CHARACTER IN FINANCIAL MATTERS

THE IMPORTANCE OF CHARACTER IN FINANCIAL MATTERS

Finance plays a major part in all our lives. But, few people directly relate character with finance. In fact, your character is revealed by your pattern of behavior when dealing in money and financial matters.

Everyone deals with money which is merely a way to measure value and a medium of exchange. Since money enables people to buy goods and services, having more money is a desirable value in our society. The old saying "money is the root of all evil" recognizes money's universal importance. However, money is an inanimate object and therefore, by itself, is not inherently evil. But people's actions relating to money may be.

Whenever people earn, spend, borrow or invest money, they create a financial relationship with another. That financial relationship can be good or bad based upon the character you exhibit. When financial matters are handled ethically and with good character, the relationship is better for both parties.

HONESTY, INTEGRITY, AND RESPONSIBILITY

Everyone realizes that people who steal or swindle money have poor character. But what about people who are law-abiding, hard-working and well-meaning, yet act with bad integrity? As a result, they may find themselves "in over their heads" and overspending what they can afford. Did they build up credit card debt knowing they didn't have the means to repay it? Did they think only about benefiting themselves today without considering the future consequences from their inability to repay their lender?

It is human nature to want more than you have. It takes strength, courage, and thinking ahead to resist overspending. Continuing to borrow money without intending to repay the lender is the same as breaking a promise or lying; it constitutes a lack of integrity and fortitude and disregard for the lender. It amounts to trying to "get something for nothing," and usually results in bankruptcy, loss of credit and family strife.

EXCEPTION

Note that people of exceptional character may still have financial problems, even though they run their financial affairs with responsibility, honesty and integrity. Sometimes unplanned financial reversals occur. For example, a breadwinner may suddenly and unexpectedly lose his or her job, and the family may lose the ability to pay for bare necessities if its savings run dry. This family may have demonstrated integrity, but ran into unexpected problems not of their making.

REMEMBERING THE 'GOLDEN RULE'

Remember the 'Golden Rule': "treat others the way you would want to be treated." This is the key to developing a healthy, sustainable, and positive relationship with your finances. Sooner or later, every

financial act has a measurable consequence. Negative financial outcomes are often caused by inappropriate, irresponsible actions stemming from lapses of character in financial dealings. If a person remembers the Golden Rule and demonstrates integrity in financial matters, he or she develops improved relationships and financial outcomes, as well as long-term success.

TEACHING AND LEARNING FOR SUCCESS

The solution is to teach everyone basic character principles in finance, including budgeting and accounting, beginning at a young age. While advanced finance can be complex and difficult, teaching basic financial principles together with character is quite simple. People must be taught that the basic character principles apply to their financial dealings. By remembering the Golden Rule and always acting with integrity, you will build trust and foster good relationships. This will result in long-term success in all your dealings, including your financial affairs.