

THINGS TO TALK ABOUT

*The following summary appears near the end of the book in a section called "Strategies & Principles to Live By."
It provides a concentrated source of things to talk about. Scan through and see what catches your attention. Usually, whatever jumps out will be timely.
Conversation about these things exposes you to other perspectives. Then you can digest and assimilate it all into something that makes sense to you.*

A conscious spender knows...

Important facts about money:

- It is a basic principle of finance that the higher the interest rate, the more you pay in total interest over the life of the loan.
- It is also true that the higher your monthly payments, the shorter your loan. This reduces the total amount of interest you will pay.
- Conversely, the *lower* the monthly payments, the *longer* it takes to pay off the loan. This *increases the amount paid out in interest*. This is where many people get into financial difficulty – they go for the low payment now, rather than less interest in the long run.
- Credit cards have a period of a few weeks' grace before interest is charged. You can avoid paying interest simply by paying the bill in full before the due date.
- Debt consolidation propels a person into a never-ending cycle of debt unless it is used *very* skillfully.
- As for account overdraft and payday loans, they are best avoided completely.
- When it comes to money, it isn't just the math that counts, it's the psychology.
- Living consciously is where true power resides in your relationship with money.

A conscious spender knows...

Tricky things about credit cards:

- The no-interest period of a credit card applies to purchases but *not* to cash advances or the cheques that credit card companies periodically send you in the mail.
- You don't pay interest on a credit card if you pay the outstanding balance *in full* by the due date. But it must be the full amount. Anything less and you will be charged interest back to the day when purchases were made.
- If you are working on clearing an unpaid balance off a card, the first thing you need to do is stop using the card.
- A credit card is a great convenience if you pay the balance off each month, but a huge burden when used as a source of borrowed money.

These are good habits to develop:

- Keep an eye on your money (envelopes, jars, cheque register, subtraction record)
- Save in a savings account, not a chequing account.
- Control your expectations.
- Watch for the money leaks (small daily purchases, late fees, paying interest).

Tips for navigating the consumer culture:

- Understanding the cultural meta-narrative is crucial for successfully navigating through it.
- If we are unaware of it, we simply react in knee-jerk fashion to the stories that corporations would like us to believe about what makes life worth living.
- When we are aware of the narrative, we can decide for ourselves if that's how we want to live the story of our own lives.
- This requires willingness to question, to have an open mind, to look for other ways, and to develop a sense of what is important to us.
- If you learn how to identify enough, it will be much easier to navigate the consumer culture because more things will be non-issues.
- The challenge of uncertainty is that, since you don't know what will present itself, you can't rehearse your response.

A conscious spender knows...

Common sense needs to be nurtured:

- Allow time to think with your reflective mind.
- Uncover your common sense and trust what you know.
- Appreciate it when it shows up.
- Watch for it by being aware of incongruity.
- Listen to it and see what fits with you.
- Learn from experience.

Conflicting expert opinion is a fact of life:

- Maintain healthy skepticism.
- Apply the precautionary principle.
- Take the simplest approach.
- Use natural alternatives.

Steps to release unconscious motivators:

1. Increase your awareness about what isn't working.
2. Ask yourself if the belief or feeling is serving you well.
3. Let go of the outdated belief.
4. Install a new belief.

There's always one more thing to be said:

True freedom comes from exercising autonomy over our lives. The consumer culture discourages that, preferring we adopt the cultural story about how to live. Our challenge is to detach ourselves from the cultural story and look at the illusions surrounding freedom and choice. That is how we can write our own stories and make satisfying lives for ourselves.

It makes sense to...

Look after yourself in the marketplace.

- Pay attention to your mindset.
- Adopt an attitude of healthy skepticism.
- Hold your boundaries.
- Learn how the systems work.
- Cultivate an assertive approach.

Make a life that is deeply satisfying.

- Write your own story.
- Use *all* your resources.
- Practice intentional simplicity.
- Consider “what if...”
- Know how much is enough.

Establish a powerful relationship with money.

- Uncover your unconscious motivators.
- Define value and worth for yourself.
- Experience the freedom of conscious choice.

Anticipate uncertain times.

- Live lightly by avoiding a debt load.
- Retire existing debts rapidly.
- Build a stable financial structure.
- Cultivate your innate common sense.
- Pay yourself first.

Create financial security.

- Do not incur destructive debt.
- Create an emergency fund.
- Consider your lifestyle.
- Be cautious and reasonable about constructive debt.

It makes sense to...

Avoid credit card debt.

- Anything you buy with your credit card will cost you a whole lot more than what's on the price tag – unless you pay off the entire balance before the grace period ends.
- Most of the minimum payment on a credit card goes to pay off the interest each monthly. That's why it takes a *very* long time to retire a loan if you only pay the minimum.
- Powerpay (snowball) your outstanding balance to short-circuit this if you have an ongoing credit card balance.

Reduce the mortgage interest you pay.

- Shorten the amortization period.
- Prepay the principal.
- Pay weekly or biweekly.
- Increase your monthly payment.
- Shop for the best interest rate.
- Make the largest down payment possible.

Protect dependents with life insurance.

- You need the most life insurance when your last child is born.
- Term insurance gives you the financial protection you need at a reasonable cost. Make sure it is *renewable* term.
- It makes *no sense* to use your insurance as an investment vehicle by purchasing a cash value policy. Invest the money yourself and you'll be farther ahead.

Simplify and civilize food shopping.

- Shop the perimeter at the supermarket.
- Buy as much local produce as you can at the farmers' market and go to a small supermarket for the remainder of your grocery list.
- Decide on brands you like and stick with them until they no longer work for you.
- Buy basic ingredients that can be made into many things, instead of purchasing specialty items.

It makes sense to make decisions that will lead to a sustainable life.

Mastering the art of living skillfully...

- ✓ Think for yourself. Remember the principle of critical mass.
- ✓ Don't settle for ready-made answers. They are the anesthetic of the mind.
- ✓ Challenge the conventional wisdom; be skeptical of "experts."
- ✓ Look beyond the obvious. Think about possibilities. Ask questions that open doors in your imagination and allow creativity to occur. Two key questions:
What are the possible ways I could _____?
What if _____?
- ✓ Steer away from fads. Instead, look for what endures. Fads are the creation of a market economy intent on getting you to keep parting with your money. Long-lasting items provide deeper satisfaction.
- ✓ Do not fall prey to insecurity and fear. Insecurity prevents us from thinking for ourselves. Fear causes us to be oblivious, paranoid, or somewhere in between. When you are not being controlled by insecurity and fear, you are better able to make conscious choices.
- ✓ Be prepared to see the truth, especially about yourself. Beware of self-deception and superficiality.
- ✓ Be mindful of who you really are and what makes life meaningful for you.