

“Justice is what love looks like in public”
Dr. Cornell West, Princeton University

Real Wealth and Personal Justice

Justice is something that all of us long for, isn't it? Social Justice, Corporate Justice, Economic Justice... We long for justice in the world: in wars, in social systems, in wealth distribution, in famines, in caste and class conflicts. But...do we want it in our personal lives? Do we want it in our personal choices? Do we want justice brought against us? Do we want the light of justice to shine on the unseen implications of the financial choices we make everyday?

They say that change begins at home. It is true for raising children. It is often true in environmentalism and defending local economies. Is it also true in the global systems of economic injustice? We believe it is. Change begins at home. It begins in our personal family cultures, our daily money decisions, and in the digits which fill our credit card and bank statements.

Talking about personal finances may not be as sexy as canvassing, demonstrations or the hope of political change. However, we believe budgeting, personal accountability and values-based financial planning are the new front-lines of social change.



Most people, in their heart of hearts, want to live harmonious and congruent lives. They want congruence in their families, in their schedules, in their pocketbooks and in their investment portfolios. They want it to be true, but most days such congruence feels as impossible as writing a sonnet or flying the Shuttle.

The funny thing is it is not impossible, even when it feels so. The principles are as simple as third-grade math but they require the dedication of a PhD.

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Four suggestions for transformation:

Know Your Story

Finances are often treated like a static photograph, a snapshot captured in time without complexities or context. Some believe that a formulaic list of numbers (bank account totals, retirement funds, credit scores) is sufficient to project a pathway to financial health. In reality, one's financial “picture” is not static like a photo. It is more like an epic novel or classic film, full of complex characters, conflicting emotions, plot twists and most importantly an ever evolving system of values that you, as the protagonist, want desperately to discover and defend.

It has been a while since I have been able to take the time to sit and read a great novel. Career and family are about all I can juggle most weeks. Do you know that feeling? How then are we to discover the deeper story of our personal financial novel? What resources might help us? Where do we begin?

A friend, trained in discovering a financial story can be irreplaceable. But for now let me suggest a few thought exercises to help you open the pages of your own story:

- ◆ Ask yourself, “What is most important to me about my personal finances?” Make a list of your answers. Some words may vibrate on the page. What is important to you about those words?
- ◆ Make a list of your earliest “money memories”. Consider that we filter out 95% of our memories. Why do you think those particular memories stuck?
- ◆ Project yourself 5, 10, 15 years into the future. Imagine your life and envision your setting. What advice will the 15-years-from-now-you want to give to the today-you about your money story?

Reflective activities like these will slowly reveal the details of your own epic story. They can reveal the essential characters and formative settings. You can begin to define any specific crises and negative patterns. They can illumine the rising action that has led you to today’s pivotal chapter. And only then can we envision the climax and resolutions of tomorrow’s financial freedom and personal congruence.

Become Proactive with Your Spending

Again, trying to inspire personal and social transformation through budgeting is a bit like trying to convince people that the earth is round. Ridiculous, I know. However there are few habits more transformative than intentional, proactive, evaluative, accountable budgeting.

We live in a world that banks billions of dollars in advertising and product placement on the simple premise that we will spend spontaneously and with the unmeasured lust of the moment. We would submit that budgeting is like meditation. It provides regular moments of reflection and centering to remember what is most important and not just remember “what we spent” but more importantly “who we want to be.” There are few languages of self-expression that are more powerful than spending patterns.

Budgeting, as a tool of transformation, breaks down when we do not do it consistently, when we don’t do it within community, and when we do it reactively instead of proactively. What do I mean by proactive? The budgeting process we enter into must have built-in systems for reflection, evaluation and correction. Not an easy proposition. So much so that we had to create a tool of our own. Email us if you would like to use it.

Become a Sustainer Instead of a Consumer

I was raised to believe that the “big” players in the world would take care of things, players like government and corporations. While I hold out hope for the positive influence of government, corporate responsibility has become harder and harder to trust as money increasingly flows to the ultra rich, behind a veil of token charitable programs.

The easiest way to reverse this trend is to take control of your debt. Personal debt vehicles, much like the lottery machines in your local bar, are carefully orchestrated tools to siphon money away from “commoners” and into the hands of corporations. And the credit card offers in your mail are like the inviting “tink, tink, tink” of a slot machine.

