

THE
Almighty

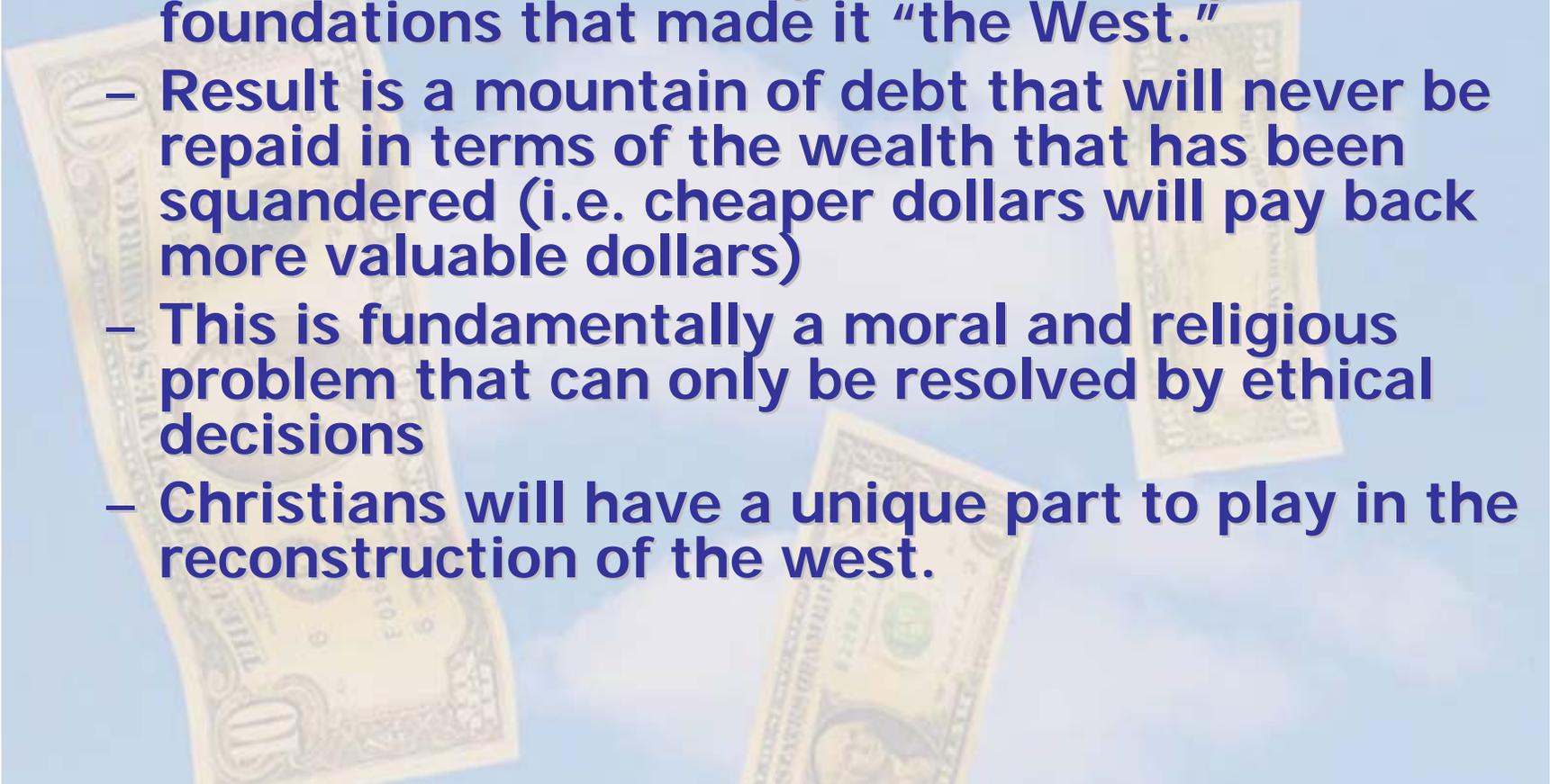
AND THE
DOLLAR

***Part 5: Talents, Tools, And
Trade***



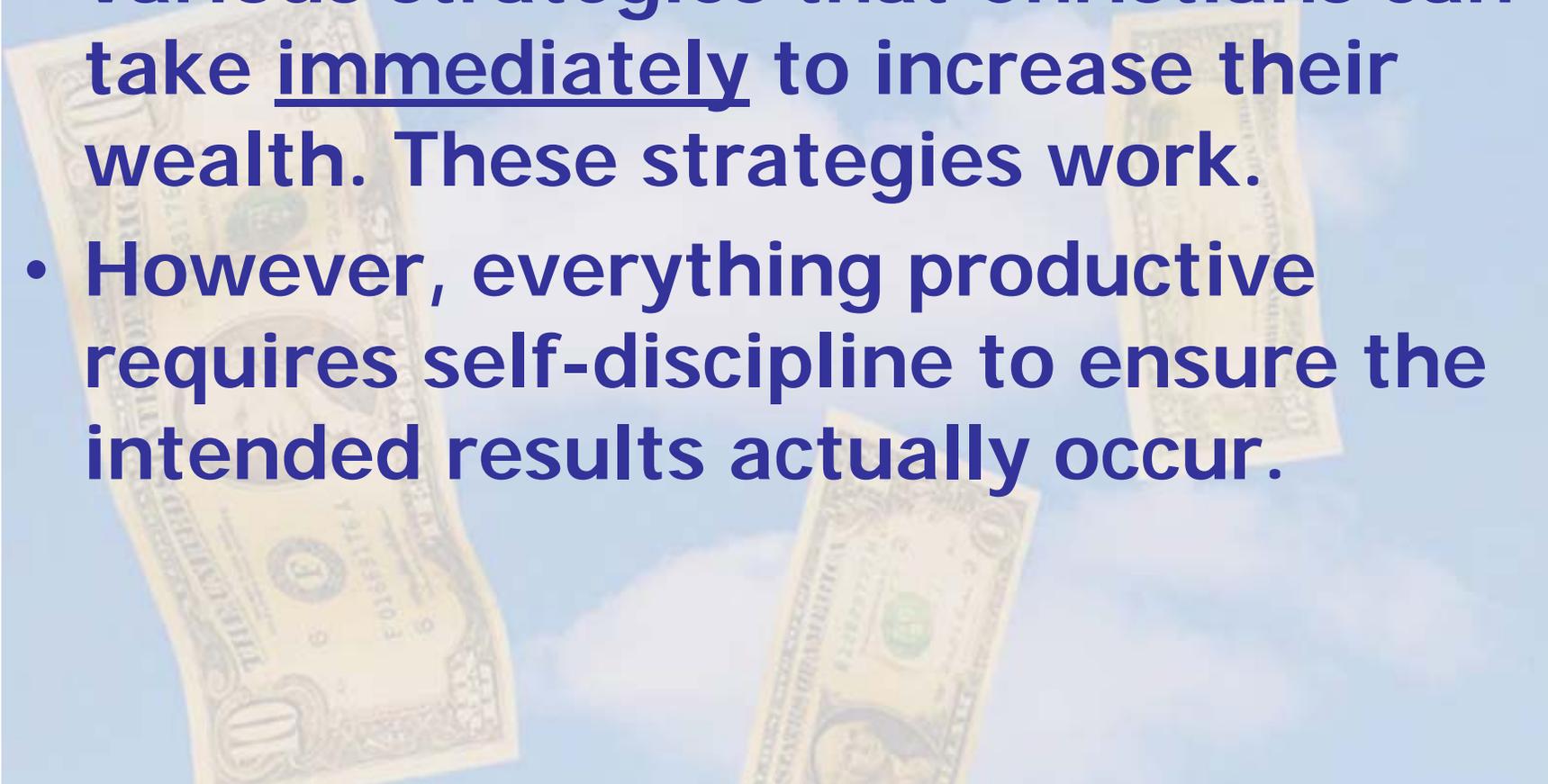


Wealth Creation

- **Creating Wealth is a Christian idea**
 - Yet, the “West” has rejected the religious foundations that made it “the West.”
 - Result is a mountain of debt that will never be repaid in terms of the wealth that has been squandered (i.e. cheaper dollars will pay back more valuable dollars)
 - This is fundamentally a moral and religious problem that can only be resolved by ethical decisions
 - Christians will have a unique part to play in the reconstruction of the west.
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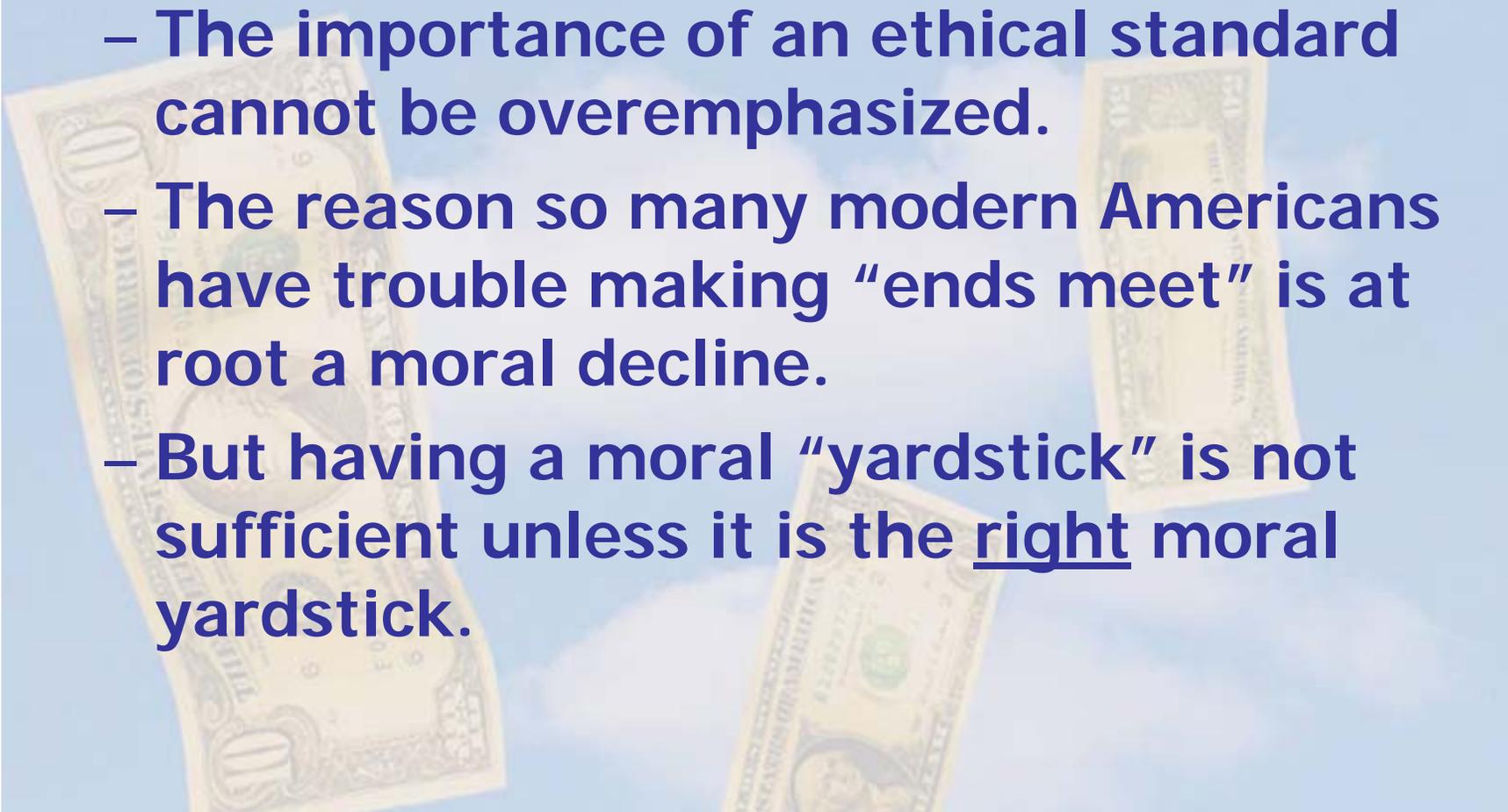
Wealth Creation

- In this lesson we shall consider various strategies that Christians can take immediately to increase their wealth. These strategies work.
 - However, everything productive requires self-discipline to ensure the intended results actually occur.
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Employment Or Calling

- **Work & Ethics**

- The importance of an ethical standard cannot be overemphasized.
 - The reason so many modern Americans have trouble making “ends meet” is at root a moral decline.
 - But having a moral “yardstick” is not sufficient unless it is the right moral yardstick.
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Employment Or Calling

