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Therapist Dialogue wiith Female Clients about Financial Literacy and Self-Efficacy

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**THERAPIST DIALOGUE WITH FEMALE CLIENTS ABOUT FINANCIAL
LITERACY AND SELF-EFFICACY**

PROFESSIONAL DISSERTATION

SUBMITTED TO THE FACULTY

OF

**THE SCHOOL OF PROFESSIONAL PSYCHOLOGY
WRIGHT STATE UNIVERSITY**

BY

MICHELLE M. ESTES, M.A.

**IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE DEGREE
OF
DOCTOR OF PSYCHOLOGY**

Dayton, Ohio

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COMMITTEE CHAIR: Kathleen Malloy, Ph.D., ABPP

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July 15, 2012

I HEREBY RECOMMEND THAT THE DISSERTATION PREPARED UNDER MY SUPERVISION BY **MICHELLE M. ESTES** ENTITLED **THERAPIST DIALOGUE WITH FEMALE CLIENTS ABOUT FINANCIAL LITERACY** BE ACCEPTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF DOCTOR OF PSYCHOLOGY.

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Abstract

This dissertation will explore the connection between emotional well-being, financial literacy and self-efficacy. Specifically, it will delve into a gendered exploration of money, using Bandura's concept of self-efficacy as applied to financial matters. The connection between a client's financial situation and his or her clinical issues will be discussed, as will current practices related to discussing financial matters in clinical practice. Additionally, this dissertation will explore how psychologists frequently do not address the connection between a client's financial well-being and his or her clinical issues. Best practice guidelines will be offered to fill this gap. Finally, suggestions for future research regarding financial literacy and self-efficacy will be discussed as related to race, class, physical ability, sexual orientation, and the male experience of financial literacy.

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Therapist Dialogue with Female Clients about Financial Literacy and Self-Efficacy

While it is generally believed that money cannot directly buy happiness, money does play a significant role in the area of emotional well-being for most people (Prawitz et al, 2006; Vitt, 2009). More specifically, the lack of money and what money can provide has been directly linked to emotional happiness (Prawitz et al, 2006; Vitt, 2009). It is not so much the acquisition of personal belongings that is tied to emotional well-being as it is the freedom from financial worry or distress that brings about greater emotional welfare or happiness for most people (Wood, 2005).

Research suggests that while money does not buy happiness, financial well-being is consistently correlated with emotional well-being (Prawitz et al, 2006; Vitt, 2009; Dakin & Wampler, 2008). In fact, two large-scale life satisfaction studies have recently been conducted exploring this very connection between financial security and emotional well-being, or happiness. A 2005-06 Gallup poll of 136,839 people from more than 132 countries (including rural and metropolitan locales representative of almost 96 percent of the world's population) found that "the effect of income on life satisfaction is very strong and virtually ubiquitous and universal around the world," according to Dr. Ed Diener, a professor emeritus of psychology at the University of Illinois who led the study (Diener et al, 2010). What sets this study apart from previous life satisfaction studies is the distinction made between overall life satisfaction and day-to-day emotional well-being. While financial security is positively correlated to overall life-satisfaction, on a daily

basis, relational and social factors (such as being respected, autonomy, strong social support and having a fulfilling job) were found to be more strongly associated with both positive and negative emotions (Diener et al, 2010).

A similar study, conducted in 2008-09 by Gallup and Healthways, polled only Americans. Led by economist Angus Deaton and psychologist Daniel Kahneman, a Nobel laureate in economics, four-hundred and fifty thousand participants were polled regarding their overall, versus daily, life satisfaction as related to income. Results of the study found that income level and overall happiness, or life satisfaction, were positively correlated, up to \$75,000 annual income. Beyond that level, participants did not report greater levels of life satisfaction (Kahneman & Deaton, 2010). Findings from both of these studies suggest that emotional well-being is frequently intertwined with financial well-being, though up to a certain level; at which point, psychological and social factors become more prominent.

The Case For Financial Literacy in the United States

Because repeated studies have found a strong connection between financial security and emotional well-being, there is a compelling social, economic and psychological need for a financially literate population. Financial literacy is defined as the ability to use knowledge and skills to manage one's financial resources effectively for lifetime financial security (Beverly & Burkhalter, 2005). The importance of financial literacy is recognized by the United States Office of Financial Education, which created the Money Smart Program for students ages 12-20. This program made recommendations that financial education be integrated into school curriculums (Beverly & Burkhalter, 2005). Yet five large-scale national surveys of high school seniors from 1997-2006

showed that students demonstrated a low level of ability to make age-appropriate financial decisions in their own self-interests (Mandell, 2008). This speaks to the need to more fully identify the deficits in grades K-12 regarding financial education. It also highlights a possible connection between early financial education and financial literacy during adulthood. Lastly, it suggests the need for current K-12 financial education standards to be evaluated based on how adequately they address a multitude of diversity issues, including gender, race, ethnicity, physical ability, sexual orientation, and socio-economic status.

Results of the National Research Symposium on Financial Literacy and Education¹ identified ten research priorities related to financial literacy (Washington, DC, October 6-7, 2008). Priorities 4-6 below are particularly germane to this dissertation (in bold for emphasis):

1. What are the core principles of personal finance that every consumer needs to know, and what evidence exists that current standards are effective in helping people reach their financial goals?
2. What are reliable and valid measures of the success for financial education, and what measures should be used to document success for various financial topic areas and target audiences?
3. What is the most effective mix of financial education, decision framing, and regulation to improve financial well-being?

¹ *Convened by the U.S. Department of the Treasury and the U.S. Department of Agriculture Cooperative State Research, Education and Extension Service on behalf of the Financial Literacy and Education Commission*

4. **How do socialization factors, including conflicting messages, influence and affect household financial behavior?**
5. **How do financial socialization and education processes vary by gender, life stage, race, socioeconomic status, education and ethnicity?**
6. **How do financial education, financial socialization, and psychological factors interact, and how does this interaction affect financial well being?**
7. How do people perceive and manage risk, and what are their financial risk tolerances and capacities?
8. How do economic shocks alter risk exposure and risk management choices both at the individual and household levels?
9. What are effective coping strategies and behaviors during times of financial crisis?
10. How do relevant theories of financial behaviors and attitudes apply to various subgroups (i.e., age, socioeconomic status and ethnicity) and contribute to improving financial well-being currently and over time.

