

DIVORCE-PROOF YOUR MARRIAGE!

*For Better, for Worse, for Richer, for Poorer . . .
Here's the Conversation Every Woman Should Have
Before Saying, 'I Do'*



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By Allison Acken, Ph.D.

"How could you do this to me?" her agonized husband asked. "You promised!" After much discussion in my office weeks earlier, this couple had set a spending limit, agreeing not to buy anything over \$200 without consulting each other first. So, what went wrong?

Before they had entered into what was a second marriage for both of them, George and Lisa had worked out a precise prenuptial agreement, but they didn't think to talk about spending and saving habits. Three years later, their very different money styles had strained their emotions to the breaking point. Recently, in her excitement to furnish their new home (and her unconscious anger at being limited by George's very conservative spending style), Lisa had bought not one but two items over their agreed-upon limit. Her husband was furious. Worse, he felt betrayed. The good news is that this couple is still talking. They both want to find a common

ground, and I think they will.

Helping couples define and develop their financial style within marriage is great work—thought-provoking and gratifying for me. It makes me wonder how my own marriage might have been different if my ex and I had talked about finances. Money wasn't the only problem. But we didn't discuss it at all

beforehand—or very much after we were married. And we had lots of feelings about it. I wanted to buy property; he didn't. We were both spenders, but on very different things. I won't begin to speak for him, but I know that I had many negative feelings about his choices. And then it was too late; we were past the point of talking about anything constructively.

To be fair, how many engaged couples do have serious discussions about money? In an informal poll, I found very few. Even for "reality TV's" *The Bachelor* on ABC this season, the nuts and bolts of finances were

way too real. Money's not the topic of conversation in most hot tubs. However, with the divorce rate still hovering around 50 percent and money at the top of the list as the cause of marital fights, it's not a big leap to hypothesize that a few good conversations about the subject early on might save some marriages.

Of those 50 percent of couples who divorce, approximately 75 percent will remarry. Which means that if you skip the money conversation the first time around, there's an excellent chance that you'll get another shot at it. Even within first marriages, it's never too late to deal with financial issues, if you're both willing to communicate and compromise. So, if you haven't taken the time to consider the meaning of the words "for richer, for poorer"—and to enrich your relationship by talking about the issues surrounding them—what are you waiting for?

Below are some tips for divorce-proofing your marriage, which I've developed in my years of counseling those who've run into marital money problems. The key points—talk it out and function as a team—will get you through most difficult patches in any marriage.

12 On-the-Money Marriage-Savers

Discuss! Discuss! Discuss! Learning to talk about money is the antidote to a lot of future struggles. Be as honest as you can with each other from the start. Men often feel pressure to be the expert. You're better off establishing right away that you will have some answers, and that he may have others; this is a partnership. Understand both the general principles about your individual approaches to money (conservative, impulsive, risky, etc.) and the tiny details—like how often you balance the checkbook or pay the bills. Have fun, laugh. Enjoy the experience of talking about money, about love, about your future together.

Impart your values to each other and set your goals for the future. What is really important to you? Is it buying property or buying jewelry? Do you think it is critical to

make donations to charity? Do you want a flashy new car, or are you the used-car type? How do you feel about spending or saving and debt? How much of a cushion do you need to feel safe? Where do you want to be in five years—or 25?

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When Julianna Walters, the young Director of Marketing for my Web site, www.womentalkmoney.com, was first engaged, she and her fiancé had a serious conversation about money. Her college sweetheart and husband-to-be, Joe, said to her, "We want to be the people who earn interest, not the people who pay interest." This simple but clear concept set the tone for their marital spending. Eight years later, they have three beautiful little girls and no debt.

Verify your credit report and his, too.

If you have never accessed your credit report, this is the perfect time to do it. You can see just where you stand. And you can pick up any errors that might appear; these errors do happen and can stop you from getting a home loan or other credit if you don't correct them. Repeat that process every year or so. And, just in case either of you is not being upfront about your debt, for whatever reason (embarrassment, fear, worry, shame), the credit report will keep you honest. If your betrothed refuses to share his credit report, it is a safe bet that something is very wrong. Pay attention.

Ponder the pros and cons of a prenuptial agreement. In any marriage where there is a discrepancy in resources, it at least needs to be discussed. Some financial planners are adamant about the need for prenuptials, particularly in second marriages. However, I wonder about the psychological impact. It might seem like the divorce is more important than the marriage. If you decide on a prenap, be sure you take care of each other's feelings in the process. →



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MARRIAGE & MONEY:

How Close Are You on Matters That Count?

When Joe talked to Julianna about earning rather than paying interest, it was a new concept to her. She had grown up in a family of spenders, but earning interest had instant appeal, and it was an easy choice for her to make. Not all discussions about money work so smoothly, but talking about money issues ahead of time may be one of the best ways to strengthen your marriage. Use this quiz as a conversation-starter.

