

### Series in Proverbs.

*Financial information is everywhere. You can't go long without seeing a ticker symbol, hearing conflicting market predictions, or running into offers of financial freedom (complete with picture of happy couple).*

*Money is often on our mind, and the wisdom of Proverbs is as relevant today as it was 3,000 years ago. It won't tell you how to allocate your portfolio or whether growth will outperform value funds. Proverbs provides a foundation. Build upon these principles and honor God with the blessings He bestows.*

Long before the tech bubble of the 90's or the more recent real estate bubble was one that rocked Holland about 400 years ago. It was the Dutch tulip-craze bubble. Tulips arrived in Holland in 1593, and no one had ever seen tulips before. Their blooms were so vibrant, far more concentrated than any other flower.

Long story short: Demand for the bulbs increased, supply fell behind, and the price began to soar. This continued for the next three decades, and had demand leveled off, the story might have ended here, but it didn't. Dutch tulips contracted a virus during the craze known as mosaic which altered the blooms. Flames of color started appearing, and with each variation, the Dutch fell all the more in love with their flowers.

The price of tulip bulbs reached its zenith between the years of 1633-1637. Prices had always gone up, so the masses became convinced that tulips were a sound, yet lucrative investment. Demand was ever growing, and prices seemed to have no ceiling. *You'd be foolish not to invest!* Some traded all their land for a single bulb when the price surged twenty-fold in a single month. At its height, the average Dutchman could only buy a single bulb with 10 years wages.

It was at an auction in Haarlem that the greater fool didn't show up to buy. News spread that someone actually lost money on tulips. Fear took hold and turned to panic, bulb prices plunged, and Holland entered an economic depression all because of a flower.

Financial bubbles are nothing new. We look back on them aghast at the price paid for *this* piece of real estate or *that* commodity. *It's ridiculous!* And so it is, but it seems the dream of quick riches lulls reasonable people into paying *this* or *that* unreasonable price.<sup>1</sup>

There are ways to avoid getting caught up in the next big thing. Proverbs urges us to quit scrambling after more money (Prov 27:24-27). "Be discerning enough to desist!" Why? Because, "when your eyes light on it, it is gone." (Prov 23:4-5). Money is uncertain; in fact, it's so uncertain that some experts view the markets as a "random walk."<sup>3</sup>

The Bible isn't an investing book, but it touches on the subject. Since money plays a necessary role in our lives, you'd expect God's Word to say something about it, and it does. Some of its principles are practical. For instance, God's people should build a savings, generally avoid debt, do their homework before investing, avoid excessive risk, and exercise caution when given financial advice.

Other biblical principles are attitudinal: Since God is the source of all wealth, His people should view themselves as stewards or managers of their portion, be thankful for it and then generous with it.

### **PRACTICAL PRINCIPLES**

Risk is inherent to investing. Though Scripture says little about types of investment vehicles, it warns against excessive risk. Proverbs 6:1-5 illustrates the point with a man who's secured a loan for his neighbor. He's provided surety—money paid upfront to guarantee that his friend will pay the remaining balance. Will his friend pay off the loan and repay him plus interest? He certainly hopes so, or the entire debt becomes his.

Since we don't know the future, it's impossible to be absolutely certain about any investment. So, hide your money in a mattress? Of course not. Solomon said to manage risk. Since you don't know the future, diversify your assets (Ecclesiastes 11:1-6). Don't put all your eggs in the same basket. Spread them around.

It's always good to ask questions and seek counsel, but Proverbs also says to be cautious: "The simple believes everything, but the prudent gives thought to his steps" (Prov 14:15). It isn't a proverb about money, but it applies. There's no shortage of financial advisors, investing blogs, retirement tools, money magazines, offers, and ads. There's more advice on finances today than ever before, and much of it isn't good. How do you know the difference? I think of Peter Lynch who was a mutual fund manager at Fidelity in the 70's and 80's. He said if he couldn't explain his next investment to an 11-year-old child, he probably didn't understand it well enough himself. Lynch avoided what he didn't understand.<sup>2</sup>

# Money, Money, Money

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Seek counsel (Prov 15:22, 18:1), but be careful: “The prudent gives thought to his steps” (Prov 14:15). The prudent have a framework in which to evaluate their steps. They’ve done their homework, such that when asking advice, they’re able to weigh it. As it relates to finances we could say that wisdom doesn’t rashly jump into an investment but patiently studies it.