It should be noted that there are differences in definition between various financial-related terms, such as financial literacy, financial competence, financial security, and financial independence. As mentioned earlier financial literacy is defined as the ability to use knowledge and skills to manage one's financial resources effectively for lifetime financial security (Beverly & Burkhalter, 2005). Financial literacy and financial competence are typically used interchangeably. In contrast, financial independence “is a term generally used to describe the state of having sufficient personal wealth to live indefinitely without having to work actively for basic necessities,” (Cummuta, 2012).

Financial security can be thought of as a hybrid between the two concepts of financial literacy and financial independence in that financial security speaks to one feeling secure in his or her ability to manage money and maintain a chosen lifestyle but which may, *or may not*, be the result of funds personally earned.

The Gendered Issue of Money

Due to gender role socialization, women are frequently at a disadvantage when it comes to financial literacy because of low self-efficacy beliefs related to financial behavior (Worell & Goodheart, 2006). One aim of this dissertation is to apply the construct of self-efficacy to an exploration of financial literacy in female clients. Albert Bandura's Social Cognitive Theory will be discussed in the context of financial literacy. Specifically, the construct of self-efficacy, the conviction that one can successfully execute the behavior required to produce desired outcomes, will be explored in relation to women's financial beliefs and behaviors.

Men, Women and Money: Historical Overview

Financial survival has always been a concern for most people; however, changes in the economic infrastructure of the United States in the early 1900s began to alter the financial status of people according to gender (Goldin, 1990; Goldin, 2006). The shift from an agrarian culture to an industrial marketplace brought with it a noticeable change in how the financial roles of men and women were integrated into the fabric of society (Goldin, 1990; Goldin, 2006). While an agrarian society promoted a mutually supportive and an interdependent familial climate between men and women, the industrial revolution in the early 1900s began to encourage separate spheres between the sexes, with men moving into the paid labor force and women staying at home to care for children and

maintain the home (in middle-class families), except during times of war (Goldin, 1990; Goldin, 2006). This shift in roles brought with it the beginnings of an additional divide between the sexes regarding the management of money, with men more frequently overseeing the inflow and disbursement of money in the household (Burgoyne, 2006).

Financial Literacy and Self-Efficacy Through a Gendered Lens

The feminist movement of the 1970s, coupled with the beginning of the Information Age in the 1980s, appeared to bring women back into the fray of financial involvement. Women began receiving college degrees and moving into the work force at increasing rates. According to Goldin, Katz, and Kuziemko (2006), “in 2003, there were 1.35 females for every male who graduated from a four-year college and 1.30 females for every male undergraduate (U.S. Department of Education, 2005, Tables 176, p. 247).” This movement into the paid labor force presupposes a corresponding increase in women’s involvement in money matters (Pahl, 2002). However, once women become partnered, either through cohabitation or marriage, an alarming rate of disparity between men and women begins to emerge in terms of financial awareness and involvement (Deutsch, 2003; Hira & Loibl, 2008; Zipp, Prohaska, & Bemiller, 2004; Winston & Barnes, 2007). Deutsch found that men and women frequently fell into separate spheres of money management, with women overseeing smaller, domestic purchases (such as groceries, household necessities, paying monthly bills, etc.), while men took on the long-range planning of insurance, investments and retirement.

The disparity in these two realms of financial management becomes seriously problematic only if the partnership should end, either through divorce or the death of one’s spouse. According to the 2011 U.S. Census Bureau, over 50% of marriages in the

U.S. end in divorce (per 1,000 population aged 15–64 years). Additionally, women’s life expectancy in the United States is 5-7 years longer than the typical male life expectancy among African-American and Caucasian populations (U.S. Census Bureau, 2011a). Because of the frequency with which marriages end in the United States and women’s longer life span, women are economically disadvantaged if they have been uninvolved in long-term financial planning (Perle, 2006; Davies & Denton, 2002). In fact, recent government statistics illustrate an increasingly tenuous financial situation for unpartnered women, with slightly over 40% of women falling below the poverty line after divorce or death of a spouse. “Among women who head families, 4 in 10 (40.7 percent) lived in poverty (up from 38.5 percent in 2009). The child poverty rate, already high at 20.7 percent in 2009, jumped to 22.0 percent last year. More than half of poor children lived in female-headed families in 2010, “ (U.S. Census Bureau, 2011b).

Freedom from financial worry is often tied to emotional well-being (Prawitz et al, 2006; Vitt, 2009), and women, more often than men, are frequently unprepared when it comes to financial matters upon the ending of a partnership through divorce or death. While current research has tied financial awareness and involvement to emotional well-being (Prawitz et al, 2006; Diener et al, 2010; Kahneman & Deaton, 2010) and has identified disparities in financial status between men and women (Perle, 2006, Meier-Pesti & Penz, 2008), no research to date has fully addressed the potential difference in emotional well-being among women and men based on financial acuity. If such a difference does exist, it would provide the foundation for expanded efforts to educate women and girls about the need for long-term financial planning in order to safeguard their future emotional welfare.

Social Cognitive Theory and Self-efficacy

Social cognitive theory is an extension of Bandura's social learning theory, which asserts that much of human behavior is the result of what one has observed and learned from peers and authority figures. By observing social interactions, humans engage in behaviors in hopes of avoiding negative consequences and increasing positive ones. Social cognitive theory, also formulated by Bandura, argues that in addition to behavioral learning and motivation, cognitions play a significant role in human behavior. Bandura's concept of self-efficacy comes from his work in social cognitive theory. Unlike self-esteem, which is generally defined as how one values, or esteems, one's worth, self-efficacy is thought of as a person's *perception* of their own personal agency toward achieving desired goals. In other words, a person with overall high self-esteem (i.e., enduring feelings of self-worth in general) may have low feelings of self-efficacy in certain areas, for example, their ability to drive a manual transmission vehicle. Locus of control is a concept related to self-efficacy, which was originally developed by Julian Rotter in 1954. Locus of control "refers to the extent to which individuals believe that they can control events that affect them. A person's *locus* (Latin for "place" or "location") can be either internal (meaning the person believes that they control their life) or external (meaning they believe that their environment, some higher power or other people control their decisions and their life)," (Rotter, 1990).

