

Farnoosh Torabi: Mr. Money Mustache, I'm really excited to have you on the show. Welcome to So Money.

Mr. Money Mustache: Thank you, Farnoosh. I'm excited to be one of your early guests.

FT: Yes. Yes. I have been wanting to get you on the show since the day I thought of this idea. I've known you for a little while now. I interviewed you. Maybe it was a couple of years ago, I flew out to Colorado, to your home to see 'who is this Money Mustache guy'. You are just dynamic dynamite online. You have a cult following. For those listeners on the show who don't know kind of what you're about and your take on things, share a little bit about the Mr. Money Mustache persona, the blog and the story.

MM: Well, it's actually a lot less exciting than that. I'm not Tim Ferriss or even a mini Tim Ferriss. I'm actually just a family man who used to work as an engineer and I was a little bit interested in optimizing stuff as I went through life so I didn't buy quite as much as my other engineering colleagues and I invested that surplus money and I got married during those years as well. And, as it turned out, we had enough to retire just about age 30, just before turning age 31 and that was 10 years ago now and it's still going pretty well. So, I started a blog about 4 years back, explaining what I thought was really self-evident and it turned out everyone else is saying "How did you have enough money, like I'm still broke even though I earned more than you did?" So, that's what has kind of blown up a little bit into the Mr. Money Mustache. I like to call it a cult just because it's an interesting word and I'm continually explaining the stuff even to this day.

FT: Well, explain it to us. Thirty years old retired and, folks, I've been to your home. You have a nice home. You have a nice life. You're not living in a shoe box eating ramen. You know, you have a good life that you've designed, you and your wife and your son and tell us a little bit, I mean not the whole story because, you know, we only have so much time but maybe a couple of the strategies that you adopted that you see most people not following and that's the reason why they don't even get to retire at 65.

MM: Yeah, well, it really boils down to spending. Most people spend a lot more than they can afford while thinking they can afford it. But then, at the same time you need to find a way to have a great life even if you're spending less. So, for example, a lot of people in my kind of income bracket or age range have a couple of brand new cars and they have them financed. It doesn't even occur to them that you could buy a car with money that you actually have and they do this over decades. They just keep renewing their car supply. Stuff like that can blow a couple of hundred thousand dollars over the course of, you know, just 30 years or 40 years of car wasting and if you optimize all the areas of your life, so you're not wasting quite as much. You can cut your spending down by half or even 75% and let's just say you're living on half your take home pay and investing the other half, your working career is only 17 years as it turns out. So, if you start at age 20, you will be retired or rich enough to retire at age 37. Now, I started at age 21 working seriously in engineering and I saved more than half. I saved about 2/3 of our take home pay, my wife and I together, and that worked out a little under 10 years that we had to work. So, that's how the 30 years old number came about. And so, mainly I explain the spending part on my blog because people, it kind of blows their mind. They think you'd have to live in a potato sack clothing and like mash up leaves from the gutter to make your own toilet paper and stuff and it's not like that at all. It's really like the average middle class family and especially higher, slightly higher than middle income, they just blow so much without even

realizing it because we've picked up these spending habits from our peers and from watching TV and no one even questions stuff, you know, like, man, I got so many more examples but let's just move on to the next question and make sure I don't use up all your time.

FT: No, no. I love talking to you. Well, I think a question that is on a lot of people's minds and actually my husband asked me this yesterday. He was so excited that I was talking to you. He said, "Why did he come up with the name Mr. Money Mustache?" because you don't even have that big of a mustache.

MM: Hey, what, yeah well, no it's you're right. Mr. Money Mustache I like it, sounds good, it's kind of modeled after some of my role models as a kid, like these great math teachers I had and Magnum PI and old western gunslingers and stuff and, you know, in my credit, I have grown a big mustache in the past but I found it is way too much grooming and I'm not willing to sacrifice my real life and to be honest my attractiveness to my own wife in order to look like someone who should be called Mr. Money Mustache. So, I do trim and, you know, trim it off occasionally but I don't shave with shaving creams, at least that's to my credit.

