

EPISODE 1421

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FT: So Money is brought to you by CNET, the site that shows how to navigate change all around us. So Money episode 1421, honoring the future voices of personal finance, with NextAdvisor editor-in-chief, Adam Auriemma.

“AA: Our aim has always been to show compassion and emotion, and we've always been really very diligent about elevating stories and backgrounds from groups that have been traditionally underrepresented.”

[INTRO]

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FT: Welcome to So Money, everybody. I'm Farnoosh Torabi. It's a big day for our partners at NextAdvisor. CNET and NextAdvisor are both operated by Red Ventures. Adam Auriemma, editor-in-chief of NextAdvisor, joins us today to unveil NextUp, which is NextAdvisor's list of the most influential new voices in money.

Personal finance, and I've been in this industry for about 20 years, has for a long time elevated a small number of voices from a small number of backgrounds. I remember when I first started as an Internet money magazine. You know, we had the magazines, and we had a few books. There were no blogs. There was no social media. There was no TikTok.

So increasingly, thanks to social media in particular, a new generation of voices is talking about personal finance in a more relatable way, and these people are centering stories and backgrounds that traditionally have been underrepresented. Adam is here to talk about how they made their selection of this year's NextUp honorees and, good news for us, we have a number of these honorees on So Money in the coming days. We'll hear from people who paid off hundreds of thousands of dollars' worth of debt, people who are giving a voice to marginalized

communities retiring early, building generational wealth, and starting businesses in some of the most strenuous of times.

We've come a long way since the Suze Orman days. But speaking of Suze, Adam also talks about what he's learned and continue to learn from Suze Orman and what he'd liked to see more of in the personal finance world. Here's Adam Auriemma.

[INTERVIEW]

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FT: Adam Auriemma, welcome back to So Money. Exciting news. We're going to be talking about NextUp, your new project adventure at NextAdvisor, where you are at the helm. Welcome to the show.

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AA: Hey, Farnoosh. Thank you. It's good to be here.

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FT: So tell us about NextUp. We're dedicating a number of episodes in the coming days and weeks to transformative people in the personal finance space, who are telling stories and teaching us about how they're living financially free and independently. We may not know who they are, but we should. Tell us about NextUp. This is kind of exciting.

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AA: Yeah, sure. Well, you know about it because you've been helping, and thank you for that. So NextUp is – Essentially, it's NextAdvisor's list of the next most influential people in money. By that, we mean these are the 25 people whose advice, whose personalities, and whose stories are going to be the ones that shaped the way that we talk about money and who has it and what they do with it. It's like an incredible group, as you know.

I know that over a few episodes of this podcast, your listeners are going to get to hear from several of the NextUp honorees, and it's just like a fabulous group of people. It's partly a recognition of what makes NextAdvisors special. So we have, from the beginning of our journey on this site, always infused our personal finance advice and our recommendations with these personal stories because our aim has always been to show compassion and emotion. We've always been really very diligent about elevating stories and backgrounds from groups that have been traditionally underrepresented.

So a few months ago, we're sort of reflecting on these just like dozens of fascinating people that we have worked with over the past couple of years, and these are folks who are like all actively cultivating their own communities around money. So we set out to put together a cohort of 25 people who we really believe are the future of how we talk about money.

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FT: You've been in this space for a while, and I know you're a big fan of Suze Orman and the OGs of personal finance advice. There's definitely a sea change in like who is becoming the financial expert notables. I wonder from your perch, like what is changing culturally, where we are suddenly opening up the community to everybody? Whereas I feel like 20 years ago when I first started, it was like a handful of people, and they seem to have similar backgrounds, but we are demanding more diversity. When did that transition happen?

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AA: Gosh, I don't know. I mean, I often use Suze as an example. Like when I first started being interested in money, I was about like my early 20s, and I gravitated to Suze Orman, who was on CNBC at the time. Suze Orman is gay, and so am I, and that like has to be part of what drew me to her. Yet I interviewed Suze Orman last month for Pride Month. We did a whole interview about her experiences as a gay woman in the finance industry.

For the bulk of the early part of her career, when she was on Oprah every week, and she was writing all those bestselling books, like she never mentioned a word about being gay. It just

didn't come up, and I asked her about that. She said, "Well, no one asks me," which I thought was such a – That's not how it is today. People are centering their own stories like first. Why wouldn't they?

Like I – One thing is it's just more effective. I mean, that's just, I think, how people want to receive information and advice these days from people who are relatable. Suze was sort of authoritative and just like sort of telling you what to do and not really couching it in her own experience so much.

