

## Cash Budgets

- Using [cash](#) for household necessities requires families to create a budget and follow it. Budgets help track all cash inflows and outflows, which can help all involved to locate potential savings.

## Better Behavior

- Using cash forces consumers to deal with the immediate expense of buying an item, rather than putting off the pain for later. That commonly results in more careful shopping and better overall spending choices.

## Higher Spending

- According to Dave Ramsey, a prominent [financial](#) adviser, using credit cards will increase purchases by 12-18%. This phenomenon occurs because of the "buy now, pay later" mentality that using credit cards instills in consumers.

## Lose Wealth

- Credit cards are a quick way for most individuals to lose wealth. Monthly balances can build rapidly on credit cards. This leads to interest payments on goods that the individual may have purchased months ago that have no current economic value.

## Credit Card Benefits

- Credit cards are useful for Internet purchases or buying big-ticket items, as long as the balance is paid off quickly.

## Why Cash is Better

- Paying with cash is better because less money is generally spent and no interest is incurred on purchases. Budgeting for expenses can also increase individual productivity, with individuals finding more or better ways to earn cash rather than use debt.

Read more: [Credit Card Vs. Cash | eHow.com](#)

[http://www.ehow.com/facts\\_5314067\\_credit-card-vs-cash.html#ixzz1iPoWZRQI](http://www.ehow.com/facts_5314067_credit-card-vs-cash.html#ixzz1iPoWZRQI)