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Personal Autobiography

Gain clarity about your financial history
and ***transform your financial future***

by Karen McCall

Dear Friends,

Money doesn't exist in a vacuum. Every time we earn money, spend it, borrow it, win it or lose it, we are operating from a set of beliefs and attitudes that we learned from our parents and the society in which we were raised. Very few of us, however, have spent much time thinking about these lessons – and when it comes to money, ignorance is definitely not bliss. As a financial counselor for over two decades, I have worked with a wide variety of people and have heard thousands of stories about the ways that money can cause stress and turmoil in our lives. People express pain in different ways, but whether the problem is overwhelming credit card debt, a lifetime of undervaluing one's work, or a deep ambivalence about an inheritance, they usually suffer from similar feelings of worry, frustration or hopelessness. The stomach-churning emotions of despair and failure feel the same for anyone caught in the trap of self-defeating money behaviors. Additionally, one's deepest desire is usually the same, as well: to gain control of one's financial life.

People fall into destructive patterns for a variety of reasons, but they usually end up exhibiting one of three common dysfunctional behaviors: **doing without, making do, or over-doing.** Almost every money dysfunction boils down to one of these realities:

- people who are chronic under-earners are **doing without**
- people who earn plenty of money but find it impossible to spend a cent on themselves to nourish their spirit may be **making do** to the point of deprivation
- people who are over-spenders are **over-doing.**

Having good money skills is not just the result of superior intelligence or training. Some of my clients have been very well-educated and may even be working professionally in financial fields. Money difficulties affect people at all levels of intellect and in all walks of life. While it is important to learn practical tools and healthy behaviors with money (which I address in my MoneyMinder® Personal Money Management System), it is equally important to address the emotional roots of one's behavior. The MoneyMinder® Personal Autobiography will help you do this by guiding you through your memories of money situations and seeing how these memories connect with your current behaviors.

For many people, the source of self-defeating money behavior is a kind of hunger that stems from unmet needs, sometimes in the present and sometimes going back to childhood. Money becomes an issue not so much because of its objective, tangible value but because of its deep *symbolic* value. In her bestseller, *The White Album*, writer Joan Didion observes that, "We tell ourselves stories in order to live." These intensely personal narratives arise from our family of origin and our earliest experiences of being cared for – or not being cared for. As we

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mature, we lose touch with our original drama, but we may try to soothe or placate any hurt we experienced by means of a substitute. For many people, that substitute is money, or the things money can buy.

Money is, of course, a powerful thing. As psychiatrist David W. Krueger, MD, puts it, "Money is a tremendous force, one that in terms of its tangible value, determines where we live, how we live, whether we can put food on the table and so on… But when you look closely, you see that there are all kinds of emotional things that hitchhike on its coattails." Those emotional "hitchhikers" are what give money its symbolic power. As Dr. Krueger says, "Money is treated unconsciously by many people as a 'currency of caring.'" That's why a lot of things are attributed to money – things such as love, power and fame. But this attribution confuses what money *is* with what it *can do*. When our conscious intentions are at odds with our unconscious motivations, we'll never feel quite "right" inside. By taking time to consider the experiences you had growing up, and then connecting those experiences to your current behaviors, you will gain a whole new level of understanding and awareness. From those experiences, whether positive and wonderful, or negative and painful, one is then able to see which behaviors may be changed in order to have a more balanced and fulfilling life.

It sounds pretty good, doesn't it? There's no greater sense of freedom and control than to know you have an opportunity to change the quality of your life. Such a big payoff, however, may come with some discomfort. Writing your own MoneyMinder® Personal Autobiography may mean getting in touch with how you suffered various forms of physical, emotional, or spiritual neglect or deprivation, which can bring up a lot of strong feelings and memories that you may have spent your whole life trying to suppress. In this case, it's quite common to feel shame, embarrassment, guilt and anger. While working through the process of writing your own MoneyMinder® Personal Autobiography, should you find yourself struggling, feeling stuck, or experiencing emotions that are too difficult to handle alone, please be gentle with yourself and seek the support you need and deserve so that you can continue. The writer Maya Angelou once said, "There is no greater agony than bearing an untold story inside you." I encourage you to get support from someone with whom you feel emotionally safe. It may be any one of the following: a Financial Recovery Counselor (go to www.FinancialRecovery.com and click on the 'Find a Counselor' section to learn more); a therapist; a spiritual advisor; a twelve-step program such as Debtors Anonymous (go to www.DebtorsAnonymous.org to learn more); or a good friend.

I myself suffered from a wide range of dysfunctional financial behaviors that threatened to destroy my life. I know what the process of transformation is like. I also know that the

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financial freedom you will gain is well worth any discomfort. There is a saying from Alcoholics Anonymous that is very apt for this moment: “If we are painstaking about this phase of our development, we will be amazed before we are halfway through. We are going to know a new freedom and a new happiness. We will not regret the past nor wish to shut the door on it. We will comprehend the word ‘serenity’ and we will know peace.”

Remember, we can never look forward until we look back. We have the capacity to reach back through our history to find the resistance, and from doing that we can solve our problems. I know it takes courage. I commend and congratulate you for taking this opportunity to embark on this journey of creating your very own, personal, money autobiography.

Warmest regards,
Karen McCall

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Getting Started

The MoneyMinder® Personal Autobiography workbook is divided into seven main parts:

1. Early Childhood
2. The Adolescent Years
3. Early Adulthood
4. Present Day
5. A Vision of Financial Success
6. Practical Steps for Positive Change
7. Conclusion – A Final Note to You

In each part, I will walk you through the steps and exercises, offer behind-the-scenes insights, and give real-life examples from my own experiences and from people with whom I have had the privilege of helping over the years (their names and identifying details have been changed, of course, to protect their privacy). At the end of each section is a feature called ***Connecting the Dots.*** That is where you will look at your own financial history and connect it to your financial behavior. You will then see the real value of discovering how the events of your early experiences have helped shape your life. With this high degree of self-knowledge, you are then prepared to explore and embrace changes, and challenge yourself like you've never done before so that you can have the life you want and deserve. Work through these sections at your own pace. I would suggest, however, that you try to do them in order; I think it's important to be able to see how things have evolved in your life.

The best possible way to approach this workbook is in a state of quiet reflection. Find a time and a place to relax and let the process unfold. Try not to rush things. Spending time thinking about your past and present, and having the intention of coming to a greater understanding will in itself be enormously beneficial.

Please remember that no part of this process should feel like a test. There are no right or wrong answers. In fact, you don't even have to answer all the questions if you don't feel they apply to you. Before you pass over a question, however, take a few minutes to make sure that you are not skipping it because it makes you uncomfortable –

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or, if it *does* make you uncomfortable, consider coming back to it later. Try to rephrase the question in your own words and see if an answer comes to you. If it doesn't, then move on. By the same token, if a question nags at you for days after you first read it – if your mind keeps coming back to a question – make note of that. Insight might not come right away, and you may need time to integrate and digest what you've learned. Recovery is an ongoing process of discovery and more will be revealed over time. In fact, throughout the past eighteen years, I've updated my MoneyMinder®Personal Autobiography four times, and each time has given me deeper insight.

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Part 1: Early Childhood (Ages 1 to 11)

Twenty-five years ago, my life was a wreck. I had no assets, no savings to speak of, a habit of shopping to make myself feel better, and no sense of how I was going to stop the downward spiral. I was terrified. Since change always begins with understanding, I decided to try to understand money on all levels. I thought that what I needed was a better understanding of accounting principles and techniques for making a budget, but I quickly learned that the roots of my problem were much deeper than the numbers. What I realized was that without understanding the emotional part of the story was like starting a diet without understanding what's making you overeat. I stepped back from the numbers part of the equation and began to write a thorough money history of my life – an autobiography of everything that had happened to me, money-wise, as far back as I could remember. Almost immediately, I discovered that my childhood had made a huge impact on my financial behavior.

This reality was probably obvious to most outsiders, because my family was very poor and there were some situations I was in which were dangerously dysfunctional. My mother decided she was unable to care for me when I was quite young, and as a result, I was shuffled around amongst family members. I spent time with my grandparents on their homestead where daylight could be seen through the chinks in the walls. They didn't have a running toilet and couldn't give me a bath more than once a week, but they loved me very much and I was happy there. I also lived with my father and his wife in The Projects in a house which seemed like a castle compared to the homestead. My stepmother, however, was truly disturbed, and even though her *house* was solid, her *home* was not. It was not a good place for me. There were padlocks on the kitchen cupboards to keep me out. There was physical violence, horrible neglect and a total lack of any nurturing. For a short time, I was placed in a foster home. In fourth grade, my aunt and uncle took me into their family. With them, I found structure and security for the first time in my life. I had three meals a day, which included hot Ovaltine and a bowl of cold cereal before bed every night. It was heaven! My aunt read a chapter of *The Bobbsey Twins* to me every night. I was grateful for their caring. During much of

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my childhood I fought illness, mainly kidney disease and polio, so I spent a lot of time in and out of hospitals. All these experiences helped shape me, for better and for worse.

