

Building Financial Infrastructure for the Kingdom Transfer of Wealth

© 2008 By Stephen E. Tarr

Kingdom Venture Partners, LP (“KVP” or “Kingdom Ventures”) is the first venture capital fund established for the purpose of raising capital from Kingdom-minded investors for investment solely into Kingdom-minded companies. As the first Private Equity fund of its kind, KVP has been called to help build infrastructure for the creation and distribution of wealth for the benefit of God’s Kingdom. In order to fully understand why KVP was created, it is first necessary to comprehend several concepts which have helped form the basis of KVP’s vision and mission:

1. A strong Scriptural foundation exists for a Kingdom transfer of wealth.
2. A shift is currently underway as God moves through Christians in the marketplace to effect a global transfer of wealth which will redirect resources into the Kingdom of God from secular strongholds.
3. This Kingdom transfer of wealth cannot occur without the creation of infrastructure within the financial and capital markets.
4. The creation of appropriate financial and capital market infrastructure will lead to the creation of Kingdom storehouses which, by nature, provide an exponential increase in the sharing of Kingdom resources.
5. This sharing of resources within the Kingdom is vitally significant because it fulfills three very important Scriptural principles – it brings Glory to God (*2 Corinthians 9:12-13*), it creates Unity in the Body of Christ (*2 Corinthians 9:14*), and it Fulfills the Word of God (*2 Corinthians 8:14-15*).

Scriptural Foundations for a Kingdom Transfer of Wealth

- “A good man leaves an inheritance to his children's children, and the wealth of the sinner is being stored up for the righteous.” Proverbs 13:22 (NIV)
- “To the man who pleases him, God gives wisdom, knowledge and happiness, but to the sinner he gives the task of gathering and storing up wealth to hand it over to the one who pleases God.” Ecclesiastes 2:26 (NIV)
- “...so that the body of Christ may be built up until we all reach unity in faith and in the knowledge of the Son of God and become mature, attaining to the whole measure of the fullness of Christ.” Ephesians 4:12-13 (NIV)

These are powerful Scriptures and it is hard not to acknowledge that God is indeed faithful to His Word. A brief look at the history of business in the United States alone readily shows that investments in Jewish businesses (God’s chosen people) have proven to be extremely profitable. The Jewish advantage in economic status persists to the present day. It remains higher than that of white Protestants and Catholics, even among households of similar age, composition and location (Thomas Sowell, 1981, *Ethnic America*). Moreover, even a high-level view reveals an extraordinary degree of differentiation as evidenced by the following (Abraham Karp, 1997, *A History of the Jews in America*):

- The percentage of Jewish households with income greater than \$50,000 is double that of non-Jews and the percentage of Jewish households with income less than \$20,000 is half that of non-Jews.

- Forty-five percent of the top 40 of the Forbes 400 richest Americans are Jewish.
- One-third of American multimillionaires are tallied as Jewish.
- Twenty percent of professors at leading universities are Jewish.
- Forty percent of partners in the leading law firms in New York and Washington are Jewish.
- Thirty percent of American Nobel prize winners in science and 25% of all American Nobel winners are Jewish

These basic facts are even more astonishing when it is considered that Jewish Americans make up just 2% of the U.S. population – a total of 6 million of America’s 300 million people.

As He has throughout history, God will continue to fulfill his promises in order to transform the marketplace for the benefit of his entire Body and His Kingdom purposes. As a result, KVP recognizes that investments in Kingdom companies will prove to be even more necessary, more available, and more blessed as the Body of Christ becomes the ongoing recipient of God’s planned wealth transfer from the wicked to the righteous which has clearly already begun.

God Is Moving Through the Marketplace

In the 1950’s significant change was brought about for the Kingdom of God through the church planting movement. In the 1970’s and 1980’s the parachurch movement produced the same result of a significant increase in his Body. In both cases, God organically called into being the necessary people and infrastructure to support his work. It is becoming more and more apparent that the next great movement of God is upon us and it is coming through the marketplace. An entire industry has sprung up in the past 20-25 years—most of it in the last 10 years—lead by such organizations as His Church at Work, Marketplace Leaders, International Coalition of Workplace Ministries, International Christian Chamber of Commerce, Priority Associates, Halftime, Leadership Network, FCCI, C12 Group, BBL Forum, National Christian Foundation, Crown Ministries, The Master’s Program, Kingdom Advisors, CIBN, ICWBF, and others.

As the American church becomes less and less effective in reaching the lost, as measured by several key indicators and reported by Barna and others, the marketplace is rapidly becoming the primary influence on people’s lives. Careers and vocations now serve as the primary source for their identity as humans, their primary social community, and ultimately the purpose for their lives on this earth. KVP believes that a divine shift is underway as God moves through Christians in the marketplace to effect and accelerate a global transfer of ownership, influence, and wealth which will redirect resources into the Kingdom of God from secular and Satanic strongholds. In addition, as He has in the past, God is currently putting in place the infrastructure necessary to produce a great movement for his Kingdom through the marketplace.

