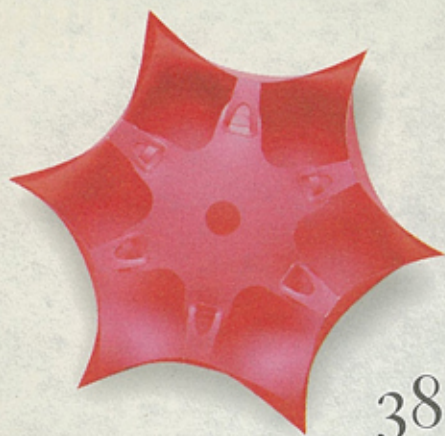


ALVIN HALL
This man will solve
your money worries

Spectrum
MAGAZINE



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Rags, riches and a \$20,000 credit card bill

Alvin Hall is the TV money doctor who will fix your ailing finances. Yet the man who exhorts us to save once owned 29 credit cards and owed \$20,000. Now he has a pension plan heading for \$7.5 million. But does he have a life? Vicky Allan finds out

PART of me can't quite believe Alvin Hall is who he says he is. The question's been troubling me since I read his book, *Money for Life*, and it just won't disappear: is Alvin Hall, the TV financial guru, who follows the sayings of his wise old grandmother, Rosa Lee, just a figment of the man's own hyperactive imagination? Over coffee at the Cafe Royal in London, and between long, giggle-laden anecdotes, I feel tempted to lean forward, peel off that neatly trimmed moustache and say, "Come on Alvin, you can tell me. Are you for real?" But I don't, and the stories just keep flowing and there's barely a moment's hesitation between one colourful tale and the next. There's the one about the country boy who grew up in Wakulla, Florida, farming a tired plot of land and attending an all-black school before desegregation. There's another in which he's the 'Professor of Wall Street', the only African-American to have worked his way through the money business to own a Wall Street training firm. Hall even talks about himself in the third person from time to time, as if he's some character in a film plot we're developing. "Alvin is not an e-mail person", he tells me at one point. And later, "Alvin does not go camping". But, in truth, it

seems, there's very little that 'Alvin' doesn't do. The Alvin Hall story has it all: rags, riches, even a \$20,000 credit card debt. Some day they should make the movie.

The BBC have already made the television show: *Your Money or Your Life*. Each week the charming, charismatic and decidedly camp Hall doles out simple, practical financial advice to Britons beleaguered by debt. He visits their houses, spies on their spending habits, wheedles his way into every financial corner of their life, and exposes it to a greedy nation primed by *Changing Rooms* and *Who Wants to be a Millionaire*. Between voyeuristic shrieks of horror back in viewers' homes ("they can't possibly spend that much on cat food", or "£200 on nail varnish, it's obscene"), Hall delivers just the kind of wholesome tips your own grandmother always used to give, about good housekeeping, saving the pennies and value for money. He tells us the stuff we already know, but, in this credit-friendly world, don't really want to know. He challenges us to "stare cold reality in the face", to, as Rosa Lee always used to say "watch and listen and learn".

Learn from the mistakes of the Duffields, for instance, who had bought into the dream lifestyle, complete with house, car, business and ►



► £50,000 debt. Or the Fung sisters who are in credit card hell to the tune of £30,000. Few of us have finances quite that bad, but the fact remains that in Britain, the total amount of outstanding consumer debt on credit cards is about \$13 billion. Most of us live happily on money that isn't our own. If Alvin Hall delved into my bank statements, I know he would find some unpleasant specimens – which is why I'm not inviting him there. Instead, what I want to know about is Hall himself, and his money.

"Fear of poverty," he confesses to me as he sips a hot chocolate. "My friend Paul Hirschbiel says it's the main drive behind anyone who accumulates money." It's a surprising admission for a man who has his own company, television show, 183 piece art collection, apartment in Manhattan and a year's worth of salary in a high interest bank account, but then, it fits with the theory that what happens in childhood affects your attitude towards money for life. My first, and probably only step towards financial maturity, was to read psychologist Dorothy Rowe's *The Real Meaning of Money*. Rowe's belief is that "understanding money is a matter of understanding ourselves". It's simple: if a person's parents have been on the breadline, then it is quite likely they will make the pursuit of money a priority.

