

SAMPLE ioution Scamplestibution For The Helen Lee Seminary Program

Four-Unit Student Handbook

5772

Introduction: An Ounce of Prevention

The Helen Lee Seminary Program is designed to give young women the tools to manage their finances correctly and avoid financial pitfalls and missteps. In Mesila's 12 years of working with families to achieve financial stability, we have seen that much financial stress and heartache can be avoided with preventative financial education.

The Helen Lee Seminary Program is much more than just a way of teaching girls to budget, however. So many girls leave seminary with lofty goals and aspirations, only to find themselves abruptly pulled down to earth by financial considerations. Our goal is to allow them to keep on soaring by giving them the wings and rudder to navigate today's complex financial realities.

Mrs. Helen Lee: In Appreciation

Mrs. Helen Lee of London, England, who passed away on 24 Cheshvan 5770, was an *eishes chayil* par excellence. A devoted wife and mother, she was also very involved in Jewish causes and gave unstintingly of her money and energies to benefit the poor, the ill, and the underprivileged. She was also deeply attached to Eretz Yisrael and worked tirelessly to improve the lives of Jews in Eretz Yisrael. In her own life, Mrs. Lee was a paradigm of financial responsibility, carefully prioritizing her spending and teaching her children to do the same.

The generations of financially stable homes that will be built as a result of the Mesila Helen Lee Seminary Program are a fitting tribute to the memory of this exceptional woman.



"לכל העוסקים והמסייעים והתורמים שיבורכו בברכת ברכה והצלחה וסייעתא

דשמיא וכל הברכות של גדולי הדור

הצדיק רבי דוד אבוחצירא שליט״א

בתובות בעסקיהם, הן ביעוץ מסחרי הן בשארי דרכים כגמ״ח ועוד ועוד והם אנשי חסד ובעלי דעת ידועים ומובן שדברים אלה עולים להוצאות

۲

גדולות, ומצוה רבה להושיט להם יד עוזרת ולקיים בזה והחזקת ידו במידה גדולה והריני מברך את כל העוזרים והמסייעים שיזכו לשפע ברכה והצלחה במילוי משאלות לבם לטובה ורב נחת מכל יוצ״ח

שליט״א

גאב"ד רבי

יצחק טובי'

וויים שליט״א

אהבת תורה ויראת שמים.

חיים על פי עקרונות 'מסילה' הם חיי תורה אמיתיים. על כן צריכים להכיר טובה עצומה לארגון "מסילה", שנציגיו היקרים מתעדכנים כל הזמן בידע מקצועי ומתודרכים על ידי אנשי מקצוע. ומשקיעים זמן יקר וכוחות נפש אדירים לטיפול בבעיותיהם של אחרים. אברכים יקרים אלו הסטיעים למשפחות לבנות את עצמן בגשמיות, מציעים להן בעצם חיי איכות רוחניים, עצמן בגשמיות, מציעים להן בעצם חיי איכות רוחניים, אין איפוא כל פלא בכך, ששומעים על ראשי משפחות שהחלו לחיות על פי עקרונות "מסילה" והפסיקו לחפש כל העת מקורות לגלגול חובות, ובד בבד החלו גם ליטול במעות יתור, הוסיפו בקיום מצוות והצליחו יותר במעור למינטול אובות, ובה ליסול המנות לאבונות לא היות במעור לאבונות לאבול הובות, ובד לבד החלו גם ליטול הגאון רבי שמאי בחינוך צאצאיהם שיחי'. ברכותי לארגון "מסילה": המשיכו לעסוק במלאכת הקודש שלכם באמונה קהת הכהן גראס בכלל ישראל חיים של תורה, חיים של פרנסה, חיים של שוליטו"א

כ"ק האדמו"ר מדושינסקיא שליט"א מהרי״מ זצוק״ל דושינסקיא

כ"ק האדמו"ר

אהרן שליט"א

מתולדות

Barris for many to be not a for חבר אני לכל אשר יראוך, מן השמים יעזרו לכל המתעסקים יום ב׳, בלאאמו״ר הגה״ק

וחפץ ה' בידכם תצליחו.

