

Surviving the Financial Crisis

Written by Master Cheng Yen
Wednesday, 07 January 2009 00:00



Recently, there has been a great deal of anxiety and worry over the global financial crisis. There are those who are in great despair, and those who worry about the hardship that the economic downturn will bring. With the present financial crisis seeming to affect one country after another, what can we do to weather this economic storm? It will help if we can better understand how we have come to be in this present situation.

Understand the root cause

In the olden days, most people were poor and few had the opportunity to receive education. People supported themselves through their labour which was the foundation upon which they built a life for themselves. Such a foundation, however, is missing today. Nowadays, more and more people are receiving higher education, going to college and beyond. In tandem with that, the willingness to labour has diminished. Many want easy jobs. The ideal job to many is one where they can make money without having to labour. It is even better if the money can come in on its own, like stocks and investments. They are less willing to labour, but at the same time, their spending is very high. Can you see the contradiction and the trouble this puts people into? This distaste for work and preference for leisure and comfort – all rooted in one thing: Desire. Desire has a great deal to do with the financial crisis we are in today.

Let us look at how people live today. In an age when consumerism is greatly encouraged because it is said to stimulate economic growth, many people are heavy spenders. But where do people get the money for all their purchases? Many rely on credit. That allows them to buy and enjoy things first, and pay later. When people want to buy a home, they take out a mortgage. When they want to buy computers, refrigerators, or other costly items, they use their credit cards to pay for them. In doing this, they are in fact borrowing money to buy things and are living in debt. When something unforeseen happens and affects their ability to pay, they can very quickly get into financial trouble. Life then becomes very hard.

Living modestly and within our means

If we try to live a simpler life and spend less, we will find that we can still fulfill all our needs. Living modestly and within our means is what gives our life a solid foundation. Besides not getting us into debt, it also enables us to save money and prepare for rainy days, just in case our circumstances suddenly change, for example, being laid off work. When we spend money on things that are not absolutely necessary, we run down our savings. It puts our financial situation in peril and makes us very vulnerable to the vagaries of the economy.

With the economic downturn come worries about unemployment. There is a high unemployment rate nowadays, and many are concerned about not being able to find jobs. Actually, there are jobs available. It is just that they may not fit one's criteria for a job. When looking for a job, many only want jobs with a high salary, easy work, and short distance to travel. If we are not choosy about a job, we will find that there are many jobs open to us. There are still many ways we can earn a living.

Be down-to-earth

Surviving the Financial Crisis

Written by Master Cheng Yen
Wednesday, 07 January 2009 00:00

There is a saying: "Better to teach your child a trade than to leave him a big sum of money." If you equip someone with a skill or trade and teach him not to be afraid of hard work, he will always be able to rely on his labour and skills to support himself. When we rely on our own labour and skills to support ourselves instead of focusing on trying to 'create wealth' through financial schemes, it helps ground our lives. When we do that, we won't need to worry overly much about the changes in the economy and will not be greatly affected by them.

When we lead a down-to-earth lifestyle - living within our means, saving up our money instead of spending it, relying on our own labor and skills to make a living - we will be able to meet our needs and can live in security. The economy always cycles through highs and lows. There will be periods of growth and periods of recession. If we can live in a grounded way, these changes will not affect us very much. When we return to a simpler life and learn to appreciate what we already have, we will discover that desire and craving creates a lot of suffering and misery. If we are content, we will not fall into suffering and misery and can instead lead a peaceful and happy life. Then, we will have the most satisfying life.

Teaching by Master Cheng Yen