

# Retirement calls for values reassessment



## Money Matters

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I thought I would start the year with a philosophical article that poses the question, When is enough enough?

Establishing if you have enough for retirement is a simple exercise of figuring out the income you need to fund your lifestyle, and then calculating the capital required in supporting this income using an expected rate of return, which is governed by your risk/return tolerance.

It sounds like quite a mouthful, but it is actually rather straightforward, which is why I think there may be more to the question “do I have enough for retirement” than initially meets the eye.

A good starting point may be the favourite question of holistic financial planners: What

does money mean to you? What is the definition of wealthy? Is it the World Bank’s classification for high-net-worth-individuals (HNWI) of US\$1 million?

A friend of mine, who has had his fair exposure to wealthy individuals, believes wealth is a state of mind. This seems to endorse my personal client experience, where I have been asked the same question – do I have enough? – by clients with very little and those with fortunes that they will not spend in three lifetimes.

The answer to the question is certainly not an arbitrary number based on a simple calculation, but something more.

So maybe the question is not “do I have enough”, but rather “what does money mean to me?” Answering this question may unshackle you from a lifetime of financial slavery exploited by consumerism and the need to keep up with the Joneses.

The person who earns more than he spends and is content with his life is wealthier than the rich man who feels poor and will never be satisfied. “Enough” is not a number, it is a decision.

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