

**FT:** Ramit Sethi, welcome to So Money, my friend, such an honor to have you finally on the show.

[00:05]

**RS:** Thank you.

[00:06]

**FT:** I've been following your work for years. I know that you're making 2015 the year of More, more freedom, more fun, more responsibility and challenges, more money, my favorite part. It's April, how successful have you personally been with this mission?

[00:24]

**RS:** I like to think that so far the year is off to a great start. The year of More is really saying no to cutting back on everything and actually saying, "I'm okay wanting more. I'm okay wanting more fun, more success, more responsibility so I'm willing to step up and take more responsibility. And, of course, if all those things happen then, you know, maybe a little bit more money as well. And so, personally, things look good and more importantly for my students and my readers, they have been doing an amazing job getting new jobs, starting online businesses and automating all their money.

[01:04]

**FT:** What is the psychological barrier? And, you studied this very closely, the psychology of why we do the things that we do, particularly when it comes to achieving greatness in our lives and why do you think people have such a resistance or maybe it's just not even an awareness really of the fact that they are able to achieve more and better.

[01:25]

**RS:** Well, look around at the sources of information that we have. We have these personal finance experts constantly telling us 'no', "No, don't spend money on lattes." "No, don't go on vacation." "Don't buy those shoes or jeans. No." And, we have people around us saying, "You know what, you're just lucky to have a job in this economy. No, you shouldn't ask for a raise or try to get a new job, just be happy where you are." And so, since we were young we're taught to just follow orders, get in line and do what everybody else is doing. So, it's not really a surprise that we end up believing that we should just take what's given to us and not ask for more. But, you know, it's ironic, when I went on book tour in 2009, it was right in the midst of the great recession and I went to all these different cities and I was doing different TV spots and all of the producers, all they wanted to talk about was how bad the economy was. Eight percent unemployment, and I said, "Wait a minute, that still means 92% of people are employed and that means that they want to know how to do better. Yes, let's help the people who are unemployed but let's also not forget about the people who want to do even more." And, that message was very tough for them to get across. Why? It doesn't sell newspapers, it doesn't sell ads. So, I believe that, you know, focus on what we're doing well and do even more of that, do it better. And, that's a message that I think is starting to resonate pretty deeply.

[02:53]

**FT:** Your assistant sent me your Bio and I have to say it left out a lot of cool things. So, I'm going to brag a little bit more about you if that's okay.

[03:01]

**RS:** Okay.

[03:02]

**FT:** Okay. So, I've known you for awhile like I've said and I know you personally, somewhat I know. I'm friends with your sister. She's lovely. I know that, I've actually covered stories with you where you've talked about paying your way through college entirely which is very impressive and I think you went to a small school in Northern California.

[03:20]

**RS:** That's right.

[03:21]

**FT:** Stanford. You're helping millions of people achieve greatness by landing their dream job and through your Zero to Launch program, you're showing exactly what people need to know to start their online business, which I know there's a lot of BS out there. I have friends who've gone through this program. They rave about it. I actually almost signed up for it. I have to tell you I'm going to, like kind of go on a vent like a tangent here but I think you would like to hear this because...

[03:45]

**RS:** Tell me.

[03:46]

**FT:** I subscribed to your e-mails because I just think that it makes me a better writer, first of all, like I like to look, I like to read your e-mails to sort of learn how to write better actually because I think you're very witty, you're very [distinct – 03:57], this enjoyable but like so much information, just so much take away. So, I, for that reason I like to subscribe. I like to support you and I think you're doing great work and I had no intentions of starting a business, at least not in the near term but I was following your Zero to Launch campaign and the marketing and the sort of literature you're putting around it and I have to say like I stocked everything, I read all the e-mails I was like, "Maybe I should start a business. Maybe I should do Zero to Launch." I called up friends. I'm like "Should I do this? Should I do this?" You know, and I didn't but it was really because I looked at my life currently and it's like I wouldn't have had the time to really go in and devote as much time and effort as I wanted to really complete the program and I know that you can do the program on your own time but I wanted to just kind of devour it when I knew that I could at that moment but so maybe in the future for me but just as an example like, me, someone who wasn't even looking to do something like this, following you, the inspiration that you give to people, it's compelling. It's mobilizing. So, I just wanted to say, "Thanks and great work."