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FT: Well, I would say she was a little afraid. I might take a leap there and say maybe she was intimidated. Let's be honest because she does talk about her own journey. I remember, she would always talk about like starting out at an advisory firm and working with men, and like that was part of her narrative. So she made choices, as far as what she was going to tell you about herself and not. I don't want to say like she should have or I'm just saying that it was a different time to be outwardly gay and especially in an industry that was not diverse.

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AA: Yeah, yeah. Yeah, true. Different time. That's really what we're zeroing in on with this NextUp list because the other thing is like I think for whatever reason, people are more open. I think we – Social media has trained us to sort of like want people and stories and personalities, rather than sort of brands and credibility. Like everyone is credible, if they have the sort of – If they connect with you.

As you point out, like representation is important in and of itself. Like you do have to – Queen Elizabeth II needs to say like, "I have to be seen to be believed." When we're talking about money and telling stories about like people growing wealth and generational wealth and like becoming the first in their families to invest and go to college and launch a business and all these things that you kind of have to see it to believe it. That's a lot about what this list is about, and it's another reason why I think people are being brave and like putting their stories first because they know how important that is.

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FT: Just to give listeners a preview of who they're going to meet this week and next, these are honorees in the NextUp event, and we're going to hear from Diana King, who will talk about her shifting her mindset from scarcity to abundance. Ellie Diop, who is – Oh, my God. What a rock star. This woman took her stimulus.

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AA: I know.

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FT: She took her stimulus, \$1,200, in the pandemic. Mom of four, divorced, living in her living room with her mom, her mom's living room, and being inspired to take a risk, using that stimulus to start a business. Boy, did she ever, and then building generational wealth. Julien and Kiersten Saunders are going to talk about also around this theme of generational wealth, what they're teaching their son about money, their experience with FIRE, the FIRE movement.

Vanessa Menchaca Wachtmeister, I believe, is how we say her name. She is going to talk about Latina investors and the FIRE movement, women's pay equality, how to double your salary. Then Jeremy Schneider, talking about investing and maybe some new tips for the modern era.

NextAdvisor, Adam, is very interested in the FIRE movement. You've been covering this extensively, probably more than any other financial publication, I would say. You've become sort of this premier destination. Where do you see the FIRE movement going? I love how it's also becoming more diverse as well in terms of how you can approach it. There's Lean FIRE, Fat FIRE. You're at the forefront of exploring all that. But I would love your thoughts on this movement and how you've seen it evolve.

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AA: Yeah. We really – Part of our FIRE coverage is about like correcting perceptions of it. One of them is that it's predominantly white and full of like tech pros and people who make a ton of money. Another perception is that it's all about sort of like scrimping and saving and self-denial and living on ramen for 20 years, just to sort of retire early. So we're really off to it because it's actually a much broader, more inclusive group of people who have all sorts of different goals.

We really came at it from a social justice angle and financial independence being a nice thing to have because everyone wants to retire early. But in some ways, for some people being an essential thing to have. Because when you come from a marginalized group, and you're not given the same opportunities in the sort of corporate space or in the lending space, when you're trying to get funding, or just sort of in our like social and cultural spaces, it feels more essential to set up a truly independent income stream or several income streams so that you're not relying on others.

It's sort of like that. It's like that smashing the patriarchy type of way, where you're like, "I'm going to be financially independent because that's the way to sort of reverse the oppression that I'm under." So we started from that perspective. We started digging into, okay, who is seeking financial independence and why. It's so many different types of stories. They're all fascinating. Some people want to do Lean FIRE, where they're really going to scrimp and save because that's important. Some are going to do Fat FIRE, where they're going to wait a while longer because they want to step away from the workforce with a little more money to spend.

Some are going to do Barista FIRE, where they just sort of downgrade to a less stressful job and reduce their income but also their living expenses. Some people are going to do Coast FIRE, which I love. Coast FIRE is when you invest enough money so that if you just let it sit there for 20 or 30 years, you'll be okay. Then you can spend the latter part of your working life, sort of spending more of your money and enjoying more of your money. There's Disney FIRE for people who just want to retire early and spend a lot of time at Disney World.

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FT: Oh, my God.

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AA: You can just –

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FT: I have a cousin. My God, yeah. It's weird.

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AA: It's weird. But, yeah, just goes to show you. There's any kind of FIRE you want. So it's –

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FT: I like weird, though. Weird is good. Weird is good. We're all weird.

