

The Wisdom That Comes From Buying Things We Need

One great way to identify if you're a miser or a spendthrift is by looking at the last time you bought something utilitarian, like a washer and dryer, or a toaster. For most people, a bike carries an emotional charge; a car even more so - We want to love our car. When it comes to washers and dryers, we just want to have clean clothes. Few of us really find joy in laundry.

If you bought the top of the line Maytag, that's a sign you might be a spendthrift. If you spent five hours on craigslist.org finding the least expensive used washer and dryer, you might be a miser or it may be all you could afford. The true test is about balance.

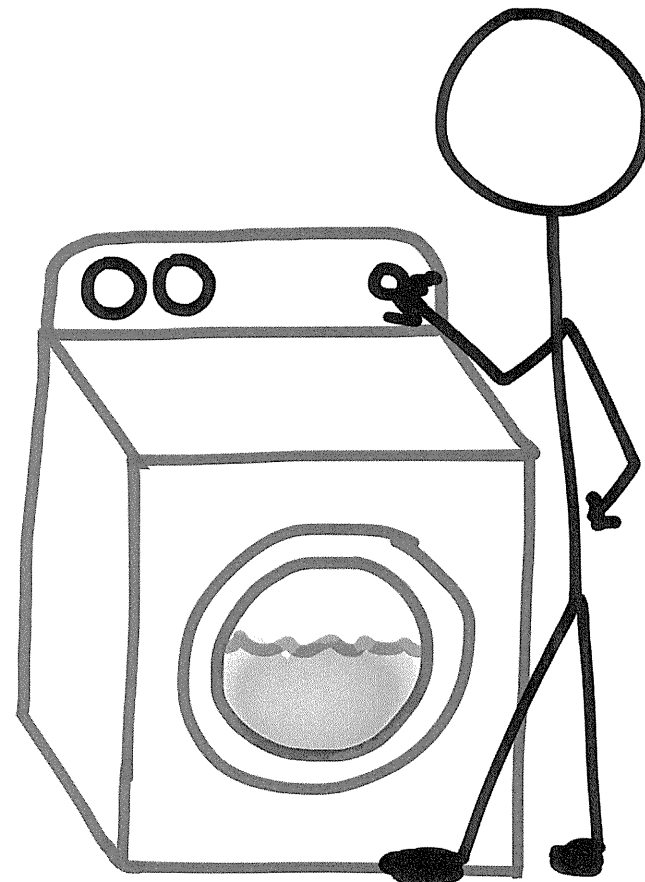
If you have a high income, fully funded retirement, reserves, and savings for children's college education and bought the Maytag, then that's a completely reasonable buying decision.

But if you bought the top of the line Maytag and don't have a fully funded reserve, or aren't actively contributing to your retirement, or put part of the purchase on a credit card, that's an invitation to look at your motivations as well as your opportunity loss.

Why was the Maytag more important than the peace of mind that comes with a fully funded reserve?

The spendthrift is an obvious example. What's less known, is the

impact that being a miser has on you and those around you. Buying the least expensive washer you can find because that's all you can truly afford isn't being a miser; it's likely a smart buying decision.



But if you constantly find yourself buying the least expensive of any item you need to purchase, it may have something more to do with your beliefs about money than it does about your bank balance. While there may be no negative impact on your life for having a bottom of the line washer, there is likely an impact elsewhere.

Do you take pride in your furniture, your car, or your clothes? If you see yourself in any of this, the truth could be that the simple act of always buying the cheapest item could be the very thing that keeps you in a place of financial frustration and difficulty.

How do you move beyond being a miser? Or should you? Many people wear their frugality like a badge of honor. And for some, it truly doesn't impact their life or their children's.

Frugality can be deceptive. It can be used to hide how you feel about yourself and what you deserve and it can be used to keep yourself from stretching into a more challenging, better paying job. If any of the descriptions of a miser hit home with you, then make a change.

If I told you that buying name brand mayonnaise would help you move into a better paying job, would you do it? Choose one thing every month, something that is important to you. Sometimes it can be a minor purchase like mayonnaise, and sometimes major like a really nice piece of clothing. Mindfully buy it.

Notice your feelings. Ask yourself if you deserve it. Ask yourself "if I earned more money than I make now, would I sometimes choose the more expensive choice?"