FT: Yeah.

MM: I don't go for the bald southern senator look.

FT: Good. I'm glad. That's a good choice. It's a wise choice. Alright, mustache yo, let's talk about philosophy. This is a question that I like to start off all my guests with because it really, I think, sets the tone for the rest of the podcast. What is your financial philosophy, a money mantra that helps guide your financial decisions?

MM: I always kind of simplified it and nowadays I like to say, you just have to understand that your spending has nothing to do with your happiness. It's entirely possible to live a happier life on less money than you're spending right now and whatever that lawful spending is. You can always do better and that's because the two things aren't really related is once you get your food and your shelter taken care of, everything else is just kind of fluffy distractions from what really makes humans happy.

FT: What does, what really makes you happy? I mean you need some money, right, to be able to have the bases covered so that you can live comfortably and with peace of mind and that's happiness.

MM: Right.

FT: But, for you...

MM: And in fact, having more money, having more money is a, is actually happiness booster a lot more than spending more money. So, having money in the bank or invested or a big cushion which basically frees you from worry is a lot more powerful than having the latest shoes or handbag or BMW or whatever. So, that's one little bit related to your question.

FT: No, that's a good point. So, just looking at your money grow is more satisfactory than replacing that money with a pair of shoes or a flat screen TV. That's interesting. I guess that makes a lot of sense.

MM: Yeah and the other that's really handy is in school, they don't teach us much about what human happiness is, like what really causes it and turns out we've done science on this, you know, humans have been studying this and it's not really based on your consumption, it's based on stuff like personal achievement and growth and the feeling of freedom and autonomy. These are two things that are really big parts of human happiness and if you think about it, neither of those relate to stuff you could buy and working hard and feeling like you're a useful person is really, really powerful. So, getting yourself through hardships is amazingly powerful and making you happier and a lot of our spending is actually targeted these days in the US toward avoiding hardship so you're actually going to end up less happy by making this big pampered dumb lifestyle for yourself. And, the other thing is of course family and friends and having time and energy to put into those things and if you are constantly caught up in buying and working to afford that buying then you're directly subtracting from your family and friends' time which is going to take away your happiness. So, think about happiness first and luckily that, well, tend to save you money rather than costing you money.

FT: Yeah, it sounds super logical to hear this yet so many of us fail at this very basic tenet, you know, that we know money doesn't buy happiness and we know that happiness is important and derived from experiences and achievement and feeling that we're growing as human beings but yet we fall prey to the dang shoes and the BMWs and we want that higher kind of, you know, what seems to be a higher level of living. What is it? Is it just pressure? Is it just social pressure, it's being brainwashed?

MM: Yeah, there's two. There's two bits of it that I think are causing this mass fail on behalf of millions of people. So, number 1 is our old foe, marketing, because marketers, you know, people who want to sell products, they study human happiness a lot more than their target audience which is us, so they know what we think makes us happy and they always package up their goods in a way that makes it look like it's meeting those needs. Like, there might be a young dude who wants to look impressive and be successful because that's what we feel we want so they will sell the ridiculous Chevrolet oversized pickup truck as if it meets those needs even though it doesn't. So, that's number 1, marketing, the second thing is that evolutionary pressures like basically what we think we want isn't really what makes us happy. Like, for example, if you use a stereotype of the typical man again, he wants women, you know, like he wants to be like successful and, you know, and the bottom line is your body is trying to reproduce but that's not really what makes you happy in a modern life. It's having the maximum number of babies, right. So, your body and your evolution's working against what really is going to make you happy in a modern society and to take it at a bit less of a controversial level, just think about food. Like, you want sugar and dessert and like just the richest foods in unlimited quantities because your body thinks that there's going to be a permanent shortage of calories through your whole life. Now, if you just engage that want all the time, you're not going to be happy. You're just going to be constantly gaining more and more weight and get less and less happy as a result. So, you're fighting evolution. Marketing are the two flaws or the two foes of becoming wealthy.

