

What to Do When One Spouse Spends Too Much in Retirement

If one partner takes a less conservative approach to money, it can wreak havoc on a marriage. But the problem can be addressed by agreeing on bigger financial goals and understanding the root of the issue.

by: Alina Tugend - February 10, 2021



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There's a scene in many an old movie, often a romantic comedy from the 1940s or '50s, where the wife arrives home laden with hatboxes and shopping bags from high-end boutiques and the husband jocularly winces at how much his spouse has bought. It's usually played for laughs.

But in real life, overspending by a partner—male or female—is often a serious problem that can damage relationships or, worse, lead to **bankruptcy** and **divorce**.

An overspending partner is also fairly common. **About a third of respondents to a Creditcards.com survey in 2020 said they spent more than their partner would like them to, with 12% admitting they had secret debt.**

“Money comes up so often in therapy,” says Sharon O’Neill, a licensed marriage and family therapist whose practice is primarily in Westchester County, N.Y. “When two people come together, that is one

of the things that is so often different—one person spending more than the other.” It’s much more rare, she says, that a couple’s spending habits are compatible.

Understand the Family Dynamics

Of course, there are degrees of overspending, and one of the first things you should figure out is why it bothers you. If a partner’s spending is clearly hurting your finances, then the problem is apparent. But if these splurges don’t have an economic impact on your household, why should they matter?

Often, anger about money is really about other issues in the relationship, says Paul Hokemeyer, a licensed marriage and family therapist who lives in Telluride, Colo., and New York City. “Marriages have that all the time,” he says. “The investor banker husband who has 20 bicycles and every month a new bicycle is coming.” The family can afford the expense, but it angers his wife.

So, maybe the bikes aren’t the problem at all. Maybe it’s a lack of intimacy or feelings of not being seen or heard in a relationship, he says. “It’s a lot easier to talk about quantifiable things, like bicycles, than qualifiable things like emotions, so the question becomes how is this hurting you,” says Hokemeyer, who is also the author of *Fragile Power: Why Having Everything Is Never Enough*.

Nothing shapes your own view of spending more than how your own family thought about money, spent it (or didn’t), argued about it and used it while you were growing up, and the same is true of your spouse. “It’s very important for couples to understand each other’s money type and respect [it],” says Jill Fopiano, a certified financial planner and the president and chief executive officer of **O’Brien Wealth Partners** in Boston. “Try to find a place of alignment rather than looking at this as a character flaw or a personality trait.”

Find Common Ground

Andrea Woroch, who frequently writes and speaks about **budgeting** and money, says when she and her husband first came together, their spending patterns completely clashed. She was fine with leftovers; he wanted to dine out all the time. She bought generic products; he never comparison shopped. “I felt completely out of control with how my husband spent and what he spent on,” she says.

So, they took the first step every expert recommends: They talked about the problem without pointing fingers at each other. “You need to address the issue in a nonaccusatory and nonjudgmental way, such as ‘I’ve seen these credit card bills and I’m getting really scared. I’m concerned about our future together and I want to make sure that I’m doing everything in my power to make sure our financial future is safe,’” Hokemeyer says. Then find shared goals.

Can you agree, for example, on big objectives, such as paying off a mortgage, funding a grandchild’s education, socking away for retirement or buying a second home? If so, that’s one obstacle overcome. “Don’t focus on the micro details of spending, such as ‘were you at Nordstrom’ or ‘were you at the golf course,’” says Kevin Donohue, a certified financial planner with **Legacy Planning** in West Chester, Pa. “That just incites anger. Usually, if you focus on common ground, that’s the start of moving things in the right direction.”

Then—and this is the really hard part—you need to go over your finances: monthly income, monthly spending, assets, savings and investments. Forecasting what your future finances will look like if the spending doesn’t stop, such as losing your house, as well as how to reach your financial goals, is key, Donohue says.

Research on **retirement savers** has found that they’re more likely to save if they can imagine their future self. Researchers have even gone so far as to run experiments that show people computerized images of themselves 30 years older. “It’s really simple to do the calculations of what you’ll need,” Fopiano says. “That’s just math. But talking about and deciding on a lifestyle, that’s art.”

Take Concrete Steps

If you and your partner can reach an agreement, great. But “if two people can’t sit down together and look at their goals, income and projected expenses and come to some type of meeting of the minds, then you really need to have a third party present when having that discussion,” she says.

Typically, that means a financial planner, therapist or both, though not everyone is amenable to professional help or able to afford it. So what else can you do? Usually, one marriage partner is the money manager, which is not a great idea, O’Neill says. **It’s better if one spouse takes care of current expenses, while the other handles savings and investments.** That way both partners have a sense of their finances. It’s harder to spend casually when you know the effect it’s having.

If that's not possible, she recommends regular meetings, quarterly if not monthly, for the couple to review their finances. Sometimes that resolves the problem, but if a couple can't manage such conversations or the spending doesn't diminish, more concrete steps can be taken.

One rule Woroch and her husband set: They will discuss all purchases that cost more than \$200. The number you choose could be more or less depending on your budget, but don't make it so ridiculously low that it's meaningless. "I have seen the amount vary from \$50 to \$500," O'Neill says. "Sometimes it takes much discussion and several tries to arrive at a best amount." O'Neill is also the author of *A Short Guide to a Happy Divorce*.

Couples often also share a bank account and **credit card** to pay mutual expenses while keeping everything else separate. Woroch says this worked for her and her husband.

When spending becomes addictive and destructive, though, abstinence is not an option. Unlike other addictions, you can't just cut money out of your life.

Instead, recognize the triggers that spark a spending spree. For example, when the two of you get in an argument, do you or your partner go on eBay and begin buying compulsively? "That's an anxiety disorder—not properly being able to manage discomfort in a healthy way," Hokemeyer says. Appropriate responses include restricting the amount that can be spent on a credit card or withdrawn from the bank.

That won't necessarily resolve the problem because your spouse can always get a new credit card secretly. "You need to do what's in your power," Hokemeyer says. The boundaries and limits need to be "consistent, clearly expressed and enforceable."

If the splurging continues, then there are two potential explanations, Fopiano says. The spender truly has an addiction, like gambling, and needs professional help, or the spending is a deliberate sign of a lack of respect for the relationship.

Addressing such deep-rooted problems will be difficult, experts warn, and if they're not resolved, you **may need to walk away from the marriage** to protect yourself. "Unfortunately, when you're a married couple, you're on the hook for any debt that your partner incurs," Fopiano says. "You need to get that person help, or you're jeopardizing your own financial future."