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Barry: [00:00:15] And it felt like it was being pulled out of our own pockets and it wasn't appreciated as like a gesture that we were making.

Ramit Sethi: [00:00:24] Imagine that you're married. And you and your partner working on your finances, planning out your rich life, and suddenly, you get a phone call from your parents, and they say, we need you to send over \$3,000, you say, what, for what? So, we have this donation we need to make or this home repair we need to do, go ahead and send the money over. And you send it, and then two months later, you get another phone call, and another, and you don't know how much it's going to be, and you don't know when that call is coming, but you know that you're expected to help your parents out.

Ramit Sethi: [00:01:02] In today's episode, we're going to talk to Barry and Maria who are struggling with how to handle money around Barry's parents who have these sort of expectations. Now, before we start, it's important for me to say that culture affects money. For example, in Indian culture, many parents strongly encourage their kids to become doctors or engineers. They also spent huge amounts on their daughter's weddings.

Ramit Sethi: [00:01:28] If you grew up in America without understanding the cultural reasons for these beliefs, you might think they're ridiculous. You might even go on Reddit and leave some tone deaf comment about how you should just choose to do whatever you want, which is, in and of itself, an individualistic, Western-centric view. Culture affects money. So, today, when I speak with Barry and Maria, a Pakistani couple in their 20s, I want to show you how culture can result in some unexpected and often tricky financial situations. Now, Barry and Maria are married and have a household income of \$275,000.

Ramit Sethi: [00:02:08] Barry is a first-generation immigrant. He was born in Pakistan, now lives in the US, whereas Maria was born and raised in America. And even though they're both Pakistani, his parents' expectations are very different than hers. They expect him to pay for lots of things, often, on short notice. Again, what if you got a call

from your parents every few months, but you wouldn't know when and they ask you to write them a check for \$1,000 or maybe \$3,000, what would you do? How would your partner react and what would you start to feel as this happened over, and over, and over again?

Maria: [00:02:50] A few months ago, Barry's mom's birthday was coming around, and so we were discussing what to get her and Barry's siblings wanted to do a joint gift. Typically, Barry and his brother, because Barry's siblings are younger and don't work, the two brothers will split the cost of the gift. Let's say the gift was \$200, they would cover it completely and do it on behalf of the whole siblings.

Maria: [00:03:17] But this time around, Barry's brother suggested that since Barry and I both work, we should split the gift in thirds, each of us, because the three of us are earning, we'll contribute equally, instead of just the two brothers. It wasn't really about the cost of the gift, the actual monetary piece of the gift, it was more so just on principle. And I didn't agree with the idea that since we're married and we have two incomes, we're not like one unit of the family.

Maria: [00:03:47] Like the way I viewed it was that there are four siblings and I am one of the siblings' wife, so my share is my husband's share. We ended up going with the three-way split, because it was just not worth fighting it, if you want to call it that, even though not fighting, moving forward when things are more expensive, not like a birthday gift, which is a smaller expense. When we move into the future and things are more expensive, like how do we distribute responsibilities for his family financially? Like how will that work in our relationship?

Ramit Sethi: [00:04:24] Barry, how do you see this gift situation? What happened from your perspective?

Barry: [00:04:29] It's definitely a difficult position to be in. Maria's perspective, I see where she's coming from and we also actually surveyed some of our more traditional friends that come from similar backgrounds, and then some of them resonated with Maria's perspective on this as well. But on the flip side, on my brother's perspective, I had a tough time figuring out how to come up with a logical reason why we shouldn't go

three-ways. Everything just came across as being maybe stingy, maybe making up rules that are not grounded in, again, logic.

Barry: [00:05:08] So, it was definitely a bit of an awkward situation to be placed in. And as Maria had mentioned, we ended up going with the three-way split just because the cost wasn't so high that it really mattered, and also, because we just didn't want to cause any further issues, like we just wanted to get past it. But the fundamental issue is still there, and it is something that we'll probably have to deal with in the future as well. So, this is just sweeping it under the rug and it may play out in the future in more significant terms.

