EPISODE 1508

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FT: So Money episode 1508, Erin Lowry, Founder of Broke Millennial.

> *“***EL:** *Okay. Yes to the democratization of personal finance information. Yes to there being more voices and more lived experiences in the room. I love all of that part. But this has also led to a rise for sure in scamming, for sure in just snake oil salesmanship. Or maybe people who maybe started with really solid intentions but then realized that it was also a quick way to make money. And oftentimes, the money wins out. I always will say follow the money in these sorts of situations.”*

[INTRO]

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FT: Welcome to So Money, everybody. I'm Farnoosh Torabi. Inviting on a friend today, a good friend, Erin Lowry. She’s the Founder of Broke Millennial, which is a series of books. She is introducing a *Broke Millennial Workbook* this month, as she continues her mission to help millennials and anyone else who needs it get your financial life together. The workbook is a hands-on tool to guide you through mapping all things personal finance.

Erin and I talk about how to be the CFO in your family without taking on all the financial responsibilities, how to know who to trust in the age of social media when everybody's an expert, and the calculus for enough. Do you make enough? How do you figure that out? Here's Erin Lowry.

[INTERVIEW]

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FT: Erin Lowry, welcome back to So Money. It's been a couple of years. I've missed you so much.

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EL: I know.

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FT: As a friend, as an OG in personal finance, I look forward to this conversation with you because we can always go in so many directions when you're on the show. You've written all the books. You and I, like maybe it's just a derivative of just having stuck with this industry for as long as we have pre-social media, the where it is today. We've got the content and looking forward to talking about you, catching up, and also sharing your exciting new project which is the *Broke Millennial Workbook*. Let's just start there. Why a workbook? We need more work. We need more books. We need more work. No, I'm kidding.

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EL: It's interesting. So full disclosure, my publisher reached out to me and was like, "Hey, workbooks are it right now." I don't know that I ever would have thought to do it because, in my mind, workbooks are like illustrations and beautiful exercises. I do not mentally think that way. I am a writer, first and foremost, which was a really funny part of doing this workbook because I would get into a chapter. I'm like, "I'm just writing another book." I have to walk this back a little bit and put the exercises in.

But I was doing an interview the other day, and I don't know why I didn't quite conceptualize this prior. But the person said, "You know, I think what's really hard is we can read all of the books that we want. But it's really hard to couple it with action." I do see that this, the workbook, *Broke Millennial Workbook*, is so different in that it forces you to pause midway through learning about something and to write things down and to start putting things into action. That at the end of the day, to me, is why. It's not a reheat of, "Oh, I already had this one book out. I'm just going to like take some stuff from there, throw in some exercises, and call it a day." It is a stand on its own piece of work, and it is inspired by its predecessors in the series.

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FT: There is something about taking pen to paper and writing down your intentions and processing through writing. I mean, you started off saying like you're a writer through and through. Is that what some of these prompts are? I mean, do you give prompts for like finishing sentences and committing to those words on paper?

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EL: There are a lot that makes it feel almost like a journal, and that's more towards the beginning, especially as you're kind of exploring your emotional relationship to money and all of that. There's a lot of fill-in-the-blank here type prompts. But then later on, we get into the nitty-gritty, which is, hey, we got to face our numbers. You have to log into all the accounts. Write all the numbers down. We're going to make an actual action plan right here, right now.

It also gets into the nuance because that shades of gray is where I have always thrived. I love the nuance of personal finance and that there is not one right way to do it. So it does really force folks to confront their numbers but then offers different strategies for how to handle different things. There's not one way to pay off debt. There's not one way to reach a savings or investing goal.

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FT: Yes. You're right very early on in the workbook that there's no wrong way to do this. But you do – you're very clear that like you got to kind of go in order. You want to start with the first early chapters because they do lay the important groundwork. How long will this workbook take me?

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EL: It could take you a month. It could take you three years. It really kind of depends on your interest level and the strategy. I hope that a lot of folks try to do it in three months. I think that would be what I would encourage as a cadence because then it's not overwhelming. You can do little bits at a time. But you also then have a strategy in place within, let's think of it business terms, a quarter. Within a quarter, you can have a strategy laid out for you.

