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Balance and Freedom

Why you can't save your way to major life goals



A publication on savings, income, and months of freedom

Balance and Freedom
Why you can't save your way to big life goals

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PREFACE

Two paths, one life

If you find that your current money is not enough for the life you want to live, you essentially have two main options: **reduce expenses** or **increase income**. Both paths can help. But their long-term impact is very different.

> **Savings work with what I already have.**
> **A higher income increases what**
> **I can work with.**

This book is not about discipline or motivation. It's about simple math that most people never calculate to the end. It's about where meaningful saving ends and the quiet lowering of one's own standard of living begins. And it's about why the same life goal can take one person three years and another almost thirty.

At the end, you'll find exactly what we at YVYL calculate for every user: how many months of freedom they currently own, how far they are from their goal, and what impact each of the two paths will have on this number.

CHAPTER 1

Two Pans of a Scale



Imagine a scale balanced on a rocky peak. On one side lies what you put into your life today: dwindling time, hours at the computer, the gears of obligation, a drained battery, and a big question mark over whether it will be enough in the end. On the other side of the scale is the life you want to live: a safe home, a car that takes you where you need to go, health and vitality, a smile, time for family, travel, and a reserve that lets you sleep soundly.



The scales of life. On the left scale: time, exhaustion, and uncertainty. On the right: home, health, family, travel, and a peaceful reserve.

On the other side of the scale is the life you want to live: a safe home, a car that takes you where you need to go, health and vitality, a smile, time for family, travel, and a reserve that lets you sleep soundly.

And now for the essential part. When the scales don't balance, most people take an intuitive step: **they start taking things off the right-hand pan**. They postpone a vacation, cancel their children's activities, swap quality food for cheaper alternatives, and stop going for coffee with friends. The scales do balance — but only because the right side got smaller.

> **You don't balance your dreams by shrinking them.**

The right answer is different: change what's on the left side of the scale. Don't add more hours of sold time, but add something with leverage—a skill, value, your own source of income.

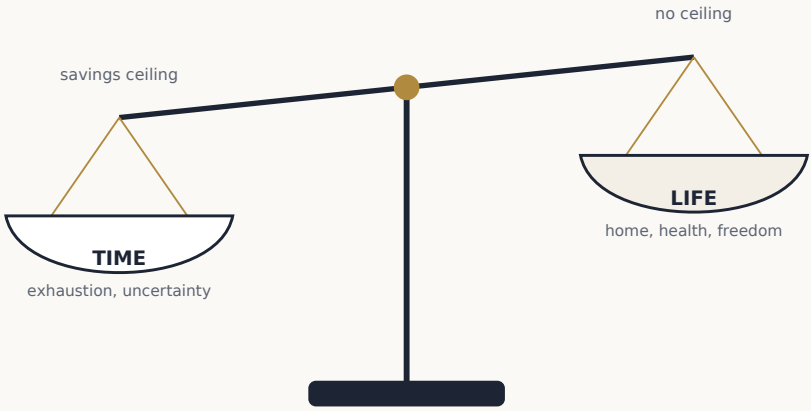


Diagram of the whole book: savings hit a ceiling, income has no ceiling.

CHAPTER 2

The Trap of Perpetual Saving

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Savings have one major advantage: you can start with them almost immediately. You review your expenses, cancel unnecessary services, start comparing prices, curb impulsive purchases, and eliminate financial waste. This is sensible and often necessary.

The problem arises when saving becomes the **main strategy for achieving major life goals**.

Where the line is

Imagine a person who earns $1,800 a month and their normal life costs $1,575. They have $225 left over. If they start saving significantly, they might reduce their expenses to $1,350. Suddenly, they have $450. That's a significant improvement.

But there is a natural limit. You cannot reduce your expenses to zero. You have to live somewhere, eat, dress, travel, and function.

> **Savings have a lower limit.**
> **Income, in theory, has no fixed upper limit.**

When you're no longer saving money

There is a big difference between **eliminating unnecessary expenses** and **lowering your standard of living**. If you stop paying for three services you don't use, the quality of your life will barely change. But the next phase of saving means:

— cheaper food instead of higher-quality food,
— worse housing or a smaller apartment,
— an older car,
— less travel,
— fewer restaurants and cultural activities,
— cutting back on hobbies,
— limiting education,
— postponing healthcare,
— less time with family, if one does everything themselves or travels for cheaper services.