ה' בידכם יצליח לעמוד על

משמרתכם לסייע בקדשים להיות עזר מקודש לכ״ד

שבקדושה ובזה אתם מעמידים

בתי ישראל על מכונם להרבות

שלוה ונחת להשכין בתוך ביתם

שלו׳ בגוף ובממון כדי שיהי׳

תורתם שלם בקביעות עתים ובחינוך הבנים ותזכו

בתוך שאר אחב"י להצלחה מרובה וס"ד דוש"ט.



Unit 1 > Money Games That People Play

Outline

inutilor

- I. What is Mesila, and what does it have to do with seminary?
- II. Games people play: It's all about mindset

III. Illusion or Reality? Games that look fun – but don't end up being fun at all

- A. Charades
- B. Uno
- C. Candyland
- D. Taboo
- E. Belts
- These games are all "virtual living."

IV. The real thing: Positive games that people play

- A. Solitaire
 - 1. "די מחסורו": Rich and poor are relative to who you are.
 - 2. Wedding game: Hands-on activity
 - 3. The goal: To have everything you need and some of what you want.
- B. Paper bag dramatics
 - 1. Your budget is decided on Rosh Hashanah.
 - 2. Make sure that whatever's in your bag is utilized wisely.
 - 3. What are you meant to do with your "paper bag"?
- C. Dominoes
 - 1. Finances are all one big picture every decision has a domino effect.
 - 2. Pre-budgeting exercise: Seminary budget projection
 - a. What do you *really* spend?
 - b. Why do you spend? What games do you play?

V. Money & spiritual aspirations

- A. When does money undermine Torah values?
- B. How can you use money to enable Torah values?
- C. Making spiritual dreams a practical reality





ו| שפת תמים להחפץ חיים פרק ה:

שבתחלה כשהקב"ה מזמין לאדם מעות בחסדו, כדי שיוכל להחיות את נפשו בזה, וגם לפרוע מזה חובות הבורא כצדקה וגמ"ח והחזקת התורה, וכדומה לזה. היצה"ר מסיתו, שעתה נאות לו להתנהג בעניני הוצאות הבית והמלבושים במעלה הגבוה מערכו והפחות כהמכובד, והמכובד כאחד מעשירי העם]. כדי שיתראה לחשוב ומכובד לעיני חביריו. והאדם הולך אחר עצתו, מרגיל את עצמו בזה, עד שבהמשך הזמן הוא נעשה מוכרח לזה להתנהג כדרך הגבוהים.

2 | דברים ב:ז:

כי ה' אלקיך ברכך - לפיכך לא תכפו (ס"א תכפרו) את טובתו להראות כאילו אתם עניים אלא הראו עצמכם עשירים (רש"י).

ז דברים ט"ו:ח

פִּי פָתֹחַ תִּפְתַּח אֶת יָדְדָ לוֹ וְהַעֲבֵט תַּעֲבִיטֶנּוּ דֵי מַחְסֹרוֹ אֲשָׁר יֶחְסַר לוֹ.

כתובות סז:

תנו רבנן די מחסורו אתה מצווה עליו לפרנסו ואי אתה מצווה עליו לעשרו אשר יחסר לו אפילו סוס לרכוב עליו ועבד לרוץ לפניו אמרו עליו על הלל הזקן שלקח לעני בן טובים אחד סוס לרכוב עליו ועבד לרוץ לפניו פעם אחת לא מצא עבד לרוץ לפניו ורץ לפניו שלשה מילין.

4 | רמב"ם הלכות מתנות עניים ז:ג

לפי מה שחסר העני אתה מצווה ליתן לו אם אין לו כסות מכסים אותו אם אין לו כלי בית קונין לו אם אין לו אשה משיאין אותו ואם היתה אשה משיאין אותה לאיש אפילו היה דרכו של זה העני לרכוב על הסוס ועבד רץ לפניו והעני וירד מנכסיו קונין לו סוס לרכוב עליו ועבד לרוץ לפניו שנאמר די מחסורו אשר יחסר לו.

