



Live Simple Get Rich

Ryan S. Taylor

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To keep things simple, I dedicate this book to...

You

--Ryan S. Taylor

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INTRODUCTION

"The trouble with the rat race is, even if you win, you are still a rat." - Lily Tomlin

Do you feel overwhelmed? Are you stressed out by your job and home commitments? Is your home packed full of stuff? Are you buying things just because it's cool to have? Do you buy things to satisfy a perceived emotional need? Are you up to your ears in debt? Are you afraid you'll have no money left for retirement? Do you wish you could slow down and live a simple, yet satisfying and rewarding life?

If you are like most people in today's modern, consumer culture, you might say yes to all of the above. We live in an age of prosperity and abundance. We've experienced rapid economic growth that has substantially raised our standard of living. Cars, TVs, air conditioning, cell phones, computers, to name a few, are ubiquitous in nearly every household, rich or poor. Today's middle class lives far better than the riches kings of centuries past. Roman emperors would be shocked at the sheer opulence and abundance we take for granted today.

This is a wonderful thing. Entrepreneurs working in the free market produce goods and services to better our lives while adding to the wealth of everyone. Most people nowadays couldn't imagine living without their cell phones and the Internet. Yet it was a mere 15 years ago in 1992 that the Internet, as we know it, didn't exist. The first web browser, Mosaic, was a year away. Cell phones were expensive, bulky and cumbersome. Remember the brick phones? Only the upper class

could afford it. Now we can communicate with just about anyone in the world for a fraction of the cost just 5-10 years ago.

Our food supply has grown by leaps and bounds. Just walk into any supermarket today and you'll be overwhelmed by the variety. It's amazing just looking at the variety of simple, staple foods like rice and legumes. For wine and spirit connoisseurs, like myself, there has never been a better time to imbibe. Gourmet food lovers now have easy access to some of the finest foods available at reasonable prices.

Unfortunately, while all of these advances really do make our lives better, we seem to be fixated on obtaining as much stuff as possible. Our status in this world is determined by how much stuff we have, rather than what we do or contribute. Materialism has overtaken society. For teenagers, you're not cool or part of the in-crowd unless you have your iPhone, iPod, Xbox360 and your \$150 Nike basketball shoes. College kids are drowning in student loans and credit card debt. For adults, it's always bigger, better and faster. Bigger house, bigger TV, faster car, faster computer, more gadgets, more this and more that. Your neighbor just got a 42" LDC HDTV. Time to head down to Best Buy and buy a 46" TV with no payments for 90 days.

It's so easy to buy things that we rarely think about it. Over time we accumulate so much stuff that we run out of room in our homes to store it. Then we go out and rent storage space to store more stuff! Not only are we accumulating material stuff, we're accumulating ethereal stuff like email and voice mail. How many of you have an overflowing email inbox? Do you spend hours each day reading and responding to your email? How about voicemail, news aggregate sites, blogs, podcasts? For many people, they've become the ultimate pack rat. Their physical

spaces are filled with stuff, the computers are filled with stuff, and their minds are filled with too much stuff.

That brings me to worrisome trend over the past 10 years: the rampant increase in consumer debt. The increase in debt is mainly brought about by political and monetary policies initiated by the Federal Reserve and politicians in Washington, D.C. through artificially low interest rates and a massive increase in the money supply. It gives the false notion that debt is cheap and easily serviceable so people borrow more than they can comfortably service. Businesses over-invest in riskier projects and banks reduce their lending standards. This leads to disaster down the road once the Federal Reserve reverses its easy money policy and begins to raise interest rates. Easy credit dries up, banks tighten their lending requirements, refinancing becomes almost impossible and the bills finally become due.

Fortunately, all of this has convinced many people to downsize their lifestyle. They've stopped buying things on credit and stopped buying things they don't need. Instead of buying or leasing a new car every few years, they're keeping the one they have for 10 years. People are paying down their debt and increasing their savings. Frugality, simplicity, and downshifting are the new buzzwords. This does not mean shunning all technology and living a Luddite lifestyle. However, you are free to live any lifestyle you choose. If living a Thoreauian lifestyle in a wood shack by a pond suits you, then by all means do it.

Living a simple lifestyle does not mean sacrificing creature comforts and technology. It means reducing the clutter in your physical and mental space. It means living life happily, and on your own terms. It means getting out of the materialistic rat race and not giving a damn what new TV your neighbor just bought. Living a simple lifestyle means

having more money without increasing your income; spending more time with your family; getting more out of what you already have and so on.

So, why another book on simplifying your life? Because it will help make you rich! This book is largely driven out of my own desire to simplify and keep more of my money. The crap I accumulated got too much to bear. I wanted out of the rat race. I was tired of trying to make more and more money to buy things I thought I really wanted. I realized that my spending always increased commensurate with my income. I was always making more money, but I spent it all. I had had enough.

I gathered a lot of tips from the Internet and read many popular books on simplification. Some of these books turned out to be pretty complex. Some went into excruciating detail on how to organize your closets after you've donated or thrown away all the old clothes. What's the point? You have fewer clothes! Organizing should be easy! Then the book goes into more excruciating detail about "simplifying" your time management. I thought this was going to help me lead a simpler life, not make it more complex. Now I have to stress out about how organized my closets are.

Simplification is really about using common sense. There is really nothing complicated about it. It boils down to buying less, saving more and making do with what you have. It means living within your means. It means working less. It means having plenty of unscheduled down time. It means reducing stress both at work and home. It means slowing down. It means giving up technology that complicates your life while using technology that really adds to your life. This book will show you how to simplify your life and get rich in the process. I'll show you how to get rid of the junk in your home and office; pay off your debt,

increase your savings and invest wisely; utilize technology to simplify tasks; get rid of junk mail and spam; simplify your shopping; look for items that are easy to use and free of unnecessary gadgets and buttons. I don't preach obsessive coupon clipping or wearing thrift store clothing to save a few bucks. If that's your thing, great but I think life should be enjoyed and that means enjoying the finer things life has to offer. I, for one, would never want to give up my love of fine cigars, single-malt Scotch whisky, and books. Don't ever give up something you truly love just to simplify. After simplifying everything else in your life, you'll have plenty of time to indulge in your passions.

I want this book to be simple to use. You can utilize as many or as few tips as you'd like. You must choose the level of simplicity you want to achieve. You can start with something simple as turning off the TV or eating out less. Just purging the junk in your home is a great way to start. You can go all the way and live in the woods like Thoreau. I would never do something that extreme, but the thought has crossed my mind, especially after enduring several bouts of Los Angeles traffic.

The choice is yours to better your life through simplification. You can live a prosperous life without getting caught up in the hyper-consumption world we live in today. You don't have to keep up with the Joneses to be happy. You don't need all that stuff! The stuff you do buy will be the best you can afford and will give you years of enjoyment, plus you'll have more money than you ever thought possible. You've already started down that road by reading this book. Let's see where that road will take you.

DISCLAIMER: The information provided in this book is for informational purposes only. It is not a substitute for professional medical, legal or financial advice. Seek out an appropriate professional advisor when necessary.

MINDSET

"In rich countries, consumption consists of people spending money they don't own to buy goods they don't want to impress people they don't like." - Joachim Spangenberg

To live a simple life, you must first change your mindset. This will probably be the hardest thing to do; hence it must be the first thing you do. It was difficult for me. I loved buying DVDs, CDs, books, magazines, gadgets, appliances, clothes, and anything else that I thought would make me happy. My girlfriend liked buying clothes and things for the house. For short time I was happy, and then I would find something else that would make me even happier. It is a vicious cycle that is hard to get out of.

My girlfriend and I started together in a quaint studio apartment in Simi Valley. We did not have much but we were happy. As we both took on higher paying jobs, we moved up and got a bigger apartment until we finally ended up in a large, three-bedroom, two-bath apartment in Burbank. We had plenty of room and soon filled it with stuff. I had a fairly large recording studio that, along with my library, took up the entire den. My girlfriend had a closet full of clothes and a room full of plush toys. I had a large TV and stereo system, along with my numerous computers I used for my job. We drove an SUV and ate out often. We had plenty of credit cards and were not afraid to use them. I always thought

that there was always enough money to make the payments and eventually pay them off.

Everything seemed rosy. We were up to our ears in credit card debt and we had a large car payment. Then one day, we got a notice from our landlord that our rent would be increasing in a few months. It was not a huge increase but it was enough for us to take notice. We took the first step in simplifying our lives by moving back to a one-bedroom apartment. That was all fine and dandy but we forgot to simplify the rest. It was a feat to move three bedrooms worth of stuff into a one-bedroom apartment. Talk about cramped living quarters!

We continued to consume and go further into debt. We did downsize some of the things in the apartment but we still had far too much junk. One day I looked around the place and noticed all the crap I accumulated and the credit cards bills to go with it. I said enough, and decided it was time to purge. I had reached my breaking point. We donated a ton of books to our local library. We cleaned out our closets full of clothes. We donated anything around the house that we did not want or use. Eventually, we were able to see the floor in our apartment! It did not feel so cramped anymore and I could walk around without bumping into something! Advances in computer technology allowed me to get rid of all of my recording equipment and use just my laptop. That reduction alone cleared out almost an entire room.

We moved into a slightly larger one-bedroom apartment where we currently reside. Since we got rid of so much crap in the old apartment, moving was much easier and we have more room in the new apartment.

Another thing we did was trade in the SUV for a small, fuel-efficient sedan. That was probably the best thing we ever did. It's

cheaper to repair and insure, our fuel costs have gone down considerably, and it's easier to park. I'll talk about that more later in the book.

Take a look around your home and look at all your stuff. You'll probably notice a lot of things you bought for no reason other than it was on sale, or it looked good at the time, or it was a new, or it was something you just had to have. Ask yourself; do you still have to have it? Does it still look good? How many DVDs in your massive collection have you watched more than once? Did you ever use that cool cheese fondue set you bought at Crate and Barrel? Check your closet. When was the last time you wore that outfit you bought on sale at the Gap?

Once you start answering these questions, you'll start changing your mindset. You'll start telling yourself, "Yes, this is very nice and it's on sale but I don't need it right now."

I used to go into Best Buy and more often than not, I would buy a DVD, CD or video game. Now, I can walk into the same Best Buy and not want anything. My mindset has changed. I may have found a CD from one of my favorite bands but refrain from buying it. My mindset has change. My wants and desires have changed. Your wants and desires will change too after you've changed your mindset. Once you do it's quite liberating. The most important thing is you'll have more money. You'll get richer by consuming less.

Being rich is a relative term. You'll have more money because you're not buying stuff. Your income can stay the same but your net worth will increase. Your income can even decrease and you'll still be in a healthy financial position since you'll be living well within your means. But when your income does increase, watch out!

PART 1: SIMPLIFY YOUR FINANCES

The first step to getting rich is to take control and simplify your financial life. Once your money is under control, you'll be in control.

WHY DO YOU WANT TO BE RICH?

What kind of question is that, you ask? Isn't the why obvious? You want to be rich so you can have money to buy things! But wait; by simplifying your life, you're not buying all those things you would normally want. Technically, you could live on less and still be very comfortable. Isn't getting rich anathema to a simple life? No, getting rich is the result of living a simple life.

We remember the old saying, "What's the use of making money if you can't spend it?" Well, it depends on what you spend it on. Money may not buy happiness but it does buy freedom. Once you've freed yourself from your possessions (see part 2), you'll be able to quickly accumulate monetary wealth, even if you don't increase your current income. When you do increase your income, your wealth will increase rapidly.

So the question then becomes, what do you do with all that money? That's entirely up to you. You'll probably have no problems paying for your kids' education. You'll be able to set aside plenty for retirement and inheritance. You'll be free to travel wherever you want, if you desire. You can donate generously to your favorite charities. You'll be well prepared for any emergency (see Be Willing to Adapt below). You can start that business you always wanted. You can trade full time. You can turn your dreams into reality.

Another way to look at getting rich is from a process perspective. Since most people want to get rich so they can buy things, you can enjoy the process of getting rich. Blogger Scott Young writes, "When you focus

on the process leading to a goal over the results, you can be satisfied regardless of whether you succeed or fail.”¹

So let's go get rich!

¹ (Young, 2007)

GET OUT OF DEBT NOW

"Debt is the worst poverty." - Thomas Fuller

If you're in debt with credit card, mortgage, and car payments, this will be the most important thing you can do right now to simplify your life. Your life will change overnight once you're free from suffocating credit card debt. Getting out of debt is really very easy but you'll need discipline and dedication. You've already changed your mindset so you won't be buying things on impulse with your credit card.

Depending on the size of your credit card debt, you will need 2-4 years (maybe more) to wipe it out on your current income. Naturally, if you come into some more money, it's always good to apply it towards debt reduction.

I've developed a 5-step process to eliminate all of your credit card debt. These steps were culled from many debt-reduction strategies, most notably from Dave Ramsey, author of Total Money Makeover. This particular 5-step process has been extremely successful for me.

1. **STOP USING YOUR CREDIT CARDS!** Yes, this is the first and most important step. If you don't stop using credit cards to buy things you don't need with money you don't have, you'll never get out of debt. Take the credit cards out of your wallet and cut them up. All of them. You may keep your debit card and one gas card for emergencies, but make sure that gas card is a charge card that requires full payment each month. You may also keep one

American Express card since it is a charge card, however, if your propensity to buy on impulse is still too great, I would dispose of this card as well.

2. Gather the latest statements from your credit cards, loans, car payments, and mortgage. Write down the totals starting with the smallest all the way up to the largest, most likely your mortgage.
3. You're going to start paying off the smallest debt first; then work your way up to the larger debts. This is the opposite of what many strategies claim. Dave Ramsey states that paying off smaller debts provides greater motivation. You'll feel better when you see one bill paid off. It motivates you to pay off the others. If you are only paying the minimum on each card, continue to do so. Since you'll no longer be adding any more debt, your balances will go down. However, if you can pay more, even if it's only a few dollars, please do so. You will not only pay off the balance faster, but you'll avoid higher interest payments. And that's another thing; don't worry about the interest rate. Only worry about making the payments on time. The debt will do down.
4. After you've paid off your first account, congratulate yourself! See, it wasn't that hard, was it? Now, here comes the snowball effect, as coined by Dave Ramsey. Take the monthly payment you made on the first account and apply it to the next lowest balance. For example, if you paid \$20 per month on the first debt, you'll all that \$20 to the payment on the second account. If you were paying \$30 a month on the second account, you'll now be paying \$50 a month. See where this is leading? Your debt will be paid off

much faster. And when this second debt is paid off, you'll all the \$50 payment to the next lowest account.

5. Repeat as necessary until all of your debt is paid off. The snowball effect can quickly turn into an avalanche in the later months as more accounts are paid off. One monthly payment could easily pay off a debt in one month.

As I said before, if you come into additional income and can apply it to your debt reduction program, apply it to the account you're currently paying off. Don't apply it to a higher balance account.

What about using a Consumer Credit Counseling agency? These firms can help if you have a large debt and are on the brink of becoming delinquent. They can make it easier for you to pay your debts using one large payment. They will handle the actual payment to your creditors and keep them from harassing you. They can also negotiate lower interest rates that can help you pay off your debt faster. The drawback is a negative score on your credit report. But then, once you're debt free, you might not care so much about your credit score!

If you choose to go with a Credit Counseling agency, shop around. There are many good firms out there. Be sure the one you choose doesn't charge too high a fee. They should be easy to contact via phone or email and provide you with easy tools on the Web to manage your account balances.

Now comes the best part. Once you're debt free, you can start living free. The most important thing is to not go back into debt. It's the worst thing you can possibly do. It's like losing a lot of weight only to put it back on again and then some. But I don't think you'll want to take on any new debt ever again. One thing you'll notice is that you'll have more

cash flow then you imagined. Instead of using all your cash to pay debts, you can use it to save, invest, travel, or do whatever you want. You'll learn that paying cash for everything is liberating. Paying cash will also prevent you from buying things on impulse, because once the cash is gone, it's gone!

Since you now have no credit card debt, you're next two largest debts to pay off are your car payment and mortgage. Use the newly "found" money to increase the payments on these two items. Use the same steps as above. Pay off your car(s) first, then your mortgage. You can end up paying these off in half the time. Now imagine how much money you'll have when you own your home and car free and clear!

Many people think that credit cards are an absolute necessity in today's world. In some ways, they are correct. In the post 9/11 world, paying cash for certain things automatically makes you suspect. It shouldn't be this way. Cash is the most anonymous way to buy things, and in many cases, the cheapest. You'll never have to worry about going in debt when you pay cash. Yet renting a car or getting a hotel room without a credit card is difficult, if not impossible. Paying cash for an airline ticket is sure to trigger a visit from a "friendly" TSA agent.