FT: I hear that because I just wrote a book about 'When she makes more' and trying to explain why it's sometimes uncomfortable for women and men to be in these kind of new normal economic roles of her making more than him and she being chief breadwinner and a part of it has to do with, yes, as you say, evolutionary pressures. We, you know, and that's a force to be reckoned with. People like to think it's 2015 and we should be able to move on but, folks, you know, evolution is a very strong force. It's you know, we've been primed for, you know, billions of years to think this way and

conditioned this way. So, this world that we live in now is very new and it's going to take time for us to get over that.

MM: Yeah and everybody is born as an unprogrammed, you know, hairless ape again and it takes some programming, you know, every new generation starts from scratch. So, you can either go the way that your genes are guiding you or you can train yourself to overcome that and a lot of the best philosophies of the past are attempts to do that like Buddhism is actually an amazing rebellion against natural selection and in other words it gets you to get over your primal urges and, you know, think above them which actually leads to a much happier life. And, 'mustachinism' which is what I call my faith lifestyle and religion of the blog is pretty similar to Buddhism and Stoicism combined and, you know, the basics are understand that you're a flawed human and figure out how to get over it.

FT: All right, let's talk about money memories. I would love for you to take us down memory lane and share with us one early on experience memory that taught you a lot about the way the world works when it comes to money and perhaps was the seed that planted the 'mustachinism' that you teach and preach today.

MM: I would say that for me it wasn't a experience that made a light bulb switch on. It was more a gradual discovery of these weird tendencies that I had as a kid and then later seeing how they benefited me. Like, for example, as a kid, I liked to collect my little allowance and I would get \$5 for cutting this giant lawn my parents had and I wouldn't spend that money. I would iron it like I'd dip it in this little like bit of hot water and then iron it and put it in a photo album. So, I had a collection of like the twenty dollar bill page and you flip over and there's your ten dollar bills and I was like "This is awesome." So, I'd be this little kid, maybe 10 years or less, and I would have like \$170 in my 1984 photo album and I didn't even realize that was weird until looking back. People were like, "Oh, you actually did that? That's stupid weird." So, I just liked collecting things. Then, with my Halloween candy, it would always last to the next Halloween. That's how much I would ration it, you know. So, I was basically a bit of a saver by nature and never thought much of that until I got to, maybe college age and I, you know, I had to saved for my, to pay for my university degree and all the schooling I've been saving all through high school. Then, I learned that other kids didn't do that and they just got money given to them like entirely or even worse they had borrowed money and they're like "Yeah." I was like "How can you afford a car in school?" Those things are like \$10,000 or more. They're like "Well, I just put it on my loan, you know, I borrowed it and I have student loan to pay for my textbooks." And, it never even occurred to me you could do that stuff because luckily my parents were anti-debt as well. So, if you multiply that behavior across some years, you graduate debt-free and then I got a reasonably good job, nothing too special and saved that money and then I put a down payment on a house and then I paid it off and invested this money. So, I thought I was being normal but it turns out just not everybody is normal.

FT: Who taught you that? Do you think it was just something you were born knowing you wanted to do? Did your parents teach you this?

MM: Well, they didn't sit me down and say like "Look, son, this is what you have to do." But, they did lead by example. Like, for example, we always had less stuff than my friends who had parents of similar income. We would have like the older TV or we didn't get the microwave, right, when everybody else got the first microwaves in the 80s and we lived in a, you know, a house that my

parents had bought without a mortgage, started out pretty modest and just gradually upgraded the house. So, I think I'm sure I picked up that kind of stuff. But also, they gave me the gift of not handing me a lot of stuff, you know, like I always had to earn my money by doing dangerous and hard sweaty work and other kids would just get a \$20 a week allowance and they always had like the best remote control cars and I didn't have that. So, they just silently taught me that money is something that you earn and it's kind of hard to earn, so thus, you don't want to waste it.

FT: How about failure? You've lead a life of success, a life of financial abundance and it's been very conscious but there has to have been a time in your life where you experienced what you might categorize as a failure, a fail or at least somewhere you went wrong and then maybe you learned a tremendous amount from it. Love to hear that story.

