Coordinator  Thank you. You will be announced prior to asking your question.

One moment. Annie Tran, you may ask your question.

A. Tran  Can Susan repeat the Web site one more time?

S. Zimmerman  Oh, hi, this is Susan. The best one is go to

www.moneyrascals.com, and rascals by the way is spelled R-A-S-C-A-L-S. I’ve learned that there are spelling-challenged people

that misspell rascals sometimes.

A. Tran  Okay, thank you.

S. Zimmerman  You’re welcome.

O. Mellan  Can I jump in and just add my Web site to the mix? This is Olivia.

If people want to know more about my money personality types,

J. Walstedt: Thanks, Olivia. Operator, do we have another question? Carrie?

Coordinator: Instructions for asking a question.

O. Mellan: Sounds like somebody—this is Olivia—sounds like somebody did just press *1.

J. Walstedt: Yes, Carrie, do we have a question?

Coordinator: Alyssa Best, you may ask your question.

A. Best: Hi there, my name is Alyssa, and I’m a graduate student, and I work part-time in New Brunswick, New Jersey. I have—I’ve been living with my boyfriend for a couple of years and because I don’t have—I guess that you’d say I’m a money hoarder because I don’t have a lot of money to begin with because, being a student, the high cost of living in New Jersey. My boyfriend and I try to maintain a very egalitarian relationship, like even with, you know, the money aspect, where we try to split everything down the middle. To a certain extent, it gets—it can get a little bit extreme where sometimes we get hung-up on like, oh, I paid for the
groceries last time, you owe me now, and that kind of thing. So I’m just – you know, we’re both like really frugal with our money. I’m curious, since we have a similar money type, how that can get to be problematic, and if any of you have any suggestions about how two frugal people can kind of get over that, where we can sort of share things and not be hung-up on how much one person spent versus the other.

S. Zimmerman

Well, this is Susan, Alyssa, and I really appreciate your question because you know this is what happens with married couples too. Always what happens, for one thing, is that no matter what, even if you’re the same type, one of you will tend to be even more that way perhaps. So it’s like, who’s the real champion hoarder or stasher of our couple?

So one of the things that I’ve found--and I do a lot of consulting with blended families, and those dynamics can get very complicated. So it’s really helpful to ask the questions. So I appreciate your question. One of the main points that I would make is that it sounds like the best thing is if you can continue to talk about it and both identify what your main styles are and discuss boundaries for each other. Like, at what point does it become not so much about the money but about perhaps your own
individual definitions of fairness, or your own definition of power?
Because a lot of times those money dynamics that occur are more
about those questions than the actual dollars. Laying out
expectations if your outflow starts to get uneven, it’s always a
question, even with married couples.

A lot of times, especially with people who are in second marriages,
they want guidance on well who should pay for what when there’s
a difference in the incomes that are coming in? Because some
people have more black and white thinking, and they think well,
we should just split everything 50/50, but always it comes back to
the question of well let’s make sure we’ve talked about what is
fair.

Because if you’re both working equally hard, let’s say, that’s the
first question to ask. Are you both working equally hard? Then, to
some degree you can say in that case there’s an argument for
splitting your expenses proportionate to the amount of income
that’s coming in and seeing if you can look at it that way.
Otherwise, just agreeing maybe on a dollar amount over which you
do need to square it away and split it according to what you’ve
agreed. Is that helpful?
A. Best  Yes.

O. Mellan  I’ll add something to that. This is Olivia. I agree totally with Susan that couples will tend to polarize into oppositional modes even if they start out exactly the same type. So in this case, I call this – people have started to call this--Mellan’s Law. The two hoarders will fight for the super- hoarder role, and the other one will learn to spend by comparison, and then they’ll be called the spender in the relationship.

So, you know, I think it might be best to make – it’s normal that two hoarders will react exactly the way you say, of being a little around the nickel and diming side and not wanting to be cheated, and wanting things to be very fair and very equal. So if you want to get away from what you might consider pettiness about this, you might want to make some things more automatic.

Like, one thing you could do is you could make a list of agreed-upon “us expenses”. Either kick in the same amount or if you have a different amount money that you make, kick it in proportional to assets or income, as Susan said, if you both are working equally hard. Then just pay things from that joint account, or agree I’ll
always pay for this expense and you’ll always pay for that expense because they’re about the same amount.