5 | אהבת חסד להחפץ חיים פרק א:

עוד משמע שם בחינוך, דשיעור ההלוואה יהיה כפי מה שצריך לו להעני, אם ידו

משגת. ובאמת כן מפורש במקרא במקום אחר [בפרשת ראה] (דברים טו, ח): "והעבט בעביטנו", וכפי מה שפרשו חכמינו שכרונם לברכה (מכילתא פרשת משפטים פרשה י"ט) דקאי על הלוואה, ושם מסיים המקרא: "די מחסורו אשר יחסר לו".

6 | רמב"ם הלכות דעות ו:א

דרך ברייתו של אדם להיות נמשך בדעותיו ובמעשיו אחר ריעיו וחביריו נווהג נוהג כמנהג אנשי מדינתו לפיכך צריך אדם להתחבר לצדיקים ולישב אצל החכמים תמיד כדי שילמוד ממעשיהם ויתרחק מן הרשעים ההולכים בחשך כדי שלא ילמוד ממעשיהם הוא ששלמה אומר הולך את חכמים יחכם ורועה כסילים ירוע ואומר אשרי האיש וגו' וכן אם היה במדינה שמנהגותיה רעים ואין אנשיה הולכים בדרך ישרה ילך למקום שאנשיה צדיקים ונוהגים בדרך טובים ואם היו כל המדינות שהוא יודעם ושומע שמועתן נוהגים בדרך לא טובה כמו זמנינו או שאינו יכול ללכת למדינה שמנהגותיה טובים מפני הגייסות או מפני החולי ישב לבדו יחידי כענין שנאמר ישב בדד וידום זאס היו רעים וחטאים שאין מניחים אותו לישב במדינה אלא אם כן נתערב עמהן ונוהג במנהגם הרע יצא למערות ולחוחים ולמדברות ואל ינהיג עצמו בדרך חטאים כענין שנאמר מי יתנני במדבר מלון אורחים:

7 | ביצה טז.

כל מזונותיו של אדם קצובים לו מראש השנה ועד יום הכפורים

רש"י

כל מזונותיו של אדם - כל מה שעתיד להשתכר בשנה, שיהא נזון משם קצוב לו, כך וכך ישתכר בשנה זו, ויש לו ליזהר מלעשות יציאה מרובה שלא יוסיפו לו שכר למזונות אלא מה שפסקו לו:

8 | שיר השירים ז יב - יג

(יב) לְכָה דוֹדִי גֵצֵא הַשָּׂדֶה נָלִינָה בַּפְּפָרִים:

(יג) וַשְׁפִימָה לַפְרָמִים וִרְאֶה אִם פַּרְחָה הַגֶּפֶן פִּתַּח הַסְּמָדַר הֵוֵצוּ הָרִפּוֹוִים שָׁם אֶתֵּן אֶת דִּדַי לָהָ:

ספר צרור המור לרב יעקב מליסא

(יב) נצא השדה. אנחנו מבקשים אותך שתעשה אותנו שנהיה משוללי עול הגלות ונהיה כבני חורין בשדה שהוא מקום חירות: בכפרים. שנהיה משוללי עול מזונות רק נלינה בכפרים שנהיה מאוכלי מהן דכתיב ביה דק ככפור. ואז כל חפצך נעשה:

(יג) נשכימה לכרמים. כשנהיה משוללי עול דרך ארץ נשכימה אז לכרמים שהן בתי מדרשות שעל ידי כך נקראים הסנהדרין כרם ביבנה: פרחה הגפן. ואז נראה פריחת הגפן הן התלמידי חכמים שיהיו אז ביתר שאת.

Budget Projection

Income

Categories	Amount	

Expenditures

Categories	Amount	Categories	Amount	Categories	Amount
				$\mathbf{\Lambda}$	
				X	

c An is

What I spend

	•						
Amount	On what?	Why? (Game?)	Amount	On what?	Why? (Game?)		
		-/.0					
		X					
		0					
	1						

Unit Two **Splitting the Pie**



Unit 2 > Splitting The Pie

Outline

I. No one likes to budget – why should I?

II. What you have, you don't need; what you need, you don't have. Why?

III. Awareness

- A. What does your pizza pie look like?
- B. Game: Boggle your budget

IV. Needs and wants

- A. Prioritizing your spending allows you to achieve the goal of having everything you need and some of what you want.
- B. Children's needs and wants
- C. Your needs and wants are different from anyone else's: "די מחסורו"

V. Common budgeting challenges

VI. Exercise: Building a Pesach budget

Before You Throw in the Towel on Budgeting

Q: My family would probably be described as a typical middle-class family. Our income is decent, but not great, and our expenses are close at the heels of our income – too close for comfort, probably, but no worse than most other families. Our home is not in danger of foreclosure, so we can't be doing that badly, considering the crisis.