Examining my difficult history was not an easy thing to do, but doing so turned out to be transformative. I realized that I was making mistakes with my money because I was unconsciously trying to take care of myself in a way that no one ever had. While this was a good idea, I was going about it in a destructive way. I thought that buying *things* and having *things* meant that I was taking care of my needs. The truth is that I had no idea what my needs really were, and I ended up with a lot of financial problems. I could not change my childhood, of course, *but I could change the grip that it had on me.* I set out to learn all over again how to make a home for myself, how to buy groceries and prepare meals in my own kitchen rather than go out to restaurants all the time. I learned how to fulfill my needs for self-care by taking a leisurely bubble bath or going on a walk rather than going to Saks Fifth Avenue. There is a balance in my life now that I would never have dreamed of achieving, and my career is thriving. I now have freedom from the gnawing anxiety that made for such constant pressure before, and I have tools that help me live more joyfully.

I believe the way to start your own journey of financial healing is to revisit your early experiences, distinguish the feelings connected to them, and determine how these feelings continue to influence your current behavior. Writing your own MoneyMinder® Personal Autobiography is the key to understanding the behaviors that sabotage your ability to give yourself the life you want. Discovering the messages that inform your current belief systems and attitudes will allow you to start designing the life you desire.

Everyone's process of writing their MoneyMinder® Personal Autobiography will be different, because everyone's experiences have been different. Some clients came to my office with a lot of debt while others had issues of inherited wealth, problems with overspending, a tendency to under-earn, or a total lack of ability to save. Oftentimes, clients felt convinced that they had done something "wrong." They felt shame as we discussed their circumstances and I tried to be as reassuring as possible. Intense feelings of shame can surface as people relive their early childhoods. In addition to being extremely painful, shame can leave a person feeling paralyzed at a time when

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they most need to take action. They may have the feeling that they are doing something wrong simply because the experience is so uncomfortable.

My goal is to help people gain awareness of their experiences so they may connect those experiences to their feelings. Painful feelings are valuable, and can ultimately help guide one to wholeness and a sense of worthiness. Not having savings, always feeling badly about what we're doing with money or not being able to pay a debt *is hardly ever a moral issue.* We may not have been able to control the factors that led us into financial trouble, but if we are willing to take responsibility, we have the power to control the factors that will lead us out. Once people begin to heal, shame begins to release its grip and we begin to recognize that owing money and having other money problems are simply facts that can be dealt with over time.

It's important to remember that change can take time. If someone breaks a bone, it can take many weeks to heal. Similarly, connecting emotions to behaviors, and then changing those patterns, takes time. We'll start by examining your early childhood. This section is divided into the categories listed below. There is some overlap amongst each of the categories, but as I mentioned before, you can feel free to skip any question that you feel is not applicable to you or that you feel you've already answered:

A. Early Feelings
B. Parental Circumstances and Attitudes
C. Money Behaviors
D. You and Others
E. Clothes and Toys
F. Responsibilities and Training
G. Connecting the Dots: Early Childhood

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A. Early Feelings

1) **Write down the very first thing you can remember in your life that had to do with money**. Write down how old you were at the time of this first money memory, and what you felt about the occasion.

2) **Think about your overall childhood impression of money.** What did you know about this grown-up thing called "money"? What did you *think* about it? Note that in the next two questions, you'll have space to write specifically about your mom and dad.

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3) **Do you have any early memories of your mother and money?** Remember that we'll get to the teenage years in a few pages, so save your thoughts about high school and beyond. For now, I'd like you to think specifically about your mother as she was when you were young (age 1-11). Did she earn her own money? Did she ask your father for money when she needed it? Were you aware of her counting money, hoarding it, ignoring it, or spending it?

4) **Do you have any early memories of your father and money?** Did he talk about money very often? Did he complain about it, worry about it, or boast about it? Did you often see him spending money? Did you feel your dad was generous or tight with his money?

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5) **Write down the little sayings your family always said about money – because they're actually not so little.** As trite as they are, these messages are potent forms of conditioning that have long-range consequences. They work just like a pebble thrown into the middle of a lake, creating ever-enlarging rings of influence. The messages picked up in childhood may become internalized, continue to expand and touch every part of our lives. They set in motion beliefs about our abilities and our worthiness. Those beliefs, whether positive or negative, continue to influence our behavior. Are any of the following sayings familiar to you from your childhood? Circle the ones that are, and add your own on the lines provided:

- "Money doesn't grow on trees."
- "Money talks."
- "What do you think I'm made of…money?"
- "You're going to bleed me dry."
- "You don't really want that."
- "I may have to beg, borrow, or steal…"
- "Don't be greedy."
- "Money is the root of all evil."

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6) **How did you feel about your early birthdays and holidays?** For many people, this will be a very rich topic. Many clients who have come to me for financial recovery counseling have told stories of how complicated the holidays were for them. For example, some described how they never got what they wanted or asked for; others felt overwhelmed by the gifts and felt their parents were making up for lost attention throughout the year; some felt a lot of pressure from their parents that everything had to be perfect. Those are critical memories. I have one of my own memories, which I've shared with you in the Case Study: *The Gray Fuzzy Coat*. (See right). Now it's your turn to record a birthday or holiday memory:

CASE STUDY:
The Gray Fuzzy Coat

When I was a young girl, my family was very poor. What I mostly remember about that time is being cold. I was a small child, and I was always cold. We were so poor that we couldn't afford heat. A Christmas tree would have been a huge extravagance, but we had one that year; a charity had delivered it on Christmas Eve. When I woke up the next day, I discovered a wonderful surprise under the tree – a big package with my name on it.

I tore *open the package and found a gray coat that was two sizes too big. I was so happy because even though it was much too big, the coat was warm and fuzzy. It felt wonderful! Two days after Christmas, however, my stepmother marched me back to the department store and returned the coat for cash.*

I've missed that coat all my life, and for years, that longing affected my financial behavior. I was trained as a child to suppress my needs – to not even acknowledge that I ***had*** *needs. As a young adult, I lived in a state of self-imposed deprivation because that was the state in which I was most comfortable. It was what I knew.*

Once I connected my early experience with the coat to my state of deprivation, I was able to make a change in my behavior. Instead of depriving myself, I learned how to articulate my needs and how to meet them. It was a transformative realization.

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B. Parental Circumstances and Attitudes

7) **When you were a young child, did your family consider themselves wealthy, middle-class, "just getting by," or poor?** How did you know? When did you find out?

8) **How did you feel about your family's financial circumstances?** Did you imagine a different lifestyle for when you grew up?

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9) **Did you know how money came to your parents?** Describe any feelings you had about that. Did it make you feel proud? Ashamed?

10) **Do you remember frequent arguments or discussions about money?** Did you ever believe that you were a cause of the argument or that you had to choose sides? If so, recount that time and how it felt to you.

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C. Money Behaviors

11) **Describe anything you remember about shopping trips in your early childhood.** Were you able to ask for what you needed or what you wanted, and if you did, was it okay, or did you feel shamed or embarrassed?

CASE STUDY:
The Wolf at the Door

I often counsel couples to write their MoneyMinder® Personal Autobiographies together, as it can reveal why they have conflicts. I will never forget one particular couple, Sheila and Mark. They came in together because, after five years of marriage, they were experiencing a great deal of difficulty over their daily financial habits. Sheila insisted on paying the bills the moment they came in, and Mark thought this was ridiculous; he wanted to leave the money in the bank and wait until the end of each month.

When we got to this question in the MoneyMinder® Personal Autobiography, Sheila told a story about her childhood. She described that sometimes when she was playing with her toys in the living room of her house, there would be a loud knocking at the front door. Her mother would peer out at Sheila from the kitchen where she was making dinner. Sheila's father would get up from his chair where he was reading the newspaper and stand next to the door. "Go and answer the door, Sheila," her mother would whisper. "Tell the man your parents aren't home." Her father would motion her to open the door as he held his finger to his lips in silence. Sheila would do as she was told. She'd open the door and speak to the man who was standing there holding papers. "My parents aren't home," she would say, as fast as she was able. She was afraid the man might see her father hiding behind the door. The man would hand her the papers and tell her she must be sure to give them to her parents.

Mark turned toward his wife. The look on his face was one of complete empathy. "Now I understand why you always want to pay the bills so quickly," he said.

Sheila nodded. "I was so scared whenever those bill collectors came by," she explained.

"I can't believe I never knew this about you," Mark said quietly.

She cried. She felt understood and that her feelings were validated for the first time in their relationship.

The result of this revelation? Sheila and Mark easily came up with a compromise for paying their bills, one in which both of their needs were met.

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12) **As a child, did you have fears about your family's financial circumstances?** If so, what were you afraid of? What made you feel better or worse?

13) **What usually happened when you got sick?** Did your mom or dad stay home with you? Did you get presents or extra attention or were you left to fend for yourself? (I know people who sometimes pretended to be sick because this was one of the only ways to get their parents to slow down and really notice them).

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D. You and Others

14) **Did you ever steal anything?** If so, do you remember why you did it? Were you caught? What were your parents' reactions? What happened?

15) **When you spent time with your friends and their families, did you compare your family's financial situation to that of your friends'?** If so, how did it make you feel about your financial circumstances? Did you ever lie about your family's finances?

