

# The Romance of Money

by Caroline Overfield

What is the basis of a truly happy marriage? Romance? Communication? True love? It certainly isn't money, right?

Most people would agree that money isn't what makes a good marriage but, according to marriage counsellors, it is certainly a big factor in making a bad one.

The British relationship counselling service *Relate* found, in a 1998 survey, that money was the number one cause of arguments amongst couples in the UK. US counsellors agree that money is one of the major factors in many divorces. And it isn't just lack of money that causes problems.

Believe it or not your attitude to money is more important than how much you have. It may not be romantic, but with 50% of marriages ending in divorce, often due to financial difficulties, isn't it time we stopped whispering sweet nothings and started some straight talk about money?

Money is, for many people, the last great taboo subject. "We never talked about money before we got married," Jane, a teacher who has been married for five years, told us. "I didn't even know how much Dave made. We certainly didn't talk about who would pay the bills when we moved in together, or anything like that." Dave agrees: "It just didn't seem important to talk about money. It never even crossed my mind."

These attitudes aren't unusual; people in love rarely talk about money.

The myth of romantic love tells us we will meet someone, get married and live happily ever after. There's nothing in the fairy stories to tell us how to discuss our finances, or even that we need to. But your partner's attitude to money is probably one of the most important things you need to know about him or her.

Everyone has a unique attitude to money. Some people love it for what it can buy them; others see it as a source of security. Some people fear they will never have enough and others would hate to be rich. Your attitude to money depends on many things: how you were brought up, how much money you are used to having, whether you work hard for you money or are paid for what you love to do. Even your philosophy of life affects how you regard money. There are no right or wrong attitudes to money, each is valid in it's own way.

After they got married, Dave and Jane found they had very different attitudes to money. "He's a spender and I'm a saver," Jane explains. "At first it was very frustrating and we still get into lots of fights when he's broke at the end of the month and borrowing from me."

This is a very common problem. Most couples discuss their goals and dreams in life together, but they don't talk about their financial attitudes. They talk about where they would like to live, the sort of career they want, how many children they will have, etc.

Sharing the same goals in life is what brings many couples together, and many spend a lot of time (especially when dating or first married) discussing their hopes and dreams.

What most people fail to do, however, is plan how they will achieve their goals. They know where they are headed as a couple, but they have no road map of the shortest or surest route to their dreams.

This is where all that unromantic talk about money comes in. Not only how much you have, but also how much you will spend, save and invest.

Angela, a 35-year-old mother of three, told us, "Money wasn't an issue with us until the children were born. Then I suddenly found we were fighting about it all the time. My husband would spend \$100 on a night out with friends, and whilst it had never bothered me before it suddenly drove me crazy." Angela's husband couldn't see the problem; they were both working and he could afford his generosity. Angela explains, "Then one day we started talking about our hopes for the future and it was then a light bulb seemed to go on for my husband. We had always wanted to send our kids to college, and when I said his spending was jeopardising it, he seemed to get why I got so angry. It didn't stop all the fights but it helped."

Once Angela's husband saw why she was so concerned about his spending, he found it easier to try to curb it. They had agreed on the goal of sending all their children to college, but they had never before talked about how they were going to achieve it. As a spender Angela's husband didn't see a problem with treating his friends to nights out, whilst as a natural saver Angela worried about the future and the children's college funds.

Until they talked neither one understood the other's attitude to money. Knowing your partners attitude to money is key to avoiding disputes. A good question to ask your partner is: "What would you do if you won the lottery?" Would they spend the lot? Would they save all of it, put it into secure investments and live off the interest? Would they spend some and save some? And how different is their answer from the one you would have given?

Okay, so you're not likely to win the lottery. But once you are armed with knowledge about your spouse's financial personality, you are better equipped for all those day to day money issues that marriage is fraught with.

And if your partner's financial style is very different from your own? That isn't to say the relationship is doomed. Far from it. Knowing how the two of you view money and why will help you make the compromises necessary to stop fighting about it. No two relationships are alike, but there are some basic steps that everyone can take to help make money less of an issue.

### **First: Decide what your priorities are.**

This isn't about making a budget, although you need one if you're to manage your finances properly. This is about your dreams, your aspirations in life. How do you really want to live? Let yourself dream but also be realistic. This is about making choices. Would you rather have a vacation every year or a newer car? Would you rather have a

larger house, or more disposable income? Find some common ground where your dreams collide. These are your financial goals as a couple.

### **Second: Decide how you will meet your goals.**

As we heard from Angela, some wishy-washy phrase like "we have to save" really isn't clear enough. Saving means different things to different people. A natural spender might think saving means putting away money that happens to be left at the end of the month; a saver might scrimp on everything including groceries in order to save a little more. If you're saving, set a specific and reasonable amount you can both agree on. Decide how you will invest your savings and who will administer the money. You might want to get financial advice here, but the key is that you discuss it.

### **Third: Decide how to deal with everyday finances.**

Who will balance the checkbook, pay the bills, and make investment decisions? And what is the maximum each can spend without consulting the other?

### **Fourth: Will you have joint or separate accounts?**

For many couples, having separate accounts and a third household account is a method that works. Others prefer a joint account with a specific allowance each person can spend as they see fit. There are many different ways to organise your finances, but it is important that each partner have some money they are free to spend as recklessly as they see fit. This avoids countless arguments.

These four tips are just the start of your financial planning as a couple. The most important thing is to talk about money and your attitudes to it. Money isn't about dry financial planning, it is about how you will live your life, fulfil your dreams and remain in a happy relationship.

Still, don't think money is romantic? Well maybe it isn't, but it's a whole lot more romantic than divorce, which is where ignoring your money issues can help you wind up.

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