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AA: It's all about the why, right? It's like –

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FT: It's all about the why. Well, then you're not going to really like the piece I'm working on right now, Adam, which is called FOMO, FIRE FOMO. I think that at the same time that FIRE is getting a lot of coverage, and I think it's great, to be honest, that there are so many ways to get in and participate in this movement. To get that FIRE number, that calculator says you got to take that and multiply it by 25 and do that by 40. It's like, "Whoa." That can do a number on your mental wellness, on your mental health.

So my thesis is like you don't have to do FIRE if you don't want to. You're not doing money wrong, if you don't do FIRE. There's a lot of ways to tackle your finances and still feel like a rock star.

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AA: I mean, I can't argue with that. No, not at all. I mean, you could just look at it as like we all want to get to FIRE eventually. Like we all do want to be planning a life where eventually we are financially independent because many of us want to have a choice at some point. Because when we're older, we're not always able to work or we get laid off or whatever. So like we're – It's coming, but it is up to you about sort of how much you want to pull back that timeline, and it isn't important to everyone.

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FT: Bernadette Joy, who is, I believe, and honoree on your list, the NextUp list, she was also on this podcast coincidentally because she's just everywhere and –

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AA: She's so great.

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FT: We were talking about FIRE. She's part of the FIRE movement, paid off \$300,000 worth of debt in three years. That included two mortgages. She kind of agreed with that there's like a lot of hype around FIRE. But she's like, “You know what? Let's relax and call this financial independence, relax early.” That's her definition of FIRE. I thought that was really cool.

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AA: Sure, yeah. Actually, I totally cosign that. I avoid the word retirement wherever I can. I really do. I just don't think it's like an effective word to use anymore. It doesn't mean what it used to do, and we all need to like imagine our specific version of retirement or relaxing or whatever it is. Yeah. I don't think it's helpful to throw around that word, which is so just like loaded down with baggage.

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FT: Here's a story idea, like words that we use in the money space that we should eliminate. Or we've evolved, and we need to stop saying these things. Instead, look at it through this lens because, otherwise, we may not feel like we're moving the needle, or it's exclusionary, or whatever the reason is.

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AA: Can I give you another one that I just heard from? Delyanne Barros from – Who also is on the NextUp list. She says, “Don't call it an emergency fund. Call it a solution fund.”

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FT: Oh, I love that. Yeah.

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AA: I know, right? Instead of waiting around for an emergency, it's like –

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FT: Yeah. Because you know what? It gets people stuck. People say to me, “I don't want to use my emergency fund.” They feel guilt. They feel – I'm like, “But your car's broken. Isn't that an emergency? Or your plumbing needs addressing.” They don't know what – Like emergency feels like your house is on fire.

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AA: Yeah. That's right. No.

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FT: That's not what we're saying. We're – So, yeah, the emergency can be very – It can mean different things to different people, and it can kind of keep you from feeling confident about your savings. I always say like that's what your savings is for. You should feel okay to use it, but that's a much more constructive word.

I just learned that the word breadwinner might be a little exclusionary. You know I wrote a book about **[inaudible 00:16:40]** breadwinners. I just wrote a piece about – They use that. They could have used the word, and we said we used the word the top wage earner or the higher wage earner in your household because the idea of like someone being a winner means the other person might be a loser. Is that going too far? We feel like we're just being a little too delicate or – I don't know.

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AA: And mean maybe, but like maybe. The whole point is like if reframing things in your mind is a big part of money management. Because like I said earlier on, so much of it traces back to like the why. Why are we doing these things? So if calling it a solution fund helps, great. If calling it a top wage earner and breadwinner isn't a great connotation for you, yeah, let's get rid of it.

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FT: So going back to NextUp, tell us a little bit about what your hopes are for this in terms of next year and the years to come. I know that NextAdvisor is in partnership with the TIME, and they do a number of annual events that center on celebrating innovators and leaders. Now, there's the TIME 100 list. Is NextUp going to become like a TIME 100 list but for money?

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AA: Yeah, absolutely. It is absolutely our vision to one day bring all these people together in real life or many of these people together in real life or conversation and workshops. You can just imagine all the great things that would happen with all these people in one space. I don't see it as it evolves. Like I don't see it being like next year a whole new list because it's not like the people that we're naming now are going to go away next year. I see it more. It's like a cohort

that we can add to, and that this group of people, these NextUp honorees becomes – Rather continues to be members of the NextAdvisor family and ecosystem.

