

## Ep #31: Resolving "My Money vs. Our Money" Conflicts in Divorce



### Full Episode Transcript

With Your Host

**Lauren Fair**

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You're listening to the Sensible Split Podcast, Episode 31. Today we're talking about when your spouse has an, "it's my money," mindset and how you can effectively approach dealing with it in divorce.

*The Sensible Split* is a podcast for smart but overwhelmed women in search of a roadmap to a successful separation and divorce. If you are looking for guidance in navigating the practical, legal, and emotional aspects of divorce with confidence, this is the show for you. Here's your host, Master Certified Life and Divorce Coach, Divorce Attorney, and Mediator, Lauren Fair.

Hello there. Welcome to Episode 31. How are you? I hope you're doing well. I just got back from a trip to Big Bear Lake. My kids actually were on February break recently, and we always like to do a little adventure when they're on break. So this time it was Big Bear Lake. It was my first time back there since college.

I went there for, I don't know, I think it was just like a long weekend or something. In college, I had a roommate who had grandparents who owned a cabin up there. And my kids had never been there before. So it was kind of new in a lot of ways for all of us. And it was such a fun little getaway.

I love traveling with them during their school breaks. They're so curious about the world. And I really cherish these opportunities to connect with them and go on little adventures. I was just talking to my son last night. We're already planning the next adventure for April.

Trying to enjoy these school breaks with them while they're little and they still want to hang out with me. So now I'm back in the office, they're back at school and I'm ready to dive into another episode with you. So let's do it.

Today we're talking about a common issue that I see in divorce cases. When one spouse believes the money they earn in the assets acquired during the marriage are exclusively theirs. How do you know if your spouse has an, what I call, "it's my money versus it's our money," mindset.

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Well, you know, this is the case when they say things like, this is my money, not our money, or when their behavior reflects that belief. But let's say one spouse is the primary earner, while the other has been a stay at home parent for most of the marriage. And when they start discussing divorce, the earning spouse refuses to provide financial support and says things like, I worked hard for that money, you didn't earn it, so you don't deserve any of it. You know, that can also look like, you know, it's my retirement and I'm not splitting it with you, right? You're not getting a dime from me, those types of things.

That all reflects the underlying belief that it is that spouse's money to control and to decide how much of it their other spouse is getting. So they might also do things like move money into separate accounts without informing their spouse, cancel joint credit cards to limit the other spouse's access to funds, withhold financial information, or refuse to disclose assets, or make significant financial decisions like selling a property or cashing out investments without consulting their spouse.

These behaviors reflect a fundamental belief that their earnings belong to them alone, rather than being part of a shared marital estate, despite the fact that the law may say otherwise. This mindset can create major roadblocks when trying to resolve financial issues in divorce. It's often deeply ingrained and can stem from various sources, such as being the sole breadwinner, making more money than their spouse, or simply having a skewed perception of financial contribution.

Let's break this down. Why is it a problem, the impact it can have and how to approach it effectively? So to start, why is this a problem? I suspect that if this is the dynamic that you have in your relationship around money, you can answer that question yourself, right?

You probably have seen firsthand how this is a problem in marriage. And it also, unfortunately, can become a significant problem in divorce. But during marriage, you know, marriage and associated property and spousal support laws are based on a partnership concept in the United States. Even if one spouse earns all or most of the income, the law generally recognizes marital assets as shared property, unless you've got a prenup that says otherwise.

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Sometimes in a prenup, people choose to opt out of the application of default spousal support and property laws. But absent that, I suspect if you're in the United States, you've got some similar laws in terms of the rights and obligations for spousal support and the accumulation of community property or marital property, whatever it may be in your particular area.

So despite this, many people carry the belief that because they earned the money, they alone have control over it. So this can lead to financial manipulation and control, unequal power dynamics in the marriage, conflict, and then the establishment of a pattern though, where this behavior continues. So this is especially common when one spouse stays home to care for children or manage the household. The working spouse may fail to see the value of those contributions simply because they don't come with a paycheck.

This dynamic can ultimately lead to the breakdown of a marriage. And I see that often, but while it is still ongoing, the spouse often learns they can control the money because you allow them to do that. And for good reason, you're trying to keep the marriage together, trying to wait it out until the kids are older, whatever it is, maybe you just don't want the conflict. There are lots of good reasons why we allow this to go on when you're in an intact marriage.

So you let things go. But in doing that, understandably, the other spouse is learning through that pattern that this is acceptable behavior and they have no reason to change it then, right? They're winning with that, with you, and so they just keep doing it. Particularly when that behavior has been longstanding, you are highly likely to see it show up in the divorce.

Problematic patterns of communication and conflict from the marriage do not change in a positive way when divorce comes, unless you have some kind of meaningful intervention in that dynamic, which most people don't at that stage of divorce. Those problematic patterns during the marriage that probably contributed to the breakdown of the marriage in some way are likely to continue and potentially be amplified as you are moving through divorce.

