

YOUR ULTIMATE GUIDE TO HOUSEHOLD BUDGETING

MONEY

with
Jess

300+
MONEY-SAVING
HACKS

**SAMPLE
CHAPTER**

SENIOR
ECONOMICS
COLUMNIST

**JESSICA
IRVINE**

LOOK AFTER
FUTURE YOU

GET BETTER DEALS
FROM BANKS

4 STEPS
TO FINANCIAL
FREEDOM

OWN YOUR
DREAM HOME

STOP FREAKING OUT
ABOUT RETIREMENT

SLASH BILLS
AND EXPENSES

MONEY

with
Jess

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YOUR ULTIMATE GUIDE TO HOUSEHOLD BUDGETING

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PART I

How to build a healthy money mindset

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Before we get to the action parts of this book, where we organise your money and figure out where you want it to go, we need to stop for a hot minute and figure out how you currently think and feel about money.

In my career as a finance journalist, I've observed the way lots of people—such as readers, editors, fellow journalists, politicians and voters—think about money.

Overwhelmingly, I see people stuck in a pattern of thinking money is just too complex—too overwhelming—to understand. It's also common to believe that money is boring (this one hurts my soul!) or that it's just the case that some people suck at money.

The good news is that if you're one of those people who believe these things, honey, you're wrong. Don't feel too bad about it. An entire financial system exists that profits from your overwhelm. To fight it, you need to learn to manage your thoughts and emotions about money, which is what we're about to do now.

Perhaps some of us pop out of the womb knowing how to make good money decisions. But, believe me, most of us don't. The ability to manage money is a skillset that needs to be learned.

Unfortunately, many of us miss the memo and by the time we're old enough to control our money, we're already trapped in a toxic relationship with it.

We turn a blind eye to our overall financial position. We spend up big to calm our inner storms. We stick our heads in the sand and just hope our money problems will figure themselves out, one day. So much mental distress is caused this way and so much of it could be avoided, I believe, if we just took some time to really stare our money in the face. That's what this whole book is about.

But before we start looking at your personal money situation, I want to spend part I of this book really getting to the bottom of all the unhealthy attitudes towards money you may have unconsciously internalised—and then to help liberate you from them.

I'll teach you how to become a mini emotions detective, able to root out all the feelings you feel when you think about money. We'll then trace the origin of these emotions back to the thoughts you're having about money. And then, we'll replace those old thoughts with some more helpful ones.

Be warned: it might take some time and effort to really rid yourself of these unhelpful beliefs about money. But you'll feel so much better when you do, I promise!

It's never too late to start reframing your thoughts and feelings around money. So let's get into it.

1

Identifying your money emotions



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I want you to start by really focusing on that word for a moment: MONEY.

Say it out loud with me: 'MONEY'.

Or, if you're in a public place (and you haven't already embarrassed yourself), just really stare at that word on the page for moment: MONEY.

What emotion do you feel in your body when you see that word or hear it spoken?

MONEY

MONEY

MONEY

Don't worry. If you're anything like I was, you may struggle with this exercise.

I've been seeing a psychologist on and off for about half a decade now. These days, I usually enjoy our sessions—they're like a workout for my brain.

Most of my very early sessions, however, consisted of my kindly therapist bookending everything I said with the question, 'And how did that make you feel?' and me just shuffling uncomfortably in my seat and staring back somewhat blankly.

After one particularly difficult session, that dreaded question came up again: 'How did that make you feel, Jess?'

'Analytical', I replied, adding, 'Is analytical a feeling?'

'No, Jess', came the reply, 'analytical is pretty much the opposite of a feeling'.

Oh.

It wasn't until one day when my therapist actually provided me with a potentially relevant word to describe my emotion that I began to connect the dots.

Truth is, unless you've been taught how, it can be difficult to recognise what emotion, or what combination of emotions (there can be many!) you are feeling at any point in time.

Yet it is so very important. Because emotions drive our behaviours; and it's our behaviours that produce our outcomes.

Now, I can almost hear you thinking, 'But Jess, I am a very evolved person. I always put reason ahead of passion. I am not driven by my emotions!'

