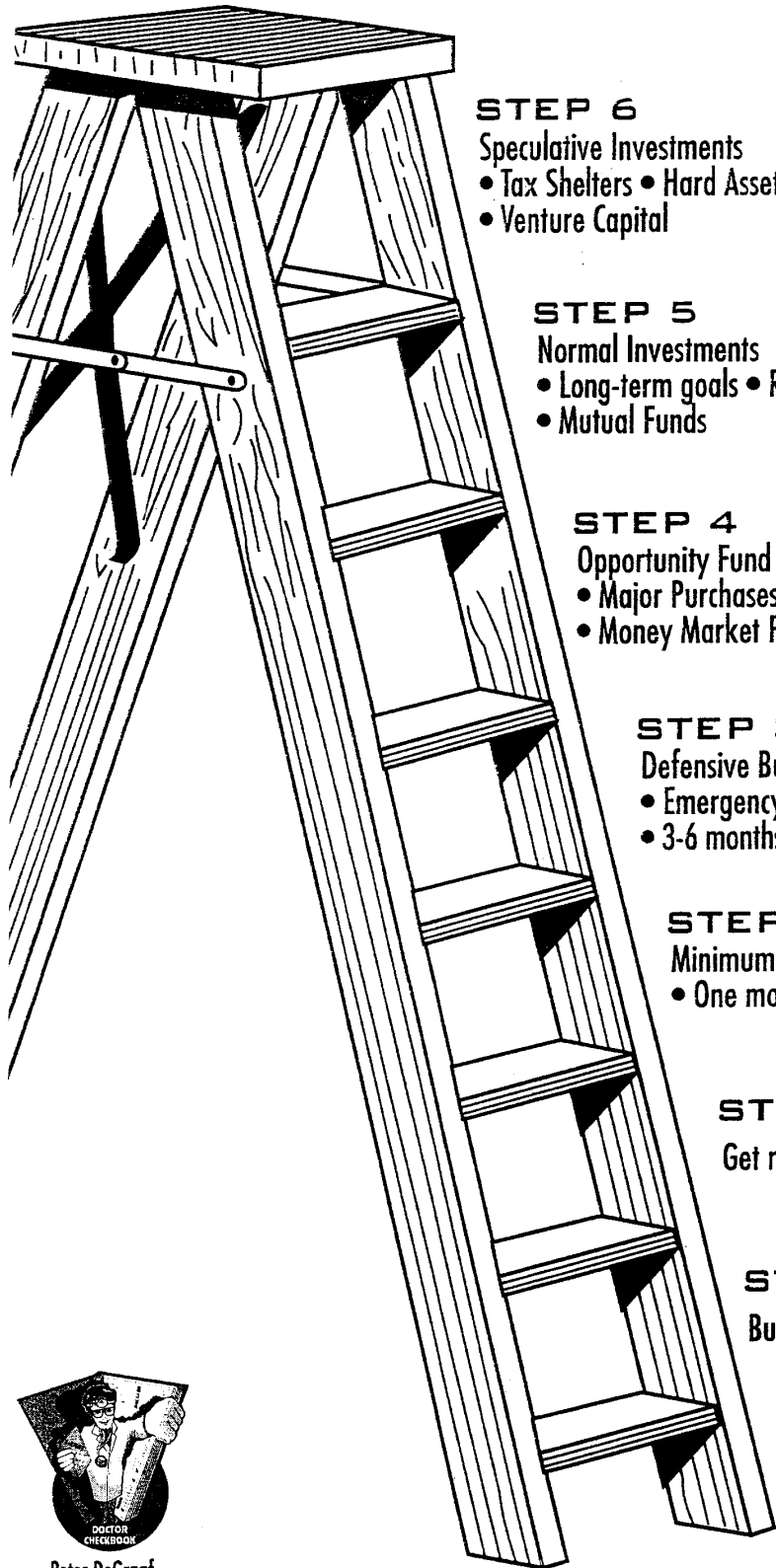
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ASSET LADDER OF ACCUMULATION



STEP 6

- Speculative Investments
- Tax Shelters • Hard Assets
 - Venture Capital

STEP 5

- Normal Investments
- Long-term goals • Real Estate
 - Mutual Funds

STEP 4

- Opportunity Fund
- Major Purchases • Dream File
 - Money Market Fund

STEP 3

- Defensive Buffer
- Emergency Fund
 - 3-6 months of LS in Money Market Fund

STEP 2

- Minimum Buffer
- One month's Life Style (LS) in a checking account

STEP 1

Get rid of Debt

STEP 0

Budget

STEP - 1

Contentment



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- CROWN -
PRINCIPLE™
Under Scrutiny

Do you love Jesus?

By LARRY BURKETT

We've heard stories of how tragedies caused dramatic spiritual turnarounds in people's lives. But for people with wavering faith, tragedies can be the breaking point.

One woman I counseled many years ago was on the verge of divorce. Her husband appeared to be in the midst of a mid-life crisis and showed all the classic symptoms: a sports car, mod clothes, and involvement with a much younger woman.

This woman did all the things her Christian friends suggested to get God to restore her marriage, but in the end her husband divorced her and married the younger woman. She became resentful and bitter and declared that religion did not work.

Like this woman, many other Christians fall away and become entangled in the world after a tragedy strikes them. Why? Consider the life of Peter, who walked daily with the Lord.

GONE FISHIN'

Peter had long assumed the position of leader of the disciples. During Christ's arrest, it was Peter who was willing to fight, and it was Peter who vowed his loyalty, even unto death. But during Christ's trial, it also was Peter who denied knowing Him.

Certainly, Peter's faith was virtually destroyed as he watched Christ's death on the cross, and in John 21:3 we find Peter saying, "I am going fishing." In other words, it was great while it lasted, but it didn't work out, so it's time to get practical and earn a living.

In this setting, Jesus appears to Peter to ask him why he is there. Obviously, Peter wasn't totally committed to Jesus, who asks, "Simon, son of John, do you love me more than these?" Christ uses the word for God's perfect love, "agape."

Peter responds, "You know that I love (phileo) you." What he meant was that Jesus was his friend. Three times Jesus asked His question, only the third time did He ask Peter if he *really* loved Him, even as his

friend. I believe Peter clearly understood Christ's message and was forced to decide that what he had felt before was something less than dedication to the Lord. Peter's total perspective of service changed at that point.

TRANSFORMED ATTITUDES

Compare the Peter of John's gospel with the Peter of Acts, and you'll see that fishing doesn't seem to play much of a role in his life, but Jesus Christ does. In Acts 4:19-20, he stands against the Jewish council

Many Christians wear the helmet of salvation that Paul describes in Ephesians 6:17, but otherwise they are naked. They appear to be content in knowing they are saved, but they never have accepted the Lordship of Christ over their daily lives.

and defies their authority, saying, "Whether it is right in the sight of God to give heed to you rather than to God, you be the judge; for we cannot stop speaking what we have seen and heard."

What transformed Peter (and Paul) was coming face-to-face with the reality of who Jesus Christ really is—God Himself, and then allowing the Holy Spirit to guide their decisions. This was a daily choice for Peter, just as it is for us.

TRANSFORMED ACTIONS

Many Christians wear the helmet of salvation that Paul describes in Ephesians 6:17, but otherwise they are naked.

They appear to be content in knowing they are saved, but they never have accepted the lordship of Christ over their daily lives and especially their possessions.

They are greatly attracted to evangelists

who teach salvation as the only step a Christian ever has to take. They also may be attracted to prosperity teachers who Americanize God and rationalize their indulgent, wasteful lifestyles.

Jesus said in Luke 6:46, "And why do you call me, 'Lord, Lord,' and do not do what I say?" It is obvious that He expects changed attitudes to lead to changed actions.

The Lord gave us some fundamental guidelines to follow when dealing with others, and virtually every one of them involves pride and priority.

(1) **Others first.** It seems that the Christian world has all but forgotten the material needs of the unsaved around us.

How often do churches open their doors to the unsaved community and show they love them by caring for the children of divorced mothers, paying utility bills for the elderly, or repairing homes for the aged and ill?

(2) **Humility.** Jesus talked about pride so much that it must be the most obnoxious attitude a believer can develop. Matthew 6:1 begins with Christ saying that if we do things to be recognized by others, we will have no reward in His kingdom.

Satan would like nothing better than to take disciples of Christ and elevate them until they get prideful about their assets, abilities, or recognition. It's at that point when they are most vulnerable to the temptations that Satan offers.

(3) **Priority.** In Matthew 6:19 Jesus said, "Do not lay up for yourselves treasures upon earth." I believe He was evaluating our priorities in relation to serving Him. In verse 24, He says "No one can serve two masters."

Clearly, when taken in context with all of God's Word, Christ is forcing believers to decide what their positions are in relation to material assets. In other words, "Who comes first, Christ or possessions?"

THE TRUE TEST OF OUR LOVE

Ultimately, the test of whether or not we love Jesus is measured by our actions. Christ said in John 14:15, "If you love Me, you will keep My commandments."

How great should our love for Him be? In Luke 14:26 he said, "If anyone comes to Me, and does not hate his own father and mother and wife and children and brothers and sisters, yes, and even his own life, he cannot be My disciple." Christ didn't mean that we should actually hate these people. He meant that our love for Him should be so great that our love for everyone else would, by comparison, be as hate.

Would you surrender everything you own to Christ if He asked? If not, you are serving the wrong God. Ω



The Next Step

Adapted from:
Ron Blue's
Master Your Money, pg 182

2 Timothy 3:16-17 (NASB) All Scripture is inspired by God and profitable for teaching, for reproof, for correction, for training in righteousness; v17 that the man of God may be adequate, equipped for every good work.

Isaiah 48:17 (NASB) "Thus says the LORD, your Redeemer, the Holy One of Israel; "I am the LORD your God, who teaches you to profit, Who leads you in the way you should go."

3 John 1:2 (NASB) Beloved, I pray that in all respects you may prosper and be in good health, just as your soul prospers.

Psalms 37:4 (NASB) Delight yourself in the LORD; And He will give you the desires of your heart.

Matthew 6:33 (NASB) "But seek first His kingdom and His righteousness; and all these things shall be added to you.

STEP -1 Contentment

Philippians 4:11-13 (NASB) "Not that I speak from want; for I have learned to be content in whatever circumstances I am. v12 I know how to get along with humble means, and I also know how to live in prosperity; in any and every circumstance I have learned the secret of being filled and going hungry, both of having abundance and suffering need. v13 I can do all things through Him who strengthens me."

Hebrews 13:5 (NASB) Let your character be free from the love of money, being content with what you have; for He Himself has said, "I WILL NEVER DESERT YOU, NOR WILL I EVER FORSAKE YOU,"

Luke 10:20 (NASB) "Nevertheless do not rejoice in this, that the spirits are subject to you, but rejoice that your names are recorded in heaven."

Proverbs 15:16-17 (NASB) Better is a little with the fear of the LORD, Than great treasure and turmoil with it. v17 Better is a dish of vegetables where love is, Than a fattened ox and hatred with it.

Philippians 4:19 (NASB) And my God shall supply all your needs according to His riches in glory in Christ Jesus.

Ecclesiastes 5:19-20 (TLB) And, of course, it is very good if a man has received wealth from the Lord and the good health to enjoy it. v20 To enjoy your work and to accept your lot in life--that is indeed a gift from God. The person who does that will not need to look back with sorrow on his past, for God gives him joy.

STEP 0 Budget

Amos 3:3 (NIV) Do two walk together unless they have agreed to do so?

Proverbs 24:3 (TLB) Any enterprise is built by wise planning, becomes strong through common sense, and profits wonderfully by keeping abreast of the facts.

Proverbs 23:23 (TLB) Get the facts at any price, and hold on tightly to all the good sense you can get.

Proverbs 27:23 (NASB) Know well the condition of your flocks, And pay attention to your herds;

STEP 1 Get rid of Debt

Proverbs 22:7 (NASB) The rich rules over the poor, And the borrower becomes the lender's slave.

Romans 13:8 (NASB) Owe nothing to anyone except to love one another; for he who loves his neighbor has fulfilled the law.

Proverbs 3:27 (TLB) Don't withhold repayment of your debts. Don't say "some other time," if you can pay now.

Psalms 37:21 (TLB) Evil men borrow and "cannot pay it back"! But the good man returns what he owes with some extra besides.

Galatians 5:1 (NASB) It was for freedom that Christ set us free; therefore keep standing firm and do not be subject again to a yoke of slavery.

Galatians 5:13 (NASB) For you were called to freedom, brethren; only do not turn your freedom into an opportunity for the flesh, but through love serve one another.

Romans 13:7-8 (TLB) Pay everyone whatever he ought to have: pay your taxes and import duties gladly, obey those over you, and give honor and respect to all those to whom it is due. v8 Pay all your debts except the debt of love for others--never finish paying that! For if you love them, you will be obeying all of God's laws, fulfilling all his requirements.

Hebrews 12:14 (NASB) Pursue peace with all men, and the sanctification without which no one will see the Lord.

STEP 2 Minimum Buffer (One month's Life Style (LS) in a checking account)

Proverbs 21:20 (TLB) The wise man saves for the future, but the foolish man spends whatever he gets.

Hebrews 12:11 (NASB) All discipline for the moment seems not to be joyful, but sorrowful; yet to those who have been trained by it, afterwards it yields the peaceful fruit of righteousness.

STEP 3 Defensive Buffer / Emergency Fund (3-6 months of LS in Money Market Fund)

Proverbs 22:3-4 (TLB) A prudent man foresees the difficulties ahead and prepares for them; the simpleton goes blindly on and suffers the consequences. v4 True humility and respect for the Lord lead a man to riches, honor, and long life.

Proverbs 6:6-8 (NASB) Go to the ant, O sluggard, Observe her ways and be wise, v7 Which, having no chief, Officer or ruler, v8 Prepares her food in the summer, And gathers her provision in the harvest.

STEP 4 Opportunity Fund / Major Purchases / Dream File (in Money Market Fund) 3x5 Cards / Priority Purchases

Luke 14:28-30 (NASB) "For which one of you, when he wants to build a tower, does not first sit down and calculate the cost, to see if he has enough to complete it? v29 "Otherwise, when he has laid a foundation, and is not able to finish, all who observe it begin to ridicule him, v30 saying, 'This man began to build and was not able to finish.'

Ecclesiastes 4:9-10 (NASB) Two are better than one because they have a good return for their labor. v10 For if either of them falls, the one will lift up his companion. But woe to the one who falls when there is not another to lift him up.

STEP 5 Normal Investments (Long-term goals) (Home, No-Load Mutual Funds)

Proverbs 21:5 (TLB) Steady plodding brings prosperity; hasty speculation brings poverty.

Ecclesiastes 11:1-6 (NASB) Cast your bread on the surface of the waters, for you will find it after many days. v2 Divide your portion to seven, or even to eight, for you do not know what misfortune may occur on the earth. v3 If the clouds are full, they pour out rain upon the earth; and whether a tree falls toward the south or toward the north, wherever the tree falls, there it lies. v4 He who watches the wind will not sow and he who looks at the clouds will not reap. v5 Just as you do not know the path of the wind and how bones are formed in the womb of the pregnant woman, so you do not know the activity of God who makes all things. v6 Sow your seed in the morning, and do not be idle in the evening, for you do not know whether morning or evening sowing will succeed, or whether both of them alike will be good.

Ecclesiastes 11:1-6 (TLB) Give generously, for your gifts will return to you later. v2 Divide your gifts among many, for in the days ahead you yourself may need much help. v3 When the clouds are heavy, the rains come down; when a tree falls, whether south or north, the die is cast, for there it lies. v4 If you wait for perfect conditions, you will never get anything done. v5 God's ways are as mysterious as the pathway of the wind and as the manner in which a human spirit is infused into the little body of a baby while it is yet in its mother's womb. v6 Keep on sowing your seed, for you never know which will grow--perhaps it all will.

STEP 6 Speculative Investments (Tax Shelters, Hard Assets, Venture Capital)

Ecclesiastes 5:13-17 (TLB) There is another serious problem I have seen everywhere--savings are put into risky investments that turn sour, and soon there is nothing left to pass on to one's son. v14 v15 The man who speculates is soon back to where he began--with nothing. v16 This, as I said, is a very serious problem, for all his hard work has been for nothing; he has been working for the wind. It is all swept away. v17 All the rest of his life he is under a cloud--gloomy, discouraged, frustrated, and angry.

Proverbs 23:4-5 (NASB) "Do not weary yourself to gain wealth, Cease from your consideration of it. v5 When you set your eyes on it, it is gone. For wealth certainly makes itself wings, Like an eagle that flies toward the heavens."

Deuteronomy 8:18 (NASB) "But you shall remember the LORD your God, for it is He who is giving you power to make wealth, that He may confirm His covenant which He swore to your fathers, as it is this day."

Proverbs 27:23-24 (NASB) Know well the condition of your flocks, And pay attention to your herds; v24 For riches are not forever, Nor does a crown endure to all generations.

Proverbs 27:23-24 (TLB) Riches can disappear fast. And the king's crown doesn't stay in his family forever-- v24 so watch your business interests closely. Know the state of your flocks and your herds;

1 Chronicles 29:11-12 (TLB) "...Everything in the heavens and earth is yours, O Lord, and this is your kingdom. We adore you as being in control of everything. v12 Riches and honor come from you alone, and you are the Ruler of all mankind; your hand controls power and might, and it is at your discretion that men are made great and given strength."

