

## Whiner or Victim?

Senator Phil Gramm created quite a ruckus a while back when he said that he thought the country's current economic problems were largely in our minds...that we're really just a bunch of whiners. He caught a lot of heat for that, in part because he would seem to have plenty of money and power—how could he possibly understand what it's like for those of us with much lesser financial means?!

***Right on, Budget Guy! I certainly didn't ask for gas prices to go sky high. And what about rising food prices and this whole mortgage mess... tell me how all of this is just my imagination! And just because I don't like what's happening and I say so doesn't make me a whiner. Seems to me I'm really a victim!***

I'd rather be a whiner than a victim.

***You're kidding, right???***

Not really. I think of a victim as someone caught up in something beyond his or her control—something they're rather helpless to do much about. When someone's whining, however, there's usually something they could do to make things better if only they'd stop whining long enough to do it. I don't like to feel helpless, so I'll choose to be a whiner, and then do something about it.

***You're clever with the words, BG, but calling myself a "whiner" instead of a "victim" doesn't do diddly for gas prices, food prices, or anything else, for that matter.***

No, it doesn't. But opening your mind to the possibility that you're not a helpless victim might put you on track to being better prepared for the next thing to come along.

***Next thing? Is something about to happen that I should know about?***

I don't know what, nor do I know when. But I do know that this won't be the last rough patch for the economy. Economic downturns are a part of life and you *can* prepare for them. Whatever form the next one takes, *now* is the time to start preparing for it.

The sad truth is that we've become a nation of overspenders and undersavers. We do it as individuals, and the government does it for us collectively. The savings rate has been around 0% for some time now, and in many months, the average household has spent more than it has had in income.

I try not to think about it too much because it scares me. While economic downturns have always occurred, they're coming more frequently, starting much more rapidly and becoming more severe.

And what do we do? We call upon the government to fix it, to eliminate any and all pain so we can continue doing whatever we want to do without concern for the consequences. The government is only too happy to oblige—it means more power for the politicians. And where does the money come from to fix things? Higher taxes and an increasing the national debt, both of which just tend to make things worse the next time.

***Okay, so economic downturns come and go, they don't all look the same, and you think they're coming more often and getting worse. What am I supposed to do with that? What will happen, will happen...I can't change it!***

No, you can't change the course of the economy, but you can prepare yourself to better weather future downturns:

1. Start easy: Eliminate unnecessary fees
2. Then get rid of as much debt as possible
3. Finally, build up a cash reserve

### **Eliminating Unnecessary Fees**

Do you find yourself paying late fees and over-the-limit fees on your credit cards? How about fees for over-drawing your checking account? Those fees are a waste that you can quickly put an end to! All it takes is a little discipline and a little attention to your finances.

There's been a lot written lately about the fees banks and credit card companies charge, and demands for Congress to do something about them. I find that incredibly

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ironic! Here we are, a country founded on the idea of independence, a people that prides itself on empowering the individual, and we want the government to step in and do something for us we could easily do for ourselves! If you pay your bills on time, watch your credit limit, watch your checking account balance, it doesn't matter what fees are charged - you won't have to pay them! And the banks and credit card companies are powerless to stop you!!

## Getting Rid of Debt

When it comes to debt, credit card debt is the worst. Most people with credit cards are carrying a balance and not because of a significant financial emergency. No, they're using their credit cards to fund their lifestyle. Could that be you?

If so, think about this: Would you take out a loan to go out to dinner? That would be pretty foolish, wouldn't it. But if you charge a meal while carrying a balance on that credit card, that's exactly what you're doing! Just stop and think about what that meal is actually costing you once you include the finance charges it accrues for months at 9%, 12% or maybe even 18% or more!

How much extra money would you have each month if you weren't paying finance charges? It wouldn't matter what the rate was—by not carrying a balance, you wouldn't be paying it. Then you could get a cash rewards card and have the credit card company pay you! How does an extra \$1,000 sound? That's what I got last year from my cards.

If you want some ideas for how best to get rid of your credit card debt, check out the Budget Guy archives at [shpc.org](http://shpc.org) (look under "Special Items and Helps" in the "Adult Ministry" section). Don't have Internet access? Just call me at 301-1246 and I will send you copies of the applicable articles.

Including articles about getting out of car debt. Instead of taking out car loans for shorter and shorter periods of time until we're able to pay cash, we're taking longer and longer loans—some as long as eight years! Anything longer than 42 months, and you'll owe more on that new car than it's worth the instant you drive it off the lot. What kind of sense does that make?

Yeah, I know, when you need a new set of wheels you can roll your old note over into your new note. Such a deal! You get to keep paying for a car you no longer have for another five, six or seven years. What kind of hole does that leave you in when times are tough?

As you know, the Bible offers the hope of eternal salvation; nowhere, however, does it say we need eternal debt to get there. In fact, it contains many passages that speak strongly and clearly *against* taking on debt.

## Building a Cash Reserve

There also are several passages in Scripture that advise us to build a cash reserve. All it takes is a little discipline, but we seem to have a problem with telling ourselves "no." All that's really required is giving up buying something today so that you can have the money for something more important tomorrow. Isn't that what being an adult is all about? Being able to think past today and make good decisions for the longer term?

The Budget Guy archives have several articles that will give you some tips on getting a savings plan going. Hey—what have you got to lose? If you put aside some money today and tomorrow you decide you were wrong, you can spend the money then. If you spend it today and tomorrow you decide you were wrong, well, too bad for you!

## Whiner or Victim

The truth is, I don't want either of us to be a whiner or a victim. I want us to be able to weather financial hard times no matter what form they take. I want us to be able to focus on the lives God wants for us, rather than lives clouded by money problems.

What say you?

Want a little help with some aspect of your financial life? Call the Budget Guy, Allen Gunter, at 301-1246 or send an email to [BudgetGuy@SHPC.org](mailto:BudgetGuy@SHPC.org). I will help you in any way I can, and it's free and completely confidential.

For a wonderful look at what the Bible says about money, check out the Crown Financial Ministries Small Study Groups. Contact Chris Gordon (484-1905; [cgordon1@austin.rr.com](mailto:cgordon1@austin.rr.com)) or Roger Wade (301-4921; [rcwactuary@austin.rr.com](mailto:rcwactuary@austin.rr.com)) for more information.