

EPISODE 729

[INTRODUCTION]

[0:00:35.4]

FT: Have you ever been completely exasperated wondering why am I so bad with money? Maybe it was because you overspent, maybe you depleted your savings account, maybe you realize you were behind on retirement savings. Well, the good news is you are not alone. I've had those moments. My guest today says her money situation is a mess.

Welcome back to So Money, everyone. I'm your host, Farnoosh Torabi. Today's guest has made a successful career out of being "bad with money." She is Gaby Dunn and the New York Times bestselling author, journalist, youtuber, actress and comedian. The YouTube channel that she runs with her comedy partner Allison Raskin has over 750,000 subscribers, more than a 120 million views. Her podcast Bad With Money with Gaby Dunn hit the top ten overall downloaded podcast charts in just seven days.

Gaby's ability to be raw, relatable and honest about money is why I love her and it's why she has been able to rise to podcasts and YouTube stardom. She's here today with her best and worst money stories, the lessons she did not learn about money from her parents and the real economics of being a millennial in this country today, and why young people are struggling. It has nothing to do with the cost of avocado toast.

Here we go, here is Gaby Dunn.

[INTERVIEW]

[0:02:04.3]

FT: Gaby Dunn, welcome to So Money. It's so great to finally connect with you. I'm a huge fan.

[0:02:10.3]

GD: Oh, thank you so much for having me. That's so lovely. Thank you. I'm happy to be here.

[0:02:14.9]

FT: You're such a Renaissance woman. I've just finished talking about your illustrious bio. You've accomplished so much and I do believe that you're turning 30 this year?

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GD: I am. Yeah, I'm June 1st.

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FT: All right. How are you going to top your twenties? Because you've already hit the New York Times bestseller list, you've produced shows, you're on season three of your podcast, you're 30 under 30. I mean, gosh. How do you plan to outdo yourself in your 30s?

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GD: I'd to have one of the shows that I create make it to a second episode. We've had a lot of fun luck selling stuff, but a lot of the people that I admire actually have made me feel a lot better, because they've said, "You could sell stuff forever in this town and then you get –" it's like taste – one guy said that's like a well-known creator and he was like, "Oh, yeah. It took me nine shows to get anything on the air." I was like, "Cool. Halfway there."

Yeah. I mean, I'm trying to – I always try to change and do different things. I was started as a journalist and Bad With Money is a journalistic project and it's in the spirit of what I used to do and what I majored in and what I still sometimes do. Then the entertainment stuff was a left turn. Then I'm trying to do more acting. I'm trying to – yeah, do more in front of the camera stuff. I don't know, just whatever new things. I have not planned anything that I've ever done. I don't want it to seem like I have.

[0:04:04.1]

FT: Yeah, so that's interesting. Then what inspires you? When you talked earlier, I pivoted to the television stuff and now I'm trying acting. When you get an idea in your head in the sense of pursuing new obstacles, or adventures, what makes it a yes?

[0:04:24.4]

GD: If it seems something that'll be interesting, or different or good. A lot of the stuff I really like, obviously I'm a queer person and a lot of the stuff I really want to be involved in is with other queer creators, or with queer storylines, or just stuff that I think I didn't see when I was growing up.

Then also I do have to think about getting paid at some point. It's this interesting dichotomy now of doing some stuff that maybe I don't care about that much to get money, so that I can pay for the things that I do care about, which almost never pay me anything.

[0:05:06.6]

FT: Yes. Yeah, I can totally relate to that. Television is my passion and – but as you know there's so many moving parts to getting a show, not only on the air, but staying on the air.

[0:05:21.0]

GD: Oh, yeah. It's crazy.

[0:05:23.5]

FT: I give a lot of credit to people who choose this as their sole profession, because it's like, how do you actually pay the rent?

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GD: I think they have to have other –

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FT: They have to.

[0:05:35.6]

GD: I don't know.