"Individuals with a high internal locus of control believe that events result primarily from their own behavior and actions; for example, if a person with an internal locus of control does not perform as well as they wanted to on a test, they would blame it on lack of preparedness on their part. If they performed well on a test, they would think

that it was because they studied enough. Those with a high external locus of control believe that powerful others, fate or chance primarily determine events. In the test-performance example, if a person with a high external locus of control does poorly on a test, they would blame the test questions as too difficult. If they performed well on a test, they would think the teacher was lenient or they were lucky,” (Rotter, 1990).

Bandura identified four primary sources of self-efficacy: performance accomplishments, vicarious experiments, verbal persuasion, and physiological states (Bandura, 1977). According to Bandura, performance accomplishments are the most important contributor to feelings of self-efficacy. Successfully mastering various life activities increases one’s sense of personal agency (self-efficacy), whereas failures decrease it (Oettingen, 1995). Vicarious experiments simply involve observing others who one feels are similar to one’s self (whether that be due to age, education, gender, race, etc.). It is argued that by seeing others succeed, or fail, who are perceived to be similar to one’s self, an individual’s sense of self-efficacy will similarly rise or fall. The third source of self-efficacy is derived from verbal persuasion, or encouragement from trusted and respected others. The last source of self-efficacy, physiological states, includes both physical and emotive reactions. “For example, a low level of physical arousal while coping with a difficult or threatening course of action would indicate an assured sense of self. Conversely, high states of perturbing emotional arousal are likely to be interpreted as self-inefficacy,” (Oettingen, 1995, p. 150).

Oettingen goes on to argue that these four sources of self-efficacy are heavily influenced by four additional dimensions of one’s culture: 1) Individualism/Collectivism, 2) Power distance, 3) Uncertainty avoidance, and 4) Masculinity/Femininity (1995).

Individualistic cultures place prime importance on people achieving individualistic goals, which may at times conflict with the greater good of society. Collectivist communities tend to place primary importance on the good of the whole community even if this means an individual's desires might be sacrificed. Power distance, as described by Oettingen, refers to the power differential between people in one's culture. Greater discrepancies of power between groups of people typically disenfranchise those on the lower rungs of society, whereas "cultures with small power distance value a more equal distribution of power," (Oettingen, 1995, p. 152).

The third dimension of culture that influences self-efficacy, according to Oettingen, is whether a culture is "uncertainty avoidant." A culture that is intolerant of uncertainty tries to maintain highly structured, clear and predictable social parameters. In contrast, cultures that are low in uncertainty avoidance tend to be more relaxed regarding structure, rules and social boundaries. Lastly, and most importantly for purposes of this paper, Oettingen argues that the masculine/feminine stance of a culture directly effects levels of self-efficacy within its members. Societies which seek to maintain a stark distinction between men and women and which maintain more traditional gender roles tend to produce individuals with disparate levels of self-efficacy. Males in male-defined cultures (i.e., highly competitive and achievement oriented) derive a sense of self-efficacy by comparing one's self with the performance of others. Whereas, in more female-defined cultures, (e.g., cooperation and egalitarian values are more highly espoused as evidenced in Denmark, Norway, and Sweden), self-efficacy in all individuals was less dependent on comparing one's actions to others. Results of this study suggest that females in highly competitive, achievement oriented-societies, *who hold more*

traditional views regarding men and women's social roles, will have lower feelings of self-efficacy.

Financial Issues Within a Clinical Setting

After reviewing previous research devoted to exploring the need for financial literacy in general, this dissertation narrows in focus by looking at the issue of conversations therapists and clients have, *or do not have*, about money within a clinical setting. Some research has been conducted over the years to address the issue of female therapists managing money within a private practice setting in terms of discussing fees with clients, billing issues, and negotiating health insurance reimbursement (Canter, 1995). However, only recently has the issue of how a client's financial literacy affects his or her clinical picture been addressed. In 2006, Engelberg and Sjoberg had 212 respondents complete a Money Attitudes Scale and found that high levels of emotional intelligence were associated with a less anxious orientation toward money and a greater sense of economic self-efficacy. Even more directly, Peck (2008) released a handbook specifically addressing the issue of money and meaning in clinical practice. She offers a model for helping mental health professionals to create a safe environment in which to have conversations about money with clients. Her model relies on a family systems approach and identification of various family values (e.g., personal, economic/financial, ethical, philanthropic, public service/community, physical, spiritual, relational, artistic, work, education, recreational, and material). While her model offers practitioners an inroad toward discussing money matters with clients, it fails to consider the often deeply

entrenched social and cultural contexts that influence clients' financial behaviors, struggles and clinical issues.

Similarly, the psychology of money literature has provided clinicians with an extremely useful basis for discussing financial matters in clinical settings. Klontz (2009) has published at length about the connection between one's current financial behaviors and the money values and beliefs one learned during childhood. Increasing a client's awareness of this connection is a natural first step in helping them identify and manage financial difficulties they may be experiencing. However, a gender-specific understanding of money values and beliefs is not directly discussed, nor is the influence of gender role socialization on financial literacy and behaviors.

When it comes to speaking with clients about the role money plays in their clients' lives, psychologists are often ill-prepared due to inadequate training in graduate school. Too often, therapists and clients, despite the profound effect on clinical matters, ignore financial beliefs and behaviors. While talking about money in therapy may not be considered taboo, it is frequently thought of as irrelevant in contrast to other clinical issues. Issues related to money may come up in session peripherally but are too frequently glossed over in favor of exploring traditional clinical issues, such as depression, anxiety, interpersonal relationships, etc. However, without deeper exploration of a client's financial beliefs and behaviors, as well as an assessment of self-efficacy in this area, the therapist is left with an incomplete understanding of the client's complete psychological profile.

A recent survey of 2,006 financial planners conducted by Sussman and Dubofsky (2009), found that 25% of a financial planners' job is devoted to non-financial coaching

and life planning. The authors found that “financial planners are often called upon to provide counsel regarding personal and life-altering issues and decisions” (Sussman & Dubofsky, 2009, p.50) and are ill-equipped to deal with these issues. These findings suggest two things: 1) Finances and personal issues are often intertwined, and 2) Financial managers do not have the training or expertise to address the personal issues that arise out of clients’ financial behaviors. Because of these two factors, it becomes even more compelling for therapists to become well-versed in dealing with financial issues in therapy.