At a certain point,
you're no longer saving money,
but lowering your standard of living.
And that is a fundamental difference.

CHAPTER 3

The Path of Value and Income

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The second option, instead of further cutting expenses, is to ask a different question:

“What can I do to make my work, knowledge, business, or capital more valuable?”

This could be, for example, a job change, higher qualifications, starting a business, an additional income, commissions, investments, selling services, creating a product, or a combination of multiple income streams.

The downside is that increasing your income usually isn't immediate. It requires time, learning, work, changing habits, an initial investment, or accepting a certain degree of uncertainty. The advantage, however, is that **the potential is not limited by a person's current standard of living**.

Two questions, two ways of life

SAVINGS ASK	INCOME ASKS
“What in my life am I willing to give up to have more money?”	*“How can I create more value to afford the life I want?”*

Neither question is wrong in itself. But they lead to very different ways of life — and to a very different speed at which a person gets where they want to go.

Goals You Can't Save Your Way To

Let's imagine a person with an income of $1,575 who desires a lifestyle that requires $4,500 per month. They might be exceptionally disciplined and manage their money brilliantly. But through saving alone, they cannot sustainably finance a $4,500 lifestyle on a $1,575 income. **Mathematically, it's not possible.**

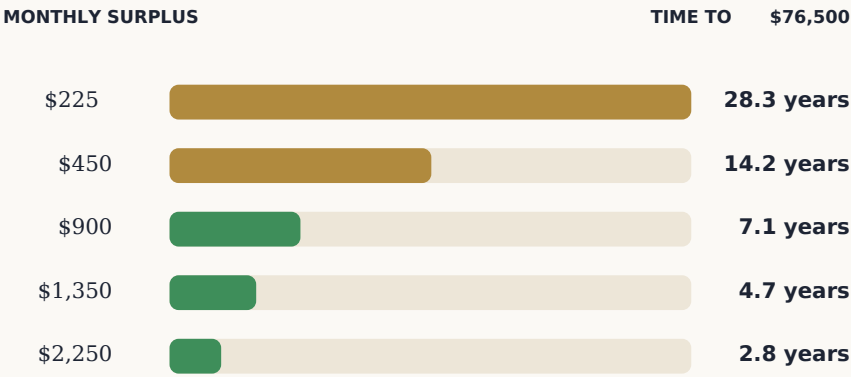
Therefore, if some goals are significantly above your current income level, optimizing expenses is not enough. You also need to change the **income side of the equation**.

CHAPTER 4

The Mathematics of Reality

The biggest difference between the two paths becomes apparent with specific life goals. Let's imagine that in a few years, a person wants to acquire:

Car	**$22,500**
Personal Funds for Housing	**$45,000**
Other goals and reserve	**$9,000**
Total to create	**$76,500**



Time to the goal of $76,500 according to the amount created monthly. Without accounting for returns, inflation, and price changes.

And this is where the essence of the problem lies. A person can have the **same goal**, but the path to it can take three years,

seven years, or almost thirty years — depending on how large a surplus they can create each month.

> **The difference between saving $225 and earning an extra $900 is 21 years of your life.**

Twenty-one years is not an accounting figure. It is the age of your children when you reach the goal. It is the health you will still have at that time. It is the number of years you will either live as you wish, or prepare for it.

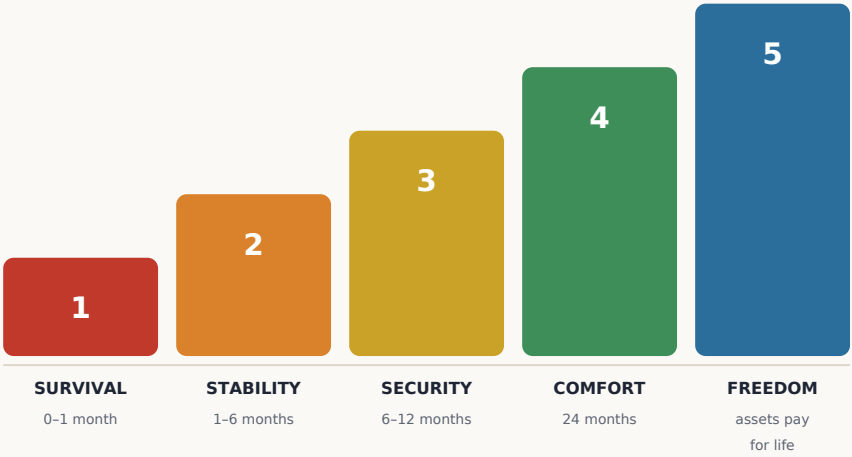
That's why it makes sense to ask not only 'how much will I save,' but more importantly, 'by how many years am I shortening my journey?' Every $45 per month has its price in the table above, expressed in time, not in dollars.

