I've been so immersed in the business world for decades that I sometimes find that I'm surprised at what things others who are not immersed in my world don't focus on! That's not meant to be condescending… it's just the by-product of intense immersion. Exactly along the same lines, I'm sure an engineer or a doctor would be stunned at what basics I don't know about engineering or medicine. Or at least the engineer and physician certainly would be a bit amused at my pockets of real ignorance.

In defense of that, however, virtually every adult around the world actually is involved in economic endeavors we label "business" in some way or another, like when a consumer purchases an onion or a t-shirt. But it goes deeper than that consumerism—most everybody does make a living by helping to provide a product or service for others in exchange for getting paid compensation to meet their needs.

And in any type of every general free-market economy, most everybody has heard of a "corporation." That's where the law in a country has recognized that a legal entity called a corporation has been formed that can literally *legally* outlive its founders or even outlive every person who was alive on planet earth when the corporation was started…you know like Procter & Gamble that was founded in 1837 and is still here selling us Crest toothpaste. Now corporations have many features that we'll talk about off and on, but one of those features that is absolutely the most important is that of *limited liability*. And what we call limited liability is one of the most important features that helps build very prosperous economies.

Let's take a look at this really practical feature that is crucial to wise decisions in business, starting by breaking down this phrase into its two parts. An investor's *liability* is his or her negative financial exposure. A *limited* liability, is, yes, *limited* to a particular sum of money, and often that limitation of financial exposure is the amount of money invested in the particular enterprise in question. That would mean, in a simple example, when a person invests $10,000 in a corporation or similar enterprise as a 100% or partial owner of that enterprise—and then something goes wrong where the enterprise owes or is found liable for certain significant amounts—well, then, the investor's maximum possible loss for that unfortunate situation is that $10,000.

But why can limited liability be properly regarded as key to a society's general best interests? Because forming enterprises that can truly help people and communities prosper is risky. And it's easy to believe that every enterprise can easily succeed, but exactly the opposite is true—free markets are very difficult to thrive in over the long haul. There are many obstacles that can be fatal, obstacles that swallow up all of an enterprise's capital and even more, if the enterprise is overcommitted financially or is found legally guilty of a transgression with bad financial consequences. That enterprise can simply go out of business.

And people of significant means—people of wealth—are typically fully aware of that possibility. So, when the enterprise they're investing in is legally structured to provide them limited liability, then—everything else being equal—they are far more likely to invest in a limited-liability enterprise than not. Let's get more concrete for just a moment to make sure you and I are on the same page. If Maria the millionaire passively invests $25,000 in the fictional XYZ Corporation, and XYZ Corporation later loses a major class-action lawsuit to the tune of millions of dollars that exhausts all of its resources, well then, Maria will have only lost her $25,000 in XYZ Corporation. That is, her liability is limited to the $25,000 she invested.

However, remember that I said Maria was a passive investor. If Maria was a key executive for XYZ Corporation and negligently made decisions leading to those problems, it may be that the rest of Maria's wealth might be at risk. But, for now, let's just say that Maria is just a passive investor with limited liability.

Well, the socialist says, *that's exactly what's wrong with capitalism*. The wealthy person, even if she is a passive investor, doesn't experience consequences for bad actions…the poor people lose. But the socialist misses the entire point here. If there isn't a provision that liability is limited to actions only taken by and for the corporation's actions, then a wealthy person like Maria will rarely *if ever* invest in a new enterprise. And that's precisely one very key reason why all socialist countries are relatively poor as compared to free-market countries—the already wealthy will prudently choose *not* to invest in risky new businesses. And, therefore, the socialist country's economy falters and ultimately fails—that is, in socialist countries, the poor rarely get hired, the government collects much less in tax revenues, and motivated entrepreneurs move to free-market countries *if they are free to do so!* And all that because of the absence of this key feature of a fresh new enterprise called limited liability.

Business historians tell us that some isolated instances of limited liability occurred in England and elsewhere, notably for a few monasteries and the famous East India Company. But it only started in earnest about a couple hundred years ago in New York and was then made broadly available. You have likely seen the label "Corporation" or "Corp." or "Incorporated" or "Inc."—and each of those designations signals to the general public that a passive owner of that company is not liable for the debts of the enterprise beyond the extent of their investment. Nowadays, there are other business structures that offer limited liability to investors, and it's likely you've seen the initials LLC (the abbreviation for *Limited Liability Company*) or LLP (the abbreviation for *Limited Liability Partnership*). Different countries can and do have different names or designations for this. But each is designed for limited liability to promote private investments for the ultimate benefit of the broader citizenry. So, listen to this truth: limited-liability legal structures are in no small part responsible for the vast economic betterment of people worldwide in modern times. Period. No matter what fiction socialist theorists write.

So then, what business enterprises are not structured to offer limited liability in America? Well, both *general partnerships* and *sole proprietorships* have unlimited liability, where even just one person or a couple of general partners can easily launch a business out of their home or at the local strip mall. There are millions of such businesses in America—quite often operating on a very small scale—like perhaps a home-based craft business. But is the open-ended, full-liability of a sole proprietorship or a general partnership wise, or should a limited liability legal structure be used? Consider the situation. Is the business just very small with very little chance of problems? Ponder that. And perhaps consult an attorney.

Hey, in one short phrase now: *limited liability is all about prudent risk-management that actually works to benefit the larger picture of a community, a nation, or a society*. When people know that a key part of their standing and their stewardship for their families are secure, they are well-stabilized and therefore much more willing to risk resources elsewhere. Yes, there's less reason to hoard if others cannot arbitrarily penetrate into your treasure. This one short glimpse into great structure is why so many people have bettered themselves and their families economically by investing in public stock markets where, in a few seconds online, they can buy passive ownership of corporations run by astute leaders like Jeff Bezos or Bill Gates—without risking all of the rest of their hard-earned savings. *That's limited liability!*

Of course, that reality is similar to what the Cross affords us—*limited liability!* Jesus paid the price for our sins by His death on the Cross, so if we place our faith in Jesus, we're no longer liable for our sins! And, as we genuinely continue in our faith, our standing with the Resurrected Jesus is not at risk at all. Because Jesus's victory on the Cross was finished, complete, and fully secured on our behalf, *our liability is limited*. That's right, every whosoever who calls upon Jesus's name is given access to the fount of limited liability!

So then, what's the implication of Jesus's limited liability structure on our *spiritual* investments? Well, since Jesus removed that risk at the Cross, we don't have to invest in trying to be "good enough" for God. Instead, Jesus has freed us up to be "bullish"—that means very confident—about investing our treasures in heaven! Yes, through Jesus, we have limited liability…*so we can invest wisely!* So, invest your time, your finances, your life plans, your everything in Jesus and in making His disciples. Yes, go forth and store up treasures in heaven! When we fully grasp believers' limited liability, we will be wise investors!

A&A: Application & Action

1. In the final analysis, do you think that limited liability embedded in corporate or LLC legal structures by governments to be selfishly skewed for primarily the benefit of the already-wealthy? Explain.

2. In the final analysis, do you think that limited liability embedded the vibrant believer's relationship with Jesus is selfishly skewed for the benefit of the believer? For the benefit of the Father? For the benefit of the Kingdom? Explain each.

3. Are your life priorities significantly contextualized to the fullness of God's grace…His limiting of our liability for our sins? Is your understanding of your personal limited liability in God's economy revealed by the nature of your investments in the Kingdom? Elaborate.