[05:05]

**RS:** Well, thank you. You just made my day, honestly. I had no idea you're going to tell me that.

[05:09]

**FT:** Yeah. Look, I really wanted to call you and say like "Ramit, I'm one of your students." And, maybe I will next time. But, I'm a big advocate of it. I literally was like so close to doing it because I really believed in what you were promising but it was just a matter of my kind of circumstances and being real with me. Because, you know, I have taken courses in the past and they were crap or I bought them and then I never did them and I just didn't want to make that failure. I didn't want to go through that again.

[05:40]

**RS:** Yeah, you know, it's so interesting, what' you're telling me here and I think for everyone listening, it's really fascinating. First of all, I am more than happy to have people join my e-mail list. I've been around for 10 years. I plan to be around for many, many more decades. There are a lot of people on my list who never buy a thing from me and I'm more than happy. I say 98% of my stuff is free, 98% of my stuff is free and if you love that, great, and if you decide invest in yourself through one of these premium courses, that's also great. I have people who have been on our list for over 2, 3, 4, 5 years and finally they decide to join one. That's great. And, if not, that's also great. But, I think it's really smart to, number 1, be brutally realistic with yourself. Am I ready to commit and really follow through on this? And then it's interesting, number 2, you said, "You know, I wasn't even thinking of starting a business." I think a great leader or a great mentor or teacher can often show us that we are possible and we have so much more potential than we even thought, you know, whether it's a personal trainer, whether it's a coach, sometimes they're the ones who say, "You know what, have you thought of doing this?" And, you realize, "Wow, that's actually possible, with a little bit of help and a little bit of nudging. So, whether you join it now or two years from now or just use my free stuff, I'm just thrilled to hear that you're actually reading it and internalizing it.

[07:02]

**FT:** Well, I'm very sincere and very honest about that. But, let me continue bragging about you, okay. You run at least a 7-figure business, perhaps 8, if not yet, soon, focusing on helping people with their careers and as you mentioned earlier, it started, a lot of it started with this pivotal book, I Will Teach You to Be Rich, which is also your URL, and you were able to leverage that body of work really successfully to the point now where, you know, as I said a very, very successful business, something a lot of authors only dream of achieving. Bottom line is you're on fire and my question, I suppose, now is was this all part of the plan? You know, did you, like you've always been ambitious, I follow your e-mails, I know your, kind of your story but was where you are today kind of where you saw yourself 5 years ago, 10 years ago?

[07:55]

**RS:** Yeah, I mean of course, I sat in a tall back leather chair with a cat in my lap and whiskey in the dark and I just petted that cat and I said, "Wait 'til these plans unfold." No, actually, to tell you the truth, when I started I Will Teach You to Be Rich, I had no idea it would even turn into a business. I didn't make a cent off of it for several years because I didn't want people to think it was some sleazy site just to make me money. By the way, isn't that interesting, that I used to think that selling was

sleazy. That's very interesting, maybe we can dig into that. And, over time I came to realize that 'Hey, a lot of people want my free stuff, that's great, but maybe some of them, just maybe want a little bit deeper level of engagement and more detailed material. And so, I started these little tests, you know, I would try to sell a \$4.95 eBook and I was petrified because everybody was like, "Oh, you're going to be a sellout." And, in fact a lot of people called me that but, guess what, a lot of people actually joined that small eBook and they turned out to be the best students of all. And so, over time what I realized was, you know, I'm not, like I don't wake up and say "I got to think about money." That's not, I'm not, I don't love money per se. What I love is behavioral change. I love understanding why we do the things we do. Money is the easy way to get into that but since then, you know, I'm very interested in negotiation so I've built negotiation courses, courses on finding a dream job, starting a business and now we're even dipping our toes into areas like fitness and food. All of these are tied together by something that we have a pretty deep expertise in of psychology and human behavior. We spend a lot of time trying to understand that and if you think about all these areas, think about your money if you're listening here, you know that you should probably cut back on certain areas of spending, you should probably invest a little bit more, you should probably earn more, we all know this, just like we know we should go to the gym. So, why don't we. And, that nexus, that area between the two is where we live and I think we've been pretty successful at helping people bridge that gap and we want to go even broader and even deeper as time goes on.

