

Happiness Through Health

Inflation Can Threaten Your Mental Health

By Otto McClarrin

Inflation has become not merely an economic and political problem in the United States, but a mental health problem as well. Inflation itself doesn't drive people crazy, though they may sometimes feel as though it does. But among those who already have other serious problems, inflation-induced stress is increasingly becoming the final straw.

Therapists have begun to find that inflation, and the standard-of-living sacrifices it requires can contribute to marital discord, problem drinking, reduced productivity or incentive at work, an aggressive behavior, including child abuse and rape.

The broad effects of inflation on mental health in the United States have never been studied in detail. One reason is that today's double digit rate — which recently was averaging eighteen per cent on an annual basis — is a relatively recent phenomenon on the long-term yardstick by which social scientists measure national trends.

In 1975, M. Harvey Brenner, a Johns Hopkins University sociologist, publicized findings of a strong link between unemployment levels and rates of mental hospital admissions, suicides, violent crimes and death by such causes as heart attacks. He found insufficient

evidence, however, to support a direct link between mental illness and inflation.

Mr. Brenner now thinks there may be a statistical link. Historically, he notes, inflation has occurred in periods when wages are rising comparably. Last year, by contrast, prices rose thirteen per cent while wages and salaries increased just 8.7%. The result: A forced decrease in the standard of living of most Americans.

"It's when inflation is combined with other factors, such as reduced Gross National Product or higher unemployment, that it really packs its punch" on the mental well-being of Americans, Mr. Brenner says.

Psychologists, too, are beginning to recognize this. They say if inflation continues near its present rate and

unemployment keeps rising, the national mental health consequences could be profound.

For the time being, people aren't beating down therapists' doors looking for advice on how to deal with inflation. But many therapists do say that more patients than ever are citing financial pressure and their declining standard of living as their chief mental problem.

At many clinics, finances are today the fourth most frequently cited problem initially presented to counselors — ranking behind problems with parents, spouses and children but ahead of such complaints as physical stress, alcoholism, drug addiction and legal difficulties. In the mid-1970's, finances ranked ninth or tenth on the list.

Some psychiatrists argue that because inflation generally affects members of the same economic group equally, the psychological effects aren't serious. But these professionals seem to be in the minority.

Psychiatrists and psychologists have thus far identified four main ways that inflation produces the kind of stress that can push people over the edge. One is that a loss in real income usually requires that people sacrifice the luxuries — meals out, entertainment, vacations, camp for the kids and so forth — that they ordinarily use to escape from their other problems.

A second effect — among the less affluent — is that some necessities must go. A third effect of inflation is that it diminishes hope and ambition, the characteristics that make people want to work harder.

A fourth, and perhaps the most dangerous effect of inflation is that it makes people feel helpless, out of touch with their own destinies. The most vulnerable to this type of stress are people who have "characterological disorder" — mental imbalances under which they see themselves as victims and which make them likely to lash out. These traits are frequently found in people who commit crimes.

Business In The Black

At A Price Of \$100,000

A House Is Not A Home
It's An Investment

By Charles E. Belle

Savings institutions interested in helping develop home ownership make up the 4,350 members in every state, the District of Columbia, Puerto Rico, the Virgin Islands and Guam of the U.S. League of Savings Associations. The fine trade organization is 88 years old. The League always has had, as did the first savings and loan which started back in 1831, the dual purpose of "the encouragement of thrift and home ownership."

Berean Savings Association, the oldest black American

owned S&L bought this advice and opened in 1888 in Philadelphia, Pennsylvania.

The law today gives savings and loans the right to offer Negotiable Orders of Withdrawal (NOW) accounts. Checking accounts that pay an interest while money is in the account. A situation now exists where the depositor benefits no matter which account his money is in — checking or savings — when it is in a savings and loan association.

Savings and loan institutions, like banks, are safe because of the federal government agencies and individual state supervision departments. The Federal Home Loan Bank boards, which overlook all federal S&L's, just does not take kindly to savings associations which violate any laws including redlining. In San Francisco at the U.S. League annual convention, the FHLB boss, Jay Janis, said the Federal Home Loan Bank would not hesitate to put a savings and loan out of business if it failed to follow their directive.

Dreamers of home ownership should consider doing business with a savings and loan association. They always being ready to loan money for home ownership is a great start. Wells Fargo Bank, third largest bank in California, has closed down its loan window for single family home mortgages.

Mr. Janis made a prediction of "1.5 million housing starts next year, up from 1.2 million" in 1980. It appears one smart way to start toward that dream house is to open a savings and loan account.

Recently reports have been circulating that homes were available for only \$96,500 in San Francisco. Statistics published by realtors and bank research staff say such is the average price of a house in the picturesque city. Still too few Americans can afford a home today in spite of their high inflationary salaries. Americans do want to own their own homes. In fact, more than 64% of American families own their homes. Savings and loan associations have made it their business to "keep the American dream alive."

