

# The Top 5 Money Problems Americans Face

ERIKA RAWES

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Most of us are no strangers to financial issues. You may have heard about the groundbreaking AP research from last year, which found that 4 out of 5 American adults are faced with economic insecurity at some point during their lives. This means that 80 percent of us have felt the worry and anxiety associated with losing a job, living on an income that's near the poverty level, or being reliant on some form of welfare.

This statistic is shocking to most people who hear it as we often think only the lower earners (the lower and lower-middle class) deal with serious money problems. To find out the vast majority of Americans have been in this same boat is not only surprising, it's a bit disconcerting. Even when we achieve a level of financial security and freedom we have to wonder, is it permanent? Many Americans fear for their financial future.

A recent survey by Money-Rates asked people about their financial worries, regrets, and fears. The survey was conducted by Op4G and it polled 2,000 respondents, asking them the questions: What

would you like to change most about your financial behavior? And also, how would you put a \$10,000 windfall to use?

Using the result of this Money-Rates survey, coupled with information from last year's survey and other resources, we ranked the top financial problems people are facing these days.

## **1. Problems making ends meet, let alone feeling comfortable**

Regularly meeting essential expenses was the most common financial concern among the survey participants. More than one-third (35 percent) of the Money-Rates survey respondents said that paying regular financial obligations — bills, a mortgage or rent payment, credit card payments, etc. — was their biggest financial worry. With so many Americans living paycheck to paycheck, it's no surprise that people having trouble paying for these essentials.

While some survey respondents worried about needs, others worried more about wants. A large portion of the men surveyed (more men than women) said financial comfort was at the top of their priority list. [Last year's survey](#) results indicated that financial comfort was high on the priorities list, as three out of 10 (just over 30 percent) of those surveyed identified their single biggest financial worry as “ensuring I have enough to maintain a comfortable lifestyle.”



Source: Getty Images

## **2. Living for today**

According to a Federal Reserve survey release from earlier this year, “Thirty-one percent of non-retired respondents reported having no retirement savings or pension, including 19 percent of those ages 55 to 64.”

With close to one-in-five of those near retirement having zero retirement savings, it's no wonder so many respondents (40 percent) cited a lack of savings as their biggest financial regret, and another 36 percent of people said they feared they would not be able to retire comfortably.

On top of these individuals who regret not saving, there are also those individuals who are, for the most part, completely focused on the present. According to that same Federal Reserve release, 24 percent of people have given little thought to retirement planning and another 25 percent have given no thought to retirement planning at all.



Source: Thinkstock

### **3. Accumulating too much debt**

If \$10,000 fell out of the sky and into your lap, how would you use it? Around four in 10 (41 percent) of those who participated in the Money-Rates survey would pay down debt with that money. High amounts of debt is a large concern for many Americans. Last year's survey found that around one out of five people (20 percent) feel that accumulating too much debt is their biggest financial regret.

The average household's credit card debt exceeds \$7,000, according to Nerd Wallet. In addition to this debt, many Americans also have to worry about mortgages, car loans, and of course student loans. Last year's Money-Rates survey also found that 8 percent of people feel that paying student loans is their biggest financial worry.



Source: Thinkstock

#### **4. Making poor purchasing and investing decisions**

Some American households are still feeling the sting of the recession. According to the Federal Reserve survey, “over 60 percent of respondents reported that their families were either ‘doing okay’ or ‘living comfortably’ financially; although one-fourth said that they were ‘just getting by’ financially and another 13 percent said they were struggling to do so.”

Even those who no longer feel the impact of the economic downturn still have to face the results of their own decision making. A large portion of the survey respondents (46 percent of men and 26 percent of women) acknowledge the impact of their financial decisions and say they’d like to work towards making wiser investment or purchasing decisions.



Source: Thinkstock

#### **5. Being unable to enjoy money**

On the entirely opposite end of the spectrum, there is that handful of people out there who are completely money-conscious. These individuals are financially healthy, they budget and plan where every penny is going to go, and their financial future is secure (as much as it can be).

Nearly 12 percent respondents from last year’s survey said their biggest financial regret was being too cheap and not allowing themselves to enjoy their money. A little over 10 percent of respondents said that if they could change only one thing about the way they handle money, they would enjoy their money and spend it a bit more freely.