

LADIES, LIQUOR & LEVERAGE: THREE SNARES THAT BRING WISE MEN DOWN

A. BACKGROUND

- One of the wisest investors of our time, Charlie Munger. He said, “*Smart men go broke three ways: ladies, liquor, and leverage.*”
- Now, Munger wasn’t speaking from a pulpit, but as a man who understood human nature and its greatest follies. And while his words are simple and sound a little folksy, they echo a timeless biblical truth about the temptations that can destroy a man’s life—not just his bank account, but his character, his family, and his legacy.
- Let’s break down Munger’s three L’s and see how they align with God’s word. I draw my comments from the word, my experience in the marketplace and my practice of Family Law.

B. LADIES – THE SNARE OF UNHEALTHY RELATIONSHIPS

Munger’s “ladies” is a warning against lust, compromise, and aligning ourselves with people who pull us away from our core purpose. **1 Corinthians 15:33** warns us, “Do not be deceived: Bad company ruins good morals.”

- 1. Biblical and Marketplace Insight:** This snare extends far beyond romance. It affects every relationship, including business partnerships and family leadership. We see this in:
 - *In business, this snare manifests as **unwise partnerships, toxic work cultures, and neglecting your family.** A business deal with a dishonest partner, a compromise of your moral standard to close a deal, or the neglect of your family for the sake of your career can all lead to ruin. Your integrity is your greatest asset. It is what people buy into and trust. As Warren Buffett famously said, “It takes 20 years to build a reputation and five minutes to ruin it. If you think about that, you’ll do things differently.”*
 - **Unwise Partnerships: King Jehoshaphat** was a righteous king, yet he formed an alliance with the wicked **King Ahab** of Israel. This unwise partnership almost cost him his life in battle (**1 Kings 22**). It shows how a leader’s decision to partner with someone of low integrity can lead to disastrous outcomes.
 - **Toxic Work Cultures:** Think of the relationship between **Laban and Jacob**. Laban repeatedly deceived and exploited his employee, Jacob, changing his wages ten times (**Genesis 29-31**). This demonstrates how a dishonest, toxic environment created by a leader can corrupt relationships and breed discontent.
 - **Neglecting Your Family: Eli**, the high priest, was a leader in Israel, yet he failed to restrain his wicked sons, who abused their positions in the temple (**1 Samuel 2-4**). His neglect of his family ultimately led to their downfall and the loss of the Ark of the Covenant. A leader’s failure at home will inevitably lead to failure in the public sphere.
- 2. Application:** Brothers, are your relationships sharpening you like iron (**Proverbs 27:17**), or are they dulling your walk with Christ and your business acumen?
- 3. Challenge:** Guard your relationships. Seek accountability. Choose companions and partners who call you up to holiness and integrity, not drag you down into compromise.

C. LIQUOR – THE SNARE OF UNHEALTHY HABITS

Munger's "liquor" is a metaphor for anything that takes control of us. **1 Corinthians 6:12** says, "All things are lawful for me, but I will not be enslaved by anything."

1. Biblical and Marketplace Insight: This snare represents a lack of self-control that can lead to destructive behaviours, particularly in the life of a leader. We see this in:

- *In the business world, this snare manifests as **workaholism, excessive risk-taking, or a constant need for a "fix" from success**. You might find yourself addicted to the thrill of the deal, the endless scrolling on your phone, or the escape of a fleeting pleasure. Any habit that dulls your spiritual edge also dulls your judgment and discipline. As legendary coach Vince Lombardi said, "The difference between a successful person and others is not a lack of strength, not a lack of knowledge, but rather a lack of will." A man who cannot master his own habits cannot effectively lead his business or his family.*
- **Workaholism:** The builders of the **Tower of Babel** were consumed by a singular, relentless focus—building a tower to "make a name for themselves" (**Genesis 11**). Their work was not for God's glory but for self-glorification, the very definition of workaholism.
- **Excessive Risk-Taking: King Saul** grew impatient while waiting for the prophet Samuel to offer a sacrifice. In his desire to secure victory and move forward, he took on the priestly role himself and offered the sacrifice, an act of excessive risk and disobedience that cost him his kingdom (**1 Samuel 13**).
- **A Need for a "Fix" from Success:** After defeating Goliath, **King Saul** became obsessed with the people's praise. When they started cheering for David, Saul became so paranoid and consumed by jealousy that he sought to kill him. His need for the "fix" of being the most celebrated leader led to his spiralling into madness (**1 Samuel 18**).

2. Application: Brothers, what's your "escape hatch"? When stress hits, do you run to Christ in prayer, or to the bottle, the screen, or the next high-stakes deal?

3. Challenge: Identify the "small foxes" (**Song of Songs 2:15**) that spoil the vineyard of your life. Bring them into the light with accountability and let the Holy Spirit produce self-control in you (**Galatians 5:23**).

D. LEVERAGE – THE SNARE OF UNHEALTHY TRUST

Munger's "leverage" is all about misplaced trust. **Psalms 20:7** says, "Some trust in chariots and some in horses, but we trust in the name of the Lord our God."

1. Biblical and Marketplace Insight: This snare is a warning against placing our identity and security in worldly things, rather than in God. We see this in:

- *In business, leveraging your capital to the extreme might seem smart, but it's a house of cards. When the market turns, you're left with no room to manoeuvre. Similarly, **leveraging your identity on your career, your net worth, or your status** is a dangerous game. If the market crashes or your business fails, you lose your sense of self because it was built on a sandy foundation, not on the rock of Christ. Munger himself, reflecting on this snare, said, "The world is full of people who have been ruined*

by a love of money. I can think of a dozen of them right now, and they were brilliant people."

- **Leveraging Identity on Career: King Nebuchadnezzar**, after building the great city of Babylon, boasted from his palace roof, "Is not this great Babylon, which I have built by my mighty power as a royal residence and for the glory of my majesty?" (**Daniel 4**). He leveraged his identity on his professional achievements and was humbled by God, losing his mind until he acknowledged God's sovereignty.
 - **Leveraging Identity on Net Worth:** The **rich fool** in Jesus' parable measured his security by the size of his barns. He "leveraged" his confidence on his net worth, only to have his soul required of him that very night (**Luke 12:16-21**). He was rich on earth but bankrupt in heaven.
 - **Leveraging Identity on Status: Haman**, a high official in Persia, had immense power and wealth. Yet, his identity was so tied to his status that when one man, Mordecai, refused to bow to him, Haman's fury and wounded pride led him to plot the destruction of an entire people, ultimately leading to his own death (**Esther 3-7**).
2. **Application:** Brothers, where are you placing your trust? Is your security rooted in Christ, or in your pay cheque, your reputation, or your retirement fund?
 3. **Challenge:** Be a steward, not an owner. Hold your possessions with an open hand. Learn to say with Paul: "I have learned in whatever situation I am to be content" (**Philippians 4:11**).

E. CONCLUSION – A BETTER WAY

The snares of unhealthy relationships, habits, and trust are real. But the gospel offers us a better path: pure, God-centered relationships; Spirit-filled self-control; and a true confidence rooted in Christ alone.

Instead of chasing these snares, let us set our minds on what is true and excellent. **Philippians 4:8** instructs us: *"Finally, brothers, whatever is true, whatever is honourable, whatever is just, whatever is pure, whatever is lovely, whatever is commendable, if there is any excellence, if there is anything worthy of praise, think about these things."*

Brothers, may we be men who stand firm, resist these snares, and leave a legacy that honours Christ, both in our lives and in our businesses. Amen.