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Kat's Money Corner | Franklin says: Keep your frugal focus

The calendar is not our friend right now.

Let's first take into account what's currently happening in economy. Given the recent stock market ups and downs, many analysts and economists are fearful we are heading into another recession.

Here's my take on all that: People much higher up on the food chain than you and me are going to sort out the big-picture stuff. All we can do is just keep our heads, be prudent and cautious, and continue to make common-sense decisions about how we handle our money.

So here's where we are in the world of everyday people: The twin budget busters of summer vacation and back-to-school shopping are just behind us. Before you know it, the Thanksgiving-through-New-Year's holiday stretch, with all of its demands and temptations, will be upon us. Given that, my thinking this week would be the same regardless of what happened in Washington or on Wall Street.

Now, more than ever, is the time to emphasize basic budget discipline. It's all about the fundamentals.

There's a word for how you and your family should deal with temptation over the next couple of months, and it's a short one: "No." Building up savings and paying down any lingering debt should be your focus right now.

This is a time to take our cues from the most wise and thoughtful advisor there is on maintaining a prudent and frugal lifestyle. And no, I'm not talking about Dave Ramsey <http://www.daveramsey.com/home/> or Suze Orman. <http://www.suzeorman.com/>, although they certainly offer great contemporary insights for sure. I'm reaching back a couple of centuries, because when it's all about the fundamentals, it really is all about the Benjamins. http://en.wikipedia.org/wiki/Benjamin_franklin

Benjamin Franklin was the original Ramsey. His advice on industry and frugality, dispensed in his Poor Richard's Almanac, are timeless words that are as relevant today as they were when he wrote them in the 18th century. So while many of those sayings http://wealthreader.com/book/the_way_to_wealth/1 are familiar, they are still worth hearing – and heeding.

Spend less than you make, or as Ben put it: If you would be wealthy, think of saving as well as of getting: the Indies have not made Spain rich, because her outgoes are greater than her incomes.

Resist the temptation to indulge, except on special occasions: What maintains one vice, would bring up two children.

Little things add up: Beware of little expenses; a small leak will sink a great ship.

If an investment or get-rich-quick scheme sounds too good to be true, it probably is: Fools make feasts, and wise men eat them.

Just because something is on sale, doesn't mean it's a smart purchase: You expect they will be sold cheap, and perhaps they may for less than they cost; but if you have no occasion for them, they must be dear to you ... and Buy what thou hast no need of, and ere long thou shalt sell thy necessaries.

I don't know what's in store for us in big picture terms; I'm not sure anyone does. But I know this: If recent events have caused us to take money management, budgeting and frugality more seriously, then it hasn't been all bad. Or, as Mr. Franklin put it: When the well's dry, they know the worth of water.

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