CHAPTER 5

The Architecture of Freedom

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Before you start changing anything, you need to know where you stand. That's why YVYL first measures one single number: how many months you would last if all your active income stopped today.



Five levels of financial freedom. The deciding factor is the number of months you can last without an income.

A level is not a judgment of a person. It is a starting point. Someone at the Survival level has a different first step than someone who already has a one-year reserve.

The Seven Decisive Indicators

A reserve alone is not enough. That's why we track at least seven separate indicators for each user.

AREA	WHAT YVYL MEASURES
Living expenses	How much does my current life cost?
Reserve	How many months can I last without an income?
Cash flow	How much do I really have left over each month?
Debt	How much it limits my freedom
Net worth	Assets minus liabilities
Retirement	Whether I will have funds even after I stop working
Independent income	How much of your life is financed by assets?

Only together do these numbers tell you if you're truly on your way, or just maintaining the status quo. Debt can wipe out an entire surplus. High living costs can empty even a decent reserve. And independent income is the only indicator that ultimately determines freedom.

CHAPTER 6

How many months of freedom do you own?

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This is the most interesting number in the entire system. YVYL shows it like this—in a model example:

YOUR CURRENT LIFE COSTS	AVAILABLE EMERGENCY RESERVE	YOUR FINANCIAL AUTONOMY
$3,030	**$21,210**	**7.0 months**

“If all your active income were to stop today, you could maintain your current standard of living for approximately seven months.”

Goal	**24 months**
Required emergency capital ($3,030 × 24) $72,720	
+ 15% safety reserve	**$10,908**
Overall goal	**$83,628**
Currently	**$21,210**
Shortfall	**$62,418**

The 'shortfall' number is the most important statement in all of personal finance. It's not a reproach. It is the task at hand. And from this moment on, it makes sense to talk about which path you want to take to fulfill it.

Also note how the goal is calculated: monthly expenses times the number of months you want to have covered, plus a fifteen-percent safety reserve for unexpected expenses and price increases. Those with higher living costs automatically have a higher goal — which is why both paths are always calculated together.

> **Until you know your number,**
> **you don't have a plan, you have a wish.**

CHAPTER 7

From Calculator to Decision

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And this is where YVYL should stop being just a calculator. It offers two main paths and immediately shows what each option will do to the **time needed to reach the goal**.

PATH A	PATH B
Reduce expenses	**Increase income**
A quick start, an immediate effect. But it hits a bottom limit — and after that, your standard of living drops, not just your expenses.	A slower start, it requires learning and time. But it has no ceiling and shortens the path to your goal by years.

How to proceed

In YVYL, the **Library of Possibilities** serves this purpose: an overview of proven programs with a clear calculation model, risk profile, time commitment, and step-by-step process. You choose based on how much time you have per week and what you are willing to do.

— First, you measure where you are: costs, reserve, debt, surplus.

— You name a specific goal and its amount.

— Choose your path — reducing costs, a new income, or both.

— The system and the AI Coach will calculate by how many months the goal will get closer.

— You proceed step by step and check the result once a week.

Registration and planning are free. Neither requires you to leave your current security. On the contrary—a new income is best built when you are not yet under pressure.

What to do first

You don't have to change anything right away. Just sit down once and calculate three numbers: how much your current life costs, how much you have available, and how much you really have left over each month. Most people have never seen these three numbers together.

> **Measure first. Decide later.**
> **Never the other way around.**

CONCLUSION

Main goal

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> **Separate your standard of living from the need to sell your time.**

Saving is a tool. It can clean up a budget, stop waste, and build an initial reserve. But it has never been and never will be the engine that gets you to a major life goal.

Don't cut back on your life. Expand what you have to work with.

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Calculate your months of freedom and choose your path.

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