

To invest is to vest in

We all want to invest successfully. What is the secret of successful investment? The word invest itself already tells the secret. To invest successfully is to vest in. When we have a passion on something, when we have a vested interest, we naturally excel at it.

Currently, the stock market is where many invest their wealth. Are ordinary people deeply vested in those companies on the stock market? Not really! For ordinary people, as small investors, stock market is there to provide liquidity, not vested interest. It is large investors who have vested interest in the stock market.

Historically, ordinary people rarely invested in the stock market. However, due to the higher and higher pension deductions and taxations, more and more people are forced to invest in where they don't have vested interest, the stock market. The high pension deductions and taxations also diminish our capacity to invest heavily in where we do have vested interest, our families and kids. With heavy taxation and heavy pension deductions, few families can afford to raise many kids.

The current tax systems and pensions systems force us to invest in where we don't have the vested interest and diminish our capacity to invest in where we do have the vested interest. There is a misalignment of investment resource and vested interest. This is why the fertility is so low. This is why our society is aging.

On a personal level, we may invest less energy in where we don't have vested interest, such as social media, and invest more energy in where we do have vested interest, such as our families and our friends. You might feel family life is too vested. You can divest from social media any time you want. But to invest well, you have to vest in.