MM: Right. Well, I had a couple situations like that. So, the first 20 odd years of my life was dominated by fear of failure, so I didn't fail too much because I didn't try enough stuff, like I was always afraid to join the sports or maybe shy with people unless I already knew I would do well with new groups of people and so, a little bit too cautious. As I got older, I got out of that shell a little bit, fortunately, and got into jobs and got more advanced jobs and moved to a new country, you know, I was born in Canada, moved to the US at 24. So, I got a little bit less chicken and then that led to a really good failure which was great learning as well. So, right after I retired I started my idea of a retirement hobby which is a house building company, a small one, building like these kind of expensive custom houses and I did it just in time for the housing crash and, you know, maybe I also misjudged the market, making these kind of modern eco-friendly houses that nobody wanted. So, I it ended up like a being a disaster. I lost about \$200,000. It was like a business partner awful situation and, you know, friendship completely ended and everything like that. So, that was a big failure that stretched between 2005 and maybe 2009 and those are supposed to be the first years of my retirement and I had this stress, unnecessarily added. Like, I could have just not done that company and had a much better time. But, looking back the lessons from that failure are just super golden like I learned a bunch of stuff, I learned about the first real hardship in my life and this is all while my son was just a baby too. He had just been born. So, it kind of, it tempers you a lot and you realize how good things are now after you've been through some hard times. So, I would say what I learned mostly is not to be afraid of failure. So now, I'm a lot more like a honey badger and I'll just dive in and do stuff and get stung by the bees and it's no big deal. Like, failing is totally fine and it's not like you're going to get strung up in a jail for 20 years and tortured like all that's going to happen is you'll lose some money. So, basically, numbers go down in your bank account and you can choose to make that torture you or you can choose to have fun with it and just laugh at yourself. So, I've had some failures since that have been quite fun.

FT: How did you recover from that? I mean and to be honest, we all probably experienced a failure of some extent between 2005 and 2009, whether it was betting too much on a particular, betting the stock market would continue to go up, buying a house that was too much money, over leveraging ourselves, so just I'm trying to maybe build some camaraderie here, because I think we all kind of experienced a moment of weakness in 2005 or 2006 but what do you think was the, 2 questions, why do you think you experienced failure personally during that moment and then how did you recover?

MM: Well, I experienced it just because of not knowing enough about the business cycle and I had overconfidence. And so, I had a business that failed and I think that the only way to prevent that particular business from failing would be just not to start it in the same way. Like, don't build custom houses when people are going to stop buying them but, so there. What was the other half of your question?

FT: How did you recover? You said you lost \$200,000.

MM: That's true. Well, that's, you know, the way to recover from losing money is to earn some more money. So, I just, after that business had closed down and I was feeling better I did a little bit of carpentry on the side because I love doing that anyways, so I just basically let the neighbors and friends know that I was doing some professional carpentry work and that was really, really pleasant. So, you could call that my second business and you could call it coming out of retirement. I didn't have to do that. I mean there was still many hundreds of thousands left in our nest egg but I just chose to do that to psychologically feel like I was getting that money back and so earned more than that since then and had a really great time and I learned about what type of business I like to run in the context of retirement and the answer is I like to be a solo, like a one man show and be able to turn on and off the workflow whenever you want. Like, well, I'm going to take 2 months off so I'm just not accepting jobs, no borrowed money, no list of demanding customers who are asking you for stuff after you've sold the product and so I learned a lot about my idea of like the perfect, you know, retirement lifestyle. So, it's pretty easy. Anybody can go back and earn money if they screw something up after an early retirement and since then it turns out I didn't even have to do that because we've earned money in other ways like real estate and now this blog that I have also earns money so I didn't have to worry at all. I mean if I could go back and the construction company was crashing, I'd be like "Hey, Pete, this is future mustache, don't worry, everything's going to be really, really great." That would be a nice gift to give to myself but unfortunately I can't do that.

FT: What was the moment where you decided I'm going to start blogging? I mean where were you, what was the idea and then what happened when you pressed publish?