Ramit Sethi: [00:05:40] Okay. If this were just a one-off gift question, we could solve it. But you can hear from their voices that there's something much deeper here, a sense of expectation, a sense of some cultural beliefs here. And rather than jump right to solutions, I want to make sure that I understand exactly what's going on. I want to dig a little deeper here.

Barry: [00:06:03] Dinners, I'm happy to pay for them. There's been certain moments, though, in the past where it's been very embarrassing for me, where there were situations like Maria's parents came to visit my parents on the East Coast, and we were having dinner out, and my dad got the check, and then he handed it over to me. And I don't know, in his perspective, he may have just been proud that his son is able to cover the bill, but it definitely did not look great in front of Maria's parents, who, I think that's a very odd thing to do.

Maria: [00:06:34] I think, actually, the first time this came up between us was around a request for charity donation. It's always tough and it makes you feel like an awful person. It's not that I'm opposed to donate to this charity, that we were signed up to donate to this charity without being asked of, just being assumed that we will donate. It's a very tough conversation, and at that time that we didn't really address properly, because it's hard to not look like just a bad person when you're disputing something like that. And the fact that we do well financially obviously plays into that, because there's an assumption that we can afford certain things, which I'm not denying. It leaves us in a very uncomfortable position.

Barry: [00:07:22] Frankly speaking, that was the most contentious of all of them, was the donation piece. It's increasingly complicated by the fact that there was a lot of peer pressure involved in it as well. So, my dad was raising some money for a certain project back in the village that I was born in. My cousins and my brother had all pitched and he convinced them all to pitch in. And it wasn't a small amount that he was asking from my family.

Ramit Sethi: [00:07:49] How much?

Barry: [00:07:49] I think it was like 2,000 if I'm not mistaken, yeah. For us at the time, that does seem like quite a bit, when it's out of the blue and it feels like you're being forced to give it, right? If it was something that we had decided upon, that's different, the cousins and brother had paid up, would have made it look very bad if we didn't pay up. And so, we were cornered in that sort of a situation. And that caused a lot of issues, because it was very unexpected for Maria. And I still to this day, I don't know if I know of any way that I could have gotten out of that.

Maria: [00:08:18] This was the first time even between friends who come from like more traditional upbringings that I had seen just like an expectation that was so no discussion around it. And so, for me, that was very tough to see. It was early in our marriage and we are joined in our finances, like everything is together. And so, for me, very early on, it was just a very big—I was very confused by it.

Barry: [00:08:43] I think both of us were happy to do, but on our own terms. And the fact that it felt like it was being pulled out of our own pockets and it wasn't appreciated as like a gesture that we were making. And the resentment actually did come out. I mean, I had kind of an angry conversation afterwards, after we had made the donation, which isn't the ideal outcome of this.

Ramit Sethi: [00:09:04] Barry, have you ever said no to your parents?

Barry: [00:09:07] Yes, when it comes to things like marriage proposals from other daughters, and other families, and stuff, which is like a very common part of our culture growing up, like things like that, where there's an expectation that, yeah, it's fine, you're

not always going to say yes to something like that. But I think when it comes to monetary asks, it's much harder. I don't think I've said no to those.

Maria: [00:09:30] I agree. Barry has been very generous and has never said no to any request in the time that I've known him.

Ramit Sethi: [00:09:42] If you're listening, it's tempting to just say, what's the problem, just tell them no. But it's not that simple. For people who grew up here in America, that's like me telling you that buying a house might actually not be a very good investment. You know why people get so mad when I point that out? Because they've been raised with that belief for generations now. Now, it's almost religion to them.

Ramit Sethi: [00:10:08] Here in this conversation with Barry and Maria, we have deep cultural expectations that might seem illogical or even ridiculous to you, but the fact is they're real. They exist. Now, we can have a bunch of Redditors sitting here with their half-stale Safeway bagels dripping out of their mouth, posting on Reddit, that's so dumb, just tell them no, but culture matters. It matters to you, even though you may not be aware of some of the deep cultural beliefs that you exist and that you grew up with.

