

Title:

Breaking The Debt Chain

Word Count:

498

Summary:

Owe money to the bank, bills getting way too high to handle, borrowed off friends who now want to repaid? Any of this sound familiar?

Keywords:

debt management

Article Body:

Owe money to the bank, bills getting way too high to handle, borrowed off friends who now want to repaid? Any of this sound familiar? If so, you are wrapped in a debt chain, and this article will give you some pointers as to break the chain and become debt-free. All it takes is a firm commitment to change your habits.

Debt is defined as something, normally monetary, that we owe somebody else. It doesn't always have to mean money, but in this article, we will focus on financial debt.

One of the best ways to reduce financial debt is to consolidate bills. If you have two or three cell phones all on different plans, put them all onto the one plan and take the savings. Pick the best plan for your needs and put everything under it.

Same thing for TV - if you're not using all those extra channels you are paying for - why are you paying for them? Don't take the car out for a drive to the corner store and back, it burns more gas to go 1 mile than it does to go 5 because of the start and stop process in the engine. With gas prices so high now, it pays you money to be more efficient and sensible.

Shop for groceries and buy in bulk, you'll save more money in the long run because you will be able to make your dollar stretch further. When you go out for entertainment, set a realistic budget and then stick to it. You'll end up enjoying yourself more, knowing that what you allocated for spending is getting you some entertainment, and you'll stop worrying about how to pay for this or that and will get some stress-free relaxation - which is what entertainment is

there for.

If you find yourself mired in store credit debt, owing thousands to store charge cards, there is always hope. Most stores want to be paid off in full - that's normal, but they will also be willing to compromise if you are honest with them. If you call up the credit controller and tell them you can only afford x amount very month, and then you stick to it- they are quite often willing to drop the interest or any penalty rates because, in the end, if you pay them, that's what they want to have happen - not force you to go into bankruptcy or to default on the cards.

The same thing applies to credit cards - although they want you to pay them back, again - they will work with you if you are in financial hardship and are honest with them. Keep to realistic regular payments and tell them if you see financial problems ahead. It will cost them much more to pursue legal action against you or force bankruptcy on you, and if you pay regularly, and make the minimum, you will be out of debt as long as you don't run the card up again once it's gone down some.