Learn to enjoy life –

Ecclesiastes 6:1-6 (NASB) There is an evil which I have seen under the sun and it is prevalent among men-- v2 a man to whom God has given riches and wealth and honor so that his soul lacks nothing of all that he desires, but God has not empowered him to eat from them, for a foreigner enjoys them. This is vanity and a severe affliction. v3 If a man fathers a hundred children and lives many years, however many they be, but his soul is not satisfied with good things, and he does not even have a proper burial, then I say, "Better the miscarriage than he, v4 for it comes in futility and goes into obscurity; and its name is covered in obscurity. v5 "It never sees the sun and it never knows anything; it is better off than he. v6 "Even if the other man lives a thousand years twice and does not enjoy good things-- do not all go to one place?"

Advise to the Workaholic –

Ecclesiastes 2:22-25 (NASB) For what does a man get in all his labor and in his striving with which he labors under the sun? v23 Because all his days his task is painful and grievous; even at night his mind does not rest. This too is vanity. v24 There is nothing better for a man than to eat and drink and tell himself that his labor is good. This also I have seen, that it is from the hand of God. v25 For who can eat and who can have enjoyment without Him?

Pass it on wisely

Ecclesiastes 2:21 (NASB) When there is a man who has labored with wisdom, knowledge and skill, then he gives his legacy to one who has not labored with them. This too is vanity and a great evil.

For those who are rich –

1 Timothy 6:17-19 (NASB) Instruct those who are rich in this present world not to be conceited or to fix their hope on the uncertainty of riches, but on God, who richly supplies us with all things to enjoy. v18 Instruct them to do good, to be rich in good works, to be generous and ready to share, v19 storing up for themselves the treasure of a good foundation for the future, so that they may take hold of that which is life indeed.

CROWN

Focus on Finance



Rick Boxx is the president and founder of Integrity Resource Center, a nonprofit organization providing biblically based business and integrity resources for leaders. To sign up for Rick's weekly broadcast email, "Integrity Moments," visit www.IntegrityMoments.com or email him at rboxx@Integrity-Management.com.

Strategies and Myths of Managing Cash in Difficult Times

For most businesses the 1990s were a breeze. Year after year brought sales gains and ever increasing profits. In 2000 the foundation started to shake as the elections left uncertainty and the stock market began to crumble. The beginning of 2001 brought concern that the thriving 90s were finally over. Then came September 11. For many organizations, the bottom fell out. With dramatic sales declines and an uncertain future, fear struck many like we had not seen since the early 1980s.

Many people are asking, "How do I turn this business around?" A variety of approaches for turning around companies exist, but most of them, unfortunately, are not very glorifying to God. When cash flow gets squeezed, a person's true character surfaces. Many entrepreneurs will begin to protect themselves personally at the expense of creditors or employees. God's preferred way is much different.

James 1:2-4 instructs, "Count it all joy when you fall into various trials, knowing that the testing of your faith produces patience. But let patience have its perfect work, that you may be perfect and complete, lacking nothing." How many people consider it joy not to have enough money to cover payroll? Who is joyful about talking to angry creditors each day because the money doesn't exist to pay them? James makes it clear, however, that patience is the goal, so that we will be perfect and complete.

Business trials are gut wrenching, but someday we will stand before God, and He won't ask us how many payrolls we covered. Instead, He will be more concerned with how we persevered and handled ourselves through tough situations.

For businesses experiencing cash flow problems there is hope. Let's examine six simple strategies to turn your woes around, and seven common myths to avoid in the process.

Strategies For Recovery

Pray. When Nehemiah heard about Jerusalem's decay he prayed for four months. Most entrepreneurs would view this as a waste of four months, but it was that time of prayer that enabled Nehemiah to obtain all the materials and people he needed to rebuild the wall. If your business is struggling, don't overlook the incredible power of prayer. Prayer is action!



Know the condition of your flocks. Proverbs 27:23-24 teaches, "Be diligent to know the state of your flocks, and attend to your herds; for riches are not forever, nor does a crown endure to all generations." An objective and comprehensive assessment is necessary to understand the real underlying problems. Reviewing the strengths and weaknesses of all areas, such as finances, sales, operations, and marketing, helps to determine those underlying problems. If possible, bring in an independent expert for this critical process.

Set Goals. Now that you understand your strengths and weaknesses, determine where you are going and what goals need accomplished to be successful. Make them clear, tangible, and obtainable.

Develop a budget. A budget is a critical tool to compare against your actual monthly results. When there are problems, you will be able to determine if the cause is sales, margins, or overhead.

*When cash flow gets squeezed, a person's true character surfaces.*¹⁷

Create action plans. Goals are usually big picture. For example, you may want to be the largest distributor of widgets in the Midwest. Action plans are the baby steps required to accomplish that goal. It will be difficult to achieve the goals if you don't take the time to develop the necessary action plans.

Follow up. Every month, take time to reflect. Compare your actual monthly results to your budget, review the action plans that did and did not get done, and determine the necessary strategy changes to meet the ever-changing marketplace.

On the journey through this recovery process, many people have the most difficulty with step two. It is easy to be deceived about the true state of affairs. This in part is due to the acceptance of seven common myths. If you buy-in to these myths, your recovery may be delayed or aborted.

Seven Common Cash Flow Myths

Myth 1: A loan will solve my cash flow problems. Bankers hear constantly from entrepreneurs, "I need a loan for working capital." Seasoned lenders have learned that this often means the business is losing money. The reality is, the worst thing a banker can do for the customer losing money is to give him more money. With additional funding and the pressure relieved, the true underlying problem is ignored even longer. Instead of borrowing more money, look at improving profitability, selling excess assets, collecting your accounts receivable, or decreasing your inventory.

Myth 2: Good collection practices lose customers and money. Your worst paying customers are costly. They use your money, time, and eventually may be charged off. Monitor your accounts receivable closely. Determine if the customer is willing but not able to pay, or able but not willing to pay. If he is willing, show grace and work with him. If he is able but not willing, cut your losses as soon as possible.

The best way to monitor accounts receivable is by tracking a ratio called accounts receivable turnover. For instance, if you bill your customers with 30 day payment terms, then wouldn't it be helpful to know how many days on average your customers actually pay? That's the purpose of this ratio: $accounts\ receivable\ turnover\ (days) = (accounts\ receivable\ divided\ by\ your\ annual\ sales) \times 365\ days$. Compare your result to your industry and to your previous years.

Myth 3: I need to have everything in stock my customers might need. Trying to be all things to all people rarely succeeds. Determine the marketing niche you are trying to serve, and stay true to your focus. Monitor your inventory closely.

A good manager knows how often his inventory is turning

over, and is quick to mark down and move out old or slow-moving inventory. Some cash reinvested in better-moving inventory is better than no cash with obsolete inventory on the shelf. Here is a simple formula to track your inventory progress: $inventory\ turnover\ (days) = (inventory\ divided\ by\ Cost\ of\ Goods\ Sold) \times 365\ days$. This ratio will tell you how many days' worth of inventory are on your shelf. This is most useful to compare from year to year and to your industry, so you get the feel for the optimum level of inventory.

Myth 4: Using my suppliers' money as long as possible is good management. As Christians in business, our best opportunity to witness to our suppliers is in the way we handle our accounts payable. Proverbs 3:27 tells us, "Do not withhold good from those to whom it is due, when it is in the power of your hand to do so." Examine closely your payment priorities. If you are getting paid handsomely, but you are stretching out your suppliers, then you are not honoring your vows. If you said you would pay in 30 days, pay in 30 days. If you can't, communicate regularly and honestly.

Myth 5: More sales will solve all my problems. Many people believe that lack of revenue is their problem. If they could just sell more they are certain everything would get better. If you are selling a product for \$50 that costs you \$100, more sales will bury you fast. Many businesses do not realize they are selling products below their cost. A close examination of product profitability is necessary before deciding to increase sales.

Myth 6: I must have the lowest price to be competitive. If your only marketing philosophy is to meet or beat your competitor's price, you will eventually be doomed to failure. In most industries there will come a time when new and inexperienced players join the market, slashing prices to get business. If you follow their lead, you will go broke right along with them. Know your niche in the marketplace, and serve it well. Determine if you are a quality provider, a timely provider, or a low cost provider. You can't be all three.

Myth 7: Staff reductions are the best way to return to profitability. Rather than our first stop in expense cutting, staff reductions should be our last resort. If significant revenue declines have set in, some personnel cuts may be necessary, but first explore creative solutions to your staffing. Communicate your dilemma to staff, and ask for their help. You may be surprised to find people who offer to go part time, or forgo pay, for the good of the team.

Business struggles are not fun, but as Christians we must remember James' charge. Maintaining joy in the midst of trials may be hard, but when we put our trust in the one who can see us through the storm, He can make us perfect and complete.



PRINCIPLE™

Under Scrutiny

To sue or not to sue?

By LARRY BURKETT

Last year I received a letter from a man who feared that his church was about to become the object of lawsuits filed by some of its own members.

These members were upset because they'd invested money with a financial advisor who turned out to be a fraud. This individual had been allowed to address the church from the pulpit on a Sunday morning.

His topic was socially responsible mutual funds, and he convinced church members to entrust \$800,000 of their money to him for the purpose of investing. Unfortunately, he took the money and disappeared.

Because the church had liability insurance, some of its members were thinking about suing the church to recover their losses.

I've often said that suing corporations, including insurance companies, may be permissible because they are legal entities, not persons. But, in this case, the members would have had to file lawsuits directly against the church, the body of Christ, in order to receive payments from the insurance company.

In my opinion, this was another example of Satan using money to disrupt the body of Christ and bring these people's cases before non-Christians, who would determine if their claims had any legal merit.

The question of lawsuits comes up frequently in our business seminars, particularly in a recession, when a lot of people don't pay their bills. Obviously, this is a question that can be answered only in the light of God's Word.

Personal loss

Many lawsuits are initiated because of personal losses, suffered due to the negligence or deceit of another.

A common example is defective merchandise. Most department stores have a return policy that helps avoid such conflicts, but what about those that do not? Do you have the right, as a Christian, to pursue such matters in the secular courts? Since a corporation is a legal entity, established to pro-

tect the owners, I can find no scriptural basis for not bringing suit against one for legitimate losses.

A corporation is a court-established entity that has no humanity and, thus, may be compelled by law to accept its legal responsibilities.

This is particularly evident in the case of an insurance company. The purpose of an insurance company is to provide financial remedy for losses; and recourse for inequitable settlement rests in the law.

In reality, the company has contractually bound itself to compensating a liability of a client.

God may convict someone to give up the right to sue for several reasons, not the least of which is to have a witness in the lives of the principals involved. Also, God wants us to learn the principle of giving up our rights.

This certainly does not imply that God cannot or will not change the actions of corporate officers, only that a corporation has no personal rights in scriptural terms.

But this doesn't mean that Christians should sue corporations. God may convict someone to give up the right to sue for several reasons, not the least of which is to have a witness in the lives of the principals involved. Also, God wants us to learn the principle of giving up our rights.

The guideline in regard to a suit against a corporation has to be twofold: motive and personal conviction. We must be certain about both; and if we have any doubt, we should stop.

Personal lawsuits

What are our rights and options when we have a legitimate case against another individual for a loss? First, let's address the best defined situation: one Christian against another. The principle covering this situa-

tion is found in 1 Corinthians 6. We are directed to take our case before true believers when another Christian is involved. "Does any one of you, when he has a case against his neighbor, dare to go to law before the unrighteous, and not before the saints?" (1 Corinthians 6:1).

So, how should Christians settle disputes? The procedure is outlined in Matthew 18. First, we should go alone to the person who has wronged us, then with a witness, if necessary. Ultimately we are to take the offender before the church. The purpose in every instance is for restoration in the faith, not collection.

This procedure, if taken seriously, would certainly serve as a testimony to the unsaved. All too often, however, the witness is a negative one—first, because Christians ignore the admonition not to sue one another and, second, because the unsaved see our motives as self-centered.

It clearly is a matter of giving up rights, which is something we would rather not do. "Actually, then, it is already a defeat for you, that you have lawsuits with one another. Why not rather be wronged? Why not rather be defrauded?" (1 Corinthians 6:7).

I would like to be able to tell you that by giving up your right to sue God will intervene to recover the material assets lost, but no such promise is made in His Word.

He may choose to do so, but He also may choose not to do so. "And someone in the crowd said to Him, 'Teacher, tell my brother to divide the family inheritance with me.' But He said to him, 'Man, who appointed Me a judge or arbiter over you?'" (Luke 12:13-14).

Suing nonbelievers

Since the direct implications of 1 Corinthians 6 are of believers suing each other, what about believers suing nonbelievers? There are no direct references to suing a nonbeliever, but there are some very revealing indirect references.

It is important to bear in mind that God's Word deals much more with our attitudes than with our actions. When a Christian has the attitude toward others that God requires, that Christian's actions toward others will change. "Bearing with one another, and forgiving each other, whoever has a complaint against anyone; just as the Lord forgave you, so also should you" (Colossians 3:13).

Above all, God's Word teaches us to surrender our rights, even to the unbeliever. This means to put others first, even when they are wrong. "Whoever hits you on the cheek, offer him the other also; and whoever takes away your coat, do not withhold your shirt from

Continued on Page 6

What is bankruptcy about?



Editor's note: This is the first in a two-part series on bankruptcy.

By William C. Stallions

Frequently at Turnaround Ministries we receive calls from Christian business owners with financial problems who ask about bankruptcy.

In 1988 there were 549,612 personal bankruptcies in our country. By 1998, ten years later, there were 1,398,182 personal bankruptcies in America and another 44,367 business bankruptcies, wiping out about \$40 billion in debt.

Studies performed by supporters, opponents, and impartial observers of bankruptcy reform estimate that higher-income individuals who possess the means to repay wrote off about \$3 billion.

Assuming this trend continues, we can realistically expect to see *two million* bankruptcies each year by the year 2008. The economic consequences of this are frightening.

But even now, chances are you probably know someone who has suffered through the difficulties of bankruptcy.

WHAT IS BANKRUPTCY?

Bankruptcy is a set of Federal laws that allow you to either restructure your debts or to discharge certain debts, depending on which chapter of bankruptcy you choose.

Chapter 7 is designed for individuals and businesses in financial difficulties that do not have the ability to pay their existing debts.

Chapter 13 is designed for individuals with regular income who are temporarily unable to pay their debts but would like to pay them in installments over a period of time.

Chapter 11 is designed primarily for the reorganization of a business but is also available to consumer debtors.

CAN ANYONE FILE BANKRUPTCY?

Most of the time the answer is yes. Only a person or corporation that has a domicile, a place of business, or property in the United States may be a debtor in bankruptcy.

Chapter 7 is available to any individual and most businesses.

Chapter 13 is available to only individuals with unsecured debts less than \$250,000 and secured debts less than \$750,000.

Chapter 11 is available to individuals and businesses, except a stockbroker or a commodity broker.

SHOULD I BE CONSIDERING BANKRUPTCY?

There are probably as many reasons given for filing bankruptcy as there are people who file.

Whether bankruptcy is appropriate for you is a personal decision based on your individual circumstances.

The following list is not exhaustive, but it will give you an idea of whether your financial problems are severe enough to consult an attorney about bankruptcy.

- You have become the defendant in a lawsuit to which you have no defense and cannot pay the judgment if entered.
- Your outstanding credit card balances equal or exceed your annual salary.
- Credit card companies are calling you at home and/or at work because you are consistently missing your monthly payments.
- You are taking cash advances from one credit card to make payments on another credit card.

IS BANKRUPTCY ALWAYS THE ANSWER?

Bankruptcy protection is not for everyone. In order to receive the benefit of bankruptcy protection, you must be willing to have your personal financial life examined by a stranger in a public forum.

Some individuals are too embarrassed about their financial conditions to be able to openly discuss their problems. Others are too secretive and want to withhold information that may be necessary for the proper administration of their cases.

Individuals in the first group can be helped to overcome the embarrassment and get the assistance they need to receive bankruptcy protection. Those in the second group may find that their secretive ways will cause more problems than are necessary.

Following is a list of individuals who may not want to file bankruptcy. This list includes individuals with

- assets (exceeding allowable exemptions) that they have not liquidated to pay creditors;
- debts resulting from a personal injury judgment that occurred while they were intoxicated;
- debts primarily consisting of tax liabilities that have been assessed within the past three years;
- debts primarily consisting of student loans;

- debts that primarily are secured, unless they are willing to surrender the collateral; or

- debts resulting from a divorce property settlement, alimony, or child support.

Also on this list are individuals who

- expect to inherit money or property within the next six months; or
- misrepresented their income or financial condition when applying for credit.

IS BANKRUPTCY UNSCRIPTURAL?

This is not a simple question to answer. God's Word clearly says that believers should be responsible for their promises and repay what they owe (Ecclesiastes 5:4-5).

Does that mean that in the interim you should not take the legal remedy of court protection until you have the ability to repay every debt? Often that will be an individual decision. But repaying every debt is a biblical requirement, and Christians must be willing to accept this requirement.

Next, the issue of motive must be addressed. Is the action being taken to protect the legitimate rights of creditors? The answer to this question can be found in whether or not assets are purposely withheld from the creditors.

For example, many times when someone files for corporate or personal bankruptcy protection, assets have been transferred to the spouse or other family members.

So, if the intent is merely to protect the assets of the debtor, without due consideration of the creditors, the action is unscriptural. It would be better to suffer the loss of all assets than to lose your integrity (Proverbs 3:27-28).

