

Like it or Not, Finance Matters, a Lot

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Sample of Content:

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Content:

Finance. We hear that word thrown around quite a bit and used in phrases like in the world of high finance or financing options are available for those who qualify, but what does it really mean? It doesnt take an E.F. Hutton or J. Paul Getty to understand that the term finance and variations like financial, financing, financier, and such are related to monetary matters.

You may be surprised, however, just how many people have no real idea what is meant by finance. In fact, its safe to say that much of America has a better fix on the goings on inside the Big Brother house than they do on what happens at the Federal Reserve! This is sad, but true.

The American Heritage Dictionary of the English Language offers four definitions for the word finance.

They are:

1. The science of the management of money and other assets.
2. The management of money, banking, investments, and credit.
3. Finances Monetary resources funds, especially those of a government or corporate body.
4. The supplying of funds or capital.

The third and fourth definitions are not what were dealing with here as they indicate the funds and capital belonging to a person, persons, or business entity (My finances are in total disarray!) and the act of lending money (I couldnt buy the new SUV because I didnt qualify for the financing.).

The first and second definitions, however, are right on the, um, money. This is what theyre talking about on CNN Financial. This is what concerns economists and financial analysts. This is what should concern you. The world of finance in the United States revolves around several things.

These include the stock market because the prices at which stocks trade are a direct result in most cases of how well the companies are doing, the actions of the Federal Reserve which sets interest rates and is responsible for the coining of money, and the value of the American dollar as compared to other national currencies.

Many people think that, unless they have significant investments and considerable assets, financial matters like these do not concern them. Nothing could be further from the truth.

The unfortunate fact is that, while the wealthy are more immediately concerned with finance, the common people are usually the most affected when extreme changes in the financial world happen. The stock market crash of 1929 is a prime example of how drastically financial upheavals can effect everyone in the country.

Nathan Dawson writes for <http://www.marriedfinances.com> and <http://www.successfulmarriageresource.com>, great online sources for marriage and finance information.

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