

EPISODE 1551

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FT: Welcome to So Money, everybody. I'm Farnoosh Torabi. It is August 11th, 2023. And I saw the Barbie movie. I did. Grateful to my friend, Vanessa, who texted me. Said, "Have you seen the Barbie movie? Do you want to go?" And I was waiting for this. I was waiting for a reason to go with someone. I didn't want to go by myself. I didn't want to take my daughter, Colette. She's just six.

And so, I thought, "Well, I guess I'll just see it on Apple TV or Netflix or whatever streaming platform." And Vanessa said, "No. Let's go." So, we went. It was last Sunday. And I loved it.

I didn't know what to expect. I hadn't read a lot of reviews. I had heard mixed reviews from friends. One friend was like, "I didn't even get it," which I don't know if we can be friends anymore. And then a bunch of other people absolutely loved it. Men and women. I knew there was something cool to see.

And, my God. I mean, I laughed. I cried. I cried at the end. Did anyone else cry? This Barbie movie is as relevant, thoughtful and touching a movie could possibly be about Barbie in 2023 with all that we have going on. With all that we know. I couldn't believe the things that the producers got away with, Margot Robbie and Greta Gerwig, in terms of not placing the Mattel board in the greatest of lights and really playing up the derangedness of patriarchy.

I was watching an interview with Margot Robbie, who plays Barbie. Every weekly meeting with the Mattel executives who, by the way, were paying for this film. She would ask – before they would get off the call more or less, she would ask, "Please let us know what your issues are so we can talk about it."

And she said that their goal as producers was to have so many potential issues that the powers that be, the Mattel folks, couldn't say no to everything. Because if they said no to everything, there wouldn't be a movie. What a strategy, right? They weren't just going to push the envelope in a couple of scenes.

The whole movie was going to be one big editorialization of what Barbie represents. And so, therefore it was less likely that the film project would get squashed. There was so much writing on this. And as I would joke, nobody was working harder in 2022 to and 2023 than the Barbie marketing executives.

Related to that story, there was a cover story from Time Magazine on the making of the movie. And it revealed that Mattel President and COO, Richard Dickon, actually, at one point, flew to the movie's London set during production to pick a bone with Greta Gerwig and Margot Robbie about a scene that, when he read it, he was obviously not happy. He thought it was very off-brand. We don't know what scene that was.

But nevertheless, he flew to London to try to convince them to take the scene out. And so, what did they do? They said, "We get that the written form of this scene is not – the nuance isn't evident. And so, let's enact it for you." They did it. They did the scene with all of it, with all the effects, and in costume and everything. And then he was like, "Oh, I see it now."

And whether you like Barbie or you don't like Barbie or you play with Barbies, you don't, I think there is something for everyone in this movie. I was the child who didn't really ask for Barbies. I was an only child with a lot of boys in my neighborhood. A lot of boy cousins. And so, I wanted what they played with. Because you want what you don't have, I suppose.

And so, I would go to their homes and I wasn't allowed to play with their trucks and cars. They wouldn't give them to me. Like, "Oh, you're a girl." And so, I would steal them. I would steal the cars. I didn't really have a lot of exposure to Barbie. I didn't want for Barbie. And when I would get a Barbie, I wouldn't know what to do with her. I had a lot of weird Barbies. I had a lot of Barbies.

And there was actually a weird Barbie in the movie. That's the Barbie that's always in the splits. She's got chopped bangs and nail polish on her face. And maybe there's an arm missing. Those were my Barbies.

My sister-in-law later chatted about the movie. We saw it separately. And we DM'd about it on Instagram. Basically, one thing I posted about it on social media was that if Greta Gerwig does not win an Oscar for this movie, which, by the way, has surpassed the billion-dollar revenue mark at the box office. The first female-director movie to ever do that. I don't know what we're doing. I don't know what Hollywood is thinking.

But here's what I shared with my sister-in-law, Lauren, who also loved the movie. I said, "Honestly, it is as perfect a movie about Barbie could be in the sense that it really tells the truth about her influence and the world we live in. And in the end, Barbie chose to be human." Spoiler. Not a doll. And no, I'm not crying. But, yeah, I am. Lauren said, "I know. She'd rather feel flawed than be perfect Barbie." And she said, "I think we need a sweatshirt that says "Kenough". That's another joke from the movie.

