

## Way of Faith

Being Christian in the modern world.

*For my children: This is a summary of the most important lessons I have learned to this point in life. If they don't make sense right now, they will someday. They will aid you if you follow them. If I fail at everything else, it is my only hope that through word, example, and sometimes even discipline, I can somehow help you to stay near to Jesus.*

The love of Jesus Christ calls us to a faithful covenant with him. Only therein is genuine human fulfillment found. Without it, all of our efforts, knowledge, possessions and achievements are meaningless.

Like any true lover, he does not force himself upon us. He invites. The choice is ours to accept or reject him, to give ourselves back to him or not. Insofar as we accept his self-offering, choosing truth, goodness and beauty, we allow him to transform us; we become real, authentically human and experience spiritual life. Insofar we refuse him, preferring half-truths, ambiguity and distortion, we choose madness and spiritual death.

St. Gregory of Nyssa wrote: "We are in a sense our own parents, and we give birth to ourselves by our own free choice of what is good. Such a choice becomes possible for us when we have received God into ourselves and have become children of God, children of the Most High. On the other hand, if what the Apostle calls the form

of Christ has not been produced in us, we abort ourselves. The man of God must reach maturity."

This fundamental choice is made, worked out and affected by our daily interaction with others and the world. It takes time, experience and constant effort. Only gradually, falteringly do we become aware of our inner motivations and less-noble desires. Tendencies towards pride, greed and selfishness, and our refusal to acknowledge these blend with a general apathy towards prayer to create a spiritual quicksand. With passing years we discover deeper parts of ourselves that we did not give to Jesus; elements that we have hidden, or perhaps didn't know existed. We uncover things that hold Christ away.

The world does not make this any easier. There are many distractions: Work, relationships, money problems, hobbies, politics and world events, to name only a few. But rather than being things that draw us away from Jesus, these can become the medium through which we grow in faith and draw near to the Savior.

Not only are we distracted away from faith, but the most fundamental relationships, institutions and truths in the world are under direct assault; marriage and family, the dignity of the human person, the reality of good and evil and right and wrong, Christianity and the meaning of Jesus, himself. This is not new or unique to our time, but it is as catastrophic as any military conflict; literally millions of innocents lay dead in its wake. From a certain perspective it is a battle of philosophies about truth and the meaning of life. On one hand are those who attempt to discern and follow Jesus who is "The Way, the Truth and the Life." On the other are those who believe that truth, if there is any such thing, is whatever we desire, legislate or declare it to be; the way is whatever way I choose; and the only life worth

living is the wanted, self-actualized and comfortable one.

The world will suffer your Christian faith, but only to a point. Those who attempt to *fully* live the Christian faith in the world are either pressured not to, or simply excluded from society. For example, while this introduction was being prepared Catholic Charities in California was ordered by court to provide health insurance that included contraceptive and similar services, federal judicial nominees were denied positions because they believed the tenets of Christianity, a school-boy's nativity display was taken down while other children's seasonal displays were allowed to remain visible to the public, and the homosexual marriage movement has already demanded that employers endorse and support same-sex partnerships. The list could go on.

The pressure to compartmentalize the faith (to put Jesus in a box), and therefore effectively deny it, is tremendous. Daily confronted by these it becomes easier to 'make' Jesus into a distant, historical shadow, far removed from our present time and circumstances, remembered only when useful. Insofar as we succumb to this we fail in our own relationship with Christ, and we fail to do what is truly best for our families and communities.

Though secularism appears to hold the day, there is good news: The endgame has already been determined by Christ. All that remains are our individual choices to participate in Christ's victory (or not). Pope John Paul II calls us to "become who we already are in truth." But how do we do that? What does it mean? What would it look like in "real life?" The answer is not found in rigid adherence to an arbitrary system of conduct or morality. It is not found in an interior emotion or series of private meditations. It is found only in the real encounter with and

constant giving of one's self to Jesus through the Sacraments, a daily life in pursuit of truth and goodness, participation in worship as a member of the Church, and prayer.

Actions and beliefs alone do not a relationship make, but they can strengthen, weaken or even destroy one already present. This pamphlet's purpose is to summarize the fundamentals that tend to strengthen the life with Christ as it is lived in the world — those that lead to maturity — and to point out some to avoid. It includes practical instruction about how to live wisely, and how to sidestep the pressure to segregate faith and daily life. It is intended for individual and married adults seeking general practical direction, and who wish to draw closer to the Savior. The principles are neither new nor our own invention. Like anything true and good, it has all been said before, but is always at risk of being lost or forgotten. In the last analysis, this is the way *we* want to live (though we often fail), and what we wish to pass on to our children.