[10:13]

**FT:** What's your financial philosophy, if you had to chose one?

[10:17]

**RS:** Big wins. Big wins. You know, studying psychology, I learned about this principle called We Are Cognitive Misers, and it means that we wake up every day and we have limited cognition, limited will power and that has really profound implications if you think about it. It means that if you're spending your time and limited will power worrying about some trivial \$3 latte purchase, first of all that \$3 really doesn't make that big of a difference in the grand scheme, despite what people tell you. Second, you're using and depleting that will power which could be used for bigger and more important things. So, I believe in focusing on the 5 to 10 big wins in life, like investing early, finding a dream job, right, making sure your credit score's good, automating, just these 5 or 10 big things and if you do those big things in life then you never have to worry about 'should I buy a small coke or a large coke' or 'a latte or not'. Those things work themselves out, you know. And so, my belief is big wins and that relates not just to money but to health, right, make you're healthy. Put some time aside to food, make sure you're eating the right kind of food, etc, etc. And, if you can do those big wins, just those 5 or 10 ones, you don't have to worry about the little things at all for the rest of your life.

[11:38]

**FT:** I think my listeners can really resonate with that, although I will say there's, you know, there's still a population of people out there that are like, "Look, yeah, I want the dream job. I want to not worry about my day to day but I live paycheck to paycheck." You know, there's that whole aspect of the world that feels very much tied down by the small losses and the big losses in front of them.

[12:03]

**RS:** Well, I agree with that completely and I'm not trying to write anybody off but I do think that if they take an honest examination at what's worked over the last 6 to 12 months, I think a lot of people find out that they look back and they say, "You know, I've been trying to cut back on this. I've been trying to cut back on that." Well, there are a couple of things to think about. Number 1, there's a limit to how much you can cut back on, there's no limit to how much you can earn. And, number 2, just ask yourself, "Has it been working for you?" If you've tried a certain strategy and it's not working then most people just decide to try harder. I think top performers say, "Alright, that strategy didn't work, it doesn't mean I'm a bad person, it doesn't mean I'm stupid, it just means that that strategy doesn't work for me. Let me go on to the next strategy. Could be earning more, could be asking for a raise, could be setting aside \$50 or even \$20 a month automatically into savings and just try that instead of trying to beat yourself over the head.

[12:59]

**FT:** I'd like to go down memory lane and focus on little Ramit. Growing up in California, you are, I believe, with 3 brothers and sisters, 3 siblings, so there's 4 of you, immigrant parents from India, you talk a lot about how that upbringing and that environment really shaped your mindset and your perspective on lots of things especially money. What is the biggest money memory that you have growing up that necessarily transformed your mindset today as an adult?

[13:29]

**RS:** So many memories and I think my parents had a lot to do with shaping my beliefs about money. A lot of what I believe now came from them. Some of it I disagree with them on but there are two examples of things that I'll never forget. One, I remember my parents, we stopped somewhere at some bank, they had to get a money order and they went inside and they told us to stay in the van. We had a minivan because that's how we roll and they came out laughing and it's kind of weird to see people walking out of a bank laughing and we were like, "Why are you laughing?" And, they laughed because the bank told...

