



David Bach fixes up your finances.

REDBOOK Love Network expert David Bach is the author of eight best-selling books, including *Start Late, Live Rich*. Visit him at finishrich.com.

Understanding our economy

Q I feel clueless when I see all the news stories about our economy. What can I do to educate myself so I can understand what's going on?

A Don't get overwhelmed. The most important thing for you to understand is your own financial picture—then you'll have a better idea of how these larger market forces might affect you. First, make a list of your assets and

liabilities, including your investments, bank accounts, and mortgage and credit card debt. Next, measure all of your expenses against your income to make sure you're not spending more than you make. Just by completing these two steps, you'll feel more in control of your money. Beyond that, there are a few financial facts you must know: Familiarize yourself with your mortgage terms, find out your

credit score on myfico.com, and make sure your bank accounts are yielding the highest interest rate possible.

Now, to learn more about the bigger picture, get into back-to-school mode. First, get a good basic personal finance book. I recommend one of mine, of course: *Smart Women Finish Rich* or *The Automatic Millionaire*. Other great sources to expand your knowledge further are Yahoo

Finance (finance.yahoo.com), *The Wall Street Journal* online (wsj.com), and cnbc.com. Whenever you read a finance article, if you don't understand a word or concept, circle it, then look it up—just like you did when you were a kid (only these days you should use the Web, not the dictionary). Then reread the article. I promise you, the headlines will start to make more sense as you begin to understand the language.

HAND
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Money Smarts

Check out David's newest book, *Fight for Your Money: How to Stop Getting Ripped Off and Save a Fortune*. Have a money question for David? Email him at

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Unemployment 101

At 7.6 percent, America's unemployment rate at the start of 2009 was the highest it's been in years—leaving 11 million Americans without a job and 2 million more expected to lose theirs this year. Even if you've never lost a job, it's comforting to know that if you do, the government provides you with unemployment benefits. So how do you collect? B.K. Simerson, coauthor of *Fired, Laid Off, Out of a Job*, fills us in:

- 1. Who's eligible:** If you've worked for a full year over the last 15 months and you're currently unemployed through no fault of your own, you qualify for unemployment benefits.
- 2. How to apply:** "Contact your state's department of unemployment online [find one near you at servicelocator.org], over the phone, or in person," says Simerson. "And do it right away: Because of the recent high demand for benefits, it could take several weeks for your benefits to kick in." To fill out the application, Simerson recommends having the following on hand: your work and salary history, the date you last worked, severance-pay details, a copy of your employer's letter saying you were laid off, and documentation of any other income. You'll have to reapply for benefits weekly or
- 3. How much you'll get:** "This depends on your state," says Simerson. In New York, for example, you can collect up to \$405 per week, whereas in Arizona, the most you can receive is \$240. "The higher your former salary and the more dependents you have, the more you'll receive," says Simerson. "And the more you're earning in severance pay or part-time work, the less you'll collect."
- 4. How long you'll get it for:** At this point, 46 weeks. Under normal circumstances, benefits last a maximum of 26 weeks, but because of the current recession, last year the federal government extended Emergency Unemployment Compensation for an additional 20 weeks. —*Lindsey Palmer*

COURTESY OF SUBJECT.