Implementing these practices *might* lead to significant personal hardship and sacrifice; do so at your own risk (or reward). You will likely experience internal and external conflict and opposition. A regular gathering, at least once a month, to pray together and support one another is recommended. Each point herein easily (and purposefully) lends itself as a topic of study and discussion. The order in which the principles are presented is not important, except that the general ones apply to most everyone, and the others are specific to particular states of life. They are numbered only for convenience.

It is not our purpose to make theologians of anyone, nor is that a necessary endeavor for those seeking to live in uniformity with Christ. However, working familiarity with the Christ's teachings as they come to us through Tradition

and Scripture can help us better understand and therefore integrate our lives of faith, family and work. To that end, persons desiring a deeper understanding of the philosophies and theology leading to these practices should study the indicated readings, along with:

### **Vatican II Documents**

*Constitution Gaudium et Spes*  
*Constitution Lumen Gentium*  
*Decree Apostolicam Actuositatem*

### **Papal Writings**

*Encyclical Centesimus Annus*  
*Encyclical Fides et Ratio*  
*Encyclical Laborem Exercens*  
*Encyclical Rerum Novarum*  
*Encyclical Veritatis Splendor*  
*Apostolic Letter Dies Domini*  
*Apostolic Exhortation Christifideles Laici*  
*Apostolic Exhortation Familiaris Consortio*

### **Books & Pamphlets**

*The Way*  
*Story of a Soul*  
*Way of a Pilgrim*  
*Introduction to the Devout Life*  
*Uniformity with God's Will*  
*Ignatian Spiritual Exercises*

Most related readings are available for free via the Internet and inexpensively in print. Some secular readings are included in the principles. Not everything in them will be entirely compatible with Catholic doctrines, but they are nonetheless included because they provide many points on economics and secular success worth consideration.

Finally, we must recognize that we are, to one degree or another, all like the father of the demon possessed boy in the Gospels, the father who cries out "I believe! Help my unbelief!" We are doubting, limited and hesitant believers, and

try as we may we usually cannot overcome our faults and unbelief on our own. There are those areas we can control and can change, but also those that will simply have to be handed over to Christ in humility and trust. Do your best, take the little steps that are before you, and leave the rest to God.

## **Fundamental Principles**

**L**ove the Lord with all your heart, mind, soul and strength, *for life has meaning and joy insofar as we become united with Jesus Christ.* Love others as Christ has loved you, *for we are united with Jesus only insofar as our relationship with him transforms us and our relationships with others and creation.*

- 1 Actively worship at Mass every Sunday and Holy Day of Obligation (unless you have serious cause to not attend). Seek and support a parish that celebrates the Mass in keeping with the Church's directives and encourages you in your efforts to draw close to Christ. Invite others. Consider more frequent Mass participation if compatible with your life.
- 2 Pray daily, preferably Morning or Evening Prayer, the Rosary, Adoration of the Blessed Sacrament, the Angelus, Divine Mercy chaplet, *Lectio Divina* or a similar prayer compatible with your available time and personality. Open your heart to the prayers so that Christ may transform you through them. A group prayer time can help, but private, uninterrupted prayer time is imperative.
- 3 Never, ever give up in doing good. Learn and practice the virtues: Love, Hope, Faith, Prudence, Justice, Fortitude and Temperance. Observe the Ten Commandments and all of the Church's moral teachings (yes, even the hard ones). Read Luke and Acts, preferably the entire New Testament. Meditate upon the Psalms and Proverbs. Study some element

of the faith regularly in an effort to mature in understanding of God's gifts and to be ever-better-able to live out and explain the faith. In addition to Scripture, the Office of Readings, the Catechism, and other writings of the Church and her saints are excellent resources.

4 As you make your way through life, be aware of opportunities to *humbly and gently* practice the spiritual and corporal works of mercy with those who are both open to and capable of benefitting from your assistance:

- Instruct the ignorant
- Advise the doubtful
- Correct sinners
- Be patient with those in error or who do wrong
- Forgive offenses
- Comfort the afflicted
- Pray for the living and the dead
- Feed the hungry
- Give drink to the thirsty
- Clothe the naked
- Shelter the homeless
- Visit the sick and imprisoned
- Ransom the captive
- Bury the dead

Avoid the temptation to tell others about the times you have done these things, unless they are seeking advice on how to do so, themselves.

5 Never knowingly, willfully engage in evil. Avoid or purify anything that tempts you to sin, or that otherwise harms your relationship with Jesus or others. Avoid vice and the things that lead to it. When you fall — and you will — reach out and take Christ's extended hand. Ask his forgiveness and mercy for your faults, failures and sins. Stand back up and inch forward again. If you are aware of having committed a *serious* sin, receive the Sacrament of Penance as soon as possible and do not receive the Eucharist until you have done so.

6 The moment that you attempt to outsmart, negotiate with or otherwise rationalize an evil action or temptation, you have lost. It is more powerful and clever than you, and frailties in your own mind and heart will betray you. Your only chance at success in these matters is to clearly identify evil for what it is at the start, and then *turn away*. If necessary, find someone who can help you remain accountable.