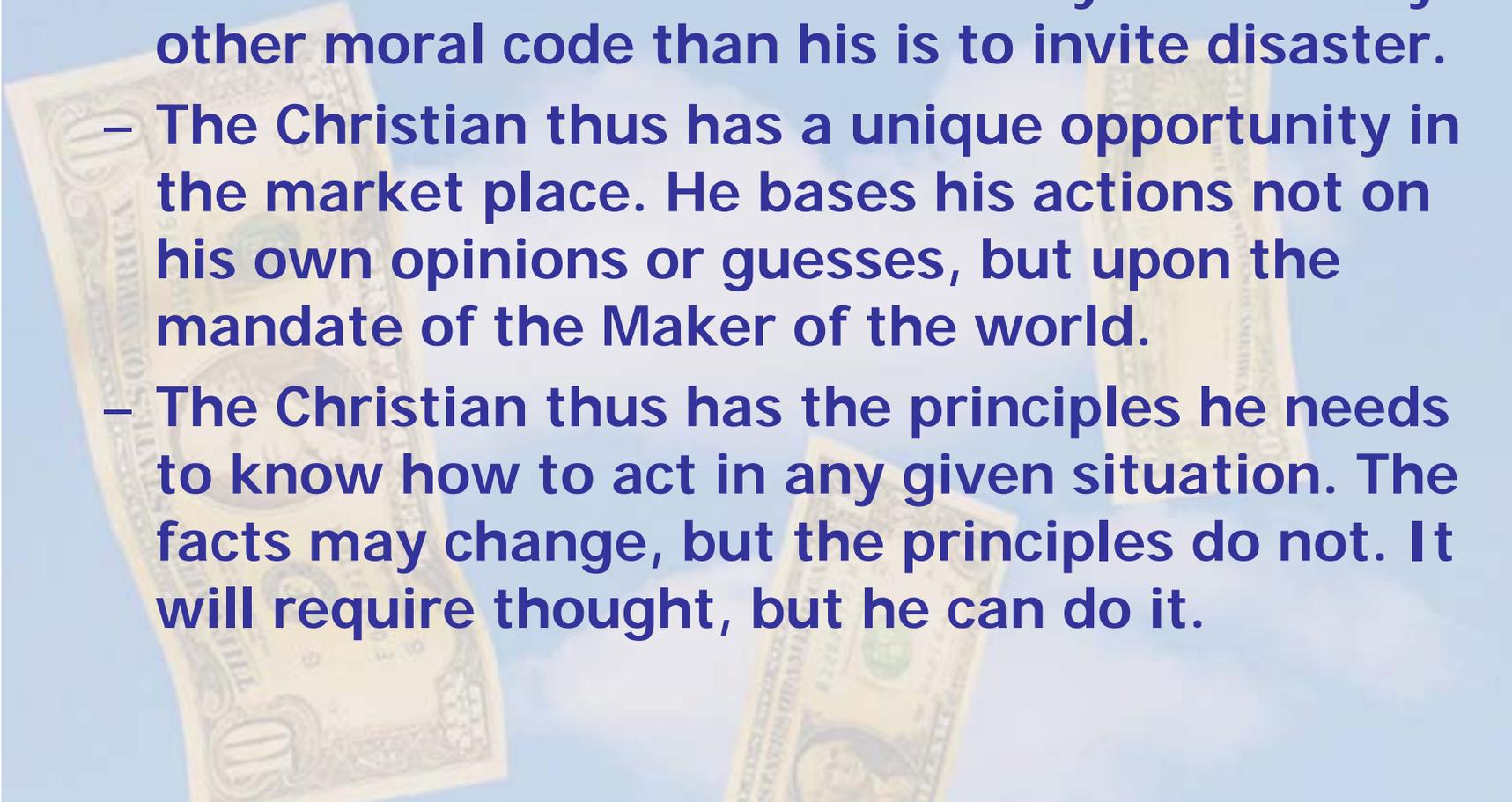
- God, the Creator of the World, has made the world to function in a certain way. To use any other moral code than his is to invite disaster.
 - The Christian thus has a unique opportunity in the market place. He bases his actions not on his own opinions or guesses, but upon the mandate of the Maker of the world.
 - The Christian thus has the principles he needs to know how to act in any given situation. The facts may change, but the principles do not. It will require thought, but he can do it.
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Image & Ethics

