

# The Rules of the Game

*Three strikes you're out, being caught off base, committing an error—those are baseball's rules, rules of that game, but they don't apply outside the game.<sup>1</sup>*

—J. C.

If you're like most of the people I speak with, you've probably never thought of money and the pursuit of wealth as a game. When I talk with people and ask them about it, they generally say something like this to me: "Money is definitely *not* a game. It's serious business."

The first step in the *Busting Loose Process* is to really "get" that everything within your financial world—income, net worth, investments, savings, taxes, expenses, invoices, accounts receivable and payable, profits, and so on—is part of an amazing, elaborate, gigantic, unique, and complex game. I introduce the basic rules of *The Money Game* in this chapter and then go into more detail in later chapters.

## 2 Busting Loose from the Money Game

If you take a close look, most games have rules, regulations, and a clear structure. They also have definite start and stop times and a clear definition of what it means to win. Everyone who chooses to play a game agrees to follow the rules and regulations and observe that game's structure. This is required to make the game work. Although there's a career and income component to playing games at the professional level, most people play games for the sheer fun and pleasure of doing so. People who enjoy watching games (fans) do so for the same reasons.

For example, football is played with a leather ball that's shaped, sized, and constructed to meet rigid specifications. The playing field is 100 yards long. You play four quarters lasting 15 minutes each. A touchdown is worth six points, kicking the ball through the goalposts after a touchdown is worth one point, a field goal is worth three points, and a safety is worth two points. A first down is 10 yards. You may only have a certain number of players on the field at any given time, and they must each play a specific position. There are rules about what players can and cannot do on the field, and if those rules are broken, the offending team is penalized. The team with the most points at the end of the four quarters (or overtime if the score is tied at the end of regulation time) wins the game.

Baseball is another example. It is played on a field that is a certain shape and size—a diamond. Only nine players per team are allowed on the diamond during play, and like football, each player has a specific position. The game is played with bats, balls, and gloves that meet precise specifications. There are nine innings during which each team is allowed three outs. Batters get four balls and three strikes. The pitcher stands on a slightly elevated mound that is a specific distance from home plate where the batter stands. The bases are specific distances from each other. When a player touches home plate after touching each of the other bases, he earns a "run" or a point. The team with the most runs at the end of nine innings (or extra innings if the teams are tied) wins the game.

Golf is our final example. The golfer plays on a course. There are a certain number of holes, greens, fairways, roughs, sand traps, and

water hazards on the course. The player uses clubs with L-shaped metal ends to hit precisely constructed balls into small holes. There are specific rules as to what players can and cannot do while playing, and if the rules are broken, the player is penalized. The player with the lowest number of strokes at the end of the course wins.

If you take a close and objective look at football, baseball, and golf, you see that the rules, regulations, and structures appear completely arbitrary and don't make much sense. Consider this:

- *Football*: Run while holding an inflated piece of leather or throw an inflated piece of leather from one person to another as you try to cross a white line and score points. Or try to kick the piece of leather through two metal posts to score points.
- *Baseball*: Try to hit a round piece of rubber and leather that's coming at you at high speed with a wooden stick. Then, if you hit it and no other player catches it with a big piece of leather wrapped around his hand, you run around trying to touch three square pieces of cloth placed on the ground before touching a final piece of cloth to earn runs.
- *Golf*: Try to hit small rounded pieces of rubber and titanium with L-shaped pieces of metal trying to get the round pieces into tiny shallow holes hundreds of yards away with the fewest possible hits or "strokes."

You see what appears to be the same sort of arbitrariness if you look at the rules, regulations, and structures of other popular games—bridge, Monopoly, pool, chess, checkers, blackjack, and so on. You could easily ask yourself, "How did anyone ever think up such weird games, rules, regulations, and structures?" Although the rules, regulations, and structures appear arbitrary on initial examination, hidden from view is the intelligence, plan, and intent used to create them.

Players rarely question the origins of the games they play, or the apparent arbitrary nature of the rules, regulations, and structures.