7 Support the Church's efforts in keeping with your means, whether financially or through the donation of time or skill, *but keep your priorities straight*. Though the indispensable core of the Christian life is the celebration of the Eucharist, the lay person's faith in Christ plays itself out not via our 'extra-curricular' volunteer participation within the walls of the parish, but in exercising that faith in the world. Insofar as interest, time and energy allow, enjoy, assist and participate in various parish ministries, but remember that you, as a lay Christian, usually have other, more important responsibilities.

8 Being likeable is not the same as being holy and genuinely loving. Though these are not necessarily exclusive, be aware of the difference. Sometimes holy, loving people make us feel uncomfortable in what they say or do because they reveal to us our own failings. That is how it should be.

9 Seek as your models people who are more holy, loving, ethical, skilled and intelligent than yourself. Try not to be shaken if they disappoint or injure you in some way. Do not submit your or your dependents' spiritual growth and well-being to someone who is not completely faithful to Christ and the Church, *no matter his position or credentials*. A soul may depend upon it.

10 If employed by a parish, do not seek spiritual direction or the Sacrament of Penance from

a priest who you also work for. It can lead to unpleasant complications.

- 11 Security and control are illusions. Accept anything that happens, good or bad, as if it contains for you an opportunity for maturity in Christ. Embrace it as Christ embraced his cross.
- 12 The deepest, most painful wounds are delivered by those closest to us; family, dear friends and fellow Christians. But remember that God is not to blame for the evil that someone freely chooses to do to you.
- 13 Material goods, health and appearance are over-rated. Enjoy the goods of the world in moderation—they exist for your pleasure and benefit—but do not become “attached” to them or they will be your undoing.
- 14 Set good, measurable, achievable goals and work diligently to attain them. Plan and prepare for the future, but do not spend too much time worrying about or trying to predict consequences or distant future events, for all we are capable of knowing and doing is what seems right at the moment. The best you can do is the best you can do, but it won’t always turn out the way that you hoped. Seek truth, do good, avoid evil, and entrust the rest to God.
- 15 People will tell you that you are being a naive, idealistic fool in two circumstances: When you are doing something very, very stupid, and when you are attempting something very, very good. It is sometimes hard to tell the difference.
- 16 The ends do not justify the means. Good intentions are not enough. Every step you take in reaching your goals must also be good in and of itself.
- 17 Attempt to discern and be brutally honest with yourself regarding the moral nature of your actions and motivations. They are rarely as pure and innocent as we would like to believe them to be. Doing good for evil reasons can turn out badly.
- 18 Given your relationships, responsibilities, limitations and goals, determine what is the most important thing for you to be doing at this very moment — rest, work, study, family, etc. — and *do it now*.
- 19 Acknowledge your limitations. Take time for rest, relaxation and exercise as needed; develop an enjoyable hobby. Be prudent with your time, health and energy, for they are in short supply, and we usually cannot see their end until it is too late.
- 20 Success is not found in never failing or making mistakes, but in *never giving up*. You can accomplish almost anything (good or evil) if you never give up, and are willing to give away all the credit while accepting the blame.
- 21 Regard others as people created in the Image of God; love them, even when they are mistaken, hostile or unlikable. Seek their genuine good. Be faithful. Develop good, positive, supportive and ethical friendships.
- 22 Honor all of your agreements, verbal or written. Do not enter into agreements that you cannot keep, or are unjust to you or others.
- 23 It is *your* responsibility and competency to discern how to daily live the faith in the family, business, political and economic realities of the secular world; these are (or should be) your areas of expertise, not your parish’s, priest’s, diocese’s or bishop’s.
- 24 Assume the best of others until they *prove* you wrong. Never assume that you know someone else’s intentions, motives or thoughts; we rarely know our own.
- 25 Gently, lovingly confront your brother if you see him harming himself or others. But always “pluck the log from your own eye” first.
- 26 Be generous and genuine in your praise, but slow to criticize. Accept both praise and criticism graciously, for it is an insult to reject