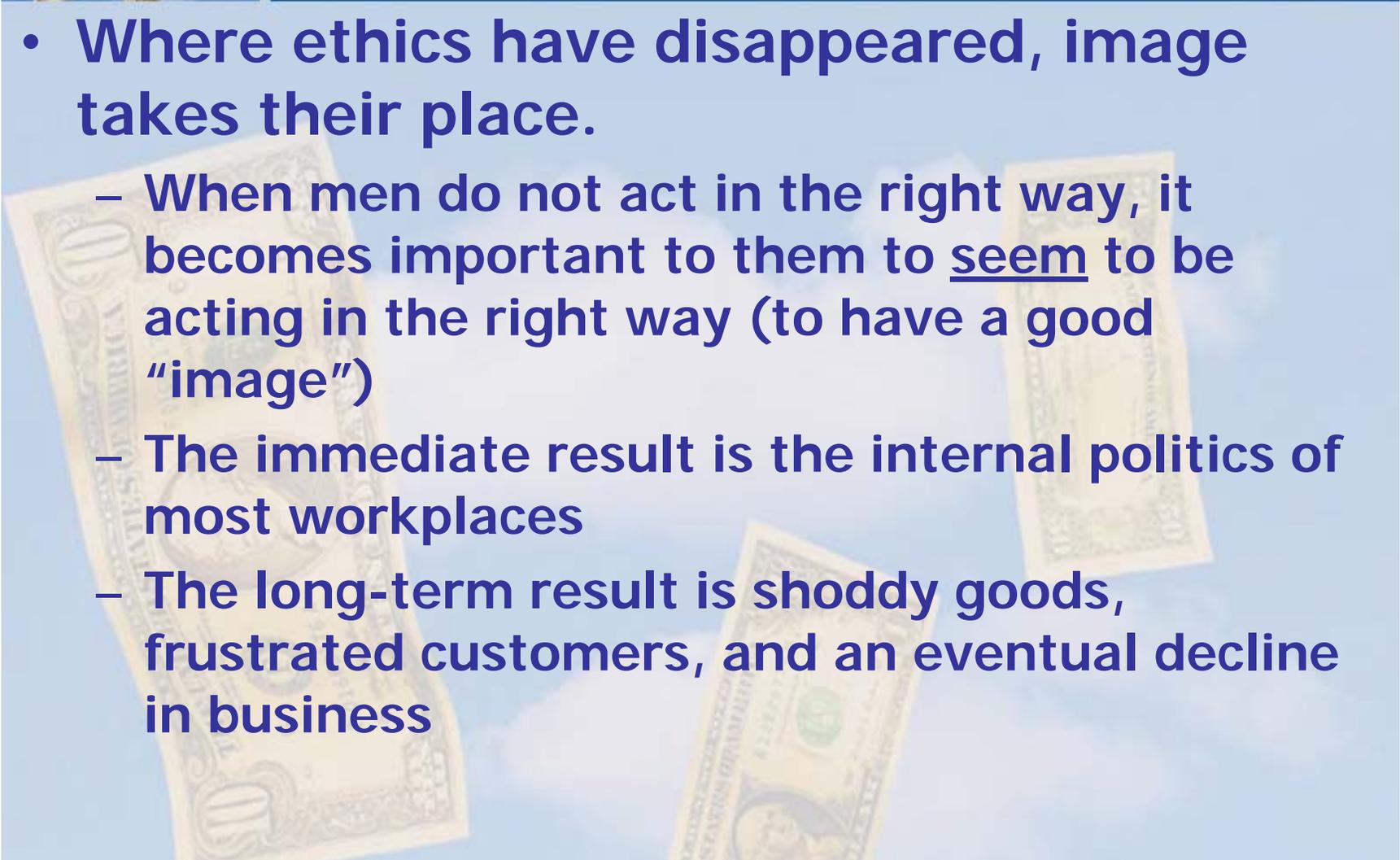
- Where ethics have disappeared, image takes their place.
 - When men do not act in the right way, it becomes important to them to seem to be acting in the right way (to have a good “image”)
 - The immediate result is the internal politics of most workplaces
 - The long-term result is shoddy goods, frustrated customers, and an eventual decline in business
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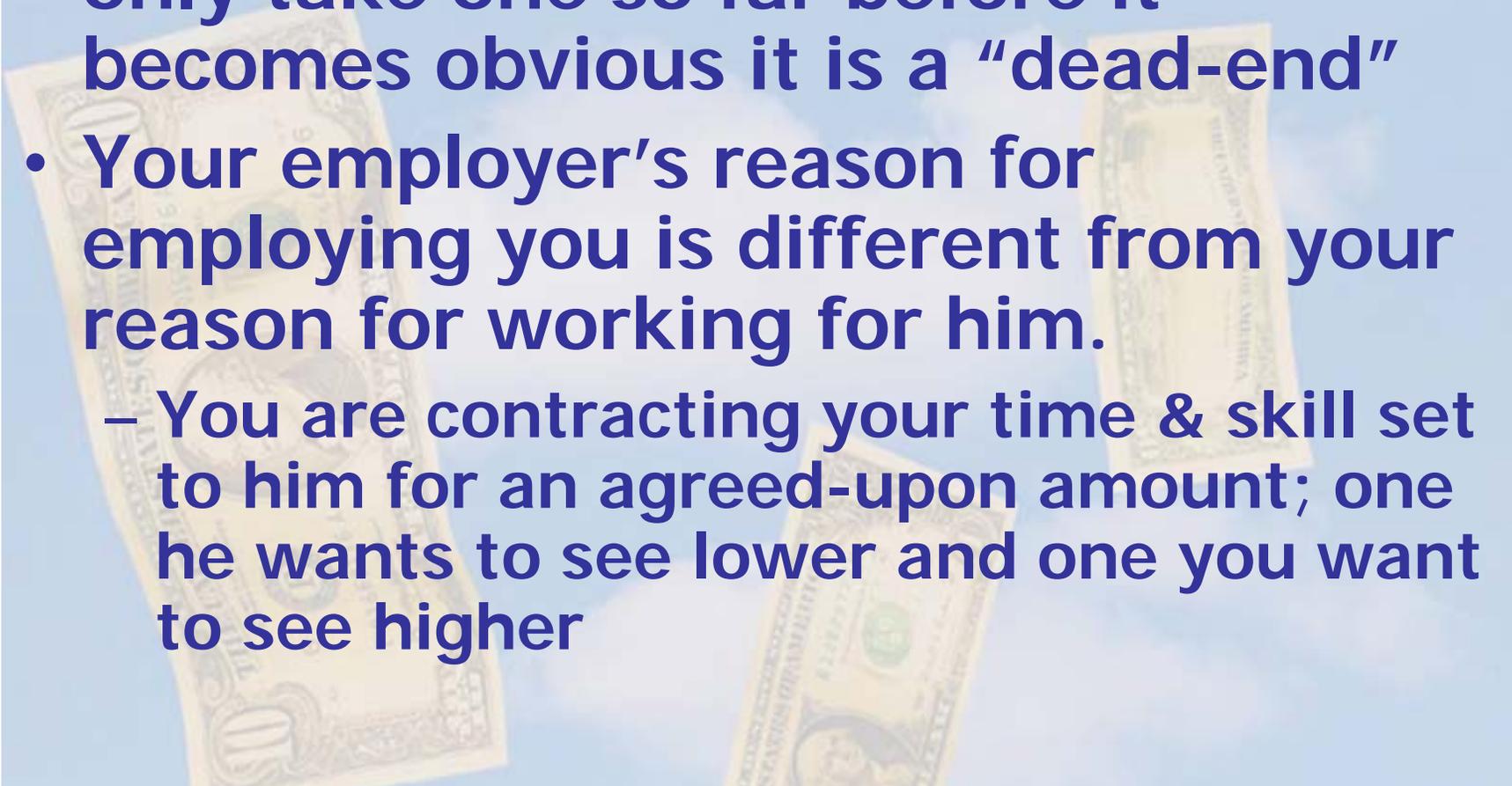


Image & Ethics

- When image replaces ethics, wrong moral choices are made or the right choice is made initially but without the conviction to see it through to the end.
 - When one sees a customer or client as a means to enrich himself, rather than one whose problems he can help resolve, he has made a wrong moral choice:
 - The “second great commandment” requires that we love our neighbor as ourselves.
 - Even when doing the “right thing,” then, there is no assurance of God’s blessing unless doing it according to love.

