

If You Think This is About Extreme Frugality, You're Missing The Point



A few months back, I joined in for an episode of a podcast called the Disciplined Investor (<http://www.thedisciplinedinvestor.com/blog/2014/08/10/tdi-podcast-mr-money-mustache-and-me-376/>). The host Andrew Horowitz and I were chatting about money, raising children, stock market crashes and so on, and then this question popped out of the void and really surprised me:

“So, there must be something you really miss. What’s the thing that it hurt most to give up, to live the way you do so you could retire early?”

What happens when your son wants to go to Disneyland, and you have to turn to him and say, ‘Sorry, that’s just not in the budget this year?’”

For some reason, the question stirred up so much stern enthusiasm in me that I had to loosen my collar to let some of the steam shoot out. There were so many wrong but telling assumptions behind it. It was asked from such a well-meaning but self-defeating position. I quietly took a deep breath and did my best to explain that this is exactly where the path of the Sucka Consumer divides from that of the Mustachian.

More recently, this lifestyle you and I share showed up in New York Magazine (<http://nymag.com/daily/intelligencer/2014/11/mr-money-mustache-spend-like-youre-poor.html>), which brought us a good amount of new attention. The writer Annie Lowrey seemed to get the idea pretty well, describing Mustachianism as a thing people (even rich people) aspire to by choice, rather than a wacky thing that some extremely warped people are doing because that’s all they can afford. Economist Ezra Klein mused (<https://twitter.com/ezraklein/status/534728191135719424>) on Twitter that frugality might now be becoming a status competition that replaces clueless consumption. I sure hope so (<https://www.mrmoneymustache.com/2012/03/07/frugality-the-new-fanciness/>).

Unfortunately, the article was capped with a flashy but misleading headline*: **Meet The Blogger Who Wants You To Spend Like You’re Poor.**

Another version of the same article was given the label **“This Tightwad is Trending** (<https://www.facebook.com/mrmoneymustache/>)*.

Those were probably calculated phrases, because the goal of any headline is to capture attention and draw in readers. The problem is that too many of those readers still aren't getting it. You end up with comments like,

CindyWhitebread

“Fiscal responsibility is one thing but I haven't time for cheap people. I am financially careful but I refuse to deprive myself of the few luxuries I prefer to indulge. People like Mustache take it to another level.”

Harveywallbanger

“So the point of living like you are poor is to have enough money to retire in your 30's and live like you're poor... perpetually? No thank you.”

So let's break it down real quick so brand new Mustachians will know what this shit is about, while the old timers can stand in the back and sing along.

This is not about being cheap, minimalist, or extreme.

It's about using *logic* and *science* to design a Slightly Less Ridiculous Than Average Lifestyle in order to live more happily.

The Mustache family does not lead an “extremely frugal” lifestyle by any stretch of the imagination. I mean, holy shit, we are a multimillionaire family living in an expensive house with a stream of luxury goods, services and food shooting at us from all directions.

Not only do we bathe daily in this spectacular river of affluence, but we even walk casually away from it a few times a year in order to ride in *Jet Aircraft* which allow us to sample other unnecessary parts of the world. The total bill for this nuclear explosion of consumption is an outrageous \$25,000 per year, which would be closer to \$40,000 if you accounted for mortgage interest or rent on a comparable house. The life we lead in this rich part of a rich country is extreme, but at the other end of the scale than that suggested by the critics.

The only unusual part by American standards is that we could afford to spend many times more, and yet somehow we choose not to do it. This is a lifestyle of choice, not a sacrifice we make just because we don't want to have to go back to the office. And therein lies the reason this blog is of any use to anyone:

Learning to separate “happiness” from “spending money” is the quickest and most reliable way to a better life.

The side-effect of this is that your life will become much less expensive and you will therefore

become much wealthier very quickly.

But it's not about the money, and as long as you think it *is* about the money, you're still fucked.