Ramit Sethi: [00:10:39] And it certainly matters to Barry. In Pakistani culture, the parent-child dynamic is totally different than what most people grew up with here. I get this because Indian culture shares some of those same expectations, especially for the oldest son. This sense of obligation that Maria and Barry are talking about is really common. It's in movies. It's on billboards. It is real. So, let's practice something I called the D to C principle, from disparagement to curiosity. Instead of saying, that's ridiculous, let's get curious.

Barry: [00:11:16] It is a very different dynamic when it comes to how we are expected to treat our parents and family as a married couple. Marie and I come from similar sort of cultural backgrounds, but the way we were raised was very different. Our parents are immigrants. That's the similarity there. But from there, there's really not much else commonality. Maria's parents are white-collar professionals, CTO, doctor. CTO dad, doctor mom.

Barry: [00:11:42] My parents, blue-collar worker, my dad was. My mom was a housewife throughout my entire childhood. And so, I grew up in an underserved household that we barely made ends meet and my parents still aren't doing well. And the imminent sort of threat here that could potentially bring up this like fundamental disagreement that we had around the split may play out in how we deal with how we're meant to treat our parents and potentially take care of our parents moving forward.

Barry: [00:12:10] Maria's parents are very different in the sense that they have always been incredibly hands-off. They don't like the idea of their children spending on them at all, like they cover everything. My parents are different. When I started interning, there was like a NASA base nearby and there was a great internship to land in high school, but I really didn't save much money from it, because it would be going from my bank account to my parents, sometimes, without even me knowing.

Barry: [00:12:34] And over time, that stopped, like the whole taking money from my bank account stopped as I became more independent, but the expectation was always that the child is meant to give back to their parents providing for them, as they were being raised up. And I have a feeling this is going to be something we're going to have to deal with in the future, and so, yeah, it's definitely something that weighs on my mind. And we're hoping to get on the same page about how to deal with it.

Ramit Sethi: [00:13:00] It's easy if you're raised here to say, what do you mean, send money to your parents, that doesn't make any sense. They made their decisions. Now, they have to live with it. But for people who were raised in Pakistan or my parents being from India, yeah, there's a whole different cultural conception that is not written anywhere on paper, but we all just get it. We get it. The challenge, of course, is that you both live in the States and you both are coming to the table with different backgrounds. Even though your parents are both from the same country, totally different perspectives.

Maria: [00:13:39] I completely understand the obligations and expectations. I think in that sense, we do have the understanding, because we like both grew up in that culture. I think Barry was mentioning that my parents have never had any expectation of their children providing for them. I think a lot of that comes, because from this cultural expectation of sons versus daughters in like Pakistani culture, I'm not saying this, but I believe this is traditionally what is believed, is that daughters will get married, and then

go to their in-laws and they're not expected to provide for their parents, because they get married and go to their in-laws, whereas sons of the family often are expected to take care of their parents.

Maria: [00:14:25] And so, my dad that—I grew up with both my grandparents living with us for that exact reason, because my dad was the only son in the family. And so, they lived with us. They grew up with us. And so, I'm very familiar with the expectation. It was just not something that I had to deal with growing up, because we were only daughters and because my parents, as Barry alluded to, are financially well-off, where they don't need that kind of support.

Ramit Sethi: [00:14:53] It's one thing to be generous with parents or in-laws, and I'm hearing from both of you that you're both comfortable giving money. That doesn't seem to be the issue. It's not that it's affordability issue for you. You're both doing very well in your mid-20s. Your household income is around \$275,000, which is great. But of course, the ambiguity of it is uncomfortable, because it could be a 25-dollar dinner or it could be a 250,000-dollar house, and that's uncomfortable.

Ramit Sethi: [00:15:33] And what are the rules of this engagement? What are the rules of engagement? This is a really important question for your money. You know when you're starting out with your money, you face a million different decisions. Should I open a Roth IRA? Are these 401(k) options good? Can I afford this car? And over time, you do not want to be thinking about these types of questions.

Ramit Sethi: [00:15:56] When you get really advanced with your money, you want to develop a few simple rules that allow you to easily make decisions on the thousands and thousands of financial choices you face every year. If you want to see mine, you can Google Ramit's 10 Money Rules and see the ones that I created for myself. When I'm asking for their rules of engagement, it's even more complicated, because it involves their culture.

