

# [Describe the changes that have occurred in the last generation with regard to per...](https://assignbuster.com/describe-the-changes-that-have-occurred-in-the-last-generation-with-regard-to-personal-and-family-finances/)

[](https://assignbuster.com/)[Family](https://assignbuster.com/essay-subjects/family/)

Changes in personal and family finances Within the last century, the American people have witnessed numerous changesarising from financial policies instituted by the government coupled with changing socio economic factors all of which necessitated changes in financial management both at personal and family levels. Changes in lifestyles also contributed to the changes in financial management. Such basic legislations as minimum wage laws sought to improve the quality of workers. Set at $7. 25 per hour, the minimum wage sought to ensure that every American affords a decent lifestyle accentuated with most if not all of the basic needs. Other legislations that have contributed to changes in the management of personal and family finances include the legislations governing health care. Such legislations as the Obama care Act required Americans to access effective insurance policies to help improve accessibility to quality health care. As such, individuals and families in the country had to restructure their spending in order to factor in health care services. Such legislations help improve the quality of lifestyle in the country.   
Financial security is a major priority to most American families in the current century. As such, most Americans continue to devise appropriate ways of achieving this. Despite such ambitions, the cost of living is rising partly because of the new legislations and the changing lifestyles in the society. Health care, childcare and need for a home and payment of college fees coupled with the desire to retire to a safe and financial secure old age continue to mount pressure of American families, especially those in the middle class. The rising number of financial needs while the sources of income remain limited is a fundamental concern that validates the changes in the management of both personal and family finances (Warren and Warren 65).   
The increasing demand for money at a time that earnings remain limited is a basic factor that influenced change in the management of finances in families. Most Americans are thinking of the most appropriate ways of investing their money in order to secure their stability. Instead of limiting spending and working hard, Americans are currently looking for ways of working smart with both their finances and the opportunities they meet. While school remains fundamental, numerous successful individuals in the modern society have a history accentuated with dropping out of school a feature that portrays that Americans are looking for opportunities. Insurance services offer a reliable plan to some of the most basic services that would otherwise be costly to most Americans.   
Most Americans therefore have effective health, car and home insurance among many other forms of insurance. Furthermore, the middle class continue to invest mutual funds, exist in Sacco and have invested in the stock market. Instead of saving money in banks, the American middle class prefer investing their money in low risk opportunities where they safeguard the profitability of their investments. Financial utilization in most families currently follows a stipulated plan, one that safeguards the financial stability. Planning for the future validates the current rise in housing units as each family currently requires a home of their own and a reliable health plan (Warren and Amelia 22). This contributes to the growth of the country’s economy.   
Works cited   
Warren, Elizabeth and Warren, T. Amelia. All Your Worth: The Ultimate Lifetime Money Plan. New York: Simon and Schuster, 2006. Print.   
Warren, Elizabeth, and Amelia W. Tyagi. The Two-Income Trap: Why Middle-Class Mothersand Fathers Are Going Broke. New York: Basic Books, 2003. Print.