## 4 Busting Loose from the Money Game

They begin playing games that were invented long ago, and do exactly what they're told by "the powers that be."

The same is true of The Money Game. When examined closely and objectively, the rules, regulations, and structure of The Money Game appear arbitrary and don't make much sense either, as you'll soon see. However, in later chapters you'll see that there's a mind-blowing intelligence, plan, and intent behind the design of The Money Game, and I promise, when you find out what it is, it'll rock your world! It also opens the door to busting loose from The Money Game.

As we pass a certain age growing up, we become players in a Money Game that's already in progress. Like athletes and other game players, we never question what we're taught about playing The Money Game. We just accept the rules, regulations, and structure we're taught and play as if it was all etched in stone and absolutely nonnegotiable.

Here are three of the primary rules, regulations, and structure points we've been taught are "real" when playing The Money Game. There are actually dozens of others (including many related to taxes, governments, investing, etc.), but the following are the ones we're most familiar with and the ones that do the most damage, as you'll soon see:

1. *Limited supply.* There's a limited supply of money available to you (and/or the world) and every time money "goes out," that limited supply decreases. Therefore, you must find ways to constantly replenish your supply or you'll run out. You must also be prudent and responsible and protect your money to ensure that you don't run out of it. Because the core supply of money is limited, you must also have a long-term plan to save, invest wisely, and build assets over time to provide for your retirement years.
2. *Money moves.* There's a flow of money in and out. Money is "out there," somehow separate from you, and you must go

out to get it and bring it into your life. In addition, as you spend money, it moves away from you to others and then you have less. You have income and expenses and you must manage the movement of both so your income exceeds your expenses (profits). You must increase profits if you want to raise your quality of life.

3. *You must work harder or smarter to increase your supply of money.* You can't just have anything you want in life. Everything "costs" you. You have to "pay" for everything you want. You have to "earn" money. There is no free lunch. You don't get something for nothing. So, if you want more money, you have to find a way to add more value or work harder—or smarter—to get it. And you must develop the moneymaking skill and be totally and truly committed to making money or you'll never have much.

In support of the traditional Money Game rules, regulations, and structure, here are some common beliefs that have also been accepted as true:

- Money is the root of all evil.
- There's something dirty or bad about money—and the people who have it.
- The rich get richer and the poor get poorer.
- There's never enough.
- You must control money or it will control you.
- More money is always better.
- Money doesn't grow on trees.
- Some people have the money-making skill and others don't.
- You can't play The Money Game well *and* be spiritual.
- Net worth is the true measure of wealth and success.
- You must save for a rainy day.

## 6 Busting Loose from the Money Game

It might shock you to hear me say that *none* of the rules, regulations, or beliefs I just related, and the many subset rules, regulations, and beliefs that flow from them, are true. Not one. They're all made up, as are the rules of all games. We all just accepted that they were true.

Here are two key points I'm going to plant seeds for now and then "grow tall" in Chapter 3:

1. You can't *win* The Money Game.
2. The Money Game was specifically designed to create utter and total failure.

You can't win The Money Game because:

- *There's no clear definition of winning.* How do you know if you've won The Money Game? Did you ever ask yourself that question? Do you win when you get comfortable? When you become a millionaire? A multimillionaire? A billionaire? When you surpass some other income or net worth goal you set for yourself? From my experience, while many people have financial goals they've set for themselves, few people have clear definitions of what winning The Money Game actually means. If you don't know what the target is, how can you possibly hit it or know when you've hit it?
- *Your money is always at risk.* No matter how much money you pile up, it is always at risk. You can lose all or huge chunks of it through poor management, overspending, a stock market crash, bad investments, embezzlement, theft, divorce, lawsuits, business failure, bank failure, tragic accidents, and so on. Plus, zero isn't the end. You can go way below zero into debt. The more money you have and the more intelligently you manage it, the greater the illusion of security, but the reality is, money is never truly safe, no matter how much you have or what you do with it. History is filled with stories of people who amassed enormous

fortunes and then lost them (in one generation or over multiple generations).

