

The Dollar *by Mike Harris*

The dollar. The name given to a financial form of exchange. A given value. I always took a different view. Dollars are servants. They by their number denote the amount of servants available to do my bidding and provide for my comfort. I am the complete lord and master of my servants. They will do whatever I tell them to do. If I accumulate enough of them I can contract them out as laborers and have them create more dollars (servants) over which I have more power. It looks like a win-win situation. The next question is, how many servants can I handle? At what point do I run into the law of diminishing returns?

The real financial gurus on Wall Street point out that small and medium capitalization companies give the best returns, intimating that in large companies, "too many cooks spoil the broth" (i.e. they get in each other's way) and become not easily or effectively manageable.

Then there are the classic problems with all laborers ... some are more efficient than others. Here the effectiveness of my authority being completely in my hands, their efficiency is completely dependent on my judgment. How I deploy them and at what tasks. Whether at safe, conventional jobs or at more risky and dangerous situations. With the forgoing in mind let's evaluate my management abilities. To start, in order to get enough servants to take care of my creature comforts I had to labor (work). How I managed my first servants, setting so many to domestic service and deploying the rest to other tasks, was especially crucial. The number of servants I was able to boss were few in number, since my labor did not provide many beyond the bare necessary ones for my creature comforts. As my earnings increased in direct proportion to my efficiency I gained access to surplus servants. Problem? Luxuries, or deployment to accumulate more servants? New to management and being influenced by media and society, I used most of my surplus servants on short-term non-productive luxuries, until I was brought up short by a crisis. I LOST MY JOB!! No income to sustain my creature comforts. No way to support my luxuries. Important lesson! Do I learn or do I make the same mistake again? What was the mistake?

Obviously no back-up for emergencies! Not too long without a job, money again available, I put away for an emergency fund. LESSON LEARNED! How much for the fund? Again media and society keep pulling in the wrong direction, but this time I resist. As the fund grows I begin to weaken and have no one to advise me what to do with the surplus.

Then circumstances step in and a family crisis, my brother is diagnosed with an ailment that is curable but requires some capital. Family conference and mother takes over. "Mike, give me your bank book." Without opening it she hands it to my brother and says, "Go buy the cure." END OF CONFERENCE. I still have my job with more than enough income, so no loss of creature comforts and a new emergency fund.

Second emergency – Mom comes calling. Friend's child is put into an orphanage, Mom wants child out. Cost 12% of my wages to support said child to go to indigent father. I agree and am still in good financial condition.

Third crisis – "UNCLE SAM WANTS ME." I and millions more have a new employer ... UNCLE SAM. Wages are a pittance but all creature comforts are included. In addition there is life insurance, should I not survive the coming hazardous duty.

Three and a half years later, I am older for sure, but wiser? We will see. lucky me ... my job is waiting. But now how wise? I meet and marry my life partner. A smart choice, it's good for sixty years. She's a good money manager too and we have similar goals. We both learn to

handle money problems. We always have an emergency fund. The pace of family life comes to a quiet slow down. Two children, college educated, well able to care for themselves. Just my partner and I. Time to put some surplus servants to work for us. Retirement at age 62, Mom at 65 and time for fun. It's one hell of a ride. Twenty years of just about perfect. Until Mom begins to deteriorate. Five bad years at the end and I am not rich but not hurting and starting into the twilight years.

See you down the road.