

Real World Graduation: Question 48: Paying Bills

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Question 48

Which of these should be paid first?

- a) Rent or mortgage
- b) Car payment
- c) Credit card bill
- d) Any utility bill (gas/electric/water)
- e) A bill from a doctor, dentist, chiropractor, or lawyer

Answer to Question 48

This is a trick question. None of the answers are correct.

The correct answer is "always pay yourself first". This means that you should find a way to live below your means if at all possible, and save or invest a fixed percentage of your income for your future, before you pay any bills. Most experts believe that young people should save or invest between 10% and 15% of their gross pay.

The investment experts advise that a young person should diversify their investments, a certain percentage in high-quality bonds, a certain percentage in U. S. stocks, and a certain percentage in foreign stocks. In these modern times, one does not need to be an expert in finance or investing; many investment companies have developed automatic programs that do it all for you depending on your planned retirement date. Take advantage of investing whenever you can. It is the only way to stay ahead of the planned inflationary policies of the U. S. Federal Reserve and other members of the central banking cartel.