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So when a spouse insists that the money is theirs, that can create significant obstacles in the divorce process. They might refuse to divide assets fairly, resist paying spousal support, make financial decisions without consulting you, or delay or obstruct settlement discussions. And all of those things kind of also tie into the fact that there's probably just increased conflict too. These actions can drag out the divorce, increase legal costs, and cause unnecessary emotional stress.

And what's often happening here is that they are either unaware of the legal reality that the money is not really all their money and it's not theirs to control entirely in the divorce, or they are just unwilling to accept the fact that that's just simply not true.

So how do you overcome this roadblock? Now, one of the mistakes that I see women make is assuming that the spouse will never accept the reality of where this is going. The fact that their spouse is not going to control all of the money in the divorce. And based on that assumption, right, the spouse is not going to accept the reality of the fact that they're going to have to divide up their assets. They're going to have to have support considered, like is it appropriate under the circumstances and it may be even if they don't like it.

So when you assume that, though, they're never gonna accept the reality, then I find that women sometimes opt out of the gate for a litigated, expensive process that puts them in the position of spending a ton of attorney's fees and losing a lot of control in the process.

So I wanna give you a few actionable things you can do to consider your options more intentionally. It's important to first understand your spouse's perspective. It's critical when you're negotiating to understand your opponent's perspective. I didn't say agree with it. It might be hard to understand, but we wanna look at what are they thinking, right? Even if you don't agree with it, we need to understand the thought process. So are they genuinely unaware of what the law is?

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I mean, some people are, some people are just ignorant. They really think that this is true, right? They're ignorant of the law, maybe because they've never gone through it. Maybe it's just because they just choose not to be informed about things, but are they genuinely unaware of what the law is?

Do they have a mistaken belief that they actually won't have to divide their retirement with you. Maybe they think that maybe they saw that online somewhere when it's not true, or, you know, maybe a friend told them that. People usually get lots of input from well-meaning family and friends. Maybe they were misinformed by somebody. On the flip side, are they just knowingly trying to manipulate you in the situation?

If they genuinely don't get it, then a professional can help them understand what reality is. But if they do get it, and they're just trying to manipulate you, what's the chance that changes once a light is shown on that fact? And it's not just the two of you in private where he's making those statements. Like when he's no longer doing this to you in the shadows, what will we do then?

Because I see this very often. There are lots of threats made, big threats, absolute ones. You won't get a dime. I'm not doing this. I'm going to destroy you in this divorce. I see a lot of that happen behind closed doors. And then when push comes to shove and there are professionals involved and there's a light shining on what's happening, sometimes the behavior is different.

They were making those threats behind closed doors because they had learned in the past doing that, like operating in a way where they controlled the flow of money by unilateral actions, by threats, whatever it is, worked. But what are the chances that that might be different if the context were different, if the players involved were different?

The second thing is you've got to give them an opportunity to adjust. So before assuming the worst, it might be worth seeing if they are open to hearing the facts and coming to terms with legal realities if those are presented by a third party professional and not you. Your spouse might kick and scream along the



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way to accepting reality, but is that a lot of bark without a bite? Something to think about.

Third, you want to consider using a neutral third party. A mediator can help educate both parties about what is legally required and help shift the dynamic. Sometimes just having a professional present changes a spouse's willingness to be reasonable. I see that often be for one of these two reasons or both.

One, they finally are hearing that they can either pay you what you're due or pay an attorney a lot of money plus then also pay you what you're due. So basically we can do this the easy way or the hard way, or it's because they want to be seen by others as being the good guy. I'm just using a man as a reference, rthis applies to no matter the gender. And just the presence of someone else seeing what they are up to encourages better behavior than what you were getting privately.

The dynamic of, "I can say whatever threatening thing to you in private because I can and no one else is listening in past history has told me that when I do that, I can continue to control you," shifts to one where there is a greater balancing of that power and you're calling their bluff.

Then we also want to recognize their motivation. So some people resist out of financial fear, while others don't want to be seen as losing. So understanding some of what might be underlying this behavior can help you strategize your approach.

Finally, you've got to be prepared to stand your ground. If your spouse refuses to negotiate fairly, you may need to escalate to court. That is leverage that you do have, particularly if they don't want to go to court, if they don't want to spend a lot of attorney's fees. Then it's not to say that that's where you want to end up. But if there's motivation not to burn it all down, if they want to hang on to the money that they think is solely theirs, then you've got to be prepared to have bottom lines and to stick to them and to assertively negotiate in helping them to understand what you are willing to accept and what you aren't. And then they get to make a decision from there and it may not be the decision that you may

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have thought it would have been out of the gate. Be careful not to assume from the outset that escalating to court and having a huge expensive drawn-out battle is your only option.

I hope this episode helps you feel more empowered when dealing with financial disputes in your divorce. Remember, knowledge is power. By understanding the law, recognizing your spouse's mindset, and strategically approaching negotiations, you can set yourself up for a reasonable resolution.

Thank you for tuning in today. I so appreciate you. I look forward to chatting with you in the next episode. Take care.

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