There is quite a few parts that refer back to, hey, what did you say last time you were thinking about this or wrote about this? Or even things you can rip out of the workbook and hang on your wall to track your progress, which is one of my favorite things to do. I actually do that when I'm trying to achieve any kind of goal. Those are, obviously, more long-term.

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FT: I love one of the exercises in the book. It's early on where you're trying to help readers and figure outers like what is your money team. So you have like often in women's magazines, it's like take your quiz to find out what's your datability score or whatever score. Then you actually – after completing a series of questions, like are you the person who always grabs the drinks? That you can actually figure out what kind of team you're on. Why is that important to kind of know where you belong or where you've been hanging out in the financial world?

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EL: I like it because, first of all, let's be honest. We all love a benchmark. We all love a grouping. We all kind of want to see where we stand. Even though I have a whole section about building your own benchmarks because screw the ones that are out there, I find them very stressful. In the figuring out which money team you're on, it can be a little bit of an awakening for folks too because we tend to be a bit more optimistic about where we are than the reality of the situation. We might think that we save more. We might think our debt total is lower than it is.

I will say in this particular exercise, you are not answering any of those questions. This is all really about your emotional relationship to money. So how much are you paying towards your 401(k)? How much – are you the person that's saying, "Next round is on me."? It groups you into one of three categories that really I think indicates how you think about money short, medium, and long term. There's pros and cons to every group.

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FT: There are. I mean, you're right. I was just on a call this morning. I was speaking to an employee resource group about money and mental well-being. The whole hour, we just talked about mindset and how to take on the right storytelling in your head and your belief systems and why you got to these belief systems. When you think about the "work" that you do in your daily practice or your monthly practice, as someone who is – I think you have your financials together. I mean, we can say that. You and your partner. What is the work that the two of you do or you do to maintain?

So I guess this question is also for listeners who might go through your workbook, and now they're like, "Okay. Now what?" What are the things that you hope will endure that should be part and parcel to running your life so that you can run your money too?

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EL: First from the individual perspective, for years I have engaged in a practice that I used to call the 15-minute money meeting. I feel like it lasts a little longer now. But every Sunday, I would sit down and check in on all of my accounts, especially credit cards, just to make sure that everything is accurate. I'm not overspending. Because how easy is it to mentally earmark how much you're going to spend for the month, but then you kind of forget what's on the credit card from a couple weeks back. So every single Sunday, I would sit down, check everything, make sure that I'm actually on point.

Once I got married, I feel like that got a little bit more complicated because you're factoring in another person's financial behaviors into the mix. But on that point, we have at least a monthly money meeting as well, and it's not long. I think sometimes people think like, "Oh, I have to come like sit down for like an hour-and-a-half-long meeting. It's not like that.

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FT: Set a timer.

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EL: Set a timer. I love some temptation bundling, like order your favorite takeout, grab your favorite beer, a bottle of wine, like whatever it is. If this is something that's a drag for you, bring in something that's fun for you with it. Then what we do, I mean, let's call a spade a spade. I'm the Chief Financial Officer of our household. So I tend to go get all the information and bring it to the table and say, “This is where we are. These are what our goals are. Do we feel that these are still in alignment? Anything that we want to change? Anything we want to add? Anything that popped up that wasn't expected?” which, let's be honest, always happens.

We had a family medical emergency happen earlier this year, so we ended up having to take two trips that were a little unexpected. So figuring out how that works into the budget and so much of financial freedom that there's different phases of it. One is that you are in a space that you can move money around and shift priorities and goals so that you can focus on what is imminent and really important to you at the same time.

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FT: Yes. Where you find yourself in a pickle, but the good news is you have options. You can afford those options. Something a lot of people are wondering about right now, Erin, and I get these questions a lot, I'm sure you do too, is with where we are in the economy, the negative is that there's layoffs and a lot of uncertainty and high-rising interest rates. But the pro of that is, of course, rising interest rates showing up in our bank accounts as high-yield accounts.

What's your philosophy, strategy around switching to a high-yield savings account, choosing a high-yield savings account? I'm curious because I'm sure this is like – this question alone, I can tell people are going to be pumping up the volume right now.