I said, though, there was a part in the movie where I kind of spaced out. It was during one of Ken's giant dance numbers. Ken, by the way, played by Ryan Gosling. Excellent performance by him and really everybody. America Ferrera. And I share that with Lauren, my sister-in-law. I was like, "That went on for so long. It was kind of amazing and weird." She said, "Yeah, I didn't quite get the length of that dance number. But maybe the point was that men are so obsessed with themselves."

There's this one scene where one of the Ken dolls plays guitar on a date for four hours for the Barbie thinking like this is what she wants. And she's playing along. But the whole movie is such a thrill. Can I say masterpiece? And that's my review. I loved it. I hope you'll see it. And tell me what you think.

All right. Let's head over to the Apple review section, Apple Podcasts review section and pick our reviewer of the week. As a reminder, I, most weeks, pick somebody from the review section on Apple Podcasts to receive a free 15-minute money consult with me. I've been doing this for years. I thought it was just going to be something that I do for a few months. See where it takes us. And I absolutely love connecting with you all one-on-one.

And this week, actually the last few weeks, we've had a number of very, very generous reviews. And I'll be picking them over the next few weeks. Today we're going to say thank you to MVélez

who wrote a review recently calling the show perfect for my mind and heart. Here's what she says, "In every episode, Farnoosh engages topics that I know that I need to learn more about as well as topics that were not on my radar, but that I also need in my life. Importantly, as a BIPOC, female, divorced, mother, researcher and instructor, my ears pick up on the nuances of someone, Farnoosh, who has deep insights about my own life paths and challenges. This is a safe place to come for accurate financial information that isn't violence to my mind and heart in a hostile country. She also weaves a network of brilliant BIPOC specialists that contribute so much to the public. Thank you for this sophisticated space."

You know, the best part of that review, the part that really just made me so, so happy is when she said this is a safe place. It is, right? I feel safe. I feel very safe in this community to share things that I wouldn't share elsewhere. I talk about this in *A Healthy State of Panic* actually in a chapter called *The Fear of Exposure*, which isn't something that we have really named. But I don't doubt we all feel it. This feeling of revealing parts about yourself in any and all forums.

I know that we are encouraged to be vulnerable and to bring our whole selves everywhere unapologetically. And while I work and fight to get to that promised land, in the meantime, in the real world in 2023, you need to be aware of the fact that not all audiences are embracing, and they are not empathetic and they are not patient. And it is by design. It's not unintentional. This is who these people are.

And so, when you are in a room where you don't feel that acceptance, it is not your job to go to the edge with these people and to share every detail of your life openly. Because why do they deserve that? Why do they deserve that and fearfully? They may use your information, your personal details, the truth about your life against you.

And I have so many examples of this in the book. This may sound still abstract to some of us. But trust me, I'm sure MVélez knows exactly what I'm talking about. If you are a woman, a person of color, anybody who has experienced adversity in life because of your skin color, your religion, your race, your disability. Honestly, everybody probably has experienced a sense of fear related to being 100% who they are in front of all audiences. No.

It's especially important to remember this in a world where the words like vulnerability and transparency are being used a lot and usually in the context of someone who's being really virtuous, really honest with themselves in the world. Look, I get it. I try to be vulnerable, but only in the rooms where it makes sense and where I know that there will be reciprocity.

And this is one of those rooms. This podcast. Thank you to everybody out there listening who's made me feel that way. And I hope that I have cultivated that same feeling and community for you, too.

MVélez, please get in touch. You can email me. Farnoosh@somoney.com. Let me know you left this lovely, beautiful review. I will write back with a link where you can pick a time for us to connect. If email is not easy for you, you can just direct message me on Instagram @farnooshtorabi and I'll reply there.

In case you missed our episodes this week, we talked a lot about our relationship to money with two strong women experts who have a lot to say from different angles. First, on Monday, we spoke with Manisha Thakor, who is a 35-plus-year veteran of the personal finance world.