Bankruptcy is a serious matter and, at best, both sides lose. The creditors lose much of the money they are owed, and the debtors lose some of the respect they previously had.

There is still a stigma associated with any bankruptcy, and it will remain until the last creditor is repaid. However, individuals who have filed bankruptcy can turn an otherwise negative situation into a positive one by making a commitment to repay what is legitimately owed. Then, they should look to God to provide the means to fulfill that commitment. Ω

William C. Stallions is vice president of ministry development for Turnaround Ministries, which operates from CFC's headquarters in Gainesville, Georgia. Turnaround Ministries is the sponsor of the Turnaround Weekend, which helps couples deal with the emotional and spiritual challenges of business bankruptcies.

Getting Debt-Free

We begin our journey toward financial peace of mind by making it a priority to pay off those credit cards, car loans, student loans, and other short-term debts. Accelerating the payments on your mortgage, if any, should also be your goal—albeit a longer-term one. While you're working on this, don't neglect reading the Level Three and Four columns which will help prepare you for the investment decisions that lie ahead.

"The rich rules over the poor, and the borrower becomes the lender's slave." Proverbs 22:7

Mission Statement: The intent of this column is to provide motivation for you to make the sacrifices necessary to get debt-free, to educate you concerning mortgage and consumer debt, and to provide strategies which help you reduce your living expenses.

ORGANIZING YOUR CASH FLOW TO METHODICALLY REDUCE YOUR DEBT by Dave Ramsey

We are getting deep into consumer debt! The typical credit cardholder carries seven cards, and the average per card balance is about \$1,642 per card. Seventy percent of cardholders carry a balance with an average percentage rate of 18.1%; almost three-fourths of cards have variable interest rates, which means the compounding on your debt goes up faster when rates rise as they have in recent months. Even if you do pay your balance off each month, you buy more when using credit cards. For example, studies have shown that the typical grocery purchase almost doubles when the shopper uses plastic.

You say, "Okay, you win. I want out of debt and I want to stay out, but how do I do that?" There are two things you can do. The first method took years of

research and many hours of development to get the concept in place. This highly sophisticated concept is top secret and is usually reserved for very special situations only. This first method to get out of debt is this: *quit borrowing more money*. Our problem is not getting out of debt; it is not going further into debt. You can't get out of a hole by digging out the bottom.

The second way out involves accelerating the process. I first learned this technique through Larry Burkett's Christian Financial Concepts, but it is taught

by many counselors concerned with debt reduction. We call this the "debt snowball." To see how it works, look at Table A and a list of possible debts for a fictitious couple, Joe and Sue.

The first step in this strategy is to put the debts in ascending order with the smallest balance first and the largest last. Do this regardless of interest rate or payment. You will pay the debts off in this new order. I have read and found in actual experience that this works because

you get to see some success quickly and are not trying to pay off the largest balance just because it has a high rate of interest. So our new order of attack will look like Table B.

Pretend you're Joe, and I'll show you how this strategy works. To jumpstart your strategy, you decide to work some overtime this month or perhaps Sue has a garage sale. This helps you pay off the gas card in the first month.

Next, *do not* spend the \$60 per month you used to pay on the gas card; instead add \$60 to the next payment on the list. You are then paying MasterCard \$130 per month until paid. That will pay off in the seventh month.

Then you add \$130 to the \$200 Visa payment so that you are paying \$330. Because you have already been paying on Visa for seven months, it will pay off in the eighth month (the next month).

So, you then add \$330 to your car payment of \$250, making your car payment \$580. That will cause the car to be

paid off in seventeen more months, only twenty-five months into our program. The happy ending of your story is that everything in our example (and yours will vary) is paid off in thirty-two months except the house.

Now you have \$1,243 per month to pay on the house, and it will be paid for in five more years. As an alternative, you could save \$275 per month of the \$1,243 to purchase a car with cash. When you pay the remaining \$968, the house will pay off in just seven years, while the \$275 per month saved will grow to \$11,490 in just three years at 10 percent for your cash car purchase.

The "debt snowball" is a great method my wife and I have personally used to work through a very large debt. First, we learned we had to stop borrowing. Second, we applied every extra penny we had that month to a certain bill. Yes, it was hard, but what a reward it was to watch debt after debt disappear. We started to feel in control. I encourage you to try this method. When your goal of becoming debt-free has been accomplished, you will begin to experience financial peace.

Dealing with your debt can be mentally fatiguing, but if you listen for His voice, when you hear it you will turn and see your heavenly Father's arms open wide for a hug, and He will lift your spirits. Jeremiah 29:11 says, "For I know the thoughts I think toward you, says the Lord, thoughts of peace and not of evil, to give you a future and a hope." Place your hope there and you will not be disappointed. ♦

From *Financial Peace* by Dave Ramsey. Copyright 1992, 1995 by Lampo Press. Reprinted by arrangement with Viking Penguin, a division of Penguin Putnam. To order the book, call 1-800-253-6476 or visit SMI's online bookstore.¹ In addition to writing and giving seminars, Dave hosts the nationally syndicated talk show "The Money Game" which deals in financial matters.

Table A

Debt Item	Balance Due	Monthly Payment	Interest Rate
Visa	\$ 1,200	\$ 200	18%
Student Loan	7,000	123	9%
Car Loan	6,500	250	12%
MasterCard	700	70	18%
Gas Card	400	60	15%
House	60,000	540	9%

Table B

Debt Item	Balance Due	Monthly Payment	Interest Rate
Gas Card	\$ 400	\$ 60	15%
MasterCard	700	70	18%
Visa	1,200	200	18%
Car Loan	6,500	250	12%
Student Loan	7,000	123	9%
House	60,000	540	9%

LEARN NOT TO SPEND

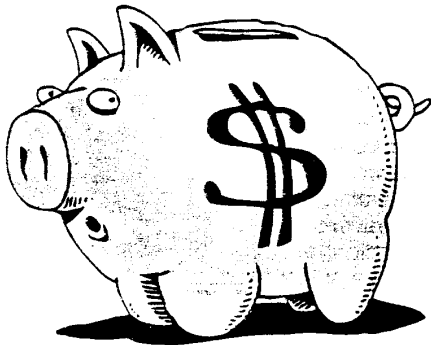
If money worries take up lots of your time, there's something you can do to improve the situation in the future. Learn not to spend. It's a simple concept, but one that must be applied since continuing to spend just puts you deeper in the hole.

Consider this: Lots of people who have become wealthy became so because they're disciplined with their money. They don't buy new cars or expensive clothes. They're careful not to buy things on impulse. They make saving a priority over frivolous purchases. They limit credit purchases. These are simple concepts, but they take discipline to adhere to.

If you can curtail your spending, you may not become wealthy, but you can aim at being debt-free. Would that be a lot less stressful than the way you live now?

To help you learn to be more careful with money, answer these questions before your fork over your credit card or some hard-earned cash.

- § Do I really need this?
- § Can I do without it?
- § How will I pay for it?
- § What benefit will I get from this purchase?
- § How long will the benefit last?
- § If I do buy this, will I regret it?
- § Would I rather continue spending money this way, or would I like to be debt-free someday?
- § Would it be smarter to put this money toward another purchase?
- § Do I have any place to store this item? ▼



Taking the Sting Out of Your Tax Bite



No one really wants to figure income taxes. But are you making them more stressful than they have to be? Putting them off, doing a careless, incomplete job or arguing that taxes are too high doesn't get the job done. In fact, these approaches probably make you feel more pressure as April 15 draws closer.

Maybe it's best just to do what it takes to put your taxes behind you. Try these suggestions to make April 15 a bit more relaxing.

- ▲ **Don't wait until the last minute.** What does it prove to mail your return just before midnight on April 15? Whether you prepare your taxes yourself or hire an accountant, waiting until near the deadline will only put you in a frenzy.
- ▲ **Consider hiring someone to do the job.** If you don't have time, if you're not good at detail work or if you just find the job too distasteful, ease your stress by paying someone to do it right. Make contact early.

▲ **Organize your papers.** Look over last year's tax return to figure out what information you need for this year's. Especially if someone else is doing your taxes, stuffing jumbled papers into a box just won't do. Organized papers will save you money if you use a tax preparer and make the job easier if you do it yourself.

▲ **Call the IRS as soon as possible if you have questions, or try to get answers elsewhere.** It's almost impossible to reach the IRS during tax time. Post offices and other public places may have free IRS publications available that will answer your questions. Or call a tax preparer and offer to pay for the information. You can also check the IRS site for information and forms on the Internet: <http://www.irs.treas.gov/prod/cover.html>. ▼

Home Improvement Help

You've dreamed of adding on a den for years. Or maybe you just want to get a few "handy man" jobs done around the house. How can you find a reliable contractor who'll do a good job? Doing so takes a little effort, but shopping around is worth it — especially for big projects. Here's how to hire a pro.

1. **Plan the job in detail ahead of time.** Contractors must know exactly what they're expected to do in order to give realistic bids.
2. **Ask friends, family, co-workers or a reputable building supply store for referrals.**
3. **Verify information about the contractors who bid your job.** Suggested questions: Are you insured? Have you been sued? Are you licensed and bonded? How long will this job take? Are you busy with other jobs? When will

you finish my job? Can you give me references? Where can I see some of your work in progress?

4. **Consult the Better Business Bureau about anyone you're considering hiring.**
5. **Make a written contract that spells out what will be done, what materials will be used and who will pay for what.** You also can include a completion date.
6. **Don't make verbal changes in the project.** Make them part of the written contract.
7. **Never pay in advance.** When possible, pay by credit card since one protects your consumer rights better. Always hold back some funds until the job is completed.
8. **Hire a professional inspector before you make the final payment.** ▼

Taming the gift-giving monster

Crow

By Jill Bond

The hurry and blurry and overwhelming flurry of dashing and shopping and spending and worrying... does that sound like December to you? As much as we don't want to lose the significance of this season, the black hole of

Around the Home



gift giving can drain us of our joy.

What can we do to meet our obligations, be gracious, creative, and caring, and still be able to buy groceries in January?

First, pray. I know that is my answer to everything, but I give this answer because it works. Pray about what God wants you to do. Some of His answers might surprise you, and if your gift list is long, be thankful that He has brought so many dear people into your life.

Here are 10 ideas that have given me peace about gift giving.

1. Give no gift at all. Somehow we have been programmed to believe that we have to give a gift to every person we know. Are you giving these gifts out of a sincere heart, out of obligation, out of guilt, or out of a desire to impress? If you can't answer, "A sincere heart," then just send a card with a nice note. Also consider the recipients of your gifts. If you don't give *them* something, you spare them the task of buying *you* something.

2. Give a simple gift. Sometimes we practice "one-upmanship" in gift giving. We want

our gift to someone to be better than what we gave them last year or better than what they gave us. Instead, downscale the gift. This was hard for me because I wanted to prove that I could afford gifts as nice as those given by other people.

3. Give an "it-costs-me-something" gift. Only give a gift that costs *you* something. Rarely does this type of gift involve money. Give a coupon good for baby-sitting or a homemade dinner. Give a letter every month. Invest in prayer to learn of something recipients really want, a desire they have only shared with God. Then, allow Him to bless them through you.

4. Give one of them a gift. This works well with large families. Instead of having to give a gift to each sibling, aunt, uncle, cousin, niece, and nephew, draw names. Instead of having to give 33 gifts, you only give one.

5. Give them something that they don't have to dust. Do you want one more knick-knack that you'll have to place somewhere? If not, what makes you think they do? Instead, give a gift certificate to a restaurant, the post office (everyone needs stamps), or their favorite hobby store.

6. Give them something that isn't wearable. Clothes are very personal, so let them pick their own. And parents, clothing is one of the responsibilities we have, along with food and shelter. A gift is something special, not something we should be doing anyway.

7. Give them something to express love, not impress them with how thoughtful you are. Instead of considering how thankful they will be to receive *your* gift, focus on *them*. Give them something they want, not something you want them to have.

8. Give them the gift and then walk away. I know people who can recite every

gift they have ever given anyone. When they spot one of their gifts in someone's home, they like to point it out. One of the nicest gifts I ever received was a note included with a present. It told me not to worry about sending a thank-you note. I was a brand new mother, and this giver knew I already had my hands full.

9. Give money. This may seem like the easy way out, but having been on the receiving end, I can say that money is a wonderful gift. We began setting and stating some goals and asking for money to meet those goals. One year we used the pooled gifts of relatives to buy a VCR.

10. Give gifts all year long. Rather than making our children wait for just one day of special treats, we give them gifts all year long. Then, for those holy days, we concentrate on our Savior, not on wrapping paper and lost batteries.

Whatever God lays on your heart to do this year, obey Him. Don't let pressure from the world trap you into spending more than you can afford just to impress people. Don't teach your children that love is the sum of how many boxes are under the tree. Instead, teach them by example and involve them in Christmas planning, budgeting, and gift making.

Afterward, you can relax, put up your feet, and sip some hot cider. Then, as you hum "Silent Night," you can pick off the sticky tape remains from your slippers, knowing you targeted and bagged the gift monster for one more year. Ω



Jill Bond and her husband Alan have four children. She is a part-time writer and speaker, a stay-at-home mom, and a homeschooler. Jill's book *Dinner's in the Freezer!* is available through CFC by calling 1-800-722-1976. Other articles Jill has written are posted on the Bonds' Web site (www.bondingplace.com).



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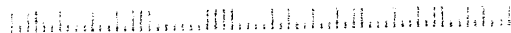
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If you're familiar with the wealth of Christian resources available on the Internet, you may know that CFC offers its newsletter and other teaching materials at the crosswalk.com site. However, you may not know that crosswalk.com has a "Money Market" online store where you can buy CFC products. The store is located within the Money Channel at www.crosswalk.com.

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Staying home requires tough choices

By Jill Savage

Sixteen years ago I became a mother. Fourteen years ago I found myself committed to the profession of motherhood. I've often had people comment that they sure do wish they had the luxury of staying home with their children. A

Around the Home

luxury? We could never describe my commitment to be home a luxury.

Does it take two incomes for a family to survive today? We hear if you want to give your kids what they need you will have to have two incomes. Are you aware that over 7.7 million families in the United States live on one income?

For many of these families it is not a luxury, but a sacrifice they are willing to make. The husband is not making more than an average salary and they are living in average homes.

Bottom line, most of these families are living with less than what we are made to believe we need to be happy.

Bill Flick, a newspaper columnist, questions the concept of the "high cost of living." He says it's more like "the high cost of the way we choose to live."

The concept of "keeping up with the Joneses" affects us whether we realize it or not. We believe we need certain things for the basic existence of daily life.

My husband and I have been trying to think through our purchases with this in mind. We ask ourselves, "Do we really need this or do we want it?" One area in which we have cut costs is cable television. Yes, you can get TV reception without cable—even in some rural areas! We're living proof of that.

We haven't had cable television for 14 years. Our children have not been hurt by the absence of cable in our home. Are there times we wish we had cable? Yes, there are. Can we afford it? No, it doesn't fit into our budget. So we use an antenna and watch the basic network channels (when the reception is good!).

It is possible to live on one income in today's society. But it takes some willingness to practice delayed gratification. Delaying some of the things we

would like to have now in exchange for doing something we need to do now is what it is all about.

As much as I'd like to have a new car (for once in my life!) or new furniture in just one room of our home, I choose to forgo those things in exchange for being able to be home with my children. It's a concept that we don't hear much about today, but it's one we can learn to embrace.

By practicing delayed gratification we are on our way to living without regrets, making choices now about things we will reflect upon in the future.

It can be a challenge to live on one income, but it is not as impossible as the media want us to believe.

At the same time, there are certainly some circumstances in which there is no choice.

Single mothers and families with extenuating financial struggles face very real challenges.

But we do need to ask ourselves—is it really about the high cost of living or the high cost of the way we choose to live?

What are some ways we can choose to live with less?

- Cancel the cable television.
- Eat out less.
- When eating out, share meals.

(Make sure to tip the estimated percentage of two purchased meals!)

Plan meals and shop less often. With the exception of running to the store for bread and milk, I shop only once a month. This keeps temptation at a minimum.

Give homemade gifts rather than purchased gifts. (Fresh baked goods are always a hit!)

Make dates with your spouse simple: a walk in the park, a drive in the country, a bike ride to the ice cream shop to share a root beer float—complete with two straws!

Let the creative juices flow! You can begin to live with less. As you learn to enjoy the simplicities of life, you will find that your stress will decrease and your contentment will increase!



This article was adapted from Jill Savage's book *Professionalizing Motherhood* (© 2001, Zondervan Publishing). Jill is the founder of Hearts at Home (www.hearts-at-home.org) in Normal, Illinois.



MASTER

Financial Parenting™

More teachable moments

Last month we focused on teachable moments with our kids in three of the seven areas we're responsible for as stewards. This month, we'll look at teachable moments in the remaining four areas.

What you choose

When your children do something without being asked or work hard on a school project, praise them. Also reward them by doing something fun together. Remember: success isn't the issue, it is the desire to do what's right.

What you do with your time

When your kids find it difficult to prioritize activities and get their homework or chores done, or when play seems to be taking priority over homework, talk to them about strategies they can use to manage their time wisely. Help them create systems to make caring for things consistent and easy. For example, they could make a time schedule, a priority list, or a completed job checklist for chores or homework.

