

Title:

How Much Money Should You Save for Financial Emergencies?

Word Count:

510

Summary:

Practically every financial planning and personal finance book you'll ever read advises you to start an emergency savings fund, to meet unexpected financial emergencies, as one of the first steps you should take to build wealth. Recommendations range from several hundred dollars to twelve month's income. So, with all this conflicting financial advice, how much money should you save for financial emergencies? You're about to find out. :-)

Keywords:

personal finance, financial planning, wealth, wattles, wallace d wattles, wallace wattles

Article Body:

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Practically every financial planning and personal finance book you'll ever read advises you to start an emergency savings fund, or rainy day fund as some call it, to meet unexpected financial emergencies, as one of the first steps you should take to build wealth.

Some advise a fixed dollar amount, such as \$500 or \$1,000, be set aside for financial emergencies. I've seen recommendations ranging from \$500 to \$12,000.

Others recommend saving a certain number of month's income for financial emergencies, such as three month's income, six month's income, or as much as twelve month's income.

Still others suggest setting aside a certain number of month's living expenses, such as three month's living expenses, six month's living expenses, or even twelve month's living expenses, to meet unexpected financial emergencies.

So...

With all this conflicting financial advice...

How much money should you save for financial emergencies?

Well...

According to Wallace D. Wattles, author of "The Science of Getting Rich"...

If you truly want to be wealthy...

None.

That's right...

Absolutely none!

In an article titled "The Constructive Attitude", Wallace D. Wattles wrote:

"... do not lay up for a rainy day. If you live right, think right, and work right, there will never be a rainy day for you. If you lay up for a rainy day, you will impress the sub-conscious with the fear of a rainy day; with the idea of weakness and incompetence, and so you will cause the rainy day to come."

If you stop and think about it...

He's absolutely right!

I don't know about you, but every single time in my life I attempted to build up an emergency savings fund, guess what happened?

That's right...

A financial emergency would pop up out of nowhere and wipe out my emergency savings fund leaving me right back where I started...

Broke!

Sound familiar?

Until I read those words by Wallace D. Wattles, it never dawned on me that, by my own thoughts and actions, I might be creating the very thing I was most trying to avoid.

Now...

Does this mean you shouldn't keep any extra money at all?

Not at all...

In the same article, Wallace D. Wattles wrote:

"... provide a surplus, so that you may take advantage of any new opportunity..."

Once I began to build up a surplus to take advantage of new financial opportunities, instead of saving for financial emergencies, guess what happened then?

That's right...

Lo and behold...

New financial opportunities started popping up all over the place...

And...

Interestingly enough...

The financial emergencies disappeared!

You see...

There's a Creative Power within you that makes your life into the exact image of that to which you focus your attention.

If you focus your attention on financial emergencies, by thinking about them, by preparing for them, by saving for them, that's exactly what you'll have in your life...

Financial emergencies.

On the other hand...

If you focus your attention on financial opportunities, by thinking about them, by preparing for them, by providing for them, that's exactly what you'll have in your life...

Financial opportunities!