This dissertation will explore how psychologists are frequently not addressing the direct connection between a client’s financial well-being and his or her clinical issues. Symptoms of depression, anxiety and other mental health disorders may be masking deeper fears about financial survival. For example, conflicts about money between partners (married or cohabitating), is one of the top three issues that divide couples emotionally. Sex and division of household chores/childrearing are the other two divisive topics most commonly cited in relationship satisfaction literature (Dakin & Wampler, 2008). Victims of domestic violence have a multitude of reasons for staying in an abusive relationship, including legitimate fears of being killed if they leave, a desire to keep the family together, love mixed in with fear of the abuser, etc. However, another reason many women stay in abusive relationships is out of financial necessity, especially if they have children to care for and limited financial means outside of the relationship. A grieving client who has just lost her partner may be thrust into a financial situation she is ill-equipped to understand or manage on her own. Working class mothers frequently must

choose between earning a living wage and untenable child-care arrangements in order to survive, with resultant feelings of guilt and powerlessness.

These are just a few examples of how clinical issues and financial literacy converge in therapeutic sessions. Therefore, ignoring the potential relationship between financial literacy and clinical issues does a disservice to clients and may hinder positive therapeutic outcomes. Deficits in this area will also be explored in the realm of clinical practice. Recommendations for filling in these gaps will be made based on the best practices literature in the field, as well as recommendations for future research.

Current Practices and Limitations

With the increase of managed care and third-party health insurers over the past thirty years, psychologists are under more and more scrutiny to justify their chosen treatment interventions. Empirically-supported treatment (EST) and evidence-based treatment interventions have now become the norm for practitioners in the field. This has brought about both positive and negative results. Increased clinical and financial accountability regarding services provided, growth in the number of stringent and random-controlled research that is being conducted, and a greater regard for an informed clientele are frequently cited reasons for the benefits of evidence-based treatment (Bernal & Scharron-del-Rio, 2001).

Conversely, EST has been critiqued for not being fully representative of diverse populations in terms of race, gender, physical and mental ability, socio-economic status, and sexual orientation. Treatment that is prescribed for majority populations may not be therapeutic for minority clients and, in fact, may be quite harmful to them. Additionally, EST has been criticized for failing to take into account significant cultural power disparities that impact clients and the clinical issues with which they present (Bernal & Scharron-del-Rio, 2001). For example, a lesbian or gay man who presents with depression or anxiety as a result of discrimination in the work place is likely to be ill-served when a traditional EST for depression or anxiety is relied on to help them clinically. This is because such treatment fails to take into account the unique constellation of adverse cultural issues GLTB clients must grapple with in the workplace

which may compound or better explain their current distress level. Prejudice, bias, overt and covert discrimination, fears regarding emotional and physical safety, and the negative financial ramifications of homophobic attitudes in work settings (including the lack of health insurance coverage for partners) are all issues not currently addressed by frequently used EST-based treatment planners.

One such treatment planner is *The Complete Adult Psychotherapy Treatment Planner* by Jongsma, Peterson, and Bruce (2006). Frequently recommended by faculty members in graduate training programs as a useful resource and relied on in clinical settings, the Jongsma planner is indeed a useful guide in crafting treatment plans that satisfy managed care requirements.

The Jongsma Financial Stress chapter is relevant to this paper in that it is one of the few treatment planning guidelines available to address client's financial concerns. However, as with many other EST-treatment plans, cultural and diversity variables are largely ignored. Nine Behavioral Definitions of Financial Stress and Five Long-Term Treatment Goals for this issue are clearly outlined in the chapter (Jongsma, 2006, pp.126-127):

Behavioral Definitions of Financial Stress:

1. Indebtedness and overdue bills that exceed ability to meet monthly payments.
2. Loss of income due to unemployment.
3. Reduction in income due to change in employment status.
4. Conflict with spouse over management of money and the definition of necessary expenditures and savings goals.

5. A feeling of low self-esteem and hopelessness that is associated with the lack of sufficient income to cover the cost of living.
6. A long-term lack of discipline in money management that has led to excessive indebtedness.
7. An uncontrollable crisis (e.g., medical bills, job layoff) that has caused past-due bill balances to exceed ability to make payments.
8. Fear of losing housing because of an inability to meet monthly mortgage payments.
9. A pattern of impulsive spending that does not consider the eventual financial consequences.

Long-Term Goals:

1. Establish a clear income and expense budget that will meet bill payment demands.
2. Contact creditors to develop a revised repayment plan for outstanding bills.
3. Gain a new sense of self-worth in which the substance of one's value is not attached to the capacity to do things or own things that cost money.
4. Understand personal needs, insecurities, and anxieties that make overspending possible.
5. Achieve an inner strength to control personal impulses, cravings, and desires that directly or indirectly increase debt irresponsibly.

Seventeen Short-Term Objectives and thirty-three Therapeutic Interventions are then outlined in the chapter. A general reading of this chapter reveals a distinct lack of awareness regarding cultural and diversity issues and, further, appears to place blame upon the client for being in the financial position they now find themselves in despite

societal influences. For women specifically, there are a multitude of societal pressures placed on them to make decisions that might have negative financial repercussions. For example, as mentioned earlier, despite the increased influx of women into the work force, many women must still choose between fulfilling child-rearing duties at home versus meeting conflicting professional responsibilities (i.e., needing to work part-time, temporarily leaving the workforce to raise children, working in lower paying jobs which offer more flexible work hours, etc.) These choices often bring with them negative financial consequences (e.g., lower pay, limited or no retirement benefits, reduced opportunities for career advancement, etc.) and do not occur within a vacuum; they are frequently the result of entrenched gender socialization and deeply held societal views on what constitutes the proper roles of men and women.

The type of treatment plan outlined in the Jongsma planner, *based on empirically supported treatment*, perpetuates an apolitical and individual-based mentality in therapy that fails to consider the interplay of social oppressions on clinical issues. A quick example related to gender may help illustrate the deficiency of such a treatment plan. Women in the work force currently make 77 cents on the dollar that men make in the same position (National Committee on Pay Equity, 2012). Additionally, women's participation in the work force is subject to greater fluctuation due to their still primary child-rearing role. In the United States, more women take time off of work to have and raise children than do men (Maushart, 2001). Because of this sporadic work-force participation, financial benefits related to social security eligibility and payments, health insurance, 401K participation, employer-based stock options, and retirement and pension plans, women often find themselves in financial dire straits through no fault of their own.