What you own

When your kids receive a new pet or a new item, show them how to care for their new gift. Explain that the more responsibility they display with this item, the more freedom, trust, and responsibility you will be able to give them with other things in the future.

What you are able to do

Let your kids try new activities to help them explore their talents and abilities. Help them understand that not everything can be mastered overnight. Are your kids taking on the responsibility of a hobby or playing a musical instrument? Encourage them to pray for motivation and support during low times and to have faith that God will use their successes and victories to reveal His plan for their lives.

Editor's note: This article was excerpted from the book *Your Child and Money*, adapted from materials by Larry Burkett, with Rick Osborne and Marnie Wooding. Rick is president of Lightwave Publishing and Lightwave Kids Club and is an associate writer and spokesperson for Money Matters for Kids. He lives in British Columbia with his wife and three children.

Investing for Eternity

A wise man breaks the grip of materialism—and stores up treasures that last forever.

By Randy Alcorn

If you have enough food, decent clothes, live in a home that shields you from the weather and own some kind of reliable transportation, you are in the top 15 percent of the world's wealthy. Add some savings, a hobby like hunting or fishing that requires equipment, two cars (in any condition), a variety of clothing and your own house, and you have reached the top 5 percent.

You may not feel wealthy. But that's because you're comparing yourself with someone who owns even more.

To get a better handle on reality, consider that more than 1.1 billion people in the world live on less than the equivalent of one U.S. dollar per day. About 500 million people are hungry and another 500 million are so poor they don't get enough food to be fully productive.

Every day nearly 75,000 people, most of them children, die because of dirty drinking water, disease or malnutrition.

Much of the world lives with an even worse shortage: the good news that Jesus died for our sins and is the way to eternal life. Ninety-five percent of these unreached groups live in an area from West Africa to China known as the 10/40 Window. Of these 3.1 billion people, two-thirds have never heard of Jesus, at least not as Savior. (85 percent of the world's poorest also live in this region.)

I don't share these statistics to heap guilt on you or because I advocate taking a vow of poverty. But when it comes to investments, too few Christians consider the importance of investing in eternity.

In 1989 I wrote a book called *Money, Possessions, and Eternity* (Tyndale), in which I discussed the need to think far beyond the 20, 30 or 40 years to our retirement. Each of us needs to ask ourself what we are doing with our money that will make a difference a million years from now.

Loosening the grip of materialism on our lives is a good reason to live more simply. There are a thousand ways to do this. We can buy used cars instead of new, choose a modest

home over an expensive one, shop at thrift stores and own a bicycle instead of a second car.

What's the point? Paul explained in Ephesians 4:28 that the reason for productive work was so we could "have something to share with those in need." When we earn more, we should use those resources to help others. God doesn't call us to increase our standard of living, but our standard of giving.

As Christians, we must always be concerned with spreading the gospel through missions work. But we also need relief and development agencies to provide food and medicine. You can't convert a man who is so hungry he can't sit up.

How can I be sure the money I give will be used wisely? If your church isn't doing anything to feed the hungry and reach the lost, be an advocate for starting an outreach. Just because you can't reach the world is no reason not to help one, two or ten. How do you feed a billion hungry people? One at a time.

There are also many missions, hunger relief organizations and evangelistic organizations that need help. Before giving to one, do your homework to make sure they will use your donations wisely. Pastors, missionaries and missions professors at colleges and seminaries are good sources for information about foreign ministries.

You also need to know that the ministry is Christ-centered and biblically sound, that its leaders have character and integrity, and that it maintains accountability for how it spends its funds.

Finally, don't forget the personal payoff for investing in eternity. In Matthew 6:20, Jesus says, "Lay up for yourselves treasures in heaven." If your treasures are on earth, each day you are moving away from them. If your treasures are in heaven, each day you are moving toward them.

He who spends his life moving away from his treasures has reason to despair. He who spends his life moving toward his treasures has reason to rejoice. **NIM**



"If your treasures are on earth, each day you are moving away from them. If your treasures are in heaven, each day you are moving toward them."

If you have a question on a financial subject, write to New Man, 600 Rinehart Road, Lake Mary, FL 32746, or send e-mail to newman@strang.com.

Randy Alcorn is the author of eight books and the founder of *Eternal Perspective Ministries* in Gresham, Oregon. Ken Walker, a free-lance writer in Louisville, Kentucky, assisted with this column.

Crown

YOUR MONEY

Lucy H. Hedrick

Savvy Ways to Save Your Hard-Earned Cash

YOU CAN REAP substantial financial rewards by saving on goods and services in the year ahead. And doing so is easier than you think.

"Knowing where to get information, asking the right questions and planning ahead can help you trim the excess out of your monthly budget," says Lucy H. Hedrick, author of *365 Ways to Save Money*.

Hedrick offers these 11 specific saving strategies.

HOME WORK

■ *Accelerate your mortgage payments.* Not paying interest on a 9% mortgage is as good as earning 9%. *For example:* If you have 20 years left to pay on a 30-year loan of \$100,000 and you add \$50 a month to your payments, you'll own your home two years earlier and save \$17,400 in interest. Ask your mortgage lender for instructions.

■ *Write a check for the points when closing on a new home.* The points you pay when you buy a house are fully tax deductible in the year you buy. But to qualify for the deduction, you must pay the points out of your own funds rather than add them to the mortgage loan.

■ *Examine your homeowner's insurance policy.* Your premium should go down if changing real-estate values have reduced your home's replacement cost.

TRACKING TRANSPORTATION

■ *Lower your automobile insurance by:* taking a defensive driving course; buying a car with air bags and/or anti-lock brakes; and purchasing a car alarm and other approved anti-theft devices.

■ *Get a deal on a new car by:* buying late in the model year; shop-

ping at the end of the month, when dealers try to reduce their inventory; and checking the manufacturer's



THE BOTTOM LINE:

▶ **You can hold on to more of your money by taking all the tax deductions to which you are entitled, not overpaying for your insurance and making wise investments.**

label on the driver's-side door post to see when a car was made. "You're in a better bargaining position if an automobile has been sitting on the lot for awhile," says Hedrick.

■ *Study the "early termination" provisions of any car lease you're*

considering. "Monthly lease payments are almost always less than monthly loan installments for the same car," Hedrick says. "But if you want to get out of the lease early, you'll pay dearly and have no car to take with you."

INVESTMENT CARE

■ *Make informed investment decisions by remembering the "72 rule":* Seventy-two divided by an investment product's yield equals the number of years it will take to double your money (assuming the income is reinvested). *For example:* If you buy municipal bonds yielding 8%, you'll double your investment in 9 years (72 divided by 8).

■ *Ask for a "trustee-to-trustee" rollover when moving a tax-deferred account.* Even if you immediately open another account with a check written to you, the check issuer must withhold 20% in federal tax, which you can't recover until you file your tax return.

GENERAL SAVINGS

■ *Deduct your "miscellaneous itemized deductions."* These can include union dues, tax-preparation fees, broker's fees, investment-magazine subscriptions, transportation costs related to your investments, seminar and convention fees and other expenses. But these deductions are allowed only to the extent they exceed 2% of your adjusted gross income.

■ *Give power of attorney to your spouse, adult child, other family member or friend.* Otherwise, if you become ill or incapacitated and can't make decisions for yourself, someone must go to court to have a conservator appointed, incurring court costs and attorney's fees.

■ *Use your savings to pay off debts.* You're losing 15% a year if you have a savings account earning 4% interest and a credit card costing 19%. "It's better to use your savings to pay off debt," Hedrick says. "Then make monthly payments into your savings account instead of to the credit-card company."

Barbara Floria spoke with Lucy H. Hedrick, author of *365 Ways to Save Money*. Hearst, 1994, \$10.

Vital Wisdom: It is not true that nice guys finish last. Nice guys are winners before the game ever starts. Addison Walker

STEWARDSHIP

Trusting

by Erwin W. Lutzer



This article is part of an in-depth series on vital aspects of living and growing in Christ. This month we present the second of three articles on stewardship: "Why should I be a steward?" We trust that these articles will help you to move toward maturity in your walk with God.—ED.

Erwin W. Lutzer is senior pastor of The Moody Memorial Church, in Chicago, Illinois. He is the author of many articles and books, including "The Serpent of Paradise" and "How You Can Be Sure That You Will Spend Eternity With God." He and his wife, Rebecca, have three grown children and make their home in Park Ridge. ©1997 Billy Graham Evangelistic Association.

MOVING TOWARD
MATURITY IN CHRIST
Hebrews 12:1

left to give generously; someday when all of our expenses were paid, we would become good stewards.

The joy of taking risks for Christ developed later in our lives. As we began to give consistently, we discovered that we could trust God. He helped us spend less for our living expenses; at other times we received money unexpectedly. Even apart from such answers to prayer, we noticed that when we were generous and gave "as God has prospered us,"¹ God stretched our faith.

Lessons From a Parable

I have often pondered the parable Christ told about a nobleman who called his servants and gave each of them some money and then left on his journey. One was given five talents, another two and the third just one. Two of the servants seized the opportunity, "Immediately the one who had received the five talents went and traded with them, and gained five more talents. In the same manner the one who had received the two talents gained two more."²

**"God gives out talents
as it pleases him.
If we are discontented
with our talent,
we are discontented
with God"**

When the master returned, he called his servants to give an account of his money. When the five-talent servant presented him with ten talents, the master said, "Well done, good and faithful slave; you were faithful with a few things, I will put you in charge of many things, enter into

There is a story about a man who was trudging through a blistering desert. He was faint with thirst, and to his delight he came across a well with a pump. Next to the pump sat a small jug of water with a sign: "Please use this water to prime the pump. The well is deep so you will have enough water for yourself and your containers. Please fill the jug for the next traveler."

Should the man play it safe and drink the jug of water, assured that his parched lips would at least get some relief? Or should he take the risk of pouring the water down the pump in hopes of getting all that he would need?

Early in our marriage my wife and I often played it safe, using almost all of our income for living expenses. We reasoned that we did not have enough money

the joy of your master."³ The servant whose two talents were now four talents, heard the same kind words.

The third servant had hidden his money in the ground, where no thief could find it. Perhaps he thought that he should be rewarded for his prudence, but he must not have been prepared for the response that awaited him: "You wicked, lazy slave, you knew that I reap where I did not sow, and gather where I scattered no seed. Then you ought to have put my money in the bank, and on my arrival I would have received my money back with interest."⁴

Then he added, "Therefore take away the talent from him, and give it to the one who has the ten talents. For to everyone who has shall more be given, and he shall have an abundance; but from the one who does not have, even what he does have shall be taken away."⁵

Wicked! Lazy!

The master's words stung. What had this servant done to receive such harsh condemnation?

Apparently feeling inferior because he had compared himself to those who had more than he, the third servant had in effect said, "If I can't have five talents, I won't use the one I do have!" The sin of comparison has crippled many a servant: "Who regards you as superior? And what do you have that you did not receive? But if you did receive it, why do you boast as if you had not received it?"⁶ God gives out talents as it pleases him. If we are discontented with our talent, we are discontented with God.

The servant also feared failure, and had no motivation to overcome his fears. This was not just pessimism about the economy; he had made a willful decision to choose the easy path.

What did this timid man lose? He lost much more than the extra talent that he should have made for his master—he lost ev-

erything that really mattered. Not only did he lose his master's approval, but he was publicly exposed as an insult to his master. This one-talent servant lost the opportunity to have greater responsibilities. He would not have so much as a single city over which to rule in the coming kingdom. In fact, he was thrown into "outer darkness."⁷



Erwin W. Lutzer

Why Should We Be Good Stewards?

Just as investment firms give detailed reports to their clients, so we will give an account to God for what we did with what he has given us.

The master said to bystanders, "Take away the talent from him, and give it to the one who has the ten talents."⁸ No investment is protected unless it is made in dependence on God who alone can give it permanence. Even the money that we use for clothes, groceries and rent belongs to God. We need to ask for his blessing and guidance, and find out what God's priorities are for our resources.

To say that we have shown no loss with what God has given us isn't enough; we also need to show a profit. We need to believe that our generosity is precious to him and that he rewards those who take risks to increase their eternal gain.

We can witness to the Good

News with our friends and our relatives. Giving to our churches, evangelistic outreaches and missionaries helps us to share in God's work in the lives of many people whom we will never meet. In giving our time to a single mother, or in visiting a child who is ill, and in many other ways, we can take our talents and multiply them so that we will have something to present to Christ.

Notice how just the master was with his servants. He did not expect the two-talent man to earn as much as the one who had five talents. If the one-talent man had simply doubled his amount as the others had, he too would have heard the master say, "Well done!"

God will judge us fairly and generously. We have neither equal ability nor equal opportunity, but we do have the potential of equal commendation by Christ, "Well done, good and faithful slave."⁹

I like to think that in the bank of heaven, God takes what we give him and multiplies it. If we are willing to unwrap our "talent," take a risk and give to him, we will see the results of our investment.

When God calls us to be stewards, it is not a call to take from us but to enrich us. It is a call to invest rather than to spend, to trust rather than to hoard. We can pour the water down the pump, confident that we will receive in return a bucketful. ☪

(1) Cf. 1 Corinthians 16:2. (2) Matthew 25:16-17, NASB. (3) Matthew 25:21, NASB. (4) Matthew 25:26-27, NASB. (5) Matthew 25:28-29, NASB. (6) 1 Corinthians 4:7, NASB. (7) Matthew 25:30, NASB. (8) Matthew 25:28, NASB. Bible verses marked NASB are taken by permission from the New American Standard Bible, ©1960, 1962, 1963, 1968, 1971, 1972, 1973, 1975, 1977 The Lockman Foundation, La Habra, California

NEXT MONTH:
"Stewardship—A Seamless Sense of the Presence," by Royce Gordon Gruenler.

Principles under Scrutiny

LARRY BURKETT

WHAT IS A MULTI-LEVEL SALES PROGRAM?

In reality, every product is sold via a multi-level system. The manufacturer marks it up and sells it to a retailer who marks it up again and sells it to a customer. This is a delivery system that has proven very effective over the centuries.

The multi-level plan we will discuss is different in two regards: First, the products are usually sold through part-time sales people who sell primarily to personal acquaintances and friends; and second, there are several levels of distributors, each making a percentage on the sales of those under his or her authority. In most programs, distributors are encouraged to recruit others to sell for them, thus expanding their sales volume and income.

Many multi-level companies have grown from no sales to billions in less than a year. Usually the end price is higher than a similar product in a retail store because of the mark-ups at the various levels of distribution. Consequently, the incentive to buy must be greater. This incentive is created in two ways: First, most sales are made by direct contact through referral (friends and family first). Second, the buyers of the product are recruited to sell it and thus make extra money themselves.

ASSETS AND LIABILITIES

In counseling Christians involved with many of these multi-level sales programs, I have found both assets and liabilities within them. Before looking at the scriptural principles relating to them, it would be helpful to look at some assets and liabilities. Part-time employment--

Most of these plans provide the opportunity for part-time income without working at an office. Thus, most are oriented toward wives and mothers who can work out of their homes. This lowers their overhead costs and, in general, allows them to choose their own hours. Small investment--A second asset is that most programs require very little capital investment to get started (usually under \$50).

The liabilities are generally related to priorities rather than products. Quite often, what started out to be a part-time job ends up as an all-consuming passion to sell more

products or recruit more prospects. After a while, everybody is viewed as a prospect, and every social activity as a sales platform. When a particular program is approaching its "zenith" in an area, Christians are stepping all over each other to recruit new sales people and move to the next level in "the company." A lot of otherwise well-meaning Christians have severely damaged their credibility and witness by becoming known as "Mr. and Mrs. Multi-level!" in their community.

WHY GET INVOLVED?

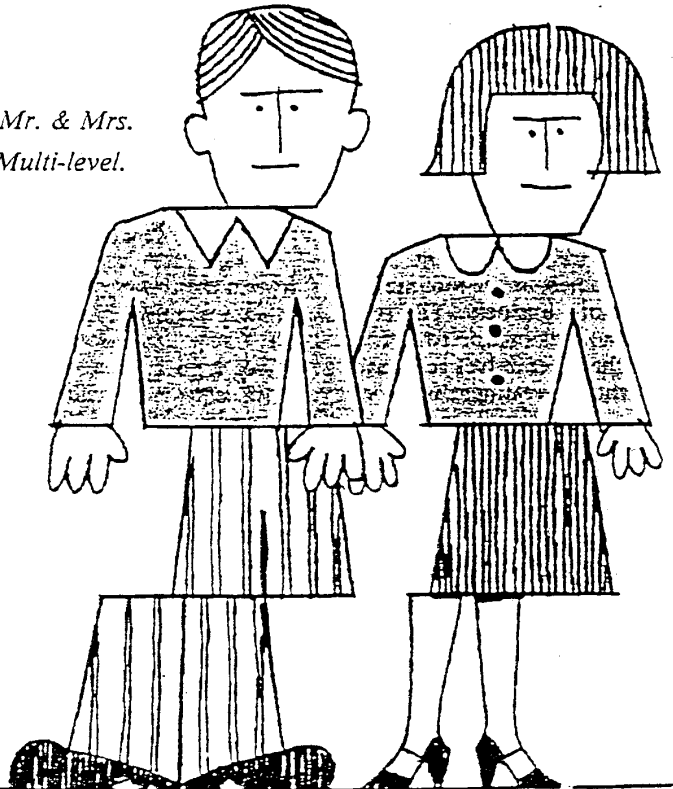
There are many reasons why a Christian would be attracted to a

MULTI-LEVEL MULTI-LEVEL MULTI-LEVEL

SALES PROGRAMS

The subject of multi-level sales is an emotional subject to many. There have been good and bad effects on the lives of people who engage in this fastest growing area of consumer sales.