I think making certain systems automatic can relieve some of the stress, but anyway you just have to know a therapy rule. When you’re tired or under stress, you’ll always revert to your oldest, most primitive dysfunctional mode. That’s what stress is about, and in those times you’ll argue about nickel and diming, and so it would be best to just back away from that and talk about it when you’re less stressed, if possible. So I’ll stop at that.

A. Best Thank you very much.

J. Walstedt Operator, do we have another question?

Coordinator Chandra Crain, you may ask your question.

C. Crain Hello, our question was, if in the situation where the woman makes more money than the male there’s inherent problems in that. How can that be handled?

O. Mellan This is Olivia. Talk about it, talk about it, talk about it when you’re not stressed out, in a very respectful, un-blaming,
vulnerable way. I mean, even the couples who say we have no trouble with this. I’ve heard women say, you know, I make a lot more money than my husband, and I’m a lot more famous than him, and he has absolutely no trouble with that, but would you please not mention it in your book.

The reason they say that is maybe they’re not even lying, maybe their husband doesn’t have any trouble with it, but other people will probably say to him, “Oh, how do you feel about that, how are you handling that?” By the third time somebody says that to him, he’ll start having trouble with it.

So I think these old societal attitudes die very hard. This attitude that somehow, men should take care of women, or somehow women making more says something bad about the man or something not so good about the woman even. It’s very complicated.

So talking about it is helpful, and one person called in when I was on the radio years ago, and she said she made twice as much as her husband, and they didn’t like to think about that, neither one of them liked to think about it. So she just kicked in – they figured out how much the monthly expenses were, and then she kicked in
twice as much. She kicked in, let’s say, a thousand; he kicked in $500; and they paid bills from there; and they didn’t have to be reminded of that all the time.

So sometimes, walking away from it and not being reminded is the way to go, but I think being able to talk about vulnerability, what it means to you, and really work yourself into a place where it’s okay that you make different amounts, that you contribute different things to the family in your own – or to the couple--in your own inimitable way, is really the way through this conflict.

J. Walstedt Anybody else have an answer to that?

S. Zimmerman This is Susan, and I would comment that, in the COOL/FOOL category of rules, really in our culture of origin—there is still that distorted lesson out there, a lot of beliefs, that the man should make more money than the woman. It isn’t just carried around in the heads of the man, or the men, but women have that expectation too. Yet a fourth of all women in dual income households do make more money than their counterpart husband. So, what I always suggest is start to just be conscious of that there was a cultural expectation in a different time that is no longer true. What your
income is, regardless of your gender, isn’t the definition of your human value.

When couples talk about that more, they get more okay with—in fact, just being conscious of some of those societal expectations that we didn’t even realize we were carrying around in our head really starts to free up the conflict areas that can happen in relationships. So that’s what I would suggest, like, Olivia, you said talk about it, talk about it. If you can throw in, oh, you know, that’s a COOL Rule. In our culture, we tend to carry around this belief that for some reason, the man is supposed to make more.

O. Mellan  It’s Olivia. I think what you said was really beautiful, Susan. I agree with you 100% about this, and getting beyond this attitude would really be good for all of us. It’s difficult. Old attitudes die slowly, more slowly than we would like.

K. Goodfriend  This is Karen. I’ll just add to what both Olivia and Susan said—this idea of communicating. I found that I’ve run into situations working with clients where when, before a couple even gets married, it may be that the woman has earned more money and has built more wealth. It’s often uncomfortable to bring up that whole subject of one having more wealth than the other, but from a
practical standpoint, it’s important to begin that before the marriage. It may even mean that there needs to be some legal agreement to get that all clarified—how it’s going to work.

I have found that when people actually have those conversations and deal with it, that there’s this tremendous sense of relief, and it works out very well for them. So this communication should start as early as possible.

J. Walstedt

I think that’s an excellent point, Karen. Are there other techniques that people can use besides talking, talking, talking about it?

People who have unequal incomes like that?

O. Mellan

It’s Olivia. One of the things I suggested is to make things automatic. To kick in to a joint fund, proportional to assets and income and then have it – then you pay everything from the fund. So you don’t have to be reminded every minute of this inequity that may be uncomfortable for both of you and take a while to get adjusted to.