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16) **If you were wealthier than your friends, did you worry that people thought you were "stuck up" or that they might be jealous of you**? Did you try to downplay your wealth or otherwise compensate so that you'd be more accepted? If so, what did you say or do to that end?

17) **If you thought people were envying you, describe how you felt about it**.

CASE STUDY: No Magic Measurement

I once counseled a woman named Leslie who told me a story about envy. Leslie's family was comfortably middle class. Her parents were both professors at the university in town, and they earned a good income doing work they loved. Leslie and her brother and sister enjoyed a wide range of pleasures, such as ski vacations in the local mountains. When she was in fifth grade, Leslie befriended a girl named Sharon, who was from a much wealthier family. Sharon lived in an enormous and opulent home which had a tennis court, an avocado orchard, and a pool. They even had a personal chef. If the friend took a ski vacation, it was to Switzerland. But her parents were rarely home and in their place was a nanny. Leslie left that day feeling envious of her friend's home and her lifestyle. It began to eat at her. She started making comments to her parents about how poor they were by comparison.

One day, Sharon came over to Leslie's house. Leslie's mother made spaghetti and meatballs, and after dinner, the whole family watched TV together and had popcorn and root beer floats. At the end of the evening, Sharon turned to Leslie and said, "You're so lucky to have all this."

That night at dinner, Leslie thought about it. Her parents were home nearly every night. They both came to all her school events. They always had time to help with her homework, play a game of cards, or go out for ice cream. Leslie realized that she had been thinking of money as the one magic measurement of happiness. She'd forgotten that there were many other ways to measure life's satisfactions and what's important.

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18) **Can you remember an incident when you felt envy toward a friend, a classmate, or their families?** What exactly did you envy – their money, their parents, or their family outings?

E. Clothes and Toys

19) **Did you have many toys?** Were they expensive toys? Did they get lost or broken? Describe those that seemed most important and any incidents involving them.

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20) **When you asked for new things, what was the usual response from your parents?**

21) **Do you remember intensely wanting something and not getting it**? Describe what the thing was and where you learned about it. Did you see it at a friend's house? In a television ad? At your cousin's house at Christmas? Describe what your yearning felt like.

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F. Responsibilities and Training

22) **Were you expected to do chores at home?** Whether your answer is 'yes' or 'no', how did you feel about that? If you were expected to do chores, did you get paid? Describe how you felt about the situation.

23) **Did you receive an allowance?** If so, describe how you felt about your allowance. Did it seem like a lot of money? Did you know what to do with it? How was the amount determined and paid? (Remember that this is an early childhood allowance, not a teenage one).

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24) **How did you use your allowance?**

25) **Were there things other than chores for which you were paid?** If so, describe. (I've heard people over the years talk about being paid for good grades, for a flawless performance, for soccer goals, and even for keeping a secret).

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26) **Did you have any experience of saving money in your early childhood?** If so, describe how you saved. Did you have a passbook at the bank? A piggy bank? A secret stash of dollars under your mattress?

27) **If you were able to save, what eventually happened to your savings**? Did you get to spend it on what you were saving for? Was it forgotten? Lost? Stolen?

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28) **Did your parents, siblings, or other people borrow money from you?** How did you feel about it?

29) **Did your parents trust you to go to the store on your own to buy something?** If so, describe an experience of going to the store when you were little. Perhaps you weren't trusted to go to the store, but went, regardless. If so, describe this experience.

CASE STUDY: Trust and Responsibility

Many people did not learn to trust themselves or to grow through taking responsibility. Ann, for example, was never allowed to cross the street by herself until she was thirteen. Her mother told her friend, Valerie, "Be sure to watch Ann when you go downtown. Don't you girls cross the street until the light turns green." Even as a grown mother of two children herself, Ann has a deep dread about moving out of the "secure" position she has as a receptionist in a tiny mail-order business in a warehouse district. A typical under-earner, Ann was never allowed to make decisions about her life until she left home to go to college. She fears obtaining a more challenging job situation because she has an inner dread of taking risks and leaving her protective cocoon, repeatedly finding situations that continue her under-earning pattern.

Dan is another talented under-earner. He had never really been allowed to make choices or decisions growing up as his parents made them for him. By the age of 25, he had accumulated $15,000 worth of credit card debt. He turned to his parents, as he had always done, to solve his problem. They are now refinancing their house to pay off his debt. The pattern between Dan and his parents had become deeply entrenched.

I've learned something interesting, however, about parents with dependent adult children: often parents set up these situations because of their ***own*** *need to be needed. There's a payoff, in other words, for the parents having their kids hang around and be dependent. With parents like this, who aren't invested in raising fully functional adults, the kids have to set the boundaries so that they can learn how to relate to their parents as strong, independent children.*

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G. Connecting the Dots: Early Childhood

Well, that's all the questions in the Early Childhood section. Take a big breath and relax for a few minutes. You've just gone through a very important process that can bring up strong feelings, so remember that if you're feeling overwhelmed, you may want to share your feelings with a trusted friend or advisor. When you're ready, you can take the following steps noted below.

Important Words, Ideas and Patterns

Read through your responses. Look for specific words and ideas that are frequently repeated. This makes it easy to see if there is anything you can learn from the patterns that have emerged. If you notice *anything* – no matter how insignificant it might seem and no matter how obvious – record it here. If the following phrases are inspiring, you can use them, or you can just write your thoughts on the empty lines below:

- I often use the words _____ when I talk about money and my childhood.
- I was surprised to see that
- I was very _____ as a child.
- My mother was _____about money.
- My father was_____
- I had completely forgotten about

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- If I were looking at my childhood as an outsider, this is what I might say about what that child was learning about money:

What Does it All Mean?

Children all have essential needs that must be met in order for them to grow into balanced, self-reliant adults. Despite parents' best intentions, these needs are not always met. Our goal in examining childhood is not to place blame; it's to do the following:

- Understand your story and make the connections necessary for your own healing.
- Become educated about the way money works in your life.
- Identify your needs and desires and learn how to meet them.
- Resolve not to pass financial difficulties on to future generations.
- Come to a better understanding of yourself, your early experiences, and how they have helped to shape who you are today.

Below are three key childhood needs that I have identified as being important in financial recovery work. See if any of these explain the patterns and ideas you found in your Early Childhood answers:

1. Being Loved Just the Way You Are

It was a rare week when I heard a story of a child who received the message that he or she was wonderful, special, loveable and precious. More often, the story was that a child kept desperately trying to perform particular feats in sports or in school in order to feel loved and cherished. The gift of unconditional love was seldom present. Most parents love their children, but children can receive messages that damage their self-esteem, or they can misinterpret messages intended to empower them. When children haven't experienced unconditional love, they often grow up to be people who look for

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love outside of themselves. This keeps them fixated on the idea that they need to have perfection (perfect hair, perfect shoes or a perfect house) to merit others' attention and respect.

2. The Need for Attention

A developing child needs attention when he or she cries or gets hurt so that they can develop a way to put their fears in perspective. Simple statements can be incredibly powerful in these situations. Consider the following examples:

- "You're scared…you were having a nightmare. I'm here with you now."
- "It's okay; we'll put a band-aid on it."
- "Whoa, you look like you had a bad day at school today. Would you like to sit down and tell me about it?"

The attention a child gets from hearing these kinds of statements has a profound impact. In the absence of them, a child will usually end up feeling abandoned, overwhelmed, cautious, rebellious, angry or fearful. These feelings of powerlessness, shame or pain often pervade their lives as adults. Those early feelings continue to shape how they use money, which is, as we discussed earlier, the currency of power. These adults squeeze it, stretch it, hoard it, idolize it, and chase it – which usually means that they wind up feeling threatened, overwhelmed and helpless. This can profoundly affect their relationship with money.

3. Essential Security

Many people with money problems never had a sense in childhood that "all is right with the world." They didn't feel a sense of family or feel loved and accepted by caring, demonstrative people, so they never felt a spiritual connection with life and the universe. They never experienced the physical gestures of touching, rocking, patting, hugging, and kissing, which are as much a part of child's sustenance as food and water. Some people explain that their parents were always working (in the home or at the office). Others were watched over by a nanny or a babysitter who sat them in front of the TV or in a playpen in an empty room.

No matter what the reason, a child who doesn't feel a sense of essential security often continues to feel empty and lonely, and they're always on the lookout for

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something to fill the inner void. When it comes time for them to venture out into the world of jobs and careers, money and relationships, they wonder how they will ever fit in or they question why anyone would want what little they have to offer. Still craving the essential security denied them in childhood, but afraid of asking for it from others who might also disappoint them, they attempt to fill the void by spending.

Not all of us fall into neat categories when it comes to our financial lives. If you don't recognize your patterns of behavior in these previous three examples, that's fine. However, I hope you are nonetheless beginning to develop a picture of what you were taught about money as a young child and how those lessons are still resonating in your life today. In any case, try to be aware of how the patterns you identified may have influenced your attitudes and behavior about money. How have they been reflected in your adult life? You may want to think about using the following phrases to help sort things out:

- My tendency to _____ my money seems like it began when I was _____.
- I remember feeling exactly the same way about _____ as I feel today about _____.
- I can see how my _____ may be connected to _____.