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EL: If you have followed my work at all at any point, I have been screaming about high-yield savings accounts four years. Broke Millennial turned 10 this year, and it's been at least eight years that I've been screaming about high-yield savings accounts. It's in the first book. It's in the workbook. Please, if your interest rate on your savings account has a decimal point and then a zero, you are doing it wrong. This is like the one area where I come down really hard where like, “No, no. There is a wrong way.” The wrong way is to have .01%, .05%.

There should be a number in front of that decimal point, and that has fluctuated with the economy for a while. It was like, “Oh, my God. I can get one percent.” Then all of a sudden, it’s was like, “Oh, no. Best I can do is .5%.” Now, it's like, “Hey, I'm probably going to get four percent in the next three months over here with how things are trending.” So definitely do your due diligence. Look around for a bank. If Silicon Valley Bank taught us anything, it's to make sure that your bank is FDIC-insured. Most are but you just want to vet it. Double-check. Go to the home page. Scroll down to the bottom. It should be right there in the fine print on the bottom. Control F FDIC. Look for that.

But also, the other thing I will add into this, you get to decide about the ethics of how you are banking. Personally, I do have lines in the sand about what is the behavior of this financial institution. What is the recent history? Have they been indicted for a practice like redlining or transaction reordering? Or do they really gouge people with inane overdraft fees? If they do, I won't put my money there, even if they have the highest possible savings rate. But that's your call to make. You get to decide what your ethics are around banking. Listen, no financial institution is flawless, but there are plenty of more ethical bank options that still have high-yield savings accounts.

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FT: Yes. To remind everybody, we're talking about savings, not checking. This isn't where you have your transactions happening every month. For that, I wouldn't even worry about the interest rate because what that account really needs to provide is ease of transaction. You're not going to get slapped with fees for transferring money here and there because that's what checking accounts are, right? It's like an airport for your money, where there's like inbound, outbound. So you're not letting that money rest and optimize from that interest rate, from that high-yield savings interest rate.

The other thing I would just add to that, which I loved everything you said, especially with the FDIC stuff because. It begs repeating not just because of what we hear about potential bank collapses and stuff. But because, as you know, there are so many new neon, neobanks that are – it's marketing. They're like these fintech-driven digital-only banks that are often powered by large institutions on the back end that we never hear of because they want to appeal to sort of a younger class of investors and savers who love a good UX when they're on the website. Or like, “Oh, this site's –” It’s called like know Emperion or January or whatever they're calling themselves these days. It's like these catchy futuristic names.

That you just have to be careful that you know what's happening on the back end. You do want to know how the sausage is getting made there because sometimes they will say like, “We are not a bank.” Okay. Do you want to put your money in a we are not a bank place, which means we probably don't have FDIC insurance, which means enter at your own risk. So just as a word of caution.

All right, so you talked about how you are the CFO in your family, in your household. How does a couple decide who's going to take on those responsibilities, and how do you do that in such a way where the person who's not the CFO isn't left in the dark? Because not all CFOs are good like you, where like they have the meetings, and they have the transparency.

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EL: Or it could be that the other person is disengaged and really feels uncomfortable with being interested in the household finances, which always makes me very nervous for that particular kind of couple. I do feel like the CFO kind of gets designated as the person who's the most interested or marginally more interested than the other party. That sort of what tends to happen in relationships if one person just by nature is more interested in a particular facet, whether it's investing or handling the household bills.

There doesn't always have to be one overarching CFO either. A lot of times, it does get split where somebody maybe is handling more of the investment element, and the other person is handling more the day-to-day household bills element. I'm not going to get into the gendered nuances of how that often happens in heterosexual relationships. We can probably think about how that often breaks down.

I do very strongly believe the key here is that both parties can function as the household CFO. I say that not to be super doom and gloom about it. But what happens, like if I got hit by a New York City bus tomorrow, and I'm in a coma for two months, does my husband know how to pay our rent, get access to our brokerage accounts, get access to our bank accounts, pay every other bill that we have? Because if he doesn't, that's a big problem on top of an already very stressful situation. So it's really critical that both people know how to function as the Chief Financial Officer, even if one person just tends to be more of the day-to-day. I'm more hands-on about it.

