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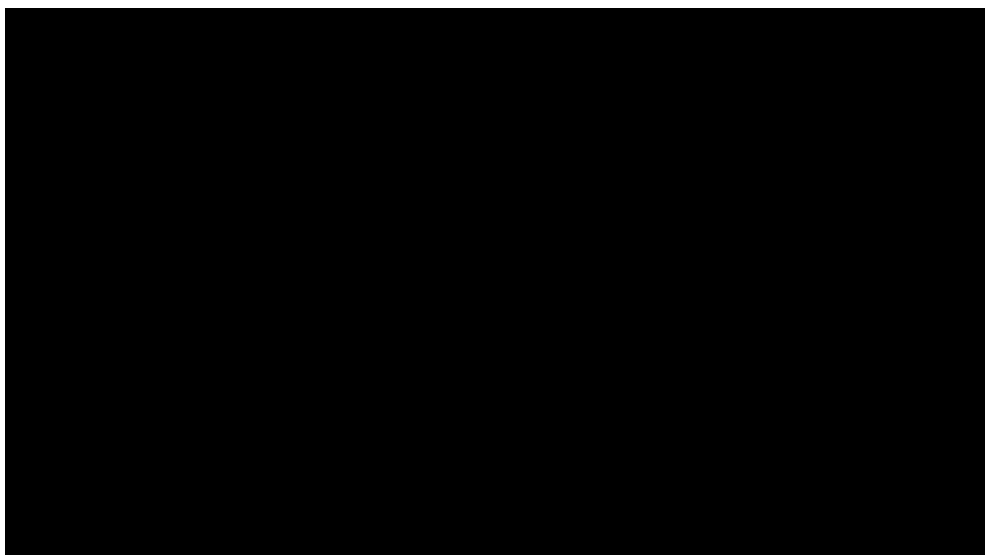
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Don't Get Your Money Advice from Suze Orman, Dave Ramsey: Pound Foolish Author

By [Morgan Korn](#) | [Daily Ticker](#) - Mon, Jan 14, 2013 7:27 AM EST



You read this Few people know how to manage their personal finances effectively. That's why we spend millions of dollars every year on books and seminars that tell us how to get rich quick and get out of debt.

Suze Orman, Dave Ramsey, Robert Kiyosaki and David Bach are just some of the best-known personal finance experts advising and lecturing indebted Americans about their foolish and short-sighted money decisions. Yet these are exactly the individuals that the average person should not be listening to for financial solutions according to Helaine Olen, author of the new book "Pound Foolish: Exposing the Dark Side of the Personal Finance Industry" and former editor of the Money Makeover series in the Los Angeles Times.

In an interview with The Daily Ticker, Olen says these financial gurus offer either platitudes or "dreadful" advice that don't apply to most people's lives or situations.

"The idea that anyone can give specific advice to millions of people first of all doesn't really work," she says. "We're not archetypes."

Most Americans are under serious financial strain and the advice "parroted" by these so-called experts is "easier said than

done," Olen argues.

The stats Olen uses to paint the economic picture of a typical American are alarming: Americans have less than \$100,000 saved in dedicated retirement accounts and 43% of Americans are living paycheck to paycheck. Salaries have stagnated and Americans' net worth has fallen nearly 40% between 2007 and 2010.

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Moreover, people don't rack up thousands of dollars in credit card bills because they buy too much, she says. Unexpected and costly medical emergencies, divorce or long bouts of unemployment are the main reasons Americans find themselves drowning in debt.

Ending such indulgences as daily Starbucks lattes (recommended by David Bach) or buying one or two or three homes with zero down (promoted by Robert Kiyosaki) are exactly the admonitions that have steered Americans in the wrong direction and provided false hope to many desperate individuals.

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Olen takes particular umbrage at the assertion that an individual can become a millionaire by putting all of one's savings in the stock market. Suze Orman has promoted this suggestion before on CNBC and in her numerous books, but Orman has admitted that she rarely invests in stocks and prefers the safety of municipal bonds, according to Olen. Equities are extremely volatile and rarely provide the 12% annual return that Orman and Dave Ramsey tout for people looking to quadruple their income, Olen adds.

Olen does agree with the overall message promoted by most personal finance experts: Americans should pay off high-interest credit cards and reduce their overall debt burdens. But she insists that there's no one size fits all solution. Instead, she says, society needs to change its attitude toward money and encourage more frank, candid discussions about debt and saving.

Olen purposely avoids making her own personal finance recommendations in "Pound Foolish" but does proffer one tip she's learned over the years as a personal finance journalist: invest in market index funds. They won't make one rich but they offer the best return with the least amount of risk, she says.

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