To which I say, ‘Bless you, dear reader. Yes, you are. You just don’t realise it—yet’.

Despite our protestations to the contrary, so many of us these days exist in a perpetual state of emotional arousal. I used to have just one blanket word to describe how I was feeling: ‘stressed’.

When you are ‘stressed’ you spend quite a bit of time—and money—running around trying to distract yourself from that sensation with alcohol, comfort food, internet dating—or whatever your distraction of choice is. Been there, tried that.

The emotions wheel

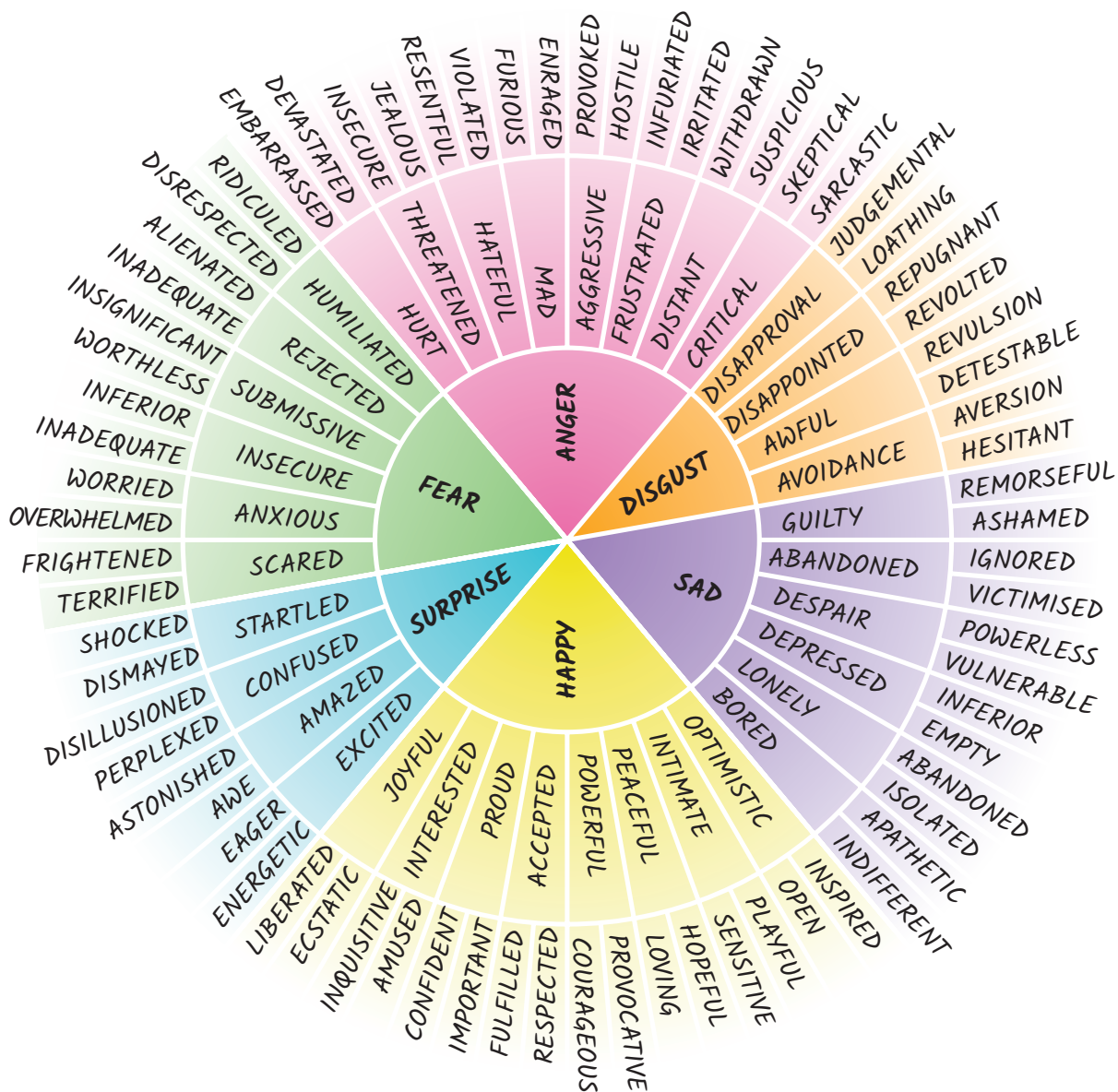
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Until you do the work to identify and label the root emotions you are actually feeling—sadness, fear, loneliness—you’re really just running on a treadmill (and not the good kind that gets you fit!).

