

SIMPLEMoney



Simple, practical financial advice
for the modern family.

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50 Ways to be Ridiculously Generous— and Feel Ridiculously Good.

—By Alexandra Franzen



I realized—many years ago—that when I behave generously, I feel rich. I like to feel rich. So I choose to be generous.

Behaving generously doesn't necessarily mean "donating money" or "giving away your last cookie." Those are two options, sure, but there are plenty of other ways to be generous.

You can share knowledge freely, instead of hoarding it. You can send a handwritten note, instead of a text message. You can make eye contact, instead of checking out and staring down at your phone. You can introduce a friend to someone they ought to meet and help them secure a new job, client, or opportunity. You can do big things, simple things, all kinds of things.

Here are 50 ways to be ridiculously generous—and feel ridiculously good.

The best part is, you don't need to "prepare." You don't have to "buy anything." You don't need to "give it some thought." You don't have to "clear space on your calendar." You just need to fold a little generosity into your day—which often takes just a minute or two.

The tiniest act of generosity can change someone's day—or even change their whole life.

Here are 50 possibilities to inspire you. You could do one item from this list every day, 50 days in a row. It's going to feel so good. And you're about to become everyone's favorite person.

1. Give a compliment to three strangers: a child, someone your own age, and an elder. Try to share a compliment that's not related to their body or physical appearance. Instead, praise their inner qualities and skills. Say, "You're amazing at riding that tricycle!" "You have the most calming voice. I could listen to you speak all day long." "You inspire me to be more courageous."
2. Find a [Little Free Library](#) near you and donate a book. Can't find one? Start one.
3. That public radio station or podcast you've been streaming for months—or years? Become a member and contribute monthly to keep the programming going. Don't put it off. While you're at it, send a praise-filled email to the host or production team.
4. Find a blogger who's been slammed with cruel, vicious comments lately. Send them an email. Say something kind. Encourage them to keep writing.
5. Choose a local show (improv, stand-up comedy, indie rock), convince a bunch of friends to buy tickets, and go see it. It can be an in-person show or a virtual show. Turn off your phones and give these performers your complete, undivided attention. Applaud vigorously. Make these hardworking performers feel like the superstars that they are.

6. Choose a struggling (or not-so-struggling) artist and publicly thank them for adding beauty and inspiration to the world. Post a positive review online. Mention them in your newsletter. Or send a personal note to say, “I love your work. Please keep going.”

7. Choose a big-name celebrity that you admire and write them a genuine, heartfelt letter of thanks. Just to say, “Your work really moves me, and I appreciate what you do.” Send this note with no strings attached and no expectation of a reply. Purely just to say thank you.

8. If you see a couple—and they’re trying to take a selfie of themselves while on a romantic date or trip—ask, “Would you like me to take that photo for you?” Offer to help. Capture the moment. Extra credit: ask, “How did you two meet?” and give them an opportunity to tell you their love story.

9. Send a bouquet of flowers to someone you love—to celebrate something specific or for no particular reason at all. It’s old-school and always a classic. Alternate ideas: send a potted plant rather than cut flowers, send a pizza delivery, or make a contribution to a great cause in their honor.

10. Sponsor a local yoga class. Buy 10 or 20 spots and give them away. You can give out passes to friends, colleagues, neighbors, or strangers. Or tell the studio, “The next 20 people who come in can

take class for free. I'd like to pay for their spot in advance." Yoga for everybody!

11. Tell a teenager: "You are so brilliant. I can't wait to see who you become. And I love who you are right now."

12. Tell your mom (or someone who feels like your mom): "You raised me right. Here is one of the biggest lessons I've learned from you: _____." [fill in the blank]

13. Tell your dad (or someone who feels like your dad): "You've given me so many gifts. Like the ability to _____. Thank you." [fill in the blank]

14. Be like Diane von Furstenberg and start your day by sending out one email specifically designed to help somebody else—without directly benefiting you at all—before you do anything else. Make introductions, send encouragement, offer a helpful resource or link.

15. Go through your closet and donate items to [Dress For Success](#)—or its equivalent in your country. You'll declutter your wardrobe and help a job seeker feel more confident at their next interview.

16. Put away your phone and close down your inbox for a day—or even just an hour. Give the world the gift of your undivided, non-digital attention.

17. Experiment with Tonglen meditation: inhale suffering (yours and others), exhale compassion (for the whole world).

18. Tip generously. Not sure how much? This is how much. Except double it.

19. Record an audio message for someone you've been meaning to thank for a while. Text it to them and tell them: "Keep this audio note and play it whenever you're doubting your awesomeness."

20. Buy a coffee or meal for a stranger and start a magical chain reaction.

21. Do somebody else's laundry. Or give someone a gift card for a laundry service so they can outsource this task. Brighten their day and ask for nothing in return. (They might weep with gratitude.)

22. Turn a photo from your smartphone into a real postcard. Send it.

23. Give someone a grrrrreat massage. Here's how.

24. When a friend tells you a piece of good news, respond with sincere enthusiasm. Make a fuss over them and say, "This is amazing news. We need to celebrate!" Whether it's a new job, big client, moving to a new home, or something else, plan a celebration for your friend and do something to mark the moment. (Often, we rush through life so quickly and forget to take

time to pause and acknowledge our victories. Helping a friend celebrate is such a generous gesture.)

25. Overwhelmed with too many things to read? Instead of canceling your newspaper or magazine subscriptions, donate them to a local school for a few months until you're ready to start receiving them again.

26. Waiting in line? Strike up a conversation with somebody who looks bored, numb, or checked out. Start by asking: "What was the best part of your day?"

27. Applying for a job? Trying to woo a client? Or make a friend? Send them something helpful and astonishingly generous—before asking for anything. ([Here's an example.](#))

28. Create a generous "auto-responder" (sometimes called an "out-of-office" message or "vacation auto-reply" message) for your email—full of links, resources, fun videos, answers to commonly asked questions, a complimentary gift, or whatever else you want to include. This is an easy way to offer people something inspiring, entertaining, and helpful (or all of the above!) automatically. They can enjoy the cool stuff while they await your reply. (Want to see some creative examples? [Check this out.](#))

29. Buy a massage for a veteran of war. Just contact a massage therapist, make a payment, and then contact your local veteran's health administration and pass along the details.

30. Reach out to a friend who's been having a rough time. Say, "I know you're dealing with a lot right now. I'd like to do something to make your life a tiny bit easier—to provide some relief. Here are 3 things I could do for you: (1) _____ (2) _____ (3) _____. Please let me know if you'd like 1, 2, or all 3. It would bring me joy to do this."

Fill in the blanks with things you'd be willing to do, such as cooking a meal, babysitting the kids, driving them to a doctor's appointment, cleaning (or sending a housekeeper over to tidy up their home), or whatever you want to do.

Note: instead of asking, "What can I do to help you? Please tell me what you need," provide 2-3 options and ask your friend to pick what they want. This might be less overwhelming for your friend and can make it easier for them to accept help.

31. Make a playlist of uplifting music. Title your playlist: "Music to create hope," "Music for motivation," or "Listen to this when you want to feel lifted and inspired." Share the playlist with a few friends, colleagues at work, or one special person in your life.

32. Pick your favorite small business, service provider, or freelancer who's incredible at what they do. Tell 3 friends about them. Say, "You need to hire this person. You will be so happy you did." Send new business their way. They'll be so delighted!

33. Leave a wrapped gift on top of your trash can with a note for your friendly neighborhood waste disposal professional. Or leave an envelope with a cash tip. They deal with unspeakable filth, every week, all for YOU.

34. Brew a big pot of coffee. Fill up some eco-friendly cups. Offer free coffee to joggers who are going by your home, or to everyone at work, or to everyone at the bus stop, etc.

35. Buy a gift for a total stranger. (Search wishlists [here](#).)

36. Four words: gourmet ice cream delivery. Three more words: [cookie dough delivery](#).

37. Choose a friend. Grab a blank notebook. Fill the book with love notes and compliments written by you and by other people, too. Give it to your friend. Now they have an entire book filled with reasons why they are awesome. They can flip through this book any time they're feeling down.

38. If you have a colleague who is self-employed, encourage them to charge more. Tell them, "You provide incredible value. You deserve to be paid what you're worth. I think you should raise your

rates. If that's something you want to do—I'd love to help you do it." If they're open to it, help them brainstorm, strategize, and figure out a plan to roll out the new (higher) pricing.

39. Leave a platter of homemade treats in the common area of your office or apartment building. Extra credit: provide a list of ingredients (for folks who have food sensitivities).

40. Pray for someone. If you don't pray: send love.

41. Nominate someone for an award—and then cross your fingers and hope that they win! Such as: [The Webby Awards](#), [The Stevie Awards](#), a [Book Award](#), [The Black Podcasting Awards](#), [The BEQ Pride Trailblazer Award](#), [The National Small Business Award](#), or a local award in your city, state, or region. You could also make up an award (such as, "Best Dog Walker of the Century") and present it to someone you love.

42. Help someone land their dream job or dream client. Tell them, "I'd love to proofread your resume and check for typos." "Would you like me to take a quick look at that email before you send it?" "Want to borrow my lucky blazer for your interview?" Tell them, "You've got this."

43. Volunteer to mentor an aspiring entrepreneur through [your local SCORE chapter](#). (You don't have to be an "expert" or know

“everything.” You just have to know a few things—enough to help someone get started on their journey.

44. Go to the art supply/craft section of a local shop and leave a note that says, "Your art makes the world more beautiful." The right person will find it, exactly when they need it.

