

Monopoly™ and the Mortgage Mess

Do you remember the game of Monopoly™? You move around the board, buying and selling property, houses, hotels. You have mortgages, pay income taxes and utilities, get a "paycheck" by passing "Go" and collecting \$200. And then there are the "Chance" cards - sometimes good, sometimes bad. My favorite was "Bank error in your favor. Collect \$200."

When I was a kid, we had games that would go on for days! We had our own rules that let us trade properties, make loans with each other - basically do anything that would keep the game going. The kids that weren't doing too well hoped their luck would change, while those in the lead wanted to see if they could control the board. The further behind you were, though, the worse the deals you'd get from the "wealthier" players.

Back then, I didn't appreciate how much that game was actually giving me a financial education, giving me a chance to play around with concepts and transactions that would become very real for me as an adult. Unfortunately, the sole focus of that game is to accumulate as much money and property as you can - so much, in fact, that it causes every other player to go bankrupt. Not exactly Christian values.

Am I suggesting that Monopoly™ is the cause of the current mortgage mess? Of course not! But I do think it's symbolic of some undesirable attitudes about money and wealth that are inherent in our culture and that I, and perhaps you, have grown up with.

Take that bank error Chance card, for example. There is no card that says "Tell bank about error. Return \$200." In other words, the bank made an error and you get to keep the money with no strings attached, no need to try and return it. Goes along, I suppose, with "finders keepers, losers weepers" and "it's their mistake, not mine."

And there's the rub. There are any number of rationalizations for doing things with money that, if we really looked at them up close, are in

conflict with our Christian values. They're so common and so acceptable, though, that we don't think about the conflict. It's not a conscious thing...we're not trying to be dishonest.

Ill bet you've heard some of these rationalizations more than once...maybe used one or two yourself? For example, how about "everybody does it" (that's a favorite at tax time) or "it's just a small amount" or "no one will ever know" (or it's close cousin "you won't get caught"). Then there's my personal favorite, "I don't have time right now, but I'll take care of it later." I've used *that* one way too often!

The more I've thought about this, the more concerned I've become. So I decided some time ago to watch for these rationalizations in my own life and treat each one as a red flag, a warning that I might be about to make an un-Christian decision.

Shortly after making this commitment, I was leaving a store and realized that I had been undercharged by a couple of bucks. It would be a hassle to go back in, get in line again, explain everything, wait while they did whatever was needed to correct things, etc., etc., etc. No one would ever know, and besides, the store was part of a large chain - the amount involved wouldn't really hurt them. Oops! Rationalizations! Red flags!

So back in I went. Hearing me tell the sales clerk why I was back, the customer that was about to check out let me go ahead saying, "It looks to me like you're about to do an amazingly honest thing. Most people would have just gone on home."

That startled me...and started me thinking. Why should my simple act be so amazing? If most people would have just gone on home, wouldn't that include a number of people who consider themselves Christians? Should I have just gone on home? But if I'm to expect honesty from others, don't I have to be honest myself? I didn't cause the undercharge, but if I hadn't

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made it good, wouldn't that have been a sin of omission?

Late last year I was tested with a larger amount - more than \$700 this time. Earlier in the year we bought a new home and as is typical, property taxes were estimated for the year and a prorated portion paid to us by the builder. When I received the actual tax bill, I discovered that it was much lower than estimated - the builder had overpaid.

The builder didn't contact me about it, and as far as I knew, I wasn't under any legal obligation to contact them. They could easily find the final tax amount, but I figured they probably wouldn't - not worth the hassle factor to them nor the possibly negative PR. And I sure didn't need this extra expense. Ooops! Rationalizations! Red flags!

So I sat down, swallowed hard, wrote the check, put it in the mail, sat down and had a beer. To my surprise, a couple of weeks later I received a personal letter from the president of the company. The president! It started out "We were all shocked and thrilled..."

Shocked and thrilled? This is another large company; my check couldn't have made any real difference in their bottom line. Why would it shock and thrill the president of the company? Because, according to his letter, he had built about 100,000 homes over the years, and this was the first time he could remember any buyer paying them. The first time? Surely a fair number of the other buyers were Christians? But then again, this was the first time I'd ever bothered...

As an actuary, I know not to draw broad conclusions from limited data. But I can't help but believe that there is a fundamental disconnect for many of us between our Christian values and how we make some of our financial decisions. It's not intentional - we're not basically dishonest or hypocritical. It's just that we've grown up in a culture that constantly measures us by our money and material possessions...a culture that has many plausible rationales to help us get and keep wealth. And the influence is often subtle, like that game of Monopoly™.

It's not limited to our personal lives, either; it carries over into the way we do our jobs with

results that are much more dramatic - like the mortgage mess. Don't you suppose that many of the people involved in creating and packaging all of those new types of mortgages were Christians? And don't you suppose that they had to be at least a little bit uncomfortable with things like "no doc" and interest-only loans? But mortgage companies are in business to make loans; no loans, no business. So you keep stretching the envelope and each new step doesn't seem all that much worse than the one before. It's all just good business...isn't it?

"Sure this loan is risky and this family may not be able to handle it. But they can't qualify for a regular mortgage, so I'm giving them a chance to realize their dreams! Anyway, it's just business and it's all perfectly legal. I gave them all the required disclosures; they can say 'no'. Besides, if I don't make this loan, someone else will and the terms could be much worse." Ooops! Rationalizations! Red Flags!

The CEO of one of the major mortgage banks that was repackaging these loans in exotic ways that no one really understood admitted that his company had concerns, was worried about how far things were going. But they kept on because...wait for it...everyone else was! He didn't want to miss out on any of the action. Ooops! Rationalizations! Red Flags!

So, out with the rationalizations? NO! Instead, use them for Christ. Use them as red flags, early warning signs. They give us a chance to step back and make sure the decision we're about to make squares with our Christian values. And, as I have learned, sometimes happens in an unexpectedly visible way that is a witness to our faith.

Do you suppose I could get Parker Bros. to add a new Chance card to Monopoly™?

I'm here to help you improve your financial life. It's free and confidential. Just call the Budget Guy, Allen Gunter, at 301-1246, or send an email to BudgetGuy@shpc.org. For a wonderful look at what the Bible says about money, check out the Crown Financial Ministries Small Study Groups—contact Chris Gordon at 484-1905 for more information.