I've been following your column for some time now and I've actually tried implementing much of your advice. I tried sitting down with my wife and building a budget plan, but it was a dismal failure. We decided to record all of our expenditures so we could see where our money was going, but we just could not remember to write everything down, so that attempt petered out after a few days. The first month of our new budget plan, we ended up spending so much more than we had planned and buying so many things that weren't included in the budget that we just gave up on budgeting. We also tried starting to put aside money for savings - and this something we both really wanted to do – but when our washing machine broke suddenly it wiped out all of our newfound savings and we just couldn't manage to get the savings habit started again.

No matter how many times I try to manage my finances the way I would like to, I always find myself falling back into the same old patterns, the same old problems, time after time. I was about to resign myself either to the fact that I am not cut out for budgeting, or to the fact that I just don't have enough time to be busy with it, but before I threw in the towel on budgeting I thought I'd ask you why I'm having such a hard time with this.

A: Your question is one that we are sure everyone can relate to on some level. Financial management can be very frustrating, and it can be very tempting to let go of the financial steering wheel and allow your finances to coast along on their own. The problem is that the path to financial stability is strewn with hazards, and navigating that path on cruise control can lead you into a tailspin of debt, dependency and unbearable stress.

Financial management today is a complex, bewildering task, one that requires a combination of strategic planning, self-discipline and persistence. For some very disciplined people, financial management comes easily, but for most people, it is a difficult and frustrating task. That's why even bright, capable people like you feel they are "not cut out" for budgeting.

Financial management wasn't always as hard as it is today. In the not too distant past, money was something you carried in your wallet or kept under the floorboards. If you wanted to buy something – and there wasn't that much to buy – you took out a few coins or bills and never had to think later about how to pay for it. If you didn't have the money to buy what you wanted, you either did without or scrimped and saved until you had the money for it.

Back then, money was something tangible, not a bunch of abstract numbers on a bank statement. Budgeting was a straightforward task: you counted your money, and then allocated it for the things you needed the most. You also tried to put something aside for a rainy day, so that you would not have to go hungry if your source of income dried up.

Many people ask us why there is a need for an organization like Mesila nowadays, since "Our grandparents managed just fine without Mesila." Indeed, our grandparents did not need Mesila – they had Mesila in their bones, and living without a *cheshbon* was unthinkable to them. They also were not under continuous bombardment by a multibillion-dollar advertising industry hawking the wares of the global marketplace and modern technology, nor were they at the mercy of banks

and credit card companies offering "attractive financing options" to pay for all that the 21st century has to offer.

Mesila started out eleven years ago as an organization that helped people in Israel who were indebtand could not get their finances under control. But in the process of helping hundreds of families and businesses work towards financial stability, we realized that financial management difficulties transcend geographic and socioeconomic divides, and almost everyone today needs help managing their finances. That was why three years ago we shifted our focus to education and prevention, instead of crisis intervention.

The economic crisis we are now experiencing is the result of poor financial management at every level, from corporate bigwigs all the way down to the little guy with the big mortgage. We believe that the answer to this crisis is not dramatic government bailouts, but old-fashioned self-discipline and careful budgeting.

Thankfully, you are still a step ahead of the crisis. But that is much too close for comfort. You are lucky that you had some savings to tide you past a broken washing machine, but what would happen if your boiler went? We are not trying to be pessimistic, but we think that burying your head in the sand and hoping that things will work out is not optimism, but poor planning. You need to be aware of what is going on with your finances, you need to establish financial goals for the future, and you need to create and follow a budget that will help you realize these goals. The other option is financial mayhem, which in the worst-case scenario leads to putting out fires.

