

Title:

Debt And Debtor's Disease. Do You Have It?

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Summary:

Debtor's disease is a silent killer. Killer of respect, marriages, self control, and families. There isn't a part of your life that it won't touch and destroy with it's deadly power. Some of you won't even know you have it for many, many years. It's a sneaky affliction; creeping into your life and slowly but surely taking control of every part of your existence.

Seems a bit of a dramatic description, doesn't it? But, the sad part is, it's all true. Even though we often hat...

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Article Body:

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Seems a bit of a dramatic description, doesn't it? But, the sad part is, it's all true. Even though we often hate to admit it, debt will control our lives totally. Even when we first realize it, we won't do anything about it. We will deny it, continue to feed it, and give it all it needs to thrive within our lives. Oh, you'll have help, no doubt about that. There are many ways we fuel the fever. Falling into the credit card trap is just the beginning. Self justification is your worst enemy. Why, the human mind is masterful at justifying just about any action, or purchase, given the right circumstances.

The first step is recognizing the disease. Diagnoses of debtor's disease is much harder than you might expect. Oh, the symptoms are very clear for sure. But, since most of us hate to admit our own vulnerabilities and defeat, they can be nearly invisible to the victim. I experienced nearly all of the symptoms below before I finally excepted the fact that I did indeed have the affliction. It is

quite a humiliating experience to realize that so many obvious warning signs were present and you continued down the wrong path.

They say hindsight is 20/20; Meaning that the past is clearer when we look back. And, when things go wrong, we like to hope that we would have done things differently if we knew what we know now. Well, I'm hoping I can prevent you from some of that humiliation and financial disaster. You can stop it from growing to destructive levels if you can identify the warnings early on. Identify problems early and fix them. Make no mistake, if the following scenarios apply to your situation, you are headed for financial trouble.

SYMPTOMS

Requesting credit increases lately?

Requesting credit increases for no specific major purchase, but because your cards are maxed out, is a sure sign that your spending is out of control. You may be living way beyond your income.

Do you apply for new credit cards because your current credit balances are maxed out?

This is just another way to get additional credit especially, when you can't seem to get any more credit increases from your existing creditors.

Are you rescheduling monthly bill payments due to lack of funds?

If you find it increasingly difficult to pay bills on time and according to a consistent schedule, you're probably starting to get into trouble. You should not have to put off paying essential bills.

Are you using credit to meet your living expenses?

Credit is not intended to help you live above your income. You should be able to meet all of your essential living expenses with your income. If you have income left for non-essential expenses, great. If not, don't turn to credit to live above your income. It will most certainly result in financial disaster.

Paying essential monthly bills, such as the electric or phone, with credit cards is a serious symptom. Once you turn to credit to pay your monthly bills, you're in serious trouble. Sooner or later the credit cards will be maxed out, you will be refused additional credit increases, and you won't be able to pay those bills.

Do your credit card payments equal more than 10 -15% of your monthly income?

Your income to credit ratio is an important part of your credit management picture. The higher your balances, without an increase in income, the lower your credit score. This is true even if you have no derogatory items on your credit history, and are consistently maintaining good payment records.

In most cases, creditors will identify debtor's disease long before the victim realizes his affliction. They will begin to arm themselves against the consequences of the infection when this occurs. Your interest rates and penalties (i.e. late fees, over limit fees) may increase as companies anticipate default. Even they can see you're headed for trouble.

THE CURE

If you answered yes to any or all of the above, you have fallen victim to debtor's disease. Don't let it take control of your life! Fix the problems now. You'll have less stress and be a lot happier. I can say that with confidence. It is such a relief to be able to see an end to the struggle.

You will feel as though a great burden has been taken from you when your finances are under control. And, even though you may experience some difficult periods when you may get discouraged, you'll find those times much less stressful than periods when you worried about how your bills would get paid. Take some serious money management steps to begin your treatment. It's never too late to take control of your finances and make a commitment to debt free living.

Identify overspending and eliminate it.

Identify where your money goes. Track spending for specified period of time. Eliminate unnecessary expenses. Reduce those you feel you need to keep.

Develop a plan to become debt free.

Create a plan to get rid of debt. Use a self help plan or a professional. Whether you choose a counselor, debt consolidation or settlement, or a self help plan, lower debt consistently to manage and eliminate debt. A plan that calls for a consistent monthly commitment until debt is paid will be easier to budget.

Create a Household budget

Creating a household budget will be essential to your success. It is necessary to bring your living expenses within your income. This is the concept of living within your means. You can create this yourself as well or seek professional

help in setting up or maintaining your budget. Your situation and your level of self discipline will determine what will be most successful for you. Find a plan that works for your situation and will be the easiest for you to stick to!

Implement lifestyle changes that will help you free up money to help pay down debt. Consistently apply these extra funds to debt payments to get out of debt faster. The sooner you are free from debt, the sooner you can start investing that money in yourself. Save money everyday on everything you buy and do.

Once you rid yourself of debt, commit to debt free living.

Remember, you now know how you made the mistakes, you know how to identify the symptoms, and you have the knowledge and power to implement the cure. You should now be immune to debtor's disease. Now, you can vaccinate your children, friends, and family with the knowledge to prevent them from falling prey to this life draining affliction. Give them your hind sight and help them build happy, secure, and independent futures for themselves and their families.