

TWO ENGLISH MUGS PODCAST

Psychology of Money for English Learners

Episode 22 · Full Transcription

Emma & Josh

B1 Intermediate

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- **JOSH:** Hey, you! Your salary arrives, you feel rich, and a few weeks later, it's gone. Where did it all go?
- **EMMA:** uh you're not bad with money. Something sneaky is happening to almost everyone.
- **JOSH:** Today, we'll show you where it goes and how to keep more of it in a simple English conversation. And stay to the end for some great money phrases. But first...
- **EMMA:** Hello, and welcome to Two English Mugs, where we learn English through real, everyday conversations. I'm Emma.
- **JOSH:** And I'm Josh. Hi, everyone!
- **EMMA:** So, Josh, remember the question at the start? Where did all the money go? Well, the answer is money traps, and that's today's episode.
- **JOSH:** Money traps? Like a mousetrap, but for my wallet?
- **EMMA:** Kinda. Money trap, good phrase. It means a little habit that eats your money, like a leak you can't see.
- **JOSH:** So, it's little habits that eat our money, right? Then I know one. Uh, last week at midnight, I bought a blender. It was a total impulse buy, and my thumb was f
- **EMMA:** And is it still in the box? Because I'm no better. Every Sunday, I open my banking app, I see the number, and I close it again.
- **JOSH:** It is still in the box, a very nice box, so we are both in trouble.
- **EMMA:** Which is perfect for today. Here's the plan: 3 traps, some easy tips, and our favorite words at the end. And we got the idea from a book, The Psychology of Money
- **JOSH:** Psychology? Big word. Psychology?
- **EMMA:** It means how our minds work, how we think and feel. So the book is about how we act with money. It is not really about maths.
- **JOSH:** So it's about my brain and money, right? Oh, good, because I am honestly terrible at maths.
- **EMMA:** We know.
- **JOSH:** Rude.
- **EMMA:** Quick note before we start. This episode is for B1 learners, so that is intermediate level.
- **JOSH:** Like me!
- **EMMA:** huh like you! And maybe you're listening in the supermarket queue right now. Your basket is full of things you did not plan to buy.
- **JOSH:** Hey, that's my basket!
- **EMMA:** Or you're on the bus scrolling a shopping app with 17 things in the cart, and you keep telling yourself, I'm just looking.

● **JOSH:** Just looking? For 3 weeks?

● **EMMA:** Or maybe you're at home doing the washing up, and the doorbell rings. Another little parcel you forgot you ordered.

● **JOSH:** Don't judge me, it was on sale! But hey, wherever you are, you don't need to catch every word. That's fine.

● **EMMA:** Exactly! We explain the tricky words as we go, so there is no need to pause. Just relax and enjoy it.

● **JOSH:** Relax, like Emma does when she closes her banking app.

● **EMMA:** Yes, exactly like that. That's one way to listen. Next time, open the full PDF transcription in the episode description, read along, and say the phrases out loud.

● **JOSH:** And if you're enjoying this, uh a little like or subscribe really helps. Because if you don't, Emma looks at the numbers and sighs very loudly.

● **EMMA:** I do not. Okay, maybe a little bit.

● **JOSH:** Okay, important question first. Are we qualified to talk about money?

● **EMMA:** absolutely not. We are not money experts, so this is just 2 friends chatting and it is not advice.

● **JOSH:** If you want real advice, Please talk to a real professional, not 2 people with a blender in a box.

● **EMMA:** okay, disclaimer done. Now imagine you're filling a bath. The water coming in is your salary.

● **JOSH:** Lovely, a warm bath full of money!

● **EMMA:** But the plug is not in properly, so some water leaks out. That leak is your spending.

● **JOSH:** Then I'll just earn uh more and turn the tap up?

● **EMMA:** That's what lots of people think. But at the same time, the hole gets bigger.

● **JOSH:** Oh no! Then the bath never fills up, does it?

● **EMMA:** Exactly! And that's the trap. It is not about how much money comes in. It is about how much stays.

● **JOSH:** Huh. So, I don't need a bigger tap. I need a better plug.

● **EMMA:** That's actually beautiful, Josh. Put it on a t-shirt.

● **EMMA:** Okay, the first trap has a fancy name. It is called lifestyle inflation.

● **JOSH:** Lifestyle inflation? That sounds scary. Is it like a balloon?

● **EMMA:** Yes, a bit like a balloon. It means you earn more, so the way you live gets more expensive too. Your spending grows and grows.

● **JOSH:** So, you earn more, and you spend more, right? Oh, I know this one. 2 years ago, I got a pay rise.

● **EMMA:** Ooh, more money for the same job?

● **JOSH:** Exactly! So I thought, Josh, you deserve something nice. I started buying fancy coffee every single morning. It had oat milk and a little heart on the top.