Having that meeting, also making sure that whatever feels safe to you in this modern era of where to store passwords, where to store how to get access to certain accounts, having a list of where all the accounts live, having that kind of information is so critical. Also, please make sure that your parents have this. I'm talking to all the other millennials and Gen Xers who are listening in on this call. Do your parents both know how to operate the household finances? Because, eventually, something's going to happen to someone.

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FT: That is so true, and I'm raising my hand because I got involved. I got involved with my parents. I stepped in, and I write about this in my next book. It's just so confusing. My dad was all about, “Farnoosh, open the 401(k). Save your money. Get the raise. Here's what a credit score is.” But within his own relationship with his wife, my mother, it's a much different dynamic where he does not empower her. He does not educate her. She wants the empowerment. She wants the education. It’s been a conflict in their marriage for the longest time on and off.

So there were – I remember being in college, and I would step in and like, “Dad, you need to give Mom passwords to the accounts because she's coming to me, and she's crying, and she can't get through to you, and I'm going to get through to you now by telling you. Like if you don't do this, then you're the hugest hypocrite.” I think it helps to be outnumbered by the Persian women in the house, for sure. I also – but it wasn't like it was a done deal. That was 20 years ago.

Fast forward, my mom coming to me again. She's like, “I know we have new accounts. We have a new mortgage.” It’s a fight every time. So somewhere in my house, I have printouts of all of my parents’ logins to all the things. What if something happens to the both of them or one of them? In their grief, I would love to be the person to step in. I'm grieving too, but maybe like at least that way, there's more than one person who can maybe step in and do the right thing for the time being.

Because, I mean, I don't have to tell you. But there are so many sob stories of sort of traditional couple where the husband took care of everything, didn't think it was his wife's responsibility or even if – he felt like it was a part of his manlihood to take care of all the money. Then he gets sick, and he's in the hospital, and then his life insurance payments lapse. So not only does his wife not know how to open up their bank accounts online. She's now probably not going to get life insurance in the aftermath of his death.

What a terrible legacy, right? It's not what they want. It's not what the spouses want. But while they're alive and they're latching on to these gender stereotypes, they get blinded by what really needs to happen. What are you making right now, Erin, of this proliferation of financial advice on social media? I'm talking TikTok. I'm on Instagram, but I can't – it like repels me a little bit, a little bit, all the like fast talking. You need to follow me. The inundation of advice from folks who really know how to make cool videos but like what is actually your credential to give advice, whether it's about investing or other things?

Well, I love the fact that we have more financial literacy out there, and it's accessible, and it's free. I also feel like it's a burden because now, people have to really like work hard to decipher who's legit and who's just trying to sell them a course.

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EL: Okay, the selling. That, to me, is the big part of it is that, okay, yes to the democratization of personal finance information. Yes to there being more voices and more lived experiences in the room. I love all of that part. But this has also led to a rise for sure in scamming, for sure in just snake oil salesmanship or people who maybe started with really solid intentions but then realized that it was also a quick way to make money. Oftentimes, the money wins out.

I always will say follow the money in these sorts of situations. So whether it is somebody is calling themselves a financial advisor offline, like we're not even talking about social media anymore. If somebody says, “Hey, I'm a financial advisor. I'd love to work with you,” follow the money. How does that person get paid? Do they get paid because you pay them a flat-based fee, and then they give you advice? Or do they say, “Oh, don't worry about it. I don't take a fee.” But then they sell you a product and get a commission on the back end. Well, is that product really going to be the best product for you? Or aren't they encouraged then to sell you the best possible product for them that gives them the largest commission?

I feel the same about finfluencers and people who are – I often get called one which kind of breaks my heart a little bit but people who have –

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FT: Mine too, yes.

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EL: A rise on these platforms is how are they earning a living. Every time they're sharing content and information with you, is there a call to action to buy their course, to buy I don't know whatever else? Listen, maybe pot meet kettle, I'm out here being like, “Did I just post on Instagram this morning about my book?” Yes, I absolutely did. I too am selling things like books. But I do think that I look sort of at it as an odds ratio. Like are we looking at there's eight sales things to every two pieces of content? Of that content, how much is credible? Are you fact-checking? Are you checking against other more credible verified sources?

