How Much Money Do You Need To Be Wealthy and Free?

Key Ideas

1. Reveals how *more* can actually be *less*.
2. Discover how getting wealthy is just one step to the real goal.
3. How to connect your values to enoughness.
If you had one million dollars, would you take risks and work hard to make it five million?

Suppose you had five million – would you be wealthy enough to relax and pursue non-monetary goals, or would you push onward to reach ten million dollars?

When is enough, enough?

This is a question I’ve had to answer for myself. At what point do I turn off the monetary spigots, put my investment portfolio on auto-pilot, and completely re-focus my life?

It’s not a simple question because you pay a price to continue onward and upward, and you pay a price to stop.

It’s a very personal question as to which price you want to pay.

At some point, more money becomes meaningless in terms of the quality of your life, but where is that point?

It’s an important question, so let me explain with a little story.

Why A Private Yacht On The French Riviera Is Too Much

During a recent summer vacation I took my family to France for a month. As we traveled along the French Riviera, we spent two days in Monaco.

If you’ve never been there, it’s a beautiful place with an amazing concentration of wealth. I’ve never seen more Lamborghini’s, Bentley’s, Ferrari’s anywhere else.

Driving a Mercedes or BMW in that town is like driving a 1970s Chevy station wagon in the United States. The level of wealth and luxury is astounding.
Even more amazing than the luxury cars were the luxury yachts in the harbor. I had been to Monaco twelve years earlier and was amazed by the yachts back then, but on this trip, the size and opulence of the yachts was over the top.

Some of these personal boats were so large you had to look closely to make sure it wasn’t a commercial cruise liner. We’re talking huge yachts that require large staffs to operate, incredible overhead to maintain, and cost more money to purchase than most upper-middle-class Americans earn in a lifetime.

“The end of wisdom is to dream high enough to lose the dream in the seeking of it.”

-William Faulkner

As I walked along the harbor with my daughter gawking, we watched one of these mega-yachts dock. It was a very involved process to bring a yacht that size into port.

I noticed 12 deck hands working the boat, 2 harbor personnel, and much more going on while the family that apparently supported this operation stood passively on the upper deck watching over everything – but doing nothing.

The most striking part of the whole scene was how there wasn’t an ounce of happiness written on the faces of any one of the three generations of family standing on that top deck. The contrasting effect was startling.

Here was a family with every luxury, convenience, and personal possession that money could afford, and every one of them looked less happy than the masses walking along the harbor being entertained by this parade of luxury.

I didn’t want to read too much into the scene, because it could have been a miserable family that had received bad news recently, but it made me think and brought up some interesting questions.
How Much Money Do I Need To Be Happy?

I wondered if I would have enjoyed spending the day on that fancy yacht more than on shore?

Would the additional money to support yachting bring more happiness than a day spent at the beach?

Surprisingly, the answer was “no.” The thinking process that led to that conclusion is what prompted this article.

“He is rich enough that wants nothing.” – Polish Proverb

You see, I often work with my financial coaching clients around issues of how much money they need for financial freedom because many are already successful entrepreneurs pursuing even greater success.

“Enoughness” is an important concept to become clear on because it dramatically affects what goals you pursue and how you pursue them. In short, it’s essential to the coaching process.

Using my own business as an example, I have no intention of becoming the next famous guru like a Robert Kiyosaki or Suze Orman. While they both have some worthwhile ideas to share with their audiences, I’m not trying to deliver a “mass appeal” message.

I have no intention of diluting or repackaging my information so it’s palatable for New York Times bestseller status. My only focus is serving independent investors and business owners genuinely committed to achieving wealth in this lifetime.

As a result, my message is meatier and sometimes a little harder to digest, but it attracts sophisticated and experienced clients instead of the masses of people who still believe in oversimplified, get-rich-quick nonsense. Frankly, I like it that way.
In other words, I’m happy with existing somewhere out on the long-tail of my market. It’s enough for me. I want to grow large enough to achieve my financial goals for this business, serve my target market exceptionally well, and deliver a message that’s in integrity with my beliefs.

Conversely, I want to remain small enough so I can continue to walk in public anonymously without being recognized. It’s a sweet spot I pursue – not too large, not too small, but just right.

**Becoming Wealthy “Enough” Means Having Just The Right Amount Of Money To Maximize Life Experience**

It’s the same way with building wealth. Getting back to Monaco and yachts, the reason I had zero “big-boat-envy” was because it would add nothing of value to my day.

Everything was perfect just the way it was. We had been in Monaco to meet up with some friends at the beach. Our kids played great together, we rented chaise lounges to relax in, ate wonderful food, shared stimulating conversation, played in the surf, and had a total ball together. I couldn’t ask for a more enjoyable day.

“I have learned that to be with those I like is enough.” – Walt Whitman

The more I thought about it, the more I had trouble imagining any reason why I would want to own a luxury yacht like that. It seemed to be more hassle than it was worth.

Even if my wealth was so massive I could afford to purchase one and staff it, I wouldn’t want to own one.

It might be fun to rent for a week or two just to have the experience of cruising around on one, but ownership would limit my experience of life rather than add to it.

