

"Will that be Cash or Credit?"

From Bangkok to Edmonton, creditcard statements stuff mail and email boxes with payment deadlines. Every bill reminds the giver that gifts given freely do not come free. Giving and buying often exceed generosity and need as a brittle piece of plastic becomes an avaricious spoiler of hopes and dreams.

During this week, two families emailed me about credit card debt. One family lugs \$12,000, and \$50,000 shackles the other. Each family wants relief; however, debt accumulation comes easily while debt relief sucker punches emotions and wallets.

Consumer debt burdens the workers of all economies. Highways jam with the doldrums, "I owe...I owe...It's off to work I go". . Truly, as an ancient proverb reminds us, "The debtor is servant to the lender".

Nearly every government graphs consumer debt. The U.S. Federal Reserve's January report set U.S. consumer debt at 2 trillion dollars; the highest level in U.S. history. Canadians report an all time low savings rate (when debt goes up, savings goes down). Thailand consumers pushed debt levels up 25% last year. United Kingdom families might be forced to reduce their spending or sell their homes if interest rates ratchet up just 1%.

Debt management resources can guide consumers to the high ground of debt relief as many credit management companies discover the need for debtor assistance and education. However, consider these steps before doling out more money to a credit assistance agency.

1. Manage your feelings. Take some time journaling your emotions about money by asking yourself where you learned personal definitions for fear and greed. Have some fun taking the innovative surveys found at Emode.com.
2. Push-off the weights of procrastination. Take action; do it now. This work requires sweat and concentration, but the rewards assure you of freedom and achievement.
3. If you learned to spend, you can master saving (ultimately, it's all about saving). However, before spending more money on reducing your debt and increasing your savings, educate yourself. Go to Myvesta.org, a non-profit consumer financial education organization. You will find "how to" books, such as "How to Eliminate Your Debt Like a Pro" along with many other self-help resources. Don't let someone else do for you what you can do for yourself. Working through your debt as a fascinating experience allows you to own your choices by changing your viewpoint.

"Creditors have better memories than debtors." - Benjamin Franklin

4. Myvesta may not suit all your needs, therefore add the Alexa.com toolbar to research other similar sites.
5. If married, discuss credit card management with your spouse. Two issues undermine romance: money and...well, you know the other one.
6. Don't take a consolidation loan whether personal or home equity unless you find this the very last alternative. If you accept a loan, "shop...shop...shop 'till you drop" the interest rate.
7. If behind on payments, call credit card companies NOW...today...this minute. Find the right person for you to discuss your circumstance. If greeted with putdowns and parental tones, end the conversation, wait awhile and try another person. When you must, request a supervisor. Be gracious, professional and persistent with a plan of action.

Most Americans carry 5 or more credit cards around. Take four of them and bury them in the backyard. Keep one for emergencies. Diligent efforts now will guide you toward financial freedoms in the future. Best wishes; if you act on this or similar recommendations, you will stand tall in a small crowd.

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