J. Walstedt

You mean have a joint account and separate accounts too?
O. Mellan: Yes. Exactly right. I believe that all couples actually – I think it’s fine to keep all your money separate if that works for both people. I don’t think you have to merge. If anybody wants to merge, merging some money, proportional to assets and income, and paying agreed upon “us” expenses, “us” savings, “us” investing, lifting out of there and keeping the rest separate, is really the way to go. I think that’s the way to go.

C. Moore: I have one question. What about dominating personalities and how does that fit into the whole, trying to balance the equation?

O. Mellan: I have one thing to say about that. This is Olivia. You know, the research has shown, in terms of male/female differences, that if a man makes more than his wife – this is 1990’s research. I’m hoping it’s changed, but I have my doubts--that the man thinks he should have prime decision-making authority about how that money is spent, and if the woman makes more than her husband, she thinks it should be shared democratic decision-making. This is what the research shows. Actually, I read a similar study around gay men. One makes more; he thinks he should have prime decision-making authority. They both think that. And gay women, one makes more, they think it should be shared equal decision-making.
I think, regardless of who makes more money, it should be shared equally.

decision making about spending--and for women--or men--who stay home and take care of kids, I personally think they should get a salary for staying home and doing this very important thing for the family so they don’t have to beg for money from the person who is still bringing in the income.

Basically, couples need to harmonize their differences, and domineering people need to practice the non-habitual by learning to be less domineering, and the one who hides more or is more introverted or shy or needs to learn to come out, they need to move toward the middle. Walk a half a mile in each other’s moccasins.

You know what I mean? That’s really the way through.

J. Walstedt: Great questions, great answers. Carrie, do we have another question?

Coordinator: Sue Evers, you may ask your question.

S. Evers: Yes, I’ve avoided taking action to resolve this conflict. I went to a particular broker on the advice of my brother, and in the course of
the years she recommended certain investments, stock purchases, and in particular, investment in mutual funds. Since then, scandals or reports have come out about the expensive fees that have been charged to those funds, and I feel like I’ve not been advised well and that I should have dumped the stocks, should have dumped the broker, and yet I’ve been unable to make that action. How do I separate the emotional issues and get back on track?

S. Zimmerman Well, this is Susan, and one question I have back to you is, have you voiced your concern in any regard with this investment advisor?

S. Evers I have pretty much avoided dealing with her, let things ride, which I realize is not a good thing to do.

S. Zimmerman Yes, that would be my first advice--is to at least ask the question and see, because it could be that you’re lacking information. It could be the mix of things you have is actually, always was and still is appropriate, but that they hit a down period. So you can – you don’t have to be a real confrontation expert. You can just simply call and say, “I’ve been feeling concerned about this, because it’s down, and I feel like I need a review and a refresher.” Then listen to what – how the information is coming from her and
then if you still feel uneasy about it, then go start a little research for yourself about a different advisor.

O. Mellan It’s Olivia. I think that’s a very good idea. Also, you could always get – have one visit with a fee-only financial planner, and get a second opinion, or somebody who doesn’t get a cut for what they recommend, and just have them review your portfolio with you and talk about it. You can do that with two people. I think it’s important to not avoid though because I think avoiding fosters sort of a feeling of, it erodes your self-esteem. It makes you feel like you’re hiding.

J. Walstedt Karen, I don’t want to put you on the spot, but you’re an accountant, do you have any opinion on this?

K. Goodfriend I’ll echo what both Susan and Olivia said, and it made me think about how, for people who are avoiders--and it’s not uncommon at all--that it’s important to participate. Even if you’re bringing in a professional to help you, it’s good to ask questions, like Susan suggested, and gain an understanding all along. I know it’s not that easy sometime, especially while you’re getting yourself educated, but it’s something to strive for.
S. Zimmerman  This is Susan. This will speak to both this current question and the one prior to that. I think getting a third party involvement with somebody that you feel good about can just be a wonderful assist, whether you’re having some insecurities or fear about where your money is right now. Like in the case of a person who’s dealing with a more domineering personality, most people should get some professional advice along the way, just to get a sense of whether you’ve looked at the entire comprehensive picture of your finances. In the case of a dominant personality, those are the ones that often might be dominant, but they might be very wrong. So, knowing -- just ladies out there, I mean--the average age of a widow. You can just guess for a minute. I’ll let you take a second and guess, but when I heard this statistic, I was just floored. It’s 56.

