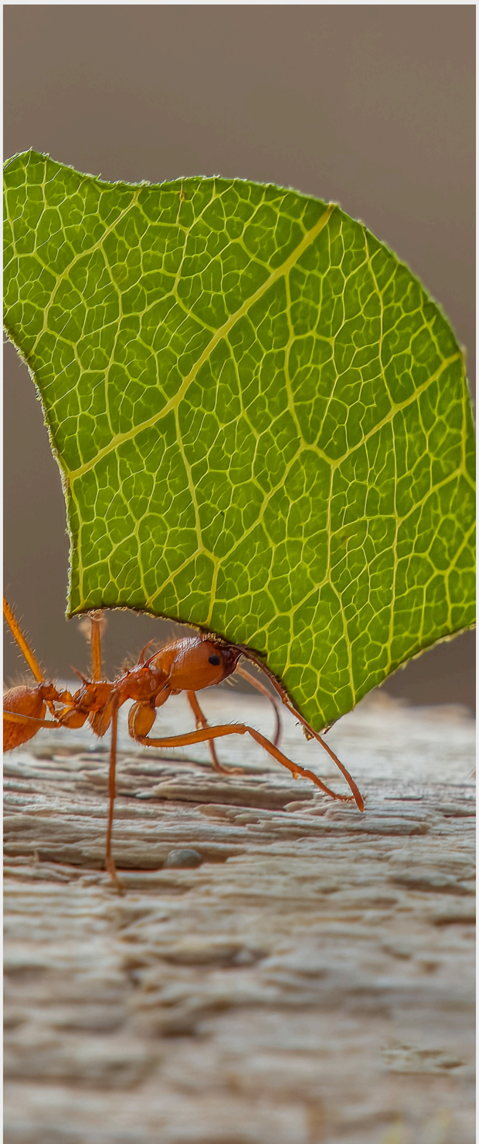
# HOW ATTITUDES TO MONEY & WEALTH HAVE SHIFTED

A Roshgold View- *by Haroun Pochee*

**"Each generation must, out of relative obscurity, discover its mission, fulfill it, or betray it." — Franz Fanon.**

Roshgold's first generation developed the investment group on a strong vision of accountability, prudence, and process. It was at a time when collective investment was not common in communities, repressed by Apartheid. It was a time when there was a lack of expertise, skills, and an appetite for investment in empowerment platforms.

Thus, like a colony of ants, the industrious founders passionately and steadily built one successful layer at a time.



The thinking and focus were on community building, grassroots involvement, and an elementary business model of passive return for shareholders. The simple mantra of keeping costs low to yield a profit for distribution to shareholders was constant as returns were distributed for forty-two consecutive years.

At the time, there was little disposable income available to the ordinary person for investment, as most earned their livelihoods on low salaries and lived hand-to-mouth.Roshgold's flexibility in allowing smaller amounts at the investor's discretion allowed many investors to commit for the first time.

Roll forward the years, and with democracy in 1994, the liberalisation of markets and new career opportunities for graduates, the advent of Islamic Finance, educational offerings, and the increasing use of technology for investment, information flow, investment trends, and practices, the landscape has shifted.

Plato's quote below is very apt.

**"Don't force your children into your ways, for they were created for a time different from your own."**

Access to investment markets, investment products, and capital has opened opportunities across all investment classes. Local and overseas markets can be accessed. Product leveraging is possible with debt and margin calls. Thus, risk tolerance has increased, and due to many investors' absorption into a capitalist mindset, a more aggressive investor and risk-taker has emerged.

The timeline for investment holding has also shifted. With long-term holding primarily the only choice to earlier generations, many investment portfolios position themselves to maximise returns and opportunities with rotation, alternating, and switching asset classes. This is influenced by changes in interest rate cycles and the perceived risk of each investment class under volatile market conditions.

Today, volatility is another variable investors must contend with. Volatility arises from speculative traders, differences between the real and financial economies, geopolitical factors, and, of course, the mobility of capital enabled by increasing securitisation and technological advances. This causes massive gyrations in asset prices, and, unlike in the past, a stable price regime with long-term capital growth is no longer relied upon.

**"The more things change, the more they stay the same."**
**— Jean-Baptiste Alphonse Karr**

This generation often bases investment decisions without due consideration of the underlying investment merits. They have become accustomed to squeezing for the highest return at any cost. Greed drives the decision-making process. Honours Finance Graduates, shrewd businessmen, heads of family investment committees, have been embroiled and caught in scams. We all know of people who have been scarred by poor investment selections. The loss of wealth within the community has been great as people get snared by the prospect of unsustainable returns, captured by the deceit of snake-oil salesmen, or by the greed of investment brokers or management. Everyone is on the bandwagon to MAKE A QUICK BUCK and neglect to evaluate the merits of the investment case. Recent examples include investments in cattle schemes, bitcoin positions, and a massive silver position.

What is sad is that widows, elders, and children have borne the brunt of poor investment decisions and are devastated and struggling financially and psychologically as their source of earnings has been cut off by collapsed investment schemes.

Roshgold is still a home for the risk-averse and provides a safe environment for investors seeking regular income, long-term growth, and security.