45. Leave a rave review for your favorite podcast, your favorite book, your favorite product, your favorite anything. Five stars!

46. Arrange a luxurious gift for a public school teacher. A concert pass. A nice bottle of wine. They work incredibly hard for incredibly low pay. Send some love.

47. Plan a weekly co-working session and invite a friend to join you (either online or in-person). Tell them, “Let’s get together, once a week, and use this time to work on our goals.” Use this time to write your novel, finish your dissertation, map out your marketing plan, onboard new clients, declutter your home, whatever you want to accomplish. This will be hugely beneficial for you—and your friend, too. They’ll be grateful that you took the initiative to plan this weekly get-it-done date.

48. Ask someone, “How are you doing—really?” Give them the opportunity to share what’s really going on. Listen without interrupting. Give them the gift of your presence and attention.

49. Set a boundary and actually enforce it. This might be, “Actually, I don’t work on weekends.” “No, I don’t offer discounts for my services.” “I’m not available to meet until 2 weeks from now.” “My phone will be off for the rest of the day.” “I can deliver this project next Friday, but not before then.” Why is it generous to enforce a boundary? Because when someone witnesses you doing this, they will realize, “I can do this, too.” They’ll be inspired by your behavior and feel permission to set their own healthy boundaries, too. You’re leading by example.

50. Start this 50-day cycle of generosity all over again. Just because you can.

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How To Feel Rich Even If You Can't Get Rich

—By Sam Dogen



To feel rich consistently is even better than actually being rich. In fact, learning how to feel rich might be the biggest wealth hack of them all. Once you got that rich feeling, you don't need to work as hard to achieve a net worth you think is required to be wealthy. Nor do you need a top income either.

I define rich as earning a top one percent income of \$500,000+ or having a top one percent net worth of over \$11 million. You may disagree with these money thresholds to be considered rich, but if you make more or have more than 99% of the population, you are rich.

However, you can be rich and still be miserable because your spouse left you. You can be rich and still feel terrible because your children despise you for neglecting them growing up.

Making \$1 million a year is great, but not if due to tremendous job stress you hate your life. You're working 60-70 hours a week and always on call during the weekends. As a result, you have no freedom.

You may have a \$20 million net worth and never feel rich because you sacrificed your health to amass a fortune. Then when you're on your deathbed with millions, you wonder why you didn't spend more time enjoying life instead.

Obviously, if you can consistently feel rich and actually be rich, then you've got the best of both worlds. But sometimes, we can't have everything we want.

Feeling Rich Without Having A Lot Of Money

I'd rather feel rich than be rich but feel poor any day. Money is only a means to an end. That end is to live a purposeful and happy life. Once you've got all your bases covered, earning much more won't make you much happier.

Perhaps it's easier for me to say I'd rather feel rich given I've finally got enough passive income to provide for my family. I don't have to work for an annoying boss, commute, or do things that provide minimal value to society.

However, it was not always this way. I distinctly remember being a broke college student and still feeling really happy studying abroad in China in 1997. Further, I do go through the trough of sorrow on occasion after achieving something significant. That's the hedonic treadmill for you.

An Amazing Beijing Summer With Little Money

It was 85 degrees every evening in Beijing. All I had was a small fan that I shared with my roommate. Every eight seconds I would feel a pleasant breeze for two seconds until the fan rotated gently the other way.

We were in the old dorm with no AC and only squat toilets. In contrast, our richer Princeton University students had AC and western toilets. We also slept on wooden planks for months. Regardless, it felt amazing to be immersed in a new culture.

Come to think of it, while in Beijing, I even got to party with a friend named Lisa every week. She is now the brilliant co-creator of the HBO hit show, Westworld. Small world huh?

None of us had a lot of money, but we were happy. Lisa, if you're out there, can I get a small part in an upcoming episode? I will work for free. Think about all the good times we had at Solutions outside 北大!

Simple Life But Felt Rich

I remember feeling rich to be sharing a studio in Manhattan in 1999 because I had landed my dream job on Wall Street. Yeah, it wasn't ideal to share a room after getting a job. But NYC was expensive and I had to do what I had to do to survive.

Although I was only making \$40,000 a year, which was equivalent to making \$24,000 in Dallas, I was just glad to have a job. I felt my employer had made a mistake in hiring me because historically nobody had ever been recruited from William & Mary at the time. Feeling lucky made the 70-hour work weeks much more bearable.

Many of my fondest moments were all when I had little-to-no money. Think about all your fondest memories as well. Did you have a lot of money during those moments? I'm guessing the answer is no.

How To Feel Rich Even If You Can't Technically Be Rich

Now that we agree we don't need to be rich to feel rich, let's look at some ways to consistently feel wealthier than we really are.

1. Increase your freedom to choose.

Unhappiness exists when you can't do the things you want, when you want. A lack of choice is why so many employees are miserable at work. As the saying goes, "hell is other people!" By finding ways to increase your freedom to choose, you will feel richer.

When I left my day job in 2012, I lost over 80% of my income. Yet, I felt richer because I had complete control over my time. Of course, it hurt to no longer make six-figures and receive healthcare benefits, but the wonderful feeling of freedom more than compensated.

Consistently search for ways to increase your freedom to choose. Maybe you can find a job that routinely allows you to work from home when the pandemic is over. Maybe you can rise in the ranks so that you get more respect and leeway at your firm.

Perhaps if you acted kinder and aren't as easily angered by things you read on the internet, you would have more friends. Do things that increase your freedom to choose.

2. Create something on your own.

Whether you spend a month creating a custom scarf or you spend a year landscaping your garden and waiting for your tomatoes to grow, you will feel richer creating something on your own. It is the best feeling creating something from nothing.

My dad planted a lemon tree in his front yard eight years ago. He diligently watered the darn thing for three years and it never fruited. One day, he decided to graft a couple lime branches to the tree. And finally, five years after first planting the tree, fruits came! He is so proud every time he gives me an update.

It is true that making \$1,000 on your own feels more rewarding than making \$1,000 at a company. When you make money on your own, there is no doubt that your effort was the main reason for the reward. When you work for a company, you'll always have some doubt about your impact.

Produce a good product. Let's say you're an overpaid CEO who gets hired to run a sugary soft drink manufacturer. Whether you are the CEO or not, the soda will still get sold due to its existing distribution channel and sugary addiction. Instead of feeling rich,

you might feel horrible for peddling poison in the form of a beverage.

Creativity Makes You Feel Richer

The next time you talk to your artist friend, ask why she continues to do art when her art can't pay her bills. Ask the same thing to your writer friend, who is grinding so hard to be a professional writer.

The reason why people create is that *creation is the reward itself*. Whether the creation makes money or not is secondary. Creating is magical!

I'm thrilled to have published a new personal finance book to the world. Even if Buy This, Not That doesn't become a bestseller, that's OK because I know the book will help anybody who decides to read it.

But too late! *Buy This, Not That* became a #1 Bestseller on Amazon the day I announced its book cover to my newsletter subscribers. It also made the Wall Street Journal Bestseller list, an almost impossible feat if you are not a professional writer. Now let's see if the book can grow on its own through word of mouth.

I could have read a book on how to feel rich. But it is much more rewarding to write this post and write a book on how to feel rich and get rich instead.

Having my own website is a convenient way for me to create, which feels very rewarding every day. Don't lose your creativity! Let's not forget about all that we created when we were kids.

3. When you don't give up and finally succeed.

The longer you spend working on something, the richer you will feel once you succeed. It is extremely hard to fail if you don't give up!

This rich feeling is why you don't want to just give your children everything. It's better to make them earn their success. Please don't envy the person who inherits everything. Feel empathy for them instead.

Here are some good examples of not giving up and finally succeeding:

- Studying for the Bar Exam, Medical Board, or CFA and passing.
- Self-publishing a book after working on it for two years.
- Finally landing your first writing gig like Lisa did after pivoting away from consulting and law.
- Working on a new business account for a year and finally seeing your first order invoice from it.

- Finding love after going on 100 bad dates.
- Winning a divisional title after failing for three years.
- Trying to naturally conceive, then trying IUI, and then trying IVF for five years with numerous miscarriages and finally conceiving.
- Spending two years writing and editing a traditional book that goes on to be well-received.

Even if Financial Samurai generated no income, I would still feel proud of fulfilling my commitment to publish three times a week for 10 years. It is the challenge of doing something hard and finishing it that provides one of the greatest rewards.

The more failures you experience, the sweeter the feeling of victory when you finally succeed. Do not give up on something you care about.

4. When You're Surrounded By Loved Ones.

Friends and family are everything. Having friends to joke around with brings so much joy. Having family that support your endeavors feels priceless. Not being able to physically interact with friends and loved ones as easily is one of the main reasons why this global pandemic is so hard.

As a father of two young children, I feel incredibly rich. It took years to conceive our son. Then to have a daughter a couple years later felt like a miracle as geriatric parents. We just snuck in having children under age 40. Meanwhile, as older parents, we get to spend a lot more time with them because we don't have to work day jobs.

I wish someone told me in my 20s and early 30s that having children would provide so much love. If I had been told, I would have tried to have children five years sooner. Instead, I was overly focused on trying to achieve financial independence ASAP.

If we did not have children, then we would do more work to nurture our friendships. Great relationships are worth so much more than having a lot of money. Of course, you still need a baseline level of money to feel happy.