Additional notes about your Early Childhood:

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Part 2: The Adolescent Years (Ages 12 to 17)

Money can often seem like the magical solution to everything desirable in adolescence. Money, after all, buys independence, a social life with friends, the clothes that might help you feel "in" or popular, and a sense of control. But for most of my clients, whether they had money or not, the adolescent years were often very painful times. Reviewing their feelings from those years has proved very helpful in uncovering interesting patterns. Many people suffered from comparing themselves to others or to the illusory "perfect" lifestyles they may have seen on TV. Others suffered because they felt they didn't really have anything to offer the world – they didn't, in other words, have a sense of the future or their place in it. Others felt trapped in unbearable family situations, fearing they'd never be able to "get out of Dodge," or if they did manage to escape, that they wouldn't be able to support themselves.

Even people who appeared to "have it all" in adolescence – the clothes, the latest iPods, the vacation home – can feel lonely, left out and emotionally deprived. Studies show that children who come from well-to-do families who deny their kids' true needs or attach strings to financial gifts are worse off emotionally than children whose parents were truly poor and cannot meet their kids' needs. The non-verbal message to the child in the poor family is that his or her parents cannot spend money because they don't have it; but, in the well-to-do family, the non-verbal message is that the parents choose not to spend money on the child because he or she is not valued or worth it, simply not deserving of what he or she wants.

Complicating issues of money in adolescence is the fact that many young people are just not taught about the consequences of their behavior or how to deal with their own impulses. I know of one young man who was given a checkbook and sent off to college with little financial instruction. During the second semester, he decided not to pay his tuition, but to take his girlfriend to New York instead. He simply wasn't conscious of the consequences of this kind of impulsive spending and figured he would just go back to Mom for more money. This pattern, which had been set in place many years before, had a devastating effect on his bank account and his preparation for the future.

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What happened to this young man is hardly unusual. If healthy attitudes about money, feelings of self-worth, and nurturing connections to family and friends have not been defined by the age of twelve, the subsequent years will only deepen negative attitudes and feelings of deprivation. Let's take a few minutes now to examine your money-related history during these formative years. This section includes the following categories:

A. Family Dynamics
B. Your Place in the World
C. Spending, Earning, and Saving
D. Connecting the Dots: The Adolescent Years

A. Family Dynamics

1) **Did your financial status as a family improve or get worse as you became a teenager?** If so, how did this impact the family? How did it impact *you*?

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2) **Where did your parents' money come from during these years?** Did you know what they did for a living and how much they earned? If not, were you curious? Did you ask them? Did they tell you? How did you feel about it? If you did know, how did you find out?

3) **Did either parent share money information with you, or was money treated like a secret?** If so, describe your feelings about this.

4) **Describe any addiction, illness, or obsession that affected your family's finances**. Did alcoholism sap a parent's ability to earn? Did gambling eat into the family savings? Was there a mental or physical illness that brought about a change in your circumstances?

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5) **What did your parents do together for fun?** How did money impact your family in terms of vacations and fun activities?

CASE HISTORY: Who Do You Think You Are?

Paula grew up feeling that she didn't deserve anything from anyone – and for good reason. Her mother went out of her way to make her daughter feel undeserving. "I remember vividly this one day when my mom took my girlfriends and me to buy bathing suits," Paula explained. "I had saved my babysitting money to buy a cute suit and found one I loved. I was just short of the $18 I needed, but my mother wouldn't help me. Instead, she stood in front of me with her hands on her hips and said, `If a $5 suit is good enough for me, it's good enough for you. Who do you think you are, anyway?' At that moment of humiliation, I made a decision never to be put in that position again…but the way it got translated when I went out on my own was like this: I'm going to buy what I want, when I want, whether or not I have the funds to pay for it."

This attitude nearly ruined Paula. The more money she made, the more she spent, and the more she spent, the more she was put right back into a precarious financial situation. Being on the verge of financial crisis not only felt familiar to her, it felt comfortable. What Paula realized was that the decision she had made at the age of 14 was still driving her behavior 20 years later. She bought what she wanted to buy when she wanted to buy it, but it no longer served her. Once she understood this, she learned that with a little bit of patience and effort to save, she could have most of what she wanted. In addition, she could have financial stability, as well.

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6) **What were your family's verbal and non-verbal messages about money during your adolescence?** Often, as we enter the teenage years, the messages become more subtle – and more divisive. Instead of, "Money doesn't grow on trees," you might have heard, "If you don't bring your grades up, you'll never amount to anything," or "You don't belong at a fancy college like that." These messages can be very damaging.

7) **What do you remember about gift-giving in your family?**

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8) **Do you have any strong memories about birthdays and holidays in your adolescent years?**

B. Your Place in the World

9) **What messages involving careers and money did you get from your parents at this time?** What did they suggest for you – and did you hear different things from your mother than you heard from your father? Conflicting messages from parents can be a source of money problems. After all, if one parent is saying, “Follow your heart,” and the other is saying, “Take the highest-paying job you can find,” you’re bound to be confused.

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10) **What were you best at in high school?** Did you hope to make a career out of it when you grew up, and if so, what messages did you receive from your family about that plan? Parents often unconsciously try to fulfill their own unmet hopes and dreams through their children. I know families where all the men were expected to join the military, work in the coal mines, continue the family business, or become doctors. Expectations for girls are often different – to find a husband, and/or to stay home with babies. It's rare to find families where the parents truly support their children's talents and help them "reach for the stars". What was it like to be good at something in *your* family?

11) **What did you get recognition or attention for in high school?** List positive and painful experiences. Think of everything from the grades you earned to how you felt about your looks, from the awards you won, to just the opposite (e.g., the time you got called into the principal's office).

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12) **How did you feel about your relationship with friends and fellow students in high school?** Did money (or lack of money) connect you to people, divide you from them, or play any role in these relationships? Sometimes kids claim to their peers that they don't want to join in on an activity, when the fact is that they **would** like to do so, but they don't because it is too painful to admit they can't afford it.

13) **How did you feel about your family in relation to your neighborhood and your friends during this time as an adolescent?** Was this feeling the same as it was when you were a younger child, or was it new to this period of your life? Many people spend a lot of time at their friends' houses during their teenage years, and the differences in houses and material possessions can sometimes seem quite pronounced. If you experienced this, how did you feel?

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14) **What feelings did you have about clothes during this time of life?** Did you pay a lot of attention to your clothes? Were you able to buy what you wanted?

CASE STUDY: Your Mother or the Police

Janine recalls a time when she was in junior high school and hanging out with some older girls. She was desperately trying to fit in. The girls planned to go into a local convenience store and steal candy, and Janine was positive she was going to get caught. The risk, however, was part of the thrill of doing something that seemed decidedly un-childlike. Janine swiped a ten-cent candy and slipped it into her pocket. Her other friends had taken their loot, and were already out the door. Before she made it out, however, Janine was caught. The owner marched her behind the counter and told her she could call her mother or the police. Shaking, she called her mother. When her mother came to pick her up, the mother didn't say a single word. It was dead silent in the car for the entire ride home. The silence was awful – and instructive. As an adult, Janine is a law-abiding citizen who always speaks up when cashiers make an error in her favor.

15) **Was stealing part of your adolescent experience?** If so, from whom did you steal, what did you steal, and how did you feel about it at the time? What were the consequences of your actions?

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16) **What messages do you remember receiving from society about money?** Did you learn anything from television ad jingles or the newspaper?

C. Spending, Earning and Saving

17) **Did you have a job as an adolescent?** Did you feel you had to go to work to help out your family? If not, what was your motivation for working? If you babysat for your family, be sure to include that here.

18) **What did you spend your money on during those years?**

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19) **How did you decide how you would spend money?** Did your parents tell you how to spend it? Was it impulsive? Did you have a spending plan? Did it change depending upon whom you were with at the time?

CASE STUDY:
A Pyramid of Debt

Like many of my clients, Claudia came to me scared, depressed and overwhelmed about the size of her present credit card debt, which had reached $30,000. Her annual income was only $20,000, and she lived at home with her mother. She said her boyfriend had just broken up with her because of her spending habits, and she wanted help with "budgeting."

It didn't take long for me to figure out Claudia's destructive behavior patterns. She told me that she spent almost every Saturday shopping in department stores. After work, during the week, she often went into local clothes shops near her office just to "check them out." Sometimes she would just browse, but she told me that "on bad days, I can rack up three or four hundred dollars on my credit card in a couple of hours if stuff is on sale. If it's on sale, I feel better." She started out with one credit card, but ended up with two more cards from department stores. She started making minimum payments on each of the cards, and soon her debt was out of control.

What was Claudia's problem you might ask? Why didn't she just sit down and figure out a grocery budget? A clothes budget? Why didn't she just cut up those credit cards if they were such a problem? These suggestions are useful and often necessary steps to take, but budgeting was not at the root of Claudia's problem and it wasn't going to solve it, either.

