

Recently Widowed or Divorced? Demystify the “Rules of Thumb”

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If you've recently gone through a life changing event, such as being widowed or divorced, you have probably heard the rule of thumb that says, "Don't make any major decisions such as selling your house or changing your investments within the first year." Well, that might be great advice, if only it were practical! The whole point of life changing events is that they are, well, life changing! And what major life event doesn't require important financial decisions to be made? And more often than not, some of these decisions must be made immediately.

So, why does this rule of thumb exist? Psychologists have long held that we are more prone to make bad decisions when we are depressed or under stress. New brain imaging shows that there may be biological reasons for this as well as psychological ones. According to Louann Brizendine, MD, author of *The Female Brain*, "...women in love show more activity in many more brain areas, including gut feelings, attention and memory circuits..." Now, we've all experienced that rush from a release of dopamine to our brains from falling in love.

But as it turns out, once the initial thrill of attraction is over, and we move into that longer-term committed state, our brains start producing a neurohormone called oxytocin that keeps us seeking out the pleasure of our partner's company. Production of oxytocin lights up other areas of our brains, such as those linked to critical judgment. So, when we lose that love either through divorce or death, there is a "chemical shift from the high activity of romantic love to the flat biochemistry of loss and grief." It's almost like we're coming down off a drug. It's no wonder that I often hear my widowed clients talk about not being able to focus and being more forgetful than usual. Loss of our love actually decreases our brain activity in these important areas.

But what about the divorcee or widow whose love ended long before the marriage did? Some of these women may have moved on enough emotionally that the general rule of thumb to wait a year before making major financial decisions just doesn't apply. However, Dr. Daniel G. Amen, author of *Change your Brain, Change your Life*, says that women who were in bad relationships often take longer to heal from their grief than

those who were in good unions. That's because when we process memories, our brains produce the same chemicals that they did when we actually experienced the moment. So thinking back on a bad relationship actually reignites the negative chemicals that we originally experienced! Our healing can be further compounded by the guilt we feel from not being able to fix the situation. Even if you were the one to initiate the breakup, you can experience a deep limbic loss that can lead to depression and poor decision making.



So, what's a woman to do when she is forced to make a financial decision in times of distress? First of all, only make the decisions that are absolutely necessary, such as covering your short-term cash flow needs. Rather than locking up investments and insurance proceeds into long-term investments, try to keep them as liquid as possible until you are in a place to make more rational decisions. Ask your friends for recommendations for trusted financial professionals who have skills and knowledge around life-changing events and will collaborate with your other professionals such as your CPA, attorney and therapist. Also, feel free to bring in a friend or family member to act as another set of ears. Be wary of bringing family members who are also grieving or friends

suffering from their own financial or marital issues, as they may try to give advice rather than just be another set of ears.

It's important to recognize that addressing crucial financial decisions is a great way to feel a sense of independence and accomplishment, which can improve your emotional well-being and help you move on to the next phase of your new life.