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Ramit Sethi: [00:00:16] Because what?

Chris: [00:00:17] It's crazy. Like that is seven dollars, I can't bring myself to pay two times the price for the exact same thing.

Ramit Sethi: [00:00:26] What is your net worth?

Chris: [00:00:29] About \$8 million.

Ramit Sethi: [00:00:34] Hi, my name is Ramit Sethi, and my guests this week are Chris and Amy, a young couple who work in tech and have a net worth of \$8 million. They have already won the game of personal finance, and yet they behave in peculiar ways with their money. You're going to hear more about that strawberry story. You're going to hear stories about strollers, and traveling, and very odd ways that they behave compared to the amount of money that they have.

Ramit Sethi: [00:01:10] Now, before you go on, it would be easy for you to roll your eyes and send me a message about how unrelatable this is. Resist that temptation. I love today's episode, because it shows you that if you have money issues today, it's very likely you're going to have the exact same money issues later at a million dollars, or five million, or, yes, \$8 million. Those issues don't magically go away. Chris and Amy, I think Chris and Amy are actually giving us a gift by talking to me today, because most wealthy people won't talk about their money issues publicly, but Chris and Amy will.

Ramit Sethi: [00:01:52] They're giving you a crystal ball into your own future behavior if you continue doing what you're doing today, saving, and investing, and accumulating, you can see one very real possibility of where you might end up. And remember, you will not hear this kind of discussion anywhere else, except on this podcast and on my email newsletter. I'm Ramit Sethi and this is I Will Teach You To Be Rich. Chris, can you think of the last time that you spent more than an hour making a financial decision?

Chris: [00:02:34] Like this morning. Like literally this morning.

Ramit Sethi: [00:02:39] What was it?

Chris: [00:02:41] We're planning a trip, and we're trying to book flights, and we're optimizing to a degree that many would think was crazy. And we're thinking about, which hotel do we stay at? Which flight do we take? Do we leave early? Do we change which island we want to go to, because it's cheaper to fly to this other one? And I don't know. We probably, combined, spent-

Amy: [00:03:10] Too long.

Chris: [00:03:11] Like five, six more hours in the last 24 hours,

Ramit Sethi: [00:03:16] Five or six hours together in the last day.

Chris: [00:03:18] Yeah.

Ramit Sethi: [00:03:22] Oh, one thing I forgot to mention, Chris and Amy have a combined income of about \$600,000 per year. That's in addition to their net worth of \$8 million. Now, I'm sure I don't have to tell you that it is literally not worth their time to sweat the small stuff like this, and they know it, too, but money psychology runs deeper than basic logic. Alright, you've got to explain it to me, Chris. Tell me what's going on here.

Chris: [00:03:50] I love the feeling of like getting the best optimization, and we've been fortunate to rack up millions of miles, and upgrade certificates, and like figured out how to play the system. I propose to Amy, actually, I said, hey, if we want to make this easy, we could just buy flights in business class. And she's like, how much is it? I was like, I don't know, it's like \$6,000 a person.

Amy: [00:04:16] I barfed. Absolutely not. I'm sorry. Having lived with Chris and understanding that there are so many hacks out there in a way that you can do it first class or business class without having to pay cash outright, knowing that that exists makes it really challenging to then turn around, and say, I know I can get it somehow cheaper, but I'm just going to pay straight cash. That's not a calculation in my world.

Chris: [00:04:47] And just to be clear, I don't know if Amy was ever willing to pay for business class. That definitely never happened.

Amy: [00:04:54] That's fair.

Chris: [00:04:55] I think it was, didn't know there was a cheaper way to get things, and if that person never learned, it maybe would have made enough money to be able to pay for business class or a nice luxury hotel, fill in the blank.

Ramit Sethi: [00:05:10] Well, you do make enough to pay for a nice luxury hotel, right?

Amy: [00:05:17] Yeah.

Ramit Sethi: [00:05:19] Do you?

Ramit Sethi: [00:05:20] I don't want to tell you, you tell me.

Amy: [00:05:22] Well, yes, we do.

Ramit Sethi: [00:05:25] Just a quick reminder for everybody listening to these \$2,000 hotels being thrown around left and right, it can seem unrelatable, extravagant, out of touch. But put it into context, somebody who makes \$600,000 a year of joint income with an \$8 million net worth, a 2,000-dollar night hotel is the equivalent of a low-end motel. It's important to remember that, very, very important, because our job is not to judge somebody based on our values, or our income, or net worth, it's to take into account their values, their net worth, their money dials in rich life. So, that is why I'm really pulling out all the details here, all the juicy details, so we can understand what they want to spend their money on.

