The Mulberry Report

Solutions For Life

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The Economy and Stress

By Ralph Nichols, LCSW, Executive Director

Just a few headlines tell it all: "Anguish of the unemployed;" "Jobless often face downward spiral;" "Financial crisis starts to take human toll;" "Indiana unemployment rate hits all time high at 9%;" and "Debt stress major pain for millions."

We have had to adjust to the cost of gasoline at more than $4.00 a gallon which makes today's price at around $2.00 a gallon seem like a bargain. Grocery prices have increased dramatically including paper products, canned goods, bread and meat. With some products, we are still paying the same price but for a smaller amount. Factor in the worry of credit cards at an average debt per card of $9,600 - taking years to pay off at minimum payments. Home foreclosures have multiplied during the past year, while home values have plummeted. Company closures and layoffs are wide-spread.

How does all of this affect those of us who are under a tremendous amount of pressure and responsibility just to make ends meet? A not surprising response is that it creates stress. The stress can cause us to be more irritable, moody, depressed and feeling desperate when faced with the next onslaught of monthly bills. Then there is the physical side in which stress can impact our health by way of:

- Increased blood pressure
- Headaches (even migraines)
- Loss of sleep and lower energy levels.
- Aggravated ulcers
- Increased muscle tension
- Reducing the body's ability to fight off viruses leaving us more susceptible to colds and flu-like symptoms

Almost every company is reducing costs but not without the pain that goes with it (i.e. layoffs, buyout offers, reduction in pay, no raises). At home, we too need to reduce our costs. Determine your fixed costs such as credit card payments, rent/ mortgage payments, car payments and utilities. Then determine what amount of income is potentially left over after paying "necessary expenses." You might be surprised at the amount particularly when many of us are already living from paycheck to paycheck. Then begin to identify incidental expenses and their costs, such as a dinner out with a movie; gasoline for a week and the number of miles driven; and that large latte purchased several times each week. Figure out which of these items can be cut back or eliminated to reduce spending.

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"Happiness, wealth and success are the by-products of goal-setting; they cannot be the goal themselves."

- John Condry

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Consider the following for cutting back your expenses:

- Cooking at home and brown bagging at work.
- Never go to the store for groceries when you're hungry.
- Take advantage of tips to help reduce electric bills, such as unplugging electrical equipment when not in use. For example, when not using your computer, unplug it rather than just shutting it down.

Finally, and probably the most important, is to take stock of your stress level. If you're experiencing an irritable mood or lack of energy, try to understand if there is a financial connection. If you determine the way you feel is connected to financial stress, take mental action by telling yourself, "I am not going to let this control me!" Realize you are not alone. Many people have had to make some adjustments in routine to weather these economic hard times. Who knows, many of us may never revert to some of our old habits of spending. We may not be so quick to use that credit card with an interest rate over 20%. While we may feel stress now, we may also benefit in the long run with changes in our financial habits.

Ralph Nichols is a graduate of Indiana University School of Social Work with over 37 years of clinical experience in mental health. He is the Executive Director of Mulberry Center, Inc.