[14:08]

**FT:** Laughing all the way from the bank.

[14:09]

**RS:** Yeah, that's right. The bank teller had told them, "If you have \$10,000 in your checking account, we can waive the money order for you." And, they were laughing because it was so farfetched and preposterous to think that they would ever have \$10,000 in their checking account. It was just completely unrealistic for them. And so, I remember that, okay. And then, the second thing I remember is, you know, my mom stayed at home with us and my dad went to work and we were very middle class and there were a lot of things that we didn't do. We didn't eat out much more than once a month and it was only when we had a coupon. When we went on vacation, my mom packed lunches for all of us, stuff like that. But, I still remember that when we played soccer or any sports, my parents somehow magically came up with the money for those uniforms and even when I was in high school and I wanted to get an SAT tutor, which was quite expensive, I think it was over a

thousand dollars, they somehow came up with that money and I remember them actually telling me in high school, they said, “You know, we don’t have a lot but if it comes to education, we’ll find a way to make it work.” And, that’s something that stuck with me forever, which is, you know, education number one, that’s just the way I was raised. And also, there are times and places where you just find a way to make it work but you also make sure that you are not spending on areas that you cannot afford. So, for me, the big takeaway and the way it directly translates, you know, I have this phrase I share with my students. I say, “Cut back mercilessly on things you don’t care about but spend extravagantly on the things you do love.”

[15:46]

**FT:** But, that said too, Ramit, even though education’s big in my family as it is in yours and, you know, you are smart still about pursuing that. You aren’t like taking out 6-figure student loans to fund your, you know, your education, I know your parents wouldn’t necessarily agree with that.

[16:01]

**RS:** Oh no, in fact they pointblank told me, they said, “You want to go to college?” Well, they already knew the answer to that because Indian people always go to college. They said, “You want to go to college? That’s great. But, you need to get scholarships to pay for it.” And, they had a lot of wisdom. They said, “First of all, don’t worry about applying to all these great schools. Don’t worry about the money. Just worry about getting in and if you’re good enough to get in, the money will take care of itself.” That was a very revolutionary perspective because a lot of people count themselves out before they’re even in. So, that was one and then two, they told me I had to apply for scholarships and I’m a bit of a weirdo so I built this sort of system to apply to over 60, 65 scholarships and I ended up paying my way through undergrad and grad school through scholarships. So, there is a way. There’s always a way. Once you’re good enough to get in and whether it’s applying for scholarships, taking a part-time job, doing internships, those are all easy ways to get money or even graduating with a little debt. It doesn’t mean it’s the end of the world.

[17:03]

**FT:** Let’s talk failure now. I like to ask this of all of my guests, not because I want to get all sad and mopey but because I do think that the best failures are the ones that teach us the greatest life lessons. What would you say is your number one financial failure? What happened, what went wrong and how did you overcome it?

[17:24]

**RS:** I think the failure’s just, I think failures are very consistent, actually. If you’re trying to do new things, you’re going to fail a lot. In fact, I have a tag in my Gmail account called failures and my belief is if I’m not adding something to the folder every so often then I’m not trying hard enough. The first financial failure that I can remember was speaking of scholarships, the first scholarship check I got was for \$2,000. I believe it was \$2,000 or \$5,000 and they wrote that check to me, directly to me. They sent me a check. That’s a lot of money for a 17-year old and, you know, it’s 1999, 2000, stock market is on fire, what do I do? I turn around and take that money and invest it straight in the stock market and I lost half of it almost overnight. I still remember some of the stocks I invested in Excite at Home, bankrupt, JDSU, bankrupt. And, I mean, first of all, investing in stocks isn’t even what most

individual investors should do. So, what the hell was I doing? I lost that money and I said, "Alright, I better learn how money works." But, the failures have only gotten bigger. Just two years ago, we made a bad technology decision for my business and it cost us \$100,000. That was the price of the contract. We didn't even use the software once, but we had already signed the contract and I said, I tried to be nice, "Hey guys, can you just refund our money?" They're like, "Sorry, no." And, that was a \$100,000 mistake. So, you know, I try to minimize mistakes but I also recognize that as you grow and as you're trying new things, sometimes mistakes are inevitable. That's okay, as long as you're not bringing the whole company or bringing your own personal, you know, fortune down with it.