Ramit Sethi: [00:06:14] Let's find an example where this is not functioning correctly, maybe it's grocery shopping, what is it, where you are spending too much time to save a few dollars, and we can take a totally different approach to?

Amy: [00:06:30] Grocery shopping is a great example. He will pull up multiple different delivery sites, and he will actually compare the cost of almond milk from one site to another. And he will actually order off of two different orders from two different delivery services to get the cheapest groceries that we need from multiple sites, as opposed to just saying, here's our grocery delivery site. We will go through. We will get what we need, put it in the car, check out, off you go.

Chris: [00:07:02] In the most recent example. I was like, I've been pretty happy with Amazon Fresh, right? And then, I was getting some frozen organic strawberries that I remembered from Whole Foods are like 7.99 and they're like \$15. And I was just like, I can't do it. I cannot pay \$15. It's crazy. Like that is \$7. But like if I just got the, I don't even know, it's just like, I can't bring myself to pay two times the price for the exact same thing.

Ramit Sethi: [00:07:36] You know what I love about this example is that we're all kind of laughing, but I actually think it's the perfect training wheels example. I think it's perfect, because here we are, we could sit here and talk about it, \$2,000 a night hotel room, but going from where you are today to that is a big, big jump. You are right, Chris. \$15 for strawberries is crazy, I agree with you, and yet you should probably order them. Why do you think I'm telling you that?

Chris: [00:08:15] If I were talking to a clone of myself, I'd probably tell them the same thing.

Ramit Sethi: [00:08:20] Why?

Chris: [00:08:21] I could give you the financial reason that the cost to open up another card and pay another delivery fee probably doesn't even make it worth it, but let's assume for a second that it was worth it, it's just not worth the time. But it's hard, at least for me, to inherently value your time as much as your like salary divided by your hours worked justifies.

Ramit Sethi: [00:08:50] Yeah. You're exactly right. That is academic language. It sounds correct. It's technically correct, but it never changed anybody's behavior. The correct answer is to say, what kind of person and couple do I want to be? I will never,

ever, again, be the type of person who's comparison shopping for X, Y, Z. It's not in my identity anymore. Part of your identity is optimizing for \$7. What if you could just change that?

Ramit Sethi: [00:09:21] What would it be like to rewrite that part of your identity? Maybe you're too important to be looking at the price of strawberries. This is a big, big point. So much of what we do in our lives is driven by our identity. What's your identity? Here's mine. I'm a good husband. I'm a good son. I'm Indian. I graduated from Stanford. I'm a CEO and author. I like hot sauce. I'm happy to pay my taxes, and on, and on.

Ramit Sethi: [00:09:57] If your identity is, I would never fly business class, then just imagine what happens if you end up with lots of money, you are still going to be bound by that identity. The problem is that identity might not be serving you anymore, and that's what's happening with Chris here. Paul Graham had a great essay where he talked about keeping your identity small, because once you publicly proclaim something, it becomes hard or almost impossible to change it.

Ramit Sethi: [00:10:31] This is one of the reasons you hear about these anti-vaxxers who refuse to take a vaccine. It's not that they're carefully reviewing CDC data and having intellectual debates about randomized controlled trials, no, many of them have trouble deciphering a menu from Olive Garden, much less reading CDC data. Now, what's really happening is they post it on Facebook about how the government is trying to force something down their throats, and now, they can't change their identity from it.

Ramit Sethi: [00:10:59] Even though their own friends and family members have died from COVID, they're now essentially locked into an identity that they created for themselves. To admit that they were wrong would mean social death from their entire network. And it would mean a cascading failure of assumptions that they took to be completely and self-evidently true. That's too hard to bear.

Ramit Sethi: [00:11:27] So, they go on posting on Facebook, putting themselves and others at risk. I don't agree with them, I think they're morons, but you can understand the mechanics of what's going on here. Now, back to Chris and Amy, one of the ways to get at identity is to ask people what others think about them, and there is no better way to do this than the cheap test, do your friends think you're cheap? Listen.

Chris: [00:11:58] I mean, I have to assume yes, but it's not like a common, like I have to assume in more jesting ways, but I think people know that we have a nice—it's like I'm not sewing my own clothes and buying them at the thrift store.

Ramit Sethi: [00:12:15] I don't think you have to be sewing your own clothes to be called cheap.

Amy: [00:12:21] I would say our friends have enough class to approach it as, you are like the master hacker.

Ramit Sethi: [00:12:30] Very cleverly like smart people do, they found a way to put a positive spin on their behavior. We're not cheap, we're master hackers, we're expert deal hunters, and now that defines whether or not they're willing to spend money on things. Like it or not, you have an identity around money. It may be what you think of when you think of yourself and money. It certainly involves what other people think of when they think of you and money. But for me, the beautiful thing is you can change your identity if you want to.