MM: Well, it was probably, it was about 2010, I was writing and some friends basically, I think it's through Facebook, friends were saying "Look at this new Subaru I just bought and blah, blah, blah." And then, the next post would be "I sure wish I could afford to stay at home with my new baby." And then, I thought "This is fun. I think I'm going to start writing about how I think money should be managed." So, I just started writing them into like a document on like a Word, Microsoft Word or Google document thing and I got about 20 posts written out over the period of a month and, meanwhile, just having some drinks with friends I joked about how it should become a blog and it should be called Mr. Money Mustache and my wife was part of these conversations too and she sat up, she just said, "You know, you really should start that blog." So, she secretly went and registered the domain name and figured out the WordPress system and just put this webpage up with nothing on it. She's like "Look at that, sucker. It's up and people are going to see an empty website unless you start posting something. That stuff that you typed." So, I thought and, you know, my cautious side was like "Well, I don't really need more to do, like I'm plenty busy in retirement. Do I need a blog?" But, she tricked me into starting and then it just took off because it was motivating. People are writing stuff back to you in comments and you're saying, "Oh, well, I don't want to disappoint them. This is fun." And then, it just kept getting more fun and now it's 4 years into that.

FT: And, how many readers do you have monthly on average?

MM: Well, depends how you measure it. The statistics page says about 700,000 different people.

FT: Oh my gosh.

MM: Looked at it in the most recent month. But, they're unusually dedicated readers like the number of page views at this blog has something like 7 million page views a month.

FT: Oh my goodness.

MM: So, it's kind of like a small city or medium size city newspaper now at least but...

FT: Oh my gosh.

MM: I have much bigger plans, you know, I'm trying to, like the secret goal of the blog is to save the human race from destroying itself due to overconsumption of its own habitat. So, obviously, you're going to need more than 700,000 monthly readers to do that. So, we have a long way to go.

FT: Well, it's a good healthy start and I'm hoping some of that magic will rub off on So Money podcast.

MM: Oh yeah. Well, depends what your mission is. Do you have a mission that is, you know, powerful and all encompassing and if you don't I suggest you think one up.

FT: Yeah. Well, it's simple. I want to get people becoming more fluent about money and talking about money in a comfortable safe way, you know, feeling like they can just share their stories because I feel like we're getting a lot of advice pitted at us from the institutions and, you know, as you said, you know, the world at large and each of us has unique financial stories to share that are worth sharing and there's a lot of value in that and I want to be able to bring that to the forefront and just make money amore habitual conversation that we don't talk about money as it is, you know. It's still very taboo. It's still much a scary topic, an uncomfortable topic, a rude topic. You don't talk about money and this show's kind of disrupting that I'd like to think.

MM: Yeah. So, maybe your mission could be to completely eliminate the rich world's hang-ups about money and make everybody wealthier in the process or something.

FT: I like that. I'm going to steal it. I'm writing that down as you speak.

MM: Okay, I could make a better one for you if I have a couple of minutes to think about it.

FT: Yes, keep thinking and as you're thinking I'll ask my next question. Your So Money moment, a time in your life and it sounds like, you know, you have these moments a lot but just a really striking moment a financial moment that encompasses kind of a lot of who you are and your goals and it was a really, really excellent moment in your financial life, something that you strive for and you achieved.

MM: Well, I don't have one that fits exactly that category but there are too many examples that kind of illustrate it. So, one was many years into retirement, like maybe 5 years, I went into kind of a big project with a friend where we bought a foreclosed house together and fixed it up with like just nice