5. Provide something meaningful to society.

“People will forget what you said, people will forget what you did, but people will never forget how you made them feel.” – Maya Angelou

One of the reasons why people are so angry at the Financial Samurai Safe Withdrawal Rate is it has made people consider leaving money to others after death. This jolt of extending beyond oneself has made some folks feel bad. And that is my failure. I

agree that it's foolish to die with a lot of money. However, if you want to feel rich try thinking longer term.

After talking to an estate planning lawyer, you'll start thinking about how to make your wealth last for generations. You start thinking about how to ensure your children and grandchildren will be taken care of if you pass prematurely. You also start thinking about how to continue to fund charities you believe in.

Some of these charitable institutions become a part of your family. Over time, if you are involved, you get to know the people who work there and the people who are being helped. You develop a relationship. To have the funding die with you feels bad because people will always need help.

My goal is to figure out a way to give more. One way is to keep Financial Samurai online, get someone I trust to take over, and continue to charge nothing. Another way is to create a trust that provides income to a local foster shelter and a disability rehabilitation center.

The more you give back, the richer you will feel. The lack of purpose is one of the main reasons why people become disengaged from their jobs. This lack of purpose was one of my key takeaways after 10 years of fake retirement.

6. Get to a minimum investment portfolio amount.

After reviewing my recent investment performance, I realized that once you get to about \$300,000 in your portfolio, you start feeling a lightness in your step. Having \$300,000 is not rich. However, it does make you feel hopeful that you can one day be financially free.

With \$300,000, your annual return on your portfolio could start surpassing your annual contribution. For example, a 10% return on a \$300,000 portfolio is \$30,000. \$30,000 is \$9,500 greater than the maximum you can contribute to your 401(k) at the time of this writing.

Once you get to \$300,000, getting to \$500,000 and \$1 million will start to feel inevitable. So long as you are making progress, you will feel rich. \$300,000 is the minimum investment portfolio amount to shoot for.

You Can Feel Rich By Being More Appreciative Too

I've highlighted five ways you can feel richer without being rich in the traditional sense.

Here are other ways you will feel rich. All involve being more appreciative of your circumstance.

- If you walked away from a bike accident unscathed.

- If you are told you only have six months left to live and live for another three years.
- If both of your parents live to hold their grandchildren.
- If your job is something you'd happily do for free.
- If you were a C-student who now lives an A-lifestyle.
- If you sprain your ankle and didn't break your ankle.

We can all agree that luck plays an enormous part in getting rich. However, we can proactively do things to make us feel richer every day. We can also spend more time appreciating what we have.

The more we can establish reasonable expectations about money, the richer we will feel. The most unhappy cities in America financially have residents with the highest expectations about money.

Can you imagine needing a net worth equal to 8X – 10X the median home price of your city to feel rich? If so, you may never be satisfied with what you have!

Keep An Open Mind

Having 100% control over my time makes me feel very rich. To then be able to hug my kids every day is a blessing. I would give ALL my

money to have my children and time, which is why I haven't been lured back to the workforce yet.

In conclusion, it's much better to feel rich than actually be rich. Don't let some random guy on the internet tell you how to plan your financial life. Instead, listen to perspectives with an open mind and come up with your own game plan.

Like everything, feeling consistently rich takes effort. If you spend as much time nurturing relationships as you do chasing money, I dare say you might become the richest person in the world.

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Sam Dogan started Financial Samurai, where you can find this [article](#), in 2009 to help people achieve financial freedom sooner. It is now one of the largest independently run personal finance sites with about one million visitors a month. He spent 13 years working at Goldman Sachs and Credit Suisse until he left banking after negotiating a severance package worth over five years of living expenses. Today, he enjoys being a stay-at-home dad to two young children, playing tennis, and writing.

2 Things You Absolutely MUST Do If You Want to Get Out of Debt

—By Jackie Beck



When you first decide to get out of debt, it's common to spend a bunch of time analyzing your debts and trying to figure out the "best" way to pay them off.

Should you pay a little bit extra to each one every month? Should you focus on just one with the debt snowball method? Use a debt avalanche? Reduce your interest rates?

People sometimes spend MONTHS trying to decide.

But there are two things that matter a whole lot more that you have *got* to do if you want to get out of debt and stay out.

One is something critical that so many people forget to even think about, let alone do.

Ready for them?

1. If you want to get out of debt, you have to *stop borrowing*.

It sounds so simple, doesn't it?

Sometimes people actually laugh when I say that, because Captain Obvious here, right?

Except it's not.

I can't tell you how often I borrowed on one hand while struggling to pay off debt with the other, never realizing what was actually holding me back. And I was by no means alone.

So *many* people tell me that they "have" to borrow for emergencies, travel, the holidays, car repairs, you name it while they're paying off debt.

They are so used to using debt as a solution, that they don't even realize they have other choices. A lot of this is a mindset change.

Remember, debt is not a solution. It's a problem.

You have to quit borrowing in order for *any* get out of debt method to work.

So quit borrowing money, make the payments on the loans you already have, and eventually you WILL get out of debt (as long as you're at least paying enough to knock out a little bit of the principal too). Truly.

Remember, when you're in a hole and want to climb out, the first step is to put down the shovel. Quit digging, prevent more earth from falling in on you, and *then* figure out how to climb out.

How to quit digging yourself in deeper.

Having a support group of like-minded people and clearly defined goals helps to get rid of your debt.

In other words, you've got to know what you want (to be debt free), why you want it (less stress, a better future, [insert your reason here]), and you've got to talk to other like-minded people who are going through the same thing.

While you can quit debt cold-turkey and without any outside help (and I highly recommend quitting debt cold turkey!) it helps to know that you're not alone.

Talk with others who have done it or have seen successes in their journey so far. It helps to hear "great idea on buying that beater!" instead of "isn't it time to buy a new car?". Or "Hey, want to come over for game night?" instead of "Oh come on, let's go out to eat tonight at that new restaurant!".

It helps to read debt stories from others who've been there, done that, and gotten the coveted "I'm Debt Free" t-shirt.

If you're married or in a relationship where you share money, of course it also helps immensely to be on the same page as each other. It's *hard* to get out of debt when you're frantically trying to climb out of the hole but the other person is pouring dirt in on top of your head.

2. Stick to your guns.

Once you decide to get out of debt, you have to keep going until you're done. Stick to your guns and get it done.

You can't give up when life throws the inevitable curveballs at you. You can't give up when you're tired or feeling desperate.

You have to keep going. (Get help along the way, too.)

Have fun along the way, because you're in it for the long haul and it may as well be fun. Stay committed, and you will get there some day. It will be so worth it!

Know that you CAN do it, given enough time. Set backs are normal and no fun, but you will get through them. You can learn from mistakes instead of beating yourself up. You can plan for future emergencies.

Revise your budget until it works. Earn extra money and maybe cut back on expenses. And have a backup plan.

A backup plan helps you succeed.

Of course, we all need money for things, and we can't just magically throw all our money at debt and be done, especially when there's an emergency. That means that we've got to have a backup plan so that we can successfully quit borrowing money.

In financial terms, that backup plan is often an emergency fund. If you don't yet have one, here's how to get started. Aim for a thousand dollar emergency fund for starters — or whatever you think you can scrape together. ANY emergency fund is better than nothing.

Making sure you have money available when you need it also means budgeting. Start planning ahead now for *all* of the types of expenses you'll encounter: regular, irregular, and even the unexpected. You may not know what unexpected expenses will come up, but you can be sure something will. Start expecting the unexpected.

The most important thing to remember

The most important thing when it comes to quitting debt is remembering that there are *always* alternatives to borrowing.

It's just up to you to find them.

That gets easier with time, and with smaller successes. Stick to your guns on this most important step, and you absolutely will get out of debt.

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Jackie Beck and her husband paid off over \$147,000 in debt, including their house! She's walked the walk to become completely

debt free, and she wants to help you do the same with her award-winning Pay Off Debt by Jackie Beck app. Jackie and her app have been featured in Oprah Magazine, MarketWatch, Forbes, CNBC, and more. You can find more helpful articles like this at jackiebeck.com.

Expand Your Don't Want List

—By Joshua Becker



There's an old poem (Miller of Dee) that starts like this:

There dwelt a miller, hale and bold,
Beside the river Dee;
He worked and sang from morn till night –
No lark more blithe than he;
And this the burden of his song
Forever used to be:
“I envy nobody – no, not I –
And nobody envies me!”

“Thou’rt wrong, my friend,” said good King Hal,
“As wrong as wrong can be;
For could my heart be light as thine,
I’d gladly change with thee.
And tell me now, what makes thee sing,
With voice so loud and free,
While I am sad, though I am king,
Beside the river Dee?”

—

As the poem continues, the humble miller explains why he envies no one and how he already possesses everything he wants: a job, friends, family, and bread to eat.

He continues, *"I would not change my station for any other in life."*

By the end, the envious king has ordered him to stop singing the lyrics.

*"Good friend," said Hal, and sighed the while,
"Farewell, and happy be;
But say no more, if thou'dst be true,
That no one envies thee."*

The king has so much envy in his heart, he has even begun to envy the man without it.

There is a special joy found in *not wanting* things. The miller possessed that joy and the king did not. By not wanting more than he had, he had discovered contentment.

Contentment is the state of being satisfied. And the longer our list of "don't wants," the more we experience contentment.

What is on your *Don't Want* list? And how can you expand it?

Let me offer an example. I have never wanted to own a fixer-upper home. I'm terrible at fixing stuff (Kim would be the first to attest to that fact). Now, there are some people who would love to have a fixer-upper style home, but not me. I wouldn't know what to do with it. It's on my Don't Want List—and always has been.

