

Managing Stress in Tough Economic Times

The key to conquering stress during tough times is to gain a sense of control over the situation. Create a plan, keep things in perspective, and seek help when you are feeling overwhelmed.

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If you are feeling stressed by the current economic situation, the best thing you can do is try to regain a sense of control over your emotions, finances, and life, say the experts.

Stress and the Economy: Advice From a Financial Planner

The first thing you should do is turn off the TV business news, says Ivan M. Illan, director of financial planning at Michel Financial Group in Los Angeles. "Markets by their very nature are extremely volatile, even in so-called 'good times,'" says Illan. "Business television exploits natural market cycles in higher viewership to justify higher advertising rates."

Next, control your emotions. "We are driven primarily by emotion. The institutional investors know this and often make higher profits during times of fear, preying on the emotionally charged investing public," says Illan. Profiting from fear and anxiety is taught in business school, he says — the more trades, the more commissions. So don't fall into this trap.

"Stay committed to your investment plan," Illan says. And continue to save as you did when times were good.

Two other pieces of advice: Do not invest anywhere, including in bonds, until you've saved six months' worth of cash to cover basic living expenses in case of emergency. And the risk of taking out a loan for retraining or acquiring another degree is worth it, he says.

"Training for advancement or career change is a good idea, regardless of the economic [climate]," says Illan. "Areas that are highest in demand continue to be health care and financial services, driven primarily by the baby boomers' needs as they approach retirement."

Stress and the Economy: Advice From a Psychologist

"You may not be able to control the stock market, but there is still a lot you can do to gain a sense of control," says Mary Coussons-Read, PhD, professor of psychology and health and behavioral science and associate dean at the University of Colorado in Denver.

To put the lid on stress, sleep well, exercise a lot, and eat healthy meals. Coussons-Read also suggests that you do the following to keep your cool during tough economic times:

- **Create a budget.** Even though creating a new budget might mean giving up a few things that you don't want to give up, doing so will give you an important sense of control over your finances, which ultimately means less stress.
- **Regain perspective.** Take a break from your stressed daily life to volunteer. "It can help you remember that there are persons who are worse off than you are," says Coussons-Read. It's also a good way to use your time and, possibly, keep using your skills if you are job hunting.
- **Socialize.** It's important to seek out other people for fun and conversation, says Coussons-Read. If you only want to be with other people who are equally stressed out about finances and jobs, it shouldn't be too hard to find them. The American Psychological Association reports that four out of five Americans (at least) worry about money and the economy. Check local community listings online or in the newspaper to see which groups are meeting when. It is also a good idea to hang out with people who you can have fun with and not just talk about your financial woes.

Stress and the Economy: Coping With Job Loss

Millions of people are not just watching their budgets shrink, they are also job hunting. Besides taking the steps listed above to reduce your stress during turbulent economic times, you may also want to:

- **Consider the positives.** "People may feel that losing a job reflects badly on them," says Coussons-Read. "Even though you lost your job, there are a lot of things in your life that are going well — you have a skill set, you are healthy, you're a good parent, you're a good son or daughter, and so on." Instead of dwelling on the negative, think about the positive contributions you make.
- **Create a plan.** Make a plan as to how you will find a job and manage your finances. If you need help doing this, ask for it.
- **Consider starting a business or consulting.** Maybe you don't need an employer, at least for the short term. If you have marketable skills, you may be able to find contract employment or temporary work through people you know.

Stress during difficult times is normal. It is what motivates you to find a solution. But, too much stress is bad for your physical and emotional health. If you have tried many or all of these ideas and are still feeling excessively stressed, you may need to seek professional help.



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