Mr. & Mrs.
Multi-level.



multi-level program. Some are good and acceptable, while others are purely destructive. Perhaps the most destructive motive is the most common--get-rich-quick. Many multi-level plans (called pyramids) stage high-pitched emotional meetings that insinuate if you're content where you are (financially), you're lazy and have failed God. Interestingly enough, almost all such promotions are aimed at the Christian community and receive an acceptance there. Why?--Because many, if not most, Christians are trusting and gullible to anything with a spiritual ring to it.

Another reason many Christians get involved with these hyped-up programs is purely "fad." Christ described us pretty accurately as sheep, and a lot of people follow wherever somebody is leading. *"The naive believes everything, but the prudent man considers his steps"* (Proverbs 14:15).

Still others get involved with multi-level sales because of a need for money. My caution to these people is to always be patient in building a product sales organization. Be sure the product is not just a passing "fad," and be sure it's meeting a real need for the ultimate user. *"Prepare your work outside, and make it ready for yourself in the field; afterwards, then, build your house"* (Proverbs 24:27).

Lastly, many Christians get involved in multi-level programs out of a genuine desire to help other people. Several Christians I know check out various companies and products to screen out the deceptive ones. They stock products from the best and then help others who need more income by putting them into business. The real test of their motives can be found in the fact that they themselves refuse to profit from their investment in other people. *"The righteous is concerned for the rights of the poor, the wicked does not understand such concern"* (Proverbs 29:7).

THE TRUE TEST OF ATTITUDE

Before getting involved with any kind of public-oriented sales program, it's necessary for a Christian to test his or her "attitude" (motive). Then it's necessary to retest that attitude periodically to be sure that simple greed has not taken control.

Otherwise, everyone becomes a "prospect." If most Christians would approach evangelism with the same zeal with which they approach product sales, we would saturate our communities with God's Word.

Anytime Christians look upon others as a source of revenue rather than service, they are caught in Satan's most common trap--greed. *"Do nothing from selfishness or empty conceit, but with humility of mind let each of you regard one another as more important than himself"* (Philippians 2:3). Many young Christians who were hungry for fellowship have been hurt immeasurably by other Christians who deceptively asked them over for an evening, only to attempt to recruit them to sell their product line.

Even more devastating are those who use the church environment to prospect. They have violated a God-given trust. A couple I was counseling related that they visited a church in their community and were asked twice that day by members of the church if they used a particular company's products. They responded that they didn't, and shortly thereafter received three visits from members of the church to sign them up. Be assured that they sought out another fellowship immediately. *"A brother offended is harder to be won than a strong city..."* (Proverbs 18:19a).

Anything that we do, as Christians, must be approached with an attitude of service to others. This requires more than lip service where a Christian rationalizes constant prospecting by saying that it's ultimately for "their" good.

God wants us to be unusually astute in the things of God and innocent in the guiles of the world. The only way to consistently test our motives is to always consider others first. Every new recruit that a Christian acquires should be thoroughly apprised of the benefits and liabilities of direct product sales. Also, a Christian must adopt a nonaggressive sales attitude when there might be even the slightest motivation to prospect from a fellow believer. Since God really is the Creator of this universe, He knows what our needs and their needs are. If He can hang the stars in the sky, He can surely build an effective sales organization without any guile on our part. *"For we are not like many, peddling the word of God, but*

as from sincerity, but as from God, we speak in Christ in the sight of God" (II Corinthians 2:17).

KNOW GOD'S PLAN FOR YOU!

Selling products door-to-door or friend-to-friend is not for most people. It requires two basic ingredients in order to be successful (according to God's definition): first, service to God; and second, service to others. That's the same plan to be successful in any field. If someone is into multi-level sales just for the money (ego, pride, greed), then there will never be enough. *"He who loves money will not be satisfied with money, nor he who loves abundance with its income. This too is vanity"* (Ecclesiastes 5:10). A Christian must know God's individual plan for his or her life. Most Christians don't know what God's plan for them is and consequently get led into many schemes that disrupt their lives.

BE HONEST

In summary, I would say that the concept of multi-level direct sales is not wrong, but quite often its practices are

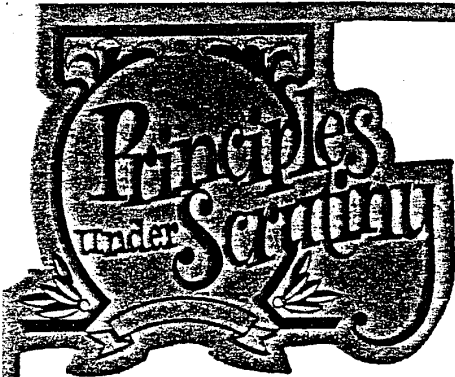
Anytime a Christian must trick another person into listening to a sales pitch while promising fellowship, it is wrong!

Anytime a Christian is more interested in selling a product than in ministering to someone else's needs, that person is in service to money and not to God!

Each believer must test his or her own attitudes before the Lord. One Christian can be involved in a multi-level sales program serving God and convincing others about Jesus Christ, while another is acting greedily and selfishly, storing up wrath for the day when even our attitudes will be revealed. *"Set your mind on the things above, not on the things that are on earth."* *"Do not lie to one another, since you laid aside the old self with its evil practices"* (Colossians 3:2,9).

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LARRY BURKETT

Avoiding "GET-RICH-QUICK"

It is amazing how susceptible Christians are to "get-rich-quick" schemes and how logical they seem at first. A friend of mine once shared how he had invested several thousand dollars in a "fool proof" plan to buy surplus goods and resell them. The promoter promised a 10% per month return. He also presented the names of several people who had been "investing."

After risking a small amount of money for a couple of months and promptly receiving the promised return, he then borrowed a large sum and invested it. The logic behind the loan was that he could borrow at 10% and earn over 100% a year. I'm sure you have already guessed the conclusion. The promoter had been bringing in more money to pay the interest to previous investors, and finally the circle got too big, and it collapsed, along with my friend's money.

Unfortunately, this is not a unique case. Every year, thousands of Christian families risk and lose money they cannot afford to lose seeking that "big deal." Can it be avoided?--Most certainly, but not on the basis of human wisdom. There has never been a "get-rich-quick" scheme that didn't sound terrific on the surface. The promoters are a great deal better at disguising the bad deals than most people are at detecting them. Also, what may be a business deal to one person is "get-rich-quick" to another.

How then can a Christian avoid all such schemes? The simple truth is he cannot, simply because we get emotionally caught up in our desires (or greed) and fail to yield control to God's wisdom. However, there is one source of wisdom that is not depen-

THIS FOOL PROOF STOCK
GETS YOU 100% INTEREST
EVERY
MONTH!



dent on our attitude--God's Word. Our decisions can be aligned with God's by first considering His written principles. "Trust in the Lord with all your heart, and do not lean on your own understanding" (Proverbs 3:5). I have listed a few of the basic principles dealing with how to avoid "get-rich-quick."

1. STICK WITH WHAT YOU KNOW. "By wisdom a house is built, and by understanding it is established" (Proverbs 24:3). A great part of wisdom is recognizing our limitations. Seldom will anyone be duped into a "get-rich-quick" scheme in his area of expertise. It would be very difficult to convince a chicken farmer that someone could "get rich quick" in the chicken business. Unfortunately, there have been many people who lost a great deal of money trying.

The vast majority of people who make money do so in the field in which they have the most training and experience. Those who lose it usually do so in an area they know little about.

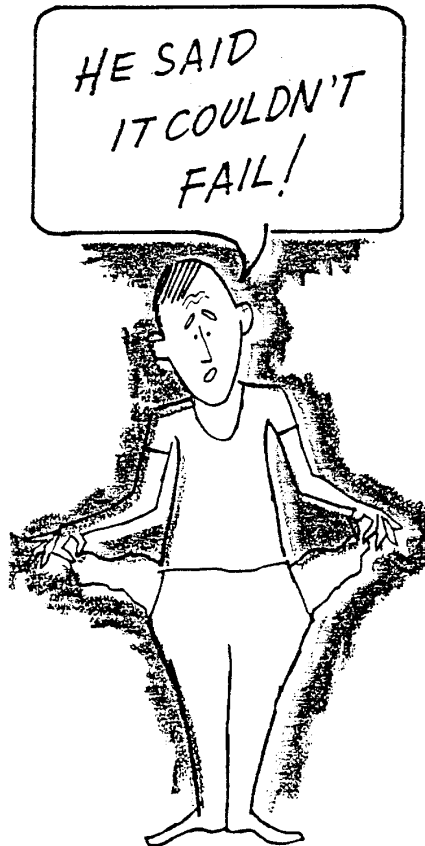
2. DON'T RISK BORROWED MONEY. "A prudent man sees evil and hides himself, the naive proceed and pay the penalty" (Proverbs 27:12). It's one thing to speculate with money you can afford to lose and quite another to lose money that literally belongs to another. The former is called speculation; the latter is surety. It doesn't necessarily mean that the investment should be paid in total, but it does mean that the down payment should not be borrowed.

However, the only time an investment should be financed (leveraged) is when there is adequate value to cover any liability, or when payments can be made from a known source of funds and are not dependent on the sale of the investment. Otherwise, you are presuming on an uncertain event. "Do not boast about tomorrow, for you do not know what a day may bring forth" (Proverbs 27:1).

3. BUY INVESTMENTS WITH UTILITY. "She considers a field and buys it, from her earnings she plants a vineyard." "She makes linen garments and sells them, and supplies belts to the tradesmen" (Proverbs 31:16, 24). Utility

simply means buying something of use to someone else.

Most "get-rich-quick" schemes deal with intangibles, or at least remote tangibles, such as oil wells, chicken farms, movies, motivational programs, etc.



4. DON'T MAKE QUICK DECISIONS. "The plans of the diligent lead surely to advantage, but everyone who is hasty comes surely to poverty" (Proverbs 21:5). The very essence of a "get-rich-quick" scheme is emotionalism. The promoter urges the potential buyer to act quickly before the opportunity is missed. The exact technique will vary, depending on the need. It may be pressure to become a "success," to avoid income taxes, or to "make it" for retirement. Above all else, a "get-rich-quick" scheme depends on convincing the prospect to buy without thinking about it too long. Once the money has changed hands, the promoter knows it's too late to back out.

The final ploy in closing is to develop an attitude of covetousness

by hinting that another prospect is waiting to snap up the deal. What is the best way to avoid this trap? "Rest in the Lord and wait patiently for Him; fret not yourself because of him who prospers in his way, because of the man who carries out wicked schemes" (Psalm 37:7).

5. SEEK GOOD COUNSEL. "The way of a fool is right in his own eyes, but a wise man is he who listens to counsel" (Proverbs 12:15). It is amazing how quickly someone who is not emotionally involved with a "get-rich-quick" scheme can spot its flaws. Good, objective Christian counsel should be a prerequisite to any major financial decision. That counsel is most objective when it comes from someone who has no profit motive involved.

Obviously, one of the best sources of counsel is a Christian spouse. It is astounding how many times I have observed that a wife comes to the right conclusion using the wrong facts. Most women are generally more conservative than men and can provide a balance. "House and wealth are an inheritance from fathers, but a prudent wife is from the Lord" (Proverbs 19:14).

SUMMARY

A "get-rich-quick" scheme is usually one that offers an excessive gain for the apparent risk. It usually involves an area about which you know little or nothing, requires a quick decision, and was recommended by a friend.

Satan will often provide one good deal before presenting the real loser. He knows if he can get a Christian defeated in one area, particularly finances, he will not be an effective witness.

To avoid these financial traps, you must establish your standards by God's Word: seek God's plan for your life, stick with what you know, seek good counsel, and wait on God's peace before acting. "It is the blessing of the Lord that makes rich, and He adds no sorrow to it" (Proverbs 10:22).

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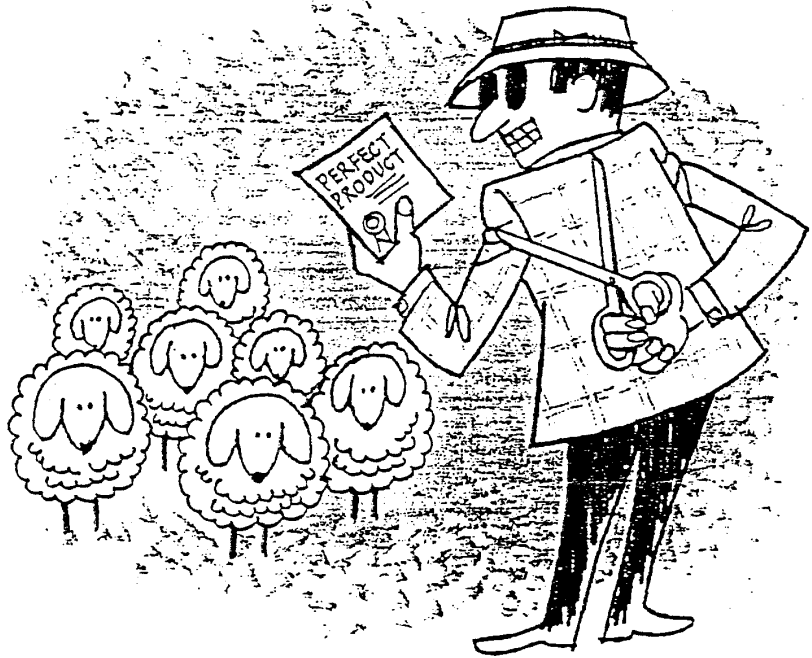
LARRY BURKETT

There are few things that really rile me as a Christian. One of them is Christians who "fleece" other Christians. This can be done in a variety of subtle ways, from selling get-rich-quick schemes to selling soap. Fleecing is probably a pretty accurate analogy, because when you fleece sheep you don't really want to hurt them, just shear them when the wool grows a little. Most groups that "fleece" God's sheep simply want to sell them a product, not rob them. The products may even be good ones, although usually they are high priced. It is because they are higher priced that a "personal" marketing system is attractive. If most people were evaluating the products on a purely competitive basis, they would usually find a better deal.

Almost without exception, the real clincher in a "Christian" marketing scheme is the ability to sell your friends and "help" them as well (just as you've been helped). At that point, objectivity disappears and the plan or product becomes incidental to the profit motive.

One of the best marketing methods within Christian circles is assumed credibility. This is where the sales group assumes someone else's credibility. Allow me to use a personal example. One thing I realized from the earliest stages of our ministry was that a lot of wrong had been done to many Christians under the guise of "Christian finances." Many groups had sprung up claiming to be teaching and counseling on biblical principles of finances, but they were really sales companies in disguise. They did teach some good concepts, but their intent was to sell a product or service; and the teaching was usually a gimmick to gather a

Fleecing The Flock



group. As a result, many pastors were justifiably cautious about any financial "ministry."

From the beginning, we determined to operate as a ministry and sell no products or services, nor "endorse" any other group's product or services for a fee (kickback). It was truly tempting to compromise many times when funds were short. As the ministry grew, we got offers from dozens of sales groups that would virtually underwrite the ministry if we would just send them people who needed products. I believed then, as now, that to do so would be to use God's Word for gain and would be deceptive. *"But those who want to get rich fall into temptation and a snare and many foolish and harmful desires which plunge men into ruin and destruction"* (1 Timothy 6:9). Because of this stand, we earned the trust of those we taught and counseled and

have been able to cross denominational and doctrinal boundaries to share God's principles. Most pastors who know of the ministry know that they can trust what we teach and say even though they may not always hold to the exact interpretation.

Quite often over the last few years, various groups have sprung up teaching biblical finances in the local church and selling a product as well. They will usually imply that CFC endorses them, and lately one group even said that we asked them to call the pastor (we did not). Often what happens is that one of our staff may use a product or service offered by a group. Then that group "assumes" a blanket endorsement. That is deceptive and wrong. Very few groups can meet our standards for recommendation and we never accept a fee or commission. Any staff member who endorses a group without approval is

subject to dismissal. This is not to tout CFC; we have made errors and will again, I'm sure. But I want to demonstrate that when a sales group wants to assume someone else's credibility, watch out: it is usually because they can't assume their own.

There is an old secular cliché that says, "If you walk like a duck, and talk like a duck, and stay in the presence of ducks, maybe people will think you're a duck." In Christianity, that would seem to hold true. If a non-believer knows the words and hangs out in church a lot, quite often he will go undetected. By the same principle, if a business hires mostly Christians, has them tell everybody they're in a ministry and uses mostly Christian terms, then others will think they are a "ministry." Please don't misunderstand this. Any business can and should be used to minister. Business is an excellent tool through which to share Christ. But a business sells a product and makes a profit (hopefully). A ministry serves a function that CANNOT be done at a profit. For instance, you cannot provide counsel to families in financial trouble profitably.

One of the keys to detecting a business being disguised as a ministry is to see how the funds are generated. If it's through the sale of products and services (including Christian products and services), it's a business and should be evaluated with a VERY critical eye. If this group uses "buzz words" to gain an entry, beware. Some of the buzz words are:

1. "I would like to come by and share our ministry." This is a common buzz word. If the business offers a legitimate product or service, then it ought to stand on its own merit. It should not require a spiritual endorsement to get in the door. My concern would be if someone would mislead about one part of the business, what else might he mislead about?