I don't carry any credit cards other than a gas card. I pay cash or use my MasterCard ATM card. It functions just like a credit card but is tied to my checking account. I can book hotel rooms and rent cars with it and I never go into debt. Sure, the rental company will place a hold of \$200 on my account for the duration of my rental but I always have more than enough money to cover the hold.

I don't believe that credit is a necessity today. Even though we are moving away from cash and into electronic transactions, I can barely think of any place that doesn't happily accept cash. The credit card

companies are aggressively using the power of marketing to get you to give up your cash. I'm reminded of a recent VISA commercial that showed a busy deli where everyone was marching in lockstep. Chefs were flinging hamburgers, pancakes, and drinks directly on the customers' plates. Customers happily and quickly pay with their VISA check card. Everything was working like clockwork until some poor sap opened up his wallet and pulled out cash. The entire deli came to a crashing halt. Drinks and food were spilt, people crashed into each other, and everyone looked upon our hapless gentleman as evil-incarnate. He paid his bill and the factory line continued unabated. It was a blatant attempt to get people to do away with cash and use their Visa card. They say it's faster and more convenient. I say it's the other way around. Cash is the most convenient way to pay for just about anything and it's a good way to get discounts at certain establishments.

I'm very adverse to debt. I was stung by it years ago and vowed never to get in that situation again. I save for something I want or I refrain from buying it at all. Don't fall for the debt trap, it will ensnare you for many years and cost you a small fortune to get out.

CREDIT IS A LOAN AGAINST FUTURE EARNINGS

Think of credit as a loan against future earnings. Every time you use your credit card or finance a purchase, you're giving up future earnings to buy something now. Many people in their early twenties who are just starting out tend to believe that credit is a good thing to have and use. The common assumption is that their earnings will rise over the years to offset the cost of the debt. Hence, kids rack up tens of thousands of dollars in student loans, credit card bills, and car loans. Many kids do end up earning substantially more as they grow up but why carry such a

heavy debt burden so early? There are so many kids carrying student loans well into their thirties.

It's nice to think your income will always be there, and in ever increasing amounts. It's a positive way of thinking, but reality always has a way of smacking you in the face when you least expect it. Being debt-free means your future earnings are not beholden to a present-day credit card debt. A sudden loss of income won't bankrupt you.

SAVE YOUR MONEY

Yes, it's that simple. You must save your money. Not enough people save. Americans are saving money at the lowest rate since the Great Depression. In an era of unprecedented credit expansion and paltry interest rates, 'tis better to spend than save. Alas, there are a small, but growing number of people who are getting off the consumption bandwagon. They are saving more money and spending less. The stress of keeping up with the Joneses is too much. Debt levels are reaching a breaking point and you soon wonder if that shiny new car, LCD TV, and large McMansion is truly worth it.

Bill Bonner, writing in the Daily Reckoning observes, "One of the results of the credit explosion is that it makes it hard to tell who is rich and who is not. People can live as though they had money, even when they have none. Which puts a strain on the whole system of envy. A man tries to keep up with the Joneses...who may be only trying to keep up with him. Neither may realize that the other has no money. Both go in debt chasing a mirage."

That last sentence is telling. Wealth gained through debt is a mirage. It is not real wealth, it is just stuff bought on easy credit. You don't own it; the finance company does until you pay it off. And how long will that take? How much will you really pay for that big LCD TV after the interest is calculated? Epicurus, the Greek philosopher, stated that maintaining an extravagant lifestyle is generally more troublesome than the pleasure of actually living it.² What that means is you have to maintain a certain level of income to satisfy an extravagant lifestyle. This

² (Wikipedia, Simple Living, 2007)

means working longer and harder just to buy stuff. Then there's the hidden and not-so-hidden costs of maintain what you already own. It's one thing to afford a \$100,000 car but you also have to afford insurance, maintenance, and fuel. That can add up significantly over the life of the car. Your income will have to match or exceed the ongoing costs. Epicurus concluded that "what is necessary for happiness, bodily comfort, and life itself should be maintained at minimal cost, while all things beyond what is necessary for these should either be tempered by moderation or completely avoided."³ Epicurus advocated frugality.

The argument against saving is the paltry interest rates offered, especially during the last ten years or so. The other argument is the rapid monetary inflation over the last decade has made saving money a losing proposition. If a passport savings account paid 1-2% a year and the dollar was depreciating at over 3% (a low-ball estimate), then you're technically losing money.

Another argument against saving is that people are already saving by investing in 401(k) plans and other tax-differed plans. This is true but the savings I'm referring to is after-tax savings. That is what you put aside from your take-home income. This is liquid savings; savings that can easily be withdrawn for any reason and without penalties. These types of liquid savings are basic savings and money-market accounts.

Real wealth is created by savings and investment, not by consumption through debt. Consumption that is paid for is great. You own it free and clear. Being straddled with debt just to satisfy a want

³ (Wikipedia, Simple Living, 2007)

only leads to the stress of paying it off. And it will have to be paid off at some time, lest you file for bankruptcy, as many are.

There is a great sense of relief, calm, and security when you have money saved up. You know it's there to accumulate wealth, provide for a family emergency, pay the bills if you get laid off, or to pass it on to your heirs. Savings bring peace-of-mind.

There are two simple steps to start saving:

First open up a savings account. Check around for those that offer the highest rate. Your bank's rate may be surprisingly low but some are starting to compete with the likes of ING Direct and others. Shop around. Some banks are offering yields as high as 5.05%. If you already have a savings account with a paltry rate, find one with a high rate and move your funds over.

Second, start putting money away every month on an automatic plan. Pay yourself first. It doesn't matter how much. It could be as low as \$10-\$25 per month. Just save something!

But, how do you come up with money to save when you've living paycheck to paycheck? Well, if you follow any of the steps proscribed in this book to simplify your life, you'll already have "found" money. As an example, we'll discuss something called the Latte Factor.

David Bach, author of *The Automatic Millionaire*, coined the term, Latte Factor to explain how much money is spent everyday on little things, like lattes and muffins and juices. A typical latte costs about \$3.50-4.00. Add another \$1.50 for a muffin or pastry, plus \$.50 for the local newspaper and you're spending \$5-6 every day. Some people repeat this entire process in the afternoon nearly doubling their daily expenditures and this doesn't include the ~\$10 they would spend on lunch. Multiply that by 20 days and you're spending \$100-120 a month

on coffee and pastry! Just cutting the amount you spend in half and making your own coffee will free up \$50 a month for your savings program.

Once you start on your automatic savings program, you'll watch the account grow over time. You'll be surprised how fast the money will grow. And it will grow even more if you add more money each month, which you should strive to do. You'll feel so much better knowing you have money in the bank rather than buying a 42" LCD TV with your credit card. You won't be stressed out by money again. You'll have enough for emergencies. What's more important is that since you are living a simple lifestyle now, you won't need as much money to live on should you lose your job or suffer a sudden loss in income.

BUILD A \$1000 EMERGENCY FUND

Your first savings goal is to reach \$1000. This will be your emergency fund. It is there to tap into in case of any emergency whether it's car troubles, a medical emergency, a family member needs financial assistance or some other surprise expenditure. This is not the place to fund a vacation or luxury purchase. It is used for bona fide emergencies only. If you use the emergency fund, focus on replenishing the fund as soon as possible. You always want to have at least \$1000 for emergencies.

SAVE UP 2 YEARS OF LIVING EXPENSES

Now that you have a \$1000 emergency fund, ask yourself the following questions: What would you do if you or your spouse were laid off? How long could you continue to live until you went bankrupt? If you're like most people, not long. Too many of us live paycheck to

paycheck. One interruption in that income stream can lead to financial ruin.

Thankfully, you're not like most people. By reading this book, you've decided to get out of debt and save money. You've also decided to reduce your consumption and live simply. By choosing this lifestyle, you'll be able to save a considerable amount of money on your current income. Your next goal should be to save up at least 2 years worth of expenses. These expenses should cover the basics: rent/mortgage, utilities, food, car payments and maintenance, insurance, home supplies, and basic clothing.

You can take comfort in know that you can live frugally, yet comfortably for two years should any financial hardship come your way. Of course you would cut out all unnecessary expenditures but you would have enough socked away so you would never fear of losing your home, car and other valuable possessions.

STASH YOUR CASH

For many people, nearly all of their cash is stored—albeit electronically—at their local bank or in their investments. Other than keeping a weekly supply of cash in your wallet or purse, your money is stored somewhere else. There are obvious reasons for this. Hoarding all of your cash at home increases the risk of theft. It makes paying bills difficult since you have to physically go to a store or office to make a payment. Your money doesn't earn interest, though most checking accounts do not pay interest. That means your idle money is losing its purchasing power every day due to monetary inflation. Finally, having large amounts of cash on hand can be a bit unwieldy to manage.

Still, you're relying on other people to grant you access to your cash when you need it. Under normal circumstances, obtaining your cash is as easy as walking over to an ATM. Most people never think about not being able to access their cash. The bank is always there. There's always an ATM around when you need one. You can always pay for something with a credit card. This is all very true but I think it is worthwhile to keep some cash in your home, stored in a fire-proof safe. It doesn't have to be much, perhaps two months of living expenses. You'll have ready access to cash in case of any emergency and you won't have to rely on your bank to provide it. You can conjure up many scenarios where access to cash via your bank could become disrupted: terrorism, power outages, a natural disaster, political upheaval, or a good old-fashioned bank run.

Bank runs have been rare since most western governments insure bank deposits. Recently, due to the subprime mortgage meltdown, two banks—one in the United States and one in U.K.—experienced a bank run not seen since the savings and loans debacle in the late 1980s. Despite deposit protections guaranteed by the government, people lined up outside the banks of Northern Rock in the U.K. and Countrywide Bank in the United States to withdraw their money from the bank. Confidence in the banks eroded and customers wanted their cash before the banks went belly up.

The likely hood of a major bank going bankrupt is slim as the government can simply print more money to ensure deposit demands can be met. However, for those living a simple life, having access to your cash is paramount. Keeping a small, but adequate stash of currency in your possession is a sound way of protecting yourself from a major

calamity. It is true that the money will depreciate over time but it is still can be used to buy goods and services in a time of crisis.

SIMPLIFY YOUR BANKING

BANK ACCOUNTS

If you have multiple checking and savings accounts, consolidate them. You may have a basic checking account for day-to-day expenses and a money market checking account for larger purchases. Consider closing the money market account and moving the account into your basic checking account. Many banks offer accounts that pay interest if you maintain a higher than average daily balance. With this type of account, you still earn interest but only have to maintain one account.

I maintain two accounts, Washington Mutual for checking and ING Direct for savings. There's an automatic monthly transfer from my checking account to my savings. I picked ING because of their higher-than-average interest rate. Now that the competition has increased, banks are offering much higher rates than in years past. It makes good sense no to consolidate your checking and savings accounts into one bank. As long as there are no low-balance fees or any other gotchas, you can simplify your bank management by sticking with one, solid bank.

INTEREST RATES

See if your bank has a high-enough interest rate. Check Bankrate.com⁴ for up-to-date interest rates. Don't expect to find very high interest rates, even among some independent banks. The average rates for savings, money market and CDs have been between 3%-5%.

⁴ <http://www.bankrate.com/>

One thing to watch is the Federal Reserve's setting of the federal funds rate. The Fed Funds Rate is the rate that banks charge each other for overnight loans. A reduction in the rate will most likely mean a reduction in yields offered by banks. The stock market always loves a rate reduction but it is bad news for savers.

DIRECT DEPOSIT

This one should be obvious. Who wants to deal with depositing a check at the bank? Most employers offer direct deposit. Take advantage of it and have your salary deposited in your account. Do the same for your Social Security benefits, pension payments, 401(k) distributions and any other income.

AUTOMATIC BILL PAY

Another convenience of modern technology is the ability to pay all of your bills electronically and on a specific schedule. No more licking stamps each month. Many banks offer this service for free over the Internet. You specify which bills to pay and when to pay them. That way you'll never be late and get hit with a late-payment fee.

INVESTING

One often puts money in investments and forgets about them. You may have multiple 401(k) accounts, IRAs, mutual funds, individual stocks and bonds, savings accounts, CDs, and money-market accounts. Managing all of them can take a bit of time. Perhaps you don't want to spend any time managing your investments. You'd rather spend your time doing something else. You could hire an investment advisor to manage everything for you, or you could follow these steps to simplify your investments and manage them yourself.

This is your money we're talking about. You have to be comfortable with your level of investment and trading risk. If you don't know much about investing or trading, don't get suckered into the easy-money lure of options and futures trading like you see on the late-night infomercials. While options and futures can be used very effectively to speculate and hedge, they should only be used when you have carefully studied how these markets work. You can lose a lot of money very quickly if you don't know what you're doing.

You have to decide how far you want to manage your investments. There are so many different investing and trading styles that it is beyond the scope of this book. You have to find an investment or trading strategy that's right for you. It must be simple to manage and meet your risk criteria.

BROKERAGE ACCOUNTS

Stick with one broker. Competition is fierce amongst brokers. You don't need to spend outrageous commissions on a full-service broker. Since you're simplifying your investment portfolio, you won't

need a full-service broker offering you the next hot stock. Find a solid discount broker and you'll save hundreds in commissions. Almost all discount brokers handle nearly any type of trading product ranging from stocks, bonds, treasuries, options, and in some cases, futures.

401(K)/IRA/KEOGH ACCOUNTS

These types of accounts function the same way: you put money into the account and invest it. Depending on what type of account it is, it grows tax-free until you reach retirement age, then you can withdraw it. At that time, Uncle Sam extends his greedy tentacles and takes his share.

What type of retirement account you have or wish to have is up to you depending on your circumstances. If you're working for a company with a 401(k) plan, then that will probably be your main retirement investment vehicle. You may also have a personal IRA or educational IRA for your kids. If you're self-employed you'll normally select a Keogh or SIMPLE IRA plan.

401(k) plans are the most popular but tend to be very limited in investment options. Companies opt for a standard menu of large-, mid-, and small-cap funds, one or two bond funds, an income fund and maybe a sector fund. IRA and Keoghs are much more flexible. You can buy and sell individual stocks, bonds, mutual funds, ETFs, futures, and options. Of course, we want to keep our investments simple unless you want to be an active trader.

ROLLOVER MULTIPLE 401(K) ACCOUNTS

If you have changed jobs over the years and participated in your company's 401(k) plan, you may have several open accounts. Consolidate all of your 401(k) accounts into your current employer's

plan or a rollover IRA. Rollovers are very easy and only take a few minutes with a phone call or online. Then get into the habit of rolling over your 401(k) every time you change jobs.

MANAGED 401(K) ACCOUNTS

401(k) accounts were created to shift the burden of retirement savings from the company to the employees. They would contribute, the company would match a percentage of the contribution and the employee would build a portfolio from a restricted list of mutual funds. That's great in theory, but many people are too busy and not knowledgeable enough to know what kind of funds to pick depending on their comfort level and current market conditions. Enter the managed 401(k) account. You select this option on your enrollment form; then give some information about your retirement goals and current assets. The plan will invest your contributions in a mix of funds based on your goals. The account is usually rebalanced every quarter. Depending on your goals and age before retirement, the fund mix may be more aggressive in the early years becoming more conservative as retirement age nears.⁵

SELF-DIRECTED 401(K)

This 401(k) account gives you the freedom to invest your contributions nearly any way you want. You're no longer restricted to the limited investment options offered by your company. The account functions more like a traditional IRA. Any gains made in your account

⁵ (Smith, 2005)

are tax-free until you withdraw. But, as I've said before, if you have the time and tenacity to trade your own account, then this is the best way to maximize your 401(k). For companies that do offer a self-directed option, most require a minimum contribution balance in a traditional 401(k) before you can convert to a self-directed account. Ask your benefits administrator if your company offers a self-directed 401(k) account.

There are many more types of retirement accounts that are beyond the scope of this book. For a thorough list of available accounts, read the Retirement Plan Primer at The Motley Fool website.⁶

MUTUAL FUNDS - OVERVIEW

I'll be upfront: I don't like mutual funds. I'm not saying you shouldn't invest in them. There are good funds out there provide consistent returns above the S&P 500. Unfortunately, almost 80% of the funds underperform the market.⁷ I just think there are better investment vehicles out there for those willing to take just a little bit extra time to research.

