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How Couples Can Get Spending Under Control

By Kimberly Palmer

This week, we profiled JoAnne Nagler, a yoga teacher, money coach, and artist, who managed to pay off \$80,000 in credit card by following her own debt-free spending plan. She also wrote a book about her strategy, which focuses on getting organized through multiple savings accounts and setting specific spending and savings goals.

One other aspect of her approach also stuck out: How she handles money with her husband. When they were married in their 20s, they ran up debt together by eating out a lot and spending on their creative ventures. (Nagler also makes music CDs.) That debt put a lot of pressure on their relationship, and eventually they separated.

Nagler and her husband remained friends, though, and over the decade-plus they were apart, she eventually figured out how to manage her money. Then, after promising each other they would work together to not take on any more debt, they remarried. "The reclaiming of a marriage is very powerful thing," says Nagler. "What changed everything is our ability to make choices as a couple and individually within the marriage related to living on cash," she adds.

Nagler explains that they are both creative people; her husband is a creative writing instructor and film history professor at a local college. Living debt-free, she says, allows them both to feel free to pursue their creative ventures without the additional pressure of needing to pay off debt. In their 20s, she recalls, she felt further trapped in nonprofit jobs she didn't like because she had to pay off big credit card bills.

To make sure they don't fall back into bad habits, Nagler and her husband follow her debt-free spending plan: They keep separate accounts, split up bills, and maintain multiple savings accounts for different purposes and goals. Scaling back in a few areas, including buying cheaper coffee and bringing lunch to work, allows them to spend on activities that bring them a lot of joy, such as weekend getaways.

And that, in turn, feeds their relationship. Nagler says working together on a spending plan is something of an aphrodisiac, since it can lead to less tension and micro-management of daily spending. "When you come back at the end of the month and put money into a meaningful savings account, you feel really responsible. You don't think that would make you feel more amorous and sexy, but it does," she says.

Nagler's story reminded us of some other creative suggestions we've heard for couples trying to minimize money conflicts. Here are three more ideas:

1. Kiss, don't shop. Back in 2008, Bonnie Eaker Weil, author of *Financial Infidelity: Seven Steps to Conquering the #1 Relationship Wrecker*, told us that many couples get into the trap of making "pop shots," or "pissed-off purchases" after fights. She found that the average pop shot amounted to close to \$500, and people average three or four a year. That's \$2,000 in unnecessary expenses a year.

Her solution is for couples to hug and kiss instead of shopping. "That high that you're looking for [when you spend], you can get that from your partner. If you hug for 20 seconds, you get a dopamine high. If you kiss 30 seconds, you get a dopamine high. You can actually have an affair with your partner—you don't have to shop until you drop," says Weil.

2. Write a prenup. It doesn't sound romantic, but you might expect as much from a matrimonial attorney. Earlier this year, Silvana Raso of Englewood Cliffs, N.J.-based law firm Schepisi & McLaughlin told us that "there's not a single person who wouldn't benefit from a prenup," even those entering marriage with little by way of assets. That's because in the event of a divorce, it's hard to predict how a judge or state laws might end up dividing up a couple's assets, and a prenup allows the couple to decide, before the relationship goes downhill.

3. Keep separate accounts. This increasingly popular approach involves keeping all accounts—savings, checking, investments—completely separate. Raddon Financial Group has detected an increase in the number of married households with multiple checking accounts, which suggests a rise in his-her banking. We've heard from numerous couples over the years who've told us that the approach allows them to maintain a sense of control and avoid nagging their partners about spending habits.

Have you tried any other creative methods?