The root of Claudia's problem – and the key to her financial recovery – was her childhood relationship with her mother. "My mom never had much time for me because she worked full-time and also helped her cousin manage a bar four nights a week," Claudia explained. "When I spent time with Mom it was almost always when she took me shopping on Saturdays. Sometimes when she had other things to do, she'd give me her credit card and let me go to the shopping center by myself. That night or the next day, she would sit with me and admire what I had purchased. This was how we connected." Claudia equated shopping with her mother's love. By maintaining her dependency, she could also maintain the fantasy that someday her mother would rescue her or finally give her the love she wanted. Therefore, her early experiences of shopping as a substitute for real quality time with her mother was a set-up for Claudia becoming a compulsive shopper. As soon as she realized what was driving her spending, the fog of denial started clearing, which started her process of recovery.

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20) **Did you save money?** If so, how much did you save, and where did you save it? What eventually happened to it?

21) **Were you shown how to start a savings account for yourself?** If so, who showed you and what were you told about saving (the benefits, tips for saving, etc.)? What, if anything, did you discover or learn from having a savings account?

22) **Did your parents give you a credit card for shopping**? If so, how did it feel? Did using a credit card feel differently than using cash? Did your parents give you any guidelines or limits for how you should use the card?

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23) **If you used a credit card, what did you buy with it?**

24) **Did you ever spend money on drugs, alcohol and/or cigarettes?** If so, how did you feel about it?

25) **Did you ever get scolded or punished for spending money on something**? If so, what happened? Describe the situation.

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26) **What chores were you expected to do during adolescence?** Did you get paid? If not, how did you feel about that?

27) **As your needs increased as a teenager, did your allowance increase?** If so, how did you feel about the amount given?

28) **Did you ever ask for a raise in your allowance?** If so, what happened?

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D. Connecting the Dots: The Adolescent Years

That's it for the questions in this section – the questions that many people find the most difficult part of the MoneyMinder® Personal Autobiography. Let's now work on figuring out what clues your answers might hold to your financial behavior.

Important Words, Ideas and Patterns

In reflecting upon what you've written, I suggest you get out a highlighter and read through your responses. Look for words, ideas and patterns that connect you to your financial behaviors. The idea is that instead of saying, "I like to buy shoes; that's just the way I am," you will come to a new understanding about why shoes are important to you. In looking over your answers from the teenage years, perhaps you see a pattern about your need to fit in. Maybe you recalled a story about high school when shoes were the most important thing in the world and new ones made you feel great, even though you had pimples, braces and eyeglasses. Or, if you weren't able to get the shoes you wanted, did you feel deprived? Below are some phrases you may want to use as you look for patterns and ideas:

- I often use the words _____ when I talk about money and my adolescence.
- I was surprised to see that _____ carried over from my early childhood.
- It appears that the seeds for my tendency to _____ were planted during my teenage years.
- When I was a teenager, my mother was _____ about money.
- When I was a teenager, my father was _____ about money.
- If I were looking at my teenage years as an outsider, this is what I might say about what that young person was learning about money:

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What Does it All Mean?

The teenage years are important for differentiating one's identity from parents. The anxiety felt during these years is well-founded. After all, one is trying to figure out the age-old questions, "Who am I?" and "Where do I fit in the world?" It's not an easy time of life. Money matters complicate many of the issues of adolescence. I have identified three main ways in which this is true:

1) **The Need for Validation**

We need attention when we are young, and we need validation. We need to know that we are important, that our mistakes won't ruin us, and that we're on the right track to make something good out of our lives. Just because we may tell our parents to go away, or feel embarrassed when they try to get close, doesn't mean that we don't still need their approval, involvement and love in order to grow to our fullest potential. We do – and the consequences of not getting these things can be grave.

Teens who didn't receive this nurturing from their parents may seek it elsewhere – from buying clothes that are "in", or engaging in behaviors such as drinking or cutting class that are viewed as "cool" by their peers. This may set up a pattern of spending that can last well into adulthood.

2) The Need to Learn Good Habits for Handling Money

Understanding how money works – how to earn it, spend it and save it – is one of the keys to having a successful adult life, yet it's shocking how many parents fail to teach their children anything about saving, spending, and other financial matters. This failure is usually a result of the fact that the parents don't know how to do it themselves. It's no wonder that young adults pile up credit card debt and feel entitled to spend in order to make themselves feel better, then subsequently, enter a "financial fog" where they're not really sure how much they make, how much they spend, or how much their habits are costing them. They frequently seek instant gratification, not knowing how to make appropriate choices.

If you feel that your basic money-handling habits are not strong, the good news is that it's never too late to learn. Some people can do this on their own; others may need

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help. I have some excellent tools at www.FinancialRecovery.com that can help you become more knowledgeable and effective in dealing with money. I will discuss them in the section Practical Steps for Positive Change at the end of this workbook.

3) The Need to Learn About Our Wants and Needs

As teenagers, we want instant gratification. That's the norm. However, over time it is important to develop the ability to control this impulsive behavior. If left unchecked, it potentially leaves the person dissatisfied and unable to distinguish between their wants and needs. We feel truly satisfied only when our basic needs are met first. That is the key difference between wants and needs. When we meet our basic needs, we feel we have enough. Long-standing neglect of our needs creates a hunger for more. This sets us up for impulse spending and wanting immediate gratification. *We can never get enough of what we don't need.*

Take a few moments now to think about how the patterns you identified in "The Adolescent Years" section may have influenced your attitudes and behavior about money. How have they been reflected in your adult life? You may want to think about using the following phrases to sort things out:

- My tendency to _____ my money seems like it began when I was _____.
- I remember feeling exactly the same way about _____ as I feel today about _____.
- I can see how my _____ may be connected to _____.

Additional notes about your adolescence:

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Now let's turn to Early Adulthood – a period of life when money problems tend to become intensified as people make their way out into the real world of employment, rent, credit cards, and taxes.

Part 3: Early Adulthood (Ages 18 to 25)

By now, you should be starting to see how early experiences may be impacting your life today. Let's move on to your early years of adulthood (even if you may be still in them) when you went out into the world on your own. That is the time when you began making many choices such as a career, credit, to spend or not to spend, where to live, and what to drive. Many of you may feel that you should have all these things figured out by the time you become legal adults. Few do. What was, or is, this time of life like for you?

The categories we will cover in this section include:

A. College or Other Advanced Education

B. Friends and Dating

C. Handling Money

D. Connecting the Dots: Early Adulthood

A. College or Other Advanced Education

1) **If you attended school after high school, how was it financed?** Did you receive scholarships, student loans, monetary gifts, help from your parents or others, or did you put yourself through school? How did you feel? Were you proud and excited, fearful, guilty, or some combination of all of those things?

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2) **Did your parents ever sit down and go over a financial plan for your college years** or did they just send you off and expect you to figure it out? Did you have much input? Describe the scene.

3) **If you borrowed to pay for school, how did you feel about the responsibility?** Did you imagine how long it would take you to pay off the debt?

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4) **What were your beliefs about gaining an education and planning for a career?** Which came first in your mind? Which came first in your parents' minds? Was there any conflict or confusion around this topic? Were there strings attached to what you had chosen?

B. Friends and Dating

5) **What were your experiences and feelings about dating and money during this time?** How did you handle the subject of who would pay?

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6) **How did you feel about discussing money with your close friends?**

7) **Were your friends able to spend more than you were?** If so, did you find ways to compensate for that? For example, you might have declined invitations, left restaurants before the check arrived, or borrowed from others, “forgetting” to pay them back.

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8) **Were your friends not able to spend as much as you**? If so, did you treat them to meals and other entertainments? Did you feel obligated to do so?

9) **Describe your expectations around marriage or partnership and money at this time?** What did you think life with another person would look like in terms of money? Did you imagine a house? Children? Vacations?

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10) **Did you buy presents for others?** Did you ever buy gifts when you couldn't afford it?

C. Handling Money

11) **Describe your experience with your first checking account.** Did you keep a running balance, balance to the monthly bank statement, write checks with insufficient funds in the account, or bounce checks due to vagueness?

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12) **If you had an ATM/Debit card, describe how you used it and your thoughts regarding having one.**

13) **Describe your experience with your first credit card.** How did you get it? How did you use it? Was your plan to pay off the balance each month, and were you able to follow through?

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14) **List your credit cards in the chronological order in which you got them.** Include the circumstances under which you got each card.

15) **Did you ever take out cash advances on a credit card to pay for rent or groceries?** How did you feel about doing that?

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16) **Did you often think about the amount that you owed?** If so, how did you *feel* when you thought about it?

17) **How often did you sit down and add up all the balances on your cards to reveal how much you owed?** If you went through this process, what feelings came up for you?

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18) **As you used or accumulated credit cards, were you clear about what amount of interest you were paying on each of them?** Did you spend a lot of time guessing or did you not pay any attention to the interest portion of having a card?

19) **Did you ever have a feeling during this time that you were headed for "money problems?"** If so, describe what happened and what it felt like.

CASE STUDY: The Slippery Slope

I know exactly how it feels to be on a slippery financial slope. After I raised my two children, they went off to college…and I got divorced. I was completely alone and lost. I had assets – but no job and no clue what to do with my life. My kids were grown, and I didn't know who I was without them. It never occurred to me that my money was going to run out one day, so I just started spending it. My assets began to go down, while my debt went up. As the months went by, the balance began to tip even further, but I continued to live in total denial. Soon, I had no money and a mountain of debt. It wasn't until I received an eviction notice, however, and was on the verge of being homeless, that I could no longer deny the truth: I had money problems and I needed help.