Ramit Sethi: [00:13:04] Amy, I heard you saying no way, I'm really curious now about where that instant know came from.

Amy: [00:13:13] I guess, to your point, it feels frivolous to me. It feels like, am I actually getting the value for paying that? And what else could I do with that? I mean, we have a 10-month-old at home, so I'm always thinking, well, that could buy her X years of swim class or months of swim class. I could buy her a new running stroller, which it would be great as we get into running, I don't know, right? It's like all of these things. Will I actually do that? Probably not.

Ramit Sethi: [00:13:44] Hold on. I just had to say, the running stroller example, that seemed like it came out of left field.

Chris: [00:13:49] Well, we were biking down the street and we saw someone had a running stroller at the end of their driveway with little free sign on it. And so, I was like, oh, my gosh, we don't have a running stroller, I kind of like to run. And so, I drove back

and I picked it up, I brought it home, and I was like, well, it's got a flat tire, and the strap that holds the buckles in place, holds the child in the stroller, which is probably really important for a running stroller, was not there. So, now, I'm like shopping for replacement straps on the internet and like trying to see if someone on eBay has like an old version of the stroller that's totally broken, but we could get the fabric seat and thinking about cleaning it off.

Ramit Sethi: [00:14:33] I love Chris and Amy. I love how honest they are about their spending issues. Yeah, we're multimillionaires, and he saw a broken stroller on the side of the road, and stopped, and had to have it. Like what other couple would come on here and be that honest? Chris and Amy make over \$1 million per year if you factor in their income and the growth from their \$8 million portfolio. Okay. Approximately, real estate, blah, blah, blah. Yet, he is chasing broken strollers. Don't roll your eyes.

Ramit Sethi: [00:15:08] It's easy to say, haha, how stupid, but almost all of us do this on a smaller level. We develop an identity for ourselves, and when we make money, we don't adjust our mental model of what normal is. So, you end up with these martyrs who complain about how little time they have. But when you suggest spending 20 bucks to get their groceries delivered or maybe hiring someone to clean their place, they go, oh, my god, no way, why would I pay someone? I can do that myself. Yes, you could, but you probably shouldn't. As Jim Rohn said, the more successful I became, the less I was able to afford.

Ramit Sethi: [00:15:52] He means that he couldn't afford to mow his lawn, because his time was better spent with his family. Here's another rule that's very relevant for Chris, and that is the more money you make, it becomes more and more okay to waste some of it. What do I mean by that? I mean that in Chris's case, it's probably a good idea to just set a blanket rule that he's always going to get his groceries from one place.

Ramit Sethi: [00:16:23] And if occasionally that place has berries that are expensive, even \$15, just get them. Yeah, he's going to waste \$7, but he's got to move up and focus on more important things versus being constantly in the weeds on literally seven or eight-dollar questions. You can't simply tell someone these concepts about money and identity, though. It just sounds like academic jargon. You have to get them to feel it

themselves. So, I'm going to gently probe Chris on what his behavior is costing him, and then what it's getting him. Listen to his responses.

Amy: [00:17:03] I see Chris do the stroller thing, which to me, that's a hard line that I'm like, you are going too far, this is bananas, it's like beyond sanity, please stop, and let's just go take it back to the lovely yard it came from, and leave it there. We kind of like lightheartedly engage and challenge each other a bit. But at the end of the day, we still have the stroller and it's still sitting on our garage, and I'm pretty sure Chris is still looking for the missing parts.

Ramit Sethi: [00:17:33] Chris, is that true?

Chris: [00:17:35] I found the missing parts for \$100, but now, I'm convinced that there's actually a way to do it for like \$40.

Ramit Sethi: [00:17:45] One of these days, I'm going to see you out both running, there's going to be a wheel falling off, and you'll say, no, no, no, it's fine, I got another one on order on eBay. So, what I love hearing is there's a lightheartedness about this, and that's good. What is this kind of behavior costing both of you?

Chris: [00:18:04] Definitely time.

Amy: [00:18:06] It's a massive time suck. If I'm being completely honest, maybe a little bit of happiness just because we're not spending our time the way we want, right?

Ramit Sethi: [00:18:17] We talked about what it's costing you, I'm curious what your behavior is getting you. What does it get you?

Chris: [00:18:27] More money.

Ramit Sethi: [00:18:28] What else?

Chris: [00:18:31] I mean, there's like a real probably messed up satisfaction of being like, I know I spent so long, but I got this thing that everyone else has to pay for and I got it for less.

Ramit Sethi: [00:18:44] Now, we're starting to get there. It's relatively easy for people to admit what their behavior is costing them. Amy and Chris know that it's wasting time and it's causing them stress. Fine. Easy. It's much harder for people to understand what their behavior is really getting them. Why are they doing it? What's it getting you? It's harder for people to admit this, because deep down, sometimes, the truth is uncomfortable.