Many of the Behavioral Definitions of Financial Stress and the Long-Term Goals listed in the Jongsma treatment planner imply that a woman who has stayed home to raise children is somehow to blame for her financial predicament despite the vast number of unpaid hours she has devoted to child-rearing and maintenance of the home. It also ignores, as discussed earlier, the immense societal pressures placed on women to make decisions in support of family and child-rearing duties that often are at cross-purposes with professional and financial decisions. In fact, recent figures from salary.com estimate that the services provided by mothers range in value from \$96,000 - \$120,000 annually (www.salary.com, 2012). A woman in this situation seeking psychotherapy related to financial stress is unlikely to find true relief from emotional distress from a treatment plan so lacking in cultural and social context.

Because of gaps in both EST's and treatment planning guides regarding diversity variables, the American Psychological Association (APA) has offered additional guidelines. The APA Practice Directorate has issued 15 current Practice Guidelines for Practitioners. These Practice Guidelines are posted on the APA website with the following stated purpose: "These guidelines are intended to educate practitioners and provide recommendations about professional conduct. As such, they are useful tools for psychologists in practice to develop and maintain competencies and/or learn about new practice areas," (www.apa.org/practice/guidelines/index, 2012). To date, the APA Practice Guidelines address the following populations and/or clinical issues:

- Forensic Psychology
- Parenting Coordination
- Record Keeping

- Child Custody Evaluations in Family Law Proceedings
- Psychological Practice with Women and Girls
- Psychological Practice with Older Adults
- Multicultural Education, Training, Research, Practice and Organizational Change for Psychologists
- Psychologists Involvement in Pharmacological Issues
- Evaluations in Child Protection Matters
- Psychological Practice in Health Delivery Settings
- Screening and Diagnosis of Autism
- Test User Qualifications
- Psychological Practice with Lesbian, Gay, and Bisexual Clients
- Assessment of and Intervention of Persons with Disabilities
- Evaluation of Dementia and Cognitive Changes

Of the fifteen populations/issues identified by the APA, *The Guidelines for the Psychological Practice with Women and Girls* (GPPWG) are most relevant to the discussion of financial matters and self-efficacy explored in this paper. Specifically, the Eleven Guidelines listed in the GPPWG explicitly address the social, political, cultural and economic issues that need to be considered when providing psychological treatment to women and girls. The GPPWG Guidelines provide a crucial and necessary foundation to clinical practice when working with women and girls in the area of financial matters. When applied to the current evidence-based practice interventions related to Financial Stress as outlined in Jongsma, Peterson, and Bruce (2006), the GPPWG Guidelines more

adequately address the cultural and economic inequities women must grapple with in clinical settings.

The Eleven GPPWG Guidelines “are organized into three sections: (a) Diversity, Social Context, and Power; (b) Professional Responsibility; and (c) Practice Applications. The first section presents a framework concerning social identity and gender role socialization issues that explicate the foundation for the following more applied sections on professional responsibility and actual practice applications,”(GPPWG Guidelines, 2007):

Diversity, Social Context, and Power:

Guideline 1: Psychologists strive to be aware of the effects of socialization, stereotyping, and unique life events on the development of girls and women across diverse cultural groups.

Guideline 2: Psychologists are encouraged to recognize and utilize information about oppression, privilege, and identity development as they may affect girls and women.

Guideline 3: Psychologists strive to understand the impact of bias and discrimination upon the physical and mental health of those with whom they work.

Professional Responsibility:

Guideline 4: Psychologists strive to use gender and culturally-sensitive, affirming practices in providing services to girls and women.

Guideline 5: Psychologists are encouraged to recognize how their socialization, attitudes, and knowledge about gender may affect their practice with girls and women.

Practice Applications:

Guideline 6: Psychologists are encouraged to employ interventions and approaches that have been found to be effective in the treatment of issues of concern to girls and women.

Guideline 7: Psychologists strive to foster therapeutic relationships and practices that promote initiative, empowerment, and expanded alternatives and choices for girls and women.

Guideline 8: Psychologists strive to provide appropriate, unbiased assessments and diagnoses in their work with women and girls.

Guideline 9: Psychologists strive to consider the problems of girls and women in their sociopolitical context.

Guideline 10: Psychologists strive to acquaint themselves with and utilize relevant mental health, education, and community resources for girls and women.

Guideline 11: Psychologists are encouraged to understand and work to change institutional and systemic bias that may impact girls and women.

The GPPWG Guidelines is a 66-page document that provides both the rationale for and the clinical applications of each of the Eleven Guidelines. While the breadth of the full GPPWG Guidelines document is beyond the scope of this paper, it is useful to rely on the Guidelines as an overlay to traditional EST-interventions when working with women in therapy. In this way, cultural context is not as likely to be missed when addressing presenting clinical issues such as mood disorders, financial stress, etc. The remainder of this paper will seek to provide more comprehensive and diversity-sensitive best practices guidelines when working with women in clinical practice. Specifically, treatment planning goals and interventions will be identified, as will recommendations for future research.

Summary

In summary, financial literacy and financial independence have been found to be strong predictors of emotional well-being in both sexes. This fact has been recognized by the United States Department of Education, which in recent years has set forth guidelines regarding teaching financial literacy to students in grades K-12. Additionally, individual states are now adopting state guidelines regarding financial literacy. Financial literacy curriculum in grades 9-12 is now being mandated throughout the U.S. in order to satisfy state graduation requirements. The U.S. Department of Education's rationale for improving financial literacy among children and adolescents is that these children will then be better equipped to negotiate the complex world of personal finance as they move into adulthood. A financially savvy populace bodes well not only for the U.S. economy in general but also, theoretically, reduces the number of people who must rely on government funding to meet basic living needs, according to national directives.

However, despite improved efforts to increase financial literacy, gender socialization and antiquated workforce practices continue to hinder women's ability to fully achieve financial independence in comparison to men. Because of the disparity in financial literacy between the sexes, an exploration as to how financial issues may underlie clinical issues becomes relevant for clinicians to consider, as well as intervention guidelines. This is particularly salient as many clinicians ignore or avoid the interplay between a client's presenting clinical issues (e.g., depression, anxiety, relationship

dissatisfaction, etc.) and his or her financial situation.

A review of current best practices on treating clients with financial stressors reveals a significant gap in understanding how social and cultural factors related to gender influence clinical issues. Therefore, this author suggests use of the APA's *Guidelines for the Psychological Practice with Women and Girls* (GPPWG) in creating a template for future best practices when addressing financial issues with female clients. The GPPWG guidelines identify how clinicians can more comprehensively consider social and contextual issues related to gender in treating women.

