

Amid the Financial Carnage: What you can do RIGHT NOW.

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Are you feeling helpless as you watch the global financial system melt down? As you watch your 401K, 403B or investment portfolio decline in value week after week? As you watch the value of your home decline? As you see credit lines being cut? And lastly, if you own your own business, you find you can no longer get a loan?

It seems as if the world outside of us is spinning very quickly out of control and I don't know about you, but I do *not* enjoy the feeling of being a spectator on the sidelines of such an historical and frightening event. It has become clear to me after watching all this carnage that now is time for all of us to look *through* the fear, the panic and the unknown and begin to identify some of the things we can do, right now. Taking thoughtful, conscious action in the midst of chaos and crisis serves two purposes; first, it gets us off the sidelines and out of the feeling of total helplessness and victimization. Secondly, it begins the process of putting us back in the driver's seat. That said it is clear the train is no longer going where we thought it was going a year ago. There is no question that the retirement goals, plans and dreams of millions have been changed forever. And, for those already retired, your landscape has also been significantly altered. While it is important to feel the loss, grieve what you must and get angry that it happened at all, it is also critical to take some steps to reclaim and revision your dreams and goals. Do what you can to take control over your finances in the areas where you *do* have direct control.

Four things you can do immediately:

1. Eliminate any non-mortgage debt you have accumulated.
2. Start living within your means. Make sure your expenses are less than your income.
3. Become better educated and more involved around your investments/retirement funds. A hands-off approach during these times could very well lead to financial ruin.

And lastly, I encourage you to begin to make life choices vs. *lifestyle* choices. What do I mean by that? Most of us have become accustomed to using debt (home equity or credit card) to fuel our lifestyle choices. Examples of these are: travel, purchasing new toys such as cars, TVs, boats, motorcycles and always, making home improvements. Lifestyle choices are all about things – things we buy and/or consume to make us feel better, give us perceived status, or to make sure we keep up with the Joneses, etc. These choices are almost always externally focused and come from the ego. And many of them are made *unconsciously*.

In making *life* choices, we can ask ourselves the following questions: What is most important to me? Where do I want to spend my time and with whom do I want to spend it? What are my values? Does the energy of my time and my money line up with those values? When I look back on my life will I have any regrets? These are all choices that are made at the level of heart and soul accompanied by conscious awareness.

I often ask clients if they want to have a rich life or a rich lifestyle. There is a huge difference. So what is it for you? There is no better time than right now to begin asking yourself that question.

I am reading more and more articles about frugality and thrift. Over the past two months spending by the American consumer has significantly decreased for the first time in 15 years. This can feel like deprivation or it can be quite freeing. It can become freeing if you consider these two questions: What is most important to me *and* am I bringing conscious awareness to everything I spend my money on?

What comes from this kind of focus is a freedom you can't really imagine – I have personally experienced this and clients who have gone down this road with me share the same experience. We have been led to believe that freedom and joy come from the coolest new car or a trip around the world and on and on... However, while those things can be very enjoyable, they do not provide lasting joy or the freedom most of us long for. Why not? The reason is because they are all external to us. Those things that nourish and nurture us through the good times and the bad are the ones that have been generated from within.

There is no better time than now to redirect that externally focused compass. Bring it back in alignment with your values, with what is really important to you and let your life choices be guided from that place. In her incredible book, "*The Soul of Money*", Lynne Twist writes:

“It was so surprising that money, this very thing I had used and seen others use to perpetuate accumulation, depletion and making myself important with art and wine and stuff, ended up being *the same instrument* I eventually used to express my love for people and my affirmation of life, and to share my deepest dreams. Once that instrument, or vehicle called money, was in alignment with my soul, that was when the prosperity, joy and sufficiency started to flourish. It wasn't in the money, but in it's use as an instrument of soul.”

There are always opportunities and new possibilities in the midst of chaos and crisis. While I suspect there is still much unraveling and pain ahead, I find it helpful to begin looking at all of the carnage and change through a new pair of eyes. It may not seem like it at the moment, but there *are* glimmers of hope and opportunity to be found. For in every single situation in life, we are always at choice. Let this time be an invitation to you to look at the choices you make and then be open to the possibility of making new ones. In the midst of this very different world that is being created, we do have power. We can use the power of choice to become an “instrument of soul”.

Megan Gelhar is an investment educator - training individuals, fiduciaries and advisors on the drivers of financial markets and systems used for employing successful investment strategies.

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