Ramit Sethi: [00:16:23] And with culture, there are very strong rules, but they're never actually written out, yet somehow, you're expected to follow them. Let me give you a simple example. Think about the unwritten rules on social media. Do you know what they are? For example, you're allowed to share a picture at the beach, but you're not

allowed to tag the hotel if it's really expensive. That's too gaudy. You can post a new car if it's a mid-priced car or if it's a Tesla, but if you post a picture of your BMW, ah, that's a little too much, you're a show-off.

Ramit Sethi: [00:16:59] Think of all the other invisible rules around social media. Now, think about Pakistani culture. You're responsible for your family's finances if you're the son. Which family? How much? For how long? Well, that's never really said. It's never really written down. But it's still a real belief. It exists in movies, in passed down stories, and in little phrases you've heard your entire life. What I'm asking here is to clarify the rules, because once we can see them, then we can start to decide if we actually want to follow them.

Barry: [00:17:39] I was the first person in my family to go to college and graduate, and their expectations for what their life might look is extremely different. My cousins very much have this blueprint, maybe graduate from high school, and then from there, they work in blue-collar jobs. They might paint bridges here in New York City and they have their parents live with them. And then, they have this very large family home, where they are taking care of not only their immediate family, but also their parents, and they live happily ever after. And for Maria and I, the life we envision is very different.

Barry: [00:18:11] We're much more focused on building our relationship together, having that sort of level of autonomy. We fortunately have the freedom of being much more ambitious in what we want to pursue in life. And so, that's where the conflict comes in, is that in our community growing up, I've seen how negatively it's been talked upon when somebody doesn't take care of their parents. It's something that is a very bad mark to have, is being a bad son or being somebody that sort of is selfish. I don't want to be in a position where I'm considered to be somebody that's a renegade, it's just me and Maria, and I've abandoned my previous family and my parents.

Ramit Sethi: [00:18:55] I hear these cultural issues and they're real. I get it. You can't just dismiss them, and say, let's dumb, let's just not do that. My question to you is how seriously do you take these cultural issues? Some people will come and say, look, they're actually, like I don't want to be known as a renegade and that is top of mind for me, and I'm actually willing to spend more money if that's what it takes. Totally respect

that answer. On the other hand, we have people who say, no, it's not okay anymore, and I've changed my view living here, et cetera. Where would you say you fall on that?

Barry: [00:19:35] Yeah, that's a really good question. I would say I'm growing more towards straying away from the ideologies that—this sort of dogma, and then some of the ideologies that were ingrained in me growing up. The situation in my mind that plays out is in just a few years, my parents are going to want to move away from their current home, because all of their children are going to have left the nest within just a few months.

Barry: [00:20:04] And I think at that point, once they've downsized, once they move somewhere more social, they're going to lose their sort of income stream. Right now, they are on a farm, very lonely, but it's their sort of sole income stream, apparently. So, they're going to want to move into a community. I highly doubt my dad's going to want to work at that point and he'll be close to the 60s. And the sort of scenario that plays out from there is I think there may be a bit of pressure for us to take my parents in months at a time, and maybe they have a small place, but they would expect to spend primarily their time at their children's homes, and me being one of the two sons, spending a lot of time at our home.

Barry: [00:20:54] We would have kids at that point in the next three or four years, and so I can imagine the dynamic being very messy. You just lose that sort of level of freedom that you might have if it's just the couple. And so, I imagine that that would cause quite a bit of a strain in our relationship. Maybe you find some ways to create that separation. Worst case scenario, you buy him a place nearby so that there's like a separation of space.

Ramit Sethi: [00:21:19] And do you think you could do that, Barry?

Barry: [00:21:21] I think I could, but I know there's going to be some battles that I would need to, have to fight. It would be an unconventional thing to do in my sort of broader family and how they've dealt with the situations. With that being said, I don't think many of them have had the amount of disposable income that maybe we might in a few years. And so, that changes the situation a bit, but I do know that there's going to have to be

some convincing and some sort of justification that might need to happen from my end. I think personally, one of my weaknesses is that I can be a people pleaser sometimes.

