

St. Paul's Episcopal Church - Delray Beach, Florida
10 Pentecost - Proper 13 - Year C - August 4/5, 2009
Ecclesiastes 1:12-14,2:(1-7,11)18-23; Ps. 49; Colossians 3:12-17; **Luke 12:13-21**
Preacher; The Reverend William H. Stokes, *Rector*

Did any of you see the front page of this morning's *New York Times*? On the front page there is a story with the headline, "Millionaires Who Don't Feel Rich." The tagline read, "In Silicon Valley, small fortune can be meager." In the story a marketing executive who lives in Silicon Valley and works 12 hour days during the week, and often 10 hours on weekends, was quoted, saying, "I know some people looking from the outside will ask why someone like me keeps working so hard, but a few million bucks just doesn't go as far as it used to" (*New York Times*, Sunday August 5, 2007).

How many of you know who Warren Buffet is? For those of you that don't know, Warren Buffet, sometimes called the "Oracle of Omaha" is the second richest man in the United States (Microsoft founder Bill Gate's is #1). Buffet, whose personal net worth is in the neighborhood of \$52 billion, is the Chief Executive Officer of a company called Berkshire-Hathaway. This week's issue of *U.S. News and World Report* featured Warren Buffett on the cover and contained several stories about this amazing man and his achievements (See *U.S. News and World Report*, "How to Make Money the Buffett Way" August 6, 2007).

Warren Buffet formed his first investing partnership in 1956 with \$105,000 which he obtained from family and friends. He put \$100 of his own money. If you had been one of those first investors and invested \$1,000, and if you let your investment ride with Buffett and didn't touch it, the \$1,000 you invested in 1956 would be worth \$27 million today.

In 1962, Buffet, already a millionaire, merged five investment partnerships and began buying stock in a faltering textile manufacturer in New Bedford, Massachusetts. That company was Berkshire Hathaway. He took control of Berkshire Hathaway in 1965 and used the company as his primary investment vehicle. Through Berkshire Hathaway, he began to buy shares in other companies. Today, Berkshire Hathaway is the second largest investor in Coca Cola stocks. It has significant holdings in Dairy Queen, Fruit of the Loom, GEICO Insurance and several other well known companies.

If you want to purchase a single share of Berkshire Hathaway Class B Stock on Monday, it will cost you in the neighborhood of \$3,400. If you feel like popping for a share of Berkshire Hathaway Class A stock, that one share will cost you \$110,000!

Buffet is, as you might imagine, a giant in the business investment community. Remember the old E.F. Hutton commercials, "When E. F. Hutton speaks, people listen!" Well, I can tell you, when Warren Buffet speaks, people really do listen. The annual meeting of Berkshire Hathaway held in Omaha, Nebraska each year is attended by more than 20,000 people.....There are those who buy a single share of Berkshire Hathaway stock (Class B, I suspect) just so they can go to Omaha for the Berkshire Hathaway Annual Meeting.

Buffet's success and fame have come because he is a "Values Investor." Unlike many stock traders today who focus almost exclusively on a company's earnings – which as we all know can be quite volatile – Buffet looks at a number of factors such as a company's return on equity rather than just its earnings to assess the value of the business. If he determines that a company's stock is undervalued against its genuine worth and potential as he measures them – and of course his formulas for doing this are beyond my understanding – then he will invest. He does not buy a few stocks in a lot of companies, he buys a lot of stock in a few

companies...Buffet has said, “Don’t swing a lot, but if you swing, swing for the fences!”¹ He is known for investing in companies like Coca Cola that have a “wide moat” – that is, they are leaders in their industries and can hold off a lot of competition and can stand a lot market volatility.

It’s not just luck or a roll of the dice. Buffet really does know what he is doing. For 20 of the past 24 years his stock picks have beaten the Standard and Poor’s 500 index, usually by a wide margin. Buffett is often quoted as saying, “The first rule of investing is don’t lose money; the second rule is don’t forget rule number one!”² Over the years, he has been pretty good about keeping his own rule.

I suspect that one of the reasons *U.S. News and World Report* devoted such substantial space to Buffet is that he is 77 years old and there some concern among the investment community, and especially among those who have invested in Berkshire Hathaway, about who will succeed him at the helm of the company.

U.S. News and World Report states, “...While Buffet has reported no health problems and his mind seems as sharp as ever, he’s definitely not one of those hyperfit execs who live on caesar salads and spring water. Buffet has an admitted fondness for Dairy Queen burgers and Cherry Cokes full strength.” “Complicating things,” *U.S. News and World Report* observes, “is the weird hybrid nature of Berkshire. A downtrodden textile manufacturer when Buffet took charge in 1965, the company today is a \$128 billion conglomerate that is stock fund....insurer....and holding company all in one.”