It would give me new responsibilities to handle and new decisions to make. Frankly, I can have more fun and more life experience on shore for a lot less money and hassle than I can on a fancy yacht at thousands of times the price.
You may notice that implied in the above statements is my underlying values. I don’t value unnecessary luxury. I like nice things, but luxury has never held much appeal.

For example, a BMW drives nicely, but the luxury of a Rolls Royce feels stodgy and wasteful. Renting an apartment on the French Riviera for a week is fun and great adventure, but owning a luxury yacht to cruise the Mediterranean feels cumbersome.

The extra luxury hinders my fun rather than expands it. Like all things, spending also has its balance point. More isn’t always better, and sometimes less can be more.

You can have too much of a good thing.

How about you? Where do you stand on these issues?

Your Definition Of Wealthy Is A Statement Of Your Values

For me, the values statement lurking behind my attitudes is a clear preference for adventure and experiences in life.

Unnecessary luxury puts a barrier between me and life experience.

Sitting on a yacht with a full-time staff may sound nice for a few days, but would get real boring in a hurry. I wouldn’t have much interaction with regular people, and I’d be insulated from daily life experience by living in an artificial bubble of existence.

Contrast that to playing in the surf with other families of kids, watching street artists, and dining at a Jazz club on the beach that evening (which is what we did). I like the real-life, common experience with all the flora and fauna over the sterile, luxury experience.

I like the diversity and the spice – it’s fun. Others might disagree and call me wacky, but that’s what I enjoy.
“It is not wealth one asks for, but just enough to preserve one’s dignity, to work unhampered, to be generous, frank and independent.” – W. Somerset Maugham

What I’m trying to communicate is that at some point, you have all the money you need to have all the experiences you desire.

When you reach that point, you have to question the value of spending your life energy earning more.

- I only need one bed to sleep in, one chair to sit in, and it doesn’t take a lot of money to buy these things.
- World travel, considered a luxury by many, can be purchased for a reasonable price. The more luxury you buy when traveling, the more insulated you become from the experience you sought from travel in the first place. There’s an efficient budget for traveling that avoids unnecessary hardship without insulating you from the country you came to visit.
- It doesn’t take a lot of money to buy a good bicycle or backpack, but it does take time, health, and freedom to enjoy bike trips and backpacking adventures.
- If travel and adventure isn’t your passion, but arts and crafts are, then the same rule applies. It doesn’t take a lot of money to pursue your artistic goals – but it does take time and health.
- Close, personal relationships cost very little to flourish, but they do require time to cultivate.

The message should be clear: the stuff that’s really important in life – that which contributes to happiness and fulfillment – doesn’t cost a lot of money.

I know it’s a cliche, but it’s true. Happiness isn’t the exclusive domain of the wealthy. In fact, study after study has shown there’s very little relationship between happiness and wealth once your income rises above abject poverty.

The reason is simple: unnecessary luxury is no substitute for quality, life experience.
How Being Too Wealthy Can Limit Freedom

Surprisingly, it can work the other way around: more money can lead to less freedom and happiness.

Earning and managing more money requires additional effort. Reaching mega-wealth raises your profile in such a way that it may place limits on your freedom.

That’s why celebrities and tycoons have body-guards, private ranches with security gates, and more.

They become targets of attention and can’t travel anywhere and do as they please without getting bothered. Their success actually limits their freedom and experience of life.

“Ambition is a poor excuse for not having sense enough to be lazy.” – Edgar Bergen

Another example where success limits freedom is the successful entrepreneur who becomes trapped by the empire he created.

He stands at the hub of many responsibilities as all the spokes of his empire turn around and around keeping him busy and involved. Where’s the time for all the good things in life when meetings and other business obligations place endless demands on his time?

The truth is you will pay a price to build your wealth. It takes time and effort to earn and compound wealth. Even after you earn and save the money, it must be managed and invested.

All of this takes effort. Sure, you can hire advisors to do things for you, but in the end, you’re responsible and you must make the decisions.

Earning and managing money is work and it takes time... time that can't be spent on other experiences in life.
In Summary

So where do you draw the line – is it one million, five, ten, twenty? At what point do the diminishing marginal returns of additional dollars make you say “Enough!”?

At what point is your time and life energy more valuable than growing your financial empire?

These are questions only you can answer, but assuming you’re successful at building wealth, someday you’ll confront them. It’s a certainty.

They’ll beg to be answered and they won’t let go of you until you reach a conclusion.

My personal experience and the experience of my financial coaching clients is each person has a point where enough is enough. It’s like Goldilocks And The Three Bears where one choice is too large, one is too small, and one is just right.

There’s a sweet spot to building wealth where you spend no more effort than is necessary on acquiring money; yet, you grow your wealth to the point that money doesn’t limit your ability to enjoy experiences consistent with your values.

It’s the balance point where you’re successful enough to do as you please with your life, but not so successful that the freedom you sought in the first place is lost to public notoriety and business demands.

The point is that happiness and fulfillment are the real goals – money is just a lubricant to achieving them. Less money can be more happiness.

Each person’s life requires a different amount of lubrication to run at maximum efficiency. Is that level of success one million, five million, ten million, or more? In the end, it’s a personal question only you can answer.

The Step 3 course in the 7 Steps To 7 Figures series shows you how to answer this question and design your plan to achieve it. I hope it helps you find enoughness.