If Youâ??re Poor, Itâ??s Your Own Fault!

Description

Recently I had an argument with a good friend about how she hardly listens or give credit to my suggestions, until someone else (whom she trusts more, and who is a self-made millionaire) says *the exact same thing*.

My personal mantra is to always give every idea a chance. Because if you do what my friend does, by listening to the â??expertsâ?•:



Credits here. Coincidentally, this is also what I teach my kids during our GP tuition sessions. Unfortunately not enough people understand the sheer importance of this concept (fallacies in general), and even fewer people understand how to apply it effectively in life.

Since young, Iâ??ve learnt to avoid saying â??I told you soâ?• (if youâ??re wondering why, read this) so I didnâ??t say it despite the fact that Iâ??ve been proven right on multiple, multiple occasions, such as:

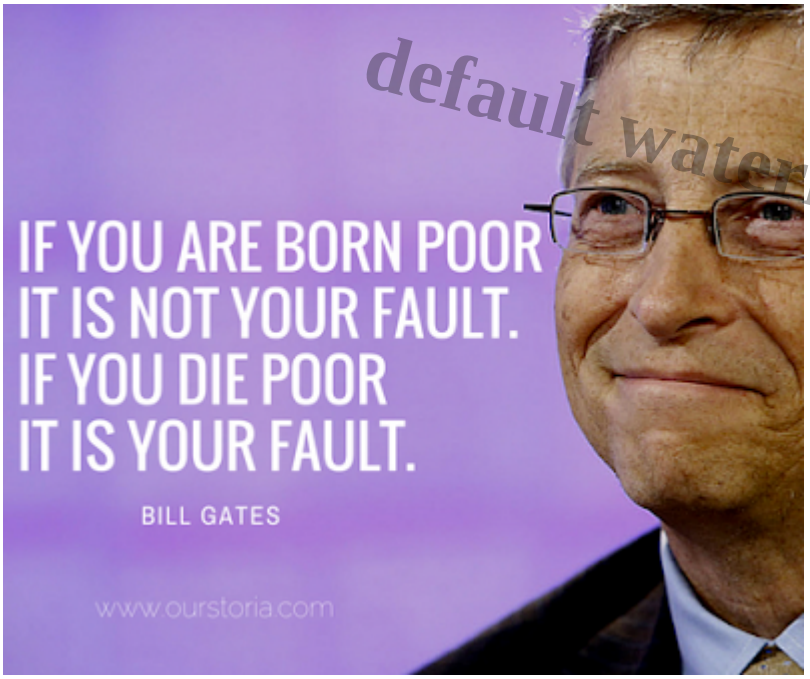
(i) Lesson #1: Most Singaporeans tend to think cheap = lousy quality. Tested and proven right. Like cafes vs. hawker centres.

(ii) Lesson #2: Consumers will always buy the better-packaged / better-advertised product with lousier contents because most people will always fall victim to **marketing**.

(iii) Lesson #3: GP is more important a subject than you think it is.
Told my sister during her J2 years that she had better pull up her GP to at least a B or risk not getting into her university choice courses at all. She retorted that GP is a â??H1 subjectâ?• and used that to reason why it wasnâ??t important. In the end? My predictions happened, despite the fact that she scored quite a number of â??Aâ??s at the national exams. Her â??Dâ?? for GP costed her the better university courses that she wanted. But I kept quiet from commenting.

Anyway, Iâ??m going off-track. Back to the reason why Iâ??m here.

A few days ago, I met a taxi driver who inspired me to write this post. At the risk of sounding heartless and unsympathetic, Iâ??ll use some **authorities** so youâ??ll believe them instead (because why should you listen to Budget Babe, right? Sheâ??s not even an â??authorityâ?•, unless you think my straight-As / getting promoted from Junior Executive to Manager within a year / saving $20,000 in a year qualifies me as an â??authorityâ?•).



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At first glance, thereâ??s nothing remotely special about the taxi driver I met. But after chatting with him, thatâ??s where I uncovered the gold.

This guy has **only GCE â??Nâ?? levels**, but **earns $7,000 a month**.

Thatâ??s more than what I earn every month, and Iâ??m a university scholar graduate! Tells you something about the paper chase, doesnâ??t it.