[0:05:37.5]

FT: Well, okay. This is so tangential, but I have to ask you because I mean, it's a fitting pivot to talk now about me too and money, and the whole me too movement and how money plays a role in women's ability to not be harassed and not feel objectified, and feel they can walk away from scary situations and threats and where they feel undervalued. Has that come up in a lot of your conversations?

I know you've done some episodes on equal pay and I'm sure across just personally your work, you've encountered anecdotes or personal experiences where you've seen with your very eyes how when a woman has money, that gives her agency. I think for me, that's been the biggest and most profound takeaway and lesson for all of us is whether you like it or not, having money helps in a lot of ways, especially when you are a woman in an industry where there is potential for objectification, being undervalued and being threatened.

[0:06:39.3]

GD: That's almost every industry. I've had friends, definitely outside of work stuff, I've had friends who couldn't leave bad relationships, because they couldn't afford to move out, or they're relying on largely on the guy for income. I think it's a situation that you can slowly, slowly get into and get complacent in. Yeah, it's scary because you'd want to tell someone to do the right thing, but you also know that the realistic thing is they really just can't – they can't leave.

That can happen with jobs too. There's a woman named Paulette Perhach, who talks about the F Off Fund, which is basically the amount of money that you need to be able to tell someone to F aha. It's tough, because emotionally it's tough to do anyway. It's tough to say to like a – you go into a job, you're very optimistic. You think, “Okay, great. I'm going to have a paycheck.” It's supposed to be a very celebratory good time to even be like, “Okay, what can I contribute to this job? What can I do? This is amazing.”

Then it's so soul-crushing to be like, “Oh, this is an unsafe environment.” Or even like this is just a place where I'm undervalued. I've definitely had situations where I did not have the money to leave a thing that wasn't great, and I would just cry all the time and was like didn't know what the right thing is. Not even money-wise, but emotionally you're taught that you have to keep every job. I think a lot of that –

[0:08:28.0]

FT: You can't, because it's failure, right? If you walk away, it's like you failed. You couldn't cut it.

[0:08:32.4]

GD: Right. I mean, a lot of friends of mine just out of college, I think are so excited to get any job that – not just women, but I think even also queer people and black people and other people of color and all of the above, they're so excited to have any job that you don't realize you're being mistreated. Then when you are mistreated, you're like, “No. It's fine. I'm just lucky to be here.”

I think I saw a lot of that in my time, where you think at 22, because it's your first job out of school, “I have to stay here. I have to keep this. People were so excited for me. People were so – maybe you announced it on Facebook, or whatever. People were so happy that I wasn't one of the losers out of college, that I could finally pay my student loans, that I'm not one of the people that asked to move home.” Just these things, which is complete – there's tons of people that live – move home, live at home, try to get –

[0:09:35.2]

FT: Yeah, there's no shame in that. Yeah.

[0:09:37.6]

GD: No, not at all. Getting your shit together first, before jumping into some job that might be a really unsafe and terrible environment for you, either physically or emotionally. One is way better than the other. There is this thing of the optics of seeming successful. It's awful to be like, "Oh, why did you quit? Up for another job?" No. I was just getting sexually harassed.

[0:10:01.6]

FT: Well and it's so true because you're learning now, we're learning now about all these for example Hollywood actresses who've gone on to win Oscars, and behind the scenes. I mean, I'll never forget Lupita Nyong'o's essay New York Times, or some of the other actresses who talked about just the darkness that they experienced. Yet all the while, we're just seeing them in Us Weekly and on the red carpet and making all these all this money and being successful, but it was they go home and they're not happy.

[0:10:36.2]

GD: Yeah, I mean, it's all – there is a lot of falseness to the sheen of everything, and not just for Hollywood people, but for everyone. I mean, I talked about posting on Facebook, "I got this great job, or whatever." I used to live and die by what I could put in my Twitter bio. The guy was so excited to be like, "I'm writing at this place and I'm writing at that place." If it didn't work out, taking a job out of my Twitter bio would crush me.