What do you think of the following statements? Rate your agreement from 1 (strongly disagree) to 5 (strongly agree).

1	2	3	4	5
Strongly Disagree	Disagree	Not Sure	Agree	Strongly Agree

1. Sharing your financial issues (even previously held secrets) in open dialogue with your spouse is necessary for a financially healthy relationship. _____

2. No matter who earns the most money, each partner should have an equal say in financial decisions. _____

3. Saving at least 10 percent of income is absolutely necessary. _____

4. Marriage is a partnership in earnings, too. It is important for both spouses to generate income. _____

5. A full-time, stay-at-home parent is contributing as much to the family's income as the parent who brings in the paycheck. _____

6. If you and your spouse make a financial agreement (for instance, about spending, saving or budgeting), it's like a promise made, and both of you need to stick to it. _____

What's Your Score?

The higher your "score" on these items, the more ready you are for a financially divorce-proof marriage. If you have a preponderance of 3's, you probably haven't thought about these issues much. It's a good time to talk about them and form your opinion.

What's His Score?

Ask your fiancé or husband to take the quiz. Compare your overall scores and your ratings for each individual item. Talk about where you agree and disagree and why you feel the way you do.

How Divorce-Proof Is Your Marriage?

You will probably not be in perfect agreement (all 5's or all 2's), and that's okay. If your scores are very discrepant, you have a lot of talking to do. You can bet you'll get to know each other a lot better in the process. Some financial issues are easily ironed out before marriage, and some issues you will continue to work on throughout your marriage. There is a chance that one of these issues might be so crucial as to be a deal-breaker. If you run up against one of these big differences, it's time to seek professional help to see if you can work through it together before you set the wedding day.

Organize your accounts. Include debts, assets, insurance policies, and any necessary passwords into one binder so that either partner can access the information in an emergency.

Clarify who is responsible for what. Joan Lightfoot, a marriage and family therapist in Pacific Palisades, California, and veteran of a happy marriage of 30-plus years, says, "Never marry someone with the same

interest in money as you have." She thinks it takes two people with varying interests in different aspects of money management to make a marriage work smoothly. And she has a point: if both parties are focused on the high-tech stocks, but nobody is watching the day-to-day accounts, the imbalance can be a set-up for competition and blaming when something goes awry. Divvy up the tasks and make sure you keep your partner informed about what's going on.

Now is the time to talk about generating income, sharing expenses, and handling accounts. Are your expectations that there will be one or two incomes? Will you work full-time or part-time? How will lifespan issues, such as children or retirement, affect those expectations? Will you share expenses 50-50 or proportionately, based on income, and what feelings do those choices raise? Do you want joint accounts or separate, or some combination? The joy is in these details—if you both agree on the course of action.

Eliminate debt as soon as you possibly can. Iron out the good-debt, bad-debt wrinkles. A mortgage is often thought of as good debt, and if the property is appreciating at a healthy rate or generating income, that is a good thing. Credit-card debt, on the other hand, is mostly bad debt incurred for stuff and experiences that are past. Debt gets heavier and heavier over time and arguments about debt become more and more unpleasant.

Operate on a budget that makes sense to both of you. With a realistic plan, "budget" can be a friendly word. It can even leave a little money left over, if you do it right. But remember that his tickets to the game may be as important to him as your manicures are to you, so don't cancel out your spouse's items just because they don't make sense to you. Just keep this axiom in mind: live below your means.

Observe a spending limit. A lot of arguments can be avoided by deciding on a dollar amount above which you will not spend without consulting your spouse. Stick to it! The amount will differ for each couple, but the concept is important. Even

though that leather jacket is a great buy at 50 percent off, it can become a source of grief if it is above the limit. And here's the secret: if you are both out there spending like mad, unless there are unlimited funds, there will be hard feelings, not to mention hard times.

When you set your budget, remember that his tickets to the game may be as important to him as your manicures are to you, so don't cancel out his items just because they don't make sense to you.

Review your progress on a regular basis after the wedding. Plan on an interval (weekly, monthly, yearly) that works for you as a couple. Goals are made to be achieved, and then it's time to set new goals. Congratulate yourself on what is working. Introduce changes that make the unmet goals more attainable.

Respect each other's wishes. The whole point in having the divorce-proof conversation is to voice wishes, fears, and goals. Pay attention to what your partner is saying and treat your fiancé as well as you wish to be treated. Ongoing respect is a major factor in long-lived marriages.

Function as a team. A marriage is the ultimate two-person team and the goal is to win. Talk, talk, talk about what is working and what needs tweaking. You picked this person because you wanted a lifetime together. Go for the exceptional—and winning—marriage. And don't forget to take a break every once in a while to have a good time and to remember how much you love each other and why you are willing to join together in this bond called marriage. Talking about money can be fun, if you remember why you are doing it. □

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