Ramit Sethi: [00:22:01] We know. The first question I asked you, Barry, I asked you, what is your perspective? And did you catch what your answer was? You said, well, there are two ways to look at it, and here's Maria's perspective, and you gave me her perspective before yours.

Barry: [00:22:17] Yeah.

Ramit Sethi: [00:22:18] And then, the next thing was, have you ever told them no? A lot of words, but ultimately, the answer is no.

Barry: [00:22:25] Yeah.

Ramit Sethi: [00:22:26] So, going from where you are today to being able to potentially tell them, well, we'd love to have you close by, come visit a lot, even stay over sometimes, but here's a separate place for you, that is a really hard thing. That's like someone starting to go for a five-minute walk every day versus climbing Mount Everest. If you were to tell your parents they can't live with you today, how do you think they would take it?

Barry: [00:22:57] I think they would probably think that I'm betraying them in some sort of way.

Ramit Sethi: [00:23:01] Yeah, I agree. Every parent, especially every mom, grows up saying, you're going to take care of us, especially to the sons, and that's a real cultural issue. It's real, even though, again, it's never written anywhere. You'll never find it in a book or a spreadsheet, but it is still real. We could spend the next three hours talking about all these cultural issues, but without a vision, we're going to get lost in the weeds. So, I'm going to zoom out and I want to establish what a rich life looks like for Barry and Maria, then we'll take their issues and make them fit into their rich life vision.

Maria: [00:23:44] What would be an ideal scenario for me is we have our own home and we're able to live with just our like smaller family, but we're close enough to both my

parents and his parents that we can see them on the weekends and we can spend quality time with them, but just be able to have our own space when we go home.

Barry: [00:24:08] I think we're pretty much aligned on that. I think I'm totally happy to live that sort of life.

Maria: [00:24:13] My ideal scenario is where we can dictate what generosity looks like towards both of our parents, our siblings, and any other people or charities in our life. I think that's—for me, the biggest thing I value is just financial freedom. And that doesn't mean that it doesn't come with generosity or caring for family, that's a value that we both deeply share, it's just having the optionality and not having the generosity come from expectation.

Barry: [00:24:46] I still do think it's going to be a bit of an issue convincing them.

Ramit Sethi: [00:24:51] It's interesting. I've heard you use the word convincing twice. This is a common thing I hear with Indian guys, Pakistani guys, guys from Eastern cultures. And like I said, growing up, I had a cultural script that I was expected to follow as well. Go to college, become an engineer or a doctor, marry someone of my same culture, possibly religion, and take care of parents. You know the script, it's pretty much the same script you were raised with.

Ramit Sethi: [00:25:22] And I broke a lot of that script. I changed my major. I'm definitely not a doctor or an engineer. And I married outside of my culture, and on, and on, and on. The ability to do that happened starting back in high school when I started making unconventional decisions. And I think that's generally pretty rare with a lot of my friends who I grew up with. Most of them actually did go on to become doctors, or engineers, or in tech, but it was little decision by little decision, so that by the time I decided I wanted to get married to my wife, convincing was not the question. I was not going to convince anybody, I was simply telling them, this is what I'm doing, I'd love for you to meet this person who I really, really like.

Ramit Sethi: [00:26:16] And so, what I would like to do is to paint a vision for you where you're not convincing your parents, but rather telling them with love what you can do. Remember, you're being generous. It sounds like you would be open to buying them a

house or renting them a house. Financially, you're being very generous regardless of culture. But there's a psychological approach to this that is completely different. When you go in convincing, it's almost like you're down on your knees begging. If you were not allowed to convince, what would you go and say? Play it out for me, role-play it out for me.

Barry: [00:27:01] I would say to my parents, I would say, look, the life that they've dreamed of having a community of like-minded folks, people that they would appreciate spending time with, having a beautiful home, living in a place with beautiful weather, living close to their children, we can make that happen. That's something that, absolutely, like we can take care of them, we can move them out to a community, where they would find that, or find those friendships, and find that sort of purpose and meaning.

Ramit Sethi: [00:27:30] But Barry, I plan to live with you.

