

Episode 3 – The Socialist Outcast

Hi and welcome to Jenny-in-the-Corner-Office: Episode number three: The Socialist Outcast I'll be hosting today's podcast and all of the other ones... Who am I? I'm Jen Schell—an Investment Advisor with CIBC Wood Gundy.

Last week, we talked about all of the wonderful opportunities you can take advantage of and not to get down and under when things don't work out, because there is an opportunity every day. We also looked at healthy optimism and how overdosing on positivity can have some ill effects on your self-esteem. We explored ways to avoid self-destruction.

Also, I have a very exciting announcement to make: we got us some fan mail! As you are aware of my relationship with realism and embracing difficulty, if you took the time to write me a letter, I appreciate the engagement and accept this as fan mail. You're a fan in my books.

Thank you for the comments... good job and refreshing perspective were nice words to hear! You know who you are. The half a dozen or so individuals who called me a freak... you aren't wrong. I think I'm pretty Freakonomical too! Thanks guys and gals.

Thank you for the dissertations and mathematical proofs that mean nothing to me. I'm traumatized enough by having to calculate triangles in calculus class. I hope I never have to calculate another triangle again. Trianglephobia. I'm a trianglephobic.

OH! Oh my, I just got it, I'm so obtuse. My series is called Jenny in the Corner Office and you took it literally. That's really, really cute! I'm sorry for bashing your triangles, but this isn't a show about angles. It's about deep financial thought. But, remember people come in all shapes and sizes. So let's keep thinking outside of the box.

We don't give out PHDs on Jenny in the Corner office in finance yet, so save those for your University application and good luck in your studies.

Anyways, your fan mail is all appreciated. I am super flattered. In honour of your fan mail and for the sake of encouraging further innovation in fan-mail-dom, I will present our first ever winner of the letter of the month club.

Today's letter of the month is brought to you by Ruth Stevens. (Clapping)

(Rumple paper and open the letter)

Ruth Stevens writes:

Dear Jennifer, (so formal) I was looking forward to getting a female perspective on personal finance. I thought that there would be more nurturing and less greed. (eh, ok.) Unfortunately, I wasn't expecting to be converted into the world of capitalism. Are you trying to start a cult? Your voice is hypnotic and I am concerned that you may be brainwashing the public. I am by no means an anarchist. (No judgment here, Ruth.) I'm a working class citizen and a minimalist. In my world, caring is sharing. I believe in love and compassion. We are all one and I believe we should all share our land and that no person shall go hungry. We have abused our planet and we have abused our resources for the sake of profit. I was hoping that you would be sensitive to these things. Frankly, I am offended that you paint all people with socialist views as communists. It's insulting. I think you owe us an apology, but I will still follow your podcasts to see where you are headed all the same,

Be well,

Ruth Stevens

Thank you Ruth.

Ruth Stevens – what a clever gender neutral name. Kudos to your parents for giving you a good business name. I am not trying to start a cult and I am not going to apologize. Everyone has a right to their opinion, even if you don't agree. I am trying to break the habit of justifying everything I do to everyone, but I can't let this go.

Cults often assemble at “communes.” I just finished watching a few cult documentaries on Netflix. Cults often have communes as part of their organizational structure.

Commune... Communist. Do you see the link?

For additional insight, I went to www.diffen.com where you can compare anything to discern and decide— Communist leaders claim that there is “false consciousness” and that they need a Vanguard party to lead them or you will be lost. There’s paranoia about spies and traitors and people looking to do you harm. You need to rely on them as their fearless leader and if this sounds far-fetched, it isn’t. It’s an easy way to secure control of power-hungry dictators and before you know it, you are at the mercy of an overlord.

For those of you, not in the know, communism is based on the Communist Manifesto out of Germany. Mr. Marx and Mr. Engels teamed up to bring us this beauty.

I don’t love to pay taxes, but the graduated tax system seems to work and I believe in free public education, which is why I’m giving you these podcast episodes – for free! So, thank you Mr. Marx and Mr. Engels for these policy innovations!

Well, Ruth Stevens. I’m simply stating that we are living in a capitalist society and that we have to make the best of it. Thank you for saying that my voice is hypnotic, you have inspired me to perform a financial planning meditation! This will be airing on a future episode.

Capitalism lets individuals own their profit, whereas socialism distributes wealth according to contribution. I can see this leading to a lot of inner fighting. Would anyone be down for collective asset distribution? Besides, how many people in Toronto do you know of who would want to part with their real estate. Would you be willing to give up your house for the social welfare of Toronto residents? I think not. If you were to abide by a socialist system, you would not be able to leave your inheritance to your kids. It would all belong to the government.