Also, I've never wanted to own a boat. I enjoy being on boats, but I've never been inclined to own one. I simply don't want one, so please don't gift me one.

I also don't want a horse, a tractor, a saw table, a car lift, a tuba, a tuxedo, a motorcycle, or a collection of snow globes. Now I suppose there are some people who want some of those things, but not me.

Since becoming minimalist, my "don't want list" has grown.

- I no longer want a bigger house... too many lightbulbs to change.
- I no longer want to keep up with changing fashions... too much time wasted shopping.
- I no longer want upgraded countertops, worthless kitchen gadgets, or souvenirs from my travels. I don't want to store them and would rather spend the money on other things.

The longer my *Don't Want List* grows, the easier it is to reject empty consumerism and enjoy more contentment (just like the miller of Dee).

So let me ask you. What is on your *Don't Want List*? And what can you add to it?

Make a list on a sheet of paper or a Note app in your phone.

Begin with as absurd an item as you need to get started: a rocket ship, a banana farm, a bus, etc. Then, list as many things as you can that you already *don't want*.

Next... see what you can add to your list.

Obviously, the more reasonable the items you can learn to *not want*, the more helpful your list will be. But think of rational reasons to expand your list.

"I don't want a bigger house; my family is getting smaller."

"I don't want a bigger yard; I hate mowing."

"I don't want any more clothes in my closet; mine is already too full."

"I don't want to buy a new car; I'd like the money for something else."

"I don't want a new furniture set; ours works just fine already."

Hopefully, the longer we live, the more items naturally get added to our *Don't Want List*. But there's plenty of value in sitting down to expand it now, as quickly as we can.

...

Joshua Becker is the founder of [Becoming Minimalist](#) and is the WSJ Best-Selling author of *The More of Less* and *The Minimalist Home*. His new book, [Things That Matter](#), is now available.

Why You Should Never Retire

—By Chris Mamula



In a recent discussion with a self-described 70+ year-old reader who is well past the point of financial independence, he said:

“I agree with the FI part of FIRE but I have no interest in the RE. I’m old enough to retire and have enough that I don’t worry about outliving my money.

My life revolves around my career. I work with great people on fascinating projects. I don’t hunt, fish, play golf, or video games. My approach to life these days revolves around the Japanese concept of Ikigai.

I’ve reached the center of that Venn diagram. When people ask me about retiring, I tell them I’ll retire when they pull the mouse out of my cold, dead fingers.

Instead of FIRE, I do FIDR (DR=don’t retire).

So, if you ever want to hear a counterpoint to FIRE, feel free to contact me.”

I challenged him to explore what was behind some of his sentiments. In turn, he challenged some of my deeply held beliefs.

I hope our exchange will prompt you to consider why you are pursuing retirement, what retirement means to you, and what you want to do with your life when needing more money no longer drives your actions.

(For clarity, the reader's ideas are shared in italics. My follow up questions are in regular font.)

Financial Independence, Never Retire

I like the idea of Financial Independence (FI) but I can't get my head around Retiring Early (RE). I'm 70+ and have been working full time or going to school or both since I was 16.

I guess I missed out on the retire early movement. My identity is tied to my profession and I'm not sure what I would do if I did retire—Probably die in a few months.

I don't just put in a nominal 40 hours a week into work, but am involved in all sorts of professional activities and easily put in 60 hours per week. And I plan to do it until I no longer can. Why not?

I work with a great group of people, helping our customers solve their problems and they keep giving me money to do it. My well of ideas hasn't gone dry yet. I'm still doing original, creative things on the job.

I don't need to be employed. I have several million dollars split about 50-50 between post-tax money and tax-deferred 401(k)/IRA money. Between my wife and me (mostly me), we earn about \$200K+ per year. We own our house and cars clear.

I grew up poor and watch our spending carefully. Spending wisely feels good to me. I squeeze the toothpaste tube until I get out the last

molecule. My kids say I dress like a homeless person. I genuinely don't care about fashion.

How much of a role do you think growing up poor has to do with why you still work as much as you do? Is your need for security over all else the real driver for continuing to work as much as you still do?

Do you think this has anything to do with why you have such a hard time having "fun?" Is there any sense of guilt for the financial success you've experienced?

Have you thought about how much would be "enough" where you can relax a bit (even if it doesn't mean you retire fully)? Does that concept interest you at all?

I'm not driven much by money anymore. I have enough.

I published my first book when I was in my early 30s and it was a bit of a paradigm shifting work. Since then, I've written several books and hundreds of journal papers and conference presentations and serve on many important committees. As one woman put it, I'm a "rock star" in our industry.

Yet, while I'm a small-niche celebrity, I blend in seamlessly in my hometown. Why would I want to stop contributing to my profession and the world in general, and instead spend my time trying to get to the next level in Mario brothers?

Publishing another journal paper that advances the state-of-the-art is more “fun” to me than killing a deer. Having a foreign graduate student approach me at a conference to ask for my autograph while giving me a small gift is more “fun” than lying on the beach getting sunburned.

I have all the “stuff” that I need, and my biggest problem is where to put it all. I doubt we’ll outlive our money and “you can’t take it with you”, so we’re really just working to give the money to our kids (and some charities) that they hopefully won’t waste.

What would I do if I retire? I spend between 30-60 min per day running (slowly these days) or biking. After that, what?

I don’t hunt or fish or golf or boat or play video games. There is almost nothing worth watching on TV. During my career, I’ve travelled just about every place I would ever want to go. If you see the inside of one plane, you’ve seen them all.

I have a nice group of friends and relatives that I can call and visit. The only things on my bucket list are things I can’t directly control (e.g., have more grandkids).

Are there any new skills you would like to learn, places you would like to see or experience? There’s much more to travel than the inside of an airplane such as different cultures, foods, history, architecture, natural environments, etc.

To me travel is about 95% trying to do things like ask “Where’s the men’s room?” in Italian. And 5% “Wow, look at the leaning tower!” It’s not worth the trouble.

Are there relationships you would like to foster?

I’m learning new skills every day. As colleagues from my generation retire or die, I’m building new relationships with the next generation and serving as a mentor to many younger professionals.

While I admit to workaholic tendencies, not all my time is spent on work. My family is my highest priority. I wish they lived closer.

If nothing outside of working in your career interests you, have you considered why that is? Is it something you’re comfortable exploring?

I have a lot of friends in the running/biking community. Until recently, I served on the board of directors of our local running club.

I’m on an advisory committee for a local university and the maintenance crew for our local rails-to-trails organization. Regularly I’m out there with my chain saw or shovel keeping the trails in great shape.

And we still have time for social friends. For example, I still regularly see my oldest friend. We lived across the street from one another when

we were born and went through grade school, little league, etc. together.

When I try to have “fun”, I have to ask people around me “Am I having fun yet?” While when I solve problems at work, I think, “This is fun.”

Occasionally the grass may look greener on the other side of the fence, but I’ve found it almost never is.

This realization that the “grass isn’t always greener” is a key lesson for those on the fastest path to FIRE. It’s something I’ve shared openly in my writing.

However, I’ll push back a bit and ask if you’re putting in 60 hours a week, how much of that time is devoted to the “fun” part? Is there truly nothing in the world you would rather be doing?

I try to be the person who brings fun to our work environment. I’m sort of the Dilbert on our team. I try to leave people smiling when I interact with them. The amount of time I spend on administrative BS is tolerable.

I’m really fascinated by the idea that there is nothing in your life that you would want to do aside from the job you’ve always done.

I suppose that could mean you were one of a very fortunate few who stumbled into *THE* thing they were meant to do in life. Or

maybe it means that you've never been willing to explore deeper questions and take on bigger challenges.

Or maybe as with many things in life, the truth lies somewhere between these two extremes. Any thoughts on that?

All I really want is to watch my kids and grandkids grow up to be successful and happy. If I can leave them a few dollars, all the better.

After that, my next biggest goal is to be a multiple organ donor, but I can wait for that. It's sort of a one-way street.

Bottom line is that you don't need to retire to be happy. I have reached the state that the Japanese refer to as "Ikigai", where that which:

- *you love to do*
- *you are good at*
- *the world needs*
- *you get paid for*

All come together. Once you reach Ikigai, the question is "why stop?"

Chris' \$.02

I want to thank this reader for sharing a different viewpoint than what I normally write about, as my motto is "Save More, Invest Smarter, Retire Sooner."

You may be surprised to learn that, while this reader's values and the path he chose are far different than the one I have chosen, I agree with a good bit of what he says. He offers important insights to consider.

The Important Role of Work

In my original career as a physical therapist, I had the chance to work with many people who were dealing with age related mobility, medical, and cognitive issues. My observations caused me to question my assumptions as I was heading down the path to early retirement.

Many of the people who I admired and who were vibrant into their old age were still doing meaningful work into their 70's and even 80's. At the same time, many others in their age cohort who retired had withdrawn from society. They seemed to lack purpose and declined into old age more rapidly.

I agree with this reader's idea that we should find activities, which may include paid work, that challenge, engage, and fulfill us into traditional retirement age and beyond. Being paid for these activities can have a second benefit, creating a mindset of

abundance, rather than one of scarcity. That sense of scarcity is common amongst those who are natural savers and need to spend from a portfolio.

At the same time, I can't imagine being so consumed by my work that I would want to continue to put in the type of work schedule that this reader maintains into his 70's. I specifically did not want my life to revolve around work in my 40's. I have a young child, my health, and a number of things outside my original career I want to explore and accomplish.

