

# BIBLE PRINCIPLES OF INVESTING

By Paul Selchow

## Investing vs. Gambling:

*Investing and gambling are fundamentally different.*

- 1** Gambling, whether it be slot machines, cards, bingo, lottery tickets, etc., in order to win, someone else needs to lose. As Christians, we should consider this as dishonest gain.
- 2** Investing, however, is not this way. Investing done correctly should be a win/win strategy. When you invest in stocks, for example, you are purchasing a small share of a business; and that, either directly or indirectly, strengthens the company. The company wins. The investor also can win in two different ways. First, when you are a shareholder, the company then returns to you a portion of its profits. That's called a dividend. Second, over time, as the company continues to strengthen and grow, the value of the stock goes up in value. When that happens, the investor now holds shares that are worth more than what they paid for them. That is called capital appreciation.
- 3** Can you lose in the stock market? Yes, there is always a risk due to supply and demand. The more confident investors are about a company's prospects or the potential for positive developments, the more likely they are to want the stock. Conversely, a loss of confidence can lead investors to sell, pushing down the stock price. Stock markets fluctuate up and down in normal cycles. However, if a long-term strategy is used, those fluctuations can have a minimal impact on your investments. That is why it is important to educate yourself on the correct way to invest, and the correct investments based on your risk tolerance.
- 4** As Christians, we should never invest in a company that supplies goods or services that are considered unethical or immoral. For example, I would never buy stock from a company that produces an abortion pill, cigarettes, or alcohol. I don't want that company to succeed, and I don't want to profit from it.



## Bible Principles About Investment:

**1** **Proverbs 6:6** Go to the ant, you sluggard! Consider her ways and be wise.

**A** **Plan to the future**

Just as the ants prepare for winter, we should prepare for our future when we can no longer work as hard.

**B** **Work hard**

Working hard when you are younger and storing some aside for the future is wise.

**2** **Ecclesiastes 5:18-19** Here is what I have seen: It is good and fitting for one to eat and drink, and to enjoy the good of all his labor in which he toils under the sun all the days of his life which God gives him; for it is his heritage. As for every man to whom God has given riches and wealth, and given him power to eat of it, to receive his heritage and rejoice in his labor - this is the gift of God. **Deuteronomy 8:18** And you shall remember the LORD your God, for it is He who gives you power to get wealth, that He may establish His covenant which He swore to your fathers, as it is this day.

**A** **Make it a blessing**

Money, managed wisely and to the glory of God is a blessing.

**B** **Counsel from God's messenger**

Ellen G White refers to wealth as "Divine favor". "It is the love of money that the word of God denounces as the root of all evil. Money itself is the gift of God to men, to be used with fidelity in His service. God blessed Abraham, and made him rich in cattle, in silver, and in gold. And the bible states, as an evidence of divine favor, that God gave David, Solomon, Jehoshaphat, Hezekiah, very much riches and honor." {CS 139}





# 3

**Luke 19:11–26** And as they heard these things, he added and spake a parable, because he was nigh to Jerusalem, and because they thought that the kingdom of God should immediately appear. He said therefore, A certain nobleman went into a far country to receive for himself a kingdom, and to return. And he called his ten servants, and delivered them ten pounds, and said unto them, Occupy till I come. But his citizens hated him, and sent a message after him, saying, We will not have this man to reign over us. And it came to pass, that when he was returned, having received the kingdom, then he commanded these servants to be called unto him, to whom he had given the money, that he might know how much every man had gained by trading. Then came the first, saying, Lord, thy pound hath gained ten pounds. And he said unto him, Well, thou good servant: because thou hast been faithful in a very little, have thou authority over ten cities. And the second came, saying, Lord, thy pound hath gained five pounds. And he said likewise to him, Be thou also over five cities. And another came, saying, Lord, behold, here is thy pound, which I have kept laid up in a napkin: For I feared thee, because thou art an austere man: thou takest up that thou layedst not down, and reapest that thou didst not sow. And he saith unto him, Out of thine own mouth will I judge thee, thou wicked servant. Thou knewest that I was an austere man, taking up that I laid not down, and reaping that I did not sow: Wherefore then gavest not thou my money into the bank, that at my coming I might have required mine own with usury? And he said unto them that stood by, Take from him the pound, and give it to him that hath ten pounds. (And they said unto him, Lord, he hath ten pounds.) For I say unto you, That unto every one which hath shall be given; and from him that hath not, even that he hath shall be taken away from him. [KJV]

## A

### Wise management

We should be wise in how we manage our money.