What does "putting out fires" mean? It means discovering all of a sudden that your bank account is overdrawn and having to face all the people to whom you wrote bounced checks. It means paying 20% interest on your credit card balance until you come up with "extra" money (we've never actually heard anyone say they have extra money) to pay it off. It means waking up in middle of the night and remembering that you don't have the money your daughter needs in the morning to pay for her school trip. And it means living a life of balance transfers and debt juggling, borrowing money from one source to repay a loan from a different source.

If correct financial management is difficult and time-consuming, poor financial management is infinitely more difficult and time-consuming. The difference is that correct financial management requires you to exert yourself and exercise selfdiscipline ahead of time, while poor financial management allows you to take the path of least resistance and suffer the consequences later. Although this path is ultimately the harsher one, it is the default route and therefore the one more trodden.

Like you, many people tell us that they don't have time to create, follow and review their budget plans on a regular basis. That's a bit like saying that you don't have time to look both ways before you cross the street. If you think that analogy is exaggerated, that is because you haven't spent as many hours as we have helping families to extricate themselves from financial crises that could have been avoided.

We don't want you to become one of those families, and that's why we are trying to help you understand that correct financial management is not just a nice bonus; it's a necessity. The investment of time and effort now to create and follow a budget can spare you a tremendous amount of time and frantic effort later to come up with money to pay for sudden (or not-so-sudden) expenses.

Besides for preventing financial difficulties in the future, correct financial management has tremendous positive benefits. Having your finances under control will reduce the amount of financial tension in your life, which will in turn make you a more relaxed person and therefore a better husband and father. If your finances are being managed correctly, you will have an easier time concentrating during your davening and Torah learning, and you will be free to pursue your livelihood to the best of your ability without feeling like a slave to your *parnassah* worries.

Living with a budget is emancipating, for it allows you to truly enjoy everything Hashem gives you without having to worry about whether you can afford it. Although it may require you to give up certain comforts or conveniences, living with a budget will bring you peace of mind and security, which will make every moment of your life sweeter. Shlomo Hamelech says as much when he tells us that a piece of dry piece of bread that has peace in it is better than a banquet where tension and strife reign (*Mishlei* 17:1)

Correct financial management compels you to look inward and make decisions based on what *you* need, what *you* can afford, and what is important to *you*, instead of looking outward at what the neighbors have and wondering how they can afford it. Focusing on your neighbor's Lexus will never bring you any happiness, but focusing on what *you* really want out of life will. By forcing you to clearly define your priorities and goals, a budget can help you to manage your money in the way that will bring you the maximum satisfaction out of life.

Understanding the benefits of correct financial management is the best way to motivate yourself to muster the self-discipline and persistence to track your expenditures, stick to your budget plan, and save for the future. Your wife also has to be convinced of the benefits of correct financial management, since the slightest resistance on her part can torpedo your efforts. Once both of you are convinced of the benefits, the next step is to develop a system of financial management that works for you. You might have to experiment with a few different approaches, but if you persist, we are sure that you can find the approach that is right for you.

Here are some practical suggestions for coping with the specific issues you mentioned:

• To track you expenditures successfully, keep a small notebook with you at all times to record expenditures as they happen, and save all of your receipts, bills and bank statements.

• To ensure that you stick to your budget, schedule specific times when you and your wife can sit down alone to review your budget and make any necessary changes. You and your wife are teammates, not adversaries, and your "budget meetings" should be calm, pleasant discussions. These meetings are the time for you and your wife to communicate any concerns you may have and to look for ways to address those concerns. Decisions made at each of these budget meetings should be written down, since writing down budgetary information contributes to financial control and discipline.

• To strengthen your resolve, you can read Mesila's articles and other materials, use our budget questionnaires, or attend a Mesila financial management workshop. (If you wish to organize a workshop series in your community, please contact us and we will try to arrange it.) Being part of the Mesila movement can turn financial management into a rewarding experience, instead of a pain in the neck, and can give you the tools and enthusiasm to take control of your finances in a lasting way.



בס״ד

Outline

I. Where can I borrow money from?

- A. There's no shortage of sources
- B. There's a mitzvah to lend money
- C. There's also a mitzvah to repay a loan
- D. But what about TAKING a loan?