Savings and loan associations had assets at year-end 1979 of \$579.3 billion. They are the best bet for help in buying a new home whether the very first or a step up. California, where clearly one-fifth of all the assets of savings and loan associations are available, include not just the huge Home Savings and Loan Association with assets of almost \$12 billion and the biggest black American Family Savings and Loan Association, but many other members of the U.S. League of Associations.

Coping

How To Change Your Behavior

By Dr. Charles W. Faulkner

Don't believe that well-traveled myth that says that you cannot modify your behavior and be happy. Follow this advice:

1. Be happy. Stop feeling depressed, guilty and angry. The only guilt that you must have should come from your complacency in not making yourself happy by failing to take charge of your life. The natural state of human beings is a healthy and happy one. No one has to be unhappy. No one was born unhappy. If you have self-defeating behavior, it is because you learned it. You can just as easily learn self-enriching behavior that will make you happy. How? By being the boss of your life and doing the things that make you happy. Don't wait for someone else to make you happy. Do it yourself.

2. It is easier than you think to be cool, calm and collected. There is no necessary reason for you to be angry with a friend, unhappy about a relationship, tense about a problem. You control your own feelings. You can make a decision now not to become upset at the anger of another person. If you think that you will not become upset, you will not become upset. You control your emotions, not someone else. So, when you become unhappy, it is because you made yourself unhappy. Don't let it happen.

3. You can change bad habits. The decision is yours. When you decide to get rid of a bad habit and to change your behavior in a positive way, your decision will make it happen. Are you serious when you say you want to

change or are you attempting to fool yourself with a lot of meaningless talk? It will happen. You're the boss.

4. Do it and be happy. Stop devoting so much time and energy to wondering if you are doing the right thing. You are a unique person and have the right to unique ideas. Everyone does not become happy by do-

ing to the same thing. Take a chance and put your own ideas into action. Just might work. Just might make you and others happy. Try it and see.

5. Look ahead. Leave the past alone. Whatever problems occurred in the past have happened, they are gone

now. Start living your life in the present. Be a "now" person. Answers to your problems are probably right at your finger tips and not buried somewhere in the distant past.

You have as many brain cells as the most famous person who ever lived. You can create just as well as anyone else.

Your problem is not a lack of ability. Your problem is failing to put your ability to work. Start today. Make today the beginning of a new wonderful period of your life. Have courage and find happiness within yourself.

If you have questions you would like answered direct them to Dr. Charles W. Faulkner, P.O. Box 50016, Washington, DC 20004.

How to
get the most
from your bank

By Lee Creede

A law passed by Congress in 1978 has made filing for bankruptcy seem to be the easy way out for those who are under heavy financial strain. At first glance, the new liberalized bankruptcy laws seem to be a godsend for the person who knows he is in financial trouble.

But the immediate relief a consumer experiences under bankruptcy must be considered against the possibilities of what might happen afterwards. Those who file for reorganization of debts (Chapter 13) under the bankruptcy acts may not be able to obtain credit after the completion of the term of the bankruptcy which usually runs 36 months. Some financial institutions will not give credit to anyone who has ever filed under any form of bankruptcy.

Bankruptcies have increased 21.1 percent in the fiscal year ending June 30, 1980, according to the Bankruptcy Division of the Administrative Office of the U.S. Courts. North Carolina's bankruptcy rate is even higher than the national rate for the same time period.

Under the Federal Bankruptcy Act of 1978, which became effective in October 1979 and preempted state laws, the debtor is well-protected: he can keep \$7500 in home equity, \$1200 of the value of his or her car, \$500 in jewelry, \$750 in tools, all household goods and clothes not exceeding \$200 per item, along with a host of other items.

However, persons filing need to be aware that bankruptcy cases are reported to credit bureaus once filed, and are kept in their files for seven to ten years. This adverse information reduces the chances that an individual will be granted credit. And when the bankruptcy is erased from a person's file, there is an absence of positive credit information on which the lender can make a decision. The individual must therefore rebuild a good credit record.

There are alternatives to filing for bankruptcy. One solution to a deepening financial problem is to talk to your creditors when you become aware that you cannot afford to pay your current monthly payments. Almost all financial institutions are willing to work with borrowers to prepare a reduced monthly payment or an extension of the terms of the loan.

Another alternative is the utilization of credit counseling services. Many of these services receive United Way support and are available in many communities. This alternative accomplishes the same thing as a Chapter 13 bankruptcy, but it costs nothing to the consumer. With either one of these approaches, the credit record remains satisfactory and future loans may still be attainable.

Lee Creede, a banker for 18 years, is vice president and regional manager of retail loan administration for Wachovia Bank and Trust Company's Southern Region.



Lee Creede



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