

Taking Credit Card Debt Down the Way You Ran it Up.

Sometimes we don't take the time to get a real world understanding of not only what credit card debt is but how we got into this mess and what its going to take to get out of it. The first steps of solving the problem are the most important because by identifying what the problem is, you also identify what it isn't. So if we can think logically about the problem of being buried in credit card debt, the path to digging out will become more clear.

It doesn't take a committee to figure out the heart of how all this debt got started because it boils down to a very basic statement of economic fact. And that is that you got in debt because you spent more than you made. In other words, you are living at a standard of living higher than your income can support. And the overflow goes to debt.

It is pretty brutal when it gets to that level of honesty but when you look at it that way, then the solution begins to become clear to you. Now it's important when doing this kind of analysis that no guilt is allowed. There are a lot of perfectly acceptable reasons you may have fallen into the debt. It's not like you are necessarily running around spending lavishly on expensive cars and trips overseas.

Lots of things happen to a family budget that you have no control over and using your credit to handle it is the responsible thing to do. You may have lost your job or source of income. There may have been a family medical crisis that you just had to handle with credit funding. There are home repair emergencies, weather emergencies or trips you have to take to keep everything together. So for whatever reason as that credit hill turns into a credit mountain, then it becomes the family emergency to tackle.

The solution is evident from our diagnosis. It quite simply is not only to get to where you live within your means but to generate sufficient income to start paying that credit card debt mountain down the same way you drove it up, a little at a time. There are a lot of very adult things you can do and should do to make this dream a reality. You have to stop the debt from going up so to cancel as many credit cards as possible reduces the chance they will continue to accumulate charges.

Getting control over spending is going to take some family discipline. But if the whole family knows it's also a family quest to get this debt off your backs, everybody can pitch in. You can eat at home and never out. You can scale back extras like cable TV or entertainment buying. You can let the holidays be about love and not gifts for a few years.

This also might be the time to think about adding some additional income to the family budget to get that overflow that you can use to attack the credit mountain more aggressively. One adult might take a second job and everyone agrees that every cent of that job will go against that debt. Keep good records and when the family sees that the debt is coming down, celebrate, albeit do so cheaply.

This is a hard step especially for the parent who has to work two jobs or if you have to send mom back to work for a little while to get this situation under control. Sometimes it can be made less harsh if the second job is something the adult going out likes to do like work a book store or a garden center which may be a hobby. Or if the job is on the internet, that parent could work in the comfort of home and make that extra money.

But as the size of that debt starts to go down and month after month it gets smaller and smaller and the interest payments get smaller and some of the credit cards get paid off and all of a sudden there is more money in the family budget, that extra hard work and careful cost cutting will have all paid off and everyone will breath a sigh of relief because you took the credit card down the same way you ran it up, one month at a time.

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