2. "Pastor, we have something that will help your people." When a group orients its sales pitch to pastors be on guard. If it's a product for pastors or a program for the local church, then pastors are the group to call on. But if it's a product, diet plan, insurance, wills-trusts, gold mines, etc., and it is directed toward pastors, then be aware that the group is trying to ride in on his credibility.

Unfortunately, since many pastors are not well paid, they also

fall into the finder's fee trap. Often the group will offer the pastor a fee for anyone he recommends who buys the products. There are many pastors who have lost their personal credibility by endorsing a company to their people. Integrity is won over a long time and can be lost all too quickly.

3. "You can help other Christians." Without a doubt this is the real clincher in fleecing the flock. If a company can convince its sales people that the end result of their efforts is to help others, then the methods can be justified. It's the old "the end justifies the means" syndrome. In other words, you're not really hurting them by deceiving them; after all, it's for their own good. The real test of motives is whether or not the salesman is willing to forego all profit to "help" others. I personally know many honest, ethical Christian salespeople who refuse to profit when dealing with pastors or Christians encountered through their church. It's not that selling to Christian contacts is necessarily wrong. It's just that they believe the temptation to compromise is too strong. *"For where jealousy and selfish ambition exist, there is disorder and every evil thing"* (James 3:16). With certainty, God knows what our needs are, including our business needs. He will provide those who need the products without having to "use" the Christian community.

Matthew 21:12 describes the event when Christ ran the moneychangers out of the temple. Why did He do that when obviously they were meeting a need of the people coming to the temple to worship? The law gave the Jews the right to sell an animal designated for sacrifice if they had a long journey, then use the money to buy another animal for sacrifice. The moneychangers served this need and most of the people seemed satisfied. So why get so upset when both sides benefited? Because Christ knew that the motive of the moneychangers was to "fleece the flock." They bought low and sold high with the endorsement of the temple priests and religious leaders. If the people wanted their sacrifices blessed, they had to use "blessed" animals. Obviously, it didn't start out that way. It probably started with a moneychanger who showed a priest how he could HELP a lot of people and make a little profit for himself. Later it became how he could make a lot of profit and help the people a lit-

tle. Why do you suppose this event was reported in the Scriptures? One reason may well be that Jesus wanted His disciples to understand exactly how He felt about "fleecing the flock."

If we, as Christians, are to do business with each other, we must follow fundamental biblical principles to avoid the "fleecing" trap.

1. Don't develop a sales program exclusively for the "church." Obviously, Christian teaching materials would be created for a Christian market, but other products are not. Most programs aimed almost exclusively at the Christian market are really secular products with some Christian terms sprinkled in.

Recently, a Christian called to ask for an opinion about a ministry (for profit company) that offered (wanted to sell) him a "Christian" will and trust. Since we function under secular law in our country, I was interested to see what a Christian will and trust was. It turned out to be a fairly standard will and trust with several Christian words sprinkled throughout. It seemed to be a fairly good document with a pretty good testimony, at about twice the price of a standard will and trust. Its real benefit was that the client could get his money back if four friends would sign up and he could make a profit if more than four signed up. *"...and in their greed they will exploit you with false words; their judgment from long ago is not idle, and their destruction is not asleep."* (II Peter 2:3).

2. Don't practice deception. If you have a product to sell that you honestly believe will benefit other Christians, let it be known. But don't promote it as a "ministry" or as a spiritual "happening." Let your yes be yes and your no, no. In other words, let people know what the company is and what the product is. If there is a referral or finder's fee paid to another person for a lead, let that be known, too. If you're afraid of losing a sale because of total honesty, then the program is dishonest.

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STEWARDSHIP

MOVING TOWARD
MATURITY IN CHRIST
Hebrews 6:1

"Faithful With All He Gives Me"

By Don N. Howell Jr.



This article is part of an in-depth series on vital aspects of living and growing in Christ. This month we begin our examination of stewardship, with an article on "Stewardship—More than just giving money." Next month, and the month following, we will continue to explore different facets of stewardship. We trust that these articles will help you to move toward maturity in your walk with God.—ED.

Don N. Howell Jr., Th.D., is assistant dean at Columbia Biblical Seminary and Graduate School of Missions of Columbia International University, in Columbia, South Carolina. He is the author of many journal articles and a contributing writer to the book, "Christianity and the Religion: A Biblical Theology of World Religions." He and his wife, Melissa, have two children. They make their home in Columbia, where they attend Fellowship Bible Church (nondenominational). ©1997 Billy Graham Evangelistic Association.

Last summer I had the opportunity to go with several other members of our local church on a short-term missions trip to Cartagena, Colombia. There we teamed up with national believers from seven churches to do evangelistic and follow-up work in the barrios of that expanding port city. The response was phenomenal. What a harvest field! Having worked for 15 years in Japan, where church-planting is slow, I was thrilled to see such openness to the Gospel in this area.

But what made it so special was to observe the commitment of the believers to reach their family members and neighbors with the Good News of salvation. These brothers and sisters in Christ had little in material resources. They lived in concrete-block homes, often with open windows, mud floors and little furniture. But they were rich in spiritual treasures, and they dedicated their time, energy and talents to serve God.

The Apostle Paul called such people "faithful stewards."¹ They are obedient to the charge that God has given to them, in this case, spreading the Gospel. Stewardship has a rich and a comprehensive meaning in the Bible, but is often thought of only in terms of giving one's money to Christian ministry. In the church where my wife, Melissa, and I met and were married, "Stewardship Sunday" was the day that members were challenged to renew for the coming year their financial commitments to the ministries of the church.

While giving money is indeed one dimension of stewardship, Paul reminded the believers in Corinth that giving is just one of many ways that believers should respond to the grace of God in their lives.² What is the background and the meaning of the concept of stewardship?

"While giving money is indeed one dimension of stewardship, ... giving is just one of many ways that believers should respond to the grace of God in their lives"

In biblical times a distinguished or wealthy estate owner employed a chief steward to oversee and to manage his master's

continued on next page

"Faithful With All He Gives Me"

continued from preceding page

daily affairs, property and often even the care of his children. The trusted servant carried out this stewardship under the authority of the master and was accountable to fulfill his duties in a way that benefited the master.

Two examples of faithful stewards in the Old Testament are Eliezer of Damascus, who managed Abraham's estate and who many scholars believe is the servant who secured a wife for Abraham's son, Isaac,³ and Joseph, who wisely administered the vast estate of Potiphar.⁴

"Even the seemingly small or mundane things of life can be offered to God with a heart of gratitude"

In the parable of the talents the Lord Jesus pressed the importance of stewardship upon his disciples.⁵ He told the story of the master of the household who, before departing on an extended journey, entrusted his property to three of his servants. To one he gave five talents, to another two talents, and to another one talent—all with the understanding that they invest these sums of money wisely for their master's profit.

When the master returned after a long delay, the first two servants had doubled their trust and were richly rewarded for being "good and faithful servants."⁶ But the third servant had buried his talent in the ground and had done nothing with it. The master excoriated that servant for being wicked and lazy and took away even the one talent that he had.

Although the talent in the parable was a huge sum of money in first-century Palestine, Jesus clearly had more in mind than material possessions. The point of the parable is that the disci-

ples must be engaged in pursuing their Master's interests and concerns. They must develop all of the spiritual and material resources that he entrusted to them, and they must be ready for his return and be prepared to give an account of their stewardship.

The Apostle Peter expressed stewardship comprehensively: "As each has received a gift, employ it for one another, as good



Don N. Howell Jr.

stewards of God's varied grace."⁷ In other words, God has graced our lives in abundant and multifaceted ways. Each gift that we have received from the Giver should be developed and used for his glory and for the blessing of others. Areas of stewardship include time, money, family, personal relationships, vocation, talents, abilities, retirement and, most of all, the proclamation of the Gospel to unreached people.⁸

On the wall of my office hangs a beautiful Japanese scroll given to us by the church in Atsubetsu, Sapporo, at our farewell party in the summer of 1988. My family and I had spent seven years doing church-planting in that expanding suburb in northern Japan. During those years, God brought into being a small congregation of believers

who now have their own pastor and building and who continue to shine the light of the Gospel.

One of the members of the church was Mr. Nakazawa. He was in his eighties, physically limited by severe arthritis, slow of speech, and living from month to month on a small retirement pension. However, he was gifted in Japanese calligraphy and invested his talent in writing Scripture scrolls and giving them as a Christian witness to people in the community.

The scroll that he gave us was written with the skillful brushstrokes of a faithful steward who is now with the Lord. It reminds me of the priority that should characterize my life and ministry: "Faith, hope, love abide, these three; but the greatest of these is love."⁹ I can, like Mr. Nakazawa and the believers in Cartagena, serve, share, give and contribute out of the resources, talents and opportunities that God has given to me.

Even the seemingly small or mundane things of life can be offered to God with a heart of gratitude: "Whatever you do, whether in word or deed, do it all in the name of the Lord Jesus, giving thanks to God the Father through him."¹⁰

In Jesus' parable of the talents, the master told the faithful stewards, "Well done, good and faithful servant; . . . enter into the joy of your master."¹¹ Do we not all long to hear these words at the final Day of accounting? ◊

(1) Cf. 1 Corinthians 4:1-2. (2) 2 Corinthians 8:7. (3) Genesis 15:2-3; 24:1-67. (4) Genesis 39:1-6. (5) Matthew 25:14-30. (6) Cf. Matthew 25:21, 23. (7) 1 Peter 4:10, RSV. (8) 1 Corinthians 9:17; Ephesians 3:2-3; Colossians 1:25-26. (9) 1 Corinthians 13:13, RSV. (10) Colossians 3:17, NIV. (11) Matthew 25:21, 23, RSV. The Bible verse marked NIV is taken by permission from The Holy Bible, New International Version, copyright ©1973, 1978, 1984 International Bible Society, Colorado Springs, Colorado

NEXT MONTH:
Stewardship—"Why should I be a steward?" by Erwin W. Lutzer.



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Investment > Agur's lesson for investors and stewards

By Bill Robertson



In Proverbs 30, we find a passage that has strong implications for us as investors and stewards (managers) of God's resources.

Agur, son of Jakeh, with a deep sense of humility, admits his lack of wisdom and understanding.

Then, in verse 5 he declares, *"Every word of God is flawless; is a shield to those who take refuge in Him"* (NIV).

After declaring his faith in God and in His Word, Agur is led to pray. *"Two things I ask of you, O Lord: do not refuse me before I die; keep falsehood and lies far from me; give me neither poverty nor riches, but give me only my daily bread. Otherwise, I may have too much and disown you and say, 'Who is the Lord?' or I may become poor and steal, and so dishonor the name of my God"* (NIV).

The attitude and prayer of Agur show a man with a broken and contrite spirit who trembles at the Word of God (Isaiah 66:2). We also get a glimpse of the often treacherous journey of managing God's resources.

Thus, we who are stewards would do well to study and meditate on both the attitude and prayer of Agur.

The apostle Peter wrote, *"Humble yourselves, therefore, under God's mighty hand, that He may lift you up in due time. Cast all your anxiety on Him because He cares for you"* (1 Peter 5:6-7 NIV).

These verses tell us that we are being prideful when we worry, which may cause us to hoard or fall prey to get-rich-quick schemes.

In both cases, fear of running out of money at some time in the future drives us to extreme measures in an effort to make our futures "secure." It takes a humble person to trust that God will take care of him or her.

Peter also wrote, *"Be self-controlled and alert. Your enemy the devil prowls around like a roaring lion looking for someone to devour"* (1 Peter 5:8 NIV).

The enemy will employ many devices to draw us from God's chosen path for our lives. He will appeal to the cravings of our sinful nature, the lust of our eyes, and the desire to boast about what we have and do (1 John 2:15).

Thus, we may be tempted to assume undue risk based on the promise of unusually high returns and the prospect of more material possessions and greater prestige.

Awareness of our vulnerability is essential. We are to resist Satan and stand firm in the faith (1 Peter 5:9).

The enemy is real, though unseen. We are on a wartime footing, and the price of victory is eternal vigilance.

Like Agur, we must, with humble and contrite spirits, depend on and trust in G
With contentment, gratitude, integrity, alertness, and a sense of a higher callir
we must commit our ways to the Lord.

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 Send To Friend

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ESTATE
& FINANCIAL
PLANNING

21 ITEMS TO CHECK ON YOUR ESTATE PLAN

1. **Do you have a will?** A will is a legal declaration of a person's intentions concerning his property and the care of family members in the event of death. It is the final expression of one's character and his love for his family. Therefore, it is one of the most important documents you will sign in your lifetime.
2. **Do you have a Durable Power of Attorney?** A Durable Power of Attorney can avoid the necessity of family members or friends having to go to court to appoint a legal custodian during an incidence of incapacitation. This document allows the power holder to deal with the grantor's property as if it were his own in the event of incapacitation or disability to the grantor. It must specifically state that it is to be effective during incapacitation.
3. **Do you have a Durable Power of Attorney for Healthcare?** The Durable Power of Attorney for Healthcare or Healthcare Proxy as it is sometimes known, names another individual to make medical decision for you if you are unable to make them for yourself.
4. **Do you have a Living Will?** Most states have enacted statutes providing guidelines for Declarations As To Medical Or Surgical Treatment In The Event Of Terminal Illness, better known as "Living Wills." The living will takes effect in the event of a terminal injury, illness or disease and a specified period of unconsciousness or being comatose. It can provide that life-sustaining procedures, which shall not include medical procedures providing nourishment and comfort form pain, be either withdrawn or withheld.
5. **Do you have a Document Portfolio?** A Document Portfolio is a notebook or file that contains a copy of all of your important papers as well as instructions to your personal representative on how to handle your estate. I also refer to this as a widow's survival kit since four out of five women will be widowed.
6. **Do you have a locations list for your important papers?** A locations list should be placed in your Document Portfolio listing where all of the originals of your important documents can be found.
7. **Do you have a list of Professional Advisors?** The list of Professional Advisors should also be found in your Document Portfolio. He is a list of advisors such as your attorney, accountant, life insurance agent, doctor, benefits person at work, etc. who could help advise your loved ones in the event something happens to you.
8. **Do you have Funeral and Burial Instructions?** These are very difficult decisions for loved ones to make after your death. It can be a comfort to all if you have expressed your desires in a set of instructions or made your own arrangements. This is especially important if you would like to be cremated.

9. **Do you have a Personal Property Memorandum?** The law now allows you to designate a personal property memorandum for the disposition of your personal property. This should be referenced in your will and is a list that is attached to your will which states who will get which items of personal property after your death. Items can be added or deleted without going back to your attorney.
10. **Do you have a recent payment schedule for your social security?** You can receive from the social security administration a statement showing the amount of money you have paid into social security and an estimate of your future benefits.
11. **Do you have an Estate Letter expressing your wishes to your personal representative?** An Estate Letter is a set of instructions for your personal representative that sets out your wishes regarding how your estate should be administered. It is not legally binding but can assist your representative and help him or her to better understand your wishes.
12. **Check your beneficiary designation on all life insurance policies.** Check the primary beneficiary and contingent beneficiary on your life insurance policies to make sure that they are still accurate. A child may have been left off as a contingent beneficiary because the policy was in effect before his or her birth.
13. **Check your beneficiary designation on your retirement plan.** Check the primary beneficiary and contingent beneficiary on your retirement plan. It may have been set up when you first went to work for an employer and may not contain all your children or even your spouse. Your spouse should usually be the primary beneficiary since it can pass to him or her without being taxed at your death.
14. **Check your beneficiary designation on any IRAs.** Because income tax has never been paid on the money in an IRA, normally after your death, the person receiving the money must pay the income tax. If you are married, your spouse can maintain the IRA and only pay income tax on money that is taken out of the account. In most cases your spouse should be the primary beneficiary on the account and then the secondary can be your children or other beneficiaries. If you plan on making a charitable gift from your estate, listing as a charity as a contingent beneficiary will save tax since the charity will be exempt from the income tax due.
15. **Check the title on your bank accounts.** For most couples, bank accounts should be held in joint tenancy. You can also make a POD (payable on death) provision on your bank account so that at death, the account is automatically paid over to the person you designate without going through the probate process.
16. **Check the title on your cars.** If you are married the titles to all of your cars should be in joint tenancy so that if anything happens to one of you the other will be able to deal with the car without court approval.



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What's Your Spending Personality?

All of us make money mistakes — the trick is not to overdo it! Does one or more of these spending personalities describe you?

1. Impulsive buyer. Seldom comparison shops. Buys on a whim. *Tip:* Leave the store! Nine times out of ten, you won't return to buy the item.

2. Fanatical shopper. Spends excessive energy to save a few dollars. *Tip:* Time is money — don't spend \$50 of your time to save \$5.