[0:11:04.8]

FT: Yes, yes. Oh, girlfriend. I am there. I have been there. I love your podcast. It's called Bad With Money, and everyone listening should hop over and check it out. It's called Bad With Money, but I think really you're teaching listeners how to be smart with money. I wonder how the podcast has helped you evolve in your financial life, Gaby. What's been the biggest improvement in your financial life that's been a direct result of hosting the show and talking to so many people? Yeah, so what has it been for you?

[0:11:36.9]

GD: I'm still a mess for sure. I'm still a goddamn mess. The biggest change, so I'm having a lot of issues getting paid for a job right now. I'm trying to get them to pay me in a timely manner and it's not really working out for them. They're super busy. I'm like, "How have I reached this point in my career and I'm still begging companies to pay me?" That sucks and probably will never change and I just have to get over it.

In the meantime, while all of that's happening, I'm like, "This is the same as it was when I was 22. I haven't fixed anything," like crying in my room a couple days ago. I do think in the biggest changes that yes, I'm freaking out, because I'm not getting paid this month and that's going to cause me to take some money from somewhere else to pay rent, which is I don't want to do. Also, I have a retirement fund.

Five years ago when I was crying, when I would cry about the exact same thing let's say, there wasn't – I literally meant I had no money. Now when I'm I have no money, what I mean is I have no spending cash, or I've used too much on my credit card, or whatever. When I actually think about the facts, the difference between and maybe it's just a small difference and I'm still stressed out, but the difference between five years ago and now is that I do have a retirement fund.

I don't touch it. That money basically doesn't exist to me. It's a ghost, but there is another fund somewhere in the world that has money that I contribute to it. I go, "Oh, I have no money. I'm upset." That's true. I have more on my credit card than I wish I was. I don't have any spending cash until this brand fucking pays me. Sorry, or am I allowed to curse?

[0:13:49.1]

FT: We'll just call explicit. We give people a heads up. It's all right.

[0:13:53.4]

GD: Okay, okay, sorry.

[0:13:55.3]

FT: I mean, it's fine.

[0:13:56.7]

GD: This brand pays me. The big difference is that I have been slowly putting chunks away in retirement. The biggest change I would say is that when I go I have no money, what I mean is different than what it used to mean. I do have a retirement fund that I can't touch that is slowly happening with – almost just despite me. I'll have that when I'm older, versus just draining everything.

[0:14:30.2]

FT: How much of your interest in money and your fascination with money stems from being a journalist versus your upbringing? Because I know too that you've had a very interesting upbringing, where you've written about how – whether it's your father who mismanaged money to pay for his addiction, to your mom who called you her retirement, like you're mostly her retirement solution.

Then also your experience in school. I know that you went to a very wealthy private school on a scholarship amidst a bunch of rich kids. That must have been an awakening of sorts. How much of your upbringing has impacted your curiosity about money and what was your biggest money memory growing up as a kid that left an impact?

[0:15:19.9]

GD: Yeah, I think all of it. The journalism stuff helped when starting the podcast for sure. I think yeah, your upbringing is a huge part of how you think and feel about money. I remember asking my parents a lot about where money was coming from and being told to shush, which a lot of the – I interviewed a lot of high schoolers for the book and a lot of them recounted the same

thing, that they would like to help out in their home or whatever and the parents would be super into it. Then once they started asking questions about money, the parents would be like, “Oh, you're just acting grown. Why are you acting like a grown-up?”

They were like, “Well, I'm not allowed to ask about the things that I'm seeing that might be wrong.” The parents are like, “NO, you're a nosy kid. Get away.” That seems to be a relatable experience. I mean, the schooling really like, Barn Bat Mitzvah season was real rough, because it was the squad uniforms, but during Barn Bat Mitzvah season, you could tell who had money and who didn't, because it was came down to the parents that paid for these lavish parties for their 13-year old to enter Jewish adulthood.