The Kingdom Transfer of Wealth Requires New Infrastructure

KVP has been called to recognize and prepare for the next great movement of God in the marketplace by developing Private Equity infrastructure. God continues to increase His influence in the marketplace and He is already laying the groundwork for the creation of Kingdom-minded companies which will become industry leaders in every sector of the marketplace. It is amazing to think what level of impact would occur within the Kingdom if 25 years from now the next Microsoft, YouTube, Google, IBM, Gene tech, Boston Scientific, eBay, or Disney embraced and embodied Kingdom culture. However, the potential of this

marketplace movement cannot be fully realized without putting into place the proper infrastructure for the creation, management, and distribution of wealth for Kingdom purposes.

Indeed, the next generation of industry leading companies will not just spawn themselves. All companies with high growth prospects need access to investment capital, quality business strategy and management advice and counsel, experienced Board members, and access to high-level contacts with potential customers and strategic alliance partners, underwriters, market makers, and investment bankers. This type of financial market infrastructure within the Kingdom is essential for achieving meaningful levels of Kingdom wealth creation and wealth transfer, and yet it is virtually non-existent today at any level of the marketplace including Wall Street, Main Street, investment banks, high yield debt lenders, hedge funds, and private equity funds. God, however, is bringing all of these things into being. In order to do their part, Kingdom-minded investors from all sectors must begin to recognize the critical need for financial infrastructure and begin to dedicate resources to help put this infrastructure into place.

Kingdom Ventures, by example, is focused on directly providing Private Equity infrastructure which will ultimately lead to the creation of new wealth that can then flow into the Kingdom. Granted, there are a small but growing number of Christian mutual funds which screen or index Public Market stocks, but Private Equity is historically one of the most effective ways to create new value and thus generate new wealth rather than just move money from one pocket to another. Simply put, Private Equity investment encourages new wealth creation rather than just redistributing existing wealth. As the first of its kind, KVP has been called as a forerunner and a pioneer for “such a time as this” to be a key part of this Kingdom financial infrastructure and to offer an alternative model to investors and entrepreneurs. In so doing, KVP is calling upon all Kingdom-minded, accredited investors to consider their role in stewarding God’s resources.

Kingdom Storehouses will Lead to Exponential Growth in Kingdom Resources

KVP believes that Kingdom-minded companies sitting at or near the top of each industry allow for the creation of new pockets of Kingdom wealth – both individual and corporate storehouses – all benefiting the Body of Christ. The impact of such companies on society is expected to be exponential. For this and other reasons cited herein, KVP has taken the lead in educating and informing accredited Kingdom investors about the importance of utilizing a portion of their resources to establish Kingdom-focused and -dedicated sources of Private Equity capital.

Most Kingdom-minded individuals who have been blessed with resources beyond their own needs are currently sharing these resources within the Kingdom in some form or fashion. To their credit, a huge amount of good is accomplished by supporting worthy Kingdom ministries, humanitarian organizations and relief projects. However, this results in a linear growth of resources being funneled into Kingdom purposes and thus is not optimal. For instance, there are over 1.6 million nonprofits in the U.S. today. The vast majority of these entities are not well funded and continue to raise money each year in order to survive. As a result they spend a significant amount of time, energy, and resources each year on fundraising efforts rather than fulfilling their core mission. In short, the current model of supporting nonprofits from budget cycle to budget cycle (donor-based funding) is broken and inefficient, and one result is a flight to perceived quality and national brands among Christian investors.

Not surprisingly, a handful of Christian ministries and mega-churches receive the lion's share of offerings each year. Among these are Campus Crusade, Focus on the Family, World Vision, Compassion International, Young Life, Samaritan's Purse, Prison Fellowship, Champions for Life, YWAM, Athletes in Action, Fellowship of Christian Athletes, Joel Osteen Ministries, Kenneth Copeland Ministries, Joyce Meyer Ministries, Crystal Cathedral, 700 Club, Saddleback, Willow Creek, International Mission Board, North American Mission Board, Charles and Andy Stanley, Billy Graham Evangelistic Association, T.D. Jakes, Benny Hinn, James Robison, etc.

If each of these 1.6 million non-profits were supported on an annual basis by a self-perpetuating storehouse, the effectiveness of their ministries would likely increase ten-fold and they would never have to make another donor call. The creation of new wealth for both individuals and corporations results in the formation of new Kingdom storehouses which are Scripturally designed to provide perpetual, exponential growth in the resources available for Kingdom purposes (See white paper on "Storehouses"). To this end, all KVP L.P.s, G.P.s, and portfolio companies voluntarily contribute 10% of profits to the Kingdom as a "first fruits" offering, resulting in donor-designated charitable contributions into Kingdom ministries and nonprofits. As returns from the KVP funds as well as its individual portfolio companies continue to grow, so will the number of new Kingdom storehouses providing ongoing resources to the Body of Christ.