Barry: [00:27:33] That's a tough one. I think-

Ramit Sethi: [00:27:35] Why don't you ask Maria for some advice?

Barry: [00:27:39] Maria, I need a hotline here.

Maria: [00:27:41] I think it's interesting, Ramit, that you mentioned that the—not rebellion, but the independent decision-making started for you in high school, too. I think that's—I would say my independent decision-making started in college when I also dropped premed, and decided to pursue business, and did all these other things. And I think because of that, my parents ended up trusting my decision making more and more over time, and were fine when I ended up saying that I wanted to marry Barry, even though he wasn't from my community.

Maria: [00:28:12] The advice I would give to Barry is not actually as his wife, but as a third party, because I think one of the fears I have about giving too much advice in this scenario is that his parents might think that this perspective comes from me and not from him. That's something I'm very cautious of. And back to the earlier discussion we were having about like the three-way split, a lot of why I just felt silent is not that I was

silent, but because I just didn't want to be the daughter-in-law that came in and changed things. And that's just everyone's worst nightmare. And so, I am very cautious of being a silent adviser and not being like vocal in these scenarios, because I do think it's for Barry to have that discussion and for it not to come from his wife.

Ramit Sethi: [00:29:02] What Maria just said is quite masterful. Did you catch it? It took me years and years to learn, and I'm a little jealous that Maria just offhandedly and intuitively seems to understand it. Her big insight is this, she can't make Barry change. He has to own this one on his own. Sure, she can support him, or like a lot of people, she could hypothetically get mad and force him to say something to his parents, but that wouldn't last and she knows it. Real lasting change has to come from within. I'll also note that Maria is very sensitive to Barry's parents thinking that she changed him, when in reality, he has to own it so that he can speak confidently to his parents. Maria is playing three-dimensional chess here and I am in awe.

Barry: [00:29:55] We want to raise our kids in a place that has good weather with good schools and in a community where they're going to feel very supported on a day-to-day basis. And so, we think that's going to be best facilitated in Los Angeles. And we would love for you to come and live by us as well so that our children can grow up with their grandparents nearby.

Ramit Sethi: [00:30:17] Los Angeles. I don't think so. We're set here. We have our friends here. I know we need you to stay here.

Barry: [00:30:25] Mom, dad, you have no choice.

Ramit Sethi: [00:30:28] Whoa. Zero to 60, okay. Okay. Okay. Wait. Keep going. I like your approach. Maybe dial it back just slightly.

Barry: [00:30:35] Yeah. I wouldn't have come out not hard, but I think I would say we're set on this life that we want to create for ourselves, and ultimately, we're going to make these sacrifices for our kids. It's something we're already in agreement upon. And I think-

Ramit Sethi: [00:30:52] Okay. That's fine. But fine, I can come to Los Angeles, so where are we going to live? Are we going to have the top floor or the entire bottom floor?

Barry: [00:31:02] So, I think it's going to be best if we buy you an apartment nearby.

Ramit Sethi: [00:31:05] Apartment? Us?

Barry: [00:31:08] I think it's going to be best for everyone. You're going to have your own space to live your own lives. You're going to have your own space to do whatever you want.

Ramit Sethi: [00:31:15] Our lives are your kids and our kids. We don't have a life outside of that.

Barry: [00:31:20] And you'll be able to see the kids whenever you want. We'll make sure we find a place that's within walking distance. We would love our kids to see you on a regular basis and to grow up with their grandparents nearby.

Ramit Sethi: [00:31:31] First of all, how do you feel saying that?

Barry: [00:31:33] I felt good. I think there's like, I tipped over the point where I finally just embraced it, so I felt good saying that. In terms of the actual rhetoric that I use, I think potentially, it could be better.

Ramit Sethi: [00:31:46] I think it was quite amazing that you were able to articulate all those things. Coming from having never said no to being able to even articulate that is absolutely astonishing. Many of the people I've talked to who were raised in this culture, they can't even conceive of how they would say no, that's how deep it is. This is a hard conversation. Your parents are going to be flooded with emotion hearing this, because they have a vision of their life. You are, in their mind, destroying their vision of their life. No amount of words is going to take away from that. Would you be prepared for them to be unhappy with you?