I mean, it was my super sweet 16. It was just like, some people had theirs on boats and some people had theirs in rented out nightclubs, and some people had very lavish fireworks displays. It was huge. Then other people just had a religious ceremony, and God forbid, right?

[0:17:12.4]

FT: What was yours like? What was yours like? Are you Jewish? Did you have a Bat Mitzvah?

[0:17:15.8]

GD: Yeah, yeah. I'm Jewish. The school was Jewish, so everyone was Jewish. I mean, it's in the book I'm writing, but my mom took out a bunch of loans and spent a significant amount of money on my Bat Mitzvah, which – and she gives me the exact number, which I talk about in the book, but it blew my mind.

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FT: How much?

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GD: I don't know if I want to say, because I want people to buy the book.

[0:17:41.6]

FT: I'm sure there'll be many more revelations in the book that you can –

[0:17:44.8]

GD: I'm sure. Yeah, yeah, yeah. I just think like –

[0:17:48.2]

FT: There's a lot.

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GD: It was a lot. In her mind, I was so happy. I had the best time and she said she always talks about this memory of me laying on the floor and my dress and her going like, “What are you doing?” Me being like, “I don't want it to end. If I lay on the floor, it'll keep going.” To a mom, that's like, she was like her heart grew three sizes that day.

She was like, “This is the best. I did the right thing for – I made her so happy.” She was like, “Well, was I supposed to not do that for you?” It was this huge peer pressure thing. At the time, you could tell who had money and who didn't. I knew that we didn't and I also knew that we were doing this anyway and it was very confusing.

[0:18:46.1]

FT: What does your family think now of your podcast and how much you talk about your life? Have you had conversations with them since?

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GD: Yeah. I interviewed them for the book and for this podcast. They get very annoyed defensive. To be honest, they put me through a lot, so I feel they can't say anything. If me writing a book about the situation is means I turned out to be a functional adult somehow, then cool.

[0:19:27.2]

FT: Yeah, it's all good. Everybody be happy.

[0:19:31.0]

GD: My dad is super open about his past. It's not like I'm telling tales out of AA. He talks about it he writes about it. He's very open about his addiction recovery. Anything that I say, he'd tell you first. They're defensive in the sense that they do this thing of like, well didn't you have a good childhood? I don't know what you're so upset about.

[0:20:02.5]

FT: That's every parent's defense. Well, I mean, it turned out okay, right? What are you going to say that that? Well, of course I did.

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GD: It's a Jewish mother thing. Maybe also other ethnicities, but it's like a Jewish mother thing to be like – my mom immediately goes to, “Okay, I should have just left you in a closet to die. [inaudible 0:20:21.8]. There's a middle ground between taking out loans for Bat Mitzvah and leaving me in a closet to die.

[0:20:31.9]

FT: Yes, there's a lot of potential in between. I agree. Your parents obviously made a lot of mistakes, but also raised an amazing young woman. What would you say is the best part of being raised by them? What was the best financial awareness that you developed now as an

adult? Maybe what has been your biggest mistake that you can say, “You know what? It's because I had this childhood that it led me down this particular path with my money.”

[0:21:00.0]

GD: They just keep on going. They just keep on working. They figure it out. My dad has jumped around jobs a lot and he was out of work again, and he just started driving lifts. He's 71 and he just didn't have any pride about it in this way. He was just like, “Yeah, yeah. Whatever.” Then he has a private Instagram that all us kids follow and he just posts his reviews there.

It's very endearing. My mom, what's interesting is my mom is the breadwinner and handled the household and did a lot of stuff, so I grew up really normalized with a woman at the helm, which I think helped a lot. She was very driven and I went to work with her a lot, because of childcare stuff and.

She's a lawyer, so I would see her – I went to the courthouse with her a lot. I would see her buzzing in and out and running around and yelling at men and talking to men with this very intense voice. Just in a way that maybe you would see your mom be deferential, but she basically just watched her fight people my whole childhood. And argue back. I was like, “Oh, wow. Cool. That's her job.”