It's Not All or None

Often, we get caught up in the notion of working as hard as we can and saving as much as we can to retire as soon as we can. Then we get to our goal, and realize that it is not what we were hoping for.

This reader's point about the grass not always being greener is spot on. I thank him for calling out this fallacy and challenging readers pursuing the fastest path to FIRE.

I also agree "you don't need to retire to be happy." The idea that retirement will make you happy is another fallacy that needs to be debunked.

However, I'm not sure how many people can reach the state of "Ikigai" that this reader ascribes to. It is especially rare to find this

type of work at a young age and do it your whole life. For most, this creates unrealistic expectations of a job.

Retiring early from a career that pays well but does not fulfill you does not mean you have to retire fully from all paid work for the remainder of your life. Maybe it allows you to shift to more meaningful but lower paid or even unpaid work. You could also continue your current work at a more sustainable pace (part-time, sabbaticals, etc.). Decisions can look different when not driven by the need for more money.

Redefining Retirement

Many people can find a happy middle ground between the dichotomy of retiring as early as possible *OR* having your life revolve around work into your 70's and beyond. But it requires thinking outside of the box.

That box you're stuck in may be the standard thinking of consumerism, achievement, and/or never having enough. Or it may be the box of FIRE thinking that says we need to save and invest every dollar to retire as soon as possible.

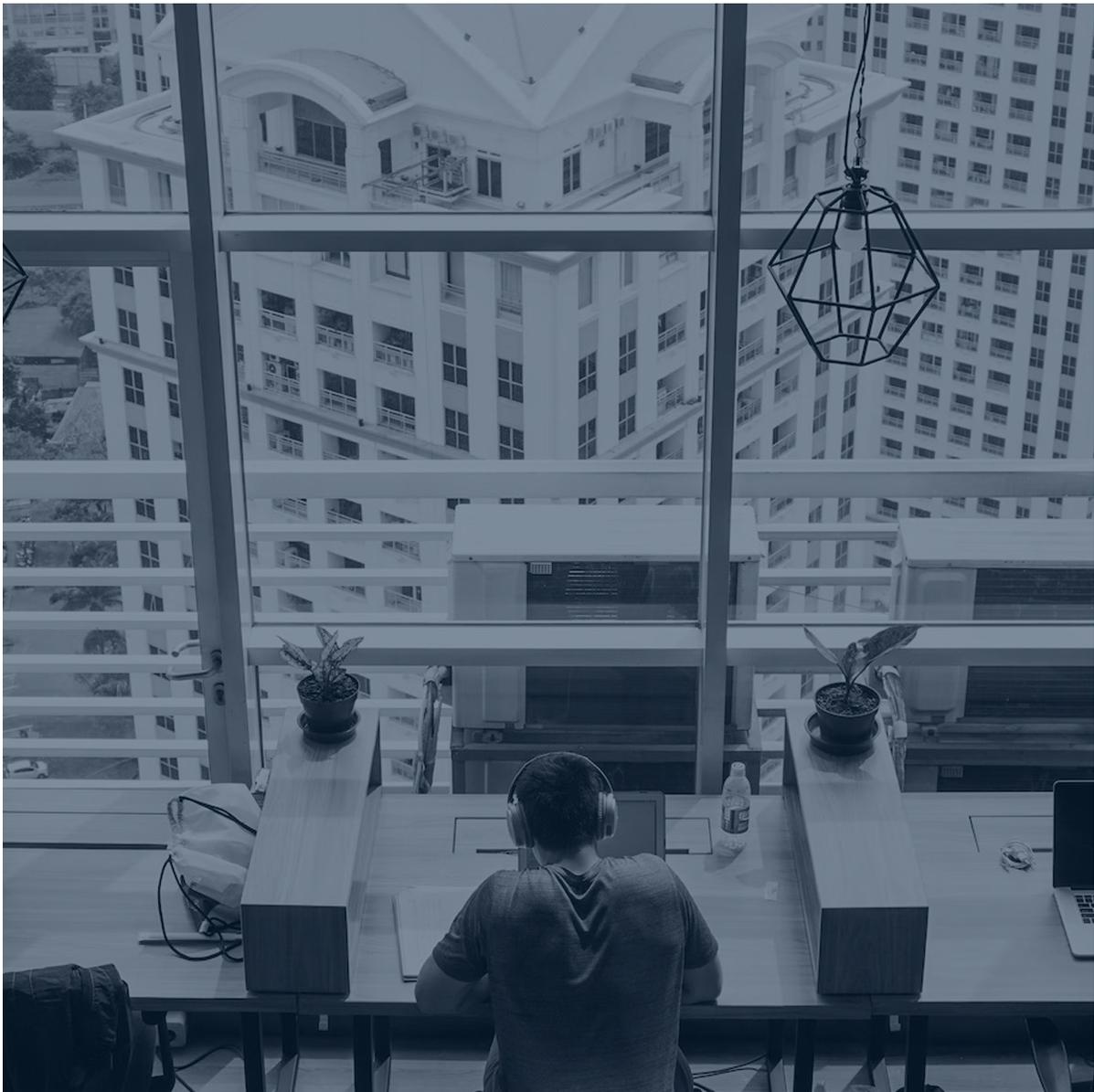
Either can be a trap. It is easy to wake up one day and realize life has passed you by. I hope this article serves as a reminder to not let that happen.

...

Chris Mamula used principles of traditional retirement planning, combined with creative lifestyle design, to retire from a career as a physical therapist at age 41. After poor experiences with the financial industry early in his professional life, he educated himself on investing and tax planning. Now he draws on his experience to write about wealth building, DIY investing, financial planning, early retirement, and lifestyle design at [Can I Retire Yet?](#), where you can find this article. Chris has been featured on MarketWatch, Morningstar, U.S. News & World Report, and Business Insider. He is also the primary author of the book *Choose FI: Your Blueprint to Financial Independence*. You can reach him at chris@caniretireyet.com.

Living Paycheck To Paycheck? Here's How to Break the Cycle

—By Craig Stephens



Are you living paycheck to paycheck?

If your monthly budget is tight already, any recession or economic fallout will make matters worse.

Now is the time to break the paycheck to paycheck cycle and start building wealth.

For years, I've assumed most people don't live month to month.

But according to a recent survey, a surprising percentage of American's are living paycheck to paycheck, even when our economy was booming.

With that in mind, I'd like to share my past struggles with cash flow and look at the causes and cures of living paycheck to paycheck.

Surprising Numbers

During the most recent economic expansion, which lasted 128 months and ended due to COVID-19, unemployment was consistently below 4%.

At one point, there were more jobs (6.7 million) available than people out of work (6.4 million). **That had never happened before.**

This was great news for everyone as a rising tide lifts all boats. Of course, the longer it continued, the more likely it was that the expansion would end and we'd experience a recession.

Then, a recession started in early 2020.

Finding work when the economy is robust can be a tremendous opportunity, as I recently learned.

Yet, even in epic economic times, a survey found that **78% of U.S. workers** were living paycheck to paycheck. That was up slightly from 2013.

I would have guessed a lower percentage.

But readers have contacted me about this and commented about how some of my articles are meaningless to them because they don't have any money left over to invest each month.

Living paycheck to paycheck is a huge problem.

A Cash Flow Conundrum

People living paycheck to paycheck have a cash flow problem. All of the money that comes in during the month goes out. They have little or no savings to their name and often have a negative net worth.

It's why I recommend saving first, so you don't spend it all.

Cash flow problems stem from low income and recurring payments beyond basic living expenses.

Excessive debt is a common cash flow killer. Debt payments pile on top of monthly living expenses — if you have too many, they'll consume all of your potential savings.

My cash flow was suffering a few years ago due to a suffocating car payment and increased costs associated with having kids. I felt ill at the end of each month. The problem sneaked up on my blind spot when our family purchased a minivan.

When I diagnosed the problem and decided to make a change, I had to make some sacrifices.

One of those was eliminating the car payment from my life. The \$563 monthly payment was killing our cash flow, but I justified it because the interest rate was only 0.9%.

Low rates are a trap.

A big chunk of our savings went toward the loan principal, and I focused on paying off the \$12,000+ debt for months instead of spending or investing.

For the record, I never regretted buying a new minivan, only that I didn't save enough cash for it.

My cash flow problem was minor compared to the 78% of people in that survey.

I was still investing pre-tax money into my employer-sponsored 401(k) and saving for college each month. But the balance of our monthly budget was treading water.

As someone who always thought about personal finance and had a good salary, I still felt trapped.

Anyone who doesn't pay close attention to their budget is highly vulnerable to a cash flow problem.

Why are so many People Living Paycheck to Paycheck?

So why do so many people live paycheck to paycheck, even when the economy is healthy? Well, I'm not an economist (if I were, I'd provide more data and less opinion), but three reasons come to mind:

- Behavior
- Low wages
- Increasing costs

Behavior

As the economy strengthens, more and more people are individually better off. When individuals earn more, they tend to buy more material objects. They typically borrow and spend more, not save more.

Big-ticket items such as a house or car are almost always purchased with borrowed money.

People who achieve newfound prosperity choose to maximize their buying power and purchase more expensive houses and cars than is necessary.

The loans associated with these larger purchases require long-term payment plans. Those payments crush cash flow. Add a student loan and some credit card debt to the mix, and monthly income vanishes.

A mortgage can be a helpful financial vehicle over long periods, but not if you overspend for a house.

