

Financial Adjustment and Couple Resilience in the Great Recession

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This study examines economic and family implications of financial stressors and changes that couples experienced in the aftermath of the Great Recession as guided by Patterson's (2002) Family Adjustment and Adaptation Response (FAAR) model. The sample consisted of a primarily middle-income group of 277 married and cohabiting couples; the couples were surveyed between 2008 and 2011 as part of the Flourishing Families Project. Findings from our path analysis showed that financial adjustments (e.g. cutting back on social activities and entertainment) in response to recession-era negative economic events were the source of economic pressure and couple relationship problems regarding finances. Prior levels of couple financial collaboration, however, partially offset these negative effects of the recession which was consistent with predictions from FAAR theory. Our analysis demonstrates that forms of couple response to economic stressors (i.e. financial adjustments) and a couple relational protective factor (i.e. prior couple financial collaboration) are significant in the process of family financial resilience and have implications for family financial interventions. The results suggest that policies or programs that spare couples the necessity of making financial adjustments or help couples carefully select financial adjustments may attenuate the adverse consequences of recessions in family life. Additionally, financial counseling and education programs have the potential to help couples develop financial communication and teamwork skills that may help buffer the negative effects of economic shocks and financial adjustments.

References

Patterson, J. M. (2002). Integrating family resilience and family stress theory. *Journal of Marriage and Family*, 64(2), 349-360.

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