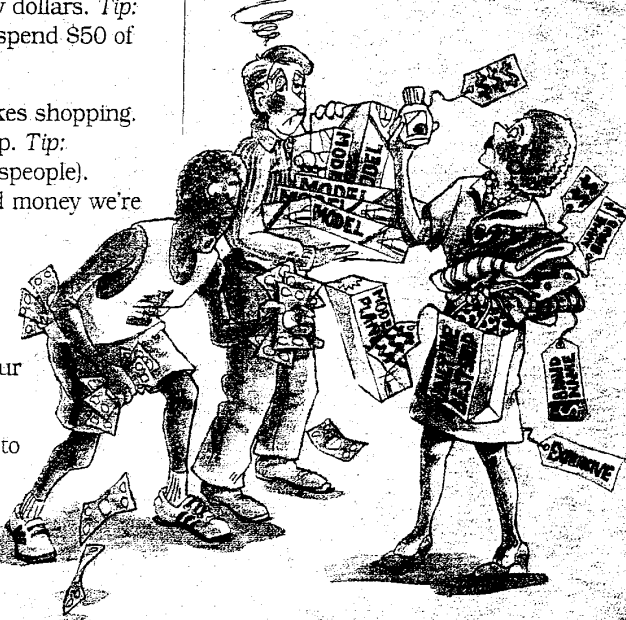
3. Passive buyer. Dislikes shopping. Doesn't comparison shop. *Tip:* Question authority (salespeople). This is *your* hard-earned money we're talking about.

4. Avoidance shopper. Shops to relax or "escape." *Tip:* Try exercising or playing with your kids instead.

5. Esteem buyer. Buys to gain approval of peers. *Tip:* Gain your own esteem by conquering spending mistakes.

6. Overdone buyer. Spends excessively on a habit, hobby or collection. *Tip:* Identify the underlying causes (e.g., boredom); if necessary, ask a friend or a professional for help.

7. Hot potato buyer. Delays making decisions until the pressure becomes too much, then reacts impulsively. *Tip:* Take time to educate yourself before making important financial decisions.



Volunteer!

People who volunteer as little as two hours per week have a greater sense of well-being, a better perspective on their own problems, and fewer illnesses, according to Bernie Siegel, MD.



These places would probably welcome your help:

- Schools
- Churches/synagogues
- Homeless shelters
- Food pantries
- Thrift shops
- Libraries
- Zoos/animal shelters
- Museums
- Hospitals
- Nursing homes

Editor's note: Volunteering also increases your sense of prosperity. ☺

“Why pay a dollar for a bookmark? Why not just use the dollar as a bookmark?”

Fred Stoller

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17. **Check the title on all deeds for real property.** Real estate is usually held by couples in joint tenancy, which means that at the death of the first spouse the second spouse becomes the sole owner of the property by law, regardless of the first spouse's will. Joint tenancy, while very desirable between husband and wife, is usually not a good idea outside of the marital relationship.
18. **Check your personal exemptions on your W-4 Form.** If you had to pay additional income tax when you filed your tax return, you may want to reduce the number of dependants that you have listed on your W-4 form at work. This will cause them to withhold more from your paycheck for income taxes. If you received a large tax refund then you may want to increase the number of your dependants so that less will be withheld from your paycheck.
19. **Have you appointed Guardians for your children?** If you have minor children then you definitely need to have a will because the will is the document that appoints guardians for you children in the event of your death. Without the formal appointment of guardians this decision will be left up to the court to decide in the event of the death of both parents. With minor children, you also need to have a trust in order to hold money and assets going to minor children.
20. **Have you made an organ donation?** Organ or body donation information should be on the back of your driver's license or kept on your person. If you list this in your will or with your healthcare forms the health professionals may not find the information in time.
21. **Have you provided for charity in your estate plan?** An important part of estate and financial planning for some people, involves maximizing the effectiveness of your charitable giving to support the charities that are important to you. Gifts given at death from a will or trust are known as charitable bequests. General bequests may allow a specific sum of money or a designated percentage of your estate to go to a church or charity at your death. Specific items of property can also be named. A designated percentage is most often the best choice, because usually it will more accurately reflect a person's priorities. A residual clause may designate the remainder of your estate or a portion of that remainder to go to a church or charity after the needs of loved ones have been met. Specific bequests can be made to family and friends and then anything left over in the estate goes to the charitable organization. A contingent bequest is rarely utilized, but can be one of the most attractive options available to families who don't believe that their estate is large enough to make a bequest to a church or charity. In the will or trust, the donor uses language which reflects that, "should none of the heirs survive him or her at the time of their death, then a portion or all of the estate should go to charity." People who wish to provide for their immediate family would like to see at least part of their estate go to charity, instead of distant relatives, should their spouse and children predecease them or die at the same time.

WHAT WE CAN DO WITHOUT GOD

Larry Burkett
August 1986

A few years ago, a business associate who had recently returned from China asked me to have lunch with him. When I arrived, he had another fellow with him who was obviously Oriental. With involuntary habit, I sized him up to be poor, since he was wearing a suit made for a man two sizes larger, and he had very bad posture (stooped back). As we sat down to eat, I noticed that this man was typically "old-world" Oriental. He smiled almost constantly, said "yes sir" and "no sir" to me even though he obviously was more than twice my age, and he steadfastly refused to eat a "normal" American portion of food.

He spoke broken English but seemed to understand it quite well, and as the meal progressed, I began to ask about him with my friend interpreting. He was Chinese, a Christian for more than thirty years, and a traveling evangelist in China (he walked). In the late 1940's, he fought with Mao Tse-tung's Communist army against Chiang Kai-shek's army, and when Mao took over he was a well positioned Communist official. To rid the country of "dissidents," Mao sent execution squads throughout China. On the "hit-list" were non-communist officials, school teachers, those with relatives in the West, undesirables, and especially Christians, since they were opposed to atheism.

This little man was directly responsible for more than 10,000 executions during the first year of Communist rule. (It is estimated that the Communists executed 25,000,000 people during the first decade of Mao's reign.) While traveling from village to village executing the "dissidents," he and his squad came across a man transporting manure to a community garden. When he asked who the leader of the community was, the man replied, "I am, sir." Well a good Communist wasn't about to believe that. He had seen that what Lenin taught was true--under the old Chinese feudal system "leaders" always exploited the masses and Communism was the system to correct that wrong. The Communist leader said, "Even in our perfect system, leaders do not handle manure; that is a servant's job." "Here we do, sir, for this is a Christian community and the Bible says that God's leader is the servant of others."

This so startled the Communist that he forgot to shoot the man. The only place he had heard such radical talk from a leader was in the "party" before they took over. After they took over, such notions were the "ideal" but would have to be delayed until their "enemies" were defeated. Oh yes, he had heard such ideas taught in church before the war, but it was always from someone who didn't practice what he preached and who was living far better than most of his congregation. So, rather than execute this group, he decided to stay and observe them to expose their lies. A few weeks later, after he observed the small community of believers who were as committed to living out their beliefs as the Communists were to dying for theirs, he accepted Jesus Christ as his Savior. The Christians shared their food with other villages whose adult populations had been wiped out during the war; they adopted hundreds of orphan kids; they even prayed daily for the Communists who had passed laws making public prayer a capital offense.

The little man headed back to Peking to share the truth of Christ with his former comrades, and he was instantly jailed and put on trial for his life. In court he witnessed to all who would listen until his mouth was **sewn shut**. His defection from the party so infuriated the leadership that they made him a "project" to re-convert to communism. He was offered his freedom and a pardon if he would denounce Christ and swear allegiance to Mao, but he steadfastly refused. Over the next few years his wife, children, and every relative were executed in retaliation for his "treachery." He was beaten almost every day, starved, and had his back broken at least twice (which accounted for his bad posture). He virtually memorized the Bible over the next twenty years in prison in solitary confinement by smuggled in scraps of paper with Scriptures written on them.

He was released in the late 1970's as China once again tried to improve relations with the West. Almost immediately he set out across China to share his faith with every one who would listen. He literally went out with nothing except some cheap clothing given to him by some other believers. A few years later he met my friend, who was doing business in inland China, and was asked to visit the U.S. to help raise money to purchase Bibles for China.

During the months before I met him, this diminutive Chinese lay preacher had visited and spoken at many churches, large and small. He had met nationally-known Christian leaders and had been approached by many fund-raising groups about doing media "spots."

After hearing his background, I guessed that he had probably been awed by the material wealth of our country compared to his and wondered what had impressed him the most about America. Without hesitation he replied, **"What you are able to accomplish without God!"** He went on to explain that he wasn't being judgmental and that he truly admired America, but he could see little real Christianity the way the Bible describes it. "It seems," he said, "that you have allowed yourselves to be molded by the world around you until there is very little difference in the way you live and act. Your great abundance has become like an opium where at first a little satisfies but the longer you use it the more it takes." He continued, "You must tell God's people that what they have does not belong to them, it is God's. You are God's salt and light but the salt has lost its flavor and the light is hidden under a basket." Then he concluded, "If I could just transport your garbage to China I would be the wealthiest man in my district. Remember that our Lord said, 'For what will a man be profited, if he gains the whole world and forfeits his soul?'"

Since that day this uneducated, ex-murderer who never owned more than one ill-fitting suit has gone to be with the Lord. Even if we had been able to give him the garbage from Atlanta, he probably wouldn't have gotten rich anyway. My friend said every time he gave the Chinese preacher extra money or a better suit the Chinese always found someone more needy than he and gave it away. He obviously didn't understand the future value of money if it's allowed to compound tax-free in a retirement account! This much I do know from God's word, he was considerably closer to the truth of God's Word than most of us are -- including me.

Over the years, God has used his words and actions to help me see the real truth of God's message on finances from the eyes of a man who neither expected nor accepted preferential treatment from God -- at least materially. In our society we are tempted and even taught to create an Americanized version of God. Many of us believe that God is the great "provider" for those that know and love Him. But what about those who aren't provided for so well? If you believe that riches and abundance are a sign of God rewarding our spirituality, just read Revelation 3:17. I don't know about you, but the prospect of standing before Christ and being humbled for all creation to witness caused me to stop and evaluate whether I'm going God's way or the world's! I'm also glad I got to meet that humble servant of God, because many of us will probably end up working for him in the Kingdom. As he discovered through his walk with the Lord, God has some elementary biblical truths about finances:

1. Christ never accumulated great surpluses and never allowed His disciples to do so.

If our source of decision making is truly God's Word, then it's advisable to follow the example of our Lord as it is recorded. Savings were normal and acceptable to meet future needs. Many disciples had homes and property to provide family needs and some even had modest surpluses that were made available during times of intense need. But none were known for their great surpluses. See Matthew 6:19-21.

2. God promises to supply our NEEDS if we truly trust Him.

In American society today, we have attempted to eliminate the necessity to trust God. We have welfare, unemployment insurance, life- health-disability insurance, guaranteed employment, retirement, and the list goes on and on. None of these things are bad but when you weigh them all against God's Word, where is the **faith**? It's obvious that the protection of worldly "treasures" is out of balance. Even in the eyes of a simple Chinese Christian, we have become conformed to the "image" of this world. Imagine what we must look like from the eyes of God's Son. See Luke 8:14,15.

3. Christianity must never be a selfish relationship; it should be one of service to others.

So many Christians look only for what they can glean out of their relationship with God. They give expecting to be repaid, they serve looking for recognition, they fellowship because they like to be around "nice" people. It's interesting that these are the very rewards that God promises us in His Word, but only when we serve and don't expect them. See Luke 14:11,12.



WHEN LESS IS MORE

An automobile ad depicts a family holding hands, blissfully skipping through the park toward their newly acquired \$75,000 car. Fostering family values of peace and solidarity, the advertisement infers that by obtaining the car, everything in the family is now at a near perfect state. Yet, we live in a society where people are ripping their lives apart to get that car...and the appropriate house to match.

The Scriptures challenge material acquisition, when it is at the expense of peace and truth,
Better a little with the fear of the LORD than great wealth with turmoil. (Proverbs 15:16)
Better a dry crust with peace and quiet than a house full of feasting, with strife. (Prov. 17:1)
Better a little with righteousness than much gain with injustice. (Proverbs 16:8) (Also Psalm 37:16; Proverbs 15:17; Ecclesiastes 4:6)

Proverbs 23:4, puts the issue into the right perspective in cautioning us,
Do not wear yourself out to get rich; have the wisdom to show restraint.

God assures us of His provision — and more, if we will but make the pursuit of Him our supreme goal,
Walk in all the way that the LORD your God has commanded you, so that you may live and prosper and prolong your days in the land that you will possess. (Deuteronomy 5:33)+

Yesterday, a businessman friend of mine wrote a note of appreciation to me after several of us had discussed the importance of carving out quantity and quality time with our children,

“Thank you for the rich session we had. I had a wonderful time with [my daughter] this morning. We had breakfast and talked for nearly an hour. All the money in the world would not be able to buy what I experienced...”

By the way, are we under the illusion that we can get quality time with our kids without quantity time?

QUESTION: In your family and personal life, is there a pattern of love, righteousness, and peace? Or turmoil, strife, and a sense of chasing after the wind? How would your spouse and kids answer that question of you and the family? If their response is in the negative, perhaps you need to re-assess your focus and priorities.

+ (Also: Deut. 4:1,40; 5:29; 11:8; 29:9; Josh. 1:7,8; 1 Kings 2:3; 2 Chron. 31:21)

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need set

Enough Already!

BY DEAN MERRILL

Where in the Bible does it tell us how to handle Christmas shopping? What are you supposed to do with three kids seized by a bad case of the "I want's"? In this holy season, does Scripture offer any help for unholy stresses?

According to a new book, *Wait Quietly—Devotions for a Busy Parent*, the Bible has more to say about family living than most people think. Granted, "there's no 'First Epistle of Married Life' in the index," says the author, *Focus on the Family* vice president Dean Merrill. "But I have been amazed at how strongly the Bible connects with household issues once we begin to pay attention. Most of its insight is in the stories of real-life husbands and wives, what they faced, the mistakes they made, the ways God rescued them if they were open to His input. The Scripture is, in fact, a wealth of family teaching."

Here's a sample that especially applies to Christmastime:

Paul writes to the Philippian church:

How grateful I am and how I praise the Lord that you are helping me again. I know you have always been anxious to send what you could, but for a while you didn't have the chance. Not that I was ever in need, for I have learned how to get along happily whether it be a full stomach or hunger, plenty or want; for I can do everything God asks me to with the help of Christ who gives me the strength and power.

And it is he who will supply all your needs from his riches in glory because of what Christ Jesus has done for us.

(Phil. 4:10-13, 19)

Is anyone content these days? In a world dripping with ads and commercials, luring us round the clock toward newer, better, shinier cars, shoes, video games and vacations . . . isn't it chronic to want more, more, more?

At the time Paul wrote these verses, he had lost it all. He was down to the meager existence of a Roman jail . . . maybe that's what lies behind his statement "I have learned the secret of contentment in every situation" (v.12, emphasis added).

This passage most definitely does not fit the North American ethos. We *deserve* the best (so say the ads); we've got it coming; our expectations have been jacked to ever-higher levels. And if we don't get the things we think we deserve, then life is really a bummer, isn't it?

Paul was not keyed to accumulation. He wasn't turned on by the thought of more and more appliances, experiences, trips and assets. His goal was *contentment*.

If our children are to think this way, we will have to *teach* them to be satisfied, whether they wear designer jeans or a cousin's hand-me-downs, whether they get to enjoy an amusement park or stay home and play Monopoly, whether they have money for McDonald's or carry a sack lunch.

How?

By being content ourselves. By debunking the propaganda of a materialistic society. By poking fun at overblown commercials. By clearly distinguishing between true needs and mere wants. By affirming to young and old alike that we "can do everything through him who gives [us] strength."

Verse 13 has long been cherished by many Christians as a pep phrase. "Through Christ I can get this next promotion . . . I can lose 15 pounds and look great . . . I can get an A in this night course I'm taking . . ."

Whatever the merits of those pursuits, let us not skip past what Paul was talking about: being content *regardless* of the circumstances. Whether in a bull market or a bear market. Whether riding high among his fellow apostles or locked up in a Roman dungeon.

God has promised (v.19) to meet all our *needs*—not necessarily our wants, our fantasies, our wishes, especially as fanned by modern magazines and catalogs and TV shows, but still, our "needs." And for that, we can be sincerely grateful. ●

This article is adapted from Dean Merrill's new book, *Wait Quietly*. Please turn to pages 8-9 to request a copy.



Illustration by Ken Westphal

Struggles of Jacob and Esau



Overview: In chapters 32–36 Jacob the *schemer* becomes Jacob the *servant* of God. After leaving his uncle Laban, Jacob fears the inevitable reunion with his estranged brother Esau. But before he can be reconciled to Esau, he must first be reconciled to God. At the Jabbok River he wrestles with the angel of Jehovah, insisting on a blessing before he will release him. The angel assures him of God’s continued presence, and leaves him with a new name (*Israel*, “God strives”) and a permanent limp. After an emotional reunion with Esau, Jacob returns to Canaan, where God confirms His promises to Abraham and Isaac—promises of a large posterity and a new homeland.

□ *Genesis 32–36*
Heart of the Passage:
Genesis 32

Chapter 32	Chapter 33	Chapter 34	Chapters 35–36
Jacob’s Encounter with an Angel	Jacob’s Encounter with Esau	Dinah’s Encounter with Shechem	Jacob’s Encounter with God
Jacob’s Struggles with Esau		Jacob’s Family Struggles	



Your Daily Walk: Is it possible to be a rich Christian in the will of God?

That question would have brought a chuckle from Abraham or Jacob. Both men were fabulously wealthy in their day. Jacob in particular shows how a person, blessed by God, can gain great amounts of earthly goods. His own personal testimony is found in 32:10: “I am not worthy of the least of all the mercies, and of all the truth, which thou hast showed unto thy servant; for with my staff I passed over this Jordan; and now I become two bands [caravans].” When he first crossed the Jordan, all Jacob owned was the staff in his hand and the clothes on his back. Now, some 20 years later, it takes two companies of men to carry all of God’s blessings back across.