- an honest compliment and foolish to reject a wise person's rebuke.
- 27 Apologize to and seek forgiveness from those you harm. But remember, simply being sorry and asking forgiveness does not 'make it right.' Genuine repentance always includes a true change of heart. You must also repair harm that you cause and recognize that some harm can take much time to heal, and some injuries never do heal completely.
  - 28 If you try to help someone they can turn and bite you, sometimes to your complete destruction. Be careful, protect yourself, and control your risks, but do not stop doing good out of fear of personal harm; do not become paranoid, and do not adopt a victim-mentality.
  - 29 Avoid behaviors, attire and words that might cause scandal or be easily misunderstood. In your freedom do not cause others to stumble.
  - 30 Even if you are doing the right things with the right motivations, people will attribute all kinds of evil and foolishness to you. Very few such people can be 'won over,' and it is up to you to tell the difference as quickly as possible. Quite often people who list off their own credentials, connections, history, etc., or who seem to be 'making a mountain out of a molehill' have other, unrelated problems and cannot be helped by you unless you already have a personal, *friendly* relationship with them.
  - 31 Forgive those who wrong you. Desire only their conversion along with your own, but do not be afraid to rightfully protect yourself or those in your care from further harm. Resist the temptation to dwell on and talk about the times others have wronged you. Try to accept, in a general way, any hostility towards you insofar as it can unite you with Christ. Recognize, too, that sometimes the people who attack you have good reason to do so and might be correct in their criticisms, even if their methods seem unwarranted.
  - 32 Nothing worthwhile comes easily or without the willing cooperation of others, so seek the assistance of people who share in your vision. Meet with like-minded others for regular prayer and support.
  - 33 Become an expert at a good trade — or start or work at a successful business — in which you can provide goods and services that genuinely benefit mankind and improve the world. Be prepared to develop a new trade or skill in the event that your current one is no longer beneficial or useful.
  - 34 Never engage in or make allowance for an evil act simply because it was permitted by law or company policy (or even by a Church leader). Rather, try to transform the systems and policies of your community, company and government so that they are more just.
  - 35 Many people, companies and institutions cleverly use words, emotional fervor, cliches, arguments and half-truths as instruments of manipulation. Never engage in such deception. Stand for truth, goodness and on behalf of those in need of someone to stand for them.
  - 36 Take care of your own needs as best you can, but ask for help when you need it and allow others to help if they wish and are able.
  - 37 You cannot change anyone else and should not try. Even God does not force himself upon people. The best you should attempt to do is to change yourself so as to be more open to Jesus so that you can become a better person; perhaps others will see your good example and be inspired by it. Perhaps not. Either way, the only person you can legitimately change is yourself.
  - 38 Your tongue and your emotions must be kept under control. Unbridled, they can be very destructive.
  - 39 What many people call idealism is reality. What many people call reality is madness.

## Vocation and Family

Our life with God plays itself out not in private belief, isolation or abstract theories, but in day to day relationships with others. To grow closer to God, to achieve our potential and to improve the world we must recognize who it is we are called to be, and then through years of effort and God's grace become that person.

All of us as baptized, confirmed members of the body of Christ are called to holiness and to work out our faith in the world. This might involve dedicating one's self to a particular career, to family and children, to a religious vocation, to acts of charity, or any number of other genuinely good activities that benefit mankind.

Some men receive the Sacrament of Holy Orders, making them deacons, priests and bishops. In so doing they become called to serve the Church directly, to devote their lives to acting in the person of Christ, working to sanctify the Church's members.

The majority of adult Christians marry. When a man and woman participate in the Sacrament of Holy Matrimony, their relationship with Christ is configured to be expressed primarily through service to each other and children. They cease to be individual, autonomous man and woman, and become husband and wife, father and mother, people whose very beings are defined by their new, familial relationships. They create a family, a kind of church (a 'Domestic Church') in which the parents are the priests, responsible for sanctifying and educating their children, and *as a family* improving the world around them.

But like Christianity, marriage is not easy. Only gradually do husband and wife learn how to become what they, in a sense, already are. This

is long-term, on-the-job training without manuals, maps or guides. There are many obstacles, detours and scrapes along the way. Apart from direct assault on the institution itself, one of the things that makes marriage so difficult is that people don't really understand what it is and what it calls them to be.

Our culture presses men to compete, to "look out for number one," to pursue a career at whatever cost, etc. It also encourages women to, well, act like men. These attitudes do not lead to peace or happiness. As a single Christian, there is nothing wrong with pouring one's self into becoming an excellent, say, chemist and thereby improving the world. Go ahead, work 80 hours a week. Do something great for civilization. But these same pursuits are entirely incompatible with and will scuttle otherwise sound marriages. *A married man or woman who did the same things would be doing something evil.*

Most of us don't realize that when we say "I do," we are saying we choose family — the love between spouses and the raising of human beings — as our purpose and legacy, as the way in which we will work out our meaning and salvation in Christ and make our primary contribution to the world. From that point forward everything else must be subordinated to the marriage. Career. Personal dreams. Everything.

Like saying 'I do' to Christ, it takes time for us to learn how to live our 'I do' with our spouse. If one observes marriages that last and marriages that do not, patterns emerge; behaviors and attitudes to emulate, and those to avoid. Factors that tend to preserve a marriage include:

- Ability to accept and adapt to change
- Avoidance of situations, habits and people that could harm the marriage
- Common fundamental beliefs

Compatible interests, perspectives and goals  
 Desire for the other's good  
 Few personal disfunctions/vices  
 Fidelity  
 Good personal habits, especially financial  
 Openness to the 'fruits' of marriage:  
     Children  
 Personal maturity  
 Supportive friends and family  
 Time and experiences together

The list is not much unlike the characteristics that help us draw near to Christ. Few of us have all (or even most) of this when we first marry. Thankfully, with time, effort and patience these can grow.