“Filling Buffet’s shoes when he dies or retires,” according to *U.S. News and World Report*, “would require a multitasker extraordinaire. But,” the article states, “Buffet seems to realize that they’re not making any more of him and has taken into account his succession plans. When he leaves the scene, his role will be split in two: a new CEO for Berkshire Hathaway and several new investment officers. In his 2006 chairman’s letter to shareholders, Buffet said, ‘I have told you that Berkshire Hathaway has three outstanding candidates to replace me as CEO and that the board knows exactly who should take over if I should die tonight.’”³

Buffett has three children, but he does not believe in passing on his enormous wealth to them. He has said, “I want to give my children just enough so that they would feel they could do anything, but not so much that they would feel like doing nothing.”⁴ Toward that end, Buffett has set up foundations which each of his children run and which benefit philanthropic causes....Upon his death, some of his fortune will go to those foundations.

Buffet has also signed a commitment pledging 85% of his wealth to the Bill and Melinda Gates Foundation, a foundation which focuses on improving health and reducing poverty in the developing world and improving high school education in the United States.Buffet’s commitment of 85% of his wealth, which amounts today to about \$34 billion makes him the most generous philanthropist in the history of the United States.⁵

This is a good time for a brief aside....If you open the *Book of Common Prayer* and turn to page 445 in a section titled “Thanksgiving for a Child” you will find a notice that says, and I quote, *The minister of the congregation is directed to instruct the people, from time to time, about the duty of Christian parents to make prudent provision for the well-being of their families, and of all persons to make wills, while they are in health, arranging for the disposal of their temporal goods, not neglecting if they are able, to leave bequests for religious and charitable uses.*” Please take notice that I have now done my duty and that you have been duly instructed!

A couple of more notes about Warren Buffett... He still lives in the modest 5 bedroom stucco home he bought in Omaha in 1958 for \$31,500. His salary as CEO of Berkshire

Hathaway is \$100,000 a year – pretty astounding when compared to the annual salaries of other Fortune 500 CEOs whose average annual salary is \$9 million⁶.

Buffett strongly believes that the wealthy should be taxed at a higher rate than the poor and middle class and he also believes that there should be an estate tax since it is his position that society is largely responsible for the wealth he and others have been able to earn....⁷

As you can tell, Buffett believes in individual effort and hard work, but rejects the American myth of the self-made man.....He clearly acknowledges the idea “social contract” and the interdependence of all people. He feels the rich have a very serious obligation to meet the needs of society’s poor and disadvantaged. And although he is a self-proclaimed agnostic, that is one who questions the existence of God, and in spite of his often saying, “Be greedy when others are fearful and fearful when others are greedy”⁸ which I take to be a piece of investment wisdom rather than a statement of personal values, I can’t help feeling that Warren Buffet stands in sharp contrast to the rich fool in today’s Gospel reading (See Luke 12:13-21).

The story from Luke’s Gospel begins kind of strangely....Jesus is in a crowd....At the beginning of chapter 12, which is also the chapter in which today’s Gospel reading is found, the narrator tells us that this crowd numbers in the thousands, so many that they begin to trample on one another!(Luke 12:1). Jesus begins to teach his disciples, but after several teachings, someone in the crowd calls out to him and says, *"Teacher, tell my brother to divide the family inheritance with me"* (Luke 12:13).

Where did this come from? Who is this person? Well we don’t know...Apparently he is just someone in the crowd who is in a dispute with his brother over the family inheritance.....Obviously, he is on the short end and he wants more for himself...(Or perhaps it is a woman - women did not normally receive inheritances in the culture of Jesus’ time....The speaker could have been a woman who was at the mercy of her brother who had received the family inheritance). Anyway, this brother, or this sister sees in Jesus someone who he or she thinks can be a fair and impartial arbiter in this dispute and so calls out. But he doesn’t get the answer he was looking for....

"Friend, who set me to be a judge or arbitrator over you?" (12:14) I imagined he (or she) turned a little red.....And as if that wasn’t enough, Jesus turned to the crowd, and he turns the whole thing into a teachable moment. He doesn’t mince words either...He doesn’t mince words at all...

He said to them, *"Take care! Be on your guard against all kinds of greed; for one's life does not consist in the abundance of possessions"* (12:15). If that’s not a message for us in our society today I don’t know what is..... And clearly it was a message for that brother and society in Jesus’ time as well....To drive home his message Jesus tells a parable: *"The land of a rich man produced abundantly. And he thought to himself, 'What should I do, for I have no place to store my crops?' Then he said, 'I will do this: I will pull down my barns and build larger ones, and there I will store all my grain and my goods'"* (12:16-18).