Ramit Sethi: [00:19:11] Some of us behave in peculiar ways, because we're lonely, we want attention, we want to feel superior to others, or maybe we want to distract ourselves from a painful reality inside. That doesn't feel good to say, so we paper over these uncomfortable truths with a lot of apologizing. I know, I shouldn't do this, and we use academic jargon, like I should quantify that, and it's clearly not an ROI positive use of time, but the truth is often much less logical and much, much deeper.

Chris: [00:19:48] Amy said it right when I think like, therefore we won, we got the like amazing thing and we didn't have to pay for it.

Ramit Sethi: [00:19:53] Yeah. And what about the person who stayed at that original hotel and paid \$2,000 a night?

Chris: [00:20:00] They did not win.

Ramit Sethi: [00:20:01] What did they do then?

Amy: [00:20:02] Well, I've never thought about it like this, but they also won, because they are staying at an amazing hotel, and they're getting the exact experience they want, and they did not spend significant time trying to find an alternative, because time is value. So, I guess we both win in a different regard, but I would argue, we lose, in that we spend more time than the win. The feeling of the win is worth to me.

Chris: [00:20:37] But when I think about the win, I'm like, well, if we'd gone on to that hotel and we went on a weeklong trip, there's \$14,000. And if we really optimized it, and use all the deals, and points, and everything, we'd have a similar experience and spend \$3,000.

Ramit Sethi: [00:20:55] When do you get to have the exact experience that you want? You have \$8 million of net worth.

Amy: [00:21:04] I laugh about this, but like there's a harsh reality here, which is we're so caught up in playing the game now that I don't see an end in sight. I don't know how it ends.

Ramit Sethi: [00:21:20] When do you get to choose what you want without price being a consideration?

Chris: [00:21:28] That one seems like a never.

Ramit Sethi: [00:21:31] One of my favorite things to do is to read forums where ultra high net worth people share their fucking delusional philosophies on money. I'm obsessed with this one mommy forum, it's called DC Urban Mom, and there's a discussion thread where someone who has \$30 million says they can't afford to fly private, not even once. They said, maybe when we have \$100 million, it's fucking \$25,000 to fly private.

Ramit Sethi: [00:21:57] I don't even care if you fly private, but you do not need \$100 million to spend \$25,000. The same forum has other threads, where someone making \$250,000 a year says, they can't go on vacation. What world am I living in? By the way, please don't write me, saying, Ramit, 250K actually isn't a lot of money if you live in one of these. I lived in all those cities. I know what you can do with \$250,000.

Ramit Sethi: [00:22:24] I have zero problem if you don't want to go on vacation, but I have a real problem when people use money as an excuse for not doing things that they can easily afford, things that they claim they actually want to do. I asked Chris, when do you get to make decisions without price being a consideration? His response, never. He has a net worth of \$8 million.

Ramit Sethi: [00:22:50] What is happening right now? You can see why I say people's feelings about how they are doing financially are highly uncorrelated with their actual financial status. Chris and Amy could have another \$20 million, but they will feel exactly

the same way unless they make it a priority to change their relationship with money. Everything you talk about in terms of value is focused around functionality. Do you know that you both have so much money you don't have to justify purchasing anything to anyone ever?

Chris: [00:23:28] Except to each other.

Amy: [00:23:29] Yeah, right.

Ramit Sethi: [00:23:30] Exactly, right? And there's the problem.

Amy: [00:23:32] That's the problem.

Ramit Sethi: [00:23:33] That's the challenge, yes. But I hear the language used, and it's words like value, which is a good word, but I wonder if there's something in your life for each of you that you buy just because you want it.

Chris: [00:23:52] That cost more than \$5?

Ramit Sethi: [00:23:55] Costs more than \$500.

Amy: [00:23:59] So, I surprisingly did make a purchase that was over \$500, and I love fashion, I love shoes, there are certain things that I can just justify paying money on, because they bring me real happiness. There were a pair of shoes, a pair of sneakers that I was looking at, and Chris, I told him, because we have this rule that if either of us want to go and spend, what is it? Over \$200, we have to check in and just make sure like that it's good.

Amy: [00:24:34] So, I take this to Chris, and I say, hey, I really love these shoes, I'd like to buy them. And he was like, are you serious? He's like, it's for shoes, those won't last long. And I said, okay. He said, can you get them for sale somewhere? And I said, look, boy, I've tried everything I can, they don't go on sale, and no, you're not going to find any discount codes. So, I think I let them sit, and we had this back and forth for the better part of almost a year.

