

## Introduction

**The Truth About Money: How To Find Joy And Peace** is the first of a Trilogy. This book is about your personal finances. I can promise you that if you follow the concepts presented, you will be in an excellent position to achieve financial success and attain that elusive Joy and Peace we all seek. Most of what I present to you will not be new information, although you might not be using these ideas. You see, the concept of money is really pretty simple: we earn or acquire money to live, to pay for things we need. If we spend less money than we earn, then all is well; if we spend more, then problems start to develop.

This is Truth - with a capital T. We call this an Absolute Truth and this is what **The Truth Trilogy** is all about. Another name for Absolute Truth is Natural Laws and I will use the terms Truth, Absolute Truth and Natural Laws interchangeably. We do not pay very much attention to Absolute Truth in our society. This book and the two that follow are my attempt to convince you of the importance of recognizing, appreciating and following Natural Laws.

I am starting with The Truth About Money precisely because this is a subject that almost everyone knows a bit about or at least has some familiarity with. The next two books will be a bit more controversial.

Just to get you in the mood to talk about personal finances, following are some personal finance statistics. Some people see value in stats and others don't want to be bothered. At the very least, this list should give you some ideas that maybe you have not thought of before: For example, perhaps you have never heard of an 'emergency savings' (rainy day fund)? How does your personal financial situation stack up against the following?

From a U. S. News & World Report article entitled "8 Scary Financial Statistics - and How to Avoid Becoming One" written by Susannah Snider, Senior Editor, Personal Finance, dated May 16, 2017:

1. Two-thirds of Americans would struggle to scrounge up \$1,000 in an emergency. This includes many families who make more than \$100,000.
2. The number of consumers age 60 and older with student loan debt has quadrupled over the last decade. Parents who over-borrow for their child's education put themselves in a dicey situation and should consider other options, including thinking about a cheaper school and ensuring their child is taking on some student debt as well. (Author's note: How about attending a local community college?)
3. Only 24 percent of millennials demonstrate basic financial literacy, this despite the fact that 69 percent rated their financial knowledge as high.
4. Among adults who have combined finances in current or previous relationships, two out of five fess up to committing financial infidelity.
5. About 77 million Americans, or 35 percent of adults with a credit file, have debt in collections reported in their credit files; even scarier: these borrowers owe an average of \$5,178.
6. Just 46 percent of Americans have a rainy day fund.
7. Nearly one-third of Americans pay the minimum due on their credit card each month.
8. Almost half of student loan holders express concern about their ability to pay off their student debt.

A Gallup poll found only 32% of Americans maintain a household budget.

A 2017 report in MarketWatch found that half of American households currently live paycheck-to-paycheck.

1. The same MarketWatch report found that 19% have \$0.00 saved to cover an emergency expense, while 31% have less than \$500 in emergency savings. You do not have to be a PhD in mathematics to understand that the foregoing means 50% of American households have less than \$500 in emergency savings.

2. Not surprisingly, about 49% of Americans are “concerned, anxious or fearful about their current financial well-being.”

3. Interestingly enough, low income is not always to blame for financial hardship. Only one in five people (20%) facing financial hardship fall below the poverty line and make less than \$40,000 per year.

2017 survey by Career Builder found more than three-fourths of U. S. workers struggled to make ends meet:

1. One in ten earn \$100,000 or more annually.

2. 28% earn \$50,000 - \$99,999 yearly.

-Therefore, 38% earn \$50,000 or more!

According to NerdWallet’s 2017 data, the average American household owes:

1. \$180,018 in mortgage debt.

2. \$ 16,245 in credit card debt.

3. \$ 50,868 in student loans.

4. \$ 29,058 in auto loans.

If you are up to speed in all these areas, Congratulations! However, if these stats reveal areas needing improvement in your personal finances, then please read on. We are going to cover exactly what you need to do to Find Joy and Peace with your personal finances. If you are one of the millions of people who are struggling financially or just have the feeling you are missing out on the Joy and Peace of life because of money, I congratulate you for reading **The Truth About Money**. Maybe you are one of those people to whom the sound of the phone ringing will cause your stomach to flip-flop, or an envelope with an IRS return address fills you with such dread and anxiety that you think you might become physically ill. Maybe you are one of the many folks who are working hard, trying to provide the best for their families, and just do not seem to be able to make any financial headway; you know you spend way too much time worrying about money and long for Joy and Peace to return to your life.

If any of this describes you or sounds familiar, you are in the right place. My hope is that you will use this information (most of which you already know) to improve you and your family’s lives by encouraging you to make a few simple changes to your personal finances.