I just remembered, we had a career day at my school. There was like you could do a field trip and I brought – in 8th grade, I brought everyone to watch her in court. I was really proud of it and stuff. Yeah, so that was an interesting switch, and also that my dad is just tenacious in that way.

Then the other thing is that the negative stuff is that they spent, so that we never complained. There's an entitlement there, where I wanted to go out of state for college and they were like, “Okay.” I wonder, and now I have \$30,000 a month, which is maybe small compared to other people, but not great. I had Florida prepaid, like it would have been free. I said to my mom, “What would have changed if you had just said to me we can't afford it? Try again.” Which a lot of parents do, right?

[0:23:32.5]

FT: Yeah, I couldn't go to the colleges of my choice, because we didn't have the money. Loans were not an option.

[0:23:38.1]

GD: Of course. A lot of people have that experience. That would have been very normal of them to do. My mom was like a gasps. She was like, "We would have never done that to you. You wanted to go where you wanted to go. Of course we had to make that happen." I was like, "Okay, but –"

[0:23:53.9]

FT: Thanks, but.

[0:23:55.5]

GD: That was the thing was – of course, we had to let you go to summer camp, of course we had to – like it was all this thing of saying yes to stuff that they – I spend on things I can't afford, because I'm like, "Well, it's of course."

[0:24:19.2]

FT: What is your number one money habit right now? Do you have a system? I know you said you're still a mess, but you have the retirement account, which I think is great. What are some other things that you might be doing on a daily basis? Even if it's just a check-in before you buy something?

[0:24:35.2]

GD: My girlfriend just forced me to get Digit. Do you know Digit?

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FT: Yes. Yes, of course.

[0:24:41.0]

GD: Because I want to get a dog and I – she doesn't think I understand what a dog costs. Our relationship is fun. She doesn't think that I know what a dog cost, so she – because I just look at pictures of dogs and I'm like, "Let's get a puppy." Then she was texting the guy and he was like – she was like, "We're not going to a breeder." Just to show me, she was like, "Look at how much this dog cost. It's \$3,000." I was like, "Fine." Which I know, I know you shouldn't go to a breeder.

Look, okay before the tweets arrive, I'm not going to go to a breeder. She was using it as a point. Anyway, so she said, "Why don't you get Digit and it will put \$5 away without you even thinking about it all the time, and you can make a little fund that says 'Puppy.' Then when it reaches the right amount, then you can get a puppy. This is the type of parenting that my parents didn't do. My girlfriend who's three years younger than me is doing now.

[0:25:45.7]

FT: Digit is amazing. I mean, I interviewed the CEO on – you should have him on your podcast too. He was on my show. He started this app a few years ago. I know already they have saved for the users of Digit over a billion dollars.

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GD: Yeah, it's seems great.

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FT: Crazy.

[0:26:02.8]

GD: It seems great. It updates me, like when I wake up it says, “Here's what's in your account.”

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FT: It only saves what you can afford. It's not going to go in there and take \$300.

[0:26:14.0]

GD: Absolutely, absolutely. I said it so that if my bank account is under a certain amount, don't take the money out. It seems really great, so I just started a couple weeks ago and it's got – I have a fund for emergencies. I put \$5 in for emergencies and then I made a smaller puppy fund.

[0:26:33.5]

FT: That's cute. I was going to ask you, but you might have already answered it. This is a question brought to us by our sponsor Chase Slate, what is the number one thing that you are saving up for currently, a big-ticket item?

[0:26:44.9]

GD: Well, a dog. A living being. It's come up a few times where I've had a chunk of money saved for a dog and then – this has happened three times, and then something's come up and I have to just be responsible. My parents would have been like, “Get the dog.” I have to send an e-mail and be like, “Hey, something came up. I can't meet any dogs on Thursday, whatever to the appointment that I made.” That's such a bummer. It's also like, in the long run, it will be better for me and for the dog. It's like a delayed gratification that I am not used to.