Amy: [00:25:04] My breaking point was, so they're easy on-and-off shoes. My breaking point was, I was super pregnant, I was having to bend over, and tie my stupid shoes, and I was like, I'm not doing this anymore. They are shoes that I want. They go with everything, they're super functional, they're super versatile, they're really cute, and I'm not doing this anymore, Chris. So, guess what? Mama just went about the shoes, and I felt really happy, and I wear them all the time.

Ramit Sethi: [00:25:34] I love that example. I also love that you kind of offhandedly threw in a couple of functional things, such as slip-on shoes, and how long are they going to last? Yeah, okay, fine. But ultimately, bottom line, you just wanted them, and you got them. And by the way, the X hundred dollars you spent on these shoes, will it change your life in any way whatsoever?

Amy: [00:26:00] No.

Ramit Sethi: [00:26:02] It has a zero percent change in your life. Two years from now, if you look at your finances, you will never, ever, ever be able to find that number, ever. It won't even be a decimal place.

Amy: [00:26:15] Correct.

Ramit Sethi: [00:26:16] Okay.

Chris: [00:26:17] A frequent thing that I hear is, don't get me so excited about something, and then we have to have the conversation again, so like come back when like there's a thing that I can get excited about that we also will do, and that doesn't mean that you're comfortable spending on, that means like, come back to me when we have like the optimized version of this that I know we'll both say yes to, because I'm like, hey, Italy was so amazing, we should do this.

Ramit Sethi: [00:26:45] For 95% of people listening, you're like, what the hell is Chris talking about? An optimized version, what are we talking about here? And I wanted to show you this, because different types of people have different types of language. I remember one of my friends and I used to host a dinner series in New York, and every

month or two, we would have six people out for dinner and we would invite a lot of diverse groups of people.

Ramit Sethi: [00:27:11] And I remember one night, for whatever reason, we had a self-development table, lots of people from coaching, et cetera. And they were using these words and phrases like, hold the space. And at one point, I kind of mentioned, most people don't know what that means, hold the space, live your truth. That's not common parlance. And the table went completely silent. He looked at me like I was absolutely nuts. What do you mean, people don't know what, hold the space is? I go, this is not a phrase that normal people use. And they were a little bit insulted. Okay. What do you mean, normal people? Why? Because everyone in their world had that worldview.

Ramit Sethi: [00:27:53] They use the same language, the same concepts, frameworks. Chris, in tech, uses words and worldviews that other people in tech use, so does Amy. That's the world that they're living in. And so, they're reinforcing each other with these phrases, and these frameworks, and worldviews. One of those worldviews is that we need to optimize. This is super, super tech. Tech people love to optimize. Sometimes, I just want to say, please shut up, I don't want to hear anything about optimizing anything anymore, just stop.

Ramit Sethi: [00:28:27] Sometimes, you can over-optimize. Sometimes, you don't need to optimize at all. Do you optimize when you give your mom or dad a hug? No. Sometimes, you just do something, because it's good, it's the right thing to do. So, one of the things that I can do when I work with people is to kind of gently nudge them out of this worldview that they think everybody else sees. For example, with Chris Namie, maybe we don't need to optimize all the time, maybe we can just get a pair of shoes, because we want it.

Amy: [00:28:59] Yeah. I mean, he pitched me on Italy and he got me so excited about it, and then he came back, and said, Greece is supposed to be very comparable, the weather's slightly better, and by the way, it's much cheaper. And so, suddenly, we pivoted to Greece, which I fully support. But now, I've gone so deep down the Italy train that I have to like reorient myself around Greece, which I haven't done as much research around, and I just don't have the same elements to get super excited about in me yet.

Ramit Sethi: [00:29:38] So, the two of you are optimizers, and you get into an optimization loop, where each of you optimizes, and then, well, come back and let me know about this. But what you don't truly internalize is that this optimization is not making you happy. What kind of couple do the two of you want to be? How would you describe, in a few words, what kind of couple the two of you want to be?

Amy: [00:30:11] Honestly, I love us. Like I love our relationship. I love the couple we are. I think like we have a good banter. I think we make each other laugh. We're both very responsible, and respectful, and receptive to each other's needs, so I personally feel really happy. I think the financial bit, though, is a challenge, and that financially, I would say we are doing well and we don't have the burden of having to stress about how we pay for things, how do we cover bills? But we are completely irrational in trying to find a deal. And for me, what I would like to see different moving forward is us still being ultra responsible with how we spend, but in a way that actually drives happiness and meaning as opposed to everything having to be like a wind, because it was a better deal for us. So, if we can remove that bit-

Chris: [00:31:16] In a few words.

Amy: [00:31:18] I don't know how to summarize that.

Chris: [00:31:21] No, I mean, I think. I think we're like a fun, goofy couple that loves to travel, and explore the world, and do fun stuff. I like want to maximize the experience of life.

