

A Brief Overview of the Psychology of Money (within the Context of Marriage and Divorce)



By: [Anju D. Jessani, MBA, APM - Accredited Professional Mediator](#)

For almost all the couples I provide divorce mediation services to, ongoing quarrels and differences over money are frequently cited as one of the primary reasons for their marriage problems. I also find that couples are even more uncomfortable talking about their differences with regard to money than almost any other issue, including sexual dissatisfaction. For these reasons, I think it is worth exploring the psychology of money, both within the context of relationships and marriage, and in the context of the process of divorce.

We inherit money behaviors and attitudes from our families and other influential people in our lives. According to social learning theory, spending behaviors can be viewed as learned behavior that is passed from generation to generation. Some of these behaviors may be influenced by religious teachings or cultural norms.

According to psychologists D'Astous and Forties, spending behaviors and their patterns have been conceived as existing along a continuum running between two poles. One pole represents the "holding on" behaviors, or a preoccupation with the acquisition and hoarding of money while the other pole represents the obsessive spending of money:

Hoarders /Underspenders: According to Kaye, the author of *Credit, Cash and Codependency: The Money Connection*, hoarders live by the phrase, "But, I might need it someday." Many hoarders lived through the Depression, the Holocaust, or some other conflict where there were not sufficient funds to meet their family's needs. Underspenders represent the most extreme condition of hoarding where they may resist spending, even to their own detriment. They won't seek medical help when they are ill... they won't buy seasonal clothes to deal with the climate.

Compulsive Spenders: For people who are overspenders, often, possessions give them identity. Overspending can involve over-use of credit, or the need to spend money to create a mood change. Kaye says that "Buying is their only way to feel good. It is their fix." Spending works as a kind of anesthetic for the pain. Further, these people live in a debtor's prison of their own making. The very shame that torments them arising from their out-of-control spending is the same dynamic that compels them to do it again.

Within the context of a marriage, what can couples do to enhance communication and reduce conflict between each other? The first step could be to understand their spending behaviors and those of their spouse... i.e. to identify where their behaviors fall on the continuum between the two extremes of hoarding and spending. Each person should then evaluate how much of a problem they think their own spending is, and how much of a problem their spouse's problem is. With this as a starting point, they can start to examine why they have their particular attitudes towards money (e.g., did their parents spend in the same pattern), and what they can do together to reach peace with each other and also meet their longer-term financial goals.

One point to note, there are situations where both partners share a pattern of overspending and therefore don't perceive that there is a problem. However, as the couple starts to accumulate large amounts of debt, especially credit card debt, and neither party feels that they should be the one curbing their spending, marriage problems often surface.

For people with extreme hoarding or spending patterns, psychologists stress that recovery from is not unlike recovery from other substance abuse. This is not merely a "how to handle your money" issue. It must be integrated along with an improved sense of self-worth and self-esteem.

Separation and divorce can add a myriad of problems to couples with money issues. Two together still live more cheaply than one, just based on having one rental obligation rather than two. The additional stress of the marital situation can cause a party with a compulsion to hoard or to spend to gravitate to that pole for comfort. Another driving force can be the desire to punish the spouse who wants out of the marriage by making them pay. One of the suggestions I give separating couples is to open separate bank and credit accounts and have each person take responsibility for budgeting and managing their own expenses. This is often the first step in the necessary process of establishing independence and self-control.

Single, married, separated or divorced -- whatever your situation, it's worthwhile to do some self-searching to understand your attitudes towards money and how they impact your relationships. As Phil Laut indicates in his book *Money is My Friend*, money is a far more emotional topic than most people acknowledge. He goes on to say that "our state of mind affects the way we earn, spend and invest. Unless we deal with our unconscious attitudes, we will almost certainly sabotage our success."

