

10 Attributes of The Perpetually Broke

People who are always broke often have one or several of the traits written about below:

- **Like to blame their problems on outside forces:** People don't like to see themselves as the source of their problems. While people certainly have problems that aren't caused by something they've done, far too often they will also try to shift blame when they should be looking at themselves. They blame their friends, family and the government. They believe that "the little guy just can't get ahead".
- **Don't know where their money is going:** Far too often people who are broke find themselves short because they've never tracked their monthly cash flow and their small expenses are adding up to consume everything they bring in. They really need to track their expenses for a month or two so that they can set up a plan.
- **They don't plan ahead:** Money is short because they haven't set up a family budget and a saving and spending plan. If you set up a monthly cash flow forecast, and know exactly what you're going to spend in what categories -they'll do much better. If you fail to plan you can plan to fail.
- **Spend money on things they don't need:** I'm sure we've all got one of those friends who just loves to spend money, and buy things just to say they have them. The newest Iphone just came out? They buy it even though they already have an older version. A new TV came out with a higher refresh rate than their current one? They buy one so they can say they have the newest and latest technology.
- **Fall prey to lifestyle inflation and keeping up with the Joneses:** Often people with higher incomes have problems with staying ahead in their budget as well because they fall prey to lifestyle inflation. Instead of banking and saving raises, they raise their standard of living – buying a bigger better house, a new car and a new wardrobe. They feel like they have to keep up appearances with everyone in their neighborhood.
- **Always pay more than they have to:** Often people who are broke have gotten there because they don't know how to shop for a deal, negotiate or ask for a discount. You can get a discount on just about anything – from electronics to health care. Never pay more than you have to!
- **They use credit like it's going out of style:** Delayed gratification isn't something that they've heard of, and if they want something they just put in on credit. After all – it's at a 0% interest rate for the first 3 months! One purchase leads to another, and before they know it they've got thousands in credit card debt!
- **They rely on others to fix their problems:** We've probably all known someone who is always going to their parents, family or friends to bail them out. They create a pile of debt, and then rely on the kindness of others to get them out of their bind.
- **They forfeit future gains for fun today:** These people often have a hard time visualizing how saving and hard work will pay off down the road, and instead live for the fun and pleasures of today. They don't realize how saving for tomorrow can improve their quality of life today!
- **They would rather have others think they are wealthy, than actually be wealthy:** People who are always broke like to be seen as wealthy and successful, even if looking that way to others means that they're actually forfeiting the possibility of being wealthy in reality.