Manisha has written many books. She's been a wealth advisor. And now she has a new book out called *Money Zen*, which talks about how to reach your sense of enough. What is enough? How do we get there? What is the calculus? What has been Manisha's own struggle with achieving this? We go deep with Manisha Thakor on Monday.

And then with Kristin Keffeler on Wednesday, we talk about rich people. Rich kids. And why their problems, their money problems, are kind of all of our problems. Rich people just like us when comes to their insecurities and tripwires around money. Kristin's the author of *The Myth of the Silver Spoon*. I hope you'll check out both of those episodes.

All right. We're going to kick off our questions this week with a question from Katie Couric. Yeah, that's right. Katie Couric reached out to me this week. Not for this episode. But she did have a financial question for me and I ended up writing an op-ed for her website. And I thought, "Well, let's bring it to the show."

Now I'm not on TikTok very often, but Katie and her team are. Because, well, they're on top of the trends. And they saw this one mom, the mom of 20-somethings, share a TikTok about how she's so despondent, so disappointed and sad for her grown children who can't seem to get out of her house.

Despite having college degrees, and jobs and making money, they can't afford their own Apartments. They can't even afford car insurance. And so, she gets on TikTok and she just does this like very impromptu soliloquy. I think she's in her car and she is questioning the American dream. She's questioning whether or not hard work even matters anymore. Does it even matter if you have a college degree? She's saying, "I'm the person who did go to college. I joined the army. I got a really great job. I supported my family. Why can't that path also be true for my children?"

And why it really went viral, millions and millions of likes, this TikTok, is because she admitted that this is probably not her kids' faults. She's like the economy is slipping and there are systemic issues and I'm angry. And so, Katie Couric and her team reached out to me to say, "Hey, Farnoosh, what do you think about this rant? Is there truth to what this mother is saying? And is it true that, as a young person, a Gen Z-er, a Millennial, a younger Millennial, that you're just right behind that financial eight ball for eternity at this point? Especially somebody who has student loan debt."

And so, when Katie Couric calls clear, your schedule, right? I had a lot of things on my plate. A lot. But I really wanted to make this happen. I love Katie Couric. I actually write about Katie in *A Healthy State of Panic*. There's a really wonderful scene where I reflect on her and her influence on me.

Anyway, her team said, "What do you think, Farnoosh? Is this mom's assessment of what the younger generation is dealing with correct? And is it true that young people can't just work hard enough and pull themselves up by their bootstraps to financially succeed?"

And I said, "You know, first of all, I want to give credit to this mom. Because she's absolutely right that it is exponentially harder for the younger folks today to achieve financial independence at the same rate and pace as their parents may have. The cost of living, including everything

from housing to health insurance, has soared at a rate faster than wages over the past decade. College degrees have more than doubled in the last 20 years, the cost of that. And I don't think it's yielding the same return on investment as it did a generation ago. And then you factor in someone who graduates with student loan debt. And, yeah, they are behind the financial aid ball potentially."

But I'm also left with a question after watching this video. And this is where my opinion comes into play, which is that I'm curious to know if this parent, while teaching her kids the importance of working hard, did she also wax poetic about how the world is a scary place? That her kids need to prepare for life's uncertainties, the inequities. And, yeah, rigged systems. That the only thing your sense of entitlement guarantees you is disappointment. No? Just me?

I went on and on about how you know, as the daughter of Iranian immigrants, I, too, was told to work hard and get those academic degrees. But I was also told as much, if not more, and I think this is what ultimately contributed to my success, that nothing in life is guaranteed. That you can work hard, but sometimes that won't be enough.

And knowing this, I think it gave me a healthy relationship with money anxiety. And it is the reason that I was – part of the reason that I was so determined to make as much as I could. Take care of myself. Get creative while even still in college.

I remember my mom when she dropped me off at Penn State, lovingly, she turned to me and she said, "If you ever get into credit card debt, we will not be here for you. We will not bail you out." That's a terrifying thing to hear at age 18. Because show me a college student who doesn't have credit card debt and I will show you someone who has apparently never gotten hungry for food.

