

Exercise 3.6. Identifying my debts

In this exercise, the educator can ask the group to answer the 4 questions below. Each member of the group can contribute their own ideas. We will also need the data from previous exercises in order to answer some of the questions.

- What is a debt?
- Is it good to have debts? Why?
- Does Philip have any debts? Why?
- Do you have any debts? Why?

Note: The definition of debt should be written somewhere visible to all (such as a board) so that we can check it whenever it is needed and are able to do the following exercises.

The following activity will help consolidate the concept of debt. We will present the cases of some people so that the group members can identify who has debts. Group members will be encouraged to provide different solutions to the different situations in order to avoid debts (we will go more in depth in exercise 6).

We will give participants a green and a red card that will be used for the activity.



Case 1: MARIA lives in supported housing and earns 15 Euros per week for her expenses. Maria really likes to go to a coffee shop every morning for breakfast before she goes to work. Breakfast is 1.2 Euros per day. She also enjoys a soft drink with her lunch at work. The soft drink costs 1 euro per day. Maria spends 6 Euros on breakfast and 5 Euros on soft drinks every week. In total, Maria spends 11 Euros each week.



Does Maria have any debts?

Why?

Case 2: GEORGE lives in a residence and receives 20 Euros for his expenses every week. George smokes, so he has to buy tobacco every week. George spends 4.35 Euros on tobacco every week. George is very fond of car magazines and he buys his favourite magazine every week. It is priced at 1.95 Euros. When he goes out for a walk every afternoon, he has a sandwich and a soft drink. The snack costs 2.50 Euros per day. George spends 17.50 Euros on his snacks every week. George spends 23.80 Euros per week.



Does George have any debts?

Why?

Case 3: DIANA lives alone in her house. After paying for all fixed expenses (rent, water, electricity, food, mobile phone...) she has 140 Euros left for her monthly expenses. Diana enjoys following the latest fashion trends and she buys new clothes and shoes every month. This month, she has spent 75 Euros. She also goes to the hairdresser's every month and spends 25 Euros. Diana likes to go to the movies. She has gone twice this month and has spent 13 Euros. When she meets her friends, she spends 10 Euros per week. She has spent 40 Euros this month. This month, Diana has spent 153 Euros in total.



Does Diana have any debts?

Why?