So I explained to the man in the interview that if we wanted to go to Disneyland, we would go to Disneyland. Hell, we would *live* inside the park or perhaps one of the Disney-owned cruise ships if we saw fit. We just happen to find that tourist traps (<https://www.mrmoneymustache.com/2011/12/20/money-mustache-vs-tourist-trap/>) like Disney are a pretty pale and distant second place compared to the fine places that Mother Nature (<https://www.mrmoneymustache.com/2012/04/06/get-rich-with-nature/>) has built for us.

We don't use our bikes for transportation and hauling (<https://www.mrmoneymustache.com/2014/06/23/how-to-carry-major-appliances-on-your-bike/>) instead of our cars, even in the dark and even in the middle of winter (<https://www.mrmoneymustache.com/2011/11/03/how-to-ride-your-bike-all-winter-and-love-it/>) because it saves us a few dollars of fuel. We do it because it's an awesome way to connect with your own town, stay in proper condition, adapt naturally to your own climate, and live like a real human instead of a sanitized (<https://www.mrmoneymustache.com/2013/12/30/are-you-cleaning-out-your-own-wallet/>), flabby car clown (<https://www.mrmoneymustache.com/2013/04/22/curing-your-clown-like-car-habit/>).

I don't swim and and paddle kayaks and canoes all summer because I lack the funds to buy a twin-engine motorboat. I do it because when it comes to recreational pastimes, muscle wins over motor (<https://www.mrmoneymustache.com/2011/12/05/muscle-over-motor/>) every fucking time.

I'm not expecting my son to earn his own living early in life and pay for his own higher education because I'm a tightass or because it would break the bank to fund a Harvard doctorate. I set out this challenge because pampering your kids only encourages a dependence on Pampers, while giving them the advantage of working for their own rewards (<https://www.mrmoneymustache.com/2013/03/28/the-incomparable-advantage-of-having-to-work-for-what-you-get/>) is the best possible gift. I will give him unlimited time, guidance, and access to knowledge, and teach him how to amass an embarrassingly large fortune in a short amount of time. It will then be his choice how to put this knowledge to work.

We spend most of our time at home, a place which I built from the ground up with the valuable helping hands of a few friends. We do our own cooking and cleaning and of course maintenance. Entertaining, creating things, stories and music and hosting a neverending stream of fun guests. Even my gym, workshop, and office are right here in the same spot.

None of this is done because this is a cheap way to live, but because it's a rich and efficient way to get in touch with all the things that make a human happy. We could go out and get faint approximations of these same services by driving around constantly to various cities and manage to spend more, but why the hell would we do this?

Oddly enough, it hasn't always been this way. At age 21, I had a fairly materialistic life planned for myself:

perhaps a 4500 square foot luxury home in the best neighborhood and a reasonably flashy car like an Acura NSX. Maybe a vacation house or two later on, once I made CEO.

But over the years, this has changed. Even after retirement, our costs have continued to drop even as our income has increased. The choices are no longer based on saving money, but rather on doing our best to live a good life. This was a pleasant surprise to me, but it seems to be an incomprehensible incongruity to the average consumer.

I told the man that my family's lifestyle was not designed from the top down, starting with a restrictive budget and chopping off important activities based on their cost. Instead, it is a work in progress where we learn as much as possible about the entire planet and the various lifeforms therein, and do *whatever we feel is most worthwhile given our limited time aboard this fine ship*. Nothing is off-limits based on cost, because making money is fairly easy at this point. We do whatever we want, go wherever we want, and buy anything and everything we feel is worthwhile.

And as for that New York Magazine headline, no, I don't want you to Spend Like You're Poor. To me, that would imply car loans, processed food, hair salons, restaurants, lawn care companies, housekeepers and all the things that people get when they follow the standard script of a people who are starved for free time and chasing material comforts as a replacement for happiness.

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.

** Annie has since confirmed to me that writers for most magazines don't get final say on their own headlines. I think you need to fix that, NY Magazine. If you're going to hire people to write for you, why go in and subsequently mess with their shit? These are artists, and you get a better product if you don't run in with a can of spray paint to make little adjustments after they finish their creation. Otherwise you'll find an empty desk waiting for you as soon as they reach financial independence themselves.*