

If You Want Clear Thinking, Get Money Involved

I talk to so many young people who cannot think clearly about life decisions.

Most of the time, it's because they have too little money involved.

I don't really want to go to college, but maybe I have to?

I'm not sure if I should take this job because it might not be my passion?

Do I really want to move to a new city?

Those questions get a lot clearer when mom and dad aren't paying tuition, paying for your car and cell phone, or providing a rent-free living space.

College is the easiest and most extreme example. Ask a young person who's tepid on the idea of attending and they'll torture themselves trying to work through the pros and cons. Then say, "It will cost you \$50,000. You've got to come up with that on your own." All of the sudden, it looks like a ridiculously stupid deal. Because it is.

College savings accounts from mom and dad blind young people to the truth of their situation. Something everyone else says is important, and it's "free", becomes too hard to turn down, even though you know it's not going to move you closer to your goals.

The more skin in the game young people have the sooner, the better they'll get at self-knowledge, analysis, risk-taking, and decision making.