

The 8 Myths of Financial Independence

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“A smooth sea never made a skilled mariner” - English Proverb

Myth #1 – You can use money the same way every one around you uses it and still become financially independent According to statistics compiled by the U.S. Department of Human Services state that 95% of the American population will never achieve financial independence in their lifetime. That is one of the most pitiful statistics that I ever heard of in my life.

Myth #2 – The responsible use of credit can enhance your life. This is a very dangerous lie that is told to the American consumer by the banking industry, you know, the guys that issue you their credit cards and bury you in interest and fees. Only these parasites and retailers benefit from the use of credit cards. You only use them to have the privilege to overpay for goods and services.

Myth #3 – Pay yourself first I consider this to be a myth for the way it is applied . You should pay your debts off first. You would be far better off if you eliminate your debt and then concentrate on paying yourself.

Myth #4 – You can get out of debt by putting a little extra on each bill each month To effectively eliminate your debt you must use the military principle of massing the forces. This means concentrating all resources on one bill at a time. This way you will pay off the target bill more quickly and can then move on to the next. You can apply the monthly payment on the paid off bill to the second and so on. Prioritize your bills according to the higher interest first and work your way down the list.

Myth #5 – You need to learn how to manage credit. You need to learn how to eliminate credit. Maintain a credit to debt ration of the maximum of 15%

Myth #6 – It takes other peoples money to make money This idea comes from the lie that you need venture capital or you have to have a huge start up cost to start a new business venture. This is simply not true. It is easier to start with a large bank backing you up on a business venture but you will also ultimately have to pay the “other people” back with interest. There are always ways to accomplish a successful business start up without using the funding of other people. Find the way.

Myth #7 – Success equals working smarter not harder. This statement is nothing but a shortcut that seldom is effective. Howabout working smarter AND harder. That would be a more realistic formula for success.

Myth #8 – Education equals success Study history and you will find that tremendous successes like Henry Ford, Thomas Edison, Albert Einstein and others who have achieved great success in life were educational failures. The skills necessary for you to achieve true success are not taught in schools. Don’t get me wrong, education is a vital part of success but what is more important is a self directed mindset.

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