

## Money, Philosophically Speaking

By: Julius Ridgway

*“Frugality includes all the other virtues.” – Cicero*

*“Money is a terrible master but an excellent servant.” – P.T. Barnum*

On a recent vacation, I had something of a cloud hanging over my head as my deadline for this article loomed large, and I knew I had to not only find inspiration but also carve out the time required to write it. As if on cue, my wife pointed out to me a sign on the wall in the hotel where we were having breakfast, featuring the two quotes above. I was struck by both the simplicity and the truth of them, spoken two thousand years apart by men with seemingly nothing in common, but who were both considered philosophers of sort. So, I started trying to connect the two, find the common theme and construct some relevant practical observations of my own.

The wisdom of the Barnum quote was more immediately apparent to me. Clearly, money can be either master or servant. It can control you or you can control it. It can be a source of either crippling dependence or liberating independence. And in all cases of these polar extremes, frugality can make the difference. So there is the common thread. At any level of income, you can be at the mercy of money, or not. And at any level of income, frugality is the key to taking control. But being frugal can mean different things to different people. It can be either a journey or a destination. It can mean anything from embracing a comprehensive frugal lifestyle, to just choosing your extravagances carefully, to making a few key sacrifices so that you spend less than you earn. And that, of course, is the ultimate goal, how you get there is up to you. But the path to financial independence requires savings and investment, which starts with spending less than you make, which in turn requires some degree of frugality.

So what did Cicero mean by, “Frugality includes all the other virtues”? What other virtues does frugality encompass? Well, the four classical cardinal virtues are Fortitude, Justice, Prudence and Temperance, and it is clear that all four are elements of frugality. Fortitude to make tough decisions, keep your eye on your long-term goals, delay gratification. Justice, meaning fair dealings with others, therefore eschewing greed. And of course, Prudence and Temperance require moderation and care with money and the accumulation of things which are not needed.

So, find your own inner frugality. Keep that car a few years longer. Wait for the sale. Make a forty-cent coffee at home instead of buying a \$5.00 Starbucks drink every day<sup>1</sup>. Stay in the less expensive hotel. Go out one less night a week. Do what you can for yourself instead of paying someone else. Do you really need that new outfit? The point is, every single day presents you with chances to get a little more frugal. You don’t have to take them all. But if you take enough of them over time, you may get luxuries far greater than what you gave up. Financial freedom. Independence. Choice. Money as your servant, not your master.

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<sup>1</sup> Original version: Make a forty-cent coffee at home instead of buying a \$4.00 Starbucks drink every day.