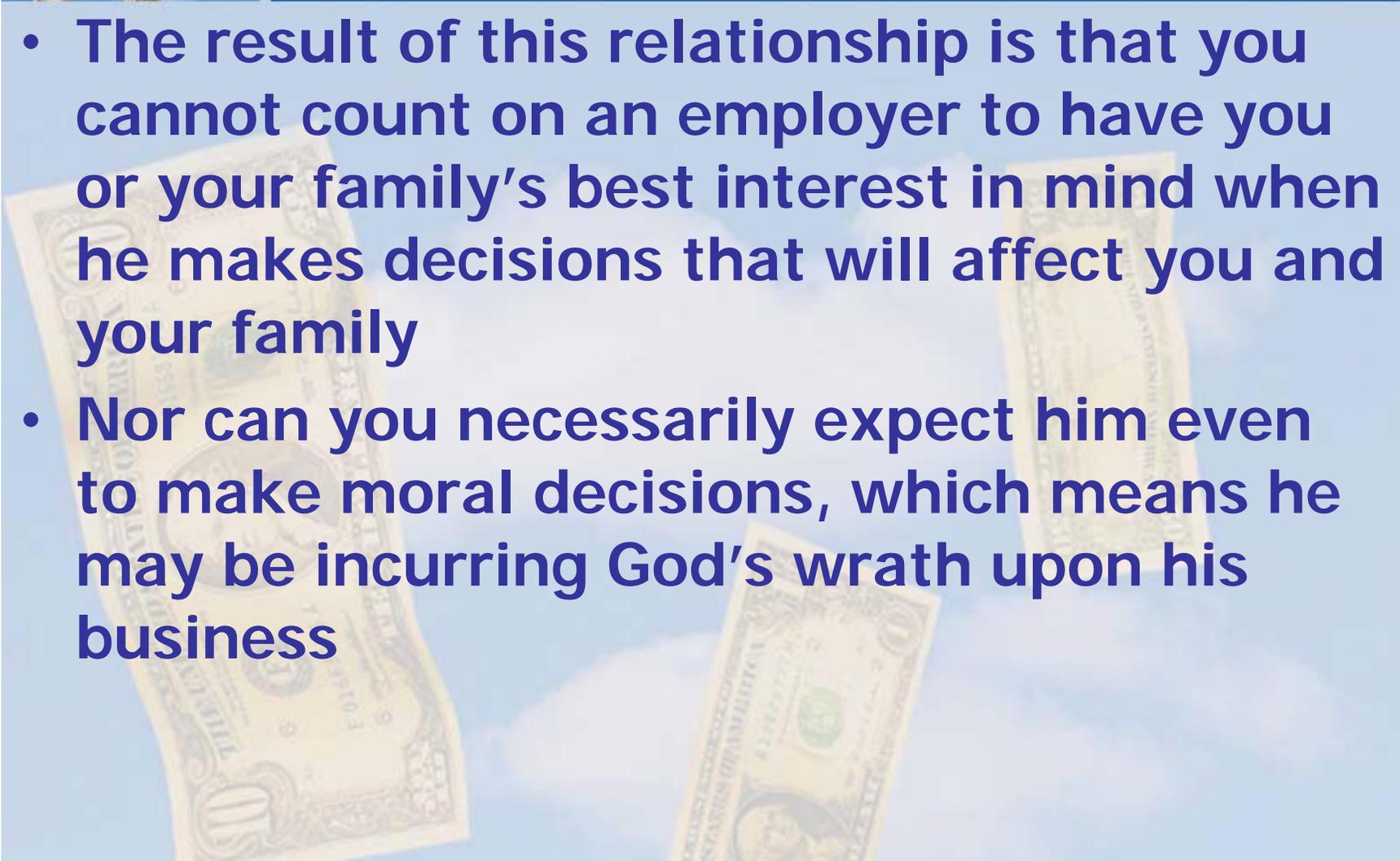


Initial Investment

- A job working for someone else will only take one so far before it becomes obvious it is a “dead-end”
 - Your employer’s reason for employing you is different from your reason for working for him.
 - You are contracting your time & skill set to him for an agreed-upon amount; one he wants to see lower and one you want to see higher
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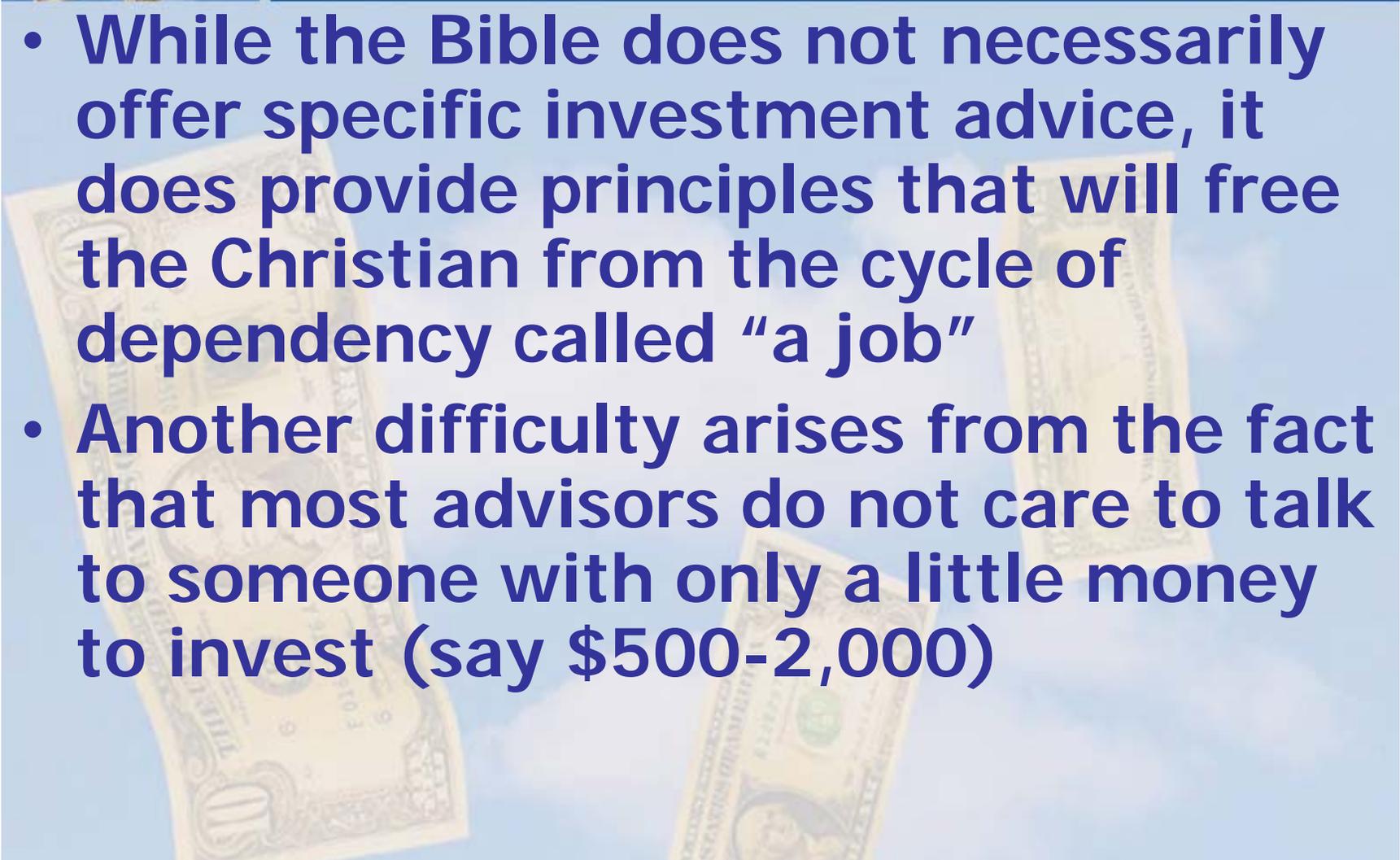


