

Resolve Money Conflicts

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Executive Summary - Money is an emotional topic for most of us. It can create difficult issues if not handled properly. Lack of money, excess money, personal loans, unnecessary expectation, money issues in marriages can lead to conflicts that can affect relationships. It is important to have open, frank discussions on money, record transactions and use legal help if required to resolve money matters.

Money is a sensitive topic and emotions can run high when it is the topic of discussion. It can lead to unpleasant situations among the closest relations, family members and friends. Money is important and therefore it is important to be careful while handling it and discussing it with people who are close to you. We have tried to address why money is a sticky subject and how to handle these situations -

Lack of Money - Money is equated with power, status and self-worth. When one has less money, he can feel inferior to others. When one has less money than one's friends or siblings, money discussions can lead to conflicts. If money is so important to him, he might feel everything happening or being discussed is related to money and people around are trying to put him down and this can lead to quarrels. Couples also often argue about money. But people need to be mature about it. In a couple, they both might not have the same view about money. They should also review their expenses, share in paying off household expenses, saving and spending habits. They should align with each other so that money is not a bone of contention.

Excess of Money - It is not necessary that when there is enough money, everyone is happy. Excess money can also lead to trouble. Many times, there are fights among children for inheritance related matters. Sometimes when a person has lot of money, 'friends' and 'relatives' borrow money from him always and this can lead to arguments.

Expectations - People have set expectations. For example, taking care of aged parents or who should be spending on household expenses are issues where people have expectations about others and this can lead to conflicts. It is better to have an open discussion and find out who is best suited for the responsibilities taking factors such as time, money, skills, facilities etc. into consideration and how others can pitch in so that person selected is not bogged down by responsibilities.

Personal Loans - Many friends and relatives borrow small sums of money from the supposedly well-

off people and either do not pay back or repay after a really long time. This irks the lender and can lead to arguments. It is better not to be involved in such financial transactions else clearly set the terms and conditions before the transaction is done.

Money Arguments with Spouse - Disagreements over money are very common among married couples. Fights over money are quite stressful for both individuals and for the marriage as money extends itself into power, love, control and freedom in a marriage if it is not carefully handled by both partners. In a couple, one might be a saver and the other might consider him a miser or one might be a spending more than the other which might give him the tag of 'spendthrift'. Money issues can lead to big problems in a marriage. It is important to understand money compatibility before marriage and understand each other's perspective on money. Both spouses should be financially transparent, discuss about money and set financial goals together so that they can understand each other's money personality.

We should try to not allow money conflicts go out of control as this can affect relations for generations. Open communication will help in reducing conflicts over money as it puts everyone's perspective in light. Mature discussions about money helps resolve conflicts. Recording transactions and having proper documentation over expenses, loans and purchases helps in maintaining financial transparency which reduces chances of fights. Sometimes, one person who is considered impartial and trusted by everyone in the family can be called to mediate and resolve issues. If required, legal help can be sought by the fighting parties so that a fair decision can be reached.

There is no doubt that money is important but but we cannot let it come in the way of family and friendships. We should strive to create a happy financial situation so that we are not stressed or in conflict. These things affect our health and wealth.