## Principles

- 1 Your family is your Great Work; *their salvation is your primary mission*. Be completely and self-sacrificially faithful to your spouse and children. Always choose their genuine good over your own. It is through you that Jesus loves them, and through them that he loves, transforms and educates you.
- 2 If you have children, try to arrange your household so that one parent can be home most of the time for them.
- 3 Spend time daily with spouse and children. Communicate daily. Have at least one day a week where they get the majority of your attention for most of the day.
- 4 Avoid work, relationships and activities that come between you and your spouse. Love, honor, serve and protect. Tell your spouse daily of your love. Offer to assist whenever possible. Listen attentively.
- 5 Teach your children the faith by word and example. Pray together daily and teach your children to pray. *It is your responsibility to do so, not the Church's*. The Church is there to assist, but cannot take your place as your children's first teachers.
- 6 "The Lord gives and the Lord takes away. Blessed be the Lord." Everything you've worked so hard to build and preserve (including your own life and that of your loved ones) can disappear in a moment. Appreciate it while you have it.
- 7 Love, encourage, respect and support your spouse. Do your best to help him achieve his potential. Routinely consider his well being and what you can do to improve it. Don't criticize (nag) for minor things or things that he can't help. Do not condescend.
- 8 Know how to cook some good meals.
- 9 Clean up after yourself. Don't let yourself go. Keep yourself in reasonably good health and a good state of mind. Don't expect your spouse to make you happy. That is your responsibility.
- 10 Have family/household goals and projects. Find a hobby, sport or recreation that you can enjoy together.
- 11 Make dates together as a family, but also as a couple.
- 12 The closer someone is to you, the more open and tender his heart is to wounding. Be honest, but be gentle.
- 13 Clearly communicate your needs. Your spouse does not read minds.
- 14 Allow each other regular, personal time away without guilt.
- 15 Care for your parents and other family in their time of need. Serve, and do not condescend.
- 16 Implement *perfect* financial habits. A lack of financial stability is one of the leading causes of disruption in otherwise sound households.

## Social, Economic Matters

We all have similar basic human needs; love, friendship, affection, exercise, food, clothing, shelter, education, challenge, health, security, etc. Our *physical, material* needs and desires are met by producing goods and services and then trading them for the things we need or want (usually through a ‘medium of exchange’ like money). In addition to providing for our own needs, healthy people also have an intrinsic compulsion and ability to do good for others, to produce things of beauty or utility. We offer labor, leadership, ideas, expertise, finished products, consumables or other skills and services. We trade with companies, organizations, individuals and governments.

The web of relationships in which all of these trades take place is called the economy (or market). It is a good, human institution, though susceptible to abuse and error. There are saints to be found therein, but also merciless predators who will strip you to the bone without a second thought. Our interaction in the economy not only provides for our material needs, but it is also among the primary ways that our faith is expressed, strengthened or weakened. In this way, work and the economy have salvific meaning and value.

As mentioned earlier, there is intense cultural pressure to operate by one set of ethics in public and a different set of our own choosing in private; a kind of widespread moral schizophrenia. This is wrong. Whether we participate in the economy as employees, business owners or investors, as Christians we have two, inseparable responsibilities: First, the products and services we offer must be genuinely good and presented in a way that respects the dignity of the human person; it would be evil to sell products that are

harmful to others, or to produce genuinely good things but sell them in a way that is prideful, manipulative or dishonest. Second, we must be able to provide for those in our care and justly compensate those who assisted in the production or service. In other words, we must be profitable if we hope to continue doing good.

**Employees** exchange effort and expertise over time and under the direction of a manager for financial compensation. Sometimes other forms of compensation are included. The finances are then used to provide for themselves and dependents. Employees can be compensated only insofar as their efforts generate revenue for their company. Employees risk income loss in the event of a long-term illness or injury, or a market change that makes their current skills obsolete. Employees who manage their finances well usually become investors later in life as they seek ways to grow and protect their savings. Employment is the most ‘certain,’ but often the least financially rewarding of economic activities.

**Investors** exchange assets, usually money for property or a share in a company, market or national economy. An investor is placing a kind of bet — hopefully an educated and intentional one — that the asset being purchased is going to grow in value (capital gain), provide an ongoing income (rents, interest, profit shares and dividends), or be used towards a particular good. The general risk is that some or all of the investment may be lost. Roughly one out of five investors are profitable.

**Business owners**, partners and high level executives create and maintain systems by which people work together to provide products and services to the market. Businesses also provide financial benefits to investors and the government. Business generally take a long time to develop, and owners risk personal ruin if they are deeply

invested in or depend upon a business that then fails. Approximately one in twenty businesses last ten years or more.

