
ACHIEVING FINANCIAL INDEPENDENCE

By Joseph Dominguez

The following response to last issue is written by someone who knows from experience that economics can be a joyful art. Joe worked for ten years on Wall Street, doing work in econometrics, technical analysis of securities, and investment counseling, as well as writing a weekly market letter. In 1969 he "retired," with a secure income for the rest of his life, leaving a successful career in order to devote himself full-time to the transformative movement. Since then he has not accepted payment for any of his activities, and has shared what he has learned in the financial field with others, including offering seminars, with all proceeds going to nonprofit organizations working toward a transformed world.

FINDING VIABLE ECONOMIC alternatives to the the "9 to 5 'til you're 65" model is certainly a high priority for those whose orientation is to put their time, energy and creativity into the service of planetary transformation rather than the futile effort to create security, meaning or purpose for their lives through material acquisitions and expensive lifestyles. Those people, rapidly growing in number, are seeing the importance, necessity even, of handling their financial needs in such a way as to free up their time and energy so they can devote themselves to the work they're truly meant to do, to serving the planet.

To create such an alternative in personal finances, we first need to take a hard, clear look at our relationship with money; at our attitudes, beliefs, misconceptions, false assumptions and feelings about money. Clarity in handling money begins with clarity in *consciousness* about money. It's important to recognize that the area of money and personal finance is fraught with irrationality, emotion, uptightness (second only to the area of sex!), and that little true education in money is given us as we grow up. There is a multitude of erroneous concepts that are deeply rooted in our society, even in the minds of otherwise conscious individuals. For instance:

- Everybody has to make a living.
- It is somehow wrong (evil, exploitive, immoral) to have your source of income separate from your labors.
- Your contribution to society is measured by that which you do for remuneration - your profession, job or trade.
- It is somehow unseemly, indicating immaturity or frivolity, to be "retired" (financially independent) at an early age.

These concepts and values were perhaps necessary and righteous when there were terrestrial frontiers to conquer, industrial revolutions to be fought, world wars to be won - and they were useful when an ever-expanding standard of living and leisure-oriented consumption were the acceptable norm.

The realities of today's world, however, are different. People are questioning, for example, the need for more "veeblefizers." Many areas of the employment market - from factory work to certain professions - are already saturated due to lessened demand for their products and services. Other jobs will be eliminated when their contribution to society is no longer seen as necessary, useful or even appropriate to the good of the planetary whole, or when they can increasingly be handled by machines and technological advances. The increasing awareness of diminishing resources and of the need for a lifestyle of voluntary simplicity, the increasing movement toward personal responsibility and self reliance in areas from automobiles to health, and the increasing ability of computers and robotics to do everything from accounting to automobile manufacturing - all these are in alignment to diminish the need for labor and professional skills. "Unemployment" is the natural emerging order.

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On the other hand, there is, and will continue to be, need for nonremunerative activity. The list of available volunteer jobs in any town is sizeable. "Alternative" groups such as co-ops of various sorts and organizations dedicated to transformation and planetary service are always in need of people willing to contribute their time and energy - be it stuffing envelopes or offering administrative expertise. Time liberated from the *necessity* of working for a living allows space for personal expansion, increased creativity and development of one's unique contribution to the whole. In short, it frees us up for *full-time* service, and activity limited only by our imagination.

In the words of an unknown voice, slipped in as a "public service announcement" on an Oregon radio station: "Earthlings, unemployment is not a tragedy - it is an opportunity!"

This article provides an overview and a context for the seminar I give ("Transforming Your Relationship with Money and Achieving Financial Independence"), but it does not pretend to accomplish the same results. First of all, it would be impossible, in an article of this length, to cover all the material that is discussed in that six and one-half hour seminar. That 6.5 hours in itself is the distillate of a twelve-hour workshop I did for many years, which in turn represented ten years of intensive experience on Wall Street, so the seminar is *quite* packed. (It is interesting to note that the major factor that allowed the shorter time of the present seminar was that audiences were increasingly already aware that the old financial paradigm was not working for them *or* in the changing societal patterns; thus I could "breeze through" those issues.) Secondly, the seminar is experiential, not merely informational. In the "live" presentation the

resistances, misconceptions and sacred cows we have around money and personal finances surface naturally and are not as easily ignored as they can be when *reading* the same information.

With that disclaimer, I will now outline the steps I took that have enabled me to be financially independent (defined as having a regular and sufficient income from sources independent of the work I do) for the past 14 years. But first...

Before you go further: Look at your resolve. Are you truly committed to a higher purpose, service, the new paradigm, planetary transformation, God, a world that works, the well being of the whole, making a difference, loving one another (or whatever your words are)? What are your reasons for wanting to achieve financial independence? Having a higher purpose in your life has a direct effect on your success in this financial program.