My biggest beef with mutual funds is that the vast majority of them are long-only. Basically, that means they buy low and sell high. But isn't that the way you're supposed to invest? Yes, but it only works if the stock you buy or the sector you invest in is going up. In bull markets and sectors that trend up, you make money. Unfortunately, during bear markets and sideways trends, many traditional mutual funds lose money

⁶ <http://www.fool.com/Retirement/RetirementPlanning/RetirementPlanning15.htm>

⁷ (Motley Fool)

or barely break even. Over the long run, many mutual funds barely outperform a basic index fund that tracks the S&P 500.

Mutual funds have been around in one form or another since the mid-1920s. They didn't take really take off until 1975 when the Individual Retirement Account (IRA) was created by Congress. Even more people invested in mutual funds with the rapid adoption of defined-contribution plans (401(k)s).⁸ They've been a mainstay in the investment world ever since.

Probably the most positive thing about mutual funds is their simplicity. You pick a fund or two to diversify, send them your money and wait. The trouble is what kind of funds to pick from the over 8600 registered funds.⁹ Below are ways to simplify your mutual fund investments.

SINGLE-FAMILY MUTUAL FUNDS

Another simple way of investing is to stick with a single family of funds from one company such as Fidelity or Vanguard. It takes the guess work out of picking different funds from different companies. The downside is that some of the funds may not perform as well as others from a different company. You're no so concerned about picking a top-performing fund manager; you're more concerned about the variety of funds from the family. You'll be able to diversify your asset allocation across a wide variety of sectors and styles.¹⁰

⁸ (Wikipedia)

⁹ (Wikipedia)

¹⁰ (Michael A. Weiss)

INDEX FUNDS – FOLLOW THE MARKET

Index funds are among the simplest of all mutual funds. All they do is invest in stocks or bonds that make up a major index, such as the S&P 500, Dow Jones Industrial Average, and Wilshire 5000 for stocks, and the Lehman 10-year Bond index for bonds.

These funds perform very well during major bull markets, as was recently witnessed during the dotcom boom and the recent run-up in the Dow and S&P 500 earlier this year. However, during bear markets, chances are good you'll lose money unless you sit it out until the next great bull market. As an example, if you invested \$10,000 in the Vanguard 500 Index Fund which tracks the S&P 500 back near the end of 1997 and held it, it would increase to nearly \$16500 at the top of the market back in 2000. But we all know what happened after that; the market crashed over the next two years. Your investment would have dropped to roughly \$9000 by the end of 2002. It would take another 4 years for your investment to get back to its 2000 peak.¹¹ But, if you adjusted for monetary inflation, you would still be down from the 2000 peak! Those who invested in the NASDAQ are still down 50% from the lofty highs of 2000! But, if you're willing to wait many years to cycle through a bear market, index funds tend to perform decently in the very long run. Just be aware that bear markets can last well over 10 years if they are severe enough.

For those who simply don't want to deal with tracking investments and want to invest their money and forget it, index funds are the way to go as long as you can weather the bull and bear market cycles over decades, yes, decades. Vanguard funds such as the Vanguard

¹¹ (Vanguard, 2007)

500 Index Fund Investor Shares (VFINX) (as described above) and the Vanguard Long-Term Bond Index Fund (VBLTX) provide a simply way to invest in the broad stock and bond indices.¹²

One thing to be aware of with index funds is that they are actively managed. By that I mean companies are being added and removed from the index each year. The index fund you invest in does not manage the index. It only buys the component stocks that make up the index. The actual index is being managed. Dan Ferris explains: “Here’s how it works... An index will drop a stock if it crashes and add one that’s perhaps become large enough and which the indexers feel is ‘more representative’ of the sector. The indexers will tell you it’s more complex than that, but that’s what it amounts to.”¹³

Since the indexes are constantly adding and removing companies from the index, it can affect the performance of the index and your index fund. Still, you would be better off buying an index fund. Even in a bear market, there is almost always a sector that is outperforming the rest of the market. See below for Exchange-Traded funds. Even though I dislike most mutual funds, I wouldn’t hesitate to park some of my investment money in an index fund during a bull market.

LIFE-CYCLE FUNDS

These funds are a simplified way of investing for retirement. You won’t have to research a lot of different funds, nor would you have to figure out how to diversify your portfolio.

¹² (Vanguard - Personal investors homepage)

¹³ (Ferris, 2007)

A life-cycle fund is really a fund of funds. It invests in a range of funds from the same fund family, i.e. Vanguard's life-cycle funds invest in Vanguard mutual funds. They are designed for asset allocation based on your time horizon and appetite for risk. A more aggressive life-cycle fund will invest in funds that are heavily weighted with stocks. Conservative funds will allocate more towards bonds.

There are two types of funds: static allocation and target maturity. Static allocation funds require you to move your money into more conservative funds as you get older. A target maturity fund does the work for you. You pick a fund with a specific retirement year and it will automatically move from a more aggressive portfolio to a more conservative one as your target year approaches. A CNNMoney article states an example, "...T. Rowe Price Retirement 2020 (TRRBX) currently allocates 61 percent to U.S. stocks, 16 percent to non-U.S. stocks, 18 percent to bonds and 5 percent to cash. The allocation to bonds and cash will increase as 2020 approaches."¹⁴

EXCHANGE-TRADED FUNDS

An exchange-traded fund (ETF) is very similar to an index mutual fund, but it trades like a regular stock on an exchange. That means you can buy and sell an ETF just like a single-company stock.

There is an ETF for about every major sector and index. You can trade ETFs that track the S&P 500 index, the Dow Jones Industrial Average, the gold sector, oil and energy, technology, and currencies. According to Investopedia, "By owning an ETF, you get the

¹⁴ (Sahadi, 2003)

diversification of an index fund as well as the ability to sell short, buy on margin and purchase as little as one share. Another advantage is that the expense ratios for most ETFs are lower than those of the average mutual fund."¹⁵

I like ETFs. I have more control over my investments and can move in and out of high performing sectors. I'm not stuck in a typical long-only growth mutual fund that can barely beat the return on the S&P 500. I can also simplify my investments by owning a few sector ETFs like gold and energy. ETFs are perfect for people who have a self-directed 401(k).

GOVERNMENT BONDS

Investing in treasury bonds (government bonds and notes) are a very simple way of investing and among the safest. The minimum investment is \$1000. Interest rates are generally a little lower than CDs and money markets, but they are exempt from state and local taxes. You can buy them directly (and commission free) from the United States Treasury at www.treasurydirect.gov. There you can find information about other government bonds in smaller denominations such as I Savings Bonds, Treasury Inflation-Protected Securities (TIPS), and EE/E Savings Bonds.

DOLLAR COST AVERAGING

This is one of the easiest ways to invest. It's very similar to an automatic savings plan. Each month, you invest a fixed amount in your

¹⁵ (Forbes Media, 2007)

investment of choice; let's take mutual funds for an example. You buy fewer shares when prices rise and more shares when prices drop. According to Investopedia, "Eventually, the average cost per share of the security will become smaller and smaller. Dollar-cost averaging lessens the risk of investing a large amount in a single investment at the wrong time."¹⁶

¹⁶ (Forbes Media, 2007)

SIMPLIFY YOUR SPENDING

TRUE COST OF OWNERSHIP

Whenever you buy something, you have to recognize the true, long-term cost of ownership. This is especially pertinent with electronic gadgets and items that require a subscription service to operate. That \$600 iPhone could end up costing you over \$2000 in the first two years when you add the total cost of a mandatory 2-year cell phone plan, taxes, and fees.¹⁷

Nearly everything you purchase on an installment plan will cost you considerably more when interest is factored. The total cost of ownership for a car could end up being nearly double the sticker price when you factor in depreciation, interest, insurance, fuel, repairs and maintenance.

Now this doesn't mean that you should forego a car or your cell phone. But it should give you pause before purchasing something that will cost far more than the initial price. A blog post at Mint.com states, "Consider this: let's say for whatever reason you have financial trouble in the future. You're living paycheck to paycheck, and suddenly one month becomes extremely difficult...Would you wish you'd had \$2,200 so you can provide food for your family?"¹⁸ It is something to think about. But, since you are making a commitment to simplify your life, you probably won't be purchasing an iPhone anytime soon, right?

¹⁷ (Cap, 2007)

¹⁸ Ibid.

REDUCE THE NEED FOR SERVICES

Acquiring large amounts of stuff requires the ability to manage said stuff. Yet we are so busy working and toiling to earn money to acquire that stuff, we hire people to take care of our stuff. The gardener takes care of the lawn and plants; the maid cleans the McMansion; the dry cleaner handles the laundry; the babysitter and/or day care handles the kids; the cook prepares meals; the personal trainer keeps us in shape; the accountant handles the finances; the broker handles the investments.

When you simplify, you'll find that you don't need to hire anyone to do these things. You'll be working fewer hours so you'll be home earlier and more often. You won't have so much stuff in your smaller home. Your entertainment is simpler and more family oriented. Your investments and finances have been consolidated. You've simplified your eating habits. You've drastically reduced your wardrobe. You've simplified your exercise program. Guess what? You can now fire your accountant, broker, personal trainer, maid, cook, gardener, dry cleaner, babysitter and day care provider. You've just saved yourself a small fortune!

I know how dreadful it can be to do the laundry and prune the garden and clean the house. But, when you don't have a large wardrobe, doing the laundry is quick and painless. When you don't have a large house full of furniture and piles of stuff, cleaning the house can be accomplished rather quickly with a vacuum and a quick dust. Maintaining the garden is a great way to exercise and get outdoors.

I remember growing up in our neighborhood and never once seeing a gardener. My parents live in a middle-class neighborhood consisting of rows of tract houses built in the 1950s with large front and

back yards. None of my neighbors that I knew hired a gardener. Each weekend they were out there mowing the lawn, trimming the hedges, pulling weeds and watering the plants. It was just something you did on the weekends. Now, people with less than half the yard space of my parents' house hire a gardener.

Eliminating services reduces the need to rely on other people to take care of things in your life. You become more self-reliant. You can take charge of your life and not let your possessions take charge of you.

TAKE OFF YOUR SHOES WHEN HOME

It is customary in Japan to remove your shoes before entering the home. It makes great sense, yet it is far from a custom in Western countries. There is an obvious reason for taking off one's shoes at home. You leave all the dirt and gunk off your carpets and floors. This will save you a pretty penny on carpet cleaning. Your carpets will need just their normal vacuuming.

DON'T BUY CLOTHES THAT NEED DRY CLEANING

Give your wallet a break and buy clothes that don't require dry cleaning. This may be more difficult if you work in a traditional office environment that requires a shirt and tie. Fortunately, in today's casual work environment, the majority of the clothes we wear can be machine or hand washed. Stick with cotton. If you do wear a suit,

RENT OR OWN A HOME?

Ever since the end of World War II, owning a home has become a right of passage for middle-class Americans. It was touted as a safe investment and a means to greater wealth. Hence, the creation and expansion of the suburbs as millions took out mortgages and bought their dream home.

Back in those days, paying off your mortgage was important. Parties were held after the last payment was made and the mortgage note was burned. People did not want to stay in perpetual debt. Owning their home was a priority.

A home is not an investment. It is a liability, even if you've paid off the mortgage. A home is where you live. You have to pay insurance, maintenance, and confiscatory property taxes. Taking equity out of your house in the form of a second or third mortgage is not cashing in on an investment. The only time a home becomes an investment is if you sell it for a profit or rent it out for income. Only then, you still have to buy or rent another home, unless you're in the business of buying and selling real estate.

The real estate boom of 2002-2005 has plunged millions of people into high-cost mortgages that eat up a majority of their income. Home prices soared as everyone jumped into the boom hoping to make a quick buck. Outrageously low interest rates fueled even more speculation and gave rise to the sub-prime loan. Sub-prime means individuals with sub-par credit histories.

The lending industry handed out money like candy to anyone with a pulse. They then sold their loans to Freddie Mac and Fannie Mae who then packaged all the loans together and sold them as mortgage

backed securities. They turned debt into an investment, betting that real estate prices will always go up.

The lenders also got fancy with their own mortgage products. Instead of the staid 30-year fixed mortgage, lenders offered a dizzying array of loans geared towards people who didn't have enough down-payment or income to qualify for a traditional mortgage. Interest-only loans, adjustable rate mortgages, negative amortization loans. All of these allowed buyers to pay much lower monthly payments on a much larger house. Of course, their payments would balloon after several years when the loan was adjusted to higher interest rates. People soon found their mortgage payments rising from \$1500 to \$2500 and more. The threat of foreclosure looms and, indeed, foreclosures are rising rapidly across all major real estate areas.

I advocate renting your home or apartment. I simply see owning a home as a major hindrance and a huge drain on my income. Even if you have a family, renting a home may be better for you financially. You won't have to worry about a mortgage, mortgage insurance, or repairs. Plus, it's far easier to move if you rent. Say you received a new job offer in another city. If you own a home, you'd have to sell it and buy another place. That could take a while and you still have to make your mortgage payments. If you rent, simply give your landlord 30 day notice and move to another rental in the new town. It's simple and less stressful.

But what about the generous tax deductions for owning a home? It makes no sense to buy something just to receive a tax deduction. The amount of money you save from maintenance, insurance and interest costs could easily make up the yearly tax deduction.

Since you are reducing the amount of stuff you have, you can live in a smaller home or apartment. This will drive down your housing costs

with lower rent. Even if you choose to buy, your mortgage payments will be smaller as will your down-payment.

My girlfriend and I live in a comfortable one-bedroom apartment. We see no need to move to a larger house or apartment at this time. Our possessions are few so we don't require a large living space. This really keeps our housing costs down. We don't even have renters insurance. There's nothing in our house worth stealing! This lets us put our money to more productive and profitable uses.

If your house is worth more than you paid for, consider selling it and move to a smaller place. Pocket the profit and rent. Kiss your mortgage payment goodbye and put the money into interest-earning investments or your kids' college fund.

Paying rent is not throwing your money away. I am simply paying for a temporary place to live. Look, I'm not eschewing home ownership. Home ownership is for people who want a sense of permanence. It makes sense to own if you plan on living in your house for the next 20-30 years. As long as you paid a decent price and can readily afford 15-30 years of mortgage payments, then buy a home and live in it. Don't worry about rising property values. You have no need to take out a home equity loan since you're not taking on any new debt. You won't need to refinance your house if mortgage rates drop. That means you're extending the term of your mortgage and will continue to be in debt well into your retirement years. If home ownership is where you want to be, find a place you love in a city you love even more. You're going to be there for a very long time.

DRIVE A SIMPLE CAR

Want to save a ton of money on gas, maintenance, and insurance? Drive a smaller car. Forgo the gadgets and other do-dads that plaque new cars and opt for something simple. There are so many features on today's new cars that few people use them or even know about them. They're getting as complicated as computer software. You know that those gadgets in your car will break down over the years. It's one thing to fix the normal mechanical components of a car, but how much will it cost if the large LCD screen fails in your dashboard? What will it cost you if your Bluetooth receiver fails? How much is it to replace the satellite radio antenna? What about all those knobs, buttons, and dials on your dash? Think of your car as a means to an end and not a status symbol. Remember, you're simplifying so status symbols are not needed. A small four-door sedan with cloth seats, air-conditioning and automatic transmission will provide high-quality, comfortable transportation for 6-10 years. Cars are built so well now that practically all of them will last 10 years with proper maintenance and care. You can pick from a wide range of car makers, from the Nissan Sentra and Versa to the popular Toyota Yaris, Honda Civic. Other models are the Chevy Aveo and Cobalt, and the Ford Escort. For those with larger families, mid-size sedans such the Honda Accord, Toyota Camry, Nissan Altima, Chevy Malibu, and Ford Fusion are great choices.

If you have a large family or tend to haul large items around, then it really doesn't make sense to drive a smaller car. An SUV or truck is the only way to go. They're still the best way to haul the kids and groceries around despite high gas prices. If that's the case you may want to shop around for the smaller, crossover SUVs.

NEW OR USED?

There are two camps of car buyers: those who like to buy late-model used cars, and those who like to buy new. Used car buyers save money on the initial depreciation of a new car. These cars are generally 2-3 years old and may be coming off a lease. The cars are generally still covered by the manufacturer's warranty. Used car buyers can buy a larger and more luxurious car for the same price a new, smaller car.

The new car buyers like buying a new car then run it for 10 years or until it dies or becomes too expensive to repair. They'll take the depreciation hit knowing they'll keep the car a few extra years.

I belong to the new car camp. I buy my cars new and run them for years. We drive a 2001 Nissan Sentra that we bought back in 2000. It's got over 130,000 miles and is still running strong. We plan on keeping it for another three years before purchasing a new Sentra or its equivalent.

