

## DEALING WITH DEBT

*Dear Crucial Skills, My husband and I have \$40,000 in credit card debt. We've made all kinds of budgets and set all kinds of goals but still can't get together on this. We fight about it a lot and it's become a real source of conflict for us. We both want to get out of debt, but one bad deed keeps leading to another. How can we stick to our budget? Signed, Good Intentions* □ □

**Dear Good Intentions,** What a great question to kick off the New Year. I'm sure you're not alone after a tough financial year—many of us have had to try to change our spending habits to help us weather everything from economic anxiety to a true financial famine. Fortunately, there's a lot you can do to change your good intentions into good behavior. First, I'd suggest you and your husband play a game together. Let's call the game *Name That Influence!* The object of the game is to identify all the different sources of influence that are undermining your good intentions. You'll be shocked at how long the list is. Here are three questions to help you generate some specific answers:

1. What visual images in your home get you thinking about spending rather than saving? (Hint: Do you longingly browse shopping pages on the internet? Do you have a stack of catalogs by a comfortable reading chair?) □
2. How do your interactions and conversations with friends or family affect your thoughts, plans, and actions toward spending? (Hint: Is shopping a social event?) □
3. What sources of influence keep you from immediately counting the cost of your spending choices? (Hint: Do you buy with cash? Checks? Credit cards? Do you have "one-click" purchasing enabled on favorite Web sites?)

Set a goal with your husband to come up with at least a dozen different influences that both motivate and enable you to spend more than you should. Be honest with yourself and recognize your role in your current situation. As you do this, something very important will happen. You'll realize the problem is not that the two of you are weak. The problem is that you are *blind* and *outnumbered*. You're blind to the many sources of influence that are shaping your choices. And the one source working *for you* (your willpower) is hopelessly outnumbered by the sources working against you. When you finish creating this list, your job is to change as many sources of influence as you can to support your good intentions. Dismantle those sources you know are encouraging your indulgence. Create positive influences that will keep saving top of mind, make it easier, and help you feel rewarded for following through. For example, you could:

1. **Make it a game.** Create a progress chart for your savings goal. Keep it visible. Make a ritual of posting progress as a couple and generating the "completion endorphins" that come when you color in the next progress bar.
2. **Banish temptation.** Change your home page, delete tempting web pages, toss out magazines and catalogs or other "triggers" of spending impulses. Make no mistake—shopping generates dopamine in the same pleasure centers of the brain that cocaine does. You're fighting a pleasure-driven habit and your best defense will be to minimize the temptations.
3. **Make spending harder.** Eliminate any structural enablers of mindless spending. For example, research shows people spend far less if they have to fork over cash than if they can simply slide a credit card through a slot. You might try carrying nothing but cash with you for six months. You'll find this one physical change will profoundly affect your choices. You may also choose to undergo "plastic surgery" by cutting up your credit cards.
4. **Change an accomplice into a friend.** If shopping and spending are social activities, you'll need to identify your accomplices. For example, if you and a girlfriend enjoy a regular outing at a mall, you'll need to change that relationship. Eat some humble pie and let her know you are in desperate need of change. Ask for her help. If your husband is the accomplice, find a substitute activity you can do together. You won't succeed by simply eliminating social activities; you'll need to generate new ones. Our research shows that changing habits almost always involves engaging the help of at least two trusted friends.

These ideas may or may not be the right ones for you. But one thing I can promise you is that if you'll examine your situation carefully, you'll realize the problem is *out there*. There are myriad sources of influence working against you—and until you recognize and reverse them, you'll continue behaving in a way you don't want.