This is, unfortunately, the American way. Financial bloggers are trying to change this mentality. Financial education plays a significant role in the ability to manage a monthly budget.

Low Wages

Despite the strong economy, not everybody is participating. Wage growth increased by 4.56% in April 2018 year-over-year. That's below the average of 6.21% from 1960 until 2018,

But we know that wage growth is stronger in metropolitan areas but stagnant in many parts of the country.

Economists talk a lot about wage growth in a healthy economy because it's part of the cycle. When the unemployment rate is low as it is today, employers have to pay more for talent, increasing wages.

But higher wage growth hasn't happened yet in this cycle — perhaps because employers have a broader pool of workers to choose from thanks to the surge in remote working. Or maybe globalization or robots or some combination of many factors.

On an individual level, low wages stem from a lack of education. Education level is a powerful indicator of lifetime earnings amounts. However, the cost of attaining a formal education is out of reach for many people these days.

Low wages disproportionately impact people from disadvantaged socioeconomic backgrounds.

Not everybody gets a fair shot, making it more difficult to make ends meet.

Increasing Costs

Housing is expensive in big cities and wealthy suburbs. Exorbitant housing costs in places like San Francisco are well-documented.

In the Washington D.C. metro region, where I live, density is increasing while prices continue to rise. Even so, the price of my condo didn't rise much until shortly before I sold it. Our single-family home in the suburbs has risen about 20% over the past nine years.

Life feels expensive. Maybe because in those nine years, I have been providing for four other human beings.

With the economy strong, inflation is starting to pick up too. Inflation is the general increase in prices and the fall in the purchasing value of money.

It slowly makes stuff more expensive.

The Consumer Price Index (CPI), the metric most commonly used to measure inflation, rose 2.8% in the 12 months ending in May. The Federal Reserve's target inflation rate is 2%. That's one reason economists expect to see multiple rate increases this year.

Rate increases lead to higher borrowing costs for everyone, which will increase the cost of living even more.

And let's not forget about the rising cost of college and healthcare.

How to Break Free from Living Paycheck to Paycheck

It's tempting to accept that you can't save money because you:

- don't make enough money
- can't earn more
- have spouse/kids to support
- have too many student loans
- were slammed with medical bills
- or don't have anyone to help you

All of that can be true. But that doesn't mean you can't make the sacrifices and changes needed to start crawling out of the trap. Escaping the paycheck to paycheck cycle requires a shift in mentality.

Spending choices are made every day. You might buy coffee, watch cable TV, eat out, or wipe your butt with premium toilet paper instead of a basic brand.

Each spending decision is a choice to consume more or save. One small purchase or premium upgrade may not seem like much. But hundreds of those every year make a difference.

When most people save a buck in one place, they turn around and spend it somewhere else. They still end up broke at the end of the month.

Worse yet, most people don't have any emergency savings. So when something happens that requires money, debt is the only solution.

It doesn't have to be that way.

Here are a few actions you can take to fix your cash flow problems and stop living paycheck to paycheck:

- Do a budget, so you know where your money goes
- Build emergency savings, so you don't end up in the hole when the inevitable occurs
- Change your Form W-4 to increase your take-home pay and decrease your tax refund
- Cut spending and pay off debts to reduce recurring payments
- Refinance your mortgage to lower your monthly payments

- Refinance or consolidate consumer debts for lower rates and payment amounts
- Temporarily decrease retirement contributions to free money to pay off debts

But the real secret to breaking free from the cycle is **mental**. Choose to break the cycle. Educate yourself. Then follow through.

We also make choices about earning. Forty hours per week may not be enough earning power to break out of the paycheck to paycheck cycle.

Second jobs are everywhere.

Side business opportunities are everywhere too. However, it's easier to keep on living the same way without the motivation to break the cycle.

My day job is a 40-hour per week gig. I come home, maybe go to the pool, eat, and put the kids to bed.

Then I have a choice. Do I work on my side business to try and earn more? Or do I watch *The Americans* with my wife?

4-5 nights a week, I choose extra work. This effort helped me escape an inadequate cash flow situation and now feeds my investment accounts, which earn me extra money every day.

Since I broke the cycle many years ago and again in recent memory, I don't necessarily need the extra money or work. But I enjoy it, and it's helping me to reach my goals sooner.

Are You Living Paycheck to Paycheck?

Reading that 78% of Americans are living paycheck to paycheck was an eye-opener, especially in such a booming economy. I'd be naive to think that you are immune to this statistic.

Though you may not be one of them, it can still sneak up on you as it did to me at age 41. Buy the wrong car or house, and your cash flow situation will be screwed shortly after.

We should also all understand that despite the strong and strengthening economy, not everyone is participating. People are still struggling, and when the next recession arrives, those living paycheck to paycheck will be most vulnerable.

Our job is to make sure it's not us.

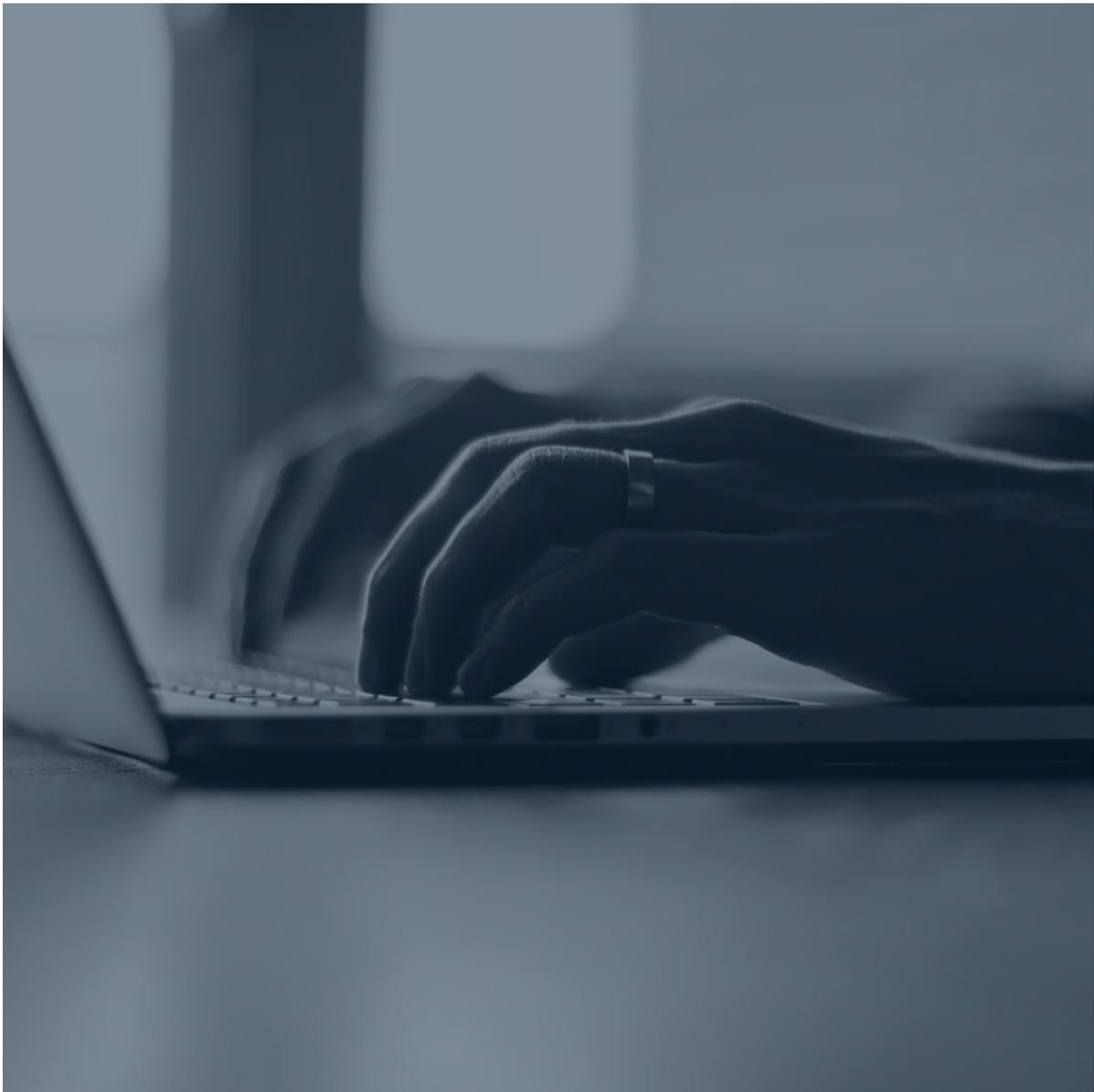
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Craig Stephens is a 43-year-old IT professional, investor, and blogger based in the Washington, DC metro area. His primary financial goal is to retire at age 55, one year before his Dad retired. This article can be found at [Retire Before Dad](#), where he writes about how to build income streams so you can explore the

unusual. His first love is his beautiful wife and three kids. His second love is travel. Combining both in early retirement is the ultimate goal and his primary motivation for financial independence.

The Biggest Mistake People Make When They Find Out About FIRE

—By Alan Donegan



Have you ever found out about something and got so excited you take it to the Nth degree? Do you get super passionate and go all in? Katie (my lovely wife) gets super excited about things and then likes to go extreme. She started CrossFit and fell in love with it and then wanted to do it every single day, whilst still doing all the exercise she was doing before. This lasted a few weeks and she got so exhausted she had to have several afternoons in bed!