Amy: [00:31:35] Yeah.

Ramit Sethi: [00:31:36] Oh, I love that.

Amy: [00:31:38] Yeah, me too.

Ramit Sethi: [00:31:38] You want to maximize the experience of life, what does that mean, Chris?

Chris: [00:31:42] It's just when you're—like in every opportunity to do something, make it the most. And that doesn't always mean, go to a place and do everything there, right? The experience of life could be letting yourself unwind and go nowhere. We might just go to the hotel for two days and do nothing. And like for that part of time, that's maximum, but the next day, we might go on a food tour, we might make sure we meet a local, and go around and see things.

Ramit Sethi: [00:32:09] I love the vision and I can tell it excites both of you. I also think that we all can agree that the way you are treating your money is not honoring that vision. Is that fair to say?

Chris: [00:32:23] If you assume that we want to continue this vision forever, obviously, for as long as we live, and you irrationally assume that like we could spend all of our money and run out, like then you could—like I think that's what like always goes through my head.

Ramit Sethi: [00:32:39] You cannot run out of money.

Chris: [00:32:42] I don't think that's true.

Ramit Sethi: [00:32:44] Yeah, it's true.

Amy: [00:32:45] Compounding interest.

Ramit Sethi: [00:32:47] You are so far down the frugality, border, not border line, cheap world, that it is impossible for you to run out of money. Not to mention that your money continues to compound, and just in a few years, you'll have close to \$40 million, and more, and more, and more. At that point, it actually becomes almost financially impossible to spend it all. So, yes, if you were a very irresponsible new athlete with this kind of money, of course, you could go bankrupt. But the two of you, do you think either of you will ever let that happen?

Amy: [00:33:26] No.

Chris: [00:33:27] I don't think we'd let it happen, but I think we pride ourselves on not having played the Keep It Up With the Joneses game. And so, maybe there's some hidden fear that like, oh well, you buy one pair of \$500 shoes, now, you have 50 pairs, and now-

Ramit Sethi: [00:33:44] Chris, it's not a hidden fear. It's out in the open, like all of us can see it and hear it. It's not hidden at all. You took a stroller on somebody's driveway, and now, you're going to go put it back. It's not hidden. So, let's kind of reorient the way that we think about money. You have played for so long, defense, you've played not to lose, that it's becoming very difficult for you both now to play to win.

Ramit Sethi: [00:34:16] And so, what I would love to see is you mentally turning the page on your relationship from chapter one to chapter two of your lives. Chapter one was about safety, and emergency funds, and accumulation, and worrying about risk, and all these calculators that you do all the time. But then, you won, and you won really early in life. And you worked hard. It's not like it was just given to you. You both worked hard. And so, you get the privilege, but also the burden of the opportunity of turning the page to chapter two, and saying, oh, my gosh, we won.

Ramit Sethi: [00:34:56] Now, what do we do with the rest of our lives? And this is really hard, because it means you have to relook at everything. I asked my trainer a long time ago, I was kind of stuck on doing pull ups. And I said, how do I do more pull ups? Like what's the alternative? And he thought for a second, you what he said? He said, if you want to do more pull ups, do more pull ups. And so, sometimes, the way to change the way you feel is to start by changing your behavior. So, if you were to change your behavior with these groceries, Chris, what would that look like?

Chris: [00:35:33] It would just be committing in advance. I am just going to go to this place, and buy everything, and not look anywhere else.

Ramit Sethi: [00:35:40] I agree. You have to get out of these three-dollar questions, and in your case, get into the \$300,000 questions. For Chris and Amy, because of their considerable net worth and their annual income, a \$2,000 a night hotel is a three-dollar question. That's not something they should really be thinking about. Instead, they

should be asking 300,000-dollar questions or even questions that aren't even about money itself.

Ramit Sethi: [00:36:10] They should be saying, what kind of trip do we want to take? What kind of experience do we want to create for our family? What kind of memories? And so, when you listen to this, I know it can be tempting hearing some of these big numbers \$2,000 a night, must be nice, I wish I could spend that kind of money, other people are starving, but I'm intentionally showing you this episode, because I want you to know that at every different level of personal finance, we all have three-dollar questions that we obsess over.

Ramit Sethi: [00:36:41] It might be buying pre-cut vegetables for you that literally cost \$3, or you might have such a high net worth that buying a car is a three-dollar question to you. The principle stands regardless of the exact numbers. Now, let's get back to how Chris and Amy should be approaching their travel. Can I foresee a future where you simply write an email and delegate it to your luxury travel adviser who simply makes it happen, and you will not be involved in the mechanics at all? At your net worth. and certainly, at your net worth in about X number of years, you should not be looking at united.com.

