

Extreme Frugality Is For The Birds

It's no secret that [this blog has nothing to do with extreme frugality](#). If anything, compared to my peer bloggers, I'm probably categorized as a spendthrift. I have even been accused of leading a rather lavish lifestyle, which I think is complete bollocks.

Relative to my income I am "frugal" but that is not because I have crafted some master plan to live on as little money as possible. Instead, I have chosen to take the road less traveled to increase our household's top line (income) to a point where saving 50% happens automatically, rather than obsessing over every little expense.

I think that extreme frugality is for the birds!

For the Birds

A **term** to describe **something** you **want** nothing to do with.

*"Hey, can you **get some** blow?"*

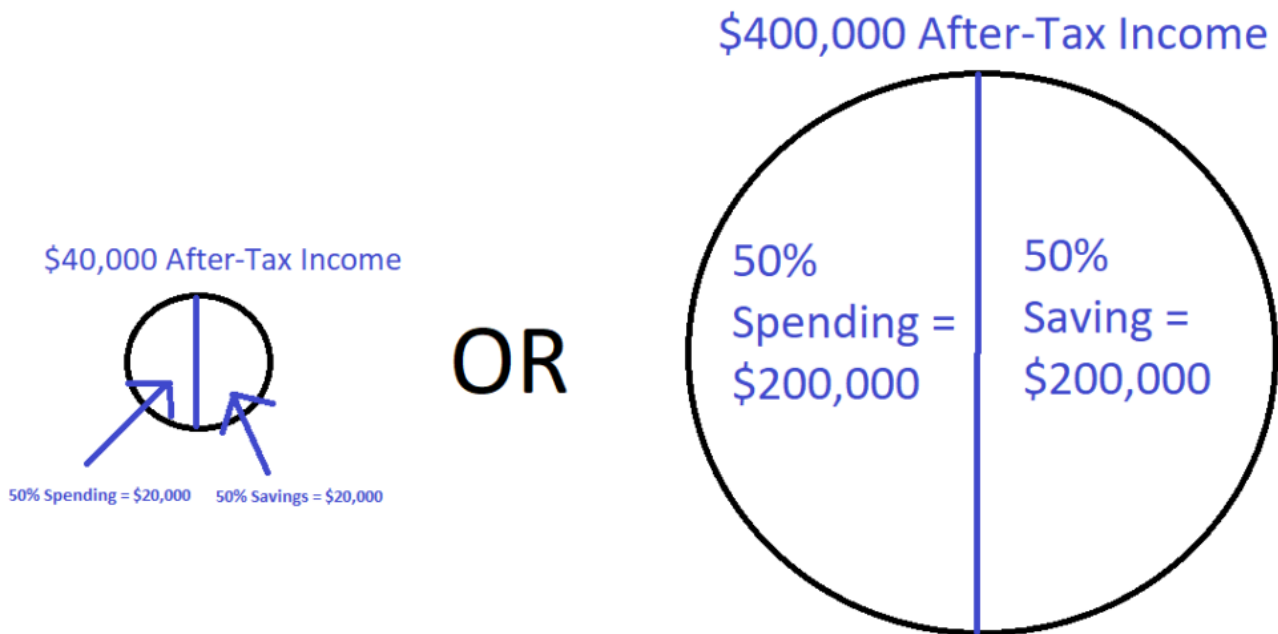
*"Nah, I don't fuck with that, that shit is **for the birds**."*

As I wrote in [this post](#), there is a natural floor when it comes to cutting expenses, but when it comes to income there is no ceiling (the sky is the limit). I know extreme frugality works for some, but for most, I believe it tends to lead many to acquire a scarcity mindset. I personally prefer to live in a state of **ABUNDANCE**.

I want to have my cake and eat it too!

I tried extreme frugality and found that it wasn't for me. I wasn't fun to be around. I avoided having fun at all costs (see what I just did there ☹). I suppressed my desire for the finer things in life. It wasn't working for me! So, I decided to adopt a new approach, and that is when I channeled my inner Einstein and came up with the **Theory of Relative Frugality**. Who knows, maybe one day I will win a Nobel prize for the 60 seconds it took me to fine tune the theory.

