

CREDIT IS NOT YOUR FRIEND

As I watch with interest the solutions to the economic fiasco that we are now encountering, I am puzzled by the emphasis placed on the "restoration of credit flow" being pursued by our government. If we have learned nothing else from this economic catastrophe, then we should realize that the imprudent use of credit brings nothing but personal disaster.

Living by the old adage of "purchase only what you can afford", would certainly have lessened, and probably would have avoided, much of the collapse in our national Financial Systems. If banks had vetted the individuals applying for mortgages, if lending institutions had established verifiable standards for acquiring credit cards, and if individuals had throttled down their expenditures to agree with their incomes, then none of the economic consequences that we are now experiencing would have occurred.

Instead of viewing credit as a tool for acquiring anything, and everything, which one might desire, credit needs to be viewed as an added cost which discounts the intrinsic value of anything we acquire.