Ramit Sethi: [00:37:19] So, let's do a couple of things that are very tactical for you right now. First of all, I usually do something called the 100-dollar rich life challenge, but the two of you are too successful to do a 100-dollar challenge, so we're actually going to up the stakes. Okay. The way that it works is I give them a challenge to spend \$100 on something that they love, and it's not for their kids, and it's not for their dog. It's got to be for you. Now, I want to ask you, since I tell the average person to do the 100-dollar challenge, what should the number be for the two of you individually?

Chris: [00:38:06] Has to be over \$200, because that's our threshold, where it's like spend it without even talking about it.

Amy: [00:38:13] I was thinking 500 to a thousand. Chris is probably wanting to throw up right now, as I say that. No.

Ramit Sethi: [00:38:21] Hold on. Let's rewrite that habit that both of you have, which is to anticipate that the other person is going to be averse to it. You've done this multiple times, both of you. Let's rewrite that out of existence today. Okay. Just like Chris did, make your pitch for your number and create some magic here.

Amy: [00:38:43] Well, I think we should target \$1,000. I'm trying to position it in a way that doesn't play defensive, and I find myself catching myself going that direction. I think \$1,000 is unique, in that it opens up a variety of new purchasing opportunities that we typically wouldn't necessarily assess on a whim, and it allows us to be very creative and adventurous around how you can use that money. Like what kind of experience could you get for \$1,000? Is it material? Is it a class? Is it like a full experience? Is it like the photographs that come with it? Like what could you get for \$1,000?

Ramit Sethi: [00:39:32] Okay. Thank you, Amy.

Chris: [00:39:34] Yeah. So, in my mind, I was thinking of raising, I see your thousand, and I raise you to 5,000.

Amy: [00:39:42] Unexpected, but I like it. Okay.

Chris: [00:39:45] It's a challenge now, because there are so many things that you could buy for more than \$100. I'm sure there are so many things you can buy for more than \$5,000, but I have no idea what they would be.

Ramit Sethi: [00:39:55] You should know, Chris. This level, you should know. You should not know the price of organic strawberries at two different grocery stores, I'm going to tell you that right now. Okay. Amy, he said \$5,000. Are you comfortable with that?

Amy: [00:40:13] I am comfortable with that. My response when I heard him say 5K was actually pleasantly surprised.

Ramit Sethi: [00:40:23] Why?

Amy: [00:40:23] I wasn't expecting it.

Chris: [00:40:26] I'm still stuck on like, what am I going to spend this money on?

Ramit Sethi: [00:40:31] So, that's a great question. Chris, how would you find out the answer to that?

Chris: [00:40:36] We would talk about it.

Ramit Sethi: [00:40:37] No, but it's you spending 5,000 yourself, and she's going to spend 5,000 herself.

Chris: [00:40:41] Oh, I thought we were spending this together. Oh, man.

Amy: [00:40:48] Chris is like, I take it back.

Chris: [00:40:51] No, I'm not on board anymore. I'm backing Amy.

Amy: [00:40:56] I was like, wow, okay.

Chris: [00:40:58] I thought we get to spend it together.

Amy: [00:41:00] No.

Chris: [00:41:01] Oh, man, my palms are sweaty. I'm like, I don't want to spend \$5,000, I don't need anything.

Ramit Sethi: [00:41:11] Of course, you don't need anything. This isn't about the thing you're going to buy. What is it really about?

Amy: [00:41:20] Letting go of like retraining and rewiring our brains to be comfortable.

Ramit Sethi: [00:41:29] Building the skills and the habits of knowing how to buy something, not optimizing for it. So, you both tell me a number that works for both of you. It's your number, it's not mine.

Chris: [00:41:42] What's the time frame for buying this thing?

Ramit Sethi: [00:41:45] Forty-eight hours.

Chris: [00:41:47] Oh, jeez.

Amy: [00:41:48] Wow. Okay.

Ramit Sethi: [00:41:49] You guys should know that this back and forth went on for about 15 to 20 minutes. This discussion about, is it 500? Is it a thousand? Blah, blah, blah, on, and on, and on. Again, exemplifying the point that Chris and Amy are focused on three-dollar questions, not 30,000 or 300,000, also, a lot of meta talking about the process. Some couples love to talk about talking, talk about the process, and sometimes, one of the best things you can do is simply stop talking and shift to becoming more decisive. Sometimes, decisions are just not that important. Make it. If something goes wrong, it's reversible, no big deal. For big things, should we have children? That kind of thing, yeah, you should be very, very deliberate. But sometimes, for a little decision, just make it and move on.

Ramit Sethi: [00:42:44] I'm still waiting for the number. Decisive.