In order to take control of debt there are some simple truths that must move from knowledge to conviction - a conviction strong enough to alter our behavior. Credit cards (and other personal debt vehicles) encourage: 1) Easy spending; 2) Paying more for something than it is worth (cost plus interest, often high interest). “Empty” debt for consumer products that immediately lose value from a Lexus to a latte; and 3) Required credit payments effectively “garnishes” our income instead of releasing our income as other tools can (see tax advantage thoughts to the right).

We should use debt, NOT get used by it. For this to be true, debt should only be used for two reasons: 1) to realign current spending, thus allowing personal financial congruence in the present; and 2) to acquire investments that are both affordable in the present and provide for greater community investment in the future.

Mortgage debt can, but doesn't always, accomplish these goals. Mortgages help many people realign their budget by fixing housing costs and can even provide a “do-over” to heal homeowners in financial distress and get back to “values-filled” living. Mortgages also help secure future wealth (property is a long-term appreciating asset) and can even provide income relief today (see tax advantage thoughts).

“Conservation above Consumption”
As foundational to financial health as it is to environment health

Build a Reservoir of Resources

We are talking here about building wealth, but certainly more than mere money acquisition. A term like “resources” seems more apropos. The word “resource” implies energy and life. It suggests something for which we are more “stewards” than “consumers” (in the same way we use “resources” in the phrase “natural resources”).

We are not talking about mere “financial assets” (stocks, bonds, mutual funds), but wealth that really matters – wealth in the holistic community sense. As David

Credit cards:

- ◆ Encourage easy spending
- ◆ Average 13.9% interest
- ◆ Purchase “no value” goods
- ◆ Siphon wealth out of community
- ◆ No tax advantage

Tax advantage thoughts:

Mortgage interest is one of the largest deductions in the tax code. Every dollar of interest paid represents a decrease in your taxable income, thus resulting in more money in your “pocket”.

Subtract your tax bracket from your mortgage interest rate to find the “effective” initial rate of your mortgage (consult a tax advisor for the specifics of your situation).

For example:

6.5% - 25% = 4.875% (effective mortgage rate).

Korten said in The Great Turning: From Empire to Earth Community, “Money... has no intrinsic, utilitarian, or artistic value. It is only a number on a piece of paper or an electronic trace in a computer file. It is an accounting chit that has value only because by social convention people are willing to accept it in exchange for things of real value” (Kumarian Press, Inc. pp 68-69). Certainly, we want these resources to grow and/or mature (all organic things should). But the pathways of investment that cause growth and maturity are just as important as the investments themselves.

Your unique story illuminates your unique values and those values will allow you to invest in ways that are uniquely you and infused with a heart for the “community”, both local and global.

- ◆ If you enjoy gardening, desire to eat healthier food and insulate your family from food prices, grow you own food; or better yet, collaborate with others to share in the joys, rewards and returns of cooperative urban farming.
- ◆ If you have the means to buy a home and desire to put roots down in your community for the long haul, now is a great time to do so.
- ◆ Learn about the interconnections of commerce. Orient your life and spending to support businesses and organization that reflect your values.
- ◆ Shop local – keep those dollars circulating many times more in your community rather than allowing them to fuel corporate profits in far away, and privatized, areas.

Live within your community. Trust the voices of the friends and trust-worthy professionals to advise you.

It is hard to deny that wealth is power. The wealth divide, particularly financial wealth, is growing. “In the United States less than 50 percent of households own shares of stock in any form. The wealthiest 1 percent of households own 42.1 percent of the value of all stock shares, more than the total for the entire bottom 95 percent of households...It is a safe estimate that far less than 1 percent of households globally have consequential stock holdings.” (Korten, p. 69)

The modern systems of easy spending, consumerism, credit addiction and loss of local economies all lend themselves to an increasingly unjust world. What is your hope for the world? What is your sense of personal mission? What sort of world do you want to leave to your children?

We must learn to live increasingly in community with one another. We must learn to live in accountability to one another. We must learn how to invest in one another.

Activism begins at home.

We live in a time of unbelievable possibilities. We deny the gift of our unique time and place if we do not access the opportunities to grow and invest all around us. We also betray our time and place if we don't act with responsibility: for a fuller life, for better communities, for a just world.