

Women and Money

By: Robin Pascoe

The subject of money ranks almost at the top of the list of emotionally charged issues that plague women their entire lives. It's also one that can't be ignored by an expatriate spouse just because she is living far from "home".

But do women give it enough thought before they move? Do they know exactly what their husbands will be earning with expatriate benefits and compensation thrown on top? A quick look around new surroundings usually provides a woman with immediate clues as to how to spend money, but does she also know how she and her husband will save it?

"The most common situation I have found with my clients, no matter which type of country they are living in, is that no money is saved or invested," reports Don Nelson, an American lawyer and chartered accountant who runs www.taxmeless.com. "As a result, when they come home, they have little or nothing extra to show for their years abroad."

"If the couple establishes a budget, the couple can return with additional investments and savings as well as clothes and furniture unique to the country in which they lived abroad," says Nelson. "An experienced CPA, who is also a personal financial specialist familiar with your country's expatriate tax laws or equalization policies and investments, can help with that budget and recommend investments which help their reach their financial goals upon their return to their home countries." An accompanying spouse typically gives up her career to go with her husband on assignment. In doing so, she not only gives up her job, but a paycheque and pension contributions as well. She also loses her ability to make money and the power and self-worth derived from having a bank account filled with money she earned herself.

"The spouse should be involved in all financial planning," advises Tom Boleantu, a professional retirement planner (PRP) and former expat now based in Calgary, Canada who runs www.expats.ca. "If the spouse does not insist on this, then she is at risk. She should not delegate all planning to her husband. We emphasize that both parties attend all tax and financial planning sessions prior to departure."

Talking about money, while necessary, can be difficult given the loss in earning power which a spouse experiences. But she can become more involved by seeking out information with the same ruthlessness she looks for that perfect teak dining room table or other furniture or art object.

Many women do assume the task of managing the household accounts but sometimes, during an overseas assignment, local tax laws and work restrictions make that job more difficult. Given the expatriate lifestyle and working habits of the employee who may travel a lot and compounded by the emotional considerations (the question of being given an allowance makes some women shudder), it can be difficult to bring up the subject.

"Your relationship will be stronger for having talked through your similarities, differences, and concerns," according to finance guru Suze Orman. The author of three self-help finance books for women including her latest, *The Road to Wealth* (Riverhead Books), Orman writes regularly for major magazines and comments on television. Her recommendation that couples work toward what she calls "financial intimacy" is particularly relevant to expat marriages. For spouses, that intimacy may

include requesting an allowance as part of their overall budget plan as well as a separate bank account. "Grownups need discretionary income," writes Orman. "Sharing is important in marriage, but so is autonomy."

Though the idea of an allowance is emotionally loaded, it should be viewed in the proper context: budgets are being set for investment purposes as a practical measure and a bank account of her own will provide the spending autonomy a wife will need to feel independent.

"Let's be honest," an oil wife living in Asia confessed on condition of anonymity. "Making the choice to go overseas is a career and financial choice, not a family choice."

Adds financial planner Boleantu: "It's cheaper to hire a baby sitter to attend a financial planning session than to risk losing it all."

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