

# 'Cash in the bank protects you and saving money saves you'

## ALVIN HALL

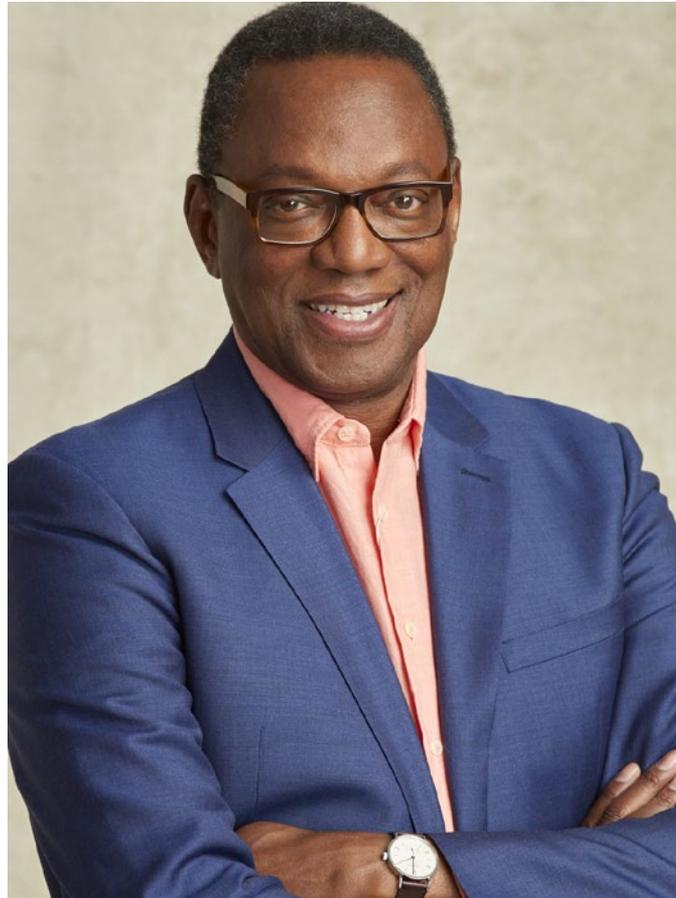
The financial guru and author has a new podcast called *Driving The Green Book*, which is available now.

### How did your childhood influence your attitude to money?

It made me very practical. I was raised really poor in segregated America. It made me aware of how to handle money when you don't have much. My mother was a maid. She earned \$25 a day, and there were seven of us children. We lived in a small house in rural Florida. We grew a lot of our own vegetables and food. If, for some reason, we didn't have any food, we would take our fishing poles and fish in the river. We didn't go to the store. I didn't even know back then that you could buy chicken in a store. I certainly didn't know you could buy eggs or watermelon. My childhood created a fear in me, which my friends have noticed. If you are raised poor, you are always aware that your money has to sustain you. Your whole life is about making sure you're not that poor again, that you'll always have food on the table. Your priority is always financial stability.

### How do you think you got to where you are today?

A combination of will, preparedness and luck. From the age of nine, I wanted to leave home. I did not want to stay where I was and I knew I would take whatever steps were necessary to get away. I saw education as my way up and out. That is why I graduated number one in my high school class, which was highly unusual for a Black student at the time, in a recently integrated year group. I also got a fully paid scholarship to university. But I was lucky, too. After I graduated, I started teaching at a high school – and my college roommate took over a Wall Street training firm. He needed somebody to write and he knew I could, so he hired me. That was the



start of my career as a financial trainer on Wall Street. Once luck happened, I was good at turning it into success. I think it helps that I've always felt as if I had nothing to lose. I'd tell myself, 'If I do nothing, I'll stay where I am. If I take this chance, the worst that could happen is I end up back where I am.'

### What's your money mantra?

That cash in the bank protects you and saving money saves you. If you have savings, you can afford to take risks in your career and your life. People

should not let themselves become hostage to failure. Every time you fail, you learn something about yourself that makes you smarter next time.

### What advice would you give to others?

To resist the temptation of 'things'. Following lockdown, many people may want retail therapy, they might want a release and the sense of freedom that spending money brings. They might use the pandemic as an excuse to become fatalistic about money – telling themselves life is too short not to buy what they want. Well, you could end up living a lot longer than you think. You need to be practical. If nothing else, this pandemic has taught us about what our priorities are in life. It has shown us we can live satisfying lives on less money. The worst thing you could do right now, at this time of economic uncertainty, would be to

spend money on stuff you can't afford.

### The next big trend in money is going to be...

Apps that enable people to mitigate their money problems. You'll get pings saying, 'You're not saving enough today!' These apps will teach us to be more aware of how we are spending our money, as we will essentially stop using cash in the near future. This is potentially a problem because paying cash helps us put the brakes on our spending, whereas you can spend money electronically and not really notice. So, I think these apps will become more important and popular in a cashless society.

### What's your top money tip?

Your savings are sacrosanct. Prioritise savings – save first, as soon as you get paid. Then, only buy things you want from your income if you can afford them without eating into your savings. You should only touch your savings in an absolute emergency. With every purchase, ask yourself, 'Do I really need this?' You may discover that you don't.



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