RENT A CAR FOR LONG TRIPS

Consider renting a car for long trips. We've been doing this for a year now and it has saved us a lot of money on repairs while reducing the mileage accumulation. Rental prices are relatively inexpensive, especially if you rent a sub-compact. This will significantly prolong the life of your car and increase its resale value by keeping total mileage low.

SHOP WITH A LIST

Impulse spending is what gets a lot of people into trouble. There's a reason why the celebrity magazines are located at the front of the checkout lanes. You read the headlines and browse through the

magazine while you wait. Sure enough, the magazine is in your cart waiting to be rung up. Sure it's only \$4 or so but it was a totally unnecessary expenditure. It was a pure impulse buy.

Always try to plan your shopping ahead of time. Bring a list and only buy what's on the list. You'll save money and buy fewer things. Sure, you'll probably remember something that you forgot to put on the list and that's okay. The key thing is not to get sucked into making an impulse purchase.

OPT-OUT OF HOLIDAYS

It seems there's a holiday every month that requires you to spend money on gifts. That can add up very quickly if you have a large family. It gets worse when you add birthdays and anniversaries.

Simplify your holidays and opt-out of the unimportant ones. You can still celebrate the holidays; you just don't need to spend money on gifts. Send a card. Visit family members. Call and say hello. Even if you do need to send gifts, there are thousands of gifts that don't cost a lot and are more meaningful in an age of excess materialism.

PART 2: SIMPLIFY YOUR STUFF

The second step to getting rich is getting rid of the stuff in your life. This is all the physical items that you've accumulated over your lifetime. Let go and be free.

PURGE

Now it's time to apply your inner Stalin and purge the stuff from your home and office. Depending on the just how much stuff you have, it could become a major project. For packrats, purging maybe the hardest, yet most liberating experience you'll have. Purging may take anywhere from several hours to several days. You can go gung ho and set aside an entire weekend or you can break it up into chunks and tackle specific sections of your home. It's entirely up to you.

Remember, you can't get attached to your stuff. Never let your possessions own you. You must be able to let go or else you'll never really live a simple life.

There are three things you can do to purge your stuff:

1. Donate/gift it
2. Sell it
3. Chuck it

When I purge I generally do 1 and 3. For me, trying to sell things on eBay or through a garage sale is too much hassle for a few dollars in sales. However, if you want to have a massive garage sale and maybe make a few bucks, by all means have one. You can always donate or chuck what's left over. If you have some items that are valuable that you don't need, than selling them on eBay or craigslist may be the best solution.

BEDROOM(S)

Let's start in the bedroom closet. Go through all of your clothes and shoes and purge anything you haven't worn in over a year. Don't think about it too much, just do it. If you've gained or lost a few pounds

and have clothes that don't fit you anymore, purge it. Did you receive clothing as a gift that you know you won't wear? Purge it. Are you still holding on to that Member's Only jacket from high school? Donate it. Go through all of your drawers and purge old stockings, socks, underwear, and workout gear. Seriously, if your shoes or underwear have holes in them, chuck them. When you're finished, you'll be surprised at how much closet space is now available.

Keep your wardrobe simple. There's no need to have 50 pairs of shoes. Ladies, I know this can be difficult. For most men, it's easier. Two pairs of Oxford-style dress shoes for the office and a couple of pairs of tennis or athletic shoes are all a man really needs. For the ladies, well, you probably need a little bit more, but not that much! Out of all the shoes in your closet, you probably only wear 5-6 pairs regularly. Start by keeping 7-9 pairs and go from there. There's always a pair of shoes needed for special occasions and you shouldn't get rid of them.

A blog comment suggested that men keep three suits, a formal outfit, a semi-formal outfit, and a "messy" outfit for painting, repairing the car and other dirty chores. I would disagree with the formal outfit unless you regularly attend black-tie events. It's perfectly okay to rent a tuxedo. A semi-formal outfit is also not required. A man with three suits almost has a complete wardrobe for any occasion. Put a tie on and it's formal; take the tie off and it's business casual. The components of a suit make for a very flexible wardrobe.

Look around the rest of your bedroom and purge any decorations you that you don't want anymore. Purge old bed sheets, pillows, and comforters. Look in your nightstands. There's always something to purge in there.

BATHROOM

Next, move to the bathroom(s). Purge old toothbrushes, shaving gear, perfumes, cologne, makeup, nail polish and other toiletries that you should have thrown away long ago. Check the laundry pantry and purge old towels, washrags, and cleaning supplies.

KITCHEN

Donate old utensils, glassware, dishes, gadgets and appliances. It's time to donate that old set of Ginsu knives you bought after watching a late-night infomercial. Clean out your refrigerator, and then clean out your cupboards. Throw away old food and donate canned goods.

LIVING AND DINING ROOM

The dining room is a bit antiquated in today's world. The dining table is just another storage place. Seldom do people actually eat at their dining room table. Get rid of all the crap you store on your dining table. Either put it someplace more appropriate or trash it. It's not a place to throw your wallet and keys after work. I know, my girlfriend won't let me keep anything on the table! If your dining room has a bar or hutch, go through them and throw away old liquor bottles, coasters, and bar accessories you never use. Donate seldom-used glassware, serving dishes, and other knickknacks that get stored in the dining room because there's no other place to store them.

In the living room, donate old stereo equipment that is gathering dust. Do you still use that record player or cassette deck? Toss old remote controls. Consider getting a universal remote to control all of your electronics. Toss old magazines, newspapers, and other things that get strewn across the living room.

Look at the walls of your living room. Is it plastered with family pictures, store-bought art, and your children’s drawings? If these bring you pleasure, then leave them up. If not, consider removing some of them and give your walls some breathing room while giving the appearance of more space in your house.

GARAGE

It used to be that the garage was a place to park the car and do the laundry. Dad would have his workbench and tools and the kids would store their bicycles and other outdoor playthings. Yet, few people actually park their car in the garage. Why? The garage has become the ultimate storage room for everyone’s junk. Just look at the picture below for an example. This is bad but I’ve seen much worse. When I walk to the office, I walk through an older residential area and I’m constantly amazed at how much stuff accumulates in people’s garages. There are several that are literally stacked floor to ceiling with junk.



FIGURE 1 - PACK-RAT GARAGE¹⁹

¹⁹ <http://www.ableremoval.com/images/RUBBISHLOAD55shr.jpg>

If your garage is even half this bad, it's time to do some major purging. Apply the "sell it, donate it, chuck it" principle to everything in your garage. You know most of it is stuff you'll never use anymore. Do you still keep your kids' old bicycles? Do you have old tools that are rusted and don't work anymore? Golf clubs, camping equipment, old clothes, board games, garden tools, old lawn mowers, barbeques, furniture, workout equipment, toys. Get rid of it.

Once you're done, maybe your garage will look like this:



FIGURE 2 - CLEAN GARAGE²⁰

Just think, you could actually park your car in the garage where it belongs. Not only will your garage be cleaner, but safer.

HOME OFFICE

Next we'll move to the home office, if you have one. Look at your desk. Is it cluttered with papers, magazines, notes, computer media and equipment? Does it look like the photo below in Figure 3?

²⁰ http://www.garagedetail.com/cover_garage.jpg

Go through each piece of paper and either file it or chuck it. Chuck the broken pencils and the pens with no ink. The goal is to get it off your desk.

Attack your filing cabinets. Only keep the essential paperwork. Chuck those old instruction manuals for equipment you no longer own. Toss old articles, lease agreements from an old address, and credit card statements from years past. Unless you run a small business and need to keep every scrap of paper for legal and tax reasons, there's no need to hang on to so many documents. When you're done, your desk could look like the one shown in Figure 4 (that's my office desk.)



FIGURE 3 - MESSY DESK²¹

²¹ http://farm1.static.flickr.com/44/115599042_52baa9fb16.jpg



FIGURE 4 - CLEAN DESK

COMPUTER

It's one thing to accumulate paper and other physical items, but you'd be amazed at how much stuff you accumulate on your computer. Over time, our hard drives become stuffed with junk. Go through all of your document files and delete anything you don't need. Delete memos, presentations, spreadsheets, old project files, audio and video files, and press releases. Delete anything that you don't need for your current work. There may be files you have to keep for archival purposes but ask yourself if you can get the files on your company's network or from another colleague, do you need to keep it? If you need to keep files but don't need regular access to them, back them up to a DVD or external hard drive.

Don't worry about sorting through your email yet. That's for a later chapter. But do take a look at your desktop. Delete all icons and shortcuts that you don't regularly use. The desktop has become a giant inbox for email attachments, downloads and saved files. Unfortunately, many people never clean their desktop and soon enough, their entire

screen becomes one giant glob of icons (see below for an example of desktop clutter.)

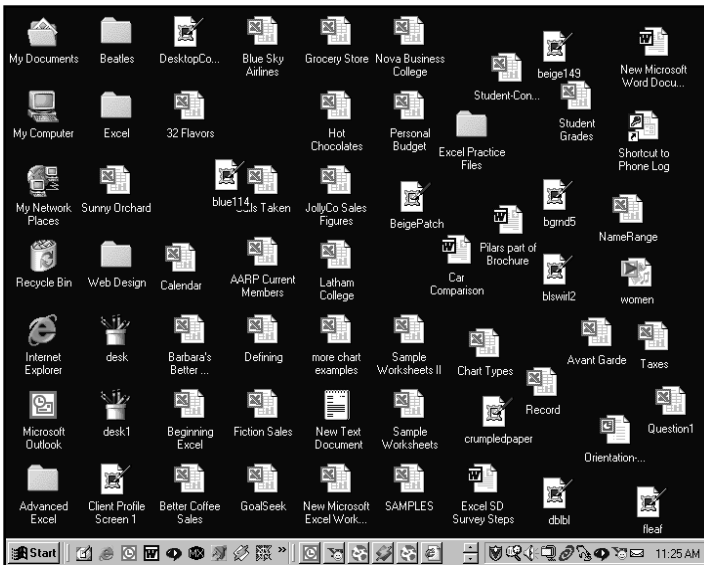


FIGURE 5 - CLUTTERED DESKTOP²²

This type of desktop makes finding things difficult. Files should be stored in your My Documents folder if you're using Windows, and the Documents folder if you're using a Mac. How you setup your filing system is up to you. Fortunately, the search functions in today's operating systems are robust and very fast. Whether you use Windows Desktop Search, Google Desktop, or Apple's Spotlight, you can find any file on your computer fast. This makes it easy to have a clutter-free desktop like the one I have, shown below. (Yes, I'm a Mac geek!)

²² (Atwood, 2006)



FIGURE 6 – UNCLUTTERED DESKTOP

Another thing to look at is the amount of music, video and photo files. These can take up tens, if not hundreds of gigabytes. Storage space is very inexpensive, but these files are a form of clutter. Clutter is clutter whether it's a physical item or a bunch of bits and bytes stored on a computer.

Many of us take our music collections very personally. It is reflection of who we are. It is a timeline of our lives. That said, there is more than likely a large amount of music you never listen to, or haven't listened to in years. Ask yourself, if it disappeared from your library, would you even know, or care that it's gone? Go through your music collection and delete music you know you'll never listen to again. Hunt through your albums, get rid of the crappy filler tracks and keep the good stuff. It's perfectly okay to keep everything Miles Davis ever recorded if you're a die-hard fan (like me), but I'm sure you could get rid of a few Loverboy and N'Sync albums. Wait...I like Loverboy. Scratch that! Get rid of a few Snoop Dogg albums. That's better!

Do the same with your video collection. How many YouTube videos do you have that you watched once? It was probably the guy getting hit in the testicles or that crazy Star Wars kid. You know what to do, delete it.

MUSIC, VIDEOS, BOOKS

I had a very large collection of DVDs and CDs. My CD collection numbered almost 300 at one time. The DVDs numbered over 100. Naturally, this collection took up a lot of space in the apartment. First, I ripped my entire CD collection into MP3 files on my computer then gifted the CDs. For the DVDs, I went out and purchased two CD binders that hold about 200 CDs each. I removed the DVDs from their cases and filled the binders then I chucked the cases and donated the racks. Now when I buy a DVD, I'll watch it to make sure there are no defects, and then I chuck the case and store the DVD in the binder. New CDs get ripped into the computer.

Even now, my DVD collection has filled over three large binders. Ugh, that's too much. Thankfully, new movie download services offered by Apple and others let me download DVD-quality movies to my computer. No more physical media to store. All you need is a hard drive large enough to store your movies. With the cost of storage space declining rapidly, it's not as expensive as you'd imagine.

Here's the rub about digitizing your movies and music: you now have a hard drive full of music and videos. You've removed the physical clutter of discs and cases but you've retained the clutter of having hundreds, if not thousands of individual music and video files.

Go through your books and donate all the books you've read and don't want to keep for reference. Your local library will be happy to see

you. If you want to donate a book but need to retain some of the information, you can either scan the pages into your computer or transcribe sections using your word processing software. I've done this myself with several books. I'll use Microsoft Word and enter in a brief outline of the book and all of the relevant information I'll need for reference.

If you have the necessary audio/video capture equipment for your computer, you may want to start transferring your old VHS tapes, vinyl records, and cassettes to your computer. The details are beyond the scope of this book but you can find a wealth of resources on the Internet.

DIGITIZE OLD PHOTOS

Do you have stacks of photo albums stuffed with pictures? Do you have shoeboxes overflowing with photos from every family event over the past twenty years? It's time to get rid of the photos and digitize them.

Thanks to advances in scanning technology and photo management software, it's easy and cheap to scan in all your photos and store them digitally on your computer. All you need is a cheap \$50-\$75 scanner and software like Apple's iPhoto for the Mac or Google's Picasa for Windows and Linux. You can scan all your photos into your computer with fantastic resolution. You can even repair old photos with basic color correction, scratches and red-eye removal. All of your photos can then be stored on your computer or burned to a DVD for archiving. Then if you need to print any photo, it's available at the click of a mouse. You can dispose of all the paper photos and albums leaving your closet or

bookshelf free of clutter. Better yet, use one of the many online photo storage sites like Flickr²³ and Photobucket²⁴.

DON'T CARRY SO MUCH STUFF!

This is mainly aimed at the ladies with the bulging purses that weigh fifty pounds but it is also directed at men who lug around a fifty-pound laptop bag and riddle their waist with cell phones and iPods and have a huge wallet bursting out of their back pocket. You don't need to carry all that crap around.

Ladies, open up your purse and dump everything on the table. Get rid of everything you don't think is essential. Leave the checkbook at home. Pair your makeup down to the essentials. You don't need to take your entire makeup kit with you. It's okay to keep a small thing of tissue and certain feminine hygiene products. Yes, your brush and cell phone are essential, but you don't need to carry around a bunch of pens, paper, receipts, video rental cards, car wash cards, movie stubs, and other knick-knacks that clutter your purse. You should be able to reduce the amount of stuff in your purse by one-fourth to one-half. You could probably make do with a smaller purse and your shoulder will thank you for it.

Gentlemen, take a lesson from the ladies and dump all the crap in your wallet and pockets on a table. File those business cards. Trash the movie ticket stubs. Only carry your driver's license, a bank ATM card, one gas card, and maybe an emergency credit card. You can carry cash in your wallet but I prefer a simple money clip. Get rid of any key on your

²³ <http://www.flickr.com>

²⁴ <http://www.photobucket.com>

wallet that you haven't used in over a year. Definitely get rid of it if you have no idea what it is.

I personally can't stand to have a cell phone or MP3 player on my belt. In fact, I don't even wear belts unless I absolutely have to. I find a belt to be constricting. I've tried attaching a cell phone to the side of my pants, usually my front pocket, but it feels like an appendage sticking out of my body. I'm constantly knocking the damn thing off. So I put my cell phone in my front pocket. It's small enough to not be annoying, plus I use a Bluetooth headset so I don't need to handle the phone as much.

PACK RAT NATION

To give you an example of just how much stuff we accumulate, the list below is taken from an article in Mother Jones magazine about our status as a nation of pack rats:

"Since the 1970s, the average U.S. home has grown by 80%. Yet Americans face a 'storage crises,' according to UCLA researchers.

"The self-storage industry is only 35 years old. It took 25 years for the first billion square feet of storage space to be built. The second billion square feet was built in just 8 years.

"7 square feet of commercial storage space now exists for every American.

"1 in 11 households rents storage space--1 million more households than two years ago.

"4 in 5 new homes have multicar garages. Most two-car garages have one or no car in them.

"75% of L.A. garages are used in ways that preclude any parking.