[0:27:31.9]

FT: Right. You'll get that dog. It'll be in your future. You have to visualize it. Give it a name already, put a picture of the dog on your phone, it's happening.

[0:27:43.0]

GD: Yeah, all I do is look at dogs and go, “Why not me?” It’s okay, because you have to be responsible with it and you have to have the amount of money. I mean, my comedy partner has a dog, and she’s like, “You have to have X amount of money, so that if the dog gets sick tomorrow you can save its life.” I don’t have that right now, I have to be honest.

I have to really be honest with myself about what’s realistic. My parents never instilled that in me, so that’s new. Digit and then also I have a financial advisor that I didn’t have a couple years ago. He is in charge of my retirement. He’s dealing with retirement, and I have to figure out because I just joined the writers guild, which was so much money to do. That has retirement plans too. I may have to look into that as well. Look at me caring about that.

[0:28:42.2]

FT: Look at you all grown up and you’re not even 30 yet.

[0:28:46.2]

GD: Well, thanks.

[0:28:47.3]

FT: I’m excited for. I’m excited for your book that’s coming out. I understand that it’s based on the podcast, but how is it also going to take it to the next level. What’s new in the book that maybe we’re not hearing on the podcast.

[0:29:00.5]

GD: Yeah, there’s a lot more longer personal stories and so stuff that I haven’t talked about mental health-wise. I took a year for me to write, so I did a bunch of research on the myths about millennials and the ways that we are portrayed in media, which is incorrect and the ways that huge swathes of the population – largely, I’m really interested in southern poverty in

particular. That's touched on a bit in the book, but just basically the way that certain groups are deemed millennials and other groups aren't. What's going on with people, the realistic stuff and not just they can't afford homes, because a millennial is spending money on avocado toast and that thing.

[0:29:52.8]

FT: That's a privilege by the way. You can buy avocado toast. You're not in bad shape.

[0:29:57.5]

GD: Oh, yeah. Make it yourself at home. Anyway, so my girlfriend was just giving me a hard time, because I had to – I went grocery shopping and I bought two things of blueberries and she was like, “You bought berries? You're at berries level of money.”

[0:30:12.2]

FT: Yeah, because berries are like 70 bucks for a little square of berries.

[0:30:18.9]

GD: Yeah. She was like, “Look at you rich girl buying berries.” I was like, “All right.” There is all these myths about the ways that we are. I wanted to demystify. I mean, I do it on the show, but I go into the ways that personal finance is a flawed industry and how there's – you can live in a middle ground of personal finance, and also there's a lot of bigger stuff that needs to change. I'm doing that too.

[0:30:53.4]

FT: Thank you for doing that. That's so important. That's important work. I'm glad you're –

[0:30:58.1]

GD: I'm just tired of these millennial books that are adulting and it's just so simple and victim-blaming. This appeals to 5% of millennials.

[0:31:11.8]

FT: Right. What about the millennial who can't even afford to finish college yet, working three jobs.

[0:31:19.4]

GD: Well, multi-generation on households are huge. You think of millennials as like the girl in New York City, but you don't think a 22, or a 25-year-old woman of – with living in a multi-generational household with low income in Texas, with two kids, that's a millennial. We totally don't talk about them at all.

[0:31:45.1]

FT: Because it's super sobering. It makes people uncomfortable to think about that. It does. Thank you for making us uncomfortable and being so raw and honest and put guilt, like really taking money to a really important and new dimension. Everybody listen to *Bad With Money* season 3, just premiered with Gaby Dunn, and your book of course, *Back in the Fall*. We'd love to have you back when that's out and you can talk more about it,

[0:32:14.5]

GD: Yeah, yeah. It comes out in winter – beginning of 2019 January.

[0:32:21.7]

FT: Perfect time. Perfect time. All right, Gaby. Thank you so much.

[0:32:25.7]

GD: Yeah, thank you for having me.

[END]