[19:11]

**FT:** I would have still gone crazy and bad crazy with that company. I would have been like, "Give me my money." I mean...

[19:18]

**RS:** You know what, you know what the crazy thing was?

[19:19]

**FT:** Yeah.

[19:20]

**RS:** There was nobody to blame but myself. I had put someone in-charge of it. I hadn't done correct oversight of his work and, of course, he, I fired him immediately. But, there was no one else to own up to it except me and I had to laugh because what else are you going to do, I signed the contract, the company is technically right. You know, of course, it would have been nice for them to give me my money back but it's, you know, it's business. And, I said, "Guess what, I'll never make that mistake again." So, I think, my friend said it very well, he said, "I don't mind making a mistake once but I will never make it twice."

[19:52]

**FT:** Well put. Okay, let's flip it. Let's talk success. You've had a lot of homeruns. I want to know, what was your favorite homerun, financial So Money moment? And, what about it is it that makes you so excited?

[20:06]

**RS:** Well, my So Money moment was a little different than some of the conventional ones that I could, you know, give you. You know, we've done very well in terms of some of our courses have really, really knocked ourselves off. They've helped a lot of people start businesses, all that stuff but there was something in my past that I think is pretty interesting. I was living in Mountain View Palo Alto area and this was after I graduated from college and I was, I had co-founded a startup with a couple of other guys and I found myself going up to San Francisco about 4 times a week, which was about an hour drive each way. And, I was going up there because a lot of my friends live there and I wanted to go out. I was a young guy and at a certain point I started to say, "You know what, maybe I should just live in San Francisco, it's, you know, it's cool, it's where everybody's going out but I

calculated how much more it would cost and it actually would have cost, like something like more than 2X what I was spending in Mountain View Palo Alto and I could've done it but it would've been close. Okay, so I could, it was within my spending plan but it would have been close. And, ultimately, I said, "You know what, I'm going to do it. I'm young. I want to live in San Francisco. It just makes sense so I can have more opportunities and meet more people." And, I did it. And again, it was tight, in fact, it was even tighter than I had thought because things are pretty expensive up there. Well, guess what, within 2 months, I happen to get a \$20,000-raise and what I learned is that sometimes you have to make decisions not primarily focused on money. So, yes, you need to understand the numbers. I had run the numbers, I had a conscious spending plan. I knew all of that stuff and I couldn't make it. But, sometimes, you just have to make the right decision that you know is right for you and if you're doing the right things, if you're great at your job, if you have optimized your investments and you've automated your money, sometimes things will just work themselves out and you have to trust in that. So, this is a little unusual to hear from me. A lot of people might expect me to be only, primarily focused on spreadsheets and numbers. Yes, you need to be in control of your numbers and you need to know what's going on but sometimes you have to make a decision not with money as the primary factor and this was a great example of that working out.

[22:29]

**FT:** Right, because the location would've brought you access, right, access to and accessibility to people and resources that, you know, would have been harder to reach in where you were originally and that's priceless. You can't put a price on that.

[22:44]

**RS:** That's exactly right.

[22:46]

**FT:** What's your number one financial habit? I know that habits are really important. You know this, you know whether you're trying to maintain your weight and manage your money. So, what would you say is your top habit and why?