"According to Mental Health America, more than 2 million Americans are hoarders.

"In 2003, a Bronx man spent two days trapped under his magazines--ranging from Vibe to the Harvard Business Review--before firefighters rescued him.

"Each American produces 800 megabytes of digital data a year, the equivalent of 30 feet of books."

(Gettelman, 2007)

COMMUNICATIONS

To successfully live the simple life and reduce clutter, you must get control over your means of communication, mainly phone and email. How many phones do you have? Most people have a home phone, work phone, and a cell phone. Many people have two cell phones, one for the office (usually a Blackberry) and one for personal use.

LANDLINE PHONE

Too many of us are slaves to the phone. Like Pavlov's dogs, we jump the moment the phone rings. We interrupt everything we do to answer the phone. This is most problematic at the office. Meetings are interrupted and projects are put on hold. How many times have you been in a meeting only to have someone's phone go off, maybe even yours? Do you excuse yourself and take the call?

Condition yourself to stop answering the phone every time it rings. Unless your job requires you to answer every call, there's no need to pickup on every call. Most company phone systems have caller ID so you can instantly tell if you have an in-house or outside call.

Befriend your voicemail. Unless you're expecting an urgent call, let voicemail pick up the majority of your calls. This lets you control whom you talk to and when. You retain focus on your work and reduce the distractions.

Get in the habit of only checking your voicemail at specific intervals throughout the day. You could check your voicemail in the morning, right after lunch, and before leaving for the day. Set aside specific times during the day to make and return your calls. Over time people will know when to expect a call from you.

Should you even keep your landline? The advantage is the almost complete lack of dropouts. You can call nearly anyone in the world. Try that with a cell phone. It's cheaper if you strip out all the unnecessary services that phone companies try to sell you. A basic phone line can cost less than \$20 a month including all the onerous taxes and surcharges and you never have to worry about running out of minutes. Most cell phone plans run \$30 and up and don't include texting and other data services. The only real advantage to cell phones other than portability is the inclusion of long-distance calls.

Drop call waiting, call forwarding, three-way calling, and voicemail if you don't use it. Drop *69 services and caller ID. Wait, did I say drop call waiting? Yes, it's so rude to interrupt the call you're on just to take another call. The other person can call later if there's no answer. That person should know that you're on the other line when all he hears is a busy signal. Remember the busy signal?

Don't pay for voicemail. Buy an inexpensive answering machine. It works just as well and you can check messages from any phone. Your landline phone service should be as basic as can be.

Shop around for long distance plans. You need to ask yourself just how many long distance calls you make. You may pay for more than you use. If you do make a lot of long distance calls, then it may be cheaper to use a VOIP plan or free PC-to-PC calling like Skype. This is especially good for international calls.

CELL PHONES

The above tips also apply to your cell phone. People know that they can call your cell phone and instantly reach you. Jack Canfield, best-

selling author of *The Success Principles* and *Chicken Soup for The Soul*, keeps his cell phone off and only uses it for outgoing calls.

You could make a more drastic move and completely give up your cell phone and replace it with a prepaid calling card. If you feel you must keep a cell phone in case of an emergency, purchase a pay-as-you-go cell phone and store it in your car. If you want to continue carrying a cell phone on your person, keep it off as Jack Canfield does, or put it in silent mode. You can check your cell phone's voicemail at the same time you check your regular voicemail. Be very selective in giving out your cell phone number.

You could cancel your landline and use your cell phone as your primary phone. Many people are already doing this since many cell phone plans include long distance calls at no extra cost.

For years, I've despised carrying a cell phone around. It was just another gadget I had to carry. But recently, I've come around and enjoy the convenience the cell phone affords me. With a wireless Bluetooth headset, I can really enjoy hands-free calling. I still haven't given up my land line but I can see myself disconnecting from the wired phone world very soon.

Cell phones encourage people to be rude. It's not that they're intentionally rude; it's the nature of talking on the phone that creates rudeness. The cell phone is a major interruption. You're always doing something else when the phone rings. And it's almost always in the most inconvenient places. Nothing infuriates more than people taking a call while checking out at a store. You're attention is not focused on paying for your items, it's chatting with who's on the phone. You can see the look on the clerk's face when trying to deal with someone who is not paying attention.

STOP TELEMARKETERS FROM CALLING YOU

It's 6:30pm and you sit down at the dinner table or in front of the tube for dinner. You take the first bite and the phone rings. Damn! You know who it is and you shouldn't answer it but you do. It's a telemarketer from your cable provider, phone company, mortgage broker, or charity. You either politely let them go through their spiel then decline their offer, or you do what I do, you hang up before they even get started.

Back in June 2003, the Federal Trade Commission (FTC) began the Do Not Call registry to prevent telemarketers from calling any home or cell number on the registry. The only time a telemarketer can call you is if you willfully opt-in. You register your phone numbers at <http://www.donotcall.gov> or call 1-888-382-1222 from the number you wish to register. You can register as many numbers as you like. In about 30 days, the calls should stop. It has worked for me. I rarely get calls anymore.

Now, I normally don't approve of any government meddling in business practices outside of outright fraud and theft. The fact that telemarketers call is because you have provided some business with your phone number when then gets sold to other businesses which is then sold to telemarketing firms. Yes, it's your fault. You fill out an application for a supermarket discount card; you give them your phone number. You fill out an application for a credit card; you give them your phone number. You're walking around the mall and you see a contest to win a brand new car. All you have to do is fill out a form and wait for the drawing. You give them your phone number on the form. Now you understand why you get phone calls every night at 6:30.

The best thing to do now is to never give out your phone number when filling out any paper form. It's not required and if a clerk requires a phone number to process the form, just say you never give out your phone number. If the clerk persists, then take your business elsewhere.

This is more difficult with online forms. Many websites require a phone number before you can proceed. In that case, you need a phone number specifically for unsolicited calls. There are a couple of services that offer free phone numbers. One is K7.net. This service provides you with a free number that can be used to receive faxes and voicemail. You get your voicemail via attachments in email or you their website. Other services are available including Google's Grand Central²⁵, Onebox²⁶, and YouMail²⁷.

EMAIL ACCOUNTS

Gaining control of your email can be a daunting task. You probably have multiple personal and business email addresses. You might receive over a hundred emails a day not counting spam and other junk mail.

Email addresses have a habit of growing over time. You have a home address and a work address. Along the way you may have acquired a couple of free addresses like Yahoo! or Hotmail. As an example, here's all of the email accounts I had: two for the office, one for home, one for my home business, one from my previous internet provider, and three free accounts. That is a lot of email to keep track of.

²⁵ <http://www.grandcentral.com>

²⁶ <http://www.onebox.com>

²⁷ <http://www.youmail.com>

One solution that I use to manage these accounts is to forward everything to one account with the exception of my primary work address. I picked Google's Gmail (www.gmail.com) as my primary email address because it is free, I get over 5gb of storage, and I can access it just about anywhere, including my cell phone. My DSL account also has 2gb of storage but how long will I stick with my ISP? If I find a better provider and switch, I'll have to move everything to the new email address and that's a real pain. With Gmail, it doesn't matter who my ISP is. Other choices include Yahoo! Mail and AOL mail, both with unlimited storage and Microsoft's Hotmail with 5gb of storage.

If you have old email accounts that you haven't logged into for over a month or two, close the account. Some free services like Hotmail will automatically close an account if you haven't accessed it in over 30 days.

MAIL

Regular mail isn't nearly as unwieldy as email but the ever present junk mail is still a problem. Trying to get rid of junk mail seems like a futile effort. No matter how many times you try, it just keeps appearing. There are things you can do to rid yourself of excess mail.

1. Contact the Direct Marketers Association and sign up for their Mail Service Preference²⁸. Visit. There's a \$1 fee for this service. This will reduce the amount of junk mail you receive but not all of it. Companies that are not members of the DMA can still send

²⁸ <https://www.dmaconsumers.org/cgi/offmailing>

you unwanted mail. You should always try to contact the company directly and have them remove you from their mailing list.

2. Visit OptOutPrescreen.com²⁹ or call 1-888-567-8688 to opt-out of pre-screened credit card and insurance solicitations.
3. Credit card companies send out their privacy notices at least once a year or whenever their policies have changed. In those notices, there's almost always an opt-out option. Take advantage of it so you won't receive any marketing from your credit card.

If you don't want the hassle of doing all this yourself, you can use services like Lifelock³⁰. For \$10 a month, they will do all the work for you.

INSTANT MESSAGING

Many people in the younger age bracket have replaced email with instant messaging. They have a large list of “buddies” to send text messages to instantly, either on their computer or through their cell phones. Now most instant messaging services have audio and video chat capabilities that function like free phone calls. It's a very convenient way to communicate but it can also get cumbersome if you have numerous accounts from various providers.

The most popular service is AOL Instant Messenger (AIM) from America Online. The next most popular are Yahoo! Messenger, MSN Messenger, Google Talk, .Mac, IRQ, Jabber, and a host of others. Most

²⁹ <http://www.optoutprescreen.com/>

³⁰ <http://www.lifelock.com>

people have accounts with the top three. You may have signed up with several providers. You have three different applications running, one for each service. Then you have three different buddy lists. Most of the services can't talk to one another, with the exception of MSN and Yahoo! There are applications that support all services but they usually lack audio and video chat.

Probably the best thing to do is consolidate your IM accounts down to one, maybe two at the most. Pick the one that has the largest buddy list and stick to that. Tell your other buddies you're moving to one service in an effort to simplify your life. Invite them to move over so you can continue to chat.

IT'S YOUR SYSTEM

What all this boils down to is getting organized. It's about finding what works right for you. There are numerous organizational systems. Dave Allen's Getting Things Done³¹ system is extremely popular right now, especially with tech workers. But his system is just one of many. You need to find the one that works for you; or maybe it's a mixture of different systems; maybe it's your own system. For example, Treasury Secretary and former Goldman Sachs CEO, Henry Paulson doesn't use email at all. All of his communication is handled via phone, voice mail, or in person. Marissa Mayer, a VP at Google, lives in email. She thrives on email.³² I use a mixture of both but I have been relying less on email and more on phone or in-person communication. Above all else, it has to be

³¹ <http://www.davidco.com/>

³² (Alex Taylor III, 2006)

simple for you. You can't let it control your life. If it is, the system isn't working.

CUT THE MEDIA FAT

We are media junkies. We feed off of 24-hour news networks, newspapers, magazines, Internet blogs, podcasts, and newsletters. We get news alerts on our cell phones. We spend hours updating our MySpace page and instant messaging with "buddies." We have to be in the know about the latest celebrity. It's an addictive form of entertainment.

Tim Ferriss, author of the *Four Hour Work Week*, says the best way to simplify is to go on an "Information Diet." ZenHabits.net calls it a "Media Fast."

CANCEL THE NEWSPAPER

It seems a lot of people are already canceling their newspaper subscription. Subscription and newsstand sales are down at most major newspapers. Circulation is down almost 3% in 2006 on top of declines in 2005.³³ Department store, automobile and classified ads are also suffering from flat and/or declining revenues. According to a Pew research poll, people say they don't have enough time to read a daily newspaper.³⁴ Funny, we're too busy to read a newspaper. But, if you have simplified your life, you'd have plenty of time to read the newspaper. Not that you'd want to.

If you're one who still subscribes to daily newspaper, consider canceling your subscription. You'll save a tree and relieve yourself from

³³ (Institute, 2007)

³⁴ (Institute, 2007)

reading the constant barrage of negative news. Since news has been a 24-hour, instant access affair for the past 10-15 years, we've all turned into constant news-junkies. Weaning yourself off of the daily news can be difficult and goes against everything you've learned about being an informed citizen. For me, it's been difficult. I haven't subscribed to a newspaper in years but I constantly read it on the Internet. On occasion, I will pick up a newspaper while getting breakfast. However, every time I do that, I am always disappointed in the quality of the news reporting. I have wasted \$.50-\$1 every time. I've since stopped reading newspapers all together.

How do I stay informed? Every week or two, I'll glance at Google News (news.google.com) just to see what's going on. Tim Ferriss says he walks past the newspaper stands and scans the headlines. He finds out what's going on by asking his friends in casual conversation. What you find out is that it's usually the same old thing: war, death, politics, and celebrities. About the only thing I follow regularly is football. I visit NFL.com and ESPN.com every few days.

CANCEL MAGAZINE SUBSCRIPTIONS

How many magazines do you subscribe to? How many do you actually read each month? How much is it costing you each year? Cancel all the magazine subscriptions except the ones you read cover-to-cover each month. For instance, I only subscribe to two magazines, *Cigar Aficionado* and *Mix*. I read each issue cover-to-cover.

Are you a professional who subscribes to numerous free industry magazines and trade journals? How often do you read them each week? If you're like me, I rarely get a chance to glimpse through them. I work in the computer industry and years ago I subscribed to *InfoWorld*,

ComputerWorld, CIO, eWeek, and others. I rarely, if ever, read them. They just filled my inbox, and then my trash can. I canceled all of them and read them on the web.

If you do go cold turkey with the subscriptions, you can always read them at your local bookstore or newsstand. I like to visit my local Barnes and Noble bookstore and read all my magazines over a hot cup of coffee. I can read as many magazines as I want all for the price of coffee and a pastry. It beats spending hundreds of dollars each year on subscriptions. Or drop by your local library (see below.)

CANCEL EMAIL NEWSLETTERS

Email can be a wonderful productivity tool and a burdensome slave driver. Yet there are millions of mailboxes stuffed with email newsletters that no one reads. It's so easy to subscribe and they're almost always free. You find a newsletter on a subject that interests you and you subscribe. After reading the first few issues, you find that you run out of time to read the rest. Pretty soon, your mailbox is stuffed with unread newsletters. Simplify and cancel all of them. That's right, cancel all of them and don't subscribe to anymore. Trust me, you won't miss them. I used to subscribe to 6-10 newsletters and now I subscribe to one. I don't feel like I've missed anything important and I have more time read things that truly stimulate my mind.

CANCEL PODCASTS, BLOGS, AND RSS FEEDS

A subset of email newsletters is the burgeoning field of audio/video podcasts, blogs, and RSS feeds. If you don't know what any of these things mean, then you can safely skip this section as you're

probably not subscribed to any of them. Consider yourself lucky, they can be a tremendous waste of time even if the information is useful.

Podcasts are like radio or TV shows that you can download and listen to on your MP3 player. There is so much to listen to and, like newsletters, they're almost always free. Blogs are an online journal of sorts that you can subscribe to. Every time a new entry is posted to the blog, you're notified. RSS feeds are the same thing and many news organizations publish feeds of the top headlines.

To truly simplify, you have to eliminate distractions. While podcasts can be highly entertaining and educational, they are a distraction. You have to find the time to listen to each podcast episode. If you subscribe to too many podcasts, you'll find that it could take all day just to listen to them all. If you commute to the office, then listening to a podcast is perfectly okay. Just limit the number of podcast subscriptions to one or two.

Blogs and RSS feeds are updated almost constantly and can be a major source of distraction. If you're on your computer all day, like me, you're constantly getting notified of new blog posts. I remember one time I found myself checking new blog posts nearly every 5-10 minutes. I realized that I had not gotten a single bit of work done. In that instance, I cancelled nearly all of my non-work related blogs, and podcasts. Recently, I even cancelled my work-related podcasts. By the time the podcast was posted, it was old news. I had already read everything online.

BLOGGING, MYSPACE, TWITTER, FACEBOOK ET AL.

This rise of social networking has been phenomenal over the past several years. It seems everyone and their mother has a MySpace

page; or a blog; or they're Twittering³⁵ (or Powncing³⁶) with friends; or they're engulfed in the world of Second Life and World of Warcraft. If you don't know what any of these things are, then you have nothing to worry about. There are a great many people that spend hours each day on their MySpace page. They're tweaking their profile, answering emails, posting songs and videos, inviting friends, etc. It may be fun but it's just another "thing" you have to manage every day.

John Dvorak calls all of this the "Digitally Mundane Life."³⁷ He believes we are wasting an enormous amount of time checking email, tweaking MySpace pages, surfing the web, reading forum threads, editing Digg articles, and other things. He has a point. None of these things help simplify your life. It only complicates things. It's more "stuff" you have to deal with. Yes, it's not physical stuff but it is "stuff" in the sense of managing its whereabouts and content.

Unless you're someone who needs to use MySpace or Facebook as a means of marketing and promotion--bands, artists, writers, actors, etc.--then the best thing you can do is close all of these accounts and take back your digital life. You may lose your vanity but you'll gain back your sanity. I maintain a sparse Facebook profile to market my writing projects, blogs and to keep in touch with old school friends.

