

MoneyMATTERS

Am I my money's keeper?

We too willingly put accountability for our money into other hands

WILFRED HAHN

I live with a family member who is very health conscious. You might recognize the type — the person that is very finicky about what they eat ... no animal fats, no polyunsaturated oils, minimal amounts of bleached sugar. They pop vitamin supplements, go heavy on the ruffage and are always toting around a bottle of mineral water. I'm not so picky with my diet. Healthy meals sometimes taste a little bland to me. (I eat them without complaining.) The point is that nothing goes into the gullet before first checking the label. I support this ethical initiative. After all, it's important that we be discriminating about the content in virtually anything we consume, whether orally, visually, or any other sensual channel.

Every Christian will agree with that statement. Yet, I am often struck how few practice that principal when it comes to financial services. Most people judge them by their packaging and the taste, not the content. Last year's "moonshot" investment return, a razzle-dazzle multimedia marketing pitch or the sage forecasts or recommendations of a financial professional usually clinch the sale. Few inquire about what's under the hood. The prevailing attitude seems to be that if it performs, there's little need to know anything more. While that's convenient, in my view it is an abdication of our obligation to responsible stewardship. What our money is used for matters whether we use it to consume things or stoke the capitalist economy.

Working Ethics

These days in the financial world it's usually the dietician that chooses what we eat. We buy the mutual fund; the portfolio manager decides how and what securities to buy. The investment counselor is paid a fee; we may only discover what they did with our money when we get the next quarterly statement. We choose the deposit certificate with the incredibly high yield, yet do not inquire how the issuing financial institution is able to earn such a high return that they promise to pay. In each of these examples the accountability for how our savings are being employed in the world are being willingly handed over to someone else.

There are now a lot of people working in the wealth management field trying to encourage savers to give them the accountability for their money. The money management business has boomed over the past few decades as financial wealth has soared around the globe. Who are these money professionals? They include everyone from the stockbroker, the portfolio manager, the financial planner through to the mutual fund representative in our local bank branch. In my experience, very few of them are qualified to practice good Christian stewardship principles.

“*We make your money work hard for you*” is a common slogan these days. But it says nothing about the “work ethic” of our savings. If you knew what your money was being used for, you may not be pleased. When considering wealth management, here are some of the questions you should ask:

- Why is one financial institution able to offer much higher returns than another? Are they doing so by subjecting you, the investor, to inordinately high risks?
- What company stocks does my mutual fund own? By owning them, am I opening myself to complicity in some type of sin? Am I supplying capital to a gambling company, a firm that condones pornography, for example?
- For what reason am I buying securities (bonds or stocks, for example) at all? Am I making a speculative coin toss or a reasoned stewardship decision?
- Am I choosing a solid storehouse for my eventual retirement needs? Is it possible that I am being lured into a greedy investment mania?

These are all tough questions, ones that we need to be work out individually. (We’ll tackle some of them in future columns.) My conclusion for now? Though we may seek the services of financial professionals we shouldn’t give up accountability for the “work ethics” of our money. Past the pearly gates, there’s little doubt in my mind that I will be called to account as the “keeper of my money.”

Wilfred J. Hahn is a global portfolio manager and publisher of Eternal Value Review. Contact him by email: mullpress@aol.com

Copyright © 2000 Mulberry Press Inc. All rights reserved worldwide. One-time reproductions and excerpts are encouraged without permission, provided that acknowledgement is made and a copy sent to Mulberry Press Inc. P.O. Box 300 Smithville, Ontario, Canada, L0R 2A0. <http://www.eternalvalue.com/>

If not otherwise noted, all scripture references are taken from the New International Version (NIV) of the Bible.