I think when it comes to stuff like budgeting recommendations, I don't care so much. If you want to play around with different budgeting strategies, different savings challenges, great. I think that could be really helpful, seeing what works for other people. Investing, that's where I really start to get a little bit more uncomfortable and really, really encourage you to do a lot of research before you take anybody's advice.

I do not want to misattribute this quote. One of the brilliant women I interviewed in my second book, basically, I was asking about – at the time, it was 2018, '19 when I was doing these interviews. So it was more about Reddit. It was sort of like the big place people were going to for financial information. I asked, “What do you think about that, like where people get their financial information?” She goes, “It's worth as much as you paid for it.”

That, I thought, was a very interesting piece of advice, in the sense that if you're going to an uncredentialed free online resource, it depends on where this is coming from, how well it's vetted. I think there can be a lot of power in like the Reddit forums of the world in terms of a lot of people giving their opinion and sharing collectively issues that they've had. But there can also be a lot of misinformation and straight up bad information that happens there and on TikTok and on Instagram.

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FT: The GameStop frenzy, the whole meme stock stuff.

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EL: Exactly. So it is very important that you just do your own due diligence, that you take everything with a massive grain of salt. Especially if you're working with somebody one-on-one and you're paying them, that you're also doing a lot of research. My favorite thing is to recommend people go to BrokerCheck which is FINRA’s way to check somebody's credentials. If they're a financial advisor, make sure that they don't have anything nefarious in their past. If you just put in the name Bernard Madoff, you can see that it actually works, and it pulls up information about whether or not somebody is currently licensed and what their past deeds or misdeeds were.

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FT: What's that side again?

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EL: BrokerCheck.

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FT: BrokerCheck.

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EL: So F-I-N-R-A. It's FINRA's BrokerCheck.

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FT: Got you. Okay, great, great, great. Not to end on a cool can of worms here. But, again, I respect your opinion so much I think because you have also been in this industry through many cycles and before it was all about like chasing people down on TikTok is this idea. Because a question comes up a lot in my world, and I don't think there's a straightforward answer, and I love to get people's opinions on it. But like how do you figure out when you've made enough or when you have enough? Especially I think this comes up in the creator world, in the entrepreneur world where it's like you're only as good as your last year. If you'd make as much as last year or less, then you're not going – you're not succeeding.

We often tie success to how much we earn. Of course, if you want to be more successful, you need to earn more. But that calculus is fraught. I wonder, when it comes to knowing enough for you, and you can just speak personally to this, Erin. You don't have to give people all the advice. But like for you, what is the calculus for determining financial enoughness?

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EL: It's such a loaded question because –

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FT: I know, right? With three minutes left. No, I'm kidding. Take as much time as you want.

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EL: So I experienced, and I feel like this is now a zeitgeisty thing to say. But I had really atrocious burnout before the pandemic happened, and that didn't help make it better. It's been about a two-year healing experience for me. In that, a lot of it was recognizing how much of my personal worth was tied up, not as much in my net worth but in my business success, in book sales, in media hits, in who knew me, in Instagram followers.

It's kind of funny that you bring up TikTok because I made a very conscious decision not to get on TikTok. So if you're seeing any Broke Millennial on TikTok, it's a fraud. I did that because I knew it was going to come with financial consequences. I knew that it meant far fewer brand partnerships. But I also knew that I didn't want to keep going after brand partnerships because it wasn't what, to sound trite, filled my cup in terms of both personally and professionally. It's not the kind of work that I enjoyed.

I'm not going to lie and say that it's always easy for me to see people who have really taken off and made a ton of money off of pursuing that. But on the flip side, I also feel like I am at a much healthier mental place than I've been in in years. A big byproduct of that was reducing the amount of time I spent online, reducing my exposure to things that I found professionally triggering. There are certain people that are constantly getting gigs that I was up for too or getting things that I wanted to do. I muted them for a period of time. I didn't unfollow them. I just made it, so I didn't see their content every time I got on social. Then I started just getting on less and less.

