

JUNE 6, 2004

Dear Abbey,

My topic is finances. I want to share a little about the way I believe money is not only an essential component of your adult life, but is also important part of your spirituality.

As you mature I think you will find that it actually becomes more difficult to give or receive advice. A basic truism of life is that there are no easy answers. Beware of anyone (including you and me) who dispenses concise, absolute, "one-size fits all" advice. This type of advice is tempting because even though we all value our free-will and independence, we still yearn for clear and definitive direction and answers to life's challenges. Easy answers are like the mythical "free lunch"...it is an illusion.

I believe that the bible teaches us lessons through parable for this very reason. Instead of delivering a direct answer, a story is given that plays off our own life experiences and is then interpreted by our own free will. It is up to us to develop and strengthen our values by way of these biblical lessons. I believe that these values coupled with some practical knowledge of how finances work, can lead you to do great things.

You may have heard references to scripture inferring things like, "money is the root of all evil." The actual verse is:

For *the love of* money is a root of all kinds of evil. 1Timothy 6:10

This is to say that when money and/or possessions become the ends of your endeavors in life, then you are essentially worshipping a false god. Money itself is neither good nor bad. Being filthy rich or desperately poor is neither good nor bad, although there are practical implications to both. I am reminded of a scene from *Fiddler on the Roof* when Tevye is dreaming of being a rich man:

"Dear God, you made many, many poor people. I realize, of course, that it's no shame to be poor. But it's no great honor either!"

Throughout your life you will have money; maybe a lot, maybe not so much. What is significant is not the quantity you have, but what choices you make with it. Money is a means not an ends. Great deeds require great means, and money is often the means that is necessary to help others and effect change in our world.

As Americans we have been incredibly blessed with abundance. Compared to the rest of the world, we are all rich. Yet, like ancient Hebrews who also believed they were God's "chosen people," we have forgotten why we are chosen, why we are so blessed.

We see people starving for food or for love and ask God to do something. Making our passive plea I could see God saying:

I did. Why do you think I blessed you? It is not because you are a star, but because you are a gardener and I have given you what you need to take care of my other precious flowers.

You are called to be a responsible steward of what has been provided to you. This not only means things like “tithing” or giving to the poor, but educating yourself on finances, keeping your own financial house in order, and finding your spiritual calling in helping others.

In the next few years you will have many financial choices to make. Do you spend money on a brand new car or an old clunker? A vacation? The latest electronics gadgets? Lottery tickets? Rent? Utilities? Insurance? Savings and investments? Some of these are exciting choices, and others are rather dull. Don’t assume that only the boring ones are good choices. There is nothing inherently wrong with spending the fruits of your labor on pleasures. However remember that there is also great satisfaction in knowing that you have “stood up to the plate” and taken personal responsibility for your own welfare. The indulgences in life are that much sweeter when you know that they ride on top of a solid foundation that you have built for yourself.

I believe that we are each called upon to make the world a better place. But only when our own house is in order can we do this. You may have heard the phrase “think globally, act locally”. Your personal finances should also follow this model. View yourself as the center with concentric circles extended out into the world. You must first establish a solid and sustainable center upon which you extend into the greater world in a graduated manner using your passion, your skills, your time, and your finances.

I believe that God does not want us to worry about tomorrow...

Therefore do not worry about tomorrow, for tomorrow will worry about itself.
Each day has enough trouble of its own. Matthew 6:34

We too should not dwell on tomorrow to the extent that we begin to worship the accumulation of possessions, and money as if this life is all there is. As a great T-shirt philosopher has said:

He who dies with the most toys...is still dead.

However, this does not mean that you should throw caution into the wind and go spend every cent you have the day after graduation and let the next day (or someone else) take care of it! Rather we must use our intellect and sensibility to be good stewards of our time, possessions, and money; for each of these is required to accomplish the good deeds that we as Christians are charged to do. And a goodly part of that responsibility is to provide for ourselves. That means paying our own rent, bills, and other mundane things like insurance and savings so that we are properly prepared for the down-turns in life.

For me this is a difficult balance between “not worrying about tomorrow” and taking personal responsibility for your own tomorrow. I suspect that you too will struggle with this.

Avoid comparing yourself to others. There will always be the Bill Gates in the world; just as there will always be unwanted, starving children. In the coming years friends will take very different and potentially enticing directions with their finances. Comparison to the world's extremes and more so to your friends will breed envy, jealousy, and guilt – all which will do nothing but immobilize you from actualizing your passion and calling in life.

I encourage you to measure money not by dollars, but by a more universal measurement: time. Time is the great equalizer. Everyone from the rich and famous, to the impoverished, to your best friend, to your worst nemesis all have this same common denominator. Unless you have some secret plan unknown to me of inheriting millions, you will have to exchange your time for money for most of your adult life. I am sure that A&W taught you this. So time truly is money.

Challenge yourself to make monetary decisions based on that exchange of time. Do you want to spend 10 hours a month working for a car? How about 20 or 30 hours? This thinking can reframe your decision, rather than being lured into “48 E-Z payments of just \$399.99”. Would you like to work 10 hours a month for the next 15 years paying credit card interest? Most new college grads will do just that!

Your decisions in the next few years will have exponential implications in the years to come. Debt taken on now will take many years to pay off as you will be spending most of your money in just establishing yourself. Conversely, a small amount of money invested in a tax deferred investment can grow at a rate that is absolutely staggering. Setting aside five hours of money now in an investment account will be the equivalent of working many times the hours for the same result if you wait to start investing ten years from now. It is all about your time, priorities, and values.

I know this is a tough area. Personally I never gave long-term savings a second thought until I was into my 30's. At your age I never much thought about the future. You may feel the same way, but at least kick the idea of investments around. You will be years ahead of your time if you do.

There are as many choices when it comes to your finances as there are people offering opinions on how to manage it. My advice to you, Abbey, is to develop and grow a set of principles that are balanced, practical, and empower you to become like the “gardener” that Christ was. As your class motto says, “Life is a Garden...Dig it!” just be sure to plant a few seeds along the way for tomorrow, and nurture the other flowers in the garden.

Congratulations!

Love,

Uncle Peter