

If You Want To Learn the Value of a Dollar, Don't Get a Job

“The three most harmful addictions are heroin, carbohydrates, and a monthly salary.” -Nassim Nicholas Taleb

FULL DISCLOSURE: *I have a job, and I love it dearly. But this is still true, economics and incentive-wise.*

Remember when we were kids and we used money like it was going out of style?

Our grandparents probably pulled us aside at some point to lecture us about “learning the value of a dollar.” They were probably thinking that when we were older, we would get a job and figure out that “money doesn’t grow on trees.”

The funny thing is, odds are that they gave us a project, not a job. We did the project - mowing the lawn, cleaning the gutters, shredding the classified government documents from grandpa’s time in the CIA - and we earned the money. Or, if we were an especially gifted little youngster, we got entrepreneurial. We sold lemonade, flowers, vegetables, newspapers, what have you.

In either case, the dollars we earned were directly tied to the value we created. Money was about output. We spent as little time as possible to do as much of the work as possible. And that money we worked for? We probably were a lot more careful with it than we would have been otherwise.

You’d think that when you become an adult, taking good care of your money becomes easier. It doesn’t. And, to the contrary of what we expect, **getting a job somewhere does a bad job of teaching us the value of our dollars.**

As soon as we start drawing a salary or a wage, some of those money lessons of childhood begin to fade. Money is no longer about value creation, output. **We instead learn to associate money to the amount of time we spend working.**

This is the first mistake. **The time conception of value we get from a salary actually hides the activities that create value.** In your job we will do some activities that generate \$10 of value per hour and others that generate \$1000. “Having a salary” and “having a job” are both lagging indicators the activities we should spend more time on. As a result, we tend to value our time less. We don’t have clear signals about what

it **could** be worth in dollar terms.

Especially if we're young – the kind of age when we really need to learn the value of a dollar – we already tend to undervalue our time and overestimate how much of it we have. That makes it easy for us to do a lot of things for 40 hours a week which maybe we might not choose otherwise. **It makes it easy for us to assume that whatever our salary/wage is is what 40 hours of our time is worth.** And the regularity of salaries let us stop thinking hard about where the money is really coming from.

So it's no surprise that we still blow money on things that don't matter. **We don't have a clear conception of the value of what we're using to get money in the first place.** Most of us don't think of our purchases in terms of time lost that we'll never gain back. We don't see the relationship between our work and our finances.

We undervalue our time, so we undervalue the dollars that time generates.

How do we change that? **We have to get out of the typical employee mindset of time-for-money.**

I remember when I received my first big freelance check. I socked that thing away pretty quickly into savings. It felt fundamentally **different** and more valuable than the money I receive every week in my salary paycheck. Even though my overall spending didn't decrease (it should have), I still thought of that money as somehow different + untouchable.

I had rediscovered one the money lessons I learned when I was selling sunflowers at the farmer's market as a kid. **In the work of entrepreneurs, proprietors, or freelancers, there's no mistaking time for value.** "The value of a dollar" in our minds is directly tied to resourcefulness, creativity, persistence, and risk we use to make something people want. **We won't waste money earned that way.**

We don't have to stop being employees to start seeing value and money that way. We can start reframing our jobs as capitalistic venture, and we start tracking the value we create outside of just our weekly paycheck numbers. Or we can find other small projects (driving Uber, designing graphics, etc) that can remind us that money is a reward for value created.

We might find ourselves respecting the money more. With any luck, we'll spend it more wisely.