[23:00]

**RS:** Well, I try to take will power out of the equation because I know that future Ramit is tired, lethargic, irritable and just overall not very motivated and I think that's really realistic. Actually, I'm very energetic. I'm super enthusiastic but I just know that some days I'm not on top of the world and I need to plan for those days when I'm at my best so that I can still get things done when I'm at my worst. So, what I do, my best habit is I just set regular check-ins and I'm all about systems and automation so I don't want to have to wake up and decide, "What should I spend money on today?" or "Hey, what's happening with my cable bill?" So, what I do is this. First of all, I've used the system I've talked about in my book to automate everything so that I spend less than one hour a month on my finances and what I do is I set 3 kinds of check-ins. The first is a monthly check-in and this one takes, it actually takes about less than 5 minutes, it's about 3 minutes for me. It just, this is the checking, "Am I on track with my spending and is everything within general ranges?" And, this is, it's so short to check because I've already set up the systems to monitor my spending, to alert me if I'm off track, stuff like that, so it's very simple. Quarterly check-ins, I ask myself about investments, I say,



“Am I on track with my investment plan? What’s the plan show and what are the actual show?” And, I just ask myself because I’m a business owner, “Have my contribution plans changed with cash flow?” That takes about 30 minutes and that’s once a quarter. And then, once a year, it’s sort of the big sit down. So, this one is my plan versus actual, I review my asset allocation,, I do negotiation calls with any accounts I have that I need to negotiate fees on and I talk to the financial people in my life. My bookkeeper, my accountant, etc, to make sure things are on track and make adjustments as necessary. So, that’s, you know, a multi-hour process. It’s probably about 6 to 8 hours spread out over approximately a month that happens once a year. But, notice that I’ve taken all the emotion out of it. It’s not dependent on if I’m tired or not. It’s just a system. It’s set in my calendar. It happens regularly and because it happens regularly, I don’t have to stress or worry about it. I know it’s going to happen.

[25:25]

**FT:** Do you really have a budget for things, I mean I imagine you have plenty of money to go around but are there certain things that you have to put alerts on because sometimes you tend to go above and beyond what’s realistic?

[25:37]

**RS:** It’s a good question. So, same as in my book, my plan is just a little bit, it’s just a little bit extended beyond my books plan but it’s roughly the same plan. You know, for me, food is not, you know the spending I could spend on food is not really going to move the needle for me even if I go to a super nice restaurant in New York. And, in fact, my food spending is super consistent so it doesn’t really move the needle. There are a few things that move the needle for me and what that means is I have to set ranges for them so that I make sure I’m on track. For example, it’s business spending, like “How many people am I hiring? How does that track to plan?” You know, it might even be clothes. Like, I like to get nice clothes. I want to make sure that that’s within my general spending targets. As you get really experienced with your own spending, you can kind of become a little bit more intuitive about it and you kind of know just intuitively, just like a marathon runner can intuitively know what their heart rate is, same thing for spending. But, with that said, I always want to be tracking it just in case my intuition gets off track. So, I can make sure I’m within ranges.

[26:49]

**FT:** I like that. Alright, Ramit, we’re almost wrapped here. Before we go, let’s do some So Money Fill in the Blanks. I just start a sentence, you finish it first thing that comes to your mind. Don’t over think it. If I won the lottery tomorrow, like an ungodly amount of money, I would immediately \_\_\_\_\_.

[27:07]

**RS:** Redecorate my apartment.

[27:10]

**FT:** Really?

[27:11]

**RS:** Yeah. What else I'm I going to do. I've got nothing else to do with it.

[27:16]

**FT:** I like that. What's your style? Are you like a 'Feng shui' guy, like a modern?

[27:20]

**RS:** I'm very, yeah, very modern masculine. Like, people come into my apartment and they're like "This kind of looks like a, like a hotel." I'm like, "Thank you very much. I appreciate that."

[27:30]

**FT:** Mission accomplished. The one thing that I spend my money on that makes my life easier or better \_\_\_\_\_. Tony Robbins told me it was private jets, what else, I got Tim Ferriss telling me it was laundry. What's your easier, better expense.

[27:46]

**RS:** Personal trainer, no question about it.

[27:49]

**FT:** And, I was on that e-mail when you sent out to your e-mail list about how much you spe--, may I share this with my audience, how much you share on a personal trainer?