The same basic *economic* rules apply to any of these endeavors; the need for the creation and maintenance of “positive cash flow,” and the preservation of capital. This means that we must keep our expenses lower than our income, and do what we can to prepare for emergencies and anticipate future needs.

### Positive Cash Flow:

*It is much easier to spend money than it is to earn it.* Stated simply, the way to maintain a positive cash flow is to consistently produce more value than you purchase and consume (i.e., spend less than you earn):

$$\text{Money Earned} - \text{Money Spent} = \text{Cash Flow}$$

For example, if I or my company produce goods and services valued (purchased) by the market at \$10,000, but we spend \$15,000 in the process, then we have negative cash flow; our expenses exceed our income; we lost \$5000. If we earn \$10,000 but restrain expenses to less than \$10,000, then we have positive cash flow. The extra cash can go towards future needs and growth. This is a bit of an oversimplification, but the basic principle is sound.

Most people constantly push for higher incomes, but this is a two-variable equation, and we usually have much more immediate control over expenses than we do revenue. For example, I have very little control over the value that the market places upon my product or service — the amount of money the market is willing to exchange for it — but I can control my personal expenses and the expenses directly related to my production activities. An effective way to do this is to *comprehensively* study your spending patterns, identifying which expenses are

requirements and which are discretionary. Begin by writing down all of your average monthly expenses in the ‘current’ column (you may wish to use a separate sheet for this):

Personal	Current	Budget
Groceries		
Clothing		
Income Taxes		
Health/Life/Disability Ins.		
Medical		
Recreation and Dining Out		
Telephone		
Television		
Subscriptions		
Internet		
Charitable Contributions		
Retirement Savings		
Short Term Savings		
Educational Costs		
Debt Payments		
Other		
Transportation		
Auto Payment		
Insurance		
Maintenance		
Fuel		
Fees/Passes/Licenses		
Other		
Residence		
Rent/Mortgage Payment		
Electricity/Gas/Oil		
Water		
Sewer		
Garbage		
Insurance		
Maintenance		
Other		
Monthly Totals		
Cash Out		
Income		
Net Cash Flow		

Make sure that you’ve included *everything*. Add up the figures and write them in the ‘Cash Out’

current total. Subtract 'Cash Out' from your monthly total income to arrive at 'Cash Flow.' If cash flow is negative, then you must reduce spending and/or increase income. (This analysis and its variables should be adapted to your particular situation, and can become quite complex if you are an investor or business owner.)

It is easier to talk about reducing spending than it is to actually do it. We take comfort in having things, and we are daily commanded to buy, buy, buy via commercial advertising. But controlling spending is key, no matter how much you earn.

Many people address excessive spending patterns by cutting out a few minor things, but this is really the wrong way to go about it. Rather, pick out your few largest monthly expenses and find ways to reduce them (without overcompensating in other areas). This is usually easier than it is to cut out or reduce a dozen smaller ones.

Pare down your expenses to a level that you are willing to accept. Write in these proposed figures in the budget column. Live humbly. If you have difficulty controlling or tracking spending, each month place cash (real or representative) into marked envelopes. When the envelope for a specific category is empty, stop spending in that category (or take money from a different category). This is one of many ways that you can grow in awareness of and learn to control spending habits.

The other major variable is income. If your expenses are already as low as you can or want to make them, then you must find a way to increase your income. What works in one geography or in one situation might not work in another. Whether you are an employee selling your time and skills, an investor trading capital, or a business owner selling finished goods and services, the

harsh reality is that you can do everything to the best of your ability and still get clobbered. But there are some factors that increase your chances of success. An absence of any of these positive factors should cause you to consider a different career path, investment or business product or service.

### **Positive Factors:**

**Gross Market Size:** The sheer number of likely potential buyers of your product, service or skill.

**Reputation:** The market's positive awareness of you in particular and your product/service in general.

**Your Capacity:** Your ability to provide your product to the market.

**Convenience:** The ease with which people can purchase from you relative to your competitors.

**Need & Desire:** The degree of demand in the market.

**Excess Capital:** The availability of funds in the economy to purchase your product.

**Local Advantages:** Special resources available only in your geography that give you an advantage over competitors.

**Personal Advantages:** Special skills, training, intelligence, dedication and efforts that give you an edge.

**Knowing and limiting your costs:** You increase your chances of remaining profitable if you have a comprehensive grasp of and limit your expenses.

**Reserve Capital and/or Supplemental Income:** Having the resources necessary to make it through lean times.

In addition to positive factors that improve your chances of competing in the market, there

are a few factors that can work against you. Their presence in extreme should likewise prompt you to reconsider your activity.

### **Negative Factors:**

**Local Disadvantages:** A lack of needed resources, an excess of regulation and taxation, or high local costs of living.