● **EMMA:** Oh, Josh! And after a few months?

● **JOSH:** I checked my account. I had less money than before the pay rise.

● **EMMA:** You had what? Less money than before?

● **JOSH:** Less, yes. The whole pay rise went into coffee huts.

● **EMMA:** That's lifestyle inflation in one story. But there's a good side too. If you work hard, enjoy some of it.

● **JOSH:** Treat yourself.

● **EMMA:** Yes, treat yourself. The problem is when every treat becomes normal, then the fancy coffee isn't a treat anymore. It's just Tuesday.

● **JOSH:** My coffee became Tuesday and Wednesday and Thursday.

● **EMMA:** And that brings us to trap number 2: comparing ourselves to others.

● **JOSH:** Ah, yes. My neighbor has a boat, a really big boat, and I don't even like boats. I get seasick in the bath.

● **EMMA:** seasick in the bath?

● **JOSH:** Tiny waves, you know? Very dangerous.

● **EMMA:** Okay, now my confession. Last year, my friend Sarah decorated her living room, and it was beautiful. So I went home, and my old sofa suddenly looked, um, um rea

● **JOSH:** Oh no, please tell me you didn't.

● **EMMA:** I did! I bought a really big, really expensive one. I splurged.

● **JOSH:** Splurged. Good word. Splurged.

● **EMMA:** It means you spend a lot of money on something nice, usually something you don't really need.

● **JOSH:** Spending a lot all at once, right? So was the sofa nice at least?

● **EMMA:** Well, it was very nice in the shop, then it didn't fit through the door.

● **JOSH:** It didn't what?

● **EMMA:** So we took the door off. Now it sits corner to corner, sort of sideways, and Sarah never even saw it.

● **JOSH:** A sideways sofa, and nobody saw it!

● **EMMA:** And that connects to an idea from the book. Housel calls it the man-in-the-car paradox.

● **JOSH:** Paradox. Is that 2 doctors?

● **EMMA:** No, not 2 doctors. Paradox. Good word. It means something that sounds wrong but is actually true. Like a little puzzle.

- **JOSH:** So it sounds wrong, but it's true, right? Okay, go on.
- **EMMA:** Imagine someone drives past in an amazing car. Do you think, wow, that driver is so cool?
- **JOSH:** Mm, no. I think, wow, if I had that car, people would think I'm cool.
- **EMMA:** Exactly! You don't think about the driver at all. You think about yourself.
- **JOSH:** So when I show off, nobody is looking at me?
- **EMMA:** Nobody. Show off, by the way, it means to try to look cool. And nobody's looking at you. They're looking at the car, imagining themselves in it.
- **JOSH:** Huh, that's kind of freeing, actually.
- **EMMA:** Now, comparing has a good side too. If your friend goes running every morning, maybe you start running too. But it never ends. There's always someone with a big
- **JOSH:** A bigger boat.
- **EMMA:** A bigger boat. Housel says it's like a goal that keeps moving. The hard part is to make it stop and just say, okay, this is enough.
- **JOSH:** Enough. Wow. That's a word I never use when I'm shopping.
- **EMMA:** I know. Trap number 3 is short-term versus long-term thinking. Short-term is now. Long-term is years from now. And Housel has a great example. Warren Buffett, o
- **JOSH:** Wait, really? That late?
- **EMMA:** Really! And the secret was time. He started as a teenager, and he kept going.
- **JOSH:** When I was a teenager, I spent my money on hair gel. Huh. Huh
- **EMMA:** And where is that hair gel now?
- **JOSH:** Gone. Like my hair.
- **EMMA:** His money grew, and then that new money grew too. It's like a snowball. You roll a tiny snowball down a hill,
- **JOSH:** And it gets bigger and bigger.
- **EMMA:** Exactly! Housel's big point is that time does a lot of the work. In the long run, small things really add up.
- **JOSH:** In the long run? So when I'm running? Like jogging?
- **EMMA:** No, it means over a long time. When you look at many years together. Not one day. The whole long road.
- **JOSH:** So, years, not days, right?
- **EMMA:** Exactly! But short-term has a good side too. If you only think about the future, you become the richest, most boring person at the party.
- **JOSH:** On a sideways sofa.
- **EMMA:** Okay, quick recap before we move on. Trap 1?

● **JOSH:** Lifestyle inflation. So you earn more and spend more. Coffee hearts.

● **EMMA:** Yep. Trap 2?

● **JOSH:** Comparing and my neighbor's big boat.

● **EMMA:** Close enough. And what was trap 3?

● **JOSH:** Short-term thinking and the secret is to be old.

● **EMMA:** No. Uh Time does the work. You don't have to be old.

● **JOSH:** Fine, fine. And I get old anyway.