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D. Connecting the Dots: Early Adulthood

We're getting closer to having completed a written account of your money history. I hope you can see how the realities of early childhood and your teenage years had an impact on your early adulthood.

Important Words, Ideas and Patterns

Look for important words, ideas and patterns. Below are some phrases you may want to use to help you make sense of it all. Write the thoughts and feelings that come up for you when you reflect on this.

- I often use the words _____ when talking about money and my early adulthood.

- I was surprised to see that _____ carried over from my adolescence.

- It appears that the seeds for my tendency to _____ were planted during my early adulthood.

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What Does it All Mean?

Early adulthood is an exciting time for many people. Finally, they're able to head out into the world and make their mark without limits set from teachers and parents. There's an exhilarating sense of freedom – and the potential to do a lot of financial damage. I have outlined the three main financial needs young adults have. As with the previous sections, take note of where your young adult years measured up or fell short.

1. A Sense of Self-Worth

We need to know that we are capable of making our way in the adult world. Getting and holding a job are critical steps in this process. If a young adult has a low sense of their own self-worth, they may look for jobs where they are bound not to succeed. They may undervalue their skills and their time. They may not ask for raises or look for ways to get promoted. Once established, this pattern can be very difficult to break.

2. An Understanding of Financial Matters

It's shocking how many people enter the workforce without knowing exactly how much they make or exactly how much they spend. There is a great deal of guessing going on – as well as denial about taxes, savings, credit card debt, down payments and more. Even someone who's good with numbers (or who works at a bank, in real estate or in the tax preparation business) can make a lot of mistakes in early adulthood. Most of these mistakes are due to just not knowing about such things. The good news is that it's never too late to get educated. By writing your MoneyMinder® Personal Autobiography, you've already started down the path toward financial recovery.

3. The Ability to Enjoy the Fruits of Your Labors in a Balanced Way

There's nothing wrong with wanting something – to go out with friends, to buy a new dress, to take a cruise in the Caribbean – and there's nothing wrong with enjoying it once we've earned it. In fact, spending on things that bring us happiness is one of the great pleasures of life. There's no need to deny ourselves.

The danger comes when we buy things we don't need with money we don't have and our spending gets out of balance with our earning. When a young adult thinks that

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they *deserve* a certain treat or that they're *owed* something - *that's* when trouble starts to brew. When we get into the workforce we need to learn a sense of balance – how to enjoy the present as well as how to plan for the future.

How have your habits from early adulthood contributed to your current financial difficulties? You may want to think about using the following phrases to sort things out:

- My tendency to _____ my money seems like it began when I was _____
- I remember feeling exactly the same way about _____ as I feel today about _____.
- I can see how my _____ may be connected to _____.

Additional notes about your Early Adulthood:

Now let's turn now to your present financial reality and see how the patterns of your past are playing themselves out in your daily life.

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Part 4: Present Day

Until now, you've been describing the experiences and events from your past that have shaped your attitudes, beliefs, and behaviors around money. The next step is to do an honest assessment of where you are now, emotionally and financially, with money. A present day inventory will give you a true picture of your money life today. You may be graduating from college, struggling with debt, or have lost a job. You may have doubts about your career and/or earning status, or even be recovering from a long, debilitating illness or addiction. I've never seen anyone who is too far down to recover *if* they have the desire and make the decision to do something about it. The first step is to come out of the financial fog about your current situation. Let's begin by answering the questions in the following categories:

A. Feelings
B. Earning and Spending
C. You and Others
D. Spending Habits
E. Credit Cards
F. Loans
G. Connecting the Dots: Present Day

A. Feelings

1) **What motivated you to engage in this inventory of your money history?**

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One great fear that I know well is the fear of being "found out." This is the fear that others will find out about the true state of our money, which means that our carefully guarded secrets will be exposed and people will finally see what a failure we are. Because of this, embarrassment, shame and humiliation are deeply felt by many, if not most, of those who suffer from money problems.

2) **Do you currently have any money "secrets?"** If so, how do you feel when you think about sharing them with others, or having them discovered? Is there something that people would be surprised to know about you?

3) **Describe how you feel about spending money on yourself.**

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4) **What do you like about your behaviors with money?**

5) **What would you like to change about your behaviors with money?**

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B. Earning and Spending

6) **How much money do you actually make each month?** How do you feel about your level of income and the number of hours you are working in order to earn it?

7) **If you work for someone else, when was your last raise?** Was it automatic or did you ask for it? If you are self-employed, when was the last time you raised your rates? Describe how that felt.

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8) **Have you inherited money, or do you expect to?** How do you feel about that? Does it affect decisions you make today?

9) **Do you spend money on alcohol and drugs?** If so, describe the effects it may have on your finances.

CASE HISTORY: Daddy's Bank Account

Regardless of the amount of money they have, many wealthy people are immobilized by the fear that if the money runs out, they will be unable to support themselves. In listening to stories from a wide range of people, I've heard that wealthy people are often objectified by others and suffer from the suspicion that their friends like them only for their money. Money for them is an isolating element in their life, a burden or responsibility that they don't feel they can live up to. Some who have grown up in a privileged situation fear they are unable to take care of themselves. The debilitating message they may have received is: "You don't need to worry about money because you will be taken care of." When this turns out to be false, they are filled with dread. Even when they have been financially provided for, the fear sometimes remains and restricts them from living the life they desperately desire. Other people might say something to them such as, "I wish I had your problem," thereby completely dismissing the fearful feelings as inconsequential. For these people, the effects of having plenty of money are just as hurtful as for those whose problem is having too little money.

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10) **If you frequent clubs and bars, describe any impact that has on you or your finances.**

11) **How much do you spend on tickets and/or gambling each month?** Does this adversely affect any part of your finances or your life?

12) **What was your last major purchase in the past 6 to 12 months?** What need did it fill for you? How did you pay for it?

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13) **What are you dreaming of buying now?** How do you expect to feel if or when you get it?

14) **Do you purchase things regularly by phone or through catalogs, the Internet, or from television shopping networks?** How do you feel while you're doing this?

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C. You and Others

15) **If you have a spouse or partner, how are finances handled within your relationship?**

16) **What are your feelings about giving financial support to your spouse or partner?**

17) **What are your feelings about receiving financial support from your spouse or partner?**

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18) **Describe whether you feel you handle money better or worse than your spouse or partner.**

19) **How do you feel when you talk to your spouse or partner about money?** See if you can recall a specific conversation.

20) **What would be the perfect solution to money pressures between you and your spouse/partner right now?** Is that solution possible?

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21) **Do you feel obligated to support parents?** Siblings? Others? How do you feel about these responsibilities?

22) **If you are a single parent, do you get adequate child support?** How do you feel about your financial agreement with an ex-spouse?

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23) **Does your spouse or ex-spouse remind you of one of your parents in looks, attitudes, values, and/or ways of relating to you?** If so, describe the ways in which this is true.

D. Spending Habits

24) **Describe how you plan your spending.** Do you keep a rough idea in your head, write out a plan, or simply spend until the money is gone?

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25) **Do you understand how to reconcile your bank statement?** If so, how often do you do it?

26) **If you answered "no" to the previous question, is there someone you could ask for help?** If not, what keeps you from seeking assistance with this?

27) **Do you bounce checks?** If you do, how much have you paid in overdraft charges, on a monthly average, for the past year?

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28) **How often do you go to your ATM during the week?** How much do you take out? Do you know where the money goes/how it's spent? Are you surprised how quickly it goes?

29) **If you change banks frequently, what is the reason?**

30) **Have you ever been asked by a bank to close your account, or has the bank closed an account for you?** If so, why?

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31) **What kinds of feelings do you have when you are in banks?**

32) **Where do you keep your bills that are to be paid?**

33) **Do you have a filing system for bills – both paid and unpaid?**

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34) **Describe how you prepare for your filing of taxes.** Is this a time you dread and worry about for months? Do you put off filing until the last minute? Do you keep receipts for tax purposes? Do you have a filing system for these or do you find them scattered all over the house? If so, do you file these on a regular basis?

35) **Have you ever felt the need for financial advice?** If so, describe why and what you did.

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36) **What options have you considered to solve your money problems**? Have you considered bankruptcy, loan consolidations, borrowing from friends/relatives, playing the lottery? (If you do fantasize about winning the lottery, what do you imagine doing with the winnings?)

37) **Have you ever filed for bankruptcy?** Explain the circumstances and remember to include how you felt about it.

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E. Credit Cards

38) **Now might be a good time to look back and update your chronological list of credit cards from Question 14 in the Early Adulthood section (page 53).** Note how many of these cards are at the limit.

39) **Do you usually pay the minimum payment on your credit cards or pay more than the minimum?**

40) **What kinds of things do you usually purchase using your credit card(s)?**

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41) **Do you feel more guilty charging certain items than you feel charging others?** If so, which items? *Why* do you feel guilty about charging these items?