No wonder Hall fears poverty – he knows all about it. He was the eldest of seven siblings, raised by his mother and grandmother, in a modest home in Wakulla, Florida. His father, he simply tells me "wasn't there". At 13 he went to work as a dishwasher, and from an early age he helped in the fields. It's all part of Hall's own brand of self-mythologising that he is a genuine farm boy – and the many lessons learnt on the farm are related in his programmes today. He frequently reminisces about the advice of Rosa Lee, a thrifty matriarch, who, after surviving through the Great Depression, managed to squirrel away \$20,000 in her bra cups. Her words of wisdom have carried him a long way. "As a child when you're working on a farm," Hall says, going off on one of his Wakulla County stories, "when you had to plant a lot of rows, you would stand at one corner and think, I'll never be able to do this. And my grandmother would say, you have to focus on three rows at a time. Every day, you do this, three rows today, the next day another three. You make everything manageable. That's what I constantly remind myself. Recently I've come to refocus on this idea of simplicity. By keeping your life simple, by defining certain objectives in clear terms, creating your three rows, you can achieve so much easily." I ask him what his three rows are now.

He laughs, an Eddie Murphyesque giggle. "The first is to be able to write more books. I really enjoy the writing process. The second is to try to decide how much longer I'm going to work at this pace. My friends have said to me, Alvin, you've been working hard for 10 years, and these small voices are becoming a chorus, and if there's that much of a chorus around you, there's got to be something there. And the third? The third, would be to edit my life. I think I've had too many things. I used to have five sets of dishes, lots of silverware, glasses, 60 coats, 20 Armani suits, 183 pieces of art. But now I'm editing everything down to the simple."

Hall's approach to money is part of a wider philosophy. Old-fashioned and moralistic, it's



'I used to have five sets of dishes, 60 coats, 20 Armani suits and 183 pieces of art'

rooted in a Baptist upbringing – and peppered with a sprinkling of contemporary self-help. He encourages saving, not borrowing, "Saving is a necessity, not a luxury." He condemns the idea of shopping as therapy: "you have to face your problems". He warns against the knee-jerk reaction towards getting a mortgage: "it's important to crunch the numbers first". He believes that too many people think, as he once did, that they deserve to buy things, just because the rest of society has them. Of the Duffields, with their suburban dream house, he says, "I would never have got into that situation. I don't believe that you can buy perfection and that was, at the bottom line, what she thought." Do many people think that? "Yes. They think that once you achieve perfect surroundings and a perfect life, then you'll be perfectly happy. But there's a problem. There's always you in that picture." He rolls his eyes. "So-o whatever neuroses you have in another life, you bring those neuroses to you in the new picture."

Hall still claims he's a Baptist to the core. "You know I didn't have a drink until I was 22 because I thought if I had alcohol I would be struck down. The first time I went to see a movie, I went to see *The Ten Commandments*, because I thought if I went to a movie and it was about God, I wouldn't be struck down. Now, I think it's just all the good things about being raised very religious that have stayed with me."

All this sounds very puritanical, but Hall is far from abstemious. He believes, for instance, in treats. He believes in buying things which he says 'resonate' for you. He proffers the arm of his coat, saying, "Here's a little something that is resonating for me at the moment. It's cashmere, with a Gore-tex lining." And then adding, in a lowered voice. "It's lovely isn't it? Isn't it? It feels like sex."

Alvin, it seems, loves to shop. He loves clothes, he loves art, he loves beautiful things. Right now he's wearing a shirt by Thomas Pink and the coat by Loro Piana. Just talking about an item he saw in the sales recently seems to send him aquiver. The man isn't just dapper, he's brazenly camp. "I am always tempted to buy clothes," he declares. "Always, always. Because I think, as a child I was very thin, so I wore clothes rather shabbily. Then, when I became an adult I discovered clothes can make you look rather fabulous, although the package underneath is a bit scrawny."

Recently, he has even considered liposuction. "I weigh 168lbs these days. I used to weigh 99lbs

– and I have the photographs of me on the beach at Mykonos wearing an emerald green thong to prove it."

"Money," he says, "enables me to do things that fulfil some of my dreams and in that way it makes me happy. For instance, as a little boy I used to sit up in a tree, and I had one of those viewfinders with the little disks of pictures of various cities around the world. I would sit up there in the tree in the backyard, and imagine I was walking through the streets of Paris, practising my French, saying Bonjour Jean, Bonjour Paul. Over the years, I've done a lot of travelling, but avoided Paris like the plague. And then in 1987 I went to Paris, and I got off the Metro at the Champs-Élysées, and there it was, the photograph that I looked at as a boy. Exactly as I remembered it. I broke down in tears."