And I did get into credit card debt. Her threats did not steer me completely off that journey. But I knew that I had to figure it out myself. And I had some really weird, odd jobs in college. And I lied to my parents and I told them, "Everything's okay. Credit card debt? I don't have that." And I hustled. And some people might call that having resilience or grit. I just call it like knowing your truth, your reality and planning accordingly.

And so, I used this opportunity to write for Katie Couric website. I'll put the link in our show notes. You can read the rest of the op-ed. But this was an opportunity for me to play up the themes in *A Healthy State of Panic*. That fear can be a great friend. It can help you set your priorities straight. And I think we all could take advantage of our fears in a way that we haven't so much yet.

I do think it's unfair that this generation has to go through more financial gymnastics than previous generations. I'm not saying that this is a good thing necessarily. But it is what it is. And while we try to vote the right people in office and change the economic system potentially through elections, we have to take accountability for our lives. Because nobody cares more about your money than you. Nobody. And that's something to be a slam on anyone in your life. It's just that money is extremely personal and everyone else is busy. And everyone else has their own priorities. And they care about you and they love you, but you have to take care of number one. And that's something that I've always known. And it's not the kind of message that I think a lot of parents are giving their kids, especially maybe parents who themselves didn't have that kind of adversity growing up.

And I think it would behoove all families to sit down with their kids and say, "Look, things may not go your way. And it's not that it's your fault. But staying angry and staying in your childhood bedroom until the end of eternity is also not the solution. Go out there and get creative. Think outside the box. Get uncomfortable. Make your own solutions."

All right. Moving on to our actual listeners and what their questions are this week. Julie. Actually, we have two questions about 401ks, and they're different. It's not like, "Oh, where do I roll over my money?"

Mary Francis writes in, "On behalf of a friend –" I love when the friends stick up for the friends on this show. And she says, "Hey, Farnoosh, I am formerly a school teacher and it burns me up with how teachers get shorted financially on so many fronts." Amen. Mary Frances. I've done some episodes on this. It's a tragedy.

She says, "Teachers get no tuition reimbursement for any of the additional degrees required to maintain their teaching certificates. No social security withholding. Therefore, you got to get

other jobs to get your units. Salaries absolutely do not keep up. There are no matching funds for our retirement accounts. And that brings me to the 403b," she says. "The companies that are offered by many municipalities is often lacking."

And she says, "Recently, I was asked a rollover question from a teacher changing districts. I told her that she needed to roll over the 403b into a rollover IRA and get that invested in something like Vanguard with their S&P 500 Index Fund." Good advice. "But here's my question. My friend, my teacher friend, wants to know which company should she invest her new 403b with? And I wanted to vomit when I saw the following list." And she went on to show me this list. I don't want to call them out. But, honestly, I didn't know them either. I didn't recognize these names. It wasn't the Charles Schwabs, and the Vanguards and the Fidelities of the world. She went on to tell me about their fees, which seemed very high to me.

And so, she said, "How do you evaluate and find a good option?" So many of these companies are lousy and should be arrested for theft." I said, "Appeal to HR to get Vanguard, Fidelity or Schwab on the list. Set up your own Roth IRA in the meantime and invest in a brokerage account as well."

Well, you are a good friend, Mary Frances. That is not bad advice. 403b's, and 401k's and employer-sponsored retirement accounts, they do have a couple of advantages where you get to contribute automatically from every paycheck, which we know, the data shows, the studies show, that that increases your odds of actually investing and investing consistently and well.

And secondly, there is that tax deduction. When you contribute, you get to deduct your contributions from your taxable income. You can do that of course with a traditional IRA as well. But the limit to do that is much higher with a 403b every year than a traditional IRA. It's like more than double.

It does have pros. But huge cons in some cases are the fees that these plan managers charge in addition to whatever the fees are associated with their investment offerings within their plan. And the important things to consider when you're choosing a plan manager when you have a choice. And it's interesting that the school district is giving them several options.

A lot of companies, employers don't give you more than one option. They're like, "Here. It's Fidelity. Go." Which is not a bad option. But in this case, it's like five or six different potential options, which I just feel is unfair to your employees. Don't make them sit there and try to choose. Choose the best one for them. And that way, it will reduce the barriers for them to actually invest.