So whether you are the one more involved in your money or less involved, the odds are, 90% chance, that you’re going to be the one dealing with all of the money. It’s important to be assertive if somebody’s trying to bowl you over, and just assert your right to be informed and knowledgeable because you just can’t let somebody else take it over and then in a time of crisis, you’re the one that has to handle everything that’s left.

J. Walstedt  Very good point, Karen.
S. Zimmerman  That was Susan.

J. Walstedt  Oh, Susan, I’m sorry, Susan.

S. Zimmerman  That’s okay.

J. Walstedt  Carrie, do we have another question?

Coordinator  Suzzette Turnbull, you may ask your question.

S. Turnbull  Hello, I’m one of the persons who have an urge to splurge, and, as a result, have accumulated quite a bit of debt, to the point where I spend most of my salary paying my debt. I’ve realized some of the things that you’ve said, that it really goes back to changing your behavior. I don’t think I have addressed that yet. In addition to reading your books and learning more about my behavior, I’m just at a point where I’m totally overwhelmed and having a hard time doing it myself. What can you suggest for how to approach this and reverse it?

O. Mellan  This is Olivia. I would suggest looking for a Debtor’s Anonymous chapter in your area and considering going to meetings because
you’ll get a lot of group support, you’ll get a lot of ideas about how to get out of this. That’s one of my suggestions.

Also, writing down how much you spend and how you feel about it, keeping a spending diary and keeping a picture of a goal, a spending goal, in your wallet so you’ll see why are you choosing to change some of your spending habits. Is it to make sure your kid can get to college? Is it to take a trip around the world? Some picture that will help jog your memory. Spending can be an addiction, and when people are ready to change, change is not just-you’re not just ready to change one day. There’s a wonderful book on change called *Changing for Good*. It says, first, you think about it, first you’re kind of in denial and you say, “There’s no problem.” It’s called pre-contemplation. Then you think, “Maybe I have a problem.” Then you prepare to do something about that problem. Then you do something about the problem. Then you maintain it, the change. So it’s a long, slow process and it takes a lot of support along the way.

S. Zimmerman  This is Susan. Because I have worked with a lot of impulsive, rash and impulsive types, I would say also, a really critical piece here is to, when you’re trying to change a behavior that’s been long-lasting, learn some positive language as you’re building up the –
tell yourself, “I’m building up the asset side of my net worth.”

Because when you’re paying off debt, it’s sort of like being on a diet. Losing weight is sure not as much fun as it was gaining it. When you’re paying down debt, it’s like you’re – it goes slowly, it seems like it goes slowly, just like losing pounds. So, keep reminding yourself that for every dollar you’ve paid off, you’re a dollar richer. You are building up the asset side of your balance sheet that way. Tell yourself, “Be patient, because I’m this much richer now.”

The other thing I advocate is what I would call, if you go shopping -- which I would try to cut that down -- don’t even put the temptation in front of you -- but walletless shopping. Do not bring the plastic with you. Do not bring dollars with you, because it’s just too easy to make an impulse purchase in our country.

If you – you can also do an experiment with yourself and don’t take a wallet with you, but I did some research when I was working on my thesis also. If you just write down everything that you would have bought had you had money with you, and put an intensity score next to it--one to ten. Ten means, I absolutely am salivating to get this--and then just look at it 24 hours later. What’s the intensity score? It’s almost like a food craving. It will
go away. You will look at it, and you’ll realize, you know, I didn’t even want it that much.

Just knowing too that for every $100 that you don’t spend, eventually you’ll be able to, instead of putting it toward paying off debt, you can start to put it in a real asset, and it’s going to grow. Even $100, way down the road, decades ahead--you’re young people. You’ve got 40 years and more--we’re talking $4,000 that you’re creating for yourself by hanging on to $100. It really – that’s what I say is looking at the positive side because it can be a real drag in taking the time to pay down debt.

This is a great question and answer session, and there may be more questions in the queue here, but unfortunately, we’ve come to the end of the hour. So now I’m going to turn it over to my colleague Gail Patterson to give us closing remarks.