Now, step 1 is to find out how much money you have earned in your lifetime. The Social Security Administration has a record of your lifetime earnings; ask them for the appropriate form to fill out (#SSA 7004 PC) and they will send you a statement of your earnings. Acknowledge yourself for your earning capacity. *Then* look at what you have to show for this amount of money, now; create a balance sheet of your current assets and liabilities.

The next step is to become aware of the current flow of money in your life – how much comes in and how much goes out – and establish just how much money you are trading your life energy and time for. Compute your true hourly wage; include all job-related ancillary aspects, how many hours a week and how much money is spent in keeping that job. You may *think* you're earning \$10 per hour (\$400 for a 40-hour week), but when you've figured in all the related extra costs (like job clothing, lunches, commuting expenses) and added in the time taken up by such items as traveling to and from work, "daily decompression," etc., you may end up with an hourly wage of \$6.00 (\$300 for a 50-hour week) – or worse! Now, keep track of every penny that comes in and every penny that you spend – *every* penny. (This is a spiritual discipline, an exercise in impeccability!) Break down your expenditures into categories that reflect your particular lifestyle and spending patterns, rather than standardized budget-book headings like "Food, Shelter, Clothing...." Tabulate these monthly expenses. It is important to recognize that we are *not* talking about budgeting. Budgets, like diets, don't work. We *are* talking about being conscious of how we spend money; and as that consciousness becomes habitual, we will naturally spend less.

After a few months of recording carefully, accurately, in detail, the in and out flow of money in your life, take a look at your monthly expenditures. Evaluate each category – not by making judgments but by honest examination, asking these questions:

- A. In this spending category, did you receive value and fulfillment in proportion to the life energy you expended in getting the money for it?
- B. Was the sum spent in this category truly reflective of and in alignment with what you stated as your life purpose? (See "Before You Go Further," above.)
- C. Are you giving due respect to your most precious material possession – your time? E.G., are you working 10 hours to earn the sum that you blew in two hours on this spur-of-the-moment lark?
- D. Would spending in this category disappear or drastically diminish if you were financially independent and devoting all of your time to your stated life purpose?
- E. Could another item or activity, more in alignment with your life purpose and costing less, or nothing, be equally fulfilling?

The results of these ongoing careful examinations are almost always the same, as evidenced by the responses

to thousands of questionnaires I've sent to those who have attended the financial seminars. These results can be summarized in two statements:

1. "I woke up to the fact that I have always had a much greater ability to earn money than I ever realized."
2. "I became conscious, in a concrete, dollars-and-cents way, that I have the ability to live on much less money than I have been, *with more fulfillment* and greater alignment between my life energy and my life purpose."

These two awarenesses point to a new road map, a new model for our relationship with money.

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The old road map had us begin our earning days in our 20's (or earlier) and spend as much as (or more than!) we earned until 60 or 65, at which point we retired. The new road map suggests that we can devote a few years of our lives to a paying job(s), working diligently, with integrity, and with full utilization of our time/life energy and skills. At the same time, we are learning to spend less and less money in return for more and more fulfillment. Savings are invested, and when the income from these investments reaches the point where it covers our living expenses, we move out of the earning phase (thus opening up paying jobs for others) and move on to the full-time, unpaid "service" phase.

So, the three parts of this new road map are:

1. Intense earning period.
2. Simultaneously learning to live on less, defining what "enough" is in terms of establishing a monthly income for financial independence.
3. Investing your "capital" (the difference between your higher current income and your considerably lower expenses) in *secure*, long-term (30 years), interest bearing bonds (such as Canadian Provincial bonds, certain U.S. Government bonds, World Bank bonds). It is possible to buy bonds meeting these criteria with interest as high as 12 to 15 percent.

Let's look at a hypothetical example, just to illustrate the numerical aspect:

You are earning \$12,000 per year (\$1000 per month)

You have learned to live on \$500 per month

You begin by saving \$500 per month – and it is with this money that you will begin buying your bonds.

As your diligence increases, the monthly amount of money that you are able to save and invest can also increase – through raises in salary, a second job, lowered expenses, as well as by reinvesting of the income from your existing bonds.

One possible outcome, figuring in typical increases in earnings, would be that at the end of 4 years, you would have \$40,000 invested. Assuming a good healthy interest rate of 15%, that would give you an income of \$500 a month, just from your bonds. This is the "crossover point," where your monthly income from investments matches your monthly expenses. You are now financially independent!

This is only a brief outline; much relevant information and expansion is missing (including discussion of the ethics of investments). However, this should be sufficient to illuminate the importance of reconceptualizing the issue of personal finances, and to demonstrate the practical feasibility of each of us being freed up for whatever we see is our greater purpose and job in the world. □