



### The Money Century

This is a message for our younger listeners about the importance of saving. Wait, stay with me...this is not going to be a lecture! The fact is everyone talks about the value of saving, but has anyone actually told you why?

I'm going give you a fresh angle.

Our daily lives are made up of so much variety; home, work, relationships, finances and just the art of living and enjoying life. Money plays an important role but to most of us it is mostly about survival. We try to live rich social and spiritual lives but we constantly struggle to make ends meet. We know this is no way to live but don't know how to fix it. It is why you need to learn more and why you need to find a way to fit this knowledge into your life

Perhaps it is simply a lack of education. When I was brought up, money was never discussed. I was expected to go out and work to live day to day. Opening a savings account at the local bank was the only mention of savings ever discussed. (I never was able to keep any money for any length of time) and the attitude about investing in stocks was always negative. Stocks were "bad" and their discussion would always evoke Depression-era images of people losing everything and jumping out of windows. These were the only stories I heard.

But, times have changed. This is the Money Century and the world has changed more drastically than you can imagine. No longer can anyone afford to sit around idly as this rushing river of money passes us by leaving all those outside its wake in poverty. This is the poverty caused by no savings, no monetary foundation on which to build your life. It cannot be ignored anymore, and no longer can one wait 10 years or more to learn what to do and how to get control of it.

Where do you start? You start with the big picture, from a perch high enough to drown out the noise below you.

First, ask what is important to you? Spending on family, travel, beautiful cars, luscious food, great friends, helping others? Whatever it is, if it causes you to grind away on a daily cycle, like a hamster in a cage, recognize this as a source of misery. Awareness will be the first step toward change.

It is said that “a man who earns \$1.00 but spends \$1.01 is in misery. A man who earns \$1.00 and spends \$.99 is in bliss”. Do you have monetary bliss or misery? If misery is your “lot”, start by saving just a little. First, focus on saving one entire month’s worth of spending. This may take a while, but it will be worth the wait. The first time you experience the feeling of not living from pay check to paycheck you will find a burden lifted from your shoulders and begin to see the world a different way.

You will no longer have to make terrible decisions choosing between food, fixing your car, or taking your dog to the vet.

Continue on this path until you have a few months of spending money in the bank. Then begin tackling your debt. Using your income which was devoted to building savings (the money you have put away for a rainy day) you can now begin to lower your outstanding debt. You will now enter the magical realm created by the “snowball effect”. As more and more of your payment goes to principal and your debt declines faster and faster, your credit cards will disappear one by one. Each disappearing payment will allow you pay other debt faster and finally add more to your savings. You now officially begin the virtuous cycle of becoming wealthy.

Once your debts are paid off by the snowball effect, the savings effect will begin to work its own magic. Mr. Snowball comes back –this time to grow your savings exponentially. Before you know it, you will have saved \$5,000, \$10,000, \$20,000, and more. Why? Because as your debts decline, you get more and more cash flow, and if you stay focused on your goal, your savings will build very quickly.

Having saved this money, are you now part of the Money Century?

Let’s recount: 1) You no longer live paycheck to paycheck (what a relief!). 2) Have money in excess of 3 to 6 month spending. 3) Excess savings in the bank.

Yes, you are part of the Money Century and well above the vast amount of the world’s population still struggling day to day. You are now in a position to accumulate wealth to produce future income, help others or to simply have enough to stop worrying.

Either way, you will now live a better life.