**Total Sector Production (Saturation):** The more people and businesses competing for the same dollars, the more difficult it will be to make profitable sales.

### **Capital Management:**

*It is much easier to lose capital than it is to gain and preserve it.* Three things need to be done with accumulated capital:

1. A portion should be reserved and readily available.
2. Excess should be traded for assets that grow in value (invested).
3. It should be insured and protected from severe loss (more than 10%).

Positive cash flow — no easy task in itself — leads to the gradual accumulation of capital (also called assets or wealth). It is the natural consequence of hard work, conservative financial habits, good planning, and a bit of luck. Capital is not worth pursuing in and of itself — you can't "take it with you" — but it is useful and necessary to provide for needs and achieve other goals, not the least of which is the ability to survive times of little or no income (e.g., illness or injury, unemployment, family emergency, economic downturns, business failures, retirement, etc.).

Capital is *easily* lost through poor discipline and poor decisions, investments-gone-bad, and personal or business disasters. It can also be lost in a lawsuit. Protection from the former is a matter of prudence and insurance. Protection from

the latter generally requires legal consultation and is beyond the scope of this pamphlet.

The first several points of this section are for everyone. The latter are specific to employees, business owners and investors, respectively.

## **Principles**

- 1 Read Proverbs and [The Richest Man in Babylon](#) by George Clayson. Like the laws of morality, the laws of economic success are basic, but difficult to follow, requiring grinding self-discipline.
- 2 Seek *relevant* education and training commensurate with your needs, goals, means, interests and intelligence.
- 3 Learn basic accounting and keep honest, accurate financial records. At the very least you should now how to create and interpret fundamental financial reports; balance sheets, profit and loss statements, cash flow statements, etc.
- 4 Pay your bills in full and on time. *Plan for* and pay your taxes as is your duty.
- 5 Everything has a cost. There is no free lunch. You should expect to pay a sustainable price for goods and services that others provide to you.
- 6 Train yourself to desire no material thing except insofar as it can be afforded and is necessary to achieve some good.
- 7 Construct and keep to a budget. Price your goods and services so that you can continue to provide them. Do your best and learn to be content with whatever income you receive. Know and restrain your expenses so that they are consistently less than your income... or perish.

- 8 Plan for and save some profit to build up assets that generate income sufficient to support you during times that you don't have income.
  - 9 Keep a cash reserve available for use in an emergency. Different people recommend different amounts, usually between six and twelve months of expenses.
  - 10 Acquire health, life and disability insurance sufficient to care for you or your dependents in the event of an emergency or your untimely demise. Consider liability insurance once you have significant assets. Have a will. Have emergency, backup plans; test them.
  - 11 Debt is a *serious* risk. It is (too) easy to acquire and can destroy you during downturns. Never take on *unnecessary* debt, and avoid debts that do not somehow allow the generation of equivalent or greater income. Eliminate current debts as quickly as is possible (beginning with those with the highest interest rates) *while maintaining a positive cash flow*.
  - 13 Get to know your bank managers by name. Many bank fees are discretionary and can be waived, but won't be if they don't personally know you to be a good, responsible person.
  - 14 Set financial goals and reward yourself for reaching them.
  - 15 Support the Church and share your excess with those in need.
  - 16 Teach your children how to manage money. No one else will.
  - 17 If something in the economy does not make sense, you can often "follow the money" to discover what is really happening and why.
  - 18 Be as self-sufficient as possible. Learn how to make and fix the basic things that you need to survive. We are all dependent on others to various degrees, but the more dependent you are the more you are at another's mercy.
  - 19 Speed, quality and economy — pick any two. It is unusual to get more than what you have paid for.
  - 20 The economy is filled with sharks and does not suffer fools. If you go into it unprepared you will be destroyed. There is nothing unethical about protecting yourself from unjust people, or even using legitimate, proportional measures to terminate unethical activity.
  - 21 You are going to make mistakes. Try to learn from them and do not repeat them. Remember, too, that there is nothing wrong with learning from *other* people's mistakes.
  - 22 Always get multiple, comparative price quotes when considering purchasing something of significant value.
  - 23 Opportunity waits for no one, but surrounds those who seek it.
- Employees:**
- 24 Pray for your coworkers, managers and entire company.
  - 25 Be grateful to your company for the gift of employment. They are placing great trust and hope in you.
  - 26 As an employee you are exchanging your time, skill and effort for a portion of the revenue generated by your company's sales. You cannot be paid simply for your hard work, time, or intelligence. Your salary has nothing to do with what *you* are worth. You can be paid (and remain employed) only insofar as your work generates sufficient income. Be on time and work diligently to improve your company's products, services, and your own skills. Keep yourself healthy, alert, rested and fit for work.
  - 27 Your employment could end at any moment and without warning or apparent reason. Be prepared to find other work. Be prepared to develop entirely new skills should changes in the market make it such that your present abilities are no longer valued.