I make a quick mental calculation. Hall's spending seem to be notching up: the designer clothes, the travel, the art. I begin to wonder if he really does abide by his own principles. The press release for *Money for Life* has a series of questions on it, designed to reveal whether you need to read this book. I decide to try them out on the man himself.

Does the sight of your post-Christmas credit card horrify you? Alvin smiles.

"No, because I'm through with all my Christmas shopping by November 1 every year. I start it in April."

Do you have more than three credit cards? "I have three." The man who suggests taking a blowtorch to your credit card, has three? "I have to have credit cards to travel."

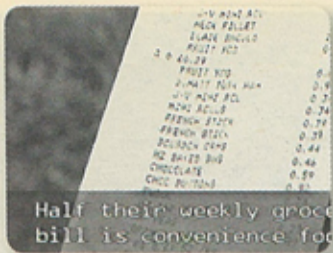
Does the word sale in a shop window act like an aphrodisiac for you? "Yes, oh, yes." Alvin gets almost ecstatic just thinking about it. "Bargains, bargains... I have a red micro fibre sports jacket, that I've only worn once. I actually keep it in the front hall closet of my apartment to remind myself. That coat is so ugly. What could have been in my mind?"

Do you ignore your bills and file them in the bin? "Never. I used to set aside every Friday evening to pay them. Now I have a company that I employ to do it because I'm travelling so much." Do you think investing in stocks and shares is synonymous with gambling? "Not at all. If I thought they were the same thing, I wouldn't do it. I'm Baptist."

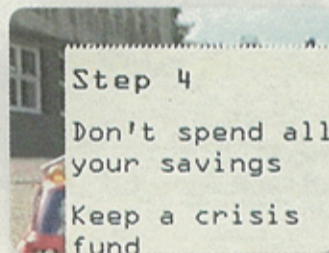
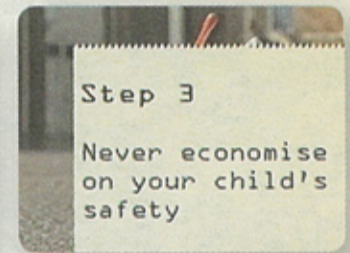
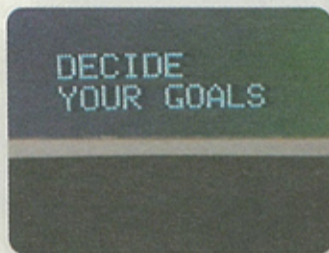
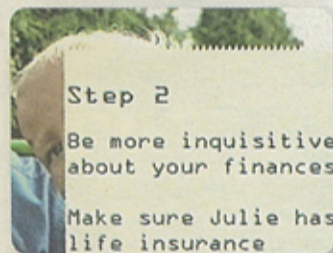
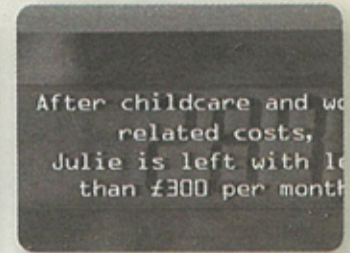
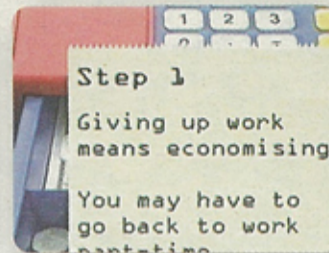
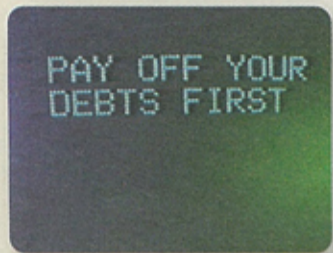
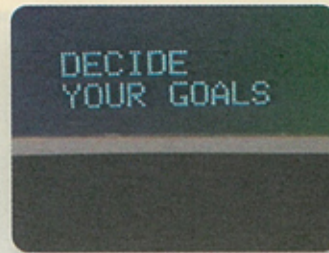
Part of the Alvin Hall scheme is to encourage the person in the street to start investing. He's even written a book called *Getting Started in Stocks*. After paying off credit card bills, starting to save, and whatever else seems a million miles from being achievable, then even you can play the stock market – and you don't need a financial adviser to do it. "I think in Scotland, and in Britain in general, there is this belief that once you have money you turn it over to a financial professional and they make all the decisions. To me that is a horror, because you have abdicated full responsibility to that person. You're learning nothing."