Initial Investment

- The result of this relationship is that you cannot count on an employer to have you or your family's best interest in mind when he makes decisions that will affect you and your family
 - Nor can you necessarily expect him even to make moral decisions, which means he may be incurring God's wrath upon his business
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Initial Investment

- While the Bible does not necessarily offer specific investment advice, it does provide principles that will free the Christian from the cycle of dependency called “a job”
 - Another difficulty arises from the fact that most advisors do not care to talk to someone with only a little money to invest (say \$500-2,000)
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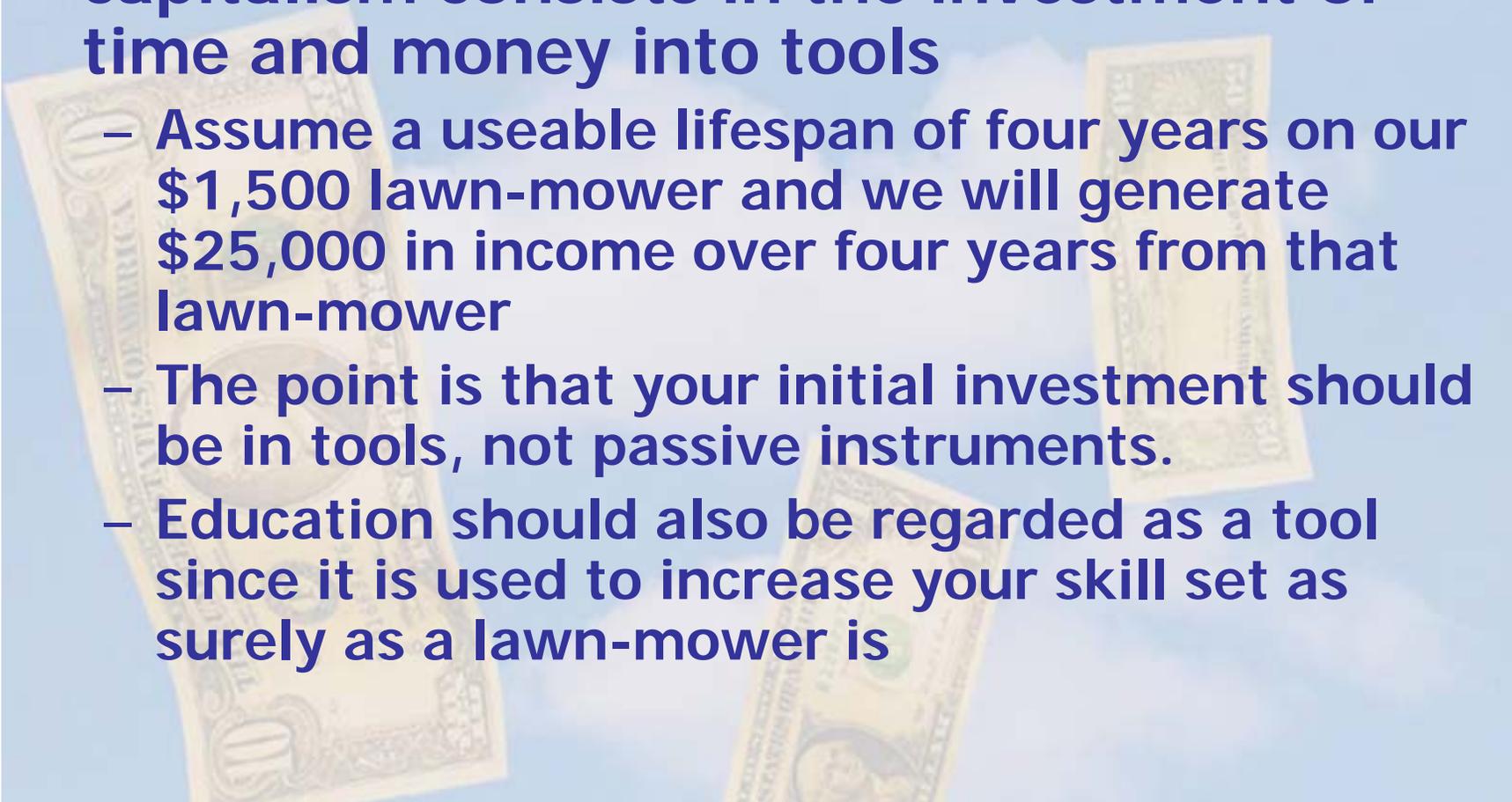


The Lawn-Mower Test

- By “lawn-mower test,” I mean that an investment is only invested if it results in a revenue generating profitable business:
 - Buy a lawn-mower for \$1,500
 - Spend one day per week mowing lawns at \$350 per day
 - Do this for 40 weeks per year and the ROI is $\$14,000 - \$1,500 = \$12,500$
 - Subtract the cost of doing business (fuel, maintenance, depreciation, taxes, etc.)
 - Even assuming 50% of gross income is costs (a very high estimate), that leaves the investor with \$6,250 net income on a \$1,500 investment.