Does the world need another book on how to get rich? On personal finances? On the surface, it would appear that there are plenty of books, tapes, television and radio shows, and other resources on how to manage your money, so why are personal bankruptcies, home foreclosures, and credit card balances at all-time highs? It looks like there is plenty of information on how to manage your money, so why are so many people in financial straits – in deep serious trouble with their finances - unable to see a way out of the mess they are in and losing hope daily. I think there are two reasons:

1. **The Truth About Money** is taught and made available to people, but is not really emphasized - not hammered home. The information that is critical to living with financial Peace is disseminated along with other financial information such as the merits of mutual funds vs. individual stocks or the benefits of investing in equities vs. interest bearing investments or the benefits of real estate investing, but is not emphasized as being absolutely critical to their financial success. The end result is that the really important information gets watered down; lost with all the other data. That really important information is what we will discuss in **The Truth About Money**. By the time you have read this entire book, you will know exactly what you must do to Find Joy and Peace with your personal finances.

2. The second reason many people have trouble managing their personal finances is that we have become accustomed to immediate gratification. Why should I save for that new computer when I can buy it now, with no out-of-pocket cost? The answer to the question is that it is always a good financial decision to avoid debt, whenever possible. A computer today, a printer tomorrow, software to run the hardware - all these items add up; you could easily find yourself with a financial crisis. The costs of poor financial management, at a personal and national level, are enormous and probably incalculable. These costs include the broken homes (finances is the number one reason for divorce); the children brought up in poverty or without both parents in the home; the taxes collected and redistributed to those in financial need; the lost productivity at work caused by the worry and strain of financial issues and the myriad of other business, personal and social ills caused by a lack of understanding and a lack of adherence to financial rules that are amazingly simple to understand and implement.

In your heart, you know you should live within your means; that your expenses should be less than your income. The problem is that we have been sold (indoctrinated) on the idea that it is ok to live well now and pay for it later. Well, it is not ok and can only hinder your efforts to Find Joy and Peace.

In this book, we are going to discuss two key concepts:

**1. Consistently spend less than you earn over a long period of time and you will find Joy and Peace with your personal finances.**

It was Ben Franklin who said "There are two ways to increase your wealth. Increase your means (income) or decrease your wants (expenses). The best is to do both at the same time."

**2. Consumer Debt is the Kiss of Death.**

Debt is bad, but Consumer Debt is the Kiss of Death. Consumer debt can be read as: credit cards, installment loans or any other kind of credit where you are consuming something today and paying for it tomorrow (or next year or ten years from now).

Sounds pretty simple, don't you think? If you are onboard with these concepts, you are well on your way to Finding Joy and Peace with your personal finances.

Does it ever seem to you like in some of the more important areas of our lives we pretend there are no rules? We all observe Natural Laws that we do not even question: The sun rises in the East and sets in the West; Spring follows Winter every year, Summer follows Spring every year and so on. These are examples of Natural Laws in action.

We are a nation of laws and rules. It would be impossible for our society to function without laws and rules to govern our behavior and conduct; how we treat each other and how we conduct our business and personal affairs.

So why then is it that in some areas of our personal lives many of us ignore basic rules of living? For the purpose of this book, I am talking about rules or Natural Laws for handling our

money – our personal finances. Pretty simple concepts: earn \$10, spend \$11 and you will eventually get in trouble; earn \$10, spend \$9 and you will prosper.

You will not have any trouble grasping the Truth or significance of these Natural Laws. However, putting them into practice will require planning, communication, patience and discipline. Millions upon millions of people use these Natural Laws to control how to manage their personal finances. Determine in your mind and heart that you going to join that group. With that mindset you will be on your way to Finding Joy and Peace with your personal finances.

I thank you for reading and it is my prayer that **The Truth About Money** will have a positive effect on your life.

All right, let's jump into Chapter 1 and talk more about your money and our Key Concepts.

Quotation:

***“Annual income twenty pounds, annual expenditure nineteen six, result happiness. Annual income twenty pounds, annual expenditure twenty pound ought and six, result misery.”***

Charles Dickens (Author).

*Couples Watch (In subsequent chapters we are going to call this little update on Liam, Emma, Noah and Olivia the LENO Watch or simply 'LENO Watch:'. Liam and Emma have arrived in Norfolk, Virginia, with a small trailer in tow, containing all their worldly possessions. Liam is due to report to his ship in two weeks and Emma is already scheduled to take her State Nursing Boards in two months. Noah and Olivia have arrived in the Chicago area with everything they own. Noah is to start his new job the first Monday of next month and Olivia will attend a one-week orientation for new teachers in a few weeks. The four of them managed to spend several days together, catching up, with each other while visiting family and friends in their home town. All four are anxious to get this next phase of their lives started.*