Hall has a stockbroker, not a financial adviser. "And the stockbroker brings me *i-deas*," he says drawing out his words in teacherly fashion. "The broker does *not* tell me what to do. That's really the big difference. My area of expertise in the stock markets is actually very narrow: technology stocks. But this stockbroker brings me other ideas, which I can accept or reject. She does not invest without my approval."

Wealth of advice: (above) Alvin Hall puts his drive to accumulate money down to a fear of the poverty he experienced as a child in Florida; (opposite) Hall in action, urging viewers to face up to reality on his BBC television show *Your Money Or Your Life*



Half their weekly grocery bill is convenience food



The man seems almost superhuman. His finances are immaculate. His life seems to run like clockwork. When he's watching television, he busies himself with the ironing. When he's listening to the radio, he sews buttons on his shirts. He gets up at 5am and goes to bed at 10pm. He handwrites at least one letter a week. He prefers to cook his own meals. He even says that if he lost his money he would probably get a job as an administrative assistant – he loves organising that much. But has he created so much of his own neat, secure world, that, as many rich people do, he has sealed out the rest of the world?

Hall understands the dangers. "Money can be a barrier. It can be a wall between yourself and everyone else. But for me a greater life is to say I've acquired all this, let me enjoy the world around me, let me have better relationships. Let me talk to more people." The facts however remain that he confesses to rarely getting back together with his family. And when I mention the chapter in his book covering the joint account, he tells me: "A friend of mine said to me, 'Alvin, you will never know love because you have never had a joint account. When you're married everything must be mixed together.' And I looked at him and said, 'It will never happen. The idea of being joined at the hip, of joining your accounts together as one, is so out of date.'"

Has he ever been married? "Never have, never will. Most of my friends say I won't get married till I'm much older," says the 47-year-old. "But I could never get married because the idea that my life is going to be more complete because of this other person, is completely alien to me. In my relationship history, I've found people want you to make them whole. Come to me whole, I'm interested. Come to me needing something, go away."

That's not, however, to say that Alvin is the perfect, complete person: he's had the therapy sessions, and the depression, and the debt. And Hall has certainly known debt. Like all the best therapists, he

has been there with the people he helps. During the Seventies, while teaching English (his BA was in English) in Miami and earning less than \$8,500 a year, he acquired 29 credit cards, and ended up owing a total of \$20,000. The light suddenly dawned. Friends he had known at university were already on their way to making millions, but he had serious financial worries. So, Hall moved into a rooming house, he started to cut back, slowly but surely he began to pay back his debts. When a friend offered him a job at his father's Wall Street training firm, his curiosity was roused. How did this elusive money thing work?

Most of us would be unwilling to come out in the open about having any passion for money, but, several decades on, Hall is now making a living out of talking about it. As we know, he's even become a television celebrity (over here, not in the States) because of it. One of the thrills of *Your Money or Your Life* is that money talk is still some small taboo. Even the intricacies of our sex lives are more open to discussion than the simple subject of the bank balance. "That's a cultural thing," Hall comments. "In America we talk about money more, in England less, and in Scotland getting someone to talk about money is extremely difficult." I feel compelled to test the theory. For instance, how much does he earn?

There is a pause, a definite pause. "I think a better question would be, how much do I pay myself?" he says, after weighing the question up thoughtfully. "Because I own the business."

"And?"

"I pay myself just enough to max out my pension plan, every year, the maximum amount so I can pay in the full \$55,000. Now you work that out." Hall stares at me for a few seconds, waiting, but I don't have a clue. "In America, he continues, "in order to put away \$55,000, I have to pay myself close to \$200,000 a year." He plans to have around \$7.5 million in his pension by the time he retires.

