

## A Penny for Her Thoughts

### Money guru Suze Orman shells out financial advice

BY MINDY SCHILLER

SPECIAL TO THE WORLD JEWISH DIGEST

**W**hen Suze Orman was growing up on the South Side of Chicago, she was so enamored with Hebrew school that one day, after passing by enough Jewish National Fund "Buy Trees for Israel" posters on the way to class, she decided she would have to do just that. In fact, she decided, she would have to buy one for everyone she knew.

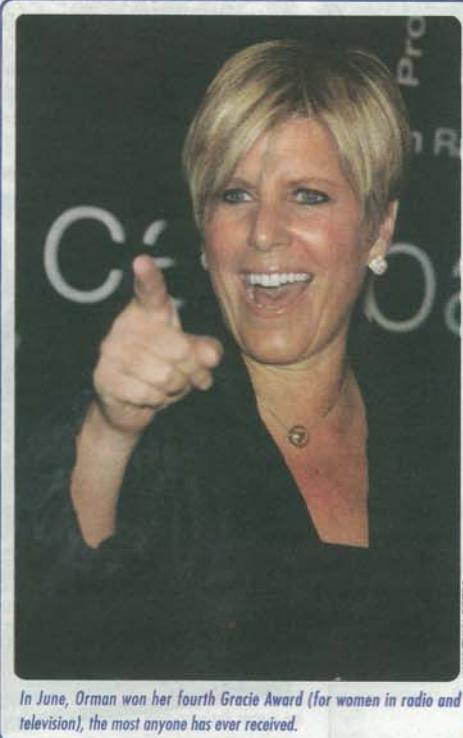
But there was only one problem: each tree cost \$2, and Orman didn't have any money.

Neither, in fact, did her parents. Suze's father, a Russian immigrant, owned a chicken shack where he sold take-out chicken, burgers, fries and ribs. Her mother was a secretary. Still, that didn't stop Suze. Waiting until her parents went to sleep at night, Orman would quietly approach the dining room chair on which her father usually placed his pants. Carefully she counted out two dollar bills from his back pocket and then retreated to her bedroom, where she hid the money until she could use it in Hebrew school.

The business of buying trees this way went on for weeks. Until, that is, the day she got caught.

"We were at Shabbat services on a Friday night," says Orman as though she's remembering this for the first time. "And the rabbi came up to my mother and father, and said, 'Thank you so much for giving Suze so much money so she could buy all these trees.'" Too speechless to do anything but sputter "thank you," Orman's mother looked at her hard. And when the rabbi was out of earshot: "Suze ..."

Forty-something years later, Orman no longer has to peek into her father's pockets for extra change—she has quite enough of her own, thank you very much. Instead, she spends her time advising other people on how to manage their money, and as the author of six consecutive *New York Times* bestsellers—the latest, "Women and Money," came out in February—a columnist for *Oprah Magazine* and the host of her own C-NBC talk show, it seems she's been fairly successful at it. But how does Orman do it? By living according to her mantra: people first, then money, then things. The



In June, Orman won her fourth Gracie Award (for women in radio and television), the most anyone has ever received.

rest, it seems, is just details. Still, details or not, *World Jewish Digest* caught up with Orman to uncover them.

**World Jewish Digest (WJD):** You grew up as the daughter of a Russian immigrant. How did that impact what you do today?

**Suze Orman (SO):** I [was convinced from a] very young age that money was the key to happiness. It wasn't that [my parents] didn't love each other. They loved each other very much. But it was because they had such financial difficulties that it was obvious that money was the only stress in their life.

**WJD:** How early should parents start teaching their kids to be financially responsible?

**SO:** As soon as they talk. In fact, even before they talk. When you hold that child in your arms, you are already teaching them about money by how they feel you're feeling. You gave birth to that child. You hold that child close to you. Do

you not think that they can't feel how you are feeling about something? [Of] all the thousands of kids I've talked to, they all know when mommy and daddy are happy, sad, about money. So you might as well talk to your kids in words as soon as you can because you're talking to them in feelings from day one.

