

THE PROBLEM OF DEBT - A COUNSELLOR'S PERSPECTIVE

by John Lawless

At some stage in their lives, most people experience financial problems of one sort or another. Hard sell advertising cleverly mobilises peer group pressure and tempts us to live just that little bit beyond our means. For some, the resultant debt amounts to no more than temporary inconvenience; for others it becomes a long haul struggle which drains their self worth and inner power and at times precipitates an inner crisis which tears their world apart.

The Money Advice and Budgeting Service (MABS) was established in recent years to work with families and individuals, especially those on low income, who are experiencing problems of debt. The role of the money adviser is multi-faceted, reflecting the complexity of the causes and effects of this personal and social problem. It involves the provision of information, budget planning, negotiation with creditors, advocacy and home management skills training. Underpinning this process is a holistic approach which listens carefully to the personal trauma which classically manifests itself in feelings of powerlessness and worthlessness. This approach gives rise to an important intersection between money advice and "mainstream" counselling.

ACCEPTANCE

A key feature which is common to both money advice and counselling in general is a non-judgmental approach. Typically, the client feels worthless, a failure, the cause of his own debt and downfall. Linked to this may be deep feeling of shame; a shame which is all the more acute in the case of the person who has been involved in comfort buying, gambling, drinking etc. The purchases give a feeling of power and well being, the wager a feeling of excitement - short lived anaesthetics which kill the pain of living long term on the edge. In a society where the level of material possessions is equated with personal worth, the lack of financial resources carries the tag "worthless".

Confronted with this reality, the money adviser, is no longer "neutral"; being non judgmental in this sense means adopting a value system which understands that debt is a global multi-dimensional problem requiring multi-dimensional solutions. It is a consequence of today's economic society and a problem not to be borne by individuals alone. Acceptance of the client in his or her totality is the first step. It must be prior to and take precedence over the practical details of the debt itself.

EXPECTATIONS AND CONTRACT

Typically, the client first approaches the money adviser when a crisis point is reached. There is an impending disconnection of utilities (ESB, Gas, Phone), a "Notice to Quit" may have been served on their home or a demanding letter may have just arrived from their local bank manager. All sources of credit such as families or friends or additional

loans have been exhausted. Their back is now to the wall. A huge sense of relief is usually experienced when the extent of the debt is first shared. At this stage the money adviser explores the client's expectations. Pain concentrates on the immediate problem. It seeks a quick-fix solution which in itself is a reflection of the predominant value system and of an imbalance between our outer and inner worlds. Very often the expectation is that the once the level of debt is shared it is not just metaphorically but also practically offloaded. "He will organise a loan for me and all will be solved". It is precisely at this point that the approach of the money adviser and the counsellor intersect. The money adviser introduces the concept of partnership. The responsibility for addressing the problem and clearing the debt still lies with the client but now he is no longer alone. The money adviser facilitates the process by:

- (1) Helping the client see the reality of the situation, indicating the legal and practical implications of the debt.
- (2) Exploring different options.
- (3) Drawing up an overall budget plan.
- (4) Negotiating a manageable level of repayment.
- (5) Staying "with the client" through future difficulties.

Ultimately it is the client who is to make the choices at all stages of the process. The money adviser and counsellor alike are aware that should their services ever become an ongoing crutch they have failed to restore responsibility and self-worth to the client.

As the working relationship progresses, it may be necessary at different stages of the process, to spell out other elements of the client/money adviser contract. Of particular note here are the limitations of the Money Advice Service. It is not, per se, a counselling service. More often than not a client will need to share details of his life. Indeed personal finance itself is an intimate and sensitive issue. A level of trust develops and in many cases a range of personal and family issues are opened.

Debt may be the presenting problem where the underlying causes are breakdown of trust and communication in a relationship, separation, drink/drug abuse, lack of personal discipline, poor self worth, depression etc. While acknowledging these underlying causes the money adviser makes clear to the client that the service has definite boundaries. The client is encouraged to seek additional help from specialist services or support groups. On the other hand it is worth remembering that where debt is part of an overall problem, counsellors can refer clients to the Money Advice Service to deal specifically with the debt issue. For example, marriage breakdown and separation involves not only huge emotional upheavals but often brings the further worry of lower incomes and debt in its wake.

It is important to recognise that financial pressures can become so acute that at times they can lead to suicidal tendencies. The recent increase in suicide would appear to be linked to social disorganisation. Suicide is primarily a social problem not a medical one. Depression is a common denominator in many cases; however, social ills such as unemployment, drug misuse, poor housing conditions, financial worries, life crises, poor education and the break up of families appear to play an important part too. Counsellors and money advisers may have to assess of suicidal intent and take appropriate action such as referral or intervention. Dealing with this level of crisis brings with it its own challenges for both professions.