II. Taking loans

- наlachah considerations
 Anticipating consequences: плят и плят и пляти.
 Practical considerations
 Negative vs. positive loans
 Lending yourself money

III. Lending yourself money

IV. Credit cards: The worst type of loan

- A. Credit card conundrums
- B. Why do people buy things they can't afford?
- C. Using credit cards responsibly

V. The shopping trap

- A. Am I a shopaholic?
- B. Overcoming the problem
- C. Shopping questionnaire

Unit 3 Supplementary Material



The Dangers of Credit Cards Please, Please - Don't Let This be You!

Situation #1:

I am 28 years old and I am married with 4 kids. Over the past few years our expenses amounted to more then we could afford and we used credit cards to cover the difference. Currently my wife and I owe \$20,000 in credit card debt and \$15,000 in private debt. All our credit cards are maxed out, we are unable to make the monthly payments of roughly \$1,400, and we are struggling to pay our living expenses. I believe that the money we have coming in is enough – or even slightly more than enough – for us to live on, but we can't get out of the credit card debt cycle. The situation has proven to be overwhelming for my family and we desperately need help in getting out of debt and figuring out how to stay out of it in the future.

Situation #2:

My husband is learning in Lakewood, and I have a very good job that should bring in enough to support us and our six kids. I'm very careful with what I spend but somehow every month I find myself putting a small amount on the credit card. It's usually children's clothes on sale, special food for Yom Tov, or small household items that I pick up here and there. It doesn't seem like a lot, but I was shocked to realize that recently, my credit card balance ballooned to upwards of \$30,000! This was all in interest and late charges that accrued because I was not careful to make my minimum payments and my credit rating deteriorated to the point that my interest rates went up tremendously. My husband and I are considering selling our house and moving out of town where my husband can join an out of town kollel in order to pay off the debt. It would be difficult to leave my home and the town that I love. Does Mesila think this is the right step to take?

Sítuation #3:

My husband is in *chinuch* and we've always lived very simply. When we married off our oldest daughter we discovered credit cards. We had some savings, but we wanted our new kallah to be happy, and there were more expenses to deal with than we ever imagined so before we knew it, we had \$50,000 in credit card, no credit rating to speak of, and we could barely afford to pay off the interest that was accruing rapidly from month to month. The principal has remained the same for eight years (but our son-in-law's value has grown!). What should we do?

Situation #4:

I'm a successful businessman and my wife takes care of running all aspects of the household – including shopping, unfortunately. How she manages to spend thousands of dollars each month on clothing and trinkets is beyond me, but the credit card bill doesn't lie. One swipe, lots of packages, and another \$800 is gone. When I ask her about it, she just says, "Well, we can afford it, can't we?" or, "It was on sale, it was a great deal, how could I leave it in the store?" or "We really needed this." If she wouldn't have the credit card, I don't think she'd be spending half as much. She thinks we can afford it, but there's a limit to how much I earn and I'd really like to save money for other, more important things. Besides, I'm finding myself feeling stressed at the end of the month many times.

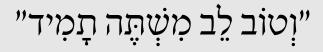
Situation #5:

I'm seventeen and have a mall I particularly love shopping at. The Macy's there never asks me for ID on my mother's credit card - the Macy's! Everyone knows they're strict. In general, most stores just take the cards, no questions asked! The problem is my parents. They got a bill that is obviously more than one girl would spend. We suspect credit card theft. What should we do?

What can be done to help these people







(משלי טו:טו)

Unit 4 > Attitudes

Outline

I. What if I don't need to be careful with money?

- A. Lifestyle demands continuously expand to exceed income: יש לו מנה, רוצה מאתיים
- B. Life & finances have their ups and downs: גלגל החוזר
- C. Don't squander your blessings

II. Attitudes to money: אדם ניכר בכיסו

- A. Proactive or reactive?
- B. Financial independence & responsibility
- C. Contentment
- D. Integrity
 - 1. Halachic integrity
 - 2. Integrity to your own values
- Ristipution mistripution E. Conclusion: The Torah attitude toward money

Unit 4 Supplementary Material

Making Millions on Dinars

Q: A yungerman in the kollel where I learn recently showed me an article describing the exciting new possibility of investing in Iraqi dinars. The article said that until 1982, the Iraqi dinar was worth about \$3, and today, one million Iraqi dinars can be bought for only \$700. The value of the dinar is sure to rise when the conflict in Iraq is resolved, and my friends tell me that I can invest a few thousand dollars in Iraqi dinars and come out with millions of dollars when the dinar goes up. I have some money put aside that I was looking to invest. I know many yungeleit who have invested in these dinars, and I am wondering if I should do the same. Do you think this is a worthwhile investment?