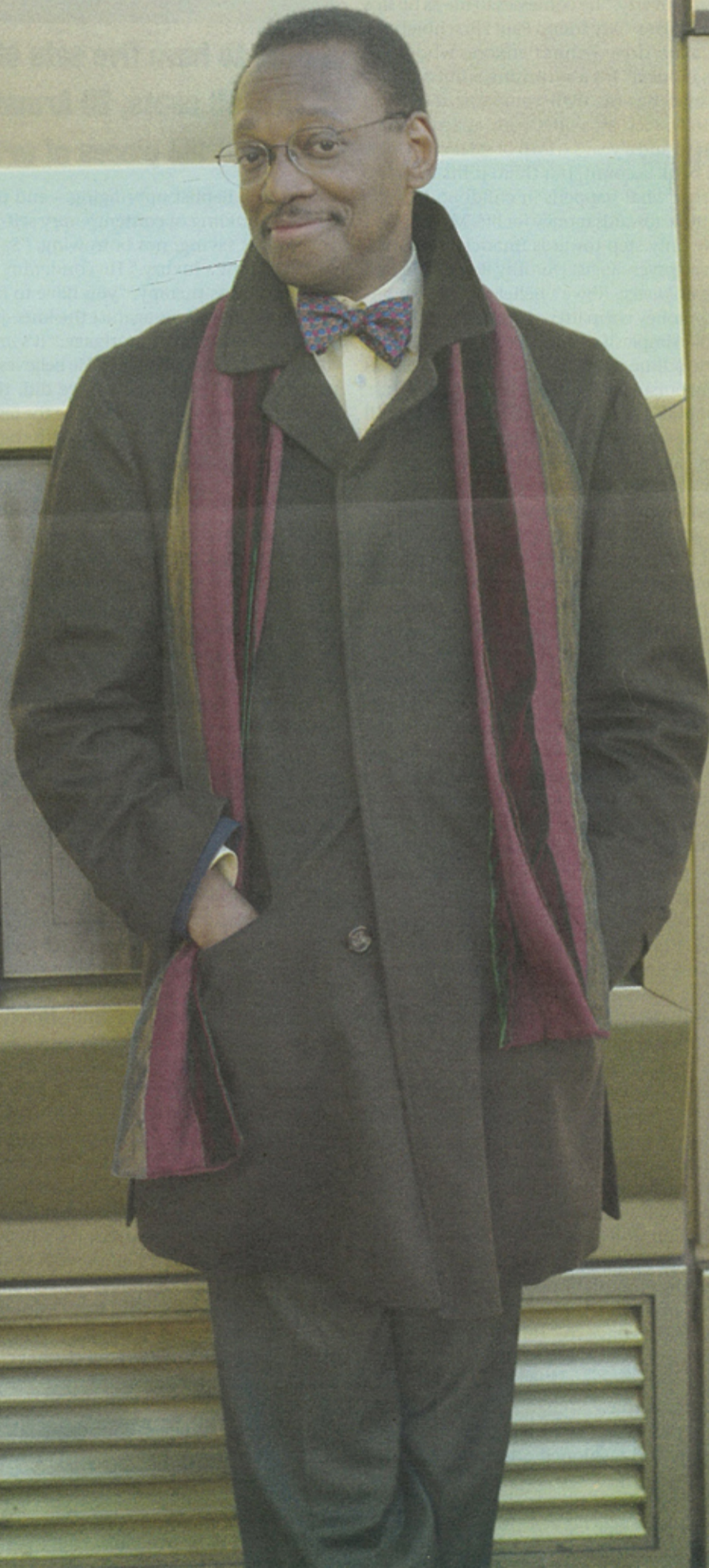
As for America, he has plenty of other theories about the differences between the States and over here. "In America," he tells me, "because we don't have the nanny state, and people have to pay for so many of their own expenses, we're willing to take greater risks, and invest for the long term. People over here chase the quickest returns in the shortest amount of time." He's troubled by the British tendency to want to move out of the cities into rich enclaves. "When you get money, you retreat to your country house, to live with other people like yourselves. It's a bad thing, that idea that instead of enabling you to walk freely through society, money distinguishes you from it." He also believes we are becoming as rampantly consumerist as the States. But to Hall that's no bad thing. Consumerism isn't bad, it's just another part of the world, another bit to be investigated.

All in all, Alvin Hall is a pragmatist. Rather than reject money as "the root of all evil", he urges people to face up to it in all its substance, to understand it. Back in the Seventies, he says, "a wallet full of plastic said to me... I'm a successful adult." I can sympathise. A couple of years ago when I got my first credit card I thought I'd finally left behind my childish ways and grown up to the fact that credit and debt were the only way to live in today's society. Part of me is still attracted to the idea. Do we really need, as Alvin tells us, to stare the cold reality of money in the face, when money can seem fairly unreal? In our cashless society, money only really exists when cash machines refuse to yield any notes, or debt collectors call. That's when reality stares us in the face.

As he leaves, Alvin says I can call him in the States any time. I note his number, thinking, perhaps it's time I did have an Alvin Hall overhaul. Maybe I will start keeping that diary of spending, pay my credit card bill, start saving. After all, you never know when that rainy day will come – and, as Alvin says, it always does. ■

Money For Life by Alvin Hall, Hodder, £9.99

Clydesdale Bank



INTERVIEW