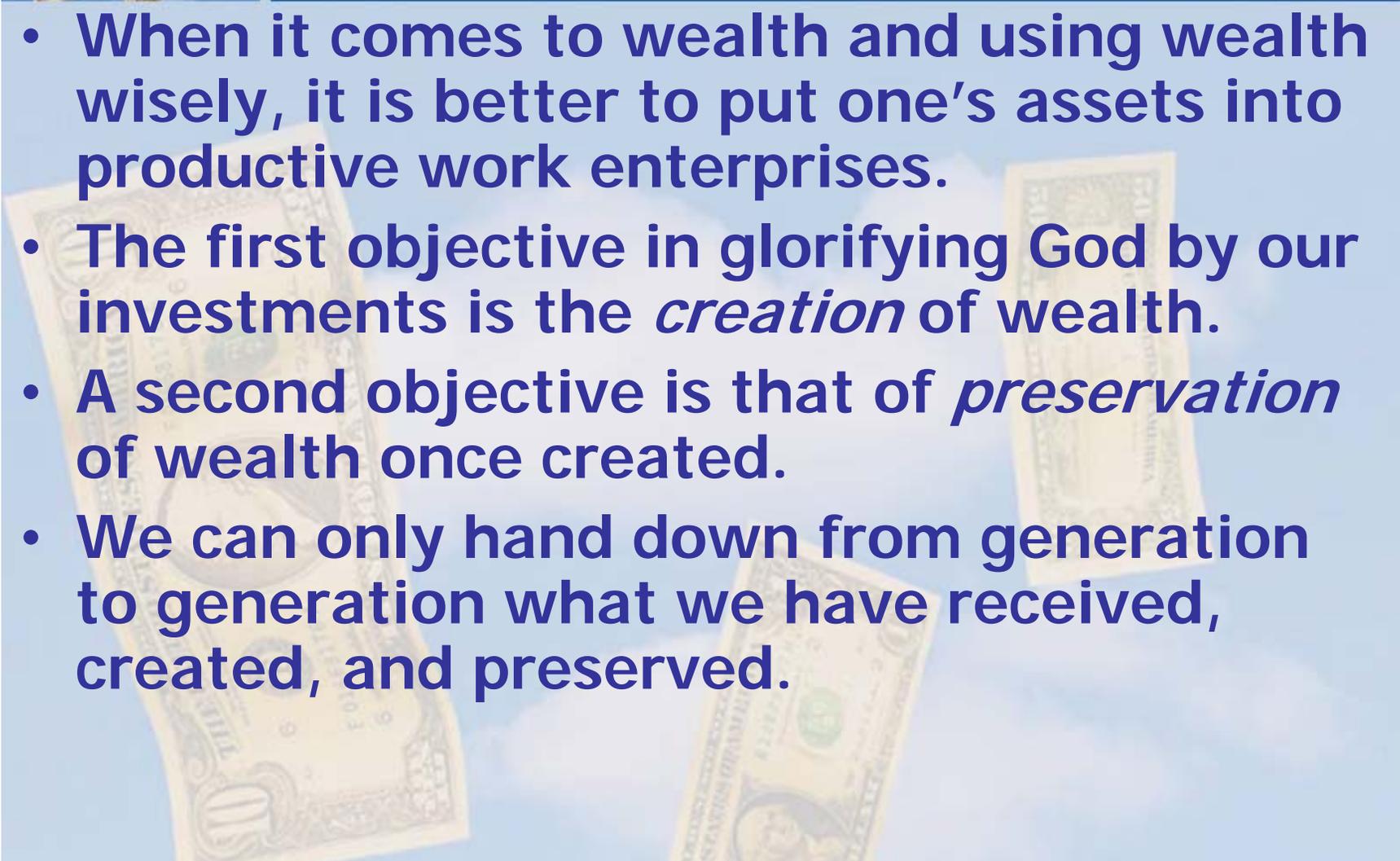


The Lawn-Mower Test

- The point of the lawn-mower test is that capitalism consists in the investment of time and money into tools
 - Assume a useable lifespan of four years on our \$1,500 lawn-mower and we will generate \$25,000 in income over four years from that lawn-mower
 - The point is that your initial investment should be in tools, not passive instruments.
 - Education should also be regarded as a tool since it is used to increase your skill set as surely as a lawn-mower is
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The Point In View

- When it comes to wealth and using wealth wisely, it is better to put one's assets into productive work enterprises.
 - The first objective in glorifying God by our investments is the *creation* of wealth.
 - A second objective is that of *preservation* of wealth once created.
 - We can only hand down from generation to generation what we have received, created, and preserved.
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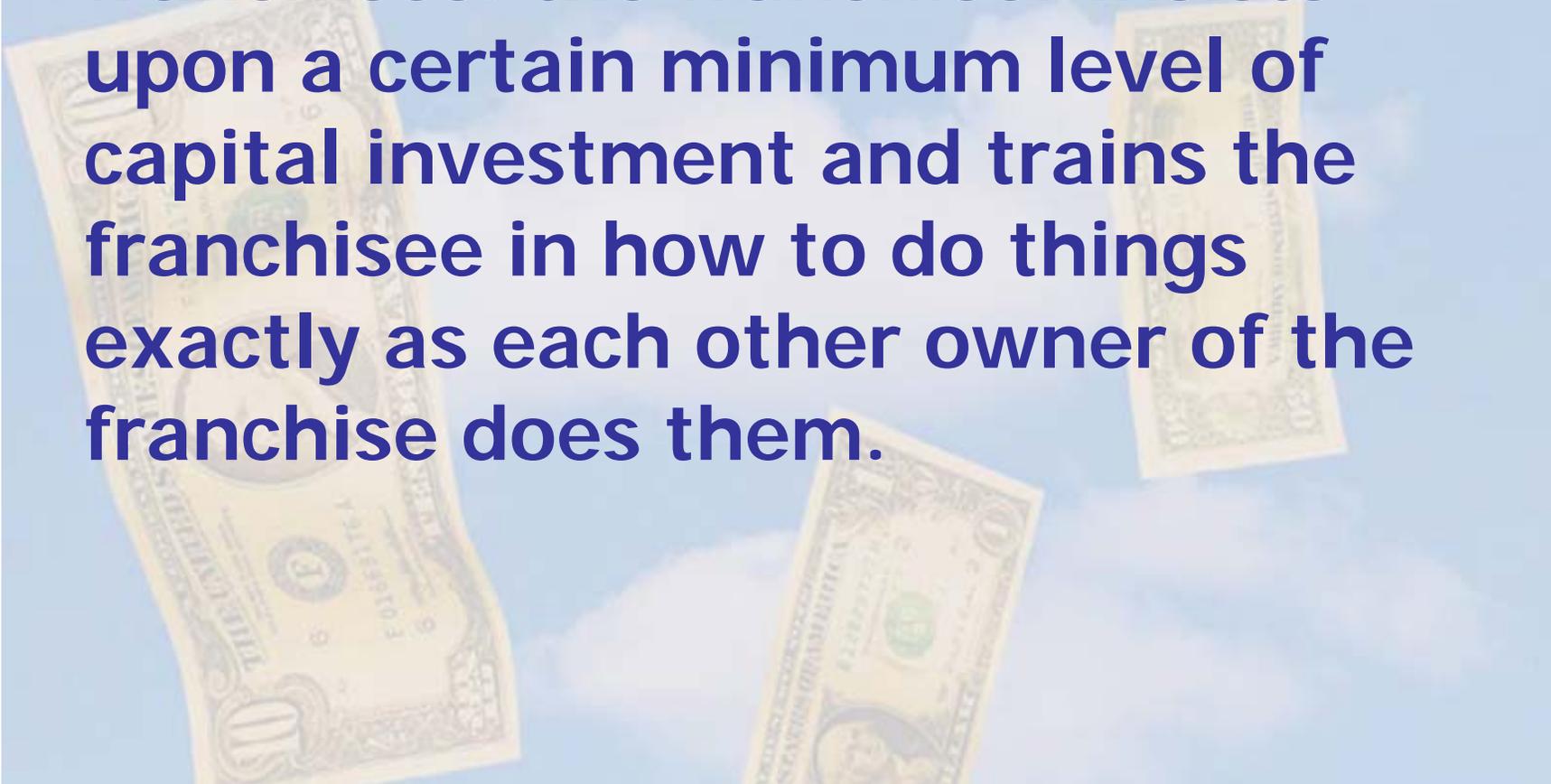


Risk And Reward

- By “risk” we mean the potential for financial loss (especially loss of investment principal)
- One of the chief reasons people give for not becoming an entrepreneur is the “risk” involved
 - No reason can be given for another person’s business being “less risky” except better business acumen and training on the part of an employer
 - The real risks of business are two: ignorance and lack of finance.
 - The real threat of failure is from unwillingness to learn new things
 - 80% of businesses fail in the first five years. Of the 20% remaining, 80% of them will fail in the second five years. The high failure rate is attributable to two things: lack of money and lack of knowledge.