TURN OFF THE TV. CANCEL CABLE AND/OR SATELLITE SERVICE

My girlfriend loves to watch TV. She's watched it all her life. It provides entertainment and relaxation after a hard day at work. I grew

³⁵ <http://www.twitter.com>

³⁶ <http://www.pownce.com>

³⁷ (Dvorak, 2007)

up on TV. I spent countless hours watching MTV, sitcoms, dramas, movies, news and cartoons. Basically, if I got bored, I turned on the TV. One day over a year ago, I got tired of watching all the tripe on TV. The news channels were spewing the same garbage and filling the screen with inane talking heads. The commercials drove me nuts. I decided right then and there to turn off the TV. I have never looked back. There are only three things I watch on TV: NFL Football, South Park, and Turner Classic Movies. Unfortunately, my girlfriend still watches a lot of TV and getting her to turn it off has been next to impossible.

Turning off the TV was one of the easiest things I've ever done to simplify my life. I no longer schedule my life around TV shows, nor do I set aside a day to watch multiple episodes of CSI recorded on TIVO. I no longer worry about what's going to happen next on Desperate Housewives or who's going to be eliminated on American Idol. I simply don't care anymore.

One thing you'll notice when you decide to turn off the TV is how quiet your house becomes. The background noise from the TV disappears. Your electric bill will go down.

This leads to cancelling your cable or satellite service. If you're not going to watch TV, then why spend \$50-150 a month on cable and satellite service? This may be extreme for some, but it is the next logical step if you've decided to turn off the TV and you'll save at least \$600 or more a year.

We still subscribe to basic cable service so my girlfriend can watch her shows. I use the TV to watch DVDs, but I've been watching more movies on my computer and Sony PlayStation Portable.

You may be asking, if I give up all of my means of entertainment, won't I be bored silly? Initially, you may be hard-pressed to find

something to do when you would normally be watching TV. Over time you will find something to do. Once I turned off the TV, I found myself reading more than I ever did. I started writing more, hence this book. I enjoyed being outside and soaking up the beautiful California weather. You may find yourself taking up a new hobby or reacquainting yourself with an old one. It's a process you'll discover as your life becomes less scheduled and simpler. You'll also find that you get more done. You're more productive and can finish tasks faster without the distractions.

CANCEL INTERNET SERVICE?

This could be seen as simplification gone to the extreme for most people. The Internet is now regarded more as a utility, right up there with water and electricity. The thought of being without Internet access is difficult for many to grasp, yet only a mere 15 years ago, in 1992, very few people outside of academia and the government new about the Internet. But, really question whether or not you can do without Internet service at home. Naturally, if you work from home or operate a home-based business, you can't afford to not have Internet service. However, for those with more traditional jobs and office Internet access, Internet at the home is not really a necessity.

If you've thought about giving up Internet access but aren't quite ready to pull the trigger, try a trial run. Go one week without accessing the Internet at home. Start on a Monday after you get home. You can use your computer but don't check email or load a web browser. In fact, unplug the Ethernet cable from your computer or disable wireless access. If you think you need to do something that you would normally do online, think of another way to accomplish it. Or see if it can wait until

the morning when you're online at work. Don't cheat and go online with your cell phone.

Once you've made it through the first day, do the same thing the next day and the next. Soon, a whole week will have passed and you haven't gone online at all. Now continue for another week. You may be forgetting about being online at all. If that's the case, then pick up the phone and cancel your service.

A TECHNOLOGY SABBATICAL

A San Francisco Gate article told a story of a number of information technology professionals burned out on technology and taking a sabbatical from all things tech. One woman cancelled all of her consulting projects and told her clients she was taking a sabbatical to clear her brain. The article states, "Gobsmacked by the information tsunami, overwhelmed by the ever-growing tide of technology must-haves and convinced that a matrix of communication instruments was insulating her from friends and family, (she) took a sabbatical six weeks ago."

A computer engineer says all these gadgets are part of a "hedonism treadmill." "(It's) a marketing-induced mind-set that makes us think we're falling behind if we don't acquire the newest gadgets. All you have to do is look at all the people waiting in line to buy an iPhone, or an XBOX 360, Playstation 3, or Nintendo Wii.

While we have all this technology to communicate with people all over the world, we may have lost some ability to converse face-to-face. "What the Pew survey doesn't consider is the possibility that tech users are so enveloped in the worlds of email and cell phones—so deep

inside a blinding technology tunnel, eyes fixed on a computer monitor or Blackberry screen—that they’ve lost the distance or proportion to judge their effectiveness in face-to-face social situations.” Perhaps that is why more people perceive an increase in rude behavior mainly due to people interrupting face-to-face conversations to answer a cell phone or answer a Blackberry email.

(Guthmann, 2007)

ENTERTAINMENT

Entertainment is becoming more expensive, especially going to the movies. A family of four can easily drop \$100 for tickets and concessions. It's far cheaper to stay at home. Rent a DVD and make your own popcorn for a fraction of the cost. Make a night at the movies a special occasion. During the summer months, many cities show free movies outside.

Play board games with the family. Break out the Monopoly game and enjoy several hours of family fun, plus teach the kids a few things about the free market.

Go to the beach and soak up the sun. Take the kids to the park for a picnic, or just the two of you for something more romantic. Visit a museum or local art gallery. Go hiking and camping.

Concert and sporting event tickets have skyrocketed over the last ten years. A night out for two at a concert or football game can easily run into the hundreds of dollars for tickets, food, and parking. Many cities offer free or inexpensive musical concerts. Also check out small clubs and coffee houses that provide live entertainment. If you live in a larger city, seek out the smaller, independent theaters.

VISIT YOUR PUBLIC LIBRARY

Nearly every city and town has a public library. In this ear of the Internet, the library seems a bit antiquated. Don't be folder. Many libraries offer free Internet access for those who don't own a computer. More are adding free Wi-Fi for laptop users. It's worth getting a library card just for the numerous newspaper and magazine subscriptions they carry. A lot of them let you borrow and rent DVDs for little or no cost. Nothing beats a free, weekly DVD rental. Even the paid rentals are only as couple of bucks for a few days. It's the best deal in town.

I'm a book junkie. I love buying books but there are just so many that it would be financially impossible for me to buy them all let alone store them somewhere. My local library gives me access to thousands of books for free. I've been able to read hundreds of books that I wanted to buy at some point but never did for financial or space reasons. You could be reading this book right now from the library!

Take your kids to the library as soon as you can and get them a library card. You won't regret it. Let them explore all the old books that haven't seen the light of day for years. A computer can't find everything and Google hasn't scanned the entire world's information yet. Your local library will surprise you with the sheer amount of resources available to you at little or no cost.

You can also help your local library through donations. I always donate old books, VHS tapes, DVDs, CDs, and audio books to the library as a way of saying thank you, plus I get a nice tax deduction.

PART 3: SIMPLIFY YOUR WORK LIFE

The third step is to simplify your work life. We spend the majority of our time at work, in the office. Like your home, it can be a big source of clutter. Use these tips to declutter your office and watch your productivity soar.

PURGE THE OFFICE

You can repeat many of the home office purge techniques at your work office. However, the work office can be far more cluttered than the home. This is where most people spend the majority of their day and things pile up really quickly. You notice this when you walk by your colleagues' desk and see six Starbucks coffee cups next to the monitor. One holds pens, the other paperclips, and one holds the remains of 2-week old coffee. The desk is littered with papers, sticky notes, pictures, and food. The wall is plastered with Dilbert cartoons, 5-year old memos, ancient phone lists, family pictures, and magazine cutouts. Now, is that your desk too? If so, get to work.

Go through every drawer in your office and chuck everything you don't need. People accumulate plenty of junk in their desk drawers because it's an easy place to discard an item without throwing it away. If you have bookshelves, donate old books. Chuck old training and policy manuals.

You should strive for a clutter-free work environment. This doesn't mean boring. Your wall can be decorated with some nice art, a calendar, and perhaps a white board if necessary. I have a white board in my office and find it helps me keep track of projects and stimulates new ideas. Your desk should be clean as possible. This allows you to focus on the work at hand. Distractions should be kept to a minimum. Papers should be disposed of or filed away. Don't let memos, magazines, and other papers accumulate in your inbox. Act on it, trash it or file it.

CUT THE OVERTIME. WORK 40 HOURS OR LESS.

Our culture of work is killing us. Success in the workplace is determined more by the number of hours you put in than the actual output of work. This is especially true in high-tech startups and investment banking. The man putting in 60 hours a week is seen as the better worker than his colleague who puts in 40 hours but produces the same quality and quantity of work. If your company determines promotions and raises based on the time you put in rather than the quality of your work, it's time to work for a different company.

Look over your schedule and see where you can cut back. You may have signed on to too many projects or assignments. Maybe you are in too many meetings. As a test, pick one meeting that you don't think you need to be in and skip it. If no one questions your absence, skip the next one. If after the second week nobody notices you're not there, scratch it off your schedule entirely. Perhaps email the meeting organizer and let them know you are too busy to attend this meeting, but please email the meeting notes so you can stay abreast of the project.

Do this for the rest of your schedule. Streamline your meetings. Replace face-to-face meetings with conference calls. This is a technique I've grown to love. 80% of the meetings I have are conference calls. I use my Blackberry to dial-in. This means I can be just about anywhere during the meeting. Many times, I'll take the meeting a home, especially if it's a morning meeting. I don't have to rush to be at the office for a meeting. I can be outside on my patio with breakfast and coffee and never miss a beat.

It makes little sense to work more than 40 hours if you're a salaried employee. In essence, you're working for free every hour you work after 40. Even hourly employees put in free time when they check

emails and voicemail on the weekend. Don't do it. Your work will be there on Monday. Enjoy the weekend. It's your time! It's okay to work overtime on rare occasions to meet a deadline or take care of an emergency. It's not okay if you're working 60-80 hours every week, even if you love your job.

If you've come to rely on overtime for extra income, you're spending too much money. However, if you've adopted some of the tips in this book, you've cut back on discretionary spending and can readily afford to live off your normal salary.

By restricting yourself to 40 hours, you can focus on the work that really matters. The quality of your work will improve and your colleagues will be amazed at how much you've accomplished. Hopefully, your boss will appreciate it too.

DON'T TAKE WORK HOME

Leave your work at the office when it's time to come home. You've worked your 40 hours, now it's your time. Now, I just said above that I like to take conference calls at home. Am I contradicting myself? No. My conference calls are taken during work hours; I'm just not in the office. What I mean is leave your work at work! Don't bring home your laptop. Don't bring home reports or work articles to read. Turn off your Blackberry when you get home. Remember, this is your time. It's time for you, your family, your hobbies, or doing nothing at all. Work will be there in the morning.

Don't work weekends either. Think of Saturday and Sunday as a mini-vacation. Revitalize yourself, have fun, take your mind off work. Get out and enjoy yourself (see the section on Entertainment above).

If you're used to working after hours, it may take some time getting used to not working. If you've streamlined your schedule as shown above, you'll have nothing to work on during the weekend. All of your work will be completed at the end of the week. If not, well, it can wait until Monday.

MANAGING EMAIL

So you've whittled your email accounts down to two, one for work and one for personal. Good. But you're still getting flooded with messages. Your inbox gets bigger and bigger. You don't have the time to go through each one and if you did, it would take all day.

Every time a new message pops up, we feel compelled to read it and respond. Email is a massive disruptor. It breaks your focus and decreases your productivity. The culture of email almost requires a near immediate response. In the office environment, almost everything is done through email. It's an efficient means of mass distribution. Anyone can fire off an email to anyone in the company and expect a response. Meetings are scheduled, rescheduled, cancelled, moved, and rescheduled again through email. Or you're expected to respond to a subject in an email only to notice that you have to read a five-page thread just to get the information needed to write a coherent response. It's totally out of control and it's causing a great deal of stress amongst workers. And I haven't even begun dealing with spam.

An August 2007 article in *This is London* showed that people check their email far more often than they say they do. It has led to "email stress." The article states, "Trying to keep up with a stream of incoming mail interrupts normal work and leaves staff tired, frustrated and unproductive, (the research) concluded...Employees also feel under

pressure to check and respond quickly to emails, with some checking their inbox up to 40 times an hour.”³⁸ I’ve been there before and it’s a difficult habit to break.

So, you’re trapped in a deluge of email. What can you do to stem the flow? There are numerous ways to control the flow of email. Below are several tips I’ve used to ease my email woes.

1. Turn off notifications. Most email programs have multiple ways to notify you of an incoming message; whether it’s an icon on your dock or toolbar, or a pop-up window with the subject header, or even a little sound. Turn them all off. This will curb your Pavlovian response to any new email message.
2. Check your email 3-4 times a day. Yes, 3-4 times a day, not an hour or 30 minutes or 15 minutes. For a typical 9-6 day, check once at 10am, another right after lunch, and one more at 5pm. This allows you to focus on your work and only check email at specific times. This also trains your colleagues to know when to expect an email response.
3. Try to keep your inbox empty or nearly empty. Don’t let your inbox pile up with messages. Respond to messages quickly, then delete the message. If you need to keep it, move it to an offline folder. Many times, you’ll be cc’d on a message that really doesn’t pertain to you. You can quickly glance at the message or delete it entirely.
4. Let colleagues know that email is not your primary means of communication. The good old fashioned telephone is still the best way to get things done. A quick phone call can resolve a lot

³⁸ (This is London, 2007)

of problems. I use instant messaging with my colleagues. It's much more efficient than email.

5. Don't publish your email address. Only give it to trusted people. Unfortunately, this isn't always an option. Almost all corporate employee directories include an email address.
6. Keep your emails short. State your point succinctly and send it off. Brevity is gold in email. I have a colleague who loves to email lengthy dissertations that almost no one reads. It takes him five lengthy paragraphs to say something that could have been said in five sentences. Don't fall into this trap.
7. Don't respond with a "Thanks" or "Okay", especially to a distribution list. It's generally not necessary. If you think a thank you is warranted, make a phone call or thank them in person.

Unfortunately, in many, many companies, email is the primary form of communication. A good number of my clients literally keep every single email they've ever received and sent. Their offline storage folders are gigabytes in size. Saving email is usually a means of covering your ass. And with the rash of corporate litigation, each email can be considered evidence. That is why many companies are spending millions of dollars on electronic discovery. Technicians spend hours sifting through email archives searching for specific keywords related to a legal discovery process. If an email is deleted, that could mean legal trouble for the company.

DON'T MULTITASK, SINGLE-TASK

You're talking on the phone with a colleague and answering your email at the same time while instant messaging with your husband and

reading the news on the web. That's efficiency, isn't it? No, it's not. It just creates more stress and the quality of your work declines. You probably forgot what you were talking about on the phone. You barely understood what you were reading on the web; and you can remember what you just emailed to your boss. Yet you did it all at the same time. Wow, what a great multi-tasker you are!

The bombardment of instant information and instant availability naturally leads us to multitask. Plus, our culture of work encourages multitasking. There's always so much to do and we have to fill every second of our time with work. At the end of the day we haven't accomplished a damn thing. Multitasking makes you more prone to error.

Don't multitask, single-task. As difficult as it will be to pull yourself away from doing two things at once, it will be one of the best things you can do. If you're talking on the phone, focus on the conversation. It's perfectly okay to jot down notes related to the phone call. Don't answer email or check other things. If you're working on a project, focus on that project. Let your calls go to voicemail and turn off your email and instant messaging programs. The key is to turn off all distractions and focus on the single task at hand. That means closing your office door or hanging a sign outside your cubicle stating that you are not to be disturbed. The quality of your work will increase significantly.

It is okay to work on a single task for a little while then move on to something else, and then return to the original task. Sometimes a break is needed lest boredom or fatigue sets in. Get up, stretch, and take a short walk. Maybe you get a burst of inspiration for another task and you jump to it. I've done this many times. I'm working on a single task

and get a great idea for another task. I either write it down or jump write to the second task. I'll come back to the first task but I won't do them at the same time. I get short bursts of creativity that I have to act on before it fades away.

LIVE CLOSE TO WORK

Millions of people sit in the cars for hours each day as they commute to the office. I was among those millions. For years I toiled away on the freeways of Los Angeles inching my way to the office. At any given time, I was commuting anywhere between 45-90 minutes each way. It was mind-numbing. I was putting excessive wear and tear on my car and wasting precious time that was better spent at home. I had had enough. I moved to within walking distance of my job. I have never commuted since. Even though I've changed jobs several times, it has been within the same city. I now get daily exercise by walking; I get home at a decent hour; and my car thanks me for it.