42) **Do you know the interest rate on each of your credit cards without looking it up?** If you don't know, you may want to take this opportunity to check, and record these rates below. How much did you pay last year in interest? .

43) **What are the best things about having credit cards?**

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44) **What are the worst things about having credit cards?**

45) What do you think your life would be like if you didn't have any credit cards?

F. Loans

46) **Have you ever asked a friend or family member for a loan?** If so, how did you feel?

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47) **Do you have outstanding personal loans?** Are you able to repay them? How do these loans affect your relationship with your family or friends?

48) **Is there a debt or loan from your past that you never paid off?** What feelings come up when you think of this?

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G. Connecting the Dots: Present Day

You've just covered a lot of ground in exploring your financial history. Look back over your answers for anything that looks like a "red flag" to you – a place where you might notice behaviors or where you experienced fear, denial, anger or other kind of emotions.

Write down those red flags here:

Making Sense of It All

My own problems with money, and my subsequent recovery, contain several key patterns and elements that are found consistently in money difficulties of all kinds. I call them "red flags", and I'd like to share them with you to see if you identify with any of these behaviors in your present situation. If you do identify with any of these, write a few lines about what rings true and try to identify what need you've been trying to meet – e.g., the need for attention, the need for validation, the need for a purpose in the world. The red flags are:

1. Secrets
2. Magical Thinking
3. Denial
4. Failing Attempts to "Fix" the Problem
5. Making Do or Doing Without

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6. Blackout Shopping
7. Mental Obsession
8. Understanding Your Wants and Needs

1. Secrets

The debt I had accumulated was a carefully-kept secret. By day, I went to work in an office in the financial district of San Francisco. My job was in sales. I always dressed professionally, carried a briefcase, and had a company car. On the surface, I looked like I was doing very well, and to tell you the truth, I thought I was, too. I just didn't seem to make enough money to buy the things I needed to take care of myself. I kept thinking I'd get around to that later, once I'd gotten my bills paid. I was denying to myself that my problems were anything but temporary, and thought they were simply due to not making enough money.

This rings true to me because

I think I've been doing this to meet the following need:

2. Magical Thinking

Since most of my paycheck was already spoken for in one way or another every month, I was constantly looking for ways to get cash. One of the things I did at that time was to go to lunch with as many people as I could and insist on putting the lunch on my credit card. I asked everyone to pay me in cash for their lunches. This was magical thinking on my part, believing that I was finding a way to manipulate my money while putting off the reality of an ever-escalating credit card bill. I had plenty of other schemes just as solidly based in "reality" as that one. This type of thinking and subsequent

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money manipulation is common for those with money problems: *"If I can just take care of this immediate crisis, everything will be okay."*

This rings true to me because

I think I've been doing this to meet the following need:

3. Denial

Denial can take many forms. In my case, I had a deep teak bowl on top of the refrigerator at home into which I tossed my bills as they arrived. Over time, I began to see a change in the envelopes – the red or yellow of collection agencies and the registered letters of the IRS. Even so, all went into the bowl. Needless to say, they all just stayed there.

This rings true to me because

I think I've been doing this to meet the following need:

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4. Failing Attempts to "Fix" the Problem

I continued rationalizing, unaware of the common progression of these types of difficulties. Finally, I brought the bowl down one night and opened each bill. Once I'd opened them, I believed that I had to pay them immediately. Somehow, I had to come up with the money for the debts. I came up with a great solution: To get more money, I would sell all my belongings – everything in my apartment. I held a sale in the courtyard of my apartment building and I sold things that I had accumulated for 40 years.

I was trying so hard to maintain my credit standing that paying bills was my number-one priority. That led to not having enough money. The more the pressure increased, the harder I worked. My relationships with family and friends were suffering, and my health was being adversely affected. The more I tried to pay my creditors, the fewer resources I had to meet my most basic needs. I then began shutting down my sense of my own needs, which in turn began the downward spiral that led to my life getting smaller and smaller. I call this dangerous cycle the "Money/Life Drain".

This rings true to me because

I think I've been doing this to meet the following need:

5. Making Do or Doing Without

My next idea was that I needed to reduce *all* my expenses**.** I decided to find a free place to live. This seemed a reasonable solution for my situation. I spent several weeks sleeping on my daughter's couch. Then, I found a position with a professional couple who let me live with them rent-free in exchange for cooking dinner a few nights a

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week. They lived in a posh neighborhood, so I had a very prestigious address. However, I felt I could never have friends over, so my isolation and secrecy increased. Even though I was feeling more shame, I really thought I was coping pretty well with that arrangement. Some months later, even that "solution" ended. My feelings of humiliation grew, and I was terrified that someone would find out about my situation.

This rings true to me because

I think I've been doing this to meet the following need:

6. Blackout Shopping

About that same time, my company was sending me to the East Coast for six months, all expenses paid. What luck, I thought! I wouldn't have to pay for anything. A few days before leaving for the East Coast, I received an American Express card in the mail. I felt things were really looking up. After all, American Express had sent me this card. They must *know* that I could pay for it, right? Otherwise, why would they send it to me?

The very next day I headed for Saks Fifth Avenue. If I was headed for Boston, I needed some warm clothes – especially a *warm coat*. Moreover, I would be meeting new people, important people. I needed at least a few things if I was going to appear my best, I told myself. I started shopping.

I think I'd been in the store about two hours. I was at the cosmetics counter buying some makeup, and the salesgirl was checking my credit card number over the phone. She turned and said, "They want to talk with you." My immediate reaction was

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to think, “What can they want? How can I possibly have done anything wrong yet? I just got my card. It isn’t over the limit.” Well, the credit card authorization was just checking to see that I was, indeed, the rightful owner of the card because they’d noticed that I’d charged thousands of dollars in just a few hours. I was shocked. I had absolutely no awareness of charging that much in so short a time, nor could I have told you in that moment on what I’d spent the money. Years later, I identified that kind of shopping as “blackout shopping.” Many people have confirmed similar experiences of being in a trance in stores and not remembering what they’d bought.

This rings true to me because

I think I’ve been doing this to meet the following need:

7. Mental Obsession

My story of self-defeating behavior continued along these same lines for a while longer. Eventually my life became completely unmanageable, even though I never lost my job and most of my colleagues were unaware of what was happening. On the surface, everything looked okay, but all I thought about was money; my obsession, worry and anguish were making my life a living hell. At that point, I knew I could no longer deny the progressive deterioration of my financial circumstances (despite my best efforts to remedy them) and the detrimental effect this was having on all aspects of my existence. Months of cooking for the couple in exchange for my rent had not solved the problem; in fact, it had gotten worse. When six months in Boston with my expenses covered by my employer came to end, I felt all the more desperate. I had no savings,

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no place to live, and nothing left to sell. By this point, my fear and anxiety had grown to the point of blinding me to any hopeful alternative that might have existed.

As I painfully awakened to the true picture of what was going on in my financial life, I realized I could not solve this debilitating problem alone. I had tried everything I could think of, and I was exhausted – physically, emotionally, and spiritually. I had to admit I was powerless over my financial situation. The realization set in: I couldn't do it by myself. I started attending a recovery program, and slowly revealed my "secrets," only to discover that other bright, capable, hard-working people shared my anguish. I made the discovery of how my early physical and emotional experiences were still driving my self-defeating behaviors with money, which affected how I was taking care of myself. What I saw was that having grown up in a substantial amount of neglect (not having a feeling of safety and security, not having my physical, emotional, and spiritual needs met) had left me with a great feeling of unworthiness. I didn't even know what my real needs were. I'd never learned to value myself; therefore, I didn't value money. No matter how much money I *was* able to acquire, one way or another, I promptly got rid of it.

This rings true to me because

I think I've been doing this to meet the following need:

8. Understanding Your Wants and Needs

You can never have enough of what you don't need. I have discovered that many people have little or no knowledge of what their real needs are. They are unable to distinguish between a *want* and a *need*, and it is this inability that drives them deep

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into debt. They spend money in an effort to meet presumed "needs," unaware of the underlying emotional triggers driving their behavior. If you know your true needs, it's far easier to make choices that will help you meet them – *and this is the key to financial stability and a more satisfying life.*

Hopefully, writing your own MoneyMinder® Personal Autobiography will have helped you deepen your self-knowledge of your personal history and the impact it has on your behaviors as well as gain clarity in regard to your wants and needs. To make sure it's crystal clear, take some time now to write down your true needs. Remember that a need can be emotional, spiritual or physical. The way I like to differentiate between a *want* and *need* is this:

- A *need* is an area where you're neglecting yourself or tolerating something unsafe. If you are putting up with something day in and day out, and it worries you or causes you constant concern, then that might indicate a need.
- A *want* is simply something that you'd like to have. You may feel anxiety or frustration while you wait to accomplish or acquire this desire, but it's not at the *soul level of a need*.

Remember that the same thing that is a *need* for one person could be a *want* for another, and vice versa. The point of knowing the difference is that it helps you meet your *needs* first. If you're always spending from the *want* column, there is a danger that you will never be fulfilled. You will never get what you need – and that's a recipe for compulsive-addictive behaviors.