[27:54]

**RS:** Sure.

[27:55]

**FT:** It's like \$50,000 a year, almost.

[27:58]

**RS:** Well, it's fifty, okay, so hold on. It's 50K for a personal trainer, a nutritionist and I think there was a third thing like, I don't know, travel or something like that. But, the fact is I spend a lot on it and I think that, you know, you want to live your values. So, they say, "If you want to see somebody's priority, look at their calendar." And, that used to be in relation to productivity for an executive. But, I also believe if you want to see someone's priority, look at their spending. We claim that we are so interested in our health and our relationships. When was the last time you invested in training, which is massively important to my own success? When was the last time you invested in someone to help you understand how to eat the right foods? When was the last time you hopped on a plane and just went and met one of your college friends or rekindled an old relationship? That's alignment with your values. And so, I make no apologies, health and fitness is super important to me and that's where I choose to put, you know, part of my spending.

[29:01]

**FT:** So, I won't lie like I read that and I guess I didn't, I skipped the part about how I always had these, it was multipronged, I thought it was just like a trainer. I'm like "Man, so I'm trying to like map that, divided by 12 months, per hour." I was like "What am I doing with my life?" I should probably get a fitness training license." This is my point. I read your e-mails and they consume me and I really, I mean, guys, if you're not subscribed to Ramit, IWillTeachYouToBeRich.com, go run, stop what you're doing, subscribe, it will change your life. My biggest guilty pleasure, this is a little different. So, the earlier question was about what makes your life easier or better but do you have guilty pleasure that you spend like boatloads of money on and you're not apologetic?

[29:45]

**RS:** Well, I don't feel guilt for it but I'll tell you one that I guess people would tell me I should feel guilty for and that's a personal chef. So, I have a personal trainer who, this is the crazy part, I mean I can't even believe it. They all coordinate amongst themselves. The nutritionist talks to the chef, who makes the right food and then the trainer sees all the food and all the 'dah, dah, dah, dah' that I'm eating. I told you I like systems.

[30:11]

**FT:** Yeah, I'm like "Man, system with capital S."

[30:14]

**RS:** Yeah, it's weird. I mean it can get out of hand. I just love them. But, anyway, the personal chef makes food that I love. I love spicy food. I love this and that. It's also really healthy so that's definitely an area where I spend on.

[30:27]

**FT:** And, just to share with people, this has really transformed your physique. Like, I remember you talking about how you gained all this muscle mass and can you share that with us, just so people know this is results driven.

[30:41]

**RS:** Yeah, this isn't just because I think it's cool and I want to get on podcast and brag about it. Actually, that's not the point. I started this a couple of years ago for a couple of reasons. Number 1, you know, my mom stayed home with us and she cooked almost every meal for us. Okay, breakfast, when we were at school and dinner and so I grew up eating home cooked food and I missed it. I wanted it and I was tired of eating take out and it also didn't feel good, you know, that I used to think it was normal to get a post lunch slump. It's not normal and you don't have to get that. And so, if I want to live a rich life and I want to be a top performer, I knew that I'm sitting here putting stuff into my body every day. I want to make sure it's the right stuff. So, I used to be roughly 5'11, 6 feet and 127 pounds. I always tell people I had the body of a supermodel, a female supermodel and I wanted to learn how to actually gain weight and I would tell myself all these things, "Oh, I'm Indian, I can't gain muscle." All these dumb stuff and actually I just didn't know what I was doing. So, I decided to turn to some experts, trainers, nutritionists, all these people. And so, since then, you know, I learned how to eat right and it's made a huge impact on physically, to be able to put muscle

on and look better in clothes and just mentally to know that I can do that. And, if I can do that, then I feel like I can do anything else as well.

[32:08]

**FT:** Great, great story. I remember we had dinner one night and you asked everyone around the table to go around brag about themselves and I struggled, I really struggled with that because I don't, you know, "What am I going to talk about?" And, your story really trumped everyone's because like "Man, that's a good brag. That's a good, good brag."