Katie and I started a new diet in lock down in 2020 given to us by a coach. We followed it to the letter, gave it our everything and after 12 days we had lost so much weight but I was falling asleep in the afternoons from no energy. The diet was literally stripping me of my vitality and energy and I was falling to pieces. Katie wanted to press on, I couldn't take it and we argued.

Sometimes we all have the tendency to take things to the extreme when we find something we are passionate about. What does this all have to do with financial independence? Some people take it to the extreme when they find out about it, alienating the people around them and sacrificing happiness.

The biggest mistake people make when they first find out about financial independence

The biggest mistake people make when they first find out about financial independence (FI) is taking it too far. They push too

hard on the savings, they take it too far on frugality and they force it on the people around them.

I was on a live stream recently talking about FI Chautauqua (a financial independence retreat) which is held in different inspiring locations around the world. It is not an in-expensive event, but when Katie and I went it changed our lives forever.

At the start of the live stream a viewer commented, "isn't it anti-FI to spend so much money?"

The short answer is NO, it is not anti FI to spend money!

The FIRE principles are quite simple:

1. Spend less than you earn
2. Avoid debt (especially high interest consumer debt) at all costs
3. Spend inline with your values (what is important to you)
4. Create a gap between income and expenditure
5. Save and invest that gap buying assets to support you in the future
6. Save and invest over the years till you get to a point that your assets make more money than you need to live

7. Have as much fun along the way as you can. The end goal is happiness.

No-where in these principles does it say don't spend money.

That being said there is a simple mathematical equation that does state the higher your percentage savings rate the shorter your working life.

If you can save 50% of your salary then your working life is just 17 years! If you learnt about this at 20 years old and saved that much you could retire at 37 (you would beat me by 3 years!).

This is where people get really hell bent on saving at all costs. They stop spending *anything* they can to get their costs down as low as possible. They sacrifice their happiness *or worse* for a future.

If you think "I will be happy when I get to financial independence" then you are setting yourself up for failure. Happiness doesn't come from a number in a bank account. Happiness is not out there if only you can save enough or make enough. It is a journey of happiness.

Getting to financial independence can take a long time, decades even. If you are putting off happiness till the end of that journey then you are missing the entire point of financial independence; and you probably aren't going to follow through to get there.

Not going to weddings

There was a BBC piece done on financial independence a few years ago. The main stream media have a love hate relationship with FIRE. They love to use us to inspire people and offend people in equal measure because it sells newspapers and gets people to watch.

The BBC found a 20 something that had got the wrong end of the stick with FI. She had cut her spending, she had gone into extreme saver mode and wasn't spending *anything at all*. She was sacrificing her happiness today for some end point in the future.

The reason she got on the BBC is that she had said **no** to going to two destination weddings of her friends. She could afford them but her desire to not spend money overrode her desire to spend time with family and friends, to travel, to enjoy life.

She blamed FI and told the world she wasn't following the FI path because the cost was too great. She believed that the *only* way to get to FI was to sacrifice happiness and stop spending.

She completely missed the point of FI. FI is not a thing where you give up ever having fun, doing things or enjoying life for some future point in time where you are wealthy and can retire.

FI is about getting your finances straight so you CAN go to the weddings. So many people put that type of thing on a credit card

and sacrifice their financial future for fun in the moment. The whole point of financial independence is to save and invest to have the freedom to do what you want to do; like going to a friend's wedding without having to go into debt to do it!

Why do humans have this self-destructive tendency to make everything binary? I either spend everything I have, go into debt but I am happy or I spend nothing and miserably work towards FI?

Binary means it is a 1 or a zero. Either I spend money and am happy (1) or I spend nothing and am FI (0).

I can hear Katie screaming now, "It's Not Binary!"

I know it is Anti-Donoga

Recently, we were chatting with someone who took our course, Rebel Finance School, and she was agonizing over what to do with her accommodation.

She said to us, "I know I could rent out one of the rooms in my home and get money in that way and it would get me to financial independence quicker, but I just don't want to share my space. I would just be MISERABLE!"

Then she said something that really got to me: "I know this is anti-Donogan but I just don't want to rent out a room!"

I wanted to scream, "Where in the Donegan rules does it say you have to rent out a room in your house to make more money even if it makes you miserable?"

The opposite is actually true. We believe happiness is the most important thing. You might have to work a little longer, you might not get to FI as quickly if you don't rent out a room but that is ok! It is about making a conscious choice.

Sacrificing happiness for financial independence is stupid. You are sacrificing years of your life to get to a magic number that won't make you happy either.

You can be happy along the way and work towards financial independence. If you enjoy your job and don't need to rush to get to FI, then don't rent the room out and be happy working away and making progress.

Making people feel guilty for spending

When people find out about FI they slash their spending. Which they should, as most of it doesn't lead to happiness. But they also go too far and stop spending on things that do increase their quality of life and happiness.

That is why Katie and I talk about knowing the true cost of your purchase and spending in line with your values.

It is ok to buy an expensive new BMW if you realize that you will be working for an extra 5 years to pay for it and you LOVE cars and it brings you disproportionate joy. I have never said don't buy the car.

Buy the car. Have fun. Know the true cost; own it completely. Don't complain later that life is too expensive and you can't retire, if you chose to buy it knowing these two things. You can have anything you want in life if you are willing to pay the price up front and in full.

The problem is that most people don't have a clue about the true cost of car ownership or buying things on subscription. They just want it and they can afford it out of their monthly pay check so they just do it.

What does this have to do with making people feel guilty? In a huge number of cases (ours included), when we found out about FI we went around telling everyone, do you know what that is truly costing you? Do you know you are trading your freedom for that expensive car? Do you know you are really working for BMW not for yourself?

We went around alienating everyone and making them feel guilty about their purchases. This is not a way to happiness and having friends. In fact it is the opposite! We thought we were doing the best for our friends, telling them to stop spending, save and invest

and be FI like us; but in reality our extremism put a lot of people off the idea in the early days.

We should be helping people spend in line with their values. If you know the cost of that expensive suit or dress, if you know how much extra you will have to work for it, if you know you could get it in the second hand shop for a tenth of the price but you still want it and are happy to pay the price then go for it!

Let's stop making people feel guilty for spending in line with your values. If you can afford it, you know the true cost and you want to then buy a fancy coffee, eat in a nice restaurant every now and again and enjoy life, then do it.

It is a journey of happiness; not to happiness.

If that purchase doesn't increase your long term happiness then cut it out and save the money!

The true cost of weekly expenses

So how do you work out the true cost of a weekly expense? We have a simple equation for you called the rule of 752.

You take the amount you are spending on something and multiple it by 752 and this gives you the total you would have after 10 years if you invested it instead.

Let's have a little attack on expensive coffees. Let's say you had a coffee each day that cost you \$3.50. So 7 coffees at \$3.50 = \$24.50 a week.

Then you take that weekly amount you spend and multiply it by 752. \$24.50 multiplied by 752 = \$18,424. If you took that money and invested it instead at a 7% return you would have **\$18,424 after 10 years!**

Can you see how that small amount each week mounts up quickly? The question then becomes is that coffee worth that to you? Would you happily pay that? If it gives you that much happiness then pay it? If you could make it at home and get the same pleasure and save the money then do that!

Just realize the real cost of these little expenses and then work out if it gives you that amount of happiness or if you could get it another way!

Spending on things we can't afford

The problem comes when we want things we can't really afford. Car companies know that you can't really afford the \$40-50,000 to buy a new car and that is why financing was created and they show you the price in monthly figures.

If you actually had to shell out that money; take the wheel barrow of cash to the dealer to buy the car would you do it? Or does it feel palatable because it is *only* \$400 a month.

Buy now pay later has become an epidemic across the world with people buying stuff they can't afford and paying high interest rates.

If you can't afford to buy it, if you are having to put it on a high interest rate (15%+) credit card or store card because that is the only way you can get it then you should not be buying it.

Lot's of people complain things are so expensive and then they put it on a store card that means they end up paying back over double the cost of the item in the first place.

Car dealerships make more money out of the financing than they do out of the cars that they sell you. They sell you on the dream of the new car, the smell of leather seats, the power of a brand new engine and they tell you that they can help you afford it. They enslave you to finance plans that you can never get out of with balloon payments at the end and redemption fees.

Happiness is the goal

I remember sitting with Mr Money Mustache at Chautauqua in 2016 and he said something that has stuck with me ever since. He said, "Happiness is the only logical pursuit".

Your happiness is the most important thing. Happiness is not going to come from increased expenditure. Happiness is not going to come from a higher savings rate. Happiness is not going to come from hitting a certain net-worth and becoming FI.

Happiness is something that comes through community, purpose, experiences, love and time to do what is important to you.

Today I feel happy. I woke up and went for a run. I hugged Katie in bed, I had a delicious coffee in a lovely little café in Puerto Vallarta and I wrote this article for you. I have love, creativity, purpose and health. My day has been full of the things that are most important to me.

The biggest mistakes people make when they start on the FIRE journey are:

- Being too extreme on the frugal scale
- Making other people feel guilty for their purchases
- Deferring happiness till they hit their FI number
- Forgetting money is not the goal; happiness is

I hope this article inspires you to look for happiness in your daily life. In the connections with the people around you, in the little

moments, in the time and space you can buy yourself to have more happiness through financial education.

Don't fall for the trap and loose sight of the goal: Happiness.

It is also worth remembering that happiness doesn't have to cost the earth. A walk with someone you love, a picnic in the park, boardgames with the family. Happiness doesn't have to cost a lot of money and quite often there is unbelievable happiness in writing, creating, chatting and other completely free activities.