**WJD:** Do you have any practical tips for encouraging them to be financially responsible?

**SO:** You have to understand that when you give your child an allowance, it's like giving them money just because they're born. As soon as your kids are old enough to get an allowance, I want you to sit down and go through your bills with them. [Put] the cash on the table so you can show them, this much money goes here, this much money goes here. You say to them: we're going to work together as a family. Here is how much money goes for the utilities every month. If you help be responsible—shut the lights off, don't leave the TV running—we can get these figures to come down. And we're going to split the difference. So if you save \$50 a month on your utilities bill, \$25 goes to the kid and \$25 goes to you. If you can just involve your child in the decision making process, kids are smart. If you price out everything in their room, and take out the cash and show them [how much it totaled], and ask them, would you rather have this cash or these toys that you haven't played with more than three times? I'm telling you, they will say the cash. And then they'll get a tax write-off ... [Also], if your kids save money, don't

ever tell them they can't touch the money in their bank account because they'll never want to put money in a bank account. And never, ever say to your child, 'Sweetheart, I am so sorry to go to work, but I have to make money.' Please don't say that to your children. In two seconds, you've just taught them that they should hate work and money because it's work and money that's taking mommy or daddy away from them. What you should be saying is, 'Sweetheart, I am so lucky that I get to go to work. I love that I get to work, and so will you when the day comes, so you can make money and provide for your family.'

**WJD:** In your newest book, 'Women and Money,' you talk about the relationship between women and money. Why, psychologically, can't women be at the same place that men are at when it comes to money?

**SO:** Women absolutely are at the same place that men are when it comes to investing and saving money. It's what women do with their money versus what men do with their money. Women—honest to God—believe that the goal of their money is to support their children, parents, brothers, sisters, employers, everybody else before themselves. Men [do not] ... This book simply asks women to give to themselves as much as they give of themselves. Period. Women absolutely have the ability to do anything as well, if not better than, men. It is what they do with that which they have done that sabotages our future. What is that about?

**WJD:** In the Jewish community, there's a rising cost of living an observant Jewish life. There's supplemental Hebrew school, for instance, or private Jewish day school or eating kosher. A lot of people have a really tough time making those ends meet. Do you have any tips?

**SO:** You know, when you do something for a religious purpose, there's a wholeness that your actions bring to your being. You're doing these things because you want to do these things. When you are fulfilled—psychologically, emotionally—

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## FINANCE

### Schiller

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ly, spiritually—by the actions you're taking, the things you're eating, the days you work, the days you don't work, you feel like you're one with your life. So when you're staying in from Sabbath on Friday to Saturday and you're not doing certain things, you're actually

mate with [this person] as you are personally intimate with them. When you're in a relationship with somebody, you know their personal details. You know if they leave the toilet seat up or if they hang the bra on the doorknob. You know all this stuff. What do you know about them financially? And you need to know everything. Because when you merge lives, you merge financial pocketbooks. And it is very, very important that money [not] determine power in a relationship. [You need] one separate account [for each person] and then a joint account for expenses [like utilities]. But the way you contribute to that account is equal percentages, not equal amounts of money. That keeps the power the same.

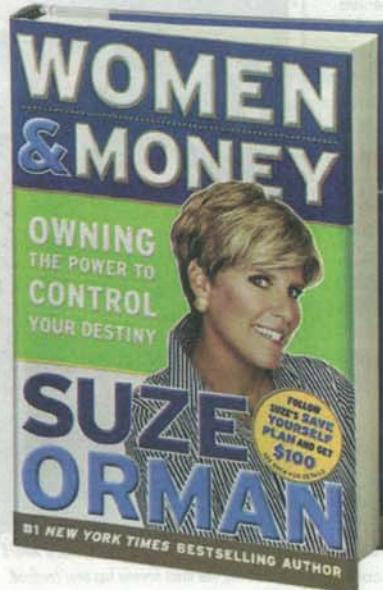
**WJD:** Let's say there's a couple where one person spends too much money and the other really likes to save. How do you balance that tension?

**SO:** Relationships are all about compromise ... [If] you're in a relationship with somebody who cares more about things than people, you got problems. Serious problems. If you don't have the money to buy something, don't buy it. If you love somebody and they love you, and they say, 'Sweetheart, please stop spending money so we can save money for our future,' and you care more about spending money than that request, which is for both of you, [then we've got problems].

**WJD:** How do you think financial confidence or lack thereof might impact other parts of your life?

**SO:** Well, if you're not powerful with money, you're not powerful period. That is about one of the strongest statements I can make. You have to understand, money is simply a physical manifestation of who you are. If you're powerful with yourself, you're powerful with money. If you're not powerful with yourself, you're not powerful with money. So if you don't have a good relationship with money, it's because you don't have a good relationship with yourself.