I don’t think I deliberately set out to suppress my emotions. Well, not entirely. I think I just genuinely lacked a sufficiently rich vocabulary to describe the feelings I was experiencing in my body.

Realising this, my therapist quickly supplied me with a so-called ‘feelings wheel’ or ‘emotions wheel’ to help me when I got stuck.

There are lots of different versions of this on the internet, the origin of which is contested. On the next page you will find one version that I like.



As you can see, in the centre of the wheel sit six core human emotional states: happy, sad, disgust, anger, fear and surprise. Psychologists disagree about which ones should occupy the central space, but these will do for our purposes.

Fanning out from the centre, you see ever more nuanced words to describe subsets of the core emotions. Let your eye roam over the middle and outer circles for a moment. Do you just feel sad? Or do you also feel despair or powerless? Do you feel just fearful, or also anxious and overwhelmed?

The reality is, you can feel multiple emotions, from different slices of the wheel, all at the same time.

These days, I keep a wheel just like this plastered in the front of every journal I write in. I refer to it regularly to help me identify my emotional state. I sometimes make it a personal challenge to name as many relevant emotions as I can!

I have found this simple act of naming my emotions to be an incredibly powerful tool for helping to dissipate the very emotions I'm feeling.

'But Jess, what's all this got to do with money? I've read several pages of your book now and I still don't *feel* rich. What gives?'

Okay, let me come to the point.

I want you to now look at the emotions wheel and identify exactly which words apply to you when you think about *money*—either your own personal financial circumstances or the notion of money in general. You can circle the words on the page, or write a list in a separate notebook. Try not to judge yourself—nobody is watching. Just try to name as many relevant emotions as you can.

Here are a few of the very common ones people gravitate to:

- **scared**
- **overwhelmed**
- **anxious**
- **worried**
- **aversion**
- **ashamed**
- **powerless**
- **despair**
- **guilty**
- **judgemental**
- **hesitant**
- **apathetic**
- **inferior.**

In your body, you might feel some of these emotions as a tightness in your chest, a clenched jawline or hunched shoulders.

If that's you, take another moment right now to just breathe for a second. Go on. Deep breath in ... and out.

Relax your shoulders away from your ears; now your jaw, letting your tongue drop away from the roof your mouth.

There, isn't that better?

Go on, take another deep breath on me. They're completely free, I promise.

Now I want you to know that all these feelings you feel about money are very common and very normal. I have felt them too.

But what if I told you there was also another way to feel about money?

What if I told you it is possible, instead, to feel peaceful, hopeful, optimistic, courageous, confident, proud and liberated?

Sound too good to be true?

It's not. These are words I now feel when I think about money. I know others feel them too.

It turns out we can alter the emotions we feel about something. And in chapter 2, we're going to work through transforming the emotions you feel about your money.

But we have to do some more detective work first.

Where do emotions come from?

You see, emotions don't just arise out of nowhere. They are the body's and mind's reaction to the world around us *and*—even more explicitly—the thoughts and beliefs that we have about that world.

These can be thoughts you aren't even consciously aware of; they're just thoughts swimming in the social soup you've been fed all your life from society, governments, media, your family and friends.

Often we're not even aware we're having a specific thought. Sometimes, we're just having so many thoughts in such rapid succession, it's too hard to pinpoint one in particular.

But I promise you, if you are having a strong emotion, it is being driven by a thought you are also having.

Luckily, there is an ingenious way to identify thoughts and distinguish them from emotions.

