

# The meaning-making machine and money

It's not uncommon for spouses to have different views on money. My husband and I, for example, were raised with different values, in different economic circumstances and even in different countries.

We were incentivised in different ways and our parents had very different conversations about money and how it works.

The result is that we learnt very different lessons about money. For the most part, we continue to remain firmly anchored to our individual views about money.

Morgan Housel, author of *The Psychology of Money*, says your personal experiences with money make up maybe 0.00000001% of what's happened in the world, but maybe 80% of how you think the world works.

In other words, what we personally experience looms largest in our minds and carries more weight than what others tell us is true, no matter how compelling the evidence.

Someone who was raised on very little by a grandmother who struggled to survive on welfare weighs indulgence versus necessity differently from how the child of a generous and doting CEO parent.

With this varied input that our minds process differently, bringing us to a plethora of varied reactions to the same money questions or situations, we all believe we are acting rationally based on the information available (the 0.00000001% we have



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experienced) and possibly judge the actions of others as irrational.

Picture, therefore, a machine in each of our minds that processes every experience with money and tries to make sense of it, colouring those money experiences with our own personal biases and multiplying the experiences by our fears before it spits out a result that we will forever hold to be true ... our very own meaning-making machine.

Understanding why my husband and I held different beliefs about money was the first step in reconciling those differences.

Our priority now is to avoid incorrectly programming the meaning-making machines in our chil-

dren's minds (as if parenting isn't daunting enough).

In the early days of our careers, we adhered to a strict budget. As the self-appointed finance minister in our home, I could frequently be heard saying, "That's not in the budget" or "There's no money for that."

My eldest son one day asked for something.

Without skipping a beat, his younger brother chimed in, "There's no money for that."

I admit I felt a pang as I realised the damage I was doing to his meaning-making machine.

While my austerity measures were quite temporary and necessary only for a short period, my words were having a permanent impact on how he would relate to money.

From that point on, I intentionally started using different phrases, like "Not yet" and "Let's chat and see how we can make that happen". Fortunately, he was young enough that I could reprogramme him.

Whether we are misinformed, understood something out of context or are operating with incomplete information, every financial decision we make makes sense to us based on our meaning-making machines.

It's never too late for the reprogramming to start. If we're willing to learn, we'll be better equipped to do better.

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