

HARD TIMES, TEACHABLE MOMENTS

It's Your Money

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A few weeks ago I received a call from a long-time client. Sue just turned 70, and has been forced to assume responsibility for financial decisions since her husband's death 10 years ago.

Sue worries a lot. She is under stress in good times and bad. Sue has invested very conservatively, and has suffered little damage through the market's decline, but she continues to worry.

Poor Sue. While I try to be as supportive as I can, she feels very lonely and insecure when it comes to making a decision. I tried to put her mind at rest. "Find a nice sunny spot in the house." I told her. "Make yourself a cup of hot chocolate and read Psalm 46". She said she would take my advice.

Sue's relationship with her money, in good times and bad, is one of fear.

Do you remember the 1987 movie, Wall Street? Put it in your Netflix queue, and forgive me for the blue language—but this movie is a 22-year prophecy fulfilled. The film's immortal line was uttered by the ultra-rich villain, Gordon Gekko (played by Michael Douglas); "Greed is good".

Gekko (not to be confused with the little green lizard) is the company take-over artist that corporate-types fear and loathe. Speaking of the 33 vice presidents at Teldar Paper making over \$200,000 per year (remember this is 1987) Gekko says, "All together, these men ... own less than three percent of the company. And where does Mr. Cromwell (the CEO) put his million-dollar salary? Not in Teldar stock; he owns less than one percent. ... You, the stockholders... are being royally screwed over by these bureaucrats, with their luncheons, their hunting and fishing trips, their corporate jets and golden parachutes." Apparently Gekko doesn't think the bureaucrats' greed was good—only his own.

Gekko's relationship to his money is demonstrated when he says, "I create nothing. I own." When asked, "How much is enough?" He replies, "It's not a question of enough, pal. It's a zero sum game, somebody wins, somebody loses. Money itself isn't lost or made. It's simply transferred from one perception to another."

Gekko hasn't been gripped by the command to "be fruitful and multiply". He is simply a genius thief operating within the law—unlike the Madoffs operating outside it. Watch out! Be on your guard! They both want a relationship with your money. New regulation won't change the human heart.

I remember my economics professor telling us, "General Motors is not in the business of making cars, they are in the business of making money." That is a chilling indictment, but it seems to get at the core of meaning. Who are you? What do you do? What does it mean? Is it important? Those are the big questions that seem to be asked more in bad times than in good.

Hard times provide teachable moments. I've learned at least three things in past months.

- The creation is inconceivably productive. In spite of the Gekkos, the bureaucracy, the laws, the required permits, the regulations and inspections, the taxes and all types of waste at every level of our society, we have an extremely high standard of living and the ability to help others.
- Having work and enjoying it is a magnificent blessing.
- It is easier to identify greed in someone else than in myself.

I wish you justice in the market place as you go through this very difficult time. I also encourage you to consider that your intrinsic value to your family, your community and others has to do with more than your success as a dairy producer. May we keep these difficult times in perspective, and learn from them.

It's your money. Carefully consider your relationship to it.

Verlyn De Wit helps successful dairy producers make smart decisions about their money. He can be reached toll-free at 1-888-468-1728 by email at vdewit@sammonsrep.com or "snail-mail" at 1270 Eastside Dr., Sioux Center, IA 51250. Securities offered through Sammons Securities Co., LLC. 4261 Park Road, Ann Arbor, MI 48103. Member FINRA and SIPC.

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