If you own your own home and your job is in a different city, naturally it will be difficult, if not impossible to move closer. Thankfully, there are other solutions such as telecommuting (see below). But, if you rent, then it's easier to move.

TELECOMMUTE

Advances in technology have made it much easier to work from home or anywhere else with an Internet connection. The advent of Virtual Private Networks (VPNs) has allowed corporate employees to work anywhere over the Internet and securely access their files and email. Cell phones let you take calls nearly anywhere.

More people work from home than ever before. Telecommuting increases employee productivity and reduces traffic congestion. For companies that want to increase their “green” credibility, telecommuting is a policy that should be high on their list.

Unfortunately, telecommuting is still a hard sell for many companies. Old-school bosses don’t like giving up the constant monitoring and control of their staff. Many people like the social element of the office. Working from home doesn’t mean eliminating the office for good. Many telecommuters go into the office at least once a week, either for meetings or to visit with colleagues or the boss.

Meetings should be a thing of the past, but they’re not. We are stuck in endless meetings that accomplish nothing. Fortunately, there is a wonderful thing called teleconferencing. I can dial an 800 number and a PIN and hold a meeting with anyone, anywhere in the world. Thanks to teleconferencing, roughly 90% of my meetings are held this way. With my Blackberry, I can be anywhere and still attend the meeting. For me, it beats sitting in a stuffy office, or worse yet, a cubicle.

If at all possible, try to telecommute. See if your company has a telecommuting policy. If so, bring it up with your boss. See if you can telecommute one day a week as a trial, then work your way up to 2-3 days a week.

If you do get to telecommute, remember the section above about not working more than 40 hours. Even though you’re not in the office, you still only work office hours. Working from home can make it too easy to work well beyond your 40 hours. Be careful not to let this happen.

TAKE LUNCH

Lunch is the great break in the day. It's not only the time to refuel your body, but it's a time to socialize with friends and colleagues. Even if you brownbag your lunch, get away from your desk and eat a good lunch. Take the full time allotted to you to eat. If you work close enough to home, take your lunch there.

A working lunch is not lunch, it's work. Your lunch hour is your time, not the company's. It's why you're in the office 9 hours instead of 8. Many times, people will have lunch meetings or lunch with clients. If this is a normal routine for you, schedule your own lunch time during the day. The point is to get out of the office for one hour or whatever time you have. Treat lunch as a much-needed, mid-day mental break.

TAKE A NAP

The afternoon siesta, a common occurrence in many parts of the world, is still looked upon with disdain in Western countries, especially the U.S. Yet, it is one of the best things you can do to rejuvenate your mind and body.

A 20-minute power nap can do wonders; far more than an afternoon latte or other sugary concoctions. Just think, in the time it takes you to walk or drive over to Starbucks, order your coffee and return to the office, you could have taken a refreshing, brief nap. If you're in an office, shut the door and take a snooze. Don't worry, no one is looking. Forward your office phone to voice mail and set your cell phone to silent mode. Be sure to set an alarm. You don't want to conk out for a couple of hours. All you need is 20-30 minutes of restful sleep and you'll wake up refreshed and ready to go.

If you work in a cubicle or open work environment, you'll need to find a more private and quiet area. Your car is a good place, if you park in a covered garage. If you work close enough to home, you can dash home and nap in the comfort of your own bed.

Napping on the job is still seen as gross insubordination in many companies. It's the "we pay you to work, not sleep" attitude. Little do they know that a 20 minute nap will help make you more productive, rather than gulping down yet another mocha latte. Fortunately, some forward-thinking companies are welcoming the benefits of a power nap and are providing special rooms in their offices for employees to nap, meditate, or spend some quiet time. There is even a company in New York City's Empire State building called MetroNaps³⁹ that offers 20-minute naps for \$14 in an ergonomically designed pod.

Naturally, there are times when a nap during work hours is simply not feasible. And there are many professions where it just simply can't be done. What I've done is take a quick 30-minute nap when I get home; usually just after 5pm and right before dinner. It's a great way for me to rejuvenate myself if I have to run errands or work on a writing project in the evening. Plus the short nap doesn't interrupt my normal sleeping habits.

TAKE A VACATION

Workers in the United States really like to work apparently. Why? We don't take vacations. We lead the world in unused vacation days. According to Expedia's 2007 International Vacation Deprivation Survey, workers in the United States earn an average of 14 vacation days

³⁹ <http://www.metronaps.com>

and only take 11. Roughly 35% of Americans don't use all their vacation time during the year.⁴⁰ We toil away, trying to get ahead; or trying to stay afloat. A colleague of mine had accumulated so many vacation days, he maxed out and was forced to take days off lest he lose his vacation days. Even if we do take a vacation, we're never out of touch with the office. We bring Blackberries and laptops to check email and take calls. 23% of us check email and voicemail when on vacation.⁴¹ That's not a vacation; that's working from abroad. What's worse is 19% of us cancel or postpone a vacation due to work.⁴²

Take your vacation, all of it. You don't have to take the full two weeks in one shot. You can spread it out any way you want, just take it. You can't expect to work at full capacity day in and day out without a break. Your physical and mental health will decline. A workaholic is just as bad as an alcoholic.

You don't even have to plan an elaborate vacation in a far-off destination. Take your vacation close to home or even stay home. Don't plan anything for your vacation. Do everything on the spur of the moment. Dash off on a road trip up the coast. Stay in bed all day and watch old movies. Go shopping on a Monday when no one's at the mall. Visit attractions in your city that you never got around to seeing.

The main point is to use your vacation days. Enjoy the time off. You'll perform better when you get back. Expedia's survey stated that 39% of Americans feel better and more productive when they return from vacation.

⁴⁰ (Expedia.com – 2007 International Vacation Deprivation™ Survey Results, 2007)

⁴¹ Ibid.

⁴² Ibid.

PUT AN EXTRA DAY IN VACATION SCHEDULE TO RECOUP.

You finally took a much-needed vacation, if not see above and take one. You took a week off and returned on Sunday. Now, you have to go back to work on Monday. This is the worst thing you can do. Your body and mind needs time to recuperate after a vacation. Even if you did nothing but rest and relax during your vacation, you still need to resituate yourself after your return. You don't want to rush right back into the office.

Schedule an extra day of vacation before returning to the office. Instead of returning home on Sunday, then back to work on Monday. Take Monday off and go back to work on Tuesday. Spend Monday getting back into the swing of a daily routine. Unpack, check your mail, answer messages, run errands, and do the laundry. That way you'll have everything finished and back to normal when you return to work.

TURN YOUR VACATION INTO A SABBATICAL

Sometimes the best way to prevent career burnout is to take a sabbatical, if your company allows it. Take 3-6 months or longer off and explore your passions. You can also think of it as a mini-retirement.

You must leave all remnant of your job behind while on sabbatical. Don't even think about checking emails or voicemail. It makes no sense to take a sabbatical and continue to check in at the office.

This can be your time to explore new worlds, learn new languages, acquire new skills and rejuvenate the mind. You'll come back to work a totally new person with a new and fresh outlook. Good companies know a sabbatical can work wonders on an employee and lead to increased productivity and fresh ideas.

PART 4: SIMPLIFY YOUR MIND AND BODY

The fourth step is to simplify your mind and body. Your physical world may be free of clutter but you won't be free until you clear your mind and body of clutter.

COMMITMENTS

It's one thing to purge yourself of TV, podcasts, newspapers, and the like, but what about your commitments to other people? I'm talking about job-related commitments, volunteer obligations, your children's activities, and numerous other things you do. How much of it eats into you time? How many of them would you like to cancel? Would you feel guilty if you did?

Simplifying means getting rid of the things that give you displeasure so you can enjoy the things that give you pleasure. This includes the numerous commitments you make to yourself and, mainly, to others. Some of these commitments may come out of an obligation, such as taking your children to soccer or choir practice. Other commitments come out of a sense of civic duty, such as volunteering at your church or sitting on a charity board. A commitment may be something as simple as contributing regularly to an online forum or group. Perhaps you have freelance or outside work commitments. Some or all of these things can clutter your life and prevent you from being happy.

Go through each of your commitments and determine if they really give you happiness. Is there meaning in these commitments? If you dropped a commitment, how would you feel? Guilty? Relieved? Both? This will be a tough thing to do. You don't have to quit all of your commitments, only start with a few. It may be impossible to cut your children's activities, as much as it would relieve you mentally, and financially. However, you should ask your children if these activities are something they really want to do. Maybe your son doesn't want to play soccer.

If a commitment is giving you undue stress, drop it no matter how guilty you may feel. I have a friend who was a board director for a local aid center. She was stressed out by the constant bickering amongst board members. They argued over finances, meeting minutes, voting, and nearly everything else. I suggested she quit the board. The stress wasn't worth it and leaving the board wouldn't cause a void in her life. There were much better things to do than listen to petty bickering each week. She eventually left and is all the better for it. I read a blog comment that said we over commit because we are pressured to please others. This is very true and to simplify, you must please yourself first, even if it means disappointing other people; people that may be very close to you.

REFUSE TO START WHAT YOU CAN'T FINISH

It's so easy to start something. You say yes, and then get going with enthusiasm and energy. But, after a while you start to lose momentum. You get sidetracked or worse, you get bored. Whatever project, hobby, task or goal you started on never gets finished. It lies there, abandoned.

This has been a particularly difficult subject for me. I've lost track over the years of how many times I would enthusiastically start a writing project, or a recording project, or a blog, or some business venture only to abandon it half-way through. I simply lose interest in it. Sometimes I realize that it will involve a lot more work than I want to put in. But generally, I get bored and move on to something else.

What I've strived to do recently is to say no when my enthusiasms get too wild. I'll write down my idea or project for a later

time. I'll think out how much time, energy and money a new project will entail before jumping into it.

Don't temper your ideas. If you have an idea, or get a wild inspiration, write it down. Now may not be the best time to act on it. If it is the right time, make sure you can see it through to completion. This is something I continue to work on.

JUST SAY NO

What this boils down to is the ability to say no. It's one of the most important things to learn if you really want to simplify and increase your wealth. Focus on the commitments that give meaning to your life. Say no to the rest. Who knows, some of these commitments may be the ones that greatly increase your wealth.

The people you say no to may be hurt initially, but if you explain your reason for declining, they will more than likely end up supporting you even more. They may even wish they could say no themselves. Tell them they can.

EXAMPLE COMMITMENTS

Work: meetings, projects, lunch commitments, favors from colleagues and bosses, trade shows, training classes, seminars.

Civic: volunteer work, charity board or officer, city council, school board.

Religious: weekly service, church board, raffle events, bible study.

Children: soccer, football, baseball, choir, band, ballet, piano, theater, spelling bee, academic decathlon, field trips.

Freelance: paid jobs you do for others outside your primary job/business.

Hobbies: commitments based on your hobbies. Conventions, meetings, events, etc.

Online: forums, groups, instant messaging, blogging, writing articles.

(Leo, 2007)

SIMPLIFY THE MIND

LAUGH

This is an easy one. Nothing is as simple as a good laugh. It can make a sick person feel healthy and lift someone out of depression. Laugh and laugh often.

When I need to laugh, I like to watch old Bugs Bunny and Daffy Duck cartoons or South Park. Many times I'll watch a classic 1980s slapstick comedy or something of a more recent vintage. If I'm down and need a good pick-me-up, I like to watch classic musicals like *Singin' in the Rain* and *My Fair Lady*.

LET GO OF THE PAST

"I don't live in the past at all; I'm always wanting to do something new. I make a point of constantly trying to forget and get things out of my mind." - Brian Eno

Don't live in the past. Remember it fondly but don't let it control the present and hinder your future. This is a problem for pack rats who keep things as a reminder of their past. In order to move ahead, you have to let go and dispose of physical reminders of the past. It is okay to keep some mementos, especially if it was part of a life-changing event. If you still keep your notebooks from 10th grade history, then it's really time to move on.

If your past was troublesome, don't dwell on the pain. Life is full of failures and regret. Quit second-guessing mistakes made in the past. What's done is done. Learn from them and forget them. Look at each day anew. See it as another day further away from the pain of years gone by.

It's easy to blame your past on your present situation. We all do it. It could be a bad childhood, bad marriage, failed business venture, a debilitating illness, or any number of bad things. Stop making excuses for things you need to do now just because events in your past didn't go as planned. One thing to always remember is, "Your past does not equal your future."

On a personal note, I love the 1980s. I spent my entire teenage years growing up during the 1980s. They are still the happiest moments of my life. I constantly listen to 80s music and watch 80s movies. No, I don't dress in 80s fashions. I don't have any hair on my head to pull that off! I have a hard time shaking that part of my past because I'm so endeared by it. For me, the 1990s and 2000s have been a complete blur. I don't remember nearly any of it. But I remember, with vivid detail, the 1980s. It's natural to wax fondly of your teenage years, especially if they were happy ones. But it is way too easy for me to fall back into my old habits and compare things happening today with things 20 years ago. Letting go of my past has definitely been a tough learning experience and it can be for you if the memories run deep.

Letting go of your past can be the one thing that jumpstarts the rest of your life. You won't have to carry around your past like excess baggage, or a faded badge of honor. This is your opportunity to make each day a fresh start. Use today to build new and exciting memories.

BE YOURSELF

Don't live someone else's life; live your own. The simplest thing to do is be yourself. Unfortunately, many of us spend more time trying to be like someone else because our lives are not what we want them to be. We become slaves to the latest fashions and fads. We idolize celebrities and think that everyone else has it better than we do.

You were put on this earth for a reason. The only way to find that reason is to be your self. It doesn't matter if your white, black, tall, short, fat, skinny, or anywhere else in between. Just be yourself and simplicity and prosperity will follow.

MIND YOUR OWN DAMN BUSINESS

If only more people followed this very simple mantra, the world would be a much better place. From individuals to global superpowers, it seems everyone wants to stick their noses into everybody's business. No one can leave each other well enough alone. We complicate matters by worrying about everyone else and not ourselves.

On an individual level, it could be your nosy neighbor always checking in to see what's going on. Going up a few levels, it could be the neo-Puritan health nannies lecturing you on the evils of smoking, drinking, and eating red meat. On a global scale, not minding your own business generally leads to conflict and ultimately, war.

People want to live their own lives as they see fit. No one wants to be lectured to by someone who thinks they know better. What's worse are those who think they know better use the power of the state to force their views on you.

When you mind your own business, you accept people for who they are. You can respectfully disagree with opposing views and lifestyle

choices. As long as someone is not willfully violating your property rights, then it's live and let live.

DON'T LIVE IN FEAR

Fear is the great controller. Whether it's fear of dying, fear of the unknown, or fear of snakes, fear can completely control your life if you let it. Governments are the masters of using fear to control its citizenry. Fears of terrorism, war, crime, disease, and imprisonment have kept millions of people at bay while those in power strip them of life, liberty, and wealth.

We all have our own internal fears. We fear loss of income, loss of a family members and loss of property. We have fears of heights, enclosed spaces, bugs, reptiles, public speaking, large crowds, and many other phobias. I'm not particularly fond of public speaking and I'm a bit claustrophobic. The key to living with fear is the ability to confront it. You may not overcome a particular fear, but the ability to confront and deal with it is a step in the right direction.

One way of overcoming fear is to ignore the fear-mongering perpetrated by the government and its lackeys in the media. It is their business to instill fear in the populace. It's job security for government cronies and profits for the media. Remember the old news motto, "If it bleeds, it leads."

We were attacked on 9/11/2001 but nothing has happened since then. Yet everyday, the threat of terrorism is shoved down our mouths by politicians and the media. They say it to instill fear and keep us from questioning the government's motives. In actuality, your chance of being

killed by a terrorist attack in your lifetime is roughly 1 in 1300.⁴³ And that is if a 9/11-style attack happened once a year! You're much more likely to die in a car accident than a terrorist attack.

The best thing to do is to go about your life and don't let these things get to you. I don't think the residents of Boise or Duluth have to worry about a terrorist attack from a band of Muslim fanatics. In fact, the residents of Los Angeles, Chicago, New York, Miami and other major metropolitan cities don't have to worry about an attack any time soon, regardless of what the government says.

HAVE SIMPLE FRIENDS

When you start living a simple life, you'll start to notice things about your friends that you didn't notice before. You'll notice which ones are frugal and which ones spend everything they earn on stuff. I'm not saying to dump your spendthrift friends. You'll just have to control yourself when your friend wants you to go shopping with her because she's bored and she just has to have a new dress. You'll know better not to pick up something for yourself. If she questions why you don't buy something for yourself, simply explain that you simplifying your life you no longer buy things you don't need. Either your friend will accept your reasoning or will shrug you off. Hopefully, you'll be able to convince your friend to simplify.