In summary while the role of the money adviser is clearly defined in practice the expectations of the client may be diverse and confused. When the can of worms is opened, the value of this clarity around role and the acknowledgement of the limitations of the service becomes all the more important.

EMPATHY

Acceptance, genuineness, and empathy are at the core of the Rogerian person centred approach. Entering into the clients inner world, the money adviser experiences the clients way of seeing things, his understandings and his personal meanings. Sensing meanings of which the client is barely aware, the money adviser communicates back to him the sense of his world; whereas he may be fearful and uncertain the money adviser can be a confident companion on his journey. Such an empathic attitude is not easily captured but where the client and money adviser are working together over a period of time, it will encourage a deeper exploration on the part of the client. The feelings lying just beneath the surface when brought to light often result in huge changes in the way the client views and addresses his situation.

Issues of debt bring with them the full range of feelings and human responses. Shame, hopelessness and immobility have already been mentioned. Anger and blaming can flare when a person loses a job and is catapulted onto a low income. Depression and denial can accompany a succession of demand notices - "I put the letters in the bin and go to bed in the middle of the day so that I can forget that the problem exists". Frustration accompanies the genuine attempt to pay a level of debt that just cannot be met in practice from a low income. Powerlessness and victimisation are sensed in the face of exorbitant interest rates and exploitation by money lenders. Grief at the loss of a house or car, guilt after a spending spree, the stress of not knowing where the next meal for the children will come from - these are the feelings which rise from the heart of the person. With empathic listening the money adviser can provide a framework of understanding within which change can gradually happen.

The nature of money advice work gives rise to specific problem regarding the pace of the process. More often than not there are pressing practical issues such as disconnection of utilities, court appearances etc. While these need to be addressed immediately, it is generally not possible in such a short time to get a sense of the inner person who brings

these problems. This calls for a delicate balance between acting on the immediate crisis and providing the empathic framework within which the client is gradually helped to change. Effective change is generally only possible where the client contracts to work with the service over a longer period of time. Even at that, money advisers, like many counsellors, share the temptation of moving too fast. What matters at the end is that the client moves in his time and at his pace.

THE MONEY ADVISER

Being closely involved at the cutting edge of the personal traumas brought on by debt has implications for the money adviser. Like many people working within the caring professions, he is faced with the enormity of the extent of the problem and feels that he is just sticking another finger in the proverbial dike. Alongside the practical skills of budgeting and negotiation comes the need to develop and to trust his listening skills and intuition. It is important that he does not get lost in the client's world but is able to return to his own frame of reference. Empathy can be a volatile quality and personal issues belonging to the money adviser must not interfere with the process. On the other hand, working within a framework which is geared specifically to dealing with the problem of debt implies that the money adviser is not to take on the role of the family therapist. A money adviser may wish to explore an issue further, the client may be pushing in this direction and the boundaries of the service may give rise to feelings of frustration.

Another source of frustration is that the money adviser may have to monitor repayments being made by a client over a period of time. When a trusted client fails to meet his commitments, the money adviser can feel let down and a sense of failure; here there is a clear danger that the money adviser may assume personal responsibility for the client's failure.

The detachment so essential for effective counselling and money advice work is not attainable all the time. Like the counsellor, the money adviser needs to be in touch with his own feelings and to have a forum for dealing with them. Positive self worth is vital i.e. to be aware that there are better counsellors and money advisers than me, but at this moment the client is looking to me for help "I am here for him and I am prepared to do the best I can".

The importance of case discussion with colleagues cannot be underestimated. Outlining where he feels uneasy or a point at which he is stuck, can be of immense value; the ideas and perceptions of others give the money adviser the opportunity to assess his approach and to learn new ways of working. Such mutual trust and sharing is perhaps the greatest source of affirmation and encouragement for counsellors and money adviser alike. If we wish to care, we need to be care for also.

THE MONEY ADVICE AND BUDGETING SERVICE

At present MABS, which is funded by the Department of Social Welfare, has about 50 offices covering most parts of the country. Money advice itself is not new. Up to recently it was performed by a myriad of people and agencies such as public representatives, solicitors, accountants, counsellors, friends, information centres, welfare rights services etc. What is new is that the service has been set up to deal specifically with the problem of debt and is geared especially for those on low income. Although still at a fledgling stage, money advisers are finding that their work is most successful where a person centred holistic approach is taken. A mere concentration on the details of the debt itself may have short term results, but where the client is helped to grow in self worth, the results are far reaching. It involves patient listening and the counselling skills outlined in this article. Counselling and money advice are two distinct professions but as MABS is developing, an important intersection is emerging.

John Lawless (June 1996)