Barry: [00:32:31] It would hurt, for sure, yeah. It would hurt, but I think I would be able to do it.

Ramit Sethi: [00:32:37] Okay. What do you think you need to do in order to go from where you are today to being able to have that level of conversation?

Barry: [00:32:47] I think, like you said earlier, winning those small moments, and winning is the wrong word, but making it known in those smaller circumstances that we're not going to concede for certain things when they're at the risk or at the cost of the life that we want to have together, unless it's something that's trivial.

Ramit Sethi: [00:33:07] Give me an example. What is something where you have conceded in the past, but that you would not concede on in the future.

Barry: [00:33:17] I think this three-way split potentially may have been a bit of a concession that we made.

Ramit Sethi: [00:33:24] You made. Not Maria, you made it.

Barry: [00:33:28] Yeah, I guess. Yeah. So, I think that could have been handled more. I could have put my foot down there.

Ramit Sethi: [00:33:36] What would you have done? Just play it out to me. Say what you would have said to your brother.

Barry: [00:33:42] Look, I understand where you're coming from, but this isn't how we handle things when it comes to splitting expenses with a couple. Maria and myself, we're a single entity in this regard and we're going to do a 50-50 split. Actually, I take that back. I would say, Maria is an independent party here. She can contribute whatever she wants, but this specific gift split is going to be between you and I, so it's going to be a two-way split.

Ramit Sethi: [00:34:10] Wow. That's a big move. I love that. You took responsibility for yourself, and it was about your decision, not Maria. She actually has nothing to do with this, whatsoever. This is your parents, your family, and you stepped up, and said, this is

me, and I'm making this decision. A couple of other things I want to share that my wife and I do, these may or may not be helpful. These are fairly tactical. We set up some rules, some money rules.

Ramit Sethi: [00:34:41] And one of the things I hear with the two of you telling me how this feels is it feels very reactive, like at any given time, someone can be like, give me \$10,000 or give me \$100, and that doesn't feel good. So, we take things into our control. I want to create the rules of my life. I don't want anyone else to create rules for my life every time. We get a charity request from somebody, we've already budgeted out how much we want to give to charity in a year, so guess what happens if somebody says, hey, can you give us \$10,000? Let's just pretend we've already exhausted our charity donation for the year, what would we say to them?

Barry: [00:35:23] Sorry, can't do it this year, we've exhausted our budget.

Ramit Sethi: [00:35:26] Yes, it's just simple. And it's not you, oh, Barry, you're so stingy. It's our plan.

Barry: [00:35:34] I think it's a great idea. My question, though, is how do you build a moat around that system that prevents people from questioning it? Why do you donate only 10% per year? Why not 12%? Because that would take you to the amount that we need.

Ramit Sethi: [00:35:52] What do you think the answer is?

Barry: [00:35:53] I don't think you need to justify it. But also, on the flipside, I don't know how you can just shut the conversation down. I'm actually not sure.

Maria: [00:36:01] I would approach it as, this is the amount that we could donate to charity, because we are saving other percentages for our kids in the future, or for education or whatever purposes, and just leave it at that. We feel happy with the amount that we donate, we think it's generous, and we choose our charities carefully.

Ramit Sethi: [00:36:24] Okay. That was good, but you just totally screwed yourself. You gave way too many details. And if I am a skilled guilt tripper, I'm going to pull on every

single one of those threads until you are crying on the floor, kids, oh, so, you're having kids? Oh, you're not having kids? Why not? Two years from now, who knows what's going to happen? You need an answer like a politician. Why are you doing this? To keep America safe. Okay. That's it. And by the way, I hate that answer from politicians, but what is the theory behind it? How can you argue with that? Give me an answer like that.

Maria: [00:37:03] Because this is what works for our family right now.

Ramit Sethi: [00:37:08] Take the right now out of it.

Maria: [00:37:13] This is what works for our family.

Ramit Sethi: [00:37:20] When Barry and Maria began changing their responses to his family, it's going to be very uncomfortable. People do not react well when you change the dynamics of a relationship, and you know this if you've ever lost weight, or you've gotten a new job, or you got paid a lot more, or if you've ever set down boundaries with your family. You know what I'm talking about, people do not like changing the dynamics of a relationship, and they'll use any technique they can, even unconsciously, to get you back in a box that feels comfortable.