## B

### Be a faithful steward

God requires us to be good and faithful stewards.

# 4

**Luke 12:16–21** Then He spoke a parable to them, saying: “The ground of a certain rich man yielded plentifully. And he thought within himself, saying, ‘What shall I do, since I have no room to store my crops?’ So he said, ‘I will do this: I will pull down my barns and build greater, and there I will store all my crops and my goods. And I will say to my soul, “Soul, you have many goods laid up for many years; take your ease; eat, drink, and be merry.”’ But God said to him, ‘Fool! This night your soul will be required of you; then whose will those things be which you have provided?’ “ So is he who lays up treasure for himself, and is not rich toward God.

## A

### Hoarding money

This man hoarded money for himself. He did not even have a beneficiary.

## B

### Giving plan

Every financial plan should include a giving plan.

## C

### God’s blessing

All blessings are a gift from God, and this includes money. Money gained without recognizing it belongs to God is foolish.



## Bible Principles About Investment:

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### **Proverbs 28:20**

A faithful man will abound with blessings, but he who hastens to be rich will not go unpunished.

**Proverbs 13:11** Wealth gained by dishonesty will be diminished, but he who gathers by labor will increase. [NKJV] (Dishonest money dwindles away, but whoever gathers money little by little makes it grow. [NIV])

A

### **Steady investment**

A foolish man chases get rich quick ideas and will lose, but gathering wealth little by little over time will increase it.

B

### **Long-term strategy**

Investing should be a carefully calculated long-term strategy.

C

### **Counsel from God's messenger**

Ellen White was known to counsel against purchasing gold mining stock at a time when it was a craze, and those who wanted to invest thought it might be a get-rich-quick idea.

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**Mark 10:23** Jesus looked around and said to his disciples, "How hard it is for the rich to enter the kingdom of God!"

**Matthew 19:24** Again I tell you, it is easier for a camel to go through the eye of a needle than for someone who is rich to enter the kingdom of God.

**Matthew 6:19–21** Do not store up for yourselves treasures on earth, where moths and vermin destroy, and where thieves break in and steal. But store up for yourselves treasures in heaven, where moths and vermin do not destroy, and where thieves do not break in and steal. For where your treasure is, there your heart will be also.

A

### **Do not trust in riches**

Don't put your trust in riches. We need to remember, we are stewards and it all belongs to God.

B

### **Seek first the Kingdom of God**

Always remember that the Kingdom of God is our first priority.

C

### **Love of money corrupts**

The love of money can corrupt. We need to guard ourselves against this snare.

# 7 1 Corinthians 10:31

So whether you eat or drink or whatever you do, do it all for the glory of God.

## A **Glory to God**

All that we do should be done to the glory of God. This absolutely includes how we manage our (or God's) money.

## B **Stewardship**

Remember, we are stewards. All that we have belongs to God, and we are entrusted to manage these resources faithfully.

## Final thoughts:

- ▶ The Scripture doesn't forbid accumulating wealth, but it does give considerable warning about how we manage it.
- If you don't understand how or what to invest, you shouldn't do it. Educate yourself on the correct principles of investing.
- If you educate yourself and manage within the parameters of these bible principles, it can be a blessing.
- Again, investing is neither forbidden nor required by scripture. Everyone must be persuaded in their own mind. "...Let each be fully convinced in his own mind." Romans 14:5

— Paul Selchow