



Are you infected with money madness?

Hot off the presses is Spencer Sherman's book, "The Cure for Money Madness." Sherman suggests that unconscious beliefs about money trigger financial behaviors and choices that can be disastrous to our bottom lines and, inevitably, our peace of mind. If you have ever worried about money — personally or with respect to your business, if you have ever had a visceral reaction to a spending decision of your own, your spouse's, or a client's — read on.

This column will focus on Sherman's analysis of how we get infected by money madness, how the symptoms affect our spending habits and choices, and possible cures. Money madness starts with the money messages we receive in childhood — long before we understand what money is, or how it works. What often drives future decisions is the familiar feeling associated with those early money messages.

I have engaged in enough client conversations about childhood money messages to know that every family recollection is different. Some are delightfully boring because sound money habits were the norm. Others have experienced enormous emotion and conflict surrounding money — just as I did as a child. In my household, complaints about not having enough money were the most "rerun" topic of conversation. It seemed nothing in life was as important as money.

My parents' anxiety about not having enough led to running out of money between paychecks, never saving anything, and counting out the number of grapes we kids were allotted as our "fruit" at lunchtime. By the time I was in first grade I was trying to understand why my family was in this financial state that caused my mother, particularly, to worry relentlessly. Needless to say, my questions were not welcomed! *Status quo* reigned. Just as Sherman's premise concludes, however, many subsequent adult financial choices might easily be traced back to those early feelings — read teachings — about money.

Spending — whether personal, business, or charitable — frequently reflects the feeling we unconsciously want to experience. Sherman writes:

"A Buddhist monk I know speaks of the sheer exaltation we feel at the moment just before we actually pay for an object we want and know we are going to get. Try to notice this in yourself the next time you're at the counter about to hand over cash or the credit card; track when the money madness kicks in — the exhilarating moment of heightened expectation that is nothing less than thrilling, not unlike the surge of emotion investors feel when they get a hot tip on a "can't lose" investment. In fact, there's a case to be made that we crave the feeling more than the object itself. That is money madness in a nutshell."

"What is the particular craving — for recognition, wealth, security, glamour, the chance to stand out from the pack — that will be satisfied if only you buy the item?"

"Ask yourself what you're really buying; if some of what you're trying to obtain is power, prestige, love, or identity, it's your money madness doing the buying, not you."

Spencer's engaging narrative is crafted to provide the reader with powerful tools that help challenge long-held emotional assumptions about money. Several examples of his assumptions include:

- Two can live as cheaply as one.
- I can't live without credit cards.
- I don't know anything about money, so I let my spouse handle it; I don't have anything valuable to say where money is concerned.

Readers are guided to re-invent their financial lives based, instead, on "Money Wisdom." Money wisdom recognizes basic truths such as: 1) Spend less than you earn now, not as much as you might earn in the future. 2) Save something — regularly. Give something — regularly. 3) Realize that your actual net worth far exceeds your bank balance. It includes your talents, your lifetime of future earnings, your family and friends, and your health.

Visit www.curemoneymadness.com for additional insights. As you finish reading this column, promise yourself to challenge one assumption you have lived by that has not had a positive impact on your financial well-being. It may be your stepping stone — to living more richly!

I look forward to your e-mails with comments or questions.

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