- *There's no official ending point.* When does The Money Game end? When you reach some milestone you set for yourself? That doesn't work because even though you may temporarily reach or pass such a milestone your money is always at risk, so you could slip backward and lose what you've accumulated. When you retire? That doesn't work either. Your money is still at risk and you're still at the mercy of the other Money Game rules, regulations, and structures, even if you stop working. When you die? Well, maybe The Money Game ends for *you* at that point, but it continues for your family and heirs. If there's no official ending point for this game, how can you possibly know if or when you've won? Can you say you've won a football game if you're ahead at the end of the third quarter? Can you say you've won a baseball game if you're ahead at the end of the seventh inning? Can you say you've won an 18-hole golf tournament if you have the fewest strokes after 12 holes? No!
- *There's always a price to pay.* You also can't win The Money Game because even if you make a lot of money, keep a lot, spend a lot, manage it brilliantly, invest wisely, grow your net worth, live like a king or queen, and provide for a comfortable or even luxurious retirement, playing the game according to the traditional rules and regulations always leads to some very intense form of stress, pressure, dissatisfaction, pain, or loss—especially when it comes to free time, health, and relationships. I'm sure you've experienced this yourself, or seen or known someone who succeeded in piling up a ton of money but ended up:
  - Sick
  - Lonely
  - Dying young
  - With migraine headaches or other debilitating ailments

## 8 Busting Loose from the Money Game

—An emotional basket case

—Feeling empty inside

—Living in the lap of luxury but thinking, “Is this all there is?”

- *There’s always another level of success above yours.* With only a few exceptions of people at the highest levels of financial success, there’s a trap built into The Money Game that most people fall into at one point or another. The trap gets sprung when someone at a specific level of financial success compares him- or herself to someone at a higher level of success and develops new desires that appear attainable but far away at that moment. For example, someone making \$250,000 a year and feeling pretty good about herself sees how someone making \$1 million a year lives and suddenly feels inferior by comparison. Or someone traveling first class on a commercial airline sees someone traveling by private jet, or someone with one beautiful home sees someone with two beautiful homes. Any of these can set a pattern of dissatisfaction in motion. This sort of pattern goes on and on as we move up the food chain of financial success.

Imagine playing or watching any other game with rules, regulations, and a structure like the one I just described. Imagine playing or watching a game where there’s no way to know who’s winning; there’s no official ending point; no matter how good you get you know there’s always another team or player better than you; you always end up losing (due to the price you had to pay) even if you think you’re winning.

Would anyone want to play or watch a game like that? No way! For the players, it would be an absolute nightmare. No one would volunteer to play a game like that. And no one would show up to watch either. What would be the point?

Despite all of this, billions of people show up every day to play and watch The Money Game, completely oblivious to the truth about what’s really going on. Many of those people believe they’re

winning The Money Game, believe they've won, or believe other people they see around them or in the media have won—but it's all an illusion.

In Chapter 7, I reveal an even bigger reason why you can't win The Money Game. But first I have to provide you with a few more foundational pieces of the puzzle.

What you were never told is that The Money Game is very different from the other games we play. When it comes to The Money Game, nothing is etched in stone and absolutely *everything* is negotiable. You don't need to accept the traditional rules, regulations, and structures of The Money Game. You actually have an alternative!

Since there's no way to win you have only two choices:

1. Continue to play according to the traditional rules, regulations, and structure, knowing you'll lose and pay a big price, no matter what you do.
2. Bust loose from The Money Game entirely, create a new game for yourself, choose your own rules, and transform your relationship with money *forever*.

However crazy or pie-in-the-sky it might sound to you, I guarantee that once you finish this book you'll be empowered to take the second option and bust loose from The Money Game entirely.

To continue your journey, discover three questions that have haunted you your entire life, and learn how to answer them in a way that empowers you to bust loose from The Money Game. Turn the page and continue on to Chapter 2.