Additionally, the use of Albert Bandura's construct of self-efficacy is a useful lens in which to conceptualize clients' views on money management and how clients view their ability to effect change in this arena of their lives. Specifically, two self-efficacy scales will be considered in the discussion below on future best practices as related to financial literacy in clients.

Template for Future Best Practices Guidelines

This next section will offer new guidelines for therapeutic best practices related to exploring the interconnection between financial issues and clinical issues with clients. Because so many clients present with depression, anxiety or both, administration of a standard mood assessment would be an appropriate starting point. Clients who present with symptoms associated with depression or anxiety are routinely given one or both of the following mood measures: Beck Depression Inventory-II (BDI-II) and the Beck Anxiety Inventory (BAI). The BDI-II and the BAI are both 21-item self-reports that measure a client's depressive and anxiety symptoms, respectively. Both instruments have strong validity and reliability statistics to support their use with clients. According to a test review of the BDI-II by Smith and Erford (2001), the BDI-II "yields a coefficient alpha of .92 for the outpatient population (n = 500) in the sample referred to in the manual. The coefficient alpha for college students (n = 120) in the sample was .93. Psychometrically, studies of the BDI-II indicate excellent internal consistency and one-week test-retest reliability on clinical samples, as well as substantial diagnostic efficiency and correlations with other tests purporting to measure the construct of depression." According to Baer and Blais (2010), "the BAI has received extensive empirical support, with internal consistency within psychiatric samples ($\alpha=0.92$) and anxiety samples ($\alpha=0.83-0.92$).

Both instruments are empirically-supported, easy to administer (it usually takes a client about 5-10 minutes to complete one of these instruments) and easy to score (it

takes about 5 minutes to score either one of these instruments) and both are available in Spanish versions. For these reasons, administration of the BDI-II, the BAI or both to clients presenting with symptoms of a mood disorder is a natural starting point during the intake process.

After one or both mood inventories are administered, the next recommendation is to give the client a short 6-item instrument that assesses financial self-efficacy, the Financial Self-Efficacy Scale (FSES), (Lown, 2011). The FSES was adapted from the 10-item Generalized Self-Efficacy Scale (GSES) developed by Schwarzer and Jerusalem in 1995. According to Bandura (2006), “there is no all-purpose measure of perceived self-efficacy,” (p. 307) with self-efficacy measures needing to be domain specific (Lown, 2011). Because individuals can have widely varying feelings of self-efficacy depending on domain, self-efficacy instruments need to specifically measure the domain in question. For example, a client may have strong feelings of personal agency in one domain such as parenting or work but have low feelings of self-efficacy in other domains such as financial management, weight management, or health practices.

Because the FSES will be recommended for use as part of a best practices guideline in this paper, a brief overview of both it and the GSES will be discussed. Validated in 30 countries ($\alpha=.76-.90$), the 1995 GSES is a 10-item self-report measure of beliefs one holds about self-efficacy.

Original items adapted from GSES:

Please respond to the following statements using these response categories:

1 = Exactly true

2 = Moderately true

3 = Hardly true

4 = Not at all true

(*Items 1, 5, 8 and 10 are Reverse-scored.)

1. I can always manage to solve difficult problems if I try hard enough. (R-score)
2. It is hard to stick to my spending plan when unexpected expenses arise.
3. It is challenging to make progress toward my financial goals.
4. When unexpected expenses occur I usually have to use credit.
5. I am confident that I could deal efficiently with unexpected events. (R-score)
6. When faced with a financial challenge, I have a hard time figuring out a solution.
7. I lack confidence in my ability to manage my finances.
8. I can solve most problems if I invest the necessary effort. (R-score)
9. I worry about running out of money in retirement.
10. I can remain calm when facing difficulties because I can rely on my coping abilities. (R-score)

While a majority of the GSES items address financial self-efficacy (item # 2, 3, 4, 6, 7, and 9), Lown (2011) tested these items in her study, along with new items, to arrive at a 6-item questionnaire that more directly measures financial self-efficacy rather than perceived general self-efficacy. The FSES was sent to 1,720 university employees at a Midwest university with 726 responses received (response rate of 42.2%). Four general self-efficacy questions were also posed to all respondents. Lown found a low correlation between the FSES items and the general self-efficacy items “indicating the items were measuring different constructs,” (Lown, 2011, p. 58). Listed below are the 6-items asked on the FSES.

The Financial Self-Efficacy Scale (FSES):

Please respond to the following statements using these response categories:

1 = Exactly true

2 = Moderately true

3 = Hardly true

4 = Not at all true

1. It is hard to stick to my spending plan when unexpected expenses arise.

2. It is challenging to make progress toward my financial goals.

3. When unexpected expenses occur I usually have to use credit.

4. When faced with a financial challenge, I have a hard time figuring out a solution.

5. I lack confidence in my ability to manage my finances.

6. I worry about running out of money in retirement.

Use of the FSES when working with clients who identify financial stressors as an issue is a quick way to assess their self-efficacy beliefs around money. Once mood and financial self-efficacy beliefs are assessed, additional questions can be explored in the intake process that will help to identify gender-specific beliefs related to money, power, and locus of control.

A critique of both of these measures is that some of the questions posed assume the client answering the questionnaire comes from a middle- to upper-middle class socioeconomic background. For example, on the FSES, question #2 assumes that most people have “financial goals” they are striving toward. However, for those individuals who struggle to make ends meet on a daily basis, would merely surviving be considered a true “financial goal” within the context of this particular survey? Similarly, questions 3 and 6 assume the questionnaire respondent actually has access to credit and/or retirement options. This assumption simply is not true for many people in America considered part of “the working poor.” Additionally, questions from the FSES could simply be tailored to

meet the specific situation of the client and used in a more open-ended manner rather than as a strict forced-choice questionnaire. For example, if working with a client who either has no credit cards or a poor credit history, question 2 could be changed to “When unexpected expenses occur, what do you usually have to do?...” An exploration of how the client feels about her current lack of credit may also open up a useful conversation in therapy and guide treatment.

While both of these instruments can glean helpful information from clients, practitioners must recognize the bias underlying some questions and seek to modify questions as appropriate.