It's been interesting on the flip side being out here having to promote a workbook. I have to be on more, and I see the immediate impact on my mental health. To me, I don't have a financial number yet that indicates financial independence because I don't have all the information about like if we're going to have kids, the number's going to change drastically. If we're going to stay in New York City long term, that number is going to be a lot higher than if we moved to somewhere else in the country. I have some numbers. But mostly, I have my bare minimum number which I think is honestly a little bit more helpful.

I know the lifestyle that I want to live year to year and how much I need to earn to live that lifestyle. That lifestyle does genuinely make me happy. So I don't need to be earning three million dollars in a year. I need to be earning my bare minimum amount, and I am living a very happy fulfilling lifestyle. That's where I need to focus.

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FT: Oh, my gosh. Can I give you a hug? Really, everything you say is resonating with me 100%. That bare minimum, it doesn't sound sexy to be like, “Focus on your bare minimum.” I've done that exercise because – I remember one day. You're right. I was so stressed before the pandemic too. I was like trying to start another business. I like was a brand-new parent. I was chasing all these like shiny objects. I think I was – and it's okay. I'm not saying I regret wanting to pursue television so much in my 20s and 30s. It taught me a lot about myself. I definitely got some cool opportunities out of it. It was sometimes fun, mostly not.

I think, ultimately, that was the takeaway for me is like I have worked really, really hard. I've been very thoughtful about money and my career. Things haven't worked out as I like always wanted. This was the thing. When I was starting out, people are like, “Who do you want to be? What do you want to do?” I'm like, “I just want to –” I don't know. Is that okay? I don't have – there were some people who were in our circle who were like, “I want to help 10 million people, and I want to have three New York Times best-selling books.”

For better or worse, I never thought about my career in those metrics. I just thought I want to be doing what I like doing, make good money, but also be able to come home and not be stressed. That didn't always happen because I was sometimes wrapped up in trying to, I think, show up in a way for others because I thought I needed to meet their expectations. It’s like, “Well, why didn't you get that? Why were you on the Today Show this morning? Or why didn't you get an immediate second book deal?” It’s like, “You know what? Because I'm living my life. You should start living your life too. Stop looking at me and trying to figure out whether I'm being successful or not.”

That was so much pressure for me from the external world because the external world is impatient, and there are these sayings like, “You're only as good as your last,” fill in the blank. Especially then with social media heightening and everybody showing their highlight reels, it was just like is anyone suffering out there? Is anyone having a bad day? Is anyone not getting opportunities or hearing rejection? Because that's a big part of it too, and I think it's so fake when people go on there.

I don't really like when people just talk about how much they make online because I think they're not talking about how much they spend and how much they're taking home. I did a post about this recently which was like these entrepreneur lifestyle, entrepreneurs that are like, “I make seven figures.” Okay. Well, show me your IRA. What's in your bank account?

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EL: Yes. What’s your expenses?

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FT: Yes. Then you find out they're living to the rim. It's a really toxic message. Sometimes, you have to – just like you said you got to mute those accounts, but yes.

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EL: That also applies to your personal life too. If you have someone that's just sort of triggering to you in your real life, but you also know like the hell it would unleash if you actually unfollowed them. Just mute them. That’s fine. Or if you're going through something personally, and this person is living some version of a life that you want to have. Again, that doesn't necessarily have to apply to money. Let's say if you're struggling with fertility issues, and you have like four friends who are currently pregnant, mute them, so you don't have to see all the updates. Whatever it is that works for you.

I also just know that for me not only is it about protecting my personal mental health, but it's also about protecting certain relationships in my life. So whether that's my marriage, whether that's relationships with friends and family members, that like when I am with people, I want to be present with people. I don't want to be mining every element of my life for content and sharing every bit of my life. I get to control the access that people have to my life.

Also, you can't unshare things. That's always my advice when people reach out when they're starting out now, and they're wondering building a brand or what have you. I said just think very critically about what you put out there because you can't take it back. If you're sharing other people's stories, particularly if it's a spouse or a sibling or a parent, and you have a good relationship with them and want to protect that, vet the stories with them first. My husband gets approval of every little thing that goes up about him because it's his life too. He gets to also be in control of his narrative about it as well.