Risk And Reward

- This fact explains the success rate of franchises: the franchiser insists upon a certain minimum level of capital investment and trains the franchisee in how to do things exactly as each other owner of the franchise does them.
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Security

- The best “job security” is self-employment because you will be the first hired and the last fired.
 - Of course you will also be the last to get paid.
 - Still, proprietorship or entrepreneurial enterprise is the best investment, provided you *master the skills* necessary to make the enterprise successful.



Security

- Entrepreneurship is a primarily masculine enterprise. Working for someone else is a fundamentally feminine way of thinking.
- What is risky is being personally unwilling to take the responsibility to make sure goods and services are delivered when and how the buyer demands. Any enterprise will fail without this basic commitment.
- If nobody takes risks, there will be no business development; which, in turn, means no electricity, jet airplanes, automobiles, penicillin, etc.

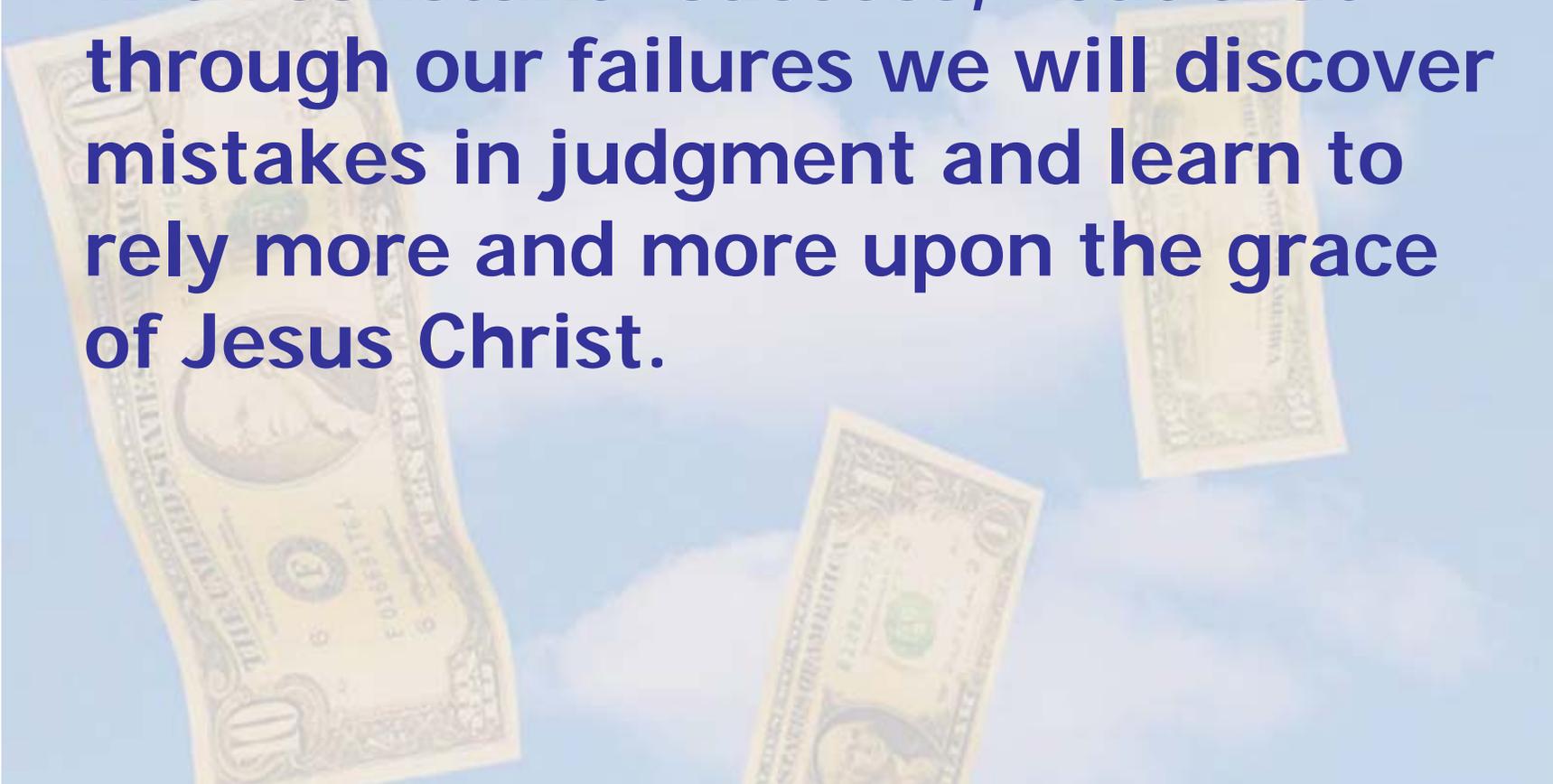


Security

- For the Christian, the risk of entrepreneurship is significantly reduced (Matt. 6:33; Lk 6:38).
 - God knows our every need. Therefore when we undertake a business enterprise in faith, we have substantially reduced risk.
 - Christians can therefore move ahead in business with the knowledge that God is in control and that our efforts will have the effect God chooses in building up his kingdom. This gives a quiet assurance (security) that the world cannot know.



Security

- This does not mean we will meet with constant “success,” but that through our failures we will discover mistakes in judgment and learn to rely more and more upon the grace of Jesus Christ.
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Summary

- The way to wealth is through service to our fellow men through practical business enterprises.
- Savings and investment are the necessary ingredients to economic progress.
- Business enterprises are the best form of investment and this is especially true if we are able to finance them ourselves.
- Based upon the biblical view of wealth (in part 4), each Christian family should be attempting to build a business of its own or should become involved in a business enterprise as an equity participant.
- Another reason: if you have only a job, your livelihood is based upon having a single customer for your services (i.e. your employer). A business – even a part-time business – provides you with multiple customers so that loss of a single client or customer does not leave you destitute.



Conclusion

- **Implementation of the Christian work ethic and serving our fellow men with goods and services that help him fulfill his calling under God, form the basis for any investment program.**
 - **This is why the future belongs to the Christian who, under God, is faithful to his high and noble calling to work to the glory of God.**
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