In contrast to the instruments outlined above, Ruth Hayden (1992) offers a Personal Money Inventory (PMI) which poses fifteen questions to clients about the development of both personal values and values related to money. The PMI allows clinicians to more deeply explore the societal and cultural context around a client’s financial beliefs and behaviors. This will help to inform treatment goals and interventions. It should be noted that the PMI is *not* an assessment tool and, therefore, has not been tested for validity or reliability. It should be considered a clinical intake aid in drawing out clients’ beliefs about gender roles and money. Listed below are the fifteen PMI questions:

1. What age are you? Where do you live? With whom?
2. How much money did your family have? Were you really poor? Not poor, but not rich? Sort of rich? Rich? How did you know this as a very young girl?
3. Did you have about the same amount of money as your friends? Less? More?
How did you know?

4. What did it mean to belong? As a child did you feel like you belonged anywhere? Family, friends, church, etc.?
5. When you really *needed* something, like gym shoes for school or a notebook, which adult did you ask? What happened when you asked?
6. When you really *wanted* something that was pretty or fun, which adult did you ask? What happened when you asked?
7. Whose job was it to *earn* the money for your family?
8. Whose job was it to *spend* the money for your family? As a little girl, who did you believe had the real control and power with money? Try to remember scenes from childhood that gave you this belief.
9. As you got older, do you remember people talking about money in your family or was it a taboo subject? If money was talked about, what did you hear? Try to remember what people said.
10. Did you feel that you had power and control as a member of your family? Did you have any say, or were you ever asked what you thought about purchases that were made, where you moved, what kind of home your family lived in or if there was a job change for one of your parents?
11. As a young girl, did you ever have money of your own? At what age? Was it an allowance? Earned money? What memories do you have about the adults' reactions to how you spent your money?
12. What did you hear from your family about people who had money? Were poor women "better" than rich women? Or was it better to be rich?
13. As a young girl, when do you remember getting approval? When were you

complimented? When did you feel loved?

14. What did you learn about the need to take care of yourself?
15. What does it mean to be safe? Did you ever feel safe as a young girl? When? If you didn't feel safe, what was happening in your family home so you didn't feel safe?

The above questions posed to clients will allow clinicians to gather a richer qualitative picture of a client's beliefs about money and gender roles on top of the quantitative measures gathered related to mood and self-efficacy.

What Do Women Want To Be Asked About Money

Because there is so little research on the topic of women and financial literacy for clinicians to rely on, an inductive, or more qualitative, means of gathering information may help to shape future treatment planning for practitioners. By virtue of being more open-ended and exploratory in nature, focus groups are often used to help researchers learn more about the rich layers and subtle context surrounding specific topics. By asking women directly what they want to talk about related to money matters, psychologists will ultimately be in a better position to provide treatment that is truly effective. For example, focus groups could consist of women from a wide range of ages and races, as well as those who differ in terms of physical ability and partnerships (e.g., sexual orientation, single, married, divorced, etc.). Simple probes such as “What are some thoughts or feelings you have about money?”, “What do you wish someone would ask you about money?”, and “What is easy and what is hard to talk about when it comes to money?” would all provide a useful forum in which women could begin to identify the themes and patterns that shape their beliefs about money.

Additionally, questions such as those outlined by Hayden (1992) could be explored verbally with focus groups to tease out which questions elicit common themes among women despite varying diversity variables (race, physical ability, orientation, etc.). Of course, such a process may also help identify where women from diverse groups differ in their money beliefs and, therefore, will allow clinicians to tailor treatment and clinical interventions as needed.

Treatment Plan Recommendations for Financial Stress

Listed below is a beginning stage treatment plan psychologists may want to adopt when working with a client who has identified financial stress as a dominant concern. Steps 1 -3 may take place during one session; however, it is more likely this information will be gathered over 2-3 sessions due to the administration and scoring of instruments and the need to explain results of these measures to the client.

- 1) Conduct an intake interview gathering standard biopsychosocial information from the client.
- 2) Administer a BDI-II and/or BAI if a mood disorder is suspected. Assess for suicidality, which takes precedence over all following steps.
- 3) Administer the FSES if information gathered during the intake interview suggests money concerns may be clinically relevant. Tailor the FSES item by item if the client SES indicates current FSES questions would be inappropriate or not well-suited to her (i.e., questions 2, 3, and 6). Instead, pose open-ended questions.
- 4) Explain the results of the BDI-II, the BAI and the FSES to the client and what they mean for her clinically. Provide the client with psychoeducation about the interaction of individual, cultural, and societal influences on mood, behavior, and thoughts, especially as related to finances.
- 5) Work collaboratively with the client to identify the treatment goals she most wants to work on. If financial stress is identified as an important treatment goal for this client, discuss the Hayden questionnaire with her and get her feedback on

- 6) whether she feels exploring these issues either verbally in session or in journal form outside of session may be of interest to her. Discuss the client's comfort level in exploring journal entries she may have written at home within the therapy session (either by the client verbally summarizing the thoughts, feelings, and primary themes of her journal entries or by sharing the entries directly with the clinician in session, if the client is comfortable with this option).
- 7) Work with the client to identify 1-3 specific goals she has related to financial stress that can be easily measured and monitored (in an observational rather than a judgmental way). For example, if the client feels her lack of education is holding her back from earning more money in her job and has indicated a desire to pursue more education, a target goal might be: Explore education options by a specified date. More specifically, a client who did not graduate from high school might list the following concrete steps as part of her target goal: a) Call local high school to inquire about GED classes, b) Go to a local library or a bookstore to look at GED preparation material, c) Talk to a close friend or family member about this goal to enlist support, d) Attend a GED informational meeting, and so forth.
- 8) As with any treatment plan, it is always helpful to inform the client that while treatment goals and target dates can be a helpful way to focus therapy, they are merely guidelines that can be revised or changed altogether if obstacles present themselves. It is important to reassure the client that *not* meeting goals can also be clinically useful and that therapy is a safe place to explore with the therapist what prevented the client from meeting desired goals.

- 9) Once the client has had the opportunity to take small steps toward her financial stress management goals, it is often helpful to re-administer the same instruments given during the intake process (e.g., BDI-II, BAI, FSES) to monitor improvements in mood and financial self-efficacy beliefs. A second administration can be given as soon as a month after the initial intake but may be more useful if given 2-3 months after therapy has begun.
- 10) Results of the second administration of instruments should be shared with the client. This will generate the opportunity to identify what has and has not been working for the client in terms of overall satisfaction with therapy and treatment goals.
- 11) The process above will continue until the client has either met her financial stress management treatment goals and no longer desires therapy or has met these goals and chooses to work on other identified issues.