Avoid the #1 mistake people make when they find out about FI which is deferring happiness till they hit that number.

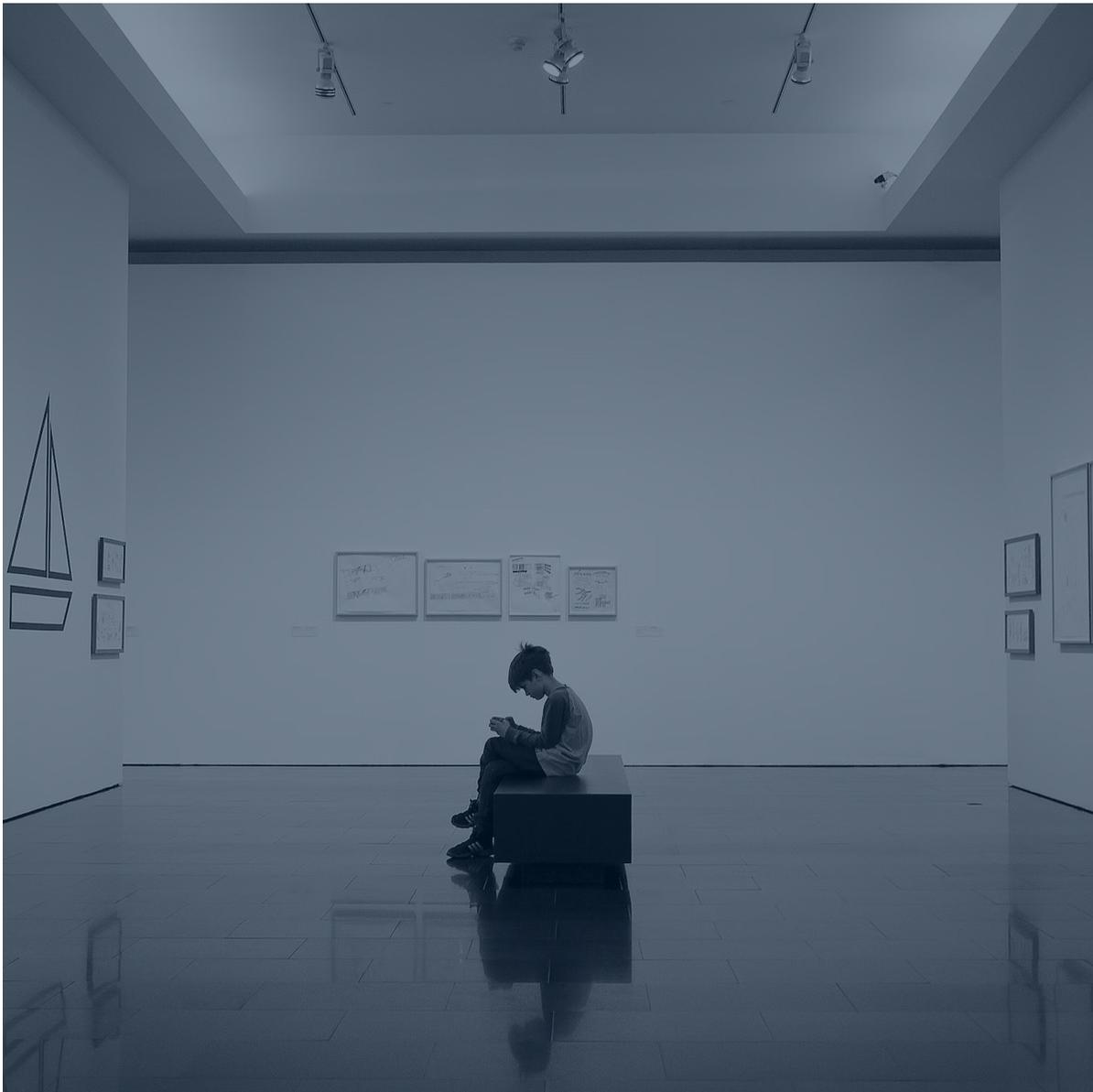
You can find happiness along the way. It is a journey of happiness not a journey to a financial amount.

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Alan Donegan is the Rebel Business School Co-Founder, Rebel Entrepreneur podcast host, Rebel Finance School co-founder and Queen's award winner. He is a Marvel movie fan fanatic, breakfast lover and financial independent traveler. You can find this article and more at alandonegan.com.

The Surprising Inspiration to Declutter I Found At the Museum

—By Jessalynn Jones



Four years ago I went to New York and I loved it!

We spent a few days seeing the sights, but we spent an entire day in The Metropolitan Museum of Art. It is one of the most amazing places you will ever go because it is full of things throughout human history.

These items tell us a story about the lives of those who used them and display the great beauty and talent that lies within us. The surprising thing is, there at one of the greatest museums in the world, I got the inspiration to declutter.

I Got Inspiration to Declutter When I Saw How Long Things Last

As I got lost in the exhibits I saw so many things that were amazing displays of talent and beautiful representations of culture. It was like traveling the world and time all at once.

But then, I stood before some clay beads and straw woven sandals that were found in Mesopotamia and dated back *thousands of years* and I had seen something like that before.

I had seen almost the same sandals and beads hundreds of times, on every school field trip, to the Pueblo ruins in my hometown.

Seeing those little things reminded me of my little plastic shoes and the glass and stone beads I like to make jewelry with. Yes, I wear shoes and make jewelry just like those girls hundreds and

thousands of years ago did. That should have felt meaningful. But that was not what I thought of at that moment.

Instead, my first thought was, “That junk is still around.”

Yep. You can hate me if you want to, but that’s what I thought. Those sandals and beads weren’t amazing or special to their owners—and yet hundreds and even thousands of years later, that stuff was here in front of me. I didn’t want my shoes or even the jewelry I have made to be around thousands of years in the future.

My Inspiration to Declutter Things I Don’t Want Around in 1000 Years

What I realized in that moment is this: *Stuff lasts.*

I mean it *really* lasts. So the stuff we own and create matters.

My plastic flip flops are going to sit in a museum one day. And that doesn’t make me feel good. I don’t actually want that to happen.

I literally felt the need to immediately go home and get rid of stuff I didn’t want the museum getting their hands on. It gave me inspiration to declutter what doesn’t matter and stop buying and making stuff that isn’t important.

So that begs the question, what does matter that much to me?

If I could live for 1000 years, what would I keep? When I am gone, what do I want archaeologists to learn about me from my stuff? What about you?

This Inspiration to Declutter Changed My Perspective

I have honestly thought about this often over the four years since we went to New York.

I thought about it when my grandmother died and when I sold her china tea-cups. Again, it came to mind when we moved from our studio apartment to the guest suite at my parent's house. I even think about what I would want to hold onto for 1000 years when I think about my future.

I have a hard time coming up with anything. I mean, if I was living for 1000 years, I think there would be really practical stuff I would hang on to—like really quality furniture or a cast iron skillet. I would love to keep my wedding ring. I think my sewing machine and the dresses I have made might tell archaeologists a lot about me. But that's about it. Things just aren't inspiring when put in the context of time like that.

So what would you consider worth holding onto if you could live for 1000 years?

I Would Keep Love for 1000 Years

I think you would agree with me that in 1000 years, you would want your family. That's what I want.

More than I want my wedding ring, I want my loving husband at my side. Also, I would love for my parents to be there. And I want us all to be healthy and happy.

If I had to choose between working full time for a big house and lots of stuff or having a life full of love, I would choose love every time. Love is something I would never declutter. It's worth keeping. I would be proud to see my love for my family and friends in a museum. It's worth it.

What else would I keep?

I Would Hold Onto Learning & Beauty for 1000 Years

Another thing I imagine wanting in 1000 years is knowledge and creativity and experience.

I have learned a lot in my life, but there is so much more I want to learn. Sometimes I wish I could consume knowledge faster, but I also want it to become wisdom. I want to use my knowledge to help others and to bring beauty to the world through creativity.

That's why I've decided that if I could live 1000 years I would want to hold onto knowledge, creativity, and experience instead of things. I would collect it. I would travel and work hard to

understand other cultures. I would have long conversations with people to learn from them.

I would try to put everything I learn to use and I would try to give back beauty.

What Does This Inspiration To Declutter Make You Want to Keep?

What would you hold onto for 1000 years? If you were alive 1000 years from today what would you want in your house? Do you own anything right now that you would want in 1000 years? Is any of your stuff worthy of The Metropolitan Museum of Art?

When it comes down to it, it's not about the stuff. Even at the museum, it's not about the stuff. It's about the lives, and cultures, and hearts, and minds, and talent of all the beautiful people who have lived before us!

It's about inspiration—inspiration to declutter and curate the past so we can keep growing and striving and living!

So remember that when you buy stuff and when you let go of stuff. What is that stuff saying about your life? Is it really that important? Or would you rather, if you could live for 1000 years, hold onto the love of your family, the amazing things you can learn, and the beauty you can create?

I will never forget the inspiration to declutter I got in the museum that day. That change of perspective makes it easier to let go of things and focus on the things that matter.

Things like love, learning, and beauty are the things worthy of remembering 1000 years from now.

They are worth remembering forever. That's why they are worth remembering every single day.

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Jessalynn Jones writes her blog [Doable Simplicity](#) to help you simplify your life. She wants to help you make the minimalist lifestyle a way of life that brings you joy and freedom as you reach your big picture goals!