

A CREDIT CARD MOMENT

A moment of reflection for those of you about to surrender your addiction to the plastic spending of your money and your future

Who tells us that we need credit cards, that we can have all of our hearts desire just by pulling out that little piece of plastic? That we deserve to live the lifestyle that we want and that we shouldn't feel guilty? Well, folks that would be the Credit Card companies that are using all that wonderful air time to promote their product, to lure you into a dazed state of spending money you don't have.

Credit cards are a necessary tool in today's society; they are not a Free Willie Spending Card. You have to budget with your credit cards as much as you do with your personal spreadsheet of income vs. expenses. You need to be accountable to what you are really doing with your money and that credit card.

If you make \$10 an hour and back it up to \$7 in Life Hours – and you have a credit card that you are making payments on and your interest alone on your credit cards is \$100 month – that means that you are giving the credit card companies \$1200 a year, just for the privilege of living beyond your means. \$1200 a year for nothing – but divide that by \$7 Life Hours it becomes 171 hours at work or divide that by a 40 hour work week and it becomes 4 Working Weeks of your life for the year. One whole month a year just because you continue to live beyond your means. Doesn't make much sense does it?

We want to blame the credit card companies for making it too easy to get their cards, when on the other side of the coin; we as adults should be able to say “NO” to their offers. They offer to fix all of our problems and we allow them to try, but if the truth be known – the credit cards are the reason so many people are in financial hot water today.

Credit cards are a \$2 Trillion a year business – 2 TRILLION. That's a lot of money, and now The Office of Thrift Supervision is endorsing a seven-point plan to tackle “unfair” and “deceptive” practices by companies that issue credit cards. I'm kind of amazed that they can do that using only seven points, but at least, it's a start.

We have got to begin to wean ourselves away from using credit cards so thoughtlessly. What you are doing today with your credit cards is definitely affecting your financial future and not in a good way. Some of you have even

probably crawled your way out of credit card debt before and within a few years find yourself right back at the mercy of the credit card payments.

Quit spending money you don't have. You have to begin to change your spending habits and think about saving up and paying cash for something that you want. To quit looking at can I afford the "payment" to can I afford the "item"? To understand that the term "buy now, pay later" means so much more than you ever dreamed.

Take a look at the rest of your life and at your retirement years - you know - "those years" - the ones where we are usually at the weakest and most vulnerable times of our lives and if at age 55 we had invested that \$3,000 we spent on that big screen TV that we would have had interest & compounding working for us all those years for us, instead of against us (paying interest to the credit cards). You know you'll want some comforts of life then also. You had better be investing your working years money for the good of your future retirement comforts - like when you're 85 years young and still active - paying taxes on your good investment of a house, planning that cruise to Alaska, helping a grandchild through college - with some of that money you invested in the stock market - and that you are not worrying about how are you going to pay all your bills and eat with a monthly \$849 social security check.

Get a grip people - you are probably going to have credit card debt occasionally, but it should not be a part of your lifestyle. I am not saying that credit cards are bad - it is our choices of how we use them that is usually the problem. Credit cards are full of privileges for all of us to take advantage of, but in my world, privileges equals choices and we don't have to make that choice to pursue that privilege of 0% interest, one year - no interest offers. When they say "Will that be cash or credit?" we learn to say "Cash", knowing that we saved \$50 a month for the past year just so that we could pay cash for this item.

Credit Cards and Retirement Cash are at opposite ends of the financial scale. People talk to me about the risk of the stock market and yes, there is risk, but you are at least trying to make your money grow for you. Credit card debt is no risk at all, because all of your hard earned money is going down the black hole of thoughtlessly spending your money. Money doesn't know what to do by itself; you have to give it some guidance. I'll say this time and time again. Money is a noun, not a verb.

**Learn to be credit card payment free
Utilize your money for the good of your financial future**