Emotions can be summarised in one word—for example, ‘fear’, ‘joy’ or ‘sadness’.

Thoughts, by contrast, come in sentence form—for example, ‘I am going to fail the test’; ‘Nobody likes me’; ‘I will never be able to own a home’.

Logic decrees that there can only be so many words to describe emotions, which is why it’s often easier to try identifying them before thoughts.

Thoughts—comprising of a string of words—exist in almost infinitely more variety, so catching yourself in the process of having a specific thought can be very difficult. But necessary if you want to be able to choose to think another thought that could, in turn, drive a different—perhaps more pleasurable—emotional state.

Because here’s the thing. Thoughts are not facts.

They certainly can be. ‘I think the sky is blue’ is both a thought and a fact. But ‘I think my friend didn’t text me back because they don’t like me and I am a worthless person’—while certainly a thought you could have—is not a fact.

Why is that not a fact? Well, first, because no human is worthless. But also because it could just as easily be the case that your friend not texting you back, in fact, had nothing to do with you. They lost their phone. They are in a meeting. Or they simply don’t have the mental capacity to reply.

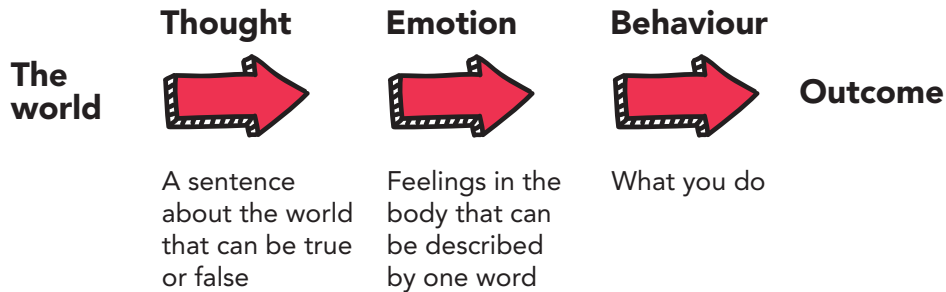
What we choose to think about a given situation matters because the emotional state it creates will, ultimately, drive our actual behaviour.

If you feel scared, you will likely run away, if possible.

If you feel guilty, you will seek to hide.

If you feel rejected, you might sit on the couch all night ordering Uber Eats.

Here is a helpful chart I made to summarise this thought-emotion-behaviour chain of causation.



Now let's apply it to the real-world scenario of a friend not texting you back.

If your *thought* is that they didn't text because they don't like you, this might lead you to *feel* a combination of sadness, inferiority and rejection. It might lead you to the *behaviour* of withdrawing from your friend, or sending them a series of disgruntled and hostile messages demanding they explain themselves. Outcome? That friendship may disintegrate.

But what if you chose a different thought? What if you chose the *thought* that your friend is probably overwhelmed by something else in their life and that they will respond when they can. You might *feel* disappointed, but you might also feel peaceful and loving towards your friend. The *behaviour* this drives might be to simply give them the space they need, or maybe to follow up later with a brief message expressing your hope that they are well. Outcome? You may very well deepen or cultivate your friendship further.

Critically, by carefully selecting your thought in this example, you can not only avoid a distressing emotional state yourself, but also better the outcomes in your life.

Being able to identify both your emotions and underlying thoughts—and ultimately choose more accurate or helpful thoughts—is an invaluable life skill and one we are not often taught in school. It takes practice. If you can afford it, I highly recommend doing this work with a trained professional.

But you’ve paid good money for this book on the promise it will make you better at money, so let me do some of the hard ‘thought identifying’ work for you—at least when it comes to your relationship with money.

For those of you whose emotional response is to feel fear, powerlessness or apathy about money, I have some good news!

The thoughts you are having about money are very likely false. It is possible for you to think new and better thoughts about money.

In chapter 2, I debunk seven of the most common money myths I’ve encountered. I also lay out seven new thoughts about money for you to consider.

Not only do I think these new thoughts will be more helpful to you, I also happen to believe they are true.

Now isn’t that a nice thought?

Let’s go.

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