[00:33:31]

FT: Yes. Such good advice and I do it the same. I have a whole chapter in my next book about the fear of exposure, which is not something that I think – I couldn't Google that to get like the research on it. There's not a lot of research on it because what we have as a culture instead been promoting is the fear of not exposure. Like be vulnerable all the time. Share all the things. It's only going to benefit you because that's what people want. We want the truth. We want this. We want that. It's like okay.

But sometimes, if I'm in a forum where I don't know people, and I'm being told like, "You should share your salary," and I'm getting a little afraid of that, I'm going to listen to that fear because we need to learn how to read the room. We need to learn how to share, when to share, who to share with. The advice is not to take a beat and like be thoughtful about how to share. It's like just share. Just spill it. Just do it all because that's authenticity. That is not for me, and I hope it's not for a lot of people because it can backfire. There's a cost to that. It's not about hiding stuff.

It's like – you know what? Some things are just sacred. What happened to just some things are for me and for my family and for those that I trust?

I remember being in front of an audience, and someone raised their hand. I was like – I think it was FinCon or someplace like that, and the panel was about negotiating. A woman raised her hand in the audience and said like, “The entire ballroom asked me. Farnoosh, how much do you make?” “Okay, what? I'm sorry. Okay.” Touché. We’re talking about negotiating and transparency with pay.

But I said to her, “You know what? If you're really curious because you genuinely want to know because it could be materially helpful to you, because you're like pursuing something, and knowing how much I make would benefit you, like let's get a coffee after this. And if anybody else wants to talk money, real numbers, I’ll be at Starbucks.” But like am I going to just spew it all to this ballroom full of strangers about how much I make? No, because that is private information. I believe in paid transparency. But when it comes to people who are like entrepreneurs and creators, out of context, what you make without any background, it can be completely construed, and it can be used against you, which I have had that happen to me in my life.

So knowing all that, I was like, “You know what? I know that culture wants me to just like word vomit on stage right now. But we're going to go one-on-one.” Even then, I wanted to ask her a bunch of questions before I gave her some information because I do believe that transparency ultimately helps. But how you share it, where you share it, when you share it, there's a reason there are state laws where employers cannot ask you how much you made in your last job.

[00:36:24]

EL: The context.

[00:36:25]

FT: They will lowball you, right? Or they'll just try to meet you where you're at.

[00:36:28]

EL: Yes. Context is key, I feel like. I also think it's very healthy to draw boundaries with folks in all areas of your life about what you're willing and unwilling to share in situations like this. I one time had someone ask me. In their defense with the question, I was doing a talk about how to navigate awkward financial conversations all on my third book. We were talking about money fights in relationships. The question is what's the worst money fight you've ever had with your husband? I said, “You know what? I'm not going to share the worst money fight we've ever had, but I'll share a money fight we had and how we worked through it.”

I feel like that's a very fair boundary to draw where I'm still going to give you some information, some context. But frankly, you are not entitled to know about the worst fight that we ever had either.

[00:37:14]

FT: Right. Amen to that. Oh, so good. I knew this was going to be the best episode yet. Erin Lowry, thank you so much. Just, again, to remind everybody, Erin has a new workbook called *Broke Millennial Workbook*, inspired by your very first of a series of books, *Broke Millennial*, the number one. Tell us some of the other books, so we can all get the collection.

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EL: So first is *Broke Millennial*. Second is *Broke Millennial Takes on Investing*. Third is, and I'm going to subtitle this one, so bear with me, it's long, *Broke Millennial Talks Money Scripts Stories and Advice to Navigate Awkward Financial Conversations*.

[00:37:50]

FT: Brilliant. Okay, Erin. Thank you so much and good luck with the tour.

[00:37:55]

EL: Thank you.

[END OF INTERVIEW]

[00:37:58]

FT: Thanks to Erin for joining us. Check out *Broke Millennial Workbook*. The link is in our show notes. I'll see you back here on Friday for Ask Farnoosh. I hope your day is So Money.

[END]