Significance of Sharing Resources within the Kingdom

At its most basic, KVP has been organized to be a conduit for the sharing of resources within the Kingdom. The sharing of resources within the Kingdom is vitally significant because it fulfills three very important Scriptural principles:

1. Brings **Glory to God** (*2 Corinthians 9:12-13*)
2. Creates **Unity in the Body of Christ** and, (*2 Corinthians 9:14*)
3. Fulfills the **Word of God** (*2 Corinthians 8:14-15*)

KVP also "disciples" its client companies by providing "spiritual capital" to its portfolio executives and entrepreneurs and encouraging them to see their business as their ministry. A few ways KVP accomplishes this is by offering our own testimony and experience, recommending certain spiritual resources (tapes, books, CDs, DVDs, conferences) and introductions to our extensive network of Kingdom-minded strategic partners, service providers and leadership mentors. KVP will also help company management organize ongoing prayer for them and their business. And we will encourage portfolio companies and executives to be philanthropic. All of this will lead to the further sharing of resources for the benefit of Kingdom transformation.

The Time for the Creation of Infrastructure is NOW

KVP is actively partnering with Kingdom-minded accredited investors who are willing to take a leadership role in bringing about an unprecedented transfer of wealth into Kingdom storehouses. Individuals with excess resources should search their hearts in prayer to understand where and how God is calling them to help build the financial infrastructure that He is now setting in place in order to provide for a corresponding exponential increase in the funding of His Kingdom. Consider, for instance, that if a wealthy Kingdom individual annually donates \$1M to Kingdom ministries and non-profits, they will need to continue doing the same thing each year in order to perpetuate the Kingdom benefits. If on a regular basis, however, the same individual allocated just half that amount to the creation of financial infrastructure which would perpetuate the

growth of new companies, create new market value, and spawn new pockets of wealth, then in the same amount of time the Kingdom benefit would be multiplied at an astonishing rate.

This white paper is intended to help individuals recognize the need for building Kingdom financial infrastructure and to produce change in their approach to Kingdom transformation from a linear impact model to an exponential impact model. If investors truly believe they are called to use their resources for Kingdom purposes and they do not proactively step forward to help build financial infrastructure in the Kingdom, then they are either knowingly or unknowingly failing to realize the full potential and optimum return on investment of the blessings and resources God has provided them. Perpetuating the status quo or sitting idly by and watching from the sidelines will only help delay the coming marketplace transformation and its impact on Kingdom economics and will hinder the next generation since our ceiling will be their floor.

Conclusion

KVP is comprised of experienced and educated individuals who are utilizing their God-given skills to recognize and discern those companies that are poised to grow rapidly and thereby achieve a leadership position in their target market. KVP looks for the combination of great teams, significant market opportunities, initial market traction and proprietary technology - all of which is underpinned by management with a mature Christian faith and Biblical worldview.

KVP not only considers the pertinent business aspects of an investment opportunity but also the spiritual aspects (See white paper on “Spiritual Due Diligence”). KVP looks beyond the “head” investment decision and also considers the “heart” by investing in businesses that we believe have Kingdom-minded Christian management teams with personal revelation of God’s transformational purpose for them in the marketplace, and are being operated in accordance with Kingdom principles. We will also favor opportunities to develop companies’ marketing products or services that have a positive impact on the quality of life for other people.

Based on the response to date that KVP has received from the marketplace, if given a choice, most Kingdom-minded companies would prefer to obtain investment capital solely from Kingdom-minded investors so as to avoid becoming “unequally yoked” spiritually. Kingdom Ventures directly addresses this void in the venture capital market in meeting the needs of both Christian companies seeking capital and Christian investors seeking to invest in Kingdom businesses. KVP is the first of its kind to directly meet this need by raising capital from Kingdom-minded investors for investment in Kingdom-minded companies. As a result, KVP’s deal flow is very strong and proprietary, and over 350 Kingdom deal opportunities – all looking for access to capital and financial resources of a Kingdom nature – have been submitted to date.

In closing, Kingdom Ventures provides a direct opportunity for accredited investors to be on the front lines of the spiritual battle for the marketplace – and as such it fully expects that Satan will not sit idly by and watch his territory be conquered and plundered, but instead will proactively “seek whom he may devour.” That is why KVP has enlisted a team of over 50 intercessors to pray over its partners, companies, investors, and their families. KVP is part of the required infrastructure for the next great movement of God on the earth and we will diligently continue to fulfill our Divine call to build strong, sustainable Kingdom financial infrastructure for the multi-generational creation, management and distribution of wealth for the purposes and glory of God.