Ramit Sethi: [00:37:55] This can mean guilt-tripping, anger, gossip, whatever they can pull to use to get you back in that box. Your job is not to plead with them or try to convince them. Your job is to anticipate these techniques, acknowledge them by saying something like, I can see this upsets you, and then pivot right back to your key message. This is what works for our family. No, this is somebody else, and that's exactly right.

Ramit Sethi: [00:38:30] You're not here to justify. You'll notice that you will have these interesting verbal tics. You will say things like, we can talk about it later. No, we can't. Oh, if things changed, we can always relook at it. No, this is my decision. These are verbal tics that allow you to get out of it, but they actually do you no favors. Once you get really confident with yourself, you're already confident at work with the amount of money you earn, you must be good at your job, but having these discussions is totally different.

Ramit Sethi: [00:39:06] It's like putting on training wheels for the first time. I will tell you that there is a light at the end of the tunnel, because as I started to make these decisions more and more, first, I got more confident in my own decision making. In this culture, the world wants you to obey, but the minute you do, they don't respect you. However, when you've charted your own path, they respect you. And that takes years to get to, but I have total confidence that you can get there.

Barry: [00:39:44] That's very powerful. Thank you very much.

Ramit Sethi: [00:39:47] Do you think you could do it?

Barry: [00:39:49] Yeah, I think I can do it. And honestly, it's encouraging hearing this, too, because I'm thinking of it as a marathon, like you said, and working my way up to it, becoming better at these sorts of things would honestly put me in a much better headspace.

Ramit Sethi: [00:40:02] It's going to be really difficult. It's funny, the hardest conversations you're ever going to have are going to be about \$10 here or \$20 there. Why? Because you are fundamentally redefining the relationship. I really love this conversation with Barry and Maria, because from the listener's perspective, it was really obvious what was going on. These cultural scripts are deep and they're red flags to us.

Ramit Sethi: [00:40:32] But if you turn that around, and you look in the mirror, and say, what invisible scripts did I grow up with? What are the cultural beliefs that I grew up with? [Making sounds] then, it gets a lot harder, doesn't it? It's easy to critique somebody else, much harder to get intellectually curious about ourselves. Now, you may have heard me say, a rich life is lived outside the spreadsheet, and usually, when I talk about that, I'm referring to the fact that once you get your automation set up, and you use my book, and all the investing is going, turn the page, think about what is meaningful to you.

Ramit Sethi: [00:41:10] Do you want to travel or eat at nice restaurants, whatever the case may be? But you can also see that principle applying here. Barry did not need to fiddle around with his investments or earn \$10,000 more. That was not going to change

it. He actually had to get outside of that spreadsheet and have some very difficult conversations that redefined his relationship. It's easy to fiddle around with numbers and go into Microsoft Excel, but oftentimes, that will not change anything.

Ramit Sethi: [00:41:44] Living outside the spreadsheet means, for better or for worse, for positive things like travel, but also for challenging opportunities, like redefining your relationship with the people around you. I want to give one last shoutout to Maria on this conversation. Maria was an example, in my opinion, of a great supportive partner. And I also want to commend Barry.

Ramit Sethi: [00:42:07] Barry realized that in a relationship, it's often the case that we may want to defer something or talk about something together with our partner, what Barry realized was that this one is on him. He's got to take the lead on this and he has to redefine his relationship. That's why I enjoyed this episode. And I'm looking forward to seeing you next time. Here's what you'll find next week on the I Will Teach You To Be Rich podcast.

Natalia: [00:42:36] I don't care about the numbers if I want to visit my family or if it's Andres's mother's birthday. I know that we have the money and it's priceless to visit our family.

Andres: [00:42:47] It frustrates me a lot, because given the current circumstances that we are in, the only one of the two of us that is able to pay for these kind of things is myself. So, it's challenging. When the discussion ends on emotional things, it's difficult to respond. For example, you don't want the best for our child, and it is not true.