Of course, I didnâ??t just take his word for it, so I asked him how he achieved that. His success formula is not impossible to replicate:

â?? He drives 12 hours every day, including weekends
â?? He drives when taxi drivers are taking their breaks

â?? He uses a taxi-booking app to help him get more customers and reduce his waiting time plying the roads for customers

But given if it were you, would you be willing to work 12 hours x 7 days without rest? How long would it take before you burn out? The truth is, Iâ??m not sure I could either, unless Iâ??m desperately broke.



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I quote Alibabaâ??s CEO, Jack Ma, on the reasons why he believe people lose out in life:

1. Being myopic to opportunity

There will *always* be opportunities to make money.

I repeat, there will *always* be money-making opportunities around you. All you need to do is open your eyes, and take advantage of them.

For instance, that taxi driver I met? In my short cab journey with him, he tried to convince me to join his friend as a financial advisor. He also dangled an enticing carrot: if I let him refer me to his friend, he would get a $300 referral fee, and he would give me $100. I would get a great career with more money-making opportunities, and an additional $100 in my pocket!

I asked why he didnâ??t just go become a financial advisor himself if he believed it was such a good money-making job. He admitted that with his poor academic qualifications, he couldnâ??t make the cut.

But instead of giving up, he found another opportunity around this opportunity.

2. Looking down on opportunities

The reason why most of us are myopic to opportunities is because *we donâ??t know how to recognize them.*

And we also often *donâ??t give opportunities enough credit.*

Just imagine â?? a taxi driver charters an average of 15 passengers a day. If he tried the same sales pitch on everyone, and even with just a miserable 1% hit rate, thatâ??s 5 passengers a month to refer = $500 extra in his pocket!

3. Lacking understanding

In order to be good at something, you first need to understand it.

Thereâ??s no need to strive for 100% comprehension either, but at least aim for 70%. That should provide a sufficient margin of safety.

4. Failure to act quickly enough

Opportunities donâ??t wait around forever. If you donâ??t snap it up, then someone else will.

Remember that historical moment in 2008 when AIGâ??s stock price plunged to a low of $1.25 on September 16? You only had a few hours to catch it before it climbed up to the next dayâ??s high of $3.10. (You could have made back 3x of your money overnight if you reacted quickly enough and were willing to take the risk.)

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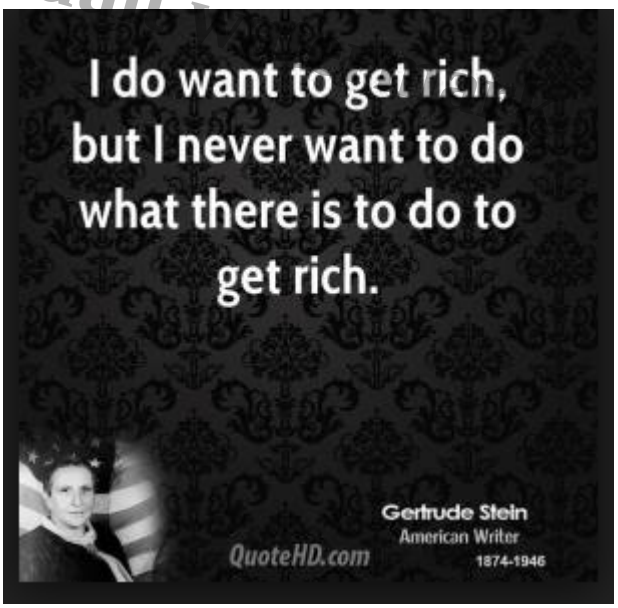

If you donâ??t believe Budget Babe thatâ??s fine. But this Jack Ma guy is worth $25 billion today, so you better believe him ok.

What set this taxi driver apart was that he looked for opportunities + was hardworking with no complaints. In the time his passengers sit in his cab, he would try to casually convince them to go for a financial advisor job so he can get $300 if they agree.

Honestly, how many of us will think about that?

Sometimes if opportunities donâ??t appear in front of you, CREATE them.

I wasnâ??t born smart, but I worked my own way to becoming a scholar, something I never dreamed

was possible. I wasnâ??t born rich either, nor did I land a high-paying job upon graduation ($2,500 starting pay for a scholar too*).* But instead of complaining, I worked hard to save $20,000 in a year which allows me to start properly investing now in my mid-20s when most people will be more concerned about living a happening social life. Iâ??m confident that by working hard, I will reach financial freedom one day, and sooner than most of my peers.

With that, I hope this sharing has inspired you as much as the taxi driver has inspired me.

With love,
Budget Babe

Category

1. Savings

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