● **EMMA:** Okay, but why do we do this? The book says something really kind: nobody is crazy with money.

● **JOSH:** Really? I mean, have you seen your banking app lately?

● **EMMA:** I mean, well, we all make choices based on our own life, our own experiences. If you grew up with very little money, maybe you are scared to spend. And if you g

● **JOSH:** That makes sense. My grandma grew up with very little, and she saves everything— plastic bags, bread bags. She has a bag full of bags.

● **EMMA:** A bag of bags. There's another idea in the book that I love. Housel says more or less that your savings are the gap between your Ego and your income.

● **JOSH:** Ego? Like Lego?

● **EMMA:** Not Lego. Ego. It means the little voice inside you that says, look at me, I am important. Your pride, basically.

● **JOSH:** So it's my look-at-me voice, right? Oh no, so my ego bought the coffee hearts.

● **EMMA:** We know, and the more your ego wants, The less you keep.

● **JOSH:** Ouch. Fair, though.

● **EMMA:** And spending feels good right away. But the party is short, and then there's guilt, like a stone in your stomach.

● **JOSH:** Oh, I know that stone. The blender is still in its box, and it looks at me.

● **EMMA:** And lots of people feel um stress or even shame about money, so they avoid it. They close the app.

● **JOSH:** Like you!

● **EMMA:** Like me. Guilty. But here's the nice part. Housel says the best thing money can buy is control over your time.

● **JOSH:** How does that work?

● **EMMA:** With some savings, you can say no to a job you hate, or you can take a break when you are sick.

● **JOSH:** Better than the coffee heart?

- **EMMA:** Better than the coffee heart. Okay, everyone, finish this sentence in the comments. The thing I always spend too much money on is... One short sentence is enough
- **JOSH:** Mine is very easy. It's things I see at midnight.
- **EMMA:** And mine is furniture that doesn't fit.
- **EMMA:** Now for some simple tips. And again, we are not experts.
- **JOSH:** We are definitely experts in mistakes, so that's something.
- **EMMA:** Very true. Tip 1 isn't from the book, it's an old saying: pay yourself first.
- **JOSH:** Pay my— wait, so I give myself money from my own pocket?
- **EMMA:** Sort of. On payday, you move a little money into savings straight away, before you can spend it. It's the plug in the bath.
- **JOSH:** So my money is safe before my thumb finds it.
- **EMMA:** Exactly. Okay, tip 2 is save for a rainy day.
- **JOSH:** Save for a rainy day? So I only save when it rains? I live in England, so I'll be rich.
- **EMMA:** No, it is not about the weather. It means you keep some money for bad days, like when your car breaks or your phone dies.
- **JOSH:** Ah, bad days, not wet days. Money for problems later, right?
- **EMMA:** Right. Tip 3: Stop comparing. Remember the man in the car? Nobody is looking at you.
- **JOSH:** And nobody is looking at your sofa.
- **EMMA:** uh Nobody can even sit on my sofa. Tip 4 is balance. Don't be too tight with money. If you save so much that you never enjoy life, That's another trap.
- **JOSH:** Keep the treats, then. Just make 'em real treats again.
- **EMMA:** Exactly! A coffee with a heart on Friday is lovely, but every day? Then it is not a treat anymore.
- **JOSH:** Friday hearts only. Got it.
- **EMMA:** Okay, before we go, uh let's wind things down with our vocab unwind.
- **JOSH:** My favorite part! Okay, so my pick is Impulse buy. It means you buy something suddenly, with no plan. Your hand grabs it before your brain wakes up.
- **EMMA:** That's a good picture— example.
- **JOSH:** You could say, those sunglasses at the petrol station were uh a total impulse buy. And it was raining— perfect sunglasses weather!
- **EMMA:** A rainy-day impulse buy. Okay, say it with us. And if you're standing in a shop right now, just whisper it: impulse buy.
- **JOSH:** Impulse buy. Lovely.
- **EMMA:** Okay, mine is splurge. Remember the sofa word? Lots of money, something nice, your wallet opens really wide. You could say, we splurged on a really nice hotel f