Like these are folks – It's worth pointing out. These aren't just people we like noticed online and think are cool. We didn't go through an influencer agency to find these people. None of them are paid. Like they're just the people that we collaborate with and that we lean on and that help us give perspective and elevate underrepresented voices and inform us. People on this list have like privately reached out to me when they felt that I published something on NextAdvisor that wasn't up to our standards. These are people who are real, yeah, like I said, collaborators.

So my hope is that you see them pop up throughout the year in different ways. Rita-Soledad Fernandez Paulino, who is on the list, is hosting a workshop for us next week about I bonds. When it comes to tax time, you know we're going to call on all these people on the list who are CPAs and asking them to help us figure out what to do. So, yeah, my hope is that this becomes integrated into what NextAdvisor does, and these people sort of show up.

In some ways, this list is like a recognition of the limitations of a brand. We're only as good as like the people we work with. As much as we have the credibility of time and the reporting muscle and the editorial standards and all those things that like help us be better, we also need to be surfacing and telling the stories of people like these NextUp honorees. It's like a crucial part of the puzzle.

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FT: Well, I have to commend you. It's such a wonderful initiative. With regards to underrepresented ideas and groups, what's an area of personal finance or a voice within personal finance that you wish would be more amplified? From where I stand, I've seen a lot of like, for example, women, women of color rising to lead the conversations around money, which is great, and we want more. Do you feel like there's an underrepresented group that's still a little too shy to come out and talk about money from their perspective? Or you just think we could really benefit from having more of their voices.

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AA: I mean, there's always going to be more sort of demographics that should be highlighted. But the first answer that comes to my mind is a little bit different. What's been on my mind lately is I think we need more representation of people who are at the problem phase of their personal finance journey. Like we get a lot of success stories and a lot of people who are like making \$10,000 a month in passive income and own three properties and everything. One of my missions for the coming year is to highlight those people who are figuring it out, who just got laid off and need to make an extra few \$100 a month.

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FT: I couldn't agree more with that, Adam. In fact, I was watching this Netflix documentary about personal finance. I think it's called Get Smart with Money. It follows four Americans at various stages of their financial lives, all of them having something to struggle with, and then getting coached by various experts. What I thought was so refreshing and like, "Oh, gosh. I wish I had – I could like see more of this," was the people who were going through it, like a woman who had tons of credit card debt and why that happened. Then a family who were – The dad was a stay-at-home dad. The mom was making six figures. They're making more, but they're also spending more, and they're on this hamster wheel.

I thought this is what we're not seeing enough of. We're seeing, to your point, a lot of the like, "This is what I did. Here's me from five years ago. Here's me today, and here's what I've learned." But to just kind of bring to the forefront people who are still in it, I think, is a great way to bring more people, I think, to this content.

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AA: Yeah. What you're going to see when you pull up NextUp when it launches is each of our honorees speaking directly to the camera and a woman at video sort of telling their own money story. So you can see many of these people have been in the problem phase themselves, and part of what's special is that like that makes them very well-suited to like help us tell these stories going forward –

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FT: Yeah. Maybe like a diary or a journal, like a personal – Because there's like bringing the problem and then having someone help them. But then I think there's also something to the effect of like, “Here's my problem. I'm going to come back in three months or in two weeks, and tell you what I've done and whether it worked.” Just kind of following that person live. This person who eventually is going to become a NextUp honoree probably, right?

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AA: Yeah. It's truly the next gen. Yeah. The timing couldn't be better. We're all sort of dealing with a little uncertainty. Let's just focus on like small wins, I think, is a really great way to approach this next year.

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FT: Yeah, progress over perfection. Adam Auriemma, thank you so much for coming back on the show. You're always welcome.

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AA: Oh, thank you.

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FT: I love working with you, and we look forward to meeting some of your honorees on this podcast in the next couple of weeks. So, everybody, stay tuned. You will not be disappointed. I've have to say, like having already spoken to these folks, just some incredible, incredible finds, Adam. These are – I want to go back to these people time and time again.

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AA: Yes. As you said, I mean, there are a lot of people out there saying shady things about money, as you know, and this is our service to you. If you want to follow some really great people, this is who they are.

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FT: Adam, thanks so much.

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AA: Thank you.

[END OF INTERVIEW]

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FT: Thank you, again, to Adam for joining us. Check out nextadvisor.com. I'll put the link in our episode notes, so you can take a look at this year's incredible list of honorees. And stay tuned to So Money, where we'll be highlighting and spotlighting several NextUp honorees. If you liked this show, please leave a review. Subscribe. Forward it to a friend. Remember, every Friday, I pick a reviewer of the week to get a free 15-minute money session. I hope your day is So Money.

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