The whole point of my job is to help protect people’s capital and to make sure that they have financial plans in place to ensure that their legacy is fulfilled.

Capitalism is about free choice, because you have to live with the consequences of your actions. It promotes accountability.

According to www.diffen.com – differences between capitalism vs. socialism, capitalists view war as wasteful because it diverts resources away from production which raises the standard of living of consumers vs. war which is destructive. Meanwhile, socialist philosophy claims that war is good for the economy and that it spurs production. Notice how most wars were started by government intervention – a key identifier of the socialist way of thinking. War is not cool.

In the West, we operate under a mostly Capitalist society with nuances of socialism for good measure. I spent a lot of time talking about this because it's at the foundation of our financial system and if you are going to play by the rules and win, you need to understand how to play the game. Don't let your opponents defeat you with their propaganda and shame you for trying to make it in this world.

Now, it's story time. Let me tell you about the story of Mrs. Prada – or Dr. Prada – because she has a PHD in philosophy from the University of Milan. Miuccia Bianchi Prada is an Italian [billionaire](#) fashion designer and businesswoman. She is the head designer of [Prada](#) and the founder of its subsidiary [Miu Miu](#).^[1]

Early in her career, she trained at the [Teatro Piccolo](#) to become a [mime](#) and performed for five years.^[9] She was a member of the [Italian Communist Party](#) and involved in the [women's rights](#) movement during the seventies in [Milan](#). In 1978 she entered into her family's business of manufacturing luxury leather bags, a company established by her grandfather in 1913. The youngest granddaughter of [Mario Prada](#), she took over the family-owned luxury goods manufacturer in 1978.

In 2014 she was listed as the 75th most powerful woman in the world by [Forbes](#).^[4] As of 2014, she had an estimated net worth of \$11.1 billion.^[5] As of September 2017, she had an estimated net worth of \$2.7 billion.

Ruth and listeners, could you imagine a world without Prada? Going further, could you imagine a world without the internet, plane travel to far off destinations, video-games, libations and winter clothing?

Who even wants to go there?

So, no, I am not trying to start a cult... Quite the opposite, I'm trying to encourage critical thinking of our current financial system and the world we live in. Being an employee is great and it's relatively secure, but if you take the risk to start a company, the beauty of living today is that innovation is still encouraged and you can disrupt industries and corporations that are no longer servicing the wellbeing of the customer. The consumer voice is stronger than ever and people vote with their dollars and buy goods that provide them with value, eliminating obsolete industries, naturally.

Now that you have a role model to help build your business empire, I thought it would be a good time to introduce you to some business tips and tricks. I will be having John Hotson as a special guest who can tell you how to transition your business into a family empire like my favourite business woman Muccia Prada did.

So what can you expect in future episodes? Lots of Fun-ance. Fun, Fun, Funance will continue with a meditation on financial planning. Unlike my other podcast episodes, this one will be serious. It will be about contemplation and relaxation.

This episode will be dedicated to providing you with a Mindfulness Meditation for Financial Planning. Since I know that most of my listeners are hyper achievers, you will want to take notes as you go along. I encourage you to just listen and to jot down notes later. You can always play it back. I also have a Comprehensive Factfinder Financial Planning Tracker that you can use once you're motivated to gather the inputs you need to proceed with the financial planning process.

You need to look after yourself and take care of your own wellbeing before looking after others. I hate to bring up a drastic example, but when you are on an airplane and they read out the emergency protocol, they tell you that if the pressure cabin drops, to put on your air mask before assisting others. Don't wait for an emergency to put look after your needs. Financial planning is extremely important, but a lot of the time, it gets put on the backburner. I think the cause is because there is paperwork and homework to do.

We do so much work in our average work day, that we are too tired to put the work into ourselves. We'll give everything we have to our employer, but when it comes to self-care, we neglect ourselves.

Before you get to any destination, you need a starting point. I will break down the net worth calculation and all of its components so that you can see where you stand and you can sing about it. Everyone is singing and rapping about Net Worth. What's your net worth?

So on that mindful note, I will let you go to be one with the cash flow.

Your feedback is appreciated, so if you need to reach me, please e-mail me at Jennifer.schell@cibc.com. That is Jennifer.schell@cibc.com . Thank you for tuning in! And if you feel so inclined, please follow me on Facebook at JenniferSchellWG. That's JenniferSchellWG.

- 1) https://www.diffen.com/difference/Capitalism_vs_Socialism
 - 2) Dana Thomas, *Deluxe*, How Luxury Lost Its Luster New York: Penguin Press, 2007
1. ^ **Jump up to:**^{a b} Dana Thomas, *Deluxe*, New York: Penguin Press, 2007, page 65

CIBC Wood Gundy is most appropriate for individuals with household investable assets of \$250,000.

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