


# How To Spend: Focus on Healthy Spending



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Today's topic is how to spend money. More specifically: How to spend money so that you maximize your happiness in life.

Of course, we all want to live with more joy. In the companion article ([Core Values Budgeting](#)) and today's episode, Megan and Mike discuss **how to actually do that**.

Remember that there is only ever spending: either now (expenses) or in the future (savings). These are the core of financial planning. Expenses are required to live with joy now and savings are required to meet your long-term goals. Every dollar you spend, you don't save.

In this episode, we discuss an exercise that helps you understand what spending brings you the most joy. Cliff notes version:

- *Write down* every type of thing you or your family spends money on.
- *Imagine* that in one category you won't be allowed to spend money ever again.
- *Cross it off* and number it with a 1. This is the first item to go.
- *Repeat* the process again and again with 2, 3, 4, etc. until you just can't cut anything.
- *What is left* is at the core of what supports your specific life and joy?
- *Protect* your core spending and be ruthless at cutting the rest.

"You can afford anything, just not everything."

## Resources:

- [Crazy Rich Asians Series: What We Can Learn From The Millionaire Lifestyle of Astrid Leong](#) – One of the wealthiest women in Singapore shopping for groceries at the supermarket with super-saver coupons while trying to purchase art for over a hundred million dollars.
- [How To Spend: Learn To Do Without](#) – You can either live rich or you can be rich. Almost no matter how much money you make each year, there is someone spending every penny of a salary five times as great and someone saving more than you on a salary half as much. It takes diligence to keep spending low and saving high. I heard it suggested once, that if you want to develop a rich mindset, put a \$100 bill in your wallet, take out your credit cards, and then practice not spending it.

"I want you to spend like you are the richest person in the world, a person who has so much happiness and balance in your life that you can't imagine anything you could buy that would make you any happier."

*Megan Russell* has worked in finance most of her life and is the Chief Operating Officer for Marotta Wealth Management. She has written over 700 financial articles and can be found at [MarottaOnMoney.com](#).

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