Reflect on the material possessions God has given you. Could it be that God has prospered you so that you in turn might be a blessing to others? And if so, who are the “others” God has brought into your life for that purpose? If God brings someone to mind, write that individual’s name in the margin. Then let Jesus’ own words in Acts 20:35 spur you to action today.

A steward is one who owns nothing, yet is responsible for everything.



Insight: When God Prospers Someone, Look Out! Beginning with nothing, Jacob amassed such wealth over 20 years that when he left for Canaan he could afford a gift of 580 animals to his brother Esau without straining the family budget.

Tithing involves transferring our trust to God

By Mike Cave

"There is one who scatters, yet increases all the more, and there is one who withholds what is justly due, but it results only in want" (Proverbs 11:24). This is a paradox that can only be explained by the reality of God.

Over the years I've observed a strong link between people's financial advancement and a practice that might seem totally unrelated—the practice of tithing.

As a financial planner, I regularly review people's finances. It may be a single mother on a tight budget, a business owner concerned about the inheritance tax on his large estate, or anyone in between.

The spectrum is broad, but certain principles affect everyone. For example, things like contentment, good stewardship, freedom from worry, and enjoyment of God's provision have little to do with people's economic levels.

However, they have everything to do with God's blessing. As Proverbs 10:22 states, *"It is the blessing of the Lord that makes rich, and He adds no sorrow to it."* This blessing begins with the tithe.

Some argue that the tithe represents Old Testament "legalism," but Abraham tithed some 430 years before the Law was given to Moses (Genesis 14).

The word "tithe" means tenth part. Thus, tithing means giving to God's work at least 10 percent of our increases, which include all forms of income (paychecks, gifts, inheritances, windfalls, and so on).

With the tithe, we acknowledge that everything we have comes from God. He gives us pay raises, the motivation and capacity to work hard, insight to be frugal, economic opportunities, and contentment (Deuteronomy 8:18). And the 10 percent we might withhold or a season isn't to be compared to the value of His favor or protection.

Why would anyone not tithe? Typically for two reasons: (1) ignorance of God's Word, or (2) lack of faith to practice it.

Some give less than a full tithe and call it contributing." They view their incomes as theirs alone. But giving at least 10 percent is reasonable when we realize God not only owns our incomes but everything else in the universe.

Remember, a step of obedience is really a

step of faith, and there's only one way to walk obediently: strengthen your faith through the Word and then step out. A child cannot learn to walk while sitting down. It must try. God is waiting right there to prove himself, but only to those who will try Him.

What happens if you never take that first step? God won't be hurt by your lack of obedience. His work will always have His support, if not through you then through other obedient believers. And *they* will reap God's blessings.

At the same time, however, I'm concerned about the welfare of God's children, which includes you as a believer.

Part of God's agenda in the tithe is building the Church universal by building the faith of its members. He's not trying to merely build a church, as in buildings and programs.

If the latter had been His primary concern, it seems He never would have flowed His money through the hands of those whom He knew would be largely unfaithful (as evidenced by giving statistics).

Rather, His concern was that we all be given an opportunity to "prove" Him, as a starting point in the process of transferring our trust from ourselves to Him.

So, in summary, tithing is an exercise whereby we prove to ourselves the reality of God in an area that is near and dear to our hearts: our money. He does not need our money. Rather, we need His blessings that will only come from obedience.

Let me suggest four steps of action.

(1) Study Malachi 3:8-12.

(2) *"Remember the Lord your God, for it is He who is giving you power to make wealth"* (Deuteronomy 8:18).

(3) Try giving at least 10 percent for six months.

(4) Check your progress after six months and see if God hasn't proved Himself strong.

I believe with all my heart that recognizing God as owner of all things, surrendering everything to Him, and giving according to His Word are keys to a more intimate relationship with Him. It's the greatest financial advice I could give you for 1997!

Ω

Mike Cave, a chartered life underwriter and chartered financial consultant in Augusta, Georgia, has appeared on CFC's "Money Matters" radio program.

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*Just about
everybody*

**Prosperity is caused by entrepreneurs, savers, and workers
exploiting every ounce of economic freedom available to them.**

.....

FIFTEEN YEARS AGO, MURRAY N. Rothbard wrote a piece on the most prevalent economic errors of that time. What are the great economic errors alive today?

1. The Fed sets interest rates. The Fed can exercise huge influence over interest rates by setting its discount rate, manipulating the fed funds rate, and expanding the supply of credit. But the Fed is not the author of interest rates. Interest is an inherent feature of the capitalist economy. It represents the premium people place on consuming the same goods sooner rather than later, with present goods always commanding a higher price than the same goods later. Borrowers pay interest; savers earn interest. The market rate of interest reflects people's preferences.

What the Fed does do is distort rates. By artificially lowering rates, the Fed fools investors into thinking that investment today will pay off in future consumption (drawn out of savings). When that moment doesn't arrive, the Fed either has to keep the game going (thereby causing prices to rise) or curb the flow of credit by raising rates (thereby bringing about an economic downturn). The Fed tries to keep the system "liquid" for its member banks, but in doing so, it further distorts the rest of the economy. In either case, the interest rate is not set by the Fed but only maladjusted by the Fed.

2. The economy can heat up and spark inflation. Productivity doesn't cause prices to rise. All other things being equal, economic growth actually increases the purchasing power of money (reflected in lower nominal prices and wages). Neither is inflation "sparked" by other real economic factors, but by expansion

of money and credit (which causes a decline in the purchasing power of money)...

Whence comes the myth that productivity spurs inflation? It is an illusion caused by the usual course of the business cycle. New credit induces investment expansion, which in turn causes price increases. But let's keep the causation straight: capitalism doesn't cause inflation;

fund or insurance. Once you strip away the convoluted and deliberately confusing financial apparatus, Social Security is nothing but a welfare scheme to steal from the young to pay the old. The young complain until they get old and demand their money back. Looking at the whole of life's income stream, both young and old would be better off without this program. But let's not call an

LLEWELLYN H. ROCKWELL, JR.

10 ECONOMIC ERRORS

3. Politics and the Fed deserve credit for prosperity. Assuming that the economic recovery since 1992 is based in part on real factors, who deserves the credit? The widespread assumption is that some "policy" must be the reason. Hence, Democrats credit Clinton; Republicans credit Reagan; and the media cheer Greenspan. But this is absurd. Is a Greenspan-like figure all that stands between the third world and US-style prosperity? Does Haiti need Clinton and Bangladesh need a cold war? In fact, all of these forces reduce American prosperity below levels it would be without government intervention and credit manipulation. Prosperity is caused by entrepreneurs, savers, and workers exploiting every ounce of economic freedom available to them.

4. Social Security is investment. Everyone talks as if it is. Even those who want privatization surrender the case by complaining about the "rate of return," as if coercive redistribution can work like a mutual

intergenerational tax-and-spend war an investment, much less insurance.

5. Technology makes economic law obsolete. History is punctuated by periods of rapid technological advance, in industry, communications, transportation, printing, medicine, and much else. The digital revolution is one such event, and there are huge efficiency gains that come along with it (as with the industrial revolution). But economic law—forces that define the limits and possibilities of human action in relation to available resources—applies regardless. A price-controlled computer chip will fare as badly as a price-controlled ball bearing. It is free markets that give full scope to entrepreneurs to innovate, organize efficient operations, and create wealth. There is no such thing as a New Economy, but only more free and less free sectors of the Economy. Recent experience only confirms that new technologies result from freedom and that innovation changes nothing about economic principles.

Tax cuts may or may not be expensive for the government, but why should anyone else care?

6. The WTO manages trade.

There are many terrible things about the World Trade Organization: it creates pressure for regulation and actually helps preserve the most subtle forms of protection. But the worst effect is the intellectual confusion that comes from believing that a government agency deserves credit or blame for international trade. In fact, the international economy is so vast in scope that no treaty or organization can manage it, and thank goodness. What actually "manages" trade are the billions of decisions made every day by consumers and producers the world over.

7. The stock market is not risky.

This myth is propagated by people who say that the Dow is going nowhere but up, on grounds that new financial instruments take the risk out of stock investments. Their predictions may or may not be correct in the long run, but that says nothing about the trip there, where fortunes can be made or broken. Why is that? Because uncertainty is a feature of the world that cannot be overcome by any means. Investment is always and everywhere a leap into a cloudy future, and no amount of number crunching or armchair theorizing will change that.

This fallacy is yet another example of the greatest and more common statistical error: the assumption that present trends will continue. If the market turns bearish, we can expect a best-selling book with the title, "Dow 1000." The bottom line of stock markets, like all capitalist investment and profit-making activities, is that they are always risky, which is as it should be.

8. Tax breaks are subsidies. You hear a lot about corporate welfare these days, but look closely at the details. Are we talking about tax breaks that give business relief from the revenue police, or transfer payments that actually put a company

on the dole? The distinction is hardly ever made, yet it is the crucial one. It is the difference between being looted and looting others. When a company is permitted to engage in an activity without being taxed, it is not being subsidized; instead, all taxed activities are being punished. The difference is crucial.

9. Tax cuts are "expensive." The Clinton administration hit a homer when it started labeling tax-cut plans as "expensive" and "unaffordable." It permitted the Clintonites to tap into terms that suggest prudence in household management. But it is wholly illegitimate to use such language when dealing with government, which obtains its revenue by stealing it from others. Is it expensive for a criminal band to refrain from burglaries for the weekend? Perhaps for the burglars, but not for everyone else. So too with the state: tax cuts may or may not be expensive for the government, but why should anyone else care?

10. Markets irrationally discriminate. Hardly a day goes by when the news reports another class-action suit which purports to discover an anti-black or anti-woman conspiracy. Most recently KB Toys

was accused of discriminating against blacks because many stores don't take their checks. Are we really supposed to believe that a store—any store, anywhere—would consider a valid check from a black undesirable on grounds of race? It is absurd. Clearly, what's behind the store's practice is an attempt to curb fraud.

The KB Toys case reduces the issue to its essence. When you discover patterns of behavior that seem to be traceable to sex and race issues, look again. In every case, you will find there are concrete reasons why it appears that markets discriminate: because it is rational to do so. If it were not rational—and certainly capitalists make mistakes—competitive market forces work to correct the error. And yet even when irrational discrimination does occur, there is no reason for government to intervene. Isn't it time that the class-action lawsuit business admit what's really going on? A handful of lawyers are getting rich off private business via civil rights law.

That's ten errors out of a couple hundred. ● FM

LLEWELLYN H. ROCKWELL, JR., is president of the Mises Institute.

AUSTRIAN ECONOMICS NEWSLETTER

The oldest continuously published periodical in the world of Austrian economics is the *Austrian Economics Newsletter*. Every quarter, it features an exciting interview with a leading economist working in the Misesian tradition. It is in this interview format where these great thinkers reveal the fullness of their thought: on method, the profession, politics, and history. The results are unpredictable and always interesting.



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J. T. KERN

Teaching the Meaning of Inflation

Inflation is caused by an expansion of the money supply beyond what would be justified by additional production.¹ It manifests itself in many ways, one of which is higher prices; but prices rise *in response to* inflation; they are *not a cause of* inflation, as the popular press believes.

Inflation isn't an easy concept to teach, particularly because it's so hard to undo the damage done by a lifetime of listening to the evening news and reading newspapers; so I have developed an historical approach to aid understanding. First, though, we need to understand what money is.

MONEY

An understanding of what 'money' is helps. Money, real money, has three attributes:

- 1) It is used as a medium of exchange. People recognize it and accept it for goods and services. In various civilizations, gold coins, pearls, or Federal Reserve Notes have all been used as a medium of exchange.
- 2) It is an accounting unit. A 'U.S. dollar,' or 'one troy ounce of gold,' for instance, connote the same meaning everywhere in the world.
- 3) It is a storehouse of value. A gold coin has value in and of itself. So does a nickel. Modern paper currency does not meet this criterion, but it widely accepted; and as long as people will take paper money in exchange for their labor or goods, unbacked paper ("*fiat money*") is still "good."²

This last definition of 'money' is essential to the understanding of inflation.

HISTORICAL ORIGINS OF FIAT MONEY

Long ago, before banks existed, people used money for their transactions. It was more convenient to carry around, and it represented a readily-recognized value. It could be translated into many goods (unlike barter), and it was *fungible* (could be split into fractional pieces, unlike, say, a pig). Commonly, people who engaged in trade carried money: Roman coins worked; so did specified quantities of precious metals, especially gold.

When these traders came into town, or when local merchants had an accumulation of gold, they got nervous. They were afraid of being robbed. They sought a safe place for their gold. They sought out someone who, because of his business, always had gold around, and who therefore needed to keep it secure. They brought their gold to the goldsmith, and paid him a small percentage to keep it safe in his "safe." The goldsmith would accept the gold, assay it, and lock it up. In return, he would issue a fancy I.O.U., a certificate, to the depositor, spelling out that "*Thordgaard, the fur trader, has on deposit at my smithy, twenty ounces of gold, payable on demand.*"

Thordgaard found that it was convenient for him, because he didn't have to carry the extra weight, and he could more easily guard the note than his gold. When he needed to make a purchase, or when he left town, he presented the note to the goldsmith, and he was handed his gold, less accrued interest.

Thordgaard found himself a three days' journey from the goldsmith, in another town, and he needed to buy a new crossbow. The bowmaker wanted eighteen ounces of gold for the crossbow, quiver, and arrows (it was a very fine crossbow!), and Thordgaard struck a deal: his note, signed over to the bowmaker, in exchange for the crossbow. The bowmaker accepted, Thordgaard walked off with the crossbow never to be seen again, and the bowmaker went to the goldsmith to redeem the I.O.U. Since the goldsmith was an honest man, he paid the bowmaker.

The goldsmith was holding gold for many citizens, and he figured out that this I.O.U. thing was a great deal. He could issue certificates, instead of in the full amount, in easily-exchanged units, and he could charge a small fee for doing this, and cover his interest charges up front. The next fur trader who came in with twenty ounces of gold got eighteen one-ounce certificates, each good for one ounce of gold, and "interest free." That fur trader used some of the certificates throughout the town to buy merchandise. (The local merchants accepted the certificates because the goldsmith was an honest man, and the certificates could always be exchanged into gold, so it was convenient for the merchants to accept these certificates from the fur trader and each other.)

After not too long, the certificates were circulating throughout the town, and the reputation of the goldsmith grew, so that nearby towns' merchants also accepted the goldsmith's certificates, and the goldsmith could capitalize on his idea by diversifying into smaller-unit certificates (at higher up-front charges). The goldsmith had a lucrative sideline to his jewelry business, the townsfolk had convenience, and the depositors had security.

Whenever any certificate-holder needed to make a trip, he would come to the goldsmith, present his certificates, and withdraw his gold. The longer the system ran, the more people trusted it, finally to the point where the certificates were preferred, for their convenience and because everyone recognized them, to the actual gold. The town had invented money.

INFLATION

This system worked well for many years, when, one day, the goldsmith ran into a cash crunch. He needed to buy an anniversary present, and the fur coat his wife wanted was more expensive than he had imagined. The goldsmith had a plan, though: since everyone in town, including the furrier, accepted his certificates, he simply made up a few for himself. It didn't seem to matter; after all, the chance that he would get caught, that all his depositors would call for their money at once, was roughly zero.

The goldsmith reasoned that nobody even got hurt. Since the furrier could easily redeem his certificates for real gold, and since the other merchants would also accept the furrier's certificates at full value, and since the other depositors and certificate-holders would certainly not all show up at once to get their gold, the goldsmith was in the clear. He reasoned that he couldn't even do anything about his recent sin, because, since he borrowed against the gold in his own basement, and wrote his own certificates, there wasn't anyone he even 'owed' the money to!

The goldsmith and his wife were pretty smart, and they figured that they could pull off the same caper again and again; so they did it. They built a bigger house with a bigger vault, and they paid for it with certificates. Others, both in town and in the region, always accepted the new certificates without question, because they knew that the goldsmith would redeem them whenever they wanted to, and, hey, didn't he just build the biggest, safest vault in the area, and aren't more and more people trusting their gold there? Wasn't his operation 'too big to fail?' (We'll assume that it doesn't fail. What we're after here is an explanation of inflation, not all its dangers.)

As the local merchants started noticing the goldsmith's newfound wealth, they quietly started raising their prices whenever he walked into their store. As these merchants started spending more themselves, other merchants and artisans raised their prices generally. People noticed the higher prices, and started demanding higher wages for their work, and loaning money at higher rates, so they wouldn't find themselves at a loss over time. Those who had retired and who were living on a fixed amount of money, or who had kept their money in their mattresses, noticed that everything had become more expensive. *Inflation of the money supply* had manifested itself in the higher prices everyone was noticing.

Inflation was caused by the goldsmith's infusion of phony certificates into the town's money supply. The town noticed inflation when the prices went up.

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- 1 Many scholars (particularly of the Austrian school) have attempted to prove that the gains in production are irrelevant; that it is the rise in the money supply, per se, which causes inflation. These arguments, while they can be followed, are not easy to explain to high schoolers. My present practice is to mention this school of thought and leave it to the students who are interested in this idea to investigate Murray Rothbard and Ludwig Von Mises, in particular.
- 2 As soon as people refuse to accept the fiat currency, it becomes worthless. (E.g., 'Continental,' 'greenback,' or the Reichsmark. Note that the first two eventually were redeemed, but the third became totally worthless.)

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