Simple friends make living a simple life much easier.

⁴³ (Bailey, 2006)

DON'T TRY TO TAKE CARE OF EVERYBODY

You can't lead a simple life by taking care of everyone else. If you do, you neglect the most important person, you. Naturally, you need to take care of your immediate family, that's a given. But if you spend too much time taking care of other people outside of your immediate family, then you run the risk of endangering your health and well-being. It's one thing to help a friend out every once in a while; that's what friends are for. But, it's another thing entirely when that friend or friends start to rely on you to take care of things they could easily take care of themselves. Unfortunately, this also happens with family members. You become the go-to person for every little shit job that no one else wants to do. You may do it out of guilt, or respect, or duty. Whatever the reason, it's time to say no.

It may be difficult to tell this person that you are no longer going to do these things for him/her but it must be done. Hopefully, your friend will respect your decision. If not, then that person is probably not a friend worth keeping. With family members, it's even more difficult and could lead to strained relationships.

What if you are a professional caretaker? If you really enjoy what you do, then that's great. Taking care of people brings a sense of reward and purpose to many people. Just remember never to neglect yourself. The worst thing you can do is continue to care for people while complaining about it. You may say it is unfair and the people you care for are taking advantage of you. If that's the case, it's time for another career. Yet, despite the complaining, there are those that continue to take care of anybody who asks. On the flip side, there are those that constantly want to be cared for. For whatever psychological reason, these people hunger for attention. There may be nothing physically

wrong with them, yet they seek a caregiver. I would avoid these types of people. Eventually they will suck the life out of you.

BE WILLING TO ADAPT

Living a simple life with few material possessions affords the ability to adapt to changing circumstances. Whether the circumstances are political, economic, social, or personal, you can adapt, change, move, and thrive thanks to your simple lifestyle. To put it plainly, you are mobile. The lack of physical possessions makes it much easier to move should you want to, or forced to. Think of this way, you have the freedom to live where you want or go where you want without having to worry about moving all your stuff around.

Most people never think about this. You can live a happy simple life in one location for the rest of your life. Back before mass transportation, people lived and died in one town and rarely travelled far from their hometown. Now you can travel anywhere in the world in less than a day's time by air.

What I'm saying is those who live a simple life can take advantage of opportunities all over the globe. The Internet, mobile communications, and air travel makes the world a much smaller place. You can act fast. Say you live in a country where the political situation is getting a bit uncomfortable. Move! Leave the country! If you've followed my suggestions, you'll have no debt, cash on hand, and few possessions. Take the family and run. If you live in the United States, you might think that this type of political upheaval could not occur. Maybe, maybe not. However, you could get fed up with high taxes, excessive regulations, and an overbearing nanny state. If that's the case, move to a friendlier country.

Now, you may never move out of your house. You may be quite content to stay there the rest of your life. You're happy and living a simple life. What could go wrong? Well, nothing could go wrong but it's good to keep the thought in the back of your mind. If something drastic happened tomorrow, how fast could you and your family get out? How fast can you adapt?

AVOID PEOPLE WHO TALK TOO MUCH

Talk, talk, talk. Everyone's talking about everything. Policy wonks bloviate on CNN; investment "experts" pitch the latest stock on CNBC; talk show hosts blabber gibberish on talk radio. It's 24/7 of talk and it's annoying as hell. No one knows when to shut the hell up and listen. And besides, nearly everything said on television and radio is meaningless noise.

Then there are people around you who talk way too much. There's the gossip queen at the office; the sports nut; the loudmouth at the library; and the wannabe actor rehearsing his lines at Starbucks.

Listen up people! Shut up! No one wants to listen to you. No one cares what you have to say or how you say it. When I go to the library, it's supposed to be quiet. When I go to Starbucks, I don't want to listen to some wannabe actor blabbing on her cell phone about an audition.

Finding a place of quiet solitude in this day and age is getting difficult. My local library is noisier than Barnes and Noble; and it's usually the staff that makes all the noise!

We all need to find a quiet place. It can be your home, a quiet coffee shop, a park or any place where talking and loud noises are kept to an absolute minimum.

DON'T BE EASILY OFFENDED

One big secret to living a simple life is to not be easily offended. We live in a litigious and politically correct world. People go out of their way not to offend anyone. Political correctness spans not only race, creed, and sexual orientation. It spans across the most minute political, social, and economic issues whether it's right-wing, left-wing, somewhere in the middle, or the extremes.

Political correctness is a weapon used by both the left and right to persuade people that their views are the gospel. Thoughtful critiques of right and left ideologies are considered offensive by the true believers. For example, it is offensive to the Left to criticize the science used to promote global warming. In fact, it is patently offensive to even think about criticizing global warming.⁴⁴ On the right, it is downright blasphemous to criticize George Bush and the Iraq War. Sure, it's okay to criticize the handling of the war, but you can never state that the war was a bad idea to begin with. Look what happened to the Dixie Chicks back in 2005 when they openly criticized George Bush during a concert. Their records were pulled from the shelves and radio stations in the heartland refused to play any of their songs.

Civil disagreement has been thrown out the window in favor of outlandish attacks and vile shouting matches. It makes for better television and radio. Ratings are all that matter and more people will tune in to a shouting match than a civil, cordial debate.

What I'm trying to say is, don't let it piss you off. Let an offensive comment slide right off. It even helps to laugh it off. You know the person saying the offensive comment is a moron so why should it bother

⁴⁴ (Gregory, 2007)

you? What we need is a thick coat of Teflon applied to our woefully thin-skinned bodies and minds. That would put an end to the intellectually moribund political correctness that plagues us today.

FAILURE IS AN OPTION

Guess what, it's okay to fail. Failure leads to success. Without failure, you won't know what doesn't work. It can help you simplify a problem or point you in the right direction. It can increase your focus. Unfortunately, our society teaches us that failure is not an option. If you fail, you're finished; you're a disgrace; you're a loser. It's been drilled into us since childhood.

So go and fail; fail often. But it's important that you learn from your failures so you won't repeat them. Each time you try again, you're that much closer to success. The fact is, we fail at something every day. Perhaps you didn't land a sale today. You missed a meeting. Your new album didn't sell that well. Your movie flopped at the box office. You ended a relationship. You failed an exam. The program you wrote caused your client's computers to crash. You lost reelection for public office. These are all diverse examples of failure. People who successfully handle failure pick themselves up and try again until they get it right. Those who sulk in their failures and never try again are those that always regret it later.

STAY AWAY FROM NEGATIVE PEOPLE

This one should be obvious. Negative people suck the life out of you and make you feel like crap. This may not be their intention; though subconsciously the only way they can feel better is to make other people feel like crap. You're simplifying your life. You're happy and at peace

with yourself. The last thing you want is some whiny, depressing, negative person ruining your day.

There's always someone at the office who is constantly complaining. Nothing works, their life sucks, they hate their job and they make sure everyone knows about it. Avoid these people like the plague. You may feel the urge to help them with a polite word of encouragement. Don't. Walk away and stay away. You do not want to get dragged down to their level of angst and self-pity. Stay above the fray of negativity.

CONTROL YOUR ANGER, OR DON'T LET PEOPLE PISS YOU OFF.

This is extremely difficult for me. I have a temper and though I've been very good at controlling it in recent years, there are certain times when it gets the best of me. Living in Los Angeles doesn't help. Rude and incompetent drivers are the norm. Traffic jams; supermarket check-out lines; airport lines; rude customer service; cell phones and just people acting like assholes in general. Sometimes it makes you want to beat them all with a baseball bat.

I've been able to conquer my anger by stepping back and taking several deep breaths. I try to detach myself from the situation that is causing the anger. If I have to wait for some old lady to get out her checkbook *after* all her groceries have been scanned through, or wait for the clerk to show someone how to swipe their credit card through the machine, I look away and take a deep breath. I'll fixate my eyes somewhere away from the moron ahead of me until that person leaves.

Boy is this difficult! Many times I'll just stare at that person with great evil intentions. I want him to know just how stupid he is and that the ten other people waiting behind all think he is a moron.

Unfortunately, if I do let my temper get a hold of me, I remain in an angry, dour mood well after leaving the store. If I decide not to get angry and ignore the person, I'm usually just fine after I leave. It's a much better position, mentally, to be in.

SIMPLIFY THE BODY

BE AN EARLY RISER

There has been much written about the benefits of rising early. “Early to bed and early to rise makes a man healthy, wealthy and wise.” We all know Ben Franklin’s saying, but sometimes sleeping in feels so good, until you get up.

I still struggle getting up early. I normally wake up between 7-7:30am. Anytime earlier and I still feel too sleepy. Anytime later and I usually get a nasty headache and I feel miserable all day. When I do get up extra early, between 5-6am, I do find that I get more things accomplished and when I look at the clock, it’s only 10am. It’s a good feeling. And nothing really beats the calmness of dawn.

If you’re a night owl and it works for you, then great. There’s no sense of becoming an early riser if burning the midnight oil makes you more productive and happy. Even when I wake up early, I still don’t go to bed until eleven or midnight. If I try to sleep earlier, I end up tossing and turning for a couple of hours before I fall asleep.

SLOWDOWN

Faster, faster, faster! Life keeps speeding up and it’s difficult to keep pace. Criticism of a fast-paced lifestyle has been ongoing for over 100 years.

A fantastic book on the subject of slowing down is Carl Honoré’s *In Praise of Slowness: Challenging the Cult of Speed*. Reading his book was a life-changing experience. He talks of people getting off the high-speed treadmill and living a life considerably slower than the rest. The great thing about the slow movement is that many of them are not

luddites or technophobes. In fact, they use technology to help them slow down.

Slowing down is an extension of simplifying. Many people give up high-paying, stressful jobs to work part-time and stay home with the family. They take time to cook their meals from scratch. They exercise slowly (which can be very effective). They make love slowly. That's reason enough to slow down! They walk instead of drive. In Italy there are towns that are built around the slow movement.

Of course, being slow isn't the same as being lazy. These people are more productive than their type-A counterparts yet they have a much more fulfilling life. So when you feel that life is moving far too fast for you, let it. Slow down and relax.

DO NOTHING

There's an insidious notion in western culture that we must always be doing something. Our schedules are packed with activities, work, projects, and errands. To sit and do nothing is almost sacrilegious. Yet, doing nothing is one of the best ways to relax and clear your mind.

There is nothing wrong with sitting in your chair and day-dreaming for a while. Watching television is not doing nothing, you're watching television! Doing nothing literally means just that. You can sit comfortably in your home or go out to the park or beach. Go anywhere you can relax and not be disturbed. You can meditate if you like or just sit there and let your mind wander. It's a great way to come up with new, fresh ideas for whatever you're working on. It may just give you that inspirational spark to jumpstart a goal or dream you've put off.

“Poor planning is at fault. Most of the time when my wife and I order a \$20 pizza delivered to our house or go to a mediocre neighborhood restaurant and drop \$30 for dinner, it’s because we have neglected shopping and have nothing at home that is appealing for dinner, or we’re too tired and don’t feel like preparing food.” – Fred Brock, Live Well on Less Than You Think.

Part of living a simple life is to eat more meals at home. Our hectic workloads leave us too tired to cook anything so we resort to eating out and spending far too much money. Eating at home is healthier and cheaper.

Always try to keep enough food in the house to cook a simple meal. After a hard day at the office, there should always be something in the house that is easy and quick to prepare. Every meal doesn’t have to be a gourmet feast.

Pack a lunch. If you eat out for lunch everyday, cut it back to twice a week and brownbag it the other three days. You’ll save an enormous amount of money and eat healthier. And, if you live close enough to the office, you can always go home for lunch. Instead of spending \$10 for a steak sandwich at the deli, go home and make one from last night’s BBQ sirloin dinner.

Buy bulk items from Costco or Sam's Club. Rice, beans, pasta, and canned goods last for weeks. Buy meat and produce and store them in the freezer.

It's okay to eat out every so often. Sometimes you have a craving for a special restaurant. Instead of eating out several times a week, make it only once a week. Eating out will seem like a special event and you'll enjoy it more. I remember back when I was growing up, eating out was something we looked forward to. I had a nice, solid middle-class upbringing but dining out wasn't a daily occurrence. The town I lived in had few, if any, good restaurants. Most of our meals were home cooked. Nothing beat Mom's homemade tortillas. We used to eat them with butter right off the pan. No store-bought tortilla can match the flavor and texture of homemade. My Dad always cooked, and still does, a mean BBQ tri-tip steak. On some nights, we would go to the movies and then head over to the local pizza parlor. My brother and I would have fun eating pizza and playing Asteroids. It wasn't anything fancy, but it was those simple moments I always remember.

I won't lecture you on what to eat. There are far too many diet books for your perusal. I don't adhere to any diet. I eat what I want in moderation. And moderation is the key. That way you can enjoy a wide variety of food and still be healthy. Of course, you shouldn't eat anything that would affect a medical condition.

I don't advise buying organic foods or becoming a vegetarian to simplify. If that's your thing, then please continue. I think the term "organic" has become a marketing gimmick. Slap "organic" on a head of lettuce and charge a premium. No thanks! Some people's body types are better suited for vegetarianism. I am a flaming carnivore. My body reacts positively to beef, fish, and poultry. I can live on eggs.

DRINK WATER

Save money on drinks by drinking water. It's better for you and cheaper. Soda, juices, and energy drinks are expensive, even bought in bulk. Bottled water or delivered water is less expensive. There's always your local tap water to drink, if it doesn't taste wretched. I drink tap water with ice and a sprig of lemon juice.

GET A JUICER

If you love fruit juices, consider investing in a good juicer. Nothing tastes better than freshly squeezed juice. You can buy your fruit in bulk or at your local farmer's market. Find a juicer that is well-built and easy to clean. You'll never go back to store-bought juice after you start using your juicer.

EAT BREAKFAST

Finally, try to eat a good breakfast at home. Sure, McDonalds or a warm bagel is good every now and then but eating a hearty breakfast of bacon and eggs or a chewy bowl of oatmeal always puts you on the right track. Top it off with a pot of freshly brewed coffee or tea and there may be no better way to start your day.

PHYSICAL FITNESS

Now that you've turned off the TV, what are you going to do now? Well, how about exercise? You can't just sit there all day and do nothing. Get out and go for a walk. This doesn't mean joining an expensive gym and boring yourself silly with weights and treadmills. I'm

talking about outdoor exercise. Walking, jogging, and swimming are great exercises.

If you love a particular sport, go play it. I love football and tennis. Each week I go out and throw the football around and run plays. I don't have the desire to play a full game of touch football; I just love the exercise I get throwing the football around.

This is great for your kids. What better way to spend time with them than at the park throwing the baseball around? You don't have to put them in organized sports, just go out and throw the ball around.

If you live close enough to your job, walk to work a few days a week. Take an evening stroll with your significant other. The main point is to simply get out of the house and office and engage in physical activity.

You can join a gym if you wish but it's not necessary and can be a large expense over time. You can get a great workout using your own bodyweight. Just think, you can workout nearly anywhere, anytime, without any equipment or membership dues.

There's a large variety of workouts you can do using your bodyweight. The stand-bys are push-ups, crunches, and squats. These are exercises that work the majority of the major muscle groups. Even the old jumping jack is a great cardio exercise. Elizabeth Quinn, from About.com has a great list⁴⁵ of no-weight exercises that I've been using for a short while now. They really do work and I no longer have to use dumbbells to obtain a good workout. Some of the exercises are really challenging for me like Mountain Climbers, Wall Sit, and Jump Lunges.

⁴⁵ <http://sportsmedicine.about.com/od/tipsandtricks/a/basictraining.htm?p=1>

I am no Adonis. I'm a big guy and I like to eat. My exercise consists mainly of walking, stretching, no-weight exercises, and throwing the football around. It's simple and keeps me moving.

CONCLUSION

I've presented quite a bit of information on how to simplify your life. Only you can choose what steps to take. In any effect, the act of simplifying your life will increase your wealth, plain and simple. If I could pick one tip out of this entire book that is the most beneficial, it would be to spend less than you earn. It is the simplest tip of all. You'll never get into debt. You'll never buy what you don't need. Your possessions will be few but cherished. You'll have money in the bank that will only continue to accumulate. You'll have peace of mind. You'll be able to live the life you want without the trappings of material wealth. You will have both monetary and spiritual wealth. You'll be truly free in an un-free world.

Go forth and simplify.

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