Recommendations for Future Research

Diversity variables such as race, ethnicity, physical ability, sexual orientation, and socio-economic status also need to be researched in relation to financial literacy and beliefs about self-efficacy. Additionally, women who have been unpartnered by choice are often over-looked and invisible. This group of women is likely to both share and differ from the financial attitudes and behaviors of women who have been married or in long-term relationships. For this reason, additional research with unpartnered women about their financial beliefs and behaviors would provide a more comprehensive overview of women's financial literacy, in general. While beyond the scope of this dissertation, how members of diverse groups view themselves in the realm of financial management and behavior will provide a more comprehensive picture of financial literacy among various populations. Therefore, additional areas for future research should include the following:

- Therapist Awareness of and Comfort with Money Matters
- Client Awareness of and Comfort with Money Matters
- Does Exploration of Financial Literacy and Self-Efficacy in Therapy Improve Client Outcomes Clinically?
- Financial Literacy and Self-Efficacy related to Race, Ethnicity, SES, Sexual Orientation, and Physical Ability
- Financial Literacy and Self-Efficacy related to Women Unpartnered by Choice
- Integrating Diversity Variables into Current K-12 Financial Literacy Curriculum

- Psychology Doctoral Training on the Therapeutic Discussion of Money with Clients (& Client Financial Literacy and Self-Efficacy)
- Study Replication of the Financial Self-Efficacy Scale with Various Populations (e.g., adolescents, college students, working adults, senior citizens).
- A Comparison of Financial Literacy and Self-Efficacy Beliefs Between Males and Females (controlling for diversity variables such as race, SES, etc.)
- Money Matters related to Clinical Practice (i.e., fees, insurance reimbursement, etc.)

Conclusion

Psychologists are entrusted with a tremendous responsibility when they agree to treat clients. In its desire to protect clients and uphold the highest professional standards of the field, the American Psychological Association Code of Conduct provides standards by which a psychologist must ethically abide across numerous domains (e.g., research, intervention, confidentiality, cultural competence, etc.). It would seem that with the lengthy graduate training, clinical practice and ethical guidelines in place, psychologists would be well-prepared to handle most clinical issues encountered in therapy. What this author hopes has been illuminated by the current paper is that when it comes to women, money, and emotional well-being, there is still much to be learned. By not viewing financial issues as worthy of clinical consideration, psychologists are limiting their clinical effectiveness and doing their clients a therapeutic disservice. While money cannot buy happiness, as discussed earlier in this paper, financial independence and self-efficacy are strongly associated with greater life satisfaction and emotional well-being. As stewards tasked to safeguard our client's emotional well-being, it truly is our

responsibility as clinicians to make sure that the impact of money on our clients is fully explored.

As such, this author argues that the combination of assessment instruments presented (BDI-II, BAI, FSES) and the qualitative inventory (PMI) provide clinicians with a needs assessment model that better serves the needs of women presenting with financial stress in therapy. Despite their stated limitations, the combination of these tools more fully takes into account how gender socialization impacts a client's financial self-efficacy and is intertwined with her clinical presentation (i.e., mood disorders, relationship issues, etc.). Beyond the needs assessment stage, the Treatment Plan for Financial Stress highlighted in this work offers clinicians and clients a more balanced and inclusive template than those offered in highly regarded treatment planners. Additionally, use of these instruments and the treatment plan template more closely follows the best practices guidelines outlined in the APA's *Guidelines for the Psychological Practice with Women and Girls*.

Appendix

National Standards in K-12 Personal Finance Education

The National Standards in K-12 Personal Finance Education delineate the personal finance knowledge and skills that K-12 students should possess. The Jump\$tart Coalition intends the National Standards in K-12 Personal Finance Education to serve as a model. As such, the National Standards represent the framework of an ideal personal finance curriculum, portions of which might not be appropriate for individual instructors and students. The Coalition leaves it up to various stakeholders to decide how to address the topics in the National Standards.

Personal finance describes the principles and methods that individuals use to acquire and manage income and assets.

Financial literacy is the ability to use knowledge and skills to manage one's financial resources effectively for lifetime financial security.

Financial Responsibility and Decision Making:

Overall Competency

Apply reliable information and systematic decision making to personal financial decisions.

Standard 1: Take responsibility for personal financial decisions.

Standard 2: Find and evaluate financial information from a variety of sources.

Standard 3: Summarize major consumer protection laws.

Standard 4: Make financial decisions by systematically considering alternatives and consequences.

Standard 5: Develop communication strategies for discussing financial issues.

Standard 6: Control personal information.

Income and Careers:

Overall Competency

Use a career plan to develop personal income potential.

Standard 1: Explore career options.

Standard 2: Identify sources of personal income.

Standard 3: Describe factors affecting take-home pay.

Planning and Money Management:

Overall Competency

Organize personal finances and use a budget to manage cash flow.

Standard 1: Develop a plan for spending and saving.

Standard 2: Develop a system for keeping and using financial records.

Standard 3: Describe how to use different payment methods.

Standard 4: Apply consumer skills to purchase decisions.

Standard 5: Consider charitable giving.

Standard 6: Develop a personal financial plan.

Standard 7: Examine the purpose and importance of a will.

Credit and Debt:**Overall Competency**

Maintain creditworthiness, borrow at favorable terms, and manage debt.

Standard 1: Identify the costs and benefits of various types of credit.

Standard 2: Explain the purpose of a credit record and identify borrowers' credit report rights.

Standard 3: Describe ways to avoid or correct debt problems.

Standard 4: Summarize major consumer credit laws.

Risk Management and Insurance:**Overall Competency**

Use appropriate and cost-effective risk management strategies.

Standard 1: Identify common types of risks and basic risk management methods.

Standard 2: Explain the purpose and importance of property and liability insurance protection.

Standard 3: Explain the purpose and importance of health, disability, and life insurance protection.

Saving and Investing:**Overall Competency**

Implement a diversified investment strategy that is compatible with personal goals.

Standard 1: Discuss how saving contributes to financial well-being.

Standard 2: Explain how investing builds wealth and helps meet financial goals.

Standard 3: Evaluate investment alternatives.

Standard 4: Describe how to buy and sell investments.

Standard 5: Explain how taxes affect the rate of return on investments.

Standard 6: Investigate how agencies that regulate financial markets protect investors.

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