Amy: [00:42:48] 2,500.

Chris: [00:42:51] I'm just going to go back to 1,000.

Ramit Sethi: [00:42:56] Here's a suggestion. When the two of you differ on a number, whether for traveling, diapers, car, what if you decided to go with the higher one? What if that was just a basic rule? Totally opposite of every other couple. But in your case, it would be a simple rule that would help change the dynamics of your conversations.

Chris: [00:43:23] But is the number a target, or a ceiling, or a minimum, is it like-

Ramit Sethi: [00:43:28] I don't know.

Chris: [00:43:29] Yeah.

Ramit Sethi: [00:43:31] The point is not to find the technicality, the point is to change your behavior.

Amy: [00:43:38] I mean, here's the thing, we're going through this for a reason. We know we want to change. And so, to Ramit's point, we're going to have to feel discomfort in order for that to become more comfortable over time. And fortunately for us, we have an incredible trip coming up. So, you could think about, what kind of experience do you want? Could you want to commit to a specific experience, a rental of some sort, something during the trip that is going to give you an experience that you otherwise wouldn't have? I think there's ample opportunities here, in the here and now, that we wouldn't have if we didn't have this trip coming up, if it wasn't in the midst of summer, we didn't have a newer house that we recently moved into. Like there's a lot of options.

Chris: [00:44:36] I hear you. I'm just struggling.

Ramit Sethi: [00:44:39] You don't need to know how to do it yet, you just need to pick a number.

Chris: [00:44:45] Then, we'll go with Amy's 2,500.

Ramit Sethi: [00:44:48] Alright, great. Amy, do you agree?

Amy: [00:44:50] Yes.

Ramit Sethi: [00:44:51] You can afford almost anything. Have you internalized that?

Chris: [00:44:57] There's always another level to something that I don't feel like it would fit into our like life plan.

Ramit Sethi: [00:45:08] Like private jet? Okay. We're not going to jump there. Fine. But what's the level up or more meaningful from what you currently live?

Chris: [00:45:19] We don't have a chef every night of the week, come to the house, and cook for us instead of cooking meals.

Ramit Sethi: [00:45:24] Great. Great example. And the chef, by the way, could go anywhere from delivering once a week to-

Chris: [00:45:31] This is my thing by the way, I'm going to spend \$2,500 on someone to cook for us.

Ramit Sethi: [00:45:35] Love it. Love it. Look. It can go from everywhere from once a week delivery to live-in chef. There are so many layers in that one example. Just remember that a year from now, this number will be completely irrelevant to you. So, write me back in a couple of days, and show me, in fact, what you spent on. I'd love to see it. I think we've added at least one word to your repertoire today. What word was that?

Amy: [00:46:02] Decisive.

Ramit Sethi: [00:46:02] Yeah, decisive. Knowing that you have the money, you will have more money, and that your job is not to optimize for cost, but rather to optimize for magic, and magic can sometimes be expensive. Sometimes, it's an extra \$2. Maybe sometimes, it's cheaper. Who cares? But that's where we start. For me, the greatest tragedy is seeing somebody live a life smaller than they have to, and I really want you to be living a bigger life, really being intentional about it. That, to me, is truly a rich life.

Amy: [00:46:40] That's amazing. I think that resonates very deeply, and I feel very inspired right now.

Ramit Sethi: [00:46:49] A couple of nights later, I received a message from Chris. This is all it said, salads, eat your green salad with chickpea croutons and green goddess dressing with avocado and lime dressing. Soups, roasted curry cauliflower. Mains, salmon with chimichurri pork tenderloin. I said, what is this? And he wrote, meals for next week from the chef that's cooking for the week. Well done to Chris and Amy. Thanks for being so candid.

Ramit Sethi: [00:47:29] Thanks for listening to I Will Teach You To Be Rich. I'm Ramit Sethi. Please follow the show on Apple, Spotify, or wherever you listen to podcasts. If you haven't read I Will Teach You To Be Rich, my book, pick up a copy. You can get it at any bookstore or any library. And it will show you this specific tactics for how to build the I Will Teach You To Be Rich system into your personal finances. Here's what you'll find next week on the I Will Teach You To Be Rich podcast.

Monique: [00:48:04] I thought I was in my right to think he could do more since he is more older, more money, more experience.

Pablo: [00:48:11] But instead, I was like, who does she thinks she is, like I'm not going to pay for her? I have a drop of her soup, she should pay for it.

Amy: [00:48:18] I did expect him to pick up the bill, and we sat there for like half-an-hour.

Ramit Sethi: [00:48:22] There have been many instances where we've wanted to break up, and we have broken up for days or whatever, because of the incompatibilities and tensions, but our attraction and willingness to try to fight for each other and be with each other has always brought us back.