Now let’s stop here for a moment....So far I’ll bet most of us don’t hear anything really wrong here....It sounds like the man is being responsible and prudent....He has been blessed.....He has a dialogue with himself.....He wrestles with what to do.....His land has produced abundantly....It has produced more than he can deal with....He doesn’t know what to do with it all....He already has barns and storage buildings, but they are filled to capacity.....There’s not enough room.....So he resolves to build more storage capacity....You can’t fault him for that, can you? Sounds like good stewardship to me....And it probably was prudence and good stewardship.

Still, we might have hoped that in this dialogue with himself, we could overhear some concern for others beyond himself....for the poor...for those who don't have an abundance....But that doesn't happen in this inner dialogue, this conversation he has with himself. Instead, he fantasizes about the good life....The American...oops, I mean the "Galilean Dream."

"And I will say to my soul, 'Soul, you have ample goods laid up for many years; relax, eat, drink, be merry'" (12:19). And you can picture him, slovenly and soft and comfortable with a goofy smile on his face, that is, until he his fantasy is interrupted by reality...a reality that comes as the voice and judgment of God.....a voice that is blunt and clear and confrontational....

"You fool! This very night your life is being demanded of you. And the things you have prepared, whose will they be?" (12:20). It rarely happens with a parable of Jesus, but this parable ends with a moral. *"So it is with those who store up treasures for themselves but are not rich toward God"* (12:21).

What happened? Why did this rich fool come under God's judgment? Well, to begin with, he was completely self-absorbed....Count the number of "I"s and "my"s in his dialogue with himself: , "What should *I* do, for *I* have no place to store *my* crops?" *"I* will do this: *I* will pull down *my* barns and build larger ones, and there *I* will store all *my* grain and *my* goods. And *I* will say to *my* soul, 'Soul, you have ample goods laid up for many years; relax, eat, drink, be merry'" (12:17-19).

He referred to himself eleven times in one statement! Everything was "I" and "my"....even his soul!! He should have known better than that...He should have known that his soul always belonged to God. So what are we to make of this parable and its message?

To begin with, the rich fool was not condemned for his wealth but for his self-centeredness and arrogance. To be sure, the New Testament is often hard on the rich (See Matthew 19:23; Mark 4:19; Luke 1:53; 6:24; 16:19-31). It recognizes that wealth is often an obstacle to justice and righteousness, because wealth all too frequently breeds arrogance and greediness and self-centeredness (See James 2:6). But wealth and riches in and of themselves are morally neutral. ***Moral responsibility and culpability come into play in how people obtain and sustain their wealth and in what they do or don't do with it.***

I can't tell you if Warren Buffett is a moral man or not...I can't tell you if all of his wealth was earned and sustained in ways that God would approve of, or if the corporations in which he invests operate in ways that are fundamentally ethical and just. That is a matter that is between him and the God whose existence he questions, just as the personal and business dealings of each of us is a matter between us and God and come under God's judgment....

I can tell you that Warren Buffett's decision to dispose of his personal wealth by designating it for philanthropic causes is highly moral and fits the values and altruism of the Gospel....It is pleasing to God....We can cite plenty of evidence in both the Old and the New Testaments to support this conclusion (See Psalm 41:1; Psalm 112; Proverbs 14:21; Matthew 25:31-46; Mark 10:21; Luke 14:13; Luke 19:8)

In the end, the Christian balance sheet is not measured primarily by our possessions and how much wealth we accumulate...The Christian balance sheet is measured by how we use the wealth entrusted to us and how rich our relationships are – our relationships with those we love; our relationships with those we should love and serve: the downtrodden, the poor, the sick and the helpless...

Above all, the Christian balance sheet is measured by the richness of our relationship with God a relationship that is integrally tied to all our other relationships...You cannot love God without loving your brother or sister...(See 1 John 4:20).

Jesus once said, “*Where your treasure is, there your heart is also?*” (Luke 12:34). He was talking about “Values Investing.”

So where is your treasure? Where is your heart? If your life was demanded of you this very night, what would be your legacy? Are you rich? Rich toward God?

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1. Markels, Alex, “How to Make Money the Buffett Way” *U.S. News and World Report*, August 6, 2007, p. 50
 2. Markels, p. 48
 3. Brandon, Emily “Talk About a Hard Act to Follow” *U.S. News and World Report*, August 6, 2007, pp. 52-53
 4. See “Warren Buffett” in Wikipedia at http://en.wikipedia.org/wiki/Warren_Buffet
 5. See “Warren Buffett” in Wikipedia
 6. See “Warren Buffett” in Wikipedia
 7. See “Warren Buffett” in Wikipedia
 8. See Markels, p. 51.