

Spenders & Savers



Do you ever have trouble deciding what to do with your money? Deciding whether to save or spend can be a difficult decision. The more carefully people think about their financial decisions, the more satisfied they usually are with the results.

Have you ever heard the expression, “It’s burning a hole in his pocket”? This expression refers to a person who can’t wait to spend their money and usually spends it just as soon as they get it. They’re so anxious to get the things that they want now that they don’t have the patience to put some money aside and save it for the future. We call these people *spenders*. Spenders have a difficult time saving up for more costly purchases like a television or phone. Also, when a spender faces an unexpected expense, like needing to get a car fixed, many times spenders don’t have enough money to pay for the expense. Spenders make quick impulse spending choices rather than thinking carefully about their purchases.

On the other hand, there are people who never want to spend their money and instead only put it in their bank account. We call these people savers. Savers like to keep all the money they earn and rarely, if ever, want to spend it or share it with others. They only spend their money on emergencies or on things that they truly need. Savers often go without the things they desire.

There is a middle ground, where people budget and allow themselves to spend on some items they want while saving for the future as well.



Think about it...

Is it good to only save? Is it good to only spend? Why or why not?