But you have to be really mindful of fees because those compound and in the end can be hundreds of thousands of dollars that you have given to this plan manager over the lifetime of your portfolio, which is 30 years sometimes or longer. If there's no match, then I think you may want to place your money elsewhere.

If they've got exorbitant fees. No match. I think that you want to maybe try to come up with your own solution. Like we just talked about, you got to put together your own solution. Is it fair? No. I don't like it. I don't like that we have to do this. But who's going to do it for you? You got to do it for yourself. Do you want to retire well? Yeah, I think so.

With that, go do something. I think that there are other external options you mentioned. A brokerage account, a Roth IRA. Yes, do that. Is it going to be harder? Yeah. Because it won't be an automatic contribution necessarily from your paycheck. And you can't contribute as much to a traditional IRA as a 403b.

But here's what I would also suggest that your friend do. You said in your message I want her to go and ask HR to use one of the more reputable companies that don't charge as many fees. And I think that is a great idea. But more powerful if she does this with the other teachers and faculty members at her school and maybe even the school district.

How you do this? It's a grassroots effort. You got a rally. You got to organize. You got to say, "Look, let's opt out of all of these options, these stinky options. And here's what we can do in the meantime. We can go and work with any one of these other companies where the fees are less. Here's what I did." She's going to have to train or coach some of them.

And then I think that when there is a large number of employees that are banning these retirement plans, that's when the district's going to probably listen. Not when one person's

upset. But when many are upset. Bringing this up to the union if you're part of a union. And maybe they can help you organize. Or just starting with your school and talking to those teachers and going in as a group, a collection of 20, 30 of you and saying, "We're not going to do this. We don't have to do this and we're not going to do this until you look out for us in a better way. This is ridiculous." And do the math. Be like, "If we invest, this is all the money that we're losing." I would organize or get a group together. And there's more safety in numbers.

And lastly, a question from Julie also related to 401k. She says, "Hey, I was talking with my 22-year-old son, Farnoosh, and my 29-year-old son-in-law. Both of whom said they would not take a company's 401k match, because there really isn't any such thing as free money. And they believe that whatever financial advisors manage, as far as the company's employees' portfolios, they're getting a cut. One of them said they would not even use a company's 401k at all because they could do better investing it on their own. And that in using the company's 401k they lose some of their investment. I suppose they were comparing this in their minds to the money and individual loses in the long run paying a financial advisor. Is there ever a situation where an employee should turn down their company's 401k and/or match and invest that portion of their salary on their own?"

All right. We just helped out Mary Francis. And we did talk about how if the fees are way higher than what you're seeing on average in the marketplace. And you can start by looking at some of the tried and true, trusted brokerage accounts like Fidelity and Charles Schwab, et cetera, and see what they charge and compare it to what maybe your employer is charging, your employer plan is charging, that's important. You want to make sure that you're not paying above the average market rate.

But I take issue with this concept that the 401k match is not free money. It kind of is. I know. We all want to be skeptical of the system. And there's reason to be skeptical of the system and the financial system and the financial industry in general. But in this case, I will say that that is one of the best attributes of 401K plans when they're offered. Not every company offers a match. It is an expense to the company.

And, yeah, a plan manager is going to take a cut of your investments like everyone else. Now it's important to know what that cut is. What is the amount of that cut? But if you're getting a

match, that is going to exceed probably what your cut is going to be annually. So, you want to do some math. But I think just to say make a blanket statement and say 401k matches are useless. Or it's a lie. I don't agree.

I think that if you want to invest up to the match and then do the rest of your investing somewhere else because maybe you don't love the fees, you don't love the plan manager, I get that. But, man, you're not going to get a match in a Roth IRA. You're not going to get a match in a traditional brokerage account. The match is exclusive to you some 401ks. And if you're lucky enough to work somewhere that offers it, I take advantage of it.

All right, everybody, thanks for your questions. I will see you back here on Monday. And a reminder, the bonus for pre-ordering *A Healthy State of Panic* ends soon. If you've been meaning to get your copy, please do it now and you'll get my video training, Scared Smart, plus a workbook and the intro to the book as an instant freebie. The link, in our show notes.

Thanks so much. I'll see you back here on Monday. And I hope your weekend is so money.

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