- **JOSH:** That's a nice splurge, not a sideways splurge. Say it with us: splurge!
- **EMMA:** Splurge! It's such a fun word to say.
- **JOSH:** My next one is treat yourself. It means you do something nice for yourself, a little reward. You could say, I finished my exams, so I treated myself to a really
- **EMMA:** A nap is the best treat, and it's free!
- **JOSH:** The cheapest treat in the world.
- **EMMA:** Okay, so my next useful word is in the long run. Years, not days. Like a marathon, not a quick race. You could say, learning new words feels slow, but in the lo
- **JOSH:** Good one. And the last one is save for a rainy day. It means keeping money for problems later, like an umbrella by the door.
- **EMMA:** My dad always kept some cash in a kitchen drawer. He was saving for a rainy day.
- **JOSH:** Smart dad! Okay, everyone, say it with us with feeling. Save for a rainy day.
- **EMMA:** Very dramatic. And if you missed a word today, no problem. Just play this part again.
- **JOSH:** It's free. Unlimited rewinds.
- **EMMA:** And now, our phrase glow-up. Lots of learner sentences are correct, but a bit flat, so we glow them up to sound more like a native speaker.
- **JOSH:** Like my coffee, but with the heart on top!
- **EMMA:** exactly!
- **JOSH:** Okay, first one, the flat version is, I have no money at the end of the month.
- **EMMA:** let's glow it up. I'm always broke by the end of the month.
- **JOSH:** Broke, so like a broken wallet.
- **EMMA:** Kind of. Broke just means you've got no money left. You could say, can we go out next week? I'm broke till payday. It's casual, so use it with friends.
- **JOSH:** If your mouth is full of cheap pasta right now, just say it in your head. I'm always broke by the end of the month.
- **EMMA:** Very good. And very broke. Okay, the next one is, I want to spend less money. That's flat, so we say, I need to cut back.
- **JOSH:** Cut back? Like cutting a tree?
- **EMMA:** uh A bit, yes. Cut back, it means you spend or use less. You could say, I'm trying to cut back on takeaways. It's fine at work or with friends.
- **JOSH:** Got it!
- **EMMA:** I need to cut back.
- **JOSH:** I need to cut back on blenders.
- **EMMA:** You have one blender, Josh.
- **JOSH:** One is enough to cut back on.

● **EMMA:** The next one is, that was very expensive. It's flat, so try this: that cost an arm and a leg.

● **JOSH:** That's horrible! Who pays with an arm?

● **EMMA:** uh Nobody! It just means it was really expensive. You could say, Fixing my car cost an arm and a leg. Use it when the price hurt.

● **JOSH:** Like my sofa, it cost an arm and a leg, and now nobody can sit on her.

● **EMMA:** That's my sofa.

● **JOSH:** Sorry, your sideways sofa? Okay, last one. The flat version is, I can't pay for this, it's too expensive for me. Glowed up, it's, It's a bit out of my price ran

● **EMMA:** Lovely! And it's polite too. Price range. It means the prices you can pay, from low up to your top price. Like, that flat is beautiful, but it's a bit out of my

● **JOSH:** My neighbor's boat is out of my price range, sadly.

● **EMMA:** Well, That boat is too expensive for everyone, Josh.

● **EMMA:** Okay, quick summary. First, it is not about how much money comes in. It is about how much stays. Fix the plug, not just the tap.

● **JOSH:** Second, stop comparing because nobody is looking at you. They are looking at the car.

● **EMMA:** And third, think long-term. Build small habits And keep a few real treats.

● **JOSH:** Friday hearts only.

● **EMMA:** Now, if you enjoyed this, please hit like. It really keeps this little podcast alive.

● **JOSH:** And share it with a friend who is learning English. They'll thank you.

● **EMMA:** And please subscribe, because if you don't, uh uh, Josh gets sad. And when Josh is sad, he watches videos at midnight.

● **JOSH:** And you know what happens then? Another blender.

● **EMMA:** And don't forget our sentence: The thing I always spend too much money on is... Tell us yours down in the comments.

● **JOSH:** I cut back on streaming services.

● **EMMA:** uh We know. And hey, if you've stayed with us all the way to the end...

● **JOSH:** We're really proud of you. Give yourself a gold star.

● **EMMA:** Or a nap. And Josh, this week, please open the blender.

● **JOSH:** I will. I'll make a smoothie and it will change my life.

● **EMMA:** We'll see. Cheers. Keep going and keep growing.

● **JOSH:** Bye, everyone.

Vocab Unwind

5 key words and phrases from this episode

#	WORD	MEANING	ANALOGY	EXAMPLE
1	impulse buy	Buying something suddenly, with no plan.	Your hand grabs it before your brain wakes up.	<i>Those sunglasses at the petrol station were a total impulse buy.</i>
2	splurge	To spend a lot of money on something nice you don't really need.	Your wallet opens really wide.	<i>We splurged on a really nice hotel for our anniversary.</i>
3	treat yourself	To do something nice for yourself as a little reward.	A nap is the best treat, and it's free.	<i>I finished my exams, so I treated myself to a really long nap.</i>
4	in the long run	Over a long time — years, not days.	Like a marathon, not a quick race.	<i>Learning new words feels slow, but in the long run, it really helps.</i>
5	save for a rainy day	To keep money for problems later.	Like an umbrella by the door.	<i>My dad always kept some cash in a kitchen drawer — he was saving for a rainy day.</i>