

25 Ways to Survive a Down Economy

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... people are hurting, financially. Over \$4.00 a gallon gasoline, rising food prices, declining home values, and a deflating dollar are combining to make it tough to stick to a budget.

Here are a few ways our family is coping:

1. **Just say no to social events, or agree to meet *after dinner*.** Peer pressure can wreak havoc on your financial plans. There are ways to say yes without spending a fortune.
2. **Scale back the cable.** Cable bill went down from \$40 to \$12 with this move alone.
3. **Look for a value internet package.** While I was scaling back on cable service I asked our cable provider for a cheaper rate on internet service. They told me about a little-advertised “value package” which costs half the normal monthly rate for reduced speed. I saved about \$20 a month on our internet service.
4. **Hang up the land line telephone.** Consider canceling the land line and using a cell phone exclusively.
5. **Have a no-spend weekend.** Try to go an entire weekend without eating out, shopping, or ordering something online. It’s a start.
6. **Carpool a few times a week.** Take turns carpooling with a coworker, especially if they live close to you. You’ll both cut your driving time in half.
7. **Check your vehicle’s tire pressure each time you fill up.** Things like under-inflated tires and dirty air filters can reduce your gas mileage.
8. **Consolidate errands into one trip.** If you have to get out try to consolidate all of your errands into one trip away from home, instead of driving back and forth several times from store to home.
9. **Bank “found” money in a separate account.** With any income above your normal earnings, bank the amount in a separate checking or savings account and use the money to pay down debt, build up savings, or offset increased expenses. Overtime, tax refunds (and stimulus checks); gifts and similar windfalls belong here.
10. **Eat like a kid again.** Eat off the same plates your kids eat off, which will force you to eat smaller portions. Your wallet and your waistline will thank you.
11. **Drink tap water.** I don’t have the inclination to run a cost comparison between an ounce of Coca Cola and an ounce of tap water, but I’m fairly confident tap water is infinitely cheaper.
12. **Cherry-pick coupon deals.** Combine coupons with store sales to maximize savings. Our local Kroger store recently had mayonnaise 2/\$4. We found a coupon for \$0.50/1 that doubled to \$1.00, so we picked up a mayo for \$1.00.
13. **Shop at a farmers market for in-season produce.** Few things taste as good as fresh fruits and vegetables. Unfortunately, most of the produce you’ll find in a grocery store is grown elsewhere, particularly if it is out of season, locally.

14. **Avoid using the oven during the summer.** Plan meals that don't require baking, or bake in the late evening and microwave the next night.
15. **When eating out, divide entrees in half and save the rest for a second meal.** Restaurants are notorious for piling on portions, so this move will help you spread out the calories and cost of the meal.
16. **Use a drying rack or line dry heavy clothing.** Pick up a drying rack or install a clothesline to dry heavy garments and towels. When nearly dry, place items in dryer with a dryer sheet for just a few minutes to complete the drying cycle, remove wrinkles, and soften clothes.
17. **Switch to CFL lighting inside, and solar lighting outside.** CFL bulbs use much less energy than incandescent bulbs, and give off less heat. Solar lights used to line pathways around your home run off a rechargeable battery that is charged up during the day by the sun, and lasts for several hours after dark.
18. **Half the number of days your lawn is being watered.** Water once or twice a week, for a slightly longer duration and let Mother Nature help fill in the schedule with the occasional rain.
19. **Avoid stores.** Stay out of stores unless you have a list (mental or otherwise) of specific things you need to buy. Shopping out of boredom leads to impulse buying and can quickly blow a budget.
20. **Transfer existing debt using 0% balance transfer offers.** If you have debt, make becoming debt free a top priority. Moving existing balances to 0% interest plans helps more of your payment go towards repaying the balance, and less towards interest.
21. **Put away the credit cards and ask creditors to lower your interest rate.** Creditors are feeling the crunch, too, and they recognize it takes more money to find a new customer than to retain a current one. If you are a profitable customer (pay interest), call creditors and ask for a lower rate. Tell them about all the 0% transfer offers you've been shredding for your garden!
22. **Divide credit card minimum payments in half and pay that amount twice a month.** Interest is calculated based on the average daily balance of your account for the entire month. By making a payment every couple weeks you are reducing that average balance and therefore reducing the finance charges assessed, as opposed to waiting until the end of the month to make a single payment.
23. **Buy generic ink cartridges for your printer.** The quality of ink is comparable to manufacturer's ink, and many offer a dollar or two off if you recycle the old cartridge.
24. **Use a power strip to power down unused electronics.** Electronics continue to use power even when they are turned off for LED displays, stop/start memory, etc. Reduce this "phantom power" drain by unplugging devices, or plugging them into a central power strip which can be powered down with the flip of a switch.
25. **Give IOUs and homemade coupons rather than expensive gifts.** In tough times there is nothing wrong with a homemade card and an IOU as a substitute for expensive presents. One Valentine's Day my wife gave me a decorative jar with little scraps of paper where she hand-wrote "50 Reasons Why I Love You." It was one of the best gifts I've ever received, and cost less than \$5.00 to make.