A: We at Mesila are not licensed investment advisors, and we are therefore not qualified to guide you with regard to the specifics of investments. For investment advice, we suggest that you contact a licensed financial professional such as Hamodia investment columnist Aaron Katsman, who happens to be an active Mesila volunteer counselor. We also do not wish to discuss the issue of whether it is appropriate for a *ben Torah* to busy himself with investment opportunities, although we would certainly hope that your *kollel* studies focus on disputes between Abaye and Rava, not on the finer points of the conflict between the Shiites and the Sunnis.

Mesila's mission, and the objective of this column, is to convey responsible, Torah-based attitudes towards finances. We will therefore attempt to expose the fallacies inherent in get-rich-quick schemes, the Iraqi dinar craze in particular.

From the time Adam Harishon was cursed, "By the sweat of your brow shall you eat bread," earning a livelihood has been a struggle for mankind. There are no exemptions from this curse, and promises of easy money are always – always – misleading.

For someone learning in *kollel*, investing might seem like the ideal way to earn *parnassah* effortlessly, without ever having to leave the *beis medrash*. All you have to do is put your money into a surefire investment, and you are set. Well, it does not quite work that way. Investing, by definition, means risking capital for the sake of an anticipated future gain, or return. As a rule, return is directly proportional to risk – the greater the risk, the higher the potential return. The converse is true as well: the higher the potential return, the greater the risk. If someone promises you returns of millions of dollars on an investment of thousands, you can be sure of two things: (1) the risk is far too high to justify the investment, and (2) the person is either very naïve or a con artist.

Get-rich-quick schemes lure people with the promise of high returns and no risk. But wise investors know that any investment that cannot go down, cannot go up either. Never believe anyone who tells you that an investment is sure to go up. If it is sure to go up, there would be no risk – and without risk, there can be no significant returns.

Currency speculation is a particularly risky form of investment, because it is difficult to predict the movements of any currency, even established ones. Given the volatility of the Iraqi economy, we would not place much confidence in the prospects of its fledgling currency.

What makes you and your *kollel* buddies sure that the dinar will go up? How do you know that it will not be devalued to even less than its current value? And why are you so confident that the conflict in Iraq will be successfully resolved?

Even if Iraqi dinars were worth investing in at some point, you can be sure that by the time you heard about the prospect in your *kollel*, the market price for dinars would have already corrected itself to reflect the latest speculative excitement and the resulting demand.

"Buy the rumor, sell the news" is an old principle of investing. Basically, it means that you should only put your money into an investment before it makes the headlines, not when everyone else has already heard about it and bought in. The new Iraqi dinar has been around since 2003, and has long ceased to be the hot rumor; it is not even news anymore.

Furthermore, there is no real market for Iraqi dinars nowadays. It is therefore unlikely that you will be able to sell your dinars at a profit; you might not even be able to liquidate them at all. And because dinars are not a very commonly traded currency, you will have to pay high commissions and change fees when purchasing them. So you are basically guaranteed a loss the moment you get your hands on any dinars.

Putting your money into Iraqi dinars, or any other "can't lose" proposition, is not investing, but gambling. As such, it cannot even be considered part of your requisite *hishtadlus* for *parnassah*. You would do your friends a service by cautioning them against buying Iraqi dinars and explaining to them that there is no such thing as easy money.

Common sense would dictate that you keep your money far away from anything remotely related to Iraq, and spare yourself the pain of watching your money disappear. As for your friends who have already invested in Iraqi dinars, we hope that they lose enough money early on to discourage them from dabbling blindly in speculative investments ever again.

Having dealt with many clients who lost everything in the process of getting rich quick, Mesila strongly discourages people from investing their money without the help of an investment professional. An investment professional will assess your complete financial situation, determine the level of risk appropriate for you, and help you find the investments that are right for you.