

In debt and don't see a way out? Maybe change your thinking...

Many people who are deep in debt don't think clearly about it. How do I know that? I've been told that many times by clients who come to me to file bankruptcy.

What had been the problem with their thinking? Their thinking seemed to take the following forms, often in combination.

1. **Paralyzed by panic** - When we're in panic mode, we often don't think or act clearly or even think or act much at all. We tend to just shut down.
2. **Magical thinking** - We keep doing the things that haven't been working, hoping that the results will change.
3. **Emotional attachment** - We tend to get emotionally attached to keeping things and situations the same as they are, as if change would be the worst possible result. This keeps people paying for a house and expensive cars they can't afford and otherwise living a lifestyle they can't afford. This often is in combination with #2 above, thinking or hoping that things will change for the better.
4. **Erroneous thinking about bankruptcy** - People often think of bankruptcy as a last resort and the worst of all possible worlds. Instead, Congress gave us the bankruptcy laws for a good reason, to help people in financial difficulty get a **Fresh Start, providing "a new opportunity in life and a clear field for future effort, unhampered by the pressure and discouragement of preexisting debt"** [U.S. Supreme Court].

What's the result of this type of thinking? Getting deeper in debt and/or **going through assets that they could have kept** had they changed their thinking sooner.

What's a better way of thinking?

Think "you are a business" and look for the best way for that business to survive and ultimately prosper. One thing to do, sooner instead of later, is to consult with an experienced bankruptcy attorney in your area to see if bankruptcy might be a good option for you. **Businesses in trouble do that as a matter of course. So should you.**

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