45. Financial Traps and Financial Freedom

OBJECTIVE: To help families think of alternative financial options instead of some common financial traps.

TIME: 10 minutes

MATERIALS:

Flipchart

ACTIVITY:

Ask the class to brainstorm situations that they consider financial traps. Write up their ideas on a flipchart or blackboard.

For each item on the list, ask the class why they consider these things to be financial traps for their family.

Discuss the following financial traps if they were not brainstormed by your class:

- Check cashing stores (You pay a high fee for this service.)
- Payday Loans (You pay a high fee for this service.)
- Rental Centers (You can end up paying much more than if you had bought the items.)
- Disconnect Notices (You have to pay to get reconnected.)
- Dollar Stores (You buy a lot of junk that doesn't last.)
- Impulse Buying (You buy things you don't need and maybe don't really want.)
- Fast Food Restaurants (You can eat more cheaply at home.)
- Going to the Grocery Store Hungry (You tend to buy more.)
- Credit Cards (You may buy more than your income can afford and pay a lot in interest charges if you don't pay off the balance right away.)

Now, for each of the traps, discuss a positive alternative. For example, instead of going to a check cashing store, they can open a checking account at a local credit union.

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