[Here is a copy of my original work \(completed in Microsoft Paint\):](#)



Relative Frugality Is The Shiznit!

shiznit

adj. 1) the best; 2) the greatest, in a certain **category** or universally; 3) gaddam' **phenomenal**, bi-atrch!

*Master says, "I'm **the shiznit!** **Hell'z yeah!**"*

I realized that frugality was relative to the amount of income that you brought home. And if you're like me and enjoy the finer (more expensive) things in life, all you have to do is increase your income to a point where you effortlessly reach your savings goal (in my case it's 50%), while also living your desired lifestyle. I also realized that by focusing on the income side of the equation that any time I wanted to live a bigger lifestyle, all I had to do was increase my income. So, relative frugality permits you (and me) a free pass to lifestyle inflation, until you reach that point where increased spending no longer brings you joy.

Why I Prefer Relative Frugality to Extreme Frugality

(1) Food, dining, and booze – Not only do Mr. and Mrs. GYFG like to eat out, we like to eat out often and sometimes at very pricey restaurants. Don't get me wrong – we love to cook at home, and we love to cook for guests in our home. However, it is not uncommon for us to spend \$2,200+ on food and dining in any given month. That's a lot of money to spend to feed two people. Ok, it's not always for two people as we also enjoy picking up the tab every once in a while. Here are a few recent examples:

(a) The other night we went to our favorite restaurant in Laguna Beach and spent \$420 on dinner for two. But it was more than dinner, it was a three hour experience. We sat at the Chef's counter and enjoyed a prix fixe five course meal and each course was paired with excellent wine.

(b) Mrs. GYFG recently had a birthday in September, so we took her to a fancy restaurant and the final bill was just shy of \$1,500 for nine people. We did get a 42oz Wagyu beef ribeye for the table, which was the best steak any of us had ever had (and was \$425 just for the steak).

(c) We get quarterly shipments of wine (no one should ever risk going thirsty on a Friday night).

(2) Our ability to give – When you focus on the income side of the equation it is much easier finding *that balance between living well and giving well*, and we want to do both.

(a) We sponsor a kid in Africa so that he has a roof over his head, food in his belly, and is able to get an education.

(b) My wife is part of an organization called the Impact Club. Every quarter they get together and choose one organization to donate to and then everyone in a room writes a check. This typically results in \$10,000 to \$20,000 being sent to a single organization every quarter.

(c) When a friend needed a short-term loan, we had more than enough to provide it, and we didn't charge him a dime of interest.

(d) When my brother totaled his car and couldn't get a new one on his own, I

was more than happy to help by co-signing for him. Because we earn far more than we spend, I knew that if for some reason I got stuck making the payment, it would have no impact on our 50% savings goal.

(e) When my other brother found himself at his lowest point in life, we didn't hesitate to invest \$33,000 to get him the help he needed to save his life.

(3) The ability to spend without much deliberation - This list could get very long, but I will cut to the chase. At the end of the day, the practice of relative frugality allows us to spend without worry. We don't step over dollar bills to pick up pennies.

At the end of the day, I'm not here to tell you how to live your life. Neither will I judge you for how you ultimately choose to do that. All I want to do is present a perspective and philosophy that works well for us and it might work well for you.

The end goal whether you choose to practice **extreme frugality** or **relative frugality** is to find that sweet spot that allows you to live well and give well (whatever that means to you).

- Gen Y Finance Guy



Gen Y Finance Guy

Hey, I'm Dom - the man behind the cartoon. You'll notice that I sign off as "Gen Y Finance Guy" on all my posts, due to the fact that I write this blog anonymously (at least for now). I like to think of myself as the *Chief Freedom Officer* here of my little corner of the internet. In the real world, I'm a 30-something former C-Suite executive turned entrepreneur turned capital allocator. I am trying to humanize finance by sharing my own journey to Financial Freedom. I believe in total *honesty* and *transparency*. That is why before I ever started blogging, I decided that I would share all of my own [financial stats](#). I do this not to brag, but instead to inspire motivate, and also to hold myself accountable. My goal is to be a

beacon of hope, motivation, and inspiration for *you*, the reader, by living life by example and sharing it **all** here on the blog. My sincere hope is that you will be able to learn from me - both from my successes and my failures! [Read More](#)