The Bible also encourages saving (Prov 6:6-8), and it warns of debt (Prov 22:7). In Proverbs 6, Solomon said to look at one so small as the ant who labors year round. This little creature isn’t a spender but a saver. When winter arrives, it’ll die otherwise.

Unlike the ant, we have credit... and lots of it. According to *U.S. News and World Report*, the average American household in 2014 had \$15,270 in credit card debt with approximately 76% of all Americans living from one paycheck to the next.

Debt isn’t forbidden, but who would suggest that we’re a nation of wise money managers? Creditors know we aren’t, and they’re delighted. Why not live more like the ant? It’s hard and not very exciting, but it’s freeing and makes for a simpler, much easier life.

If your goal is to acquire more things, to keep up with the neighbors, or to maintain appearances, then throw wisdom to the wind and see what happens. If your goal is to honor Christ with the resources He’s given, then apply wisdom and keep reading...

## ATTITUDINAL PRINCIPLES

*1 Corinthians 4:7—“What do you have that you did not receive?”*

It is as Job said, “Naked I came from my mother’s womb” (Job 1:21). We’re born with absolutely nothing, and yet, at such an early age we grip onto things crying out, “Mine!” It goes from “my toys” and “my games” to “my house”, “my money”, “my car.” Sadly, money arguments remain the top reason for divorce today.

Paul asks, “What do you have that you didn’t receive?” Whatever we have, came to us out of God’s grace. So, if you’re wealthy, God gave you the ability to acquire wealth. He provided you the knowledge, education, opportunities, career path, etc. Perhaps you worked like a dog, but so do tens of millions of other people who have far less.

Ultimately, there’s no such thing as a self-made millionaire. No one can honestly look at life and say, “I did it all by myself.” Solomon taught that wealth and possessions all come from the hand of God (Ecclesiastes 6:1). What you and I have, He’s so freely given us. It should make us pause before the next time we cry out, “Mine!”

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**“HOLD EVERYTHING IN YOUR HANDS LIGHTLY, OTHERWISE IT HURTS WHEN GOD PRIES YOUR FINGERS OPEN”**

**~ CORRIE TEN BOOM.**

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God is generous to believers and to unbelievers, to those who love Him and to those who deny Him (Matt 5:45). He gives and gives lavishly out of His abundance. Some receive more than others, and it’s His right to distribute the wealth as He pleases. What we’re asked is to manage what He’s entrusted to us. God’s people are stewards of His wealth.

How would the Lord have us manage His riches? Invest and multiply them wisely (Matt 25:14-30), but above all, God’s stewards should reflect His heart. If He delights to give, what kind of a person should the Christian be? Joyfully generous (Prov 14:21, 31; 19:7; 28:21).

It’s good to help the poor, but understand that it isn’t good to help the slothful (Prov 20:4; 24:30-34; 2 Thes 3:10). There’s a huge difference. Many people are the hardworking poor, but not all. Be generous with God’s resources. Help those in need. However, be sure what you give away isn’t unwisely wasted and dishonoring to God.

The apostle Paul was a man who went through periods of having much and being without (Phil 4:11-12). His finances were fluid, but he writes of an abiding contentment in life. His heart wasn’t tied to the ups and downs of any market, but to God Himself. So long as He had Christ, what more did He really need? He was thankful knowing that whatever he had was, “Not mine, but Yours.”

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<sup>1</sup> *Extraordinary Popular Delusions and the Madness of Crowds* by Charles Mackay.

<sup>2</sup> *A Random Walk Down Wall Street* by Burton Malkiel.

<sup>3</sup> *One Up on Wall Street* by Peter Lynch.