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## Recovery act: Tips for married or divorcing couples dealing with credit card debt

First came the mortgage crisis, then the banking crisis and now experts are predicting a credit card crisis is in the making. That crisis could push some couples over the financial edge. And the combination of financial pressures, job loss or high credit card debt may well make for a perfect storm when it comes to a couple's uncoupling potential.

"This economic crisis is going to hurt everyone, even the well to do - especially those living on investment capital. As for the middle class: there will be no wiggle room financially anymore and the lower class may wind up on the streets. I do not believe anyone will go unscathed in this horrific economic crisis and marriages will suffer, whether a person is trying to make this marriage work or trying to survive a divorce," said California attorney Stacy Phillips, author of the book "Divorce: It's All About Control How to Win the Emotional, Psychological and Legal Wars."

Phillips is among a growing number of financial and relationship experts from around the country who say they're seeing more and more couples in financial trouble and that can turn into emotional trouble and potential divorce in the making.

"One or both are often more anxious and worried, which leads to more irritability and less tolerance. Couples are preoccupied and not as emotionally available to work on their issues," said Phyllis Goldberg, a California marriage and family therapist and co-founder of hermentercenter.com, a site that helps divorcing women.

Credit card debt is the "next crisis facing our country. We are in credit card debt in the billions and ... there didn't seem to be an end in sight," said Andrew Bernstein, a certified credit counselor with the Florida-based debthelper.com. For a couple whose debt has mounted, whatever the reason, "Many times the first reactions are fear and a sense of panic, particularly if the collection calls have started. That will be followed by the question, 'What do we do now?' " he said.

Given the current economic crisis and its widening reach, "Those couples who do not know how to talk about money in a productive way will be much more stressed and resentful, which will increase the likelihood of divorce," said Tina Tessina, a California psychotherapist and author of "Money, Sex and Kids: Stop Fighting about the Three Things that Can Ruin a Marriage."



California financial adviser Ginita Wall, who lectures on the topic “What Women Need to Know about Divorce,” said credit card defaults by couples “often lead to bankruptcy.”

And that can make divorce more difficult, experts say. New Jersey certified public accountant Noah Rosenfarb said “One of the recently popular seminars for family attorneys is ‘Divorce or Bankruptcy: What should they file first?’ This is a hot topic among family attorneys, as most are worried about whether clients that want to get divorced can actually afford it.”

Who’s mostly likely to get divorced?

“Couples who have been married for seven to 10 years are more apt to divorce,” Phillips said. “Maybe dad has lost his job or his income is reduced as a result of the economic downturn while mom left the workforce to raise the kids.”

But not every married couple that faces trouble will end their relationship in divorce court.

“I have found that those married for 25-30 years or more will stay in the marriage in order to keep the house (so it doesn’t sell at a lower price) as well as hold on to stocks, bonds and other investments until the values are back up,” Phillips said. “This group tends to ride out a bad economy rather than suffer great financial losses. If these couples are not miserable and can share the same quarters, staying together can be a viable option. During a downturn in the economy, the time is never conducive to splitting assets.”

Bernstein agreed, adding: “In situations where there has been teamwork and solid communication on all fronts, the storm can usually be weathered.

If there’s no domestic abuse in the marriage, Goldberg said she recommends that couples make a decision not to divorce at this time. “With the stock market and housing prices depressed, many are not able to separate mainly because of their shared economic situation. And, of course, where children are involved the costs and circumstances are always more complicated,” she said.

Wall cautioned married couples with mounting debt who are considering getting uncoupled: “Divorce doesn’t cure financial troubles, it exaggerates them. If you are struggling financially, it is better to work through the issues together rather than fighting about them and blowing the marriage apart. To paraphrase an old saying, whatever doesn’t kill the marriage will make it stronger.”

