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MILK STAR

JAMES FRANCO

THE EXCLUSIVE GAY INTERVIEW

NICHOLAS HOULT

WILL HE KISS THE BOYS
OR MAKE THEM CRY?

COMING OUT:
SHOULD YOU KEEP
IT IN THE CLOSET?

KELLY CLARKSON
DEL MARQUIS

BOY GEORGE

WE GIVE OUR VERDICT





ALVIN HALL'S EMERGENCY MONEY MEASURES

Just before Christmas, several of my friends and acquaintances lost their jobs – in advertising, event planning, financial services, publishing, manufacturing, law, retail, luxury goods, and the art world. Friends who own small businesses of all types have seen their revenues drop by as much as 60 or 70 per cent. The breadth of professions affected by this recession was astonishing.

There is little doubt in my mind and in light of my experience that this recession will affect everyone – regardless of your profession or the amount of money you have. I have lived through four other recessions and this one is by far the worst. The reason is simple: it is deeply undermining people's core sense of financial security. We see the value of our property, investments, and pensions decline. We feel our job security and earning power are uncertain. We begin to worry about our future ability to recover what we have temporarily lost and then build more financial security.

The key to surviving this recession and eventually benefiting when the economy begins to come out of the slump is in adopting and adapting some basic principles of prudent financial management.

KNOW WHERE YOUR MONEY IS GOING

Those Paris Hilton days of spending money spontaneously, without much thought, or being clue-free about where your money is going should be left behind. It's time to sit down and create an accurate accounting of your monthly incomings and outgoings. This is the only way you can be in control of your finances.

DETERMINE YOUR MINIMUM MONTHLY/WEEKLY LIVING EXPENSES

This is your Plan B. Before you are forced to do it, sit down with a cool head and calm emotions and figure out what is the least amount you can live on each week or month. Be strict with yourself and really cut your expenses to the bone. This will let you figure out how long you can live off the money you have, should you reach that point. It's better to do this before you've panicked because you've been made redundant.

MAINTAIN A CASH CUSHION: AT LEAST SIX MONTHS LIVING EXPENSES

During a recession that's adversely affecting the value of everything from property to shares to corporate bonds to select commodities, there are few safe havens in the investment world. Volatility makes the risk of loss substantial. If this risk worries you, keep as much money in cash as you can. Don't complain about the return you "used to get" or "should get"; those days are g-o-n-e. Instead focus on maintaining and accumulating cash that will allow you to continue to keep the roof over your head and food on the table, and be able to use the money to profit handsomely when the market turns around. The phrase "cash is king" has never been truer.

MAKE EACH POUND YOU SPEND GO FURTHER

The special offers and discounts on everything from food and clothing to holiday travel and selected luxury goods means that you can get better value for any money you spend. A friend recently told me about getting "a great bargain" on a special offer at his local butcher, which he then froze for later use. Another couple renegotiated the cost of the hotel they had booked months ago after they saw ads offering a lower rate. You can actually improve the quality of some things in life while spending less.

PICK ONE TREAT TO KEEP IN YOUR LIFE

People interpret financial advice in extreme ways – as either recommending unbearable denial or carefree spending. This recession gives each of us an opportunity to moderate this tendency, to focus on those things that really help to sustain and motivate us through good and difficult times. So think about the one treat you would like to keep that you can still afford.