28 Your achievements, career aspirations and titles have meaning only insofar as they draw you closer to Christ, are compatible with your marriage, and improve the human condition. Take no pride in them.

29 As an adult you do not have a 'right' to a job, education or health care. You are free to seek these or provide them for yourself, but no one is obligated to give them to you at their expense.

30 Do not let your company take advantage of you. You should be compensated for any work your company requires of you. And it should not ask you to do work that is unethical or incompatible with your abilities or state in life (though it is your own fault if you knowingly take a job that is incompatible with these). No amount of pay is worth being dehumanized.

31 Do your work with a good attitude and in the way directed by your manager. Humbly suggest improvements when appropriate but do not make changes without the authority and/or approval to do so.

32 The most important kind of management is self-management. Read Activation: The Core Competency by Edmund Freedberg

### **Investing:**

33 A fool and his money are soon parted. Never invest in something that you don't comprehensively understand.

34 Consider "slippage," spreads, fees and similar costs when evaluating investment opportunities. Most deals aren't nearly as good as they appear at first glance.

35 Never make trades based on emotion or hype. You can safely ignore virtually all investment advertisements.

36 Capital management and risk control are among the keys to successful investing. Let winners run. Cut losers short. Risk the loss of no more than 2% of your capital in any individual investment or trade. In 50/50 win/

lose scenarios studies show that successive capital risks greater than 2% almost inevitably lead to financial ruin.

37 Do not lend to or invest in companies that are unethical or harmful to the culture.

38 Do not engage in usury.

39 Investing, speculating, gambling, trading, hoping, saving and recreating are all very different things but can look a lot alike. People frequently say they are investing when they are really doing one (or more) of the others. There is not necessarily anything wrong with any of these, but just be clear with yourself about which you are doing.

### **Business Owners, Partners and Managers:**

40 Pray for your employees and partners.

41 Know and control your costs and set prices accordingly or you will surely fail

42 Do only those things that are genuinely in your customers', employees', vendors' and investors' best interests. If your organization is properly structured (and you are working with good people), these interests will not be in conflict. Though no single priority can trump the others, they should *generally* be in this order: Customer, Employee, Vendor, Investor, Owner/Manager/Partner.

43 Be grateful to your customers for trusting you enough to purchase your products and services. Always represent your company truthfully and completely. Seek only what is genuinely beneficial to your customer.

44 Be thankful to your employees for the gift of their time and talent. They have freely chosen to work with you, trusting you to treat them with respect and to share with them the fruits of their labors. Thank them. Clearly, respectfully communicate your wishes and priorities. Compliment them. Pay them on time, in full and in keeping with their genuine needs. Establish systems that allow employees

- to benefit from exceptional efforts (like profit sharing).
- 45 Provide an ethical, educational, healthy and safe working environment in which people can mature in skill and character. Assist employees with their personal development, health care, education and financial well-being insofar as your company has means to do so. Do not endanger their health or family through excessive or unnecessarily-dangerous work. Teach them how the economy works.
  - 46 Most people place too much of their self-worth in their jobs. Terminate employment only when *absolutely* necessary.
  - 47 Have a clear business structure and abide by it. Delegate. Do not micromanage. Learn and implement the principle of subsidiarity in the management of your business or department.
  - 48 Attempt to provide a living wage to full-time employees. A living wage is the compensation needed for a person to provide for his own needs and those of his family, allowing his spouse to remain home to raise young children. It requires an exceptional level of management skill in today's economy, varies from place to place, depends on the employee's financial prudence, *and is not always achievable*. Many companies do not have the revenues necessary to support such payroll levels as a consequence of local disadvantages or intense competition.
  - 49 Implement a preferential option for the poor: *All other things being equal*, consider not only the going market rates, but also people's individual needs and life-situations when making business decisions (employment, compensation, promotion, termination, products, services, etc.).
  - 50 Always pay vendors on time and in full.
  - 51 Be thankful to your investors for trusting you with their capital. Protect their investment, doing your best to bring about good and profitable results.
  - 52 Read Napoleon Hill's Keys to Success
  - 53 You can do everything right and still fail. You can do many things wrong yet still succeed. Your company can be utterly destroyed in seconds by forces entirely beyond your control (and many within your control). Don't take too much credit. Do your best and accept the consequences.
  - 54 Do not make decisions based in fear or greed — only what is right, true and sustainable.
  - 55 If your company was a carpentry shop, would Jesus work there? Do not impose religious conversion upon anyone, but do make your workplace one that is compatible with and open to Christianity. Do not allow your company to support or engage in activities that are contrary to Christianity.
  - 56 Just as individuals should work on personal development and investments for future use, so a portion your company's efforts and assets should be dedicated towards research, development and outside investment.