[32:25]

**RS:** Thank you.

[32:26]

**FT:** One thing I wish I had known about money growing up is \_\_\_\_\_.

[32:31]

**RS:** Oh wow. One thing I wish I had known about money growing up is paying for something doesn't mean that you're necessarily getting ripped off or that you're shallow. It means that if you can afford it and you value it, get it. This was a huge realization for me because, I don't know if it's just my parents or my family or my culture, I don't know, or just the way I kind of absorb things. There's this belief with a lot of people that if you're paying for something, you're getting ripped off. Why should you pay for that online course? You could just find it for free. I mean people love to say that. And, I just think, "What a short sided view." I mean do you know how many people e-mail me? "Ramit, I'm deciding between these two books. Can you give me 250 words on each so I can make a decision?" I'm like "Ramit's number 1 rule of book buying: if you see a book that even remotely looks interesting, buy it." Ten dollars and you get access to an author's best thinking. I mean, come on. So, what I've done with my site and if you come and subscribe through [IWillTeachYouToBeRich.com/SoMoney](http://IWillTeachYouToBeRich.com/SoMoney), you will see me talking about these frugalistas or, even worse, extreme cheapskates who just always focus on cost and my belief is "Look, if you can afford it and you value it, get it." In fact, if you want \$500 shoes, I will show you how to make enough to do it and you can buy it guilt free.

[34:03]

**FT:** I love that. I think I kind of grew up with a bit of that mentality as well. And, I love that you're supporting people to buy books. What's wrong with you people? Buy books. I mean I love the library. When was the last time you went to the library?

[34:16]

**RS:** Yeah, I love libraries too. I grew up there.

[34:19]

**FT:** Yeah, it was my babysitter. My mom would drop me off and go grocery shopping. Don't tell anyone that.

[34:23]

**RS:** That's good.

[34:24]

**FT:** Yeah, also my mom would leave me, your parents left you in the car a lot. I noticed that.

[34:28]

**RS:** Yeah. That's a very normal thing.

[34:30]

**FT:** So did my parents. Okay.

[34:32]

**RS:** Do you know the funny thing, I was thinking about 'why did we go to the library so much' and I realized there're two reasons. One of them is kind of obvious. You know, Indian people want their kids to learn how to read. They love education. Okay, we get that. But, the second reason is that it had free air-conditioning and my parents didn't want to run the air-conditioning so they would take us there. I was like, "Genius."

[34:52]

**FT:** Oh my gosh, I want to meet your parents. I think your parents and my parents should like get some dinner.

[34:58]

**RS:** I would love it.

[34:59]

**FT:** When I donate money, we're almost wrapped here, when I donate money I like to give to \_\_\_\_\_ because \_\_\_\_\_.

[35:04]

**RS:** I like to give to meaningful causes to me because, look, there are a million different causes that any of us can give to but I have to try to figure out a filter to give I give to the ones that are meaningful to me because, you know, it's something that I have a history with and something that I understand better so it's probably no surprise that I'm very interested in education and that's something that, you know, I give to. I have to honestly tell you, I don't think that I Will Teach You to Be Rich has done enough in this area. I don't think I've done enough personally and that's something that's going to be changing this year and next year. So, depending on when this comes out, I think you'll see some new moves and new initiatives with giving back to the community and I don't really want to say much more about it but it should be pretty big.

[35:58]

**FT:** Awesome. Alright, we'll look forward to that. And, last but not least, I'm Ramit Sethi. I'm So Money because \_\_\_\_\_.

[36:04]

**RS:** I'm So Money because I know that money is just a small part of living a rich life.

[36:11]

**FT:** Well said.

[36:12]

**RS:** It's not just about the chase. It's about more than money, it's about using money to live a rich life.

[36:18]

**FT:** Well, thank you so much, Ramit. I knew this was going to be such a homerun for our listeners and for this show. I really appreciate you joining us, spending time with us and for sharing such, you know, big stories and, you know, just a really generous guy. So, I part you, I thank you and good luck with the rest of your big wins in 2015.

[36:38]

**RS:** Thank you so much. It's always a treat. I really appreciate it.

[END]