gritty dirty work and from an uninhabitable house to a pretty nice place and then rented it out and we recorded our work hours and I worked pretty hard and then I'd, after a couple of months, you know, and I've been billing it maybe \$40 an hour from my carpentry but I was just adding it up for the end and it turned out to be some number of dollars, you know, like maybe \$5,000 of work that I did. And then, during that same period I looked at my regular passive income that came from owning my own rental houses and stock dividends and stuff like that and it was more. It was like \$7,000 and I thought "Wow, my money is working harder than I can even though I remember all these brutal stuff, you know, like shoveling shingles off the roof and grinding up old iron pipes in the basement, the money outperform me. So, that was kind of neat because I already knew that was the fundamental of what it means to retire but until I really put the like a grizzly face on it I didn't realize that so that was fun. And then, the other part that felt So Money to me is that I started feeling wealthier and surplus enough to give away money for, you know, for various charitable stuff and there was this one time I was in Ecuador, on a trip that's related to the blog and where I had gone there to be basically a host and speaker for kind of a retreat. And, normally you would get paid to do that a few thousand dollars as well as a free trip but I had told the organizer who is very charitably inclined, this woman, I was like "Well, why don't you just keep that speaker's fee and just use it for whatever charity stuff you're already doing. So, she used that to rebuild this house for a family like there have been a family in her neighborhood had their house destroyed by an earthquake and it was a surprise so I showed up for the retreat which I already thought was pretty posh to get to go on this thing. And then, suddenly there's this family with all these little kids like coming up and hugging me and the other speakers who had also donated in their new house. She just drove us there without telling us and the other speakers of course had decided to do the same donation. So, these people thought that I was, that we were so generous and like "Thank you for rebuilding our house, señor, and all this wonderful stuff." And, we're all crying and then I realized that "Holy man, this is like this money is so much more useful when you have a surplus of it and then you can what seems like a tiny gesture to you can make a giant difference in other people's lives and it doesn't have to just be plain old charity, I mean whether you're investing in stuff that's even going to give returns for you, a surplus of money is a really powerful thing and I never really thought of that before retiring. I just thought I need money for myself. But later, when I realized how powerful a surplus can be that got me more excited about, you know, what to do for the rest of my life.

FT: Yeah, so surplus can change lives, yours and others.

MM: Yeah and the more you get of money and the skills that you develop as you earn this money, it becomes easier and easier to earn more money so that opens up the second half of your life, like the post, the after you need to work for a living suddenly you have all these extra decades where you can still use all these skills for fun and for good and it's even more funny, sorry, it's even more fun than working for yourself.

FT: Wow, are you in touch with that family still that you helped to rebuild their house, any updates?

MM: Well, I went back to Ecuador the next year and they were still there living in that but we've just expanded the operation a little bit and we had a couple of other projects in that same area of Ecuador that are kind of fine and they're based on the same thing, you know, like generating small amounts of money to help send kids to college or whatever, fix up things in the village. It's very hands on, you know, it's not the most efficient kind of charity, like the most efficient is more of what

the Gates Foundation is doing but if you're just a beginner and you like the fun thing of seeing real people and helping them and, you know, I like the same stuff in the US and Canada where I'm from too but it's just, there's no wrong way to do it. I guess I think it makes people feel good however they go about it.

FT: Totally, absolutely, well, that's a super story. I love that. We're almost done here but before we go, I want to talk about rituals, habits. We've all got them, good and bad, but for you, what would be one important financial habit that you participate in, that you, that's important to you that helps keep your money safe and growing?

MM: The growing part of my money is pretty simple. I just like the idea of keeping all money invested so if I run into a surplus sometime, I don't think of something to buy with it I just think "Okay, I better get rid of this money and put it to work again." So, I sweep it out of the bank account and into regular index funds, you know, with my long term simple plain investments. So, the habit of thinking of money as something to invest rather than to save, sorry, to invest rather than to spend is a good habit. And then, on the personal level, have the habit of trying to use my time as well in the same way that I use money so I think of time as an opportunity to do something better. I'm like "Oh good, I have 2 hours now. How can I use that to the best advantage?" So then, I'll kind of look at a list of my priorities and instead of just sitting down and scrolling through Twitter, I'll look and I'll see my list says "You've been meaning to go for a hike" or "You've been meaning to get some extra workouts in" or "finish this useful book." So, think of time as like a real gold mine, especially if you're at the point before becoming a parent because after I became a parent I realized that suddenly I don't have much free time and it is great to put your free time in use. So, if you're younger and you don't even have kids yet, you've got all this free time, you should put it to work, you know, while you got it to earn a ton of money, better yourself in many ways, get in great shape, prepare for this giant challenge if you're going to later have children or other big responsibilities and your time will be sucked away. It's good to prepare for that by building yourself up and building some wealth right now.