**WJD:** When people hear this, do they get mad at you?



COURTESY OF SUZE ORMAN

Orman's latest New York Times bestseller, "Women & Money," was released in February.

saving money because you're not doing what everyone else does, which is shopping. When somebody feels fuller, they spend less money on other things that aren't necessary ... When you feel less than, you spend more than. It's that simple. When you know who you are and you have the strength to define everything around you, versus everything around you defining you ... that is the key to financial freedom.

**WJD:** For couples considering marriage, how would you suggest they go about discussing money?

**SO:** Honey, 'M' doesn't just stand for marriage, it stands for money as well. And the only way, in my opinion, to have a successful relationship is to be open and honest—not only about what you have, but what you don't have, as well as what you want to have. [It's really important that you become] as financially inti-



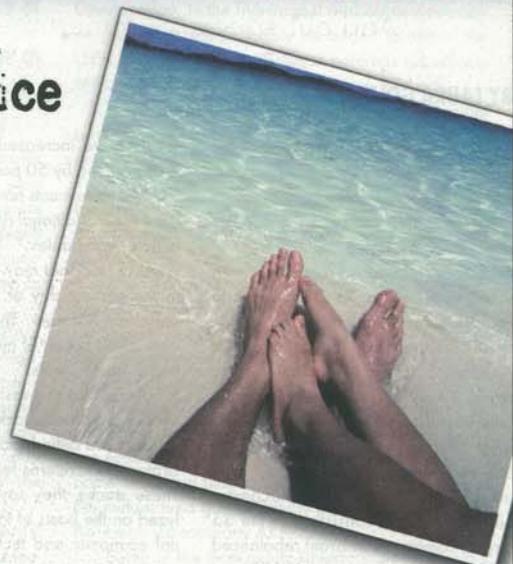
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**SO:** They know it's true. You may not like what I'm saying, but you can't disagree with me. Show me pictures of your children and [tell me] how money doesn't matter to you; your family matters to you. Oh give me a break, people! Have you lost it? Without money, how are your kids going to eat? Without money, how are you going to clothe that kid, send that kid to school? Of course, people are the most important thing. But then money!

**WJD:** O.K., so I should go into a profession that makes a lot of money?

**SO:** Not You just need to make more

out of the money you already make! And you make more out of the money you already make by understanding your FICO score, not paying more on car insurance, making sure that if you are in credit card debt, you're paying less interest [rather] than more interest. People who make less money actually live a better quality of life because they're happier. People who make more money live in homes that are so huge they can't even find the bathroom. It's never about how much money you make. It's about what you do with the money you have. Always, always, always.

**WJD:** What are the three biggest mistakes people make when they manage, or mismanage, their money?

**SO:** They don't have a will and a revocable trust, they hold insurance in the wrong name and they get into credit card debt. They don't understand the ramifications of the FICO credit score on every part of their life. Other mistakes: they buy bond funds instead of bonds, they don't understand how their financial advisors are truthfully charging them, they don't take the time to check their credit card statements, they're being charged fees that they don't even have a clue about.

**WJD:** What is the most important thing about money you wish you had known when you were 20 years old?

**SO:** That money would never define who I am.

For a longer version of this interview, visit [www.worldjewishdigest.com](http://www.worldjewishdigest.com). **WJD**

*Mindy Schiller is the assistant editor of the World Jewish Digest.*

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### YOU HEARD IT HERE FIRST ...

In 1998, right after Suze Orman had published her second *New York Times* bestseller but before she had even set pen to paper on her third, she decided to call it "The Courage to be Rich." To this day she doesn't know what sold her on that title. But she does know that her publishers didn't like it—and also that she didn't care.

Around that time, she was back in her hometown of Chicago, thinking about, of all things, the *haftorah* portion from her bat mitzvah. What, she wondered, was the true translation of the Hebrew she chanted on that day? What did it really mean? Not one to ponder a question without receiving an answer, Orman picked up the phone and called her rabbi.

In her interview with *WJD*, Orman recalled telling the rabbi that she didn't want a "sermon" on the subject, just a one-line description of her *haftorah*. The rabbi responded: "Suze, with faith, integrity and courage, anything is possible."

Startled by his answer, Orman asked: "What was the last word you said?" And the rabbi said, "Courage, Suze, courage is the key."

Sure enough, in 1999, Orman published "The Courage to Be Rich: Creating a Life of Material and Spiritual Abundance," which went on to become her third bestselling book. For more on how Orman's Jewish upbringing influenced her career and life, see the full text of this interview at [www.worldjewishdigest.com](http://www.worldjewishdigest.com).

—Roben Kantor