

Tips for coping with financial volatility

By Jane Honeck

The recent budget crisis catapulted us into this week's stock market turmoil and reaffirms the consequences of ignoring Sir Francis Bacon's 400 year old words, "The only thing we have to fear is fear itself." Those sage words were echoed during FDR's inaugural speech and still ring true today.

We clearly see how the fear of future failures and potential losses drives down expectations so we operate from a place of weakness instead of strength. It's the proverbial bogeyman in the closet. The more we focus on him, the bigger, more ferocious he gets.

So how can we as individuals move beyond today's economic anxiety and fear and get on with our lives? How do we keep our own stability and help build this economy instead of tear it down?

Like it or not, we're all in this together and it's clear what happens when we tackle today's problems as a house divided. Frustration and mistrust grow and the solution seems out of reach and certainly nothing we can influence. But, our own grass-roots efforts can make a difference in moving us and the country out of fear back into possibility.

The following are simple steps anyone can take to step out of financial paralysis and into building new money muscles:

1. Talk it up: Ignoring your anxieties and keeping fear bottled up only makes them fester and grow. Share your feelings with someone and get their perspective. Without shared perspective, we magnify negative speculation, mix it with past failures, and the financial bogeyman grows. With

sharing, things become more balanced and, at the very least, two of you will be shouldering the load instead of just you.

2. Stay in the moment: Affirm your own financial reality now. Did you make it through yesterday, last week, last month? Have things changed that much? Do you have enough today? None of us know what's really ahead—but we can be certain about today. Staying in the moment and not getting too far ahead of ourselves puts a stable foundation back in place.

3. Choose your battle: Be honest about what's underneath your concern – is it mistrust, lack of control, powerlessness? Today's financial fears keep us worrying about things we can't change. But, we become empowered by transforming those we can. Can we stop the stock market slide? Probably not, but we can make changes in our own financial world.

4. Take the next step: Don't worry about all the steps from here to your own financial stability—you only need worry about the next step. Keep your eye on your financial goals and begin shifting from emotion to motion. Pay a bill; start a savings account; cut up a credit card—any next step will start the momentum. Ultimately, the culmination of those next steps will build trust in yourself and your ability to meet your future goals.

5. Do it again: When the next negative headline appears (and it will) go back to No. 1. Fear is a part of life, but it doesn't have to take over our life. It may feel like a lot of effort the first time you tackle these steps. But, use them often and eventually you'll slip right through fear and into empowered action with a blink of an eye.

There you have it, a simple plan responding to time-tested sage advice. Five easy steps that move us from emotion to motion, paralysis to possibility, fear to trust. And, when we trust, all things are possible.

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