
Extra: Wealthy divorcees are happier than poor divorcees

By Editor Test *Tue, Jul 10, 2012*

"Many wealthy divorced women told us that they feel they are better with money and investments than their former husbands," said George Walper, Jr., president of Spectrem Group.

Divorce has financial as well as emotional consequences, and often cuts a family's retirement savings in half. But, as a recent survey found, men and women tend to have different post-divorce experiences.

Nearly two-thirds, or 62% percent, of divorced women with at least \$1 million in net worth say they are better off financially since their divorce, according to new research from the Spectrem Group.

Their financial well-being differs sharply from other divorced women, especially recently divorced women, who are twice as likely to live in poverty as recently divorced men, according to U.S. Census data.

High levels of wealth combined with financial acumen seem to insulate affluent women from the financial hardships that often accompany divorce. In 2009, the latest year for which data is available, the U.S. Census Bureau reported that 22% of women divorced in the 12 months under study lived in poverty, compared to 11% of men divorced during the same period.

A full 73% of divorced millionaire women say they are knowledgeable or very knowledgeable about investments. "Many wealthy divorced women told us that they feel they are better with money and investments than their former husbands," said George Walper, Jr., president of Spectrem Group, in a release.

Divorced millionaire women are less concerned about guarding their principal than men or widows, according to Spectrem Group: 45% are focused on protecting principal compared to growing their investments, but 51% of millionaire men and 58% of millionaire widows prioritize principal over growth. Just 17% of divorced millionaire women describe their investment approach as conservative, comparable to 15% of millionaire men, but far fewer than the 31% of millionaire widows who say they invest conservatively.

"With nearly half, or 49%, of divorced millionaire women still working, many feel confident about their futures and their ability to continue building their wealth," Walper said.

The wealthy are somewhat less likely to be divorced than Americans overall. According to 2010 U.S. Census Bureau, 10.4% of people over 18 were divorced while Spectrem Group has found that about 7% of millionaire households, with \$1 million to \$5 million of net worth, and 9% of ultra high net worth households, with \$5 million to \$25 million in net worth, are divorced.

For those who do divorce, millionaire women say being single provides not only financial benefits but mental-health benefits as well: An overwhelming number, 77%, say they are much better off emotionally since the divorce.

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