

Coping with Financial Despair

Debra and Bob have been married for 29 years. After years of careful investments, they were looking forward to a comfortable retirement. Bob, a teacher, could count on a regular pension. Debra ran a quilting business from home. Their daughters Laurie and JoAnn were still at university, while their oldest son Dean was working out west.

Then came the crash. Bob and Debra watched in horror as each day their stocks and investments dramatically decreased in worth.

"We should sell!" cried Debra. "No, the market will recover", said Bob. As their savings dwindled, their despair increased, as did their fighting.

Bob took to spending long hours alone researching the market. Debra became increasingly anxious, and began to awake at night in a panic. Dinnertime became a routine of gloom, with each spouse speculating on what they must give up to get by in the future. They were in financial despair.

Many people are experiencing Debra and Bob's struggle. Although individuals vary in how invested they are in the market, all of us are affected by its recent setbacks. Psychologists have expertise in helping people cope with life's challenges: using a combination of strategies learned by psychologists, we can learn to weather this market storm.

Psychologists make the distinction between two types of coping. *Instrumental coping* refers to strategies for actively finding and implementing solutions to a stressful problem. *Emotion-focused coping* refers to strategies to manage the feelings that accompany a stressful problem. Most stressors in our lives require a combination of instrumental and emotion-focused coping. Moreover, these forms of coping tend to influence each other.

A good first instrumental coping strategy is *talking* about our financial situation. Couples facing reduced circumstances must negotiate their future options. Will we work longer or more? Will we decrease what we offer our children? Will we move? Active communication about our financial goals can help couples formulate the best actions to take.

For many of us, money has a deeper meaning. Our ideas about money are often rooted in the way we grew up. We witnessed our parents manage money, and were influenced by the cultural and community values that surrounded us. Sometimes, couples disagreements about money are linked to these differences. For example, Bob grew up with frugal farmers: his feelings of safety and approval are related to the amount of his savings. Debra's father was an unstable

entrepreneur who alternately accumulated and squandered the family wealth. Debra views money as something fleeting which must be seized quickly to avoid deprivation. Bob's brooding and Debra's anxiety stem from their upbringings. Most couples can identify and resolve these differences on their own. If they cannot, a skilled psychologist can assist using couple's therapy.

Another sensible instrumental coping strategy is a consultation with a financial advisor. If a couple can agree on financial goals and values, working out options with a knowledgeable professional can help them make wise choices about their money.

Emotion-focused coping strategies include such methods as relaxation, exercise, and enjoyable pastimes. These methods are soothing, and increase overall quality of life. The old adage "count your blessings" is helpful to couples facing financial challenges. Seen in the context of one's health and relationships, financial problems can seem smaller. If despair over finances descends into a clinical depression (see the companion article on this topic), treatment by a psychologist may be required.

Debra and Bob went for couples counselling. Once they understood each other's unique perspectives on money, they settled on a new financial plan after they had gathered new facts from their financial advisor. For exercise and companionship, they took up walking together in the evenings. Although Debra and Bob did not solve the global financial crisis, they learned to get through it together.