FT: I preach that too. Think of your 20s as your prime earning and investing years in a way, you know, and making use of your time so efficiently. I mean you still have that college body clock ticking inside of you, letting you stay up until 3 o'clock in the morning and think clearly at 3 o'clock in the morning. I can't do that anymore.

MM: Yeah, your brain still works.

FT: Yeah.

MM: Right.

FT: I'm pretty much, it's over for me at like 930 at night, you know, the most I can do is do some dishes at that point, maybe a couple of tweets but I can't be planning my next, you know, big idea at that hour. I need the day time to think clearly and now with a child, you realize just how valuable every 60 seconds are.

MM: Yeah, I think that's true. So, use it while you got it and also work to make it, to preserve it as well, you know, like you can get a lot more to yourself by staying healthy and get a couple more decades of physical vitality than you'd normally get if you don't think about that.

FT: James Altucher, one of my guests on the show, his episode was fantastic. Everyone, check it out. But, he said something really riveting which is that ‘money is just a byproduct of living a healthy life.’ And, that’s something that I will take with me to the grave, hopefully, not for many, many, many years to come.

MM: Yeah, I guess that’s true, as long as you interpret healthy life in a broad enough sense, you know, like using your mind for its best purpose and stuff.

FT: Oh yeah, absolutely.

MM: Because, there’s plenty of healthy people that are broke, you know, like crossfit junkies who have no money.

FT: Right.

MM: But great bodies.

FT: This isn’t like going to the gym for 8 hours a day but really like exactly, flexing the idea muscle, reading, meeting people, right.

MM: Yeah, sounds great. To me that’s a good philosophy.

FT: And then, last but not least we have a few sentences that I’d like you to finish really fast, round robin. If I won the lottery tomorrow, say a hundred million dollars, I would _____.

MM: Start thinking about how to become a better philanthropist, I guess.

FT: Yeah.

MM: Because that’s a big enough level of money that you got some responsibility and, you know, feel pretty dumb if you just let it sit around forever.

FT: Right, right, right. It’s like why, exactly, you got to have a plan for all the money that you’re accumulating and it’s exciting to see it grow in the bank but you want to be doing things with it too that’s going to change lives.

MM: And, I’ve realized I’ve no possible use for more spending money even though people say I live this supposedly barebones life but I just can’t think of how to spend anymore, so more money has to be put to efficient use in some other way than just on my own pampered ass.

FT: The one thing that I spend my money on that makes my life easier or better is _____.

MM: Good tools I would say, whether they’re like not this necessarily carpentry or woodworking or construction tools which I do like but good tools for life. So, a good office in which I can work which is in my house, that’s where I’m standing now. Or, good bikes, which is a way I use to get around. Nothing has to be fancy or over the top but I like stuff to be functional and not mess with it too much. I just want it to do its job and that does cause me to spend more money on some things.

FT: Yeah, you want quality. My biggest guilty pleasure that I spend a lot on _____. I know you're not a big spender but if there's something that you just really spend on because it makes you feel good and it's fun and, you know, you got to live a little.

MM: Yeah, I got an answer for that. That's probably food. In recent years we've dropped the frugality aspect of our food and we just kind of get fancier stuff, you know, like the tiny little kinds of imported cheese from that special area in the gourmet grocery store or like, you know, if we're having friends over, you no longer just get a bunch of pizza. We might actually get fancy food to give them like sushi or some other kind of things like that. So, I would say food and entertaining related stuff has gone up in the presence of excess money.

FT: Well, when you're getting 7 million page views, I think you can get some sushi.

MM: If only those page views would translate directly to sushi like it would just spit out of my computer screen, then we would really be set.

