



Seventy-four percent of Americans say money is a major source of stress in their lives.

IMAGES.COM

Money talks

Therapists and researchers address people's unhealthy relationships with money.

BY SADIE F. DINGFELDER

Monitor staff

It's no secret: Americans have money problems. We save less now than we have since the Great Depression, and at the same time, we're racking up consumer debt—credit-card debt alone averages \$9,312 for the debt-carrying American family.

And whatever it is we're buying, it's not making us happy: A 2007 survey by APA found that money worries are a significant cause of stress for 74 percent of Americans, and financial disagreements often top the list of divorce-causing grievances.

These facts point to maladaptive behavior on a massive scale. Now through research, consulting and therapy, psychologists are starting to address typical—if unhealthy—money attitudes and behavior.

"Psychologists are really well-positioned to treat problematic financial behavior," says Brad Klontz, PsyD, a

private practitioner in Hawaii. "We need to step up and offer this service—it's much needed."

And that's exactly what Klontz and others are doing, by working directly with clients and by training financial advisers to address people's unhealthy money attitudes. At the same time, researchers are delving into the underlying basis for our money woes and are developing evidence-based treatments to address them.

Why we spend

When people run into money troubles, they usually go to financial planners for help, says Steve Buccini, president of the Money Management International Financial Education Foundation. However, Buccini often finds that budgets and investment plans—while necessary—aren't enough to keep people financially healthy.

"When you counsel people for a financial issue, that issue never stands alone," he says. "Understanding the

psychological basis for financial behavior is essential if you are going to come up with a solution that's going to last."

For instance, many people shop to fill a void in their lives, says April Benson, PhD, a private practitioner in New York. Someone who is dealing with a surly husband or ungrateful children may find that a friendly store clerk sings a siren's song, she notes.

"It's a way of using material goods to satisfy what are social problems and spiritual needs," says Benson. "If what you need is companionship, activity and feeling affirmed, you have to find other ways to meet those needs."

"When we are doing clinical interviews, people will talk all about their sex lives more easily than how much money they make."

*Brad Klontz
Kapaa, Hawaii*

Axioms we learn from our parents or society also influence how we spend, says Klontz. One of his clients, for instance, burned through a fortune because he grew up poor and felt he didn't deserve his wealth. Another wealthy client from a poor background couldn't stop working 11-hour days, because his Depression-era parents taught him that no amount of money is enough to make you secure.

Further complicating the issue are money's symbolic meanings, says Richard Trachtman, PhD, a clinical social worker in New York. For some, money equals love, and they lavish gifts on their spouse and children, whether they have the money to do it or not, he notes.

"Money is a blank screen, and we project onto it what our issues are: love, power, sex, whatever," he says.

Combine two people, and their conflicting, deeply held beliefs about money, and it's no wonder that finances spark so much marital strife, Trachtman adds.

Breaking the taboo

The many factors that drive spending behavior may seem like a Gordian knot. Luckily, psychologists have the tools to cut through it, some of which can be adapted from techniques already proven to work with other issues, says Klontz.

In a recent study, in press in *Psychological Services*, Klontz put that idea to the test: He and his colleagues used a technique known as "experiential therapy" to make people aware of—and change—their underlying beliefs about money. The therapy has helped people manage compulsive sexual behavior, alcoholism and depression.

In a six-day, intensive program, clients explore their relationships with money through a variety of exercises,

including role-playing and talking about the cultural messages that have encouraged them to spend or save irrationally.

"We use role-players to bring out whatever relationship the person is struggling with, and have them resolve it in a symbolic way," he says.

Three months after treatment, the participants showed a decrease in unhealthy money attitudes, such as the belief that money should be used to impress others. They also reported less anxiety overall.

But getting people to share information about finances is no easy task.

"When we are doing clinical interviews, people will talk all about their sex lives more easily than how much money they make," Klontz says.

That resistance is often fueled by money's symbolic meaning, says Philip Tetlock, PhD, a psychologist who studies money attitudes at the University of California at Berkeley.

"It's similar to why it would be gauche to talk about IQ," he says. "These are things that people—quite incorrectly—view as reasonable proxies for your worth as a human being."

Helping people work through their money problems may be a growing niche. It currently accounts for 30 percent of Klontz's practice, including time he spends as a consultant to financial advisers as well as helping clients directly. Working with overs shoppers—and writing books about it—occupies all of Benson's work hours. And even therapists who don't see themselves as money specialists are beginning to see the benefits of asking clients about their money-related concerns, Trachtman notes.

"My goal with any client is to help them find a way to reduce their misery, and secondarily, to help them find a way to have richer lives," he says. ♡

FURTHER READING

- Benson, A.L., & Gengler, M. (2004). Treating Compulsive Buying. In Coombs, Robert Holman (Ed), *Handbook of addictive disorders: A practical guide to diagnosis and treatment* (pp. 451–491). Hoboken, NJ: John Wiley & Sons, Inc.
- Klontz, P.T., Kahler, R., & Klontz, B.T. (2006). *The Financial Wisdom of Ebenezer Scrooge: 5 Principles to transforming your relationship with money*. Deerfield Beach, FL: Health Communication, Inc.
- McGraw, A.P., & Tetlock, P.E. (2005). Taboo Trade-Offs, Relational Framing, and the Acceptability of Exchanges. *Journal of Consumer Psychology*, 15, 2–15.
- Trachtman, R. (1999). The money taboo: Its effects in everyday life and in the practice of psychotherapy. *Clinical Social Work Journal*, 27, 275–288.