As you think about your needs and wants, remember to consider all areas in your life, including:

- **Emotional –** Do you have enough time with your loved ones? Do you do things that bring you pleasure?
- **Physical –** Are you eating well? Do you have health insurance?
- **Material –** Is your car safe? Are you proud to bring people to your home?
- **Spiritual –** Do you have enough time for solitude? Do you do soulful work? Is there meaning in your life?
- **Financial –** Are you paying your rent or mortgage each month? Do you have savings?

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49) **What are some of your deepest true needs that are not being met?**

50) **Are there ways of meeting these needs that can cost little or no money?**

51) **What are some of your wants?**

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Identifying our needs and wants, knowing the difference between the two, and setting about giving ourselves what we need are exercises in re-parenting. We let go of the childhood we wish we'd had and accept our current reality. This can be a difficult process. You may want to take some time to just sit for awhile with all that you've felt or learned. Let the feelings come – and don't be surprised if they come at unexpected times during the day. You may get messages and feelings in your dreams, so take note of those in the next few days and weeks, and have patience with yourself. Composing this autobiography has the power to heal damaging effects that may have resulted from earlier experiences. When you're ready to start making a plan, go to the next section, "Part 5: A Vision of Financial Success".

TIP: If you wish you could go back in time and speak up for your younger self, you can do the next best thing: write a letter that you will never send. On a separate sheet of paper, write exactly what you felt and wish you had said – and then walk your letter to the nearest shredder, or turn it into confetti with your own two hands. It's a great therapeutic trick for coming to terms with old hurts.

Part 5: A Vision of Financial Success

Visualizing what you want for yourself is a powerful tool for setting goals. Once you can picture or imagine your world a different way, you are one step closer to making that world a reality. Top athletes and expert business negotiators use the tool of "visualization" to help them perform at their peak. Swimmer Michael Phelps keeps a list of the races he wants to swim at the Olympics and the times he knows he needs to win each one taped on his bedside table so that he can visualize success. You're now going to do something similar with regard to your financial success. This section contains two categories:

A. From Survival to Thriving

B. Revamping Your Thoughts Concerning Money

A. From Survival to Thriving

1) **Create your vision: Take five minutes right now to envision how it would feel to have integrity in all aspects of your financial life.** Close your eyes and let

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yourself experience all facets of the perfect day. When the time is up, **write down your vision**. No detail is too small and no feeling is too insignificant. In fact, the details and feelings are what make this exercise work. If you pictured yourself buying your mother an expensive present for her birthday and imagined how proud and happy that would make you feel, include it. If you pictured a pleasant exchange with a bank teller, or a month without an overdue bill notice, include that, too. If you had thoughts of wonderful vacations, a snazzy new car, a raise, a new job, a whole closetful of shoes, let it all come into your description.

TIP: Revisiting your vision daily and continuing to explore any barriers you encounter can be very beneficial to your ongoing financial recovery. Rewrite it on a fresh piece of paper, and carry it with you or post it throughout your house.

2) **Did you imagine having all your needs met and money left over for some of your wants and desires?** If not, add that into the vision.

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3) **Imagine and describe the joy of doing something that would add to the quality of life (or bring happiness/pleasure) for yourself as well as someone else.**

4) **What do you believe is keeping you from attaining your vision?** List all financial, behavioral and emotional obstacles.

TIP: If you wonder how much money it would take to support your vision, you may want to purchase the MoneyMinder® Personal Money Management System from www.FinancialRecovery.com. This tool is designed to help you get clarity around your money and plan out exactly what you need to attain your vision.

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B. Revamping Your Thoughts Concerning Money

5) **Look over the obstacles you've identified above.** What new or revised messages might neutralize these deeply ingrained thoughts and feelings? How can you, in other words, re-write the script for these obstacles? For each thing on the list, rewrite it here in the language of a plan. For example, if you wrote, "I can't move to a better apartment because I owe my landlord four months back rent," rewrite it as, "I will pay off my landlord and look for a new apartment."

By responding on these last few pages, you have taken huge steps toward a new financial life. You have a vision for that life, a sense of what you need to do to make it a reality, and a plan for making it work. Now it's time to look at the practical steps that will help you meet your financial goals.

Part 6: Practical Steps for Positive Change

I suggest that you consider taking the following practical steps toward a financially stable future. No matter what your specific vision is, these steps will help you achieve it:

A. Be Kind to Yourself

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B. Be Patient

C. Get Support

D. Set Aside Your Credit Cards

E. Create a Spending Plan

A. Be Kind to Yourself

All too often, persistent financial difficulties can be a fertile breeding ground for excessive self-criticism. This can discourage you from your commitment to change and hamper your financial recovery. It's important to acknowledge the courage it takes to face these difficulties. Give yourself a "pat on the back" for your willingness to make changes in your life and to acknowledge your progress.

B. Be Patient

Having a feeling of extreme urgency to locate and buy a particular item is a danger signal of compulsion. If you feel you must have a tablecloth for a dinner party, new clothes for a date, a new briefcase for work, or some other item right away (and it can be almost anything), note how you are feeling. Take time to rest before pursuing the purchase, or perhaps review your notes from this workbook. Try to give yourself time to get in touch with your feelings. Remember, changing your money behavior requires commitment and watchfulness in the beginning while you change your habits. If you find yourself feeling obsessive about changing something related to your financial life, this could be a red flag.

C. Get Support

Find a supportive friend or group to help keep you on track. I know from my own experience how hard it is to make major life changes. I needed a lot of support when I first came to recognize my compulsive behavior. I believe that part of my healing came from letting other people into my life and from finding support while I went through the process. To enhance your chances of a successful recovery, I suggest that you select one of the following types of assistance:

- Find a Debtors Anonymous (DA) meeting in your area. Sign up at www.DebtorsAnonymous.com for an online meeting.

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- Take the initiative and start your own support group. You may have one or two friends who want to join you in your endeavors.
- Find a Financial Recovery Counselor; many are listed on the www.FinancialRecovery.com website.

D. Set Aside Your Credit Cards

Many people have asked me what they should do about credit cards. I have always sensed a great deal of anxiety from them about the idea of *not* using their cards, or, in particular, cutting them up. The usual statements I hear are, "I'll need them to rent a car…for an emergency…to order by phone…." These "reasons" are usually based on a deeper fear of losing their security. For some, using credit cards is not an issue; they can indeed use them in certain circumstances without incurring negative consequences. For others, these are the fast track to financial ruin, sabotaging financial recovery at every turn. As noted earlier, feeling the need to use a credit card can signal a cover-up of the feelings that are going on at the time of the spending.

In contrast, one benefit of paying cash is that it will allow you to connect your feelings to your spending behavior. Living your life using cash only is a way to gain much more clarity about your spending, and a more immediate sense of reality. Look at your motivation for wanting to have and use a credit card. If you're unsettled or even terrified of the idea of not using your cards, you may want to consider talking to a Financial Recovery Counselor or attending a Debtors Anonymous meeting to help you regain perspective.

TIP: Some people are not able to use credit cards "just a little." Before you cut up all your cards and swear off them for good, know that the length of time you've held onto a credit card is one of the factors that goes into your FICO score – the important rating that helps you with everything from insurance to mortgages. I suggest consulting a financial advisor before cutting up those cards.

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E. Create a Spending Plan

A spending plan is different from a budget. A budget places limits on you and may possibly make you feel resentful and confined. A spending plan allows you to think about what you'd like to spend your money on, and then helps you come up with a way to spend it without getting into debt. To learn how to create a plan that's tailor-made for you, download the MoneyMinder® Personal Money Management System from www.moneyminderonline.com. This tool gives you a powerful way to take immediate control of your finances. You will be able to:

- Create a monthly (as well as annual) spending plan tailored to your personal situation, so you'll know exactly how much money is coming in and going out each month.
- Meet your expenses.
- Learn to make conscious choices about spending and saving.
- Understand the consequences of your spending decisions and have the power to change them by putting an end to clueless, chaotic spending.
- Save for a rainy day, and improve self-esteem.
- Gain financial freedom…and enjoy life!

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Part 7: Conclusion – A Final Note to You

Several years ago, my grandson Nicholas was working on a school project. He called me on the phone and asked me to tell him what I regretted about my past. I told him that I used to have a lot of regrets about my past, but that today I have a very different perspective. I have accepted that my past has contributed to who I am – and I very much like who I am! Now that you have written your own MoneyMinder® Personal Autobiography, I hope you feel a similar sense of ownership and freedom. I like to think of this as a state of being "fierce with reality," which comes from a quote from playwright and psychologist Florida Scott-Maxwell: "You need to claim the events of your life to make yourself yours. When you truly possess all that you have been and done, which may take some time, you are fierce with reality." By completing the Money Minder® Personal Autobiography, you've worked hard to understand your financial past, so it's time to claim it. Possess all that you have been and all that you have done. Become fierce with reality, and enjoy a financial life that is authentic and balanced. You deserve it!

With all good wishes,

KarenMcCall

Founder and Owner, Financial Recovery℠ Institute
www.financialrecovery.com
Founder of MoneyMinderOnline.com
Author *of Financial Recovery: Developing a Healthy Relationship with Money*

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