FT: Some day. When, okay, one thing I wish I had known about money growing up and it sounds like you knew plenty about money growing up. You were framing it and putting it in albums. But, what would be one thing that you wish you had known?

MM: Well, there's not too much I regret in the money sense. Maybe one thing I would say is I wish I had known that money quickly goes from shortage to its surplus so you can relax about it when you're younger like you should still do smart stuff but you should be aware that you are building a really happy, powerful surplus that is going to change the rest of your life. So, you're not just building the ability to pay your rent or get by, you're actually on a road that leads to a much more exciting place than that. So, freedom and monetary, you know, real success is far bigger than just buying less stuff. It's a bigger feeling than that.

FT: Yes and when you're young it could be really hard to visualize and understand that because your life really does comprise so much of your immediate needs, you know, having to pay rent, paying for food, paying for gas. And so, it's hard, it's easy I guess I should say to not see the bigger picture.

MM: Yeah, that's true and some role models in this area might help people and the problem is most of the role models who became wealthy through just being reasonable with money, they're pretty quiet. They don't usually show up on TV and we just get the role models of people who came into a big pot of money like a sports figure, an actor or a business entrepreneur and that's kind of not an accurate picture. Okay, that's just a tiny percentage of the wealthy people. Most of the wealthy people got there by just plain old earning, reasonable salary and spending less than they earn, like lot less than they earned and it gets you to the same place. And so, it's good to understand both ways to do it.

FT: When I donate money, I like to give to _____ because _____. And, we've already talked a little bit about your charitable ventures in Ecuador, where else do you like to be charitable?

MM: So far, it's like a work in progress because it's kind of a new idea to me but as an engineer I think I'm most interested in stuff that is really efficient like when you do the research rather than that's like gratifying personally, so I really like, for example, what the Gates Foundation does is they study world data, figure out how to affect the biggest number of people's lives and also change the

course of humanity in the best way. Like, for example, allow us to have more babies that live in poor countries so that people choose to have fewer babies, so it's quite counter intuitive but who's smart enough to figure this out so that these rich countries will stop or, sorry, the poor countries can become more stable, the whole human race can be like happier and able to deal with environmental problems by virtue of getting out of poverty and desperation. So, it's really like a long term way of thinking and I really admire the way that the Gates Foundation does that. They take this, you know, like instead of 'what can I do today' they think 'what can I do now that's going to make the biggest difference when we need it' which is like over the next 100 years. So, basically, yeah, complicated boring nerdy stuff is my ultimate idea of philanthropy.

FT: That's awesome and is it true Bill Gates is not leaving his estate to his kids?

MM: Well, not the, not most of it. I'm sure he's leaving plenty...

FT: Some.

MM: Just like, yeah, like a few million dollars each or whatever but the billions of dollars, the many, many billions of dollars between those 2 guys and a bunch of others who have joined them are kind of like it's almost a whole different country in itself of wealth but it's just dedicated to doing this data based improvement of the world. And, I think that's good, you know, what are your kids going to do with billions of dollars, unless they're as interested in philanthropy as you.

FT: Right. Yes and that isn't always the case. And finally, I'm So Money because _____.

MM: I don't have an answer to that, well, actually, no I do have an answer. My answer is because money is my middle name as Mr. Money Mustache. So, that automatically qualifies me as So Money, right.

FT: It does. It does. And, would say also, you know, you joke a little bit about having a cult following but certainly you are a leader in this space as people search for icons and leaders and mentors and advisors to help them live a more meaningful life when it comes to money. Not necessarily a richer or more fabulous life but, you know, just a life where their money is going towards what's important and allowing them to live not just a life but a lifestyle and that's something to commend you for. So, thanks so much for joining me on the podcast. Tell us where we can read more about what you're up to and follow you online.

MM: Well, that's pretty easy, you just look for Mr. Money Mustache. You can't miss him, if you type that in to any part of your computer.

FT: Oh, okay.

MM: It'll pop up.

FT: Thanks so much again and, again, really appreciate having you on the show. Have a great year.

MM: Thanks, you too, Farnoosh.