

RECOGNIZING AND RESPONDING TO ECONOMIC ABUSE

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UNDERSTANDING ECONOMIC ABUSE

Case Example

Markus

- Age 39
- GED
- Electrician
- When they met:
 - Owned a home
 - Significant debt
 - Poor credit
 - No savings



Michele

- Age 38
- Associates Degree
- Medical Assistant
- When they met:
 - Rented
 - No debt
 - Good credit
 - Small savings

Met in their early 20's
Dated for 4 months, **lived together**
for 2 months, and then married
Married for 13 years;
Two **children**: Son 12, Daughter, 9
Divorced for 2 years;

DEFINING ECONOMIC ABUSE

The **Violence Against Women Act Reauthorization Act of 2022** codified a definition of “economic abuse.”

The term “**economic abuse**”, in the context of domestic violence, dating violence, and abuse in later life, means behavior that is coercive, deceptive, or unreasonably controls or restrains a person's ability to acquire, use, or maintain economic resources to which they are entitled, including using coercion, fraud, or manipulation to—(A) ***restrict a person's access to money, assets, credit, or financial information***; (B) ***unfairly use a person's personal economic resources, including money, assets, and credit, for one's own advantage***; or (C) ***exert undue influence over a person's financial and economic behavior or decisions, including forcing default on joint or other financial obligations, exploiting powers of attorney, guardianship, or conservatorship, or failing or neglecting to act in the best interests of a person to whom one has a fiduciary duty.***

DEFINING DOMESTIC VIOLENCE

A pattern of behavior in any relationship that is used to gain or maintain power and control over an intimate partner.

- Abuse is physical, sexual, emotional, economic or psychological actions or threats of actions that influence another person. This includes any behaviors that frighten, intimidate, terrorize, manipulate, hurt, humiliate, blame, injure, or wound someone.
- It can occur within a range of relationships including couples who are married, living together, or dating.
- It can happen to anyone of any race, age, sexual orientation, religion, or gender. It affects people of all socioeconomic backgrounds and education levels.

Sources: United States Department of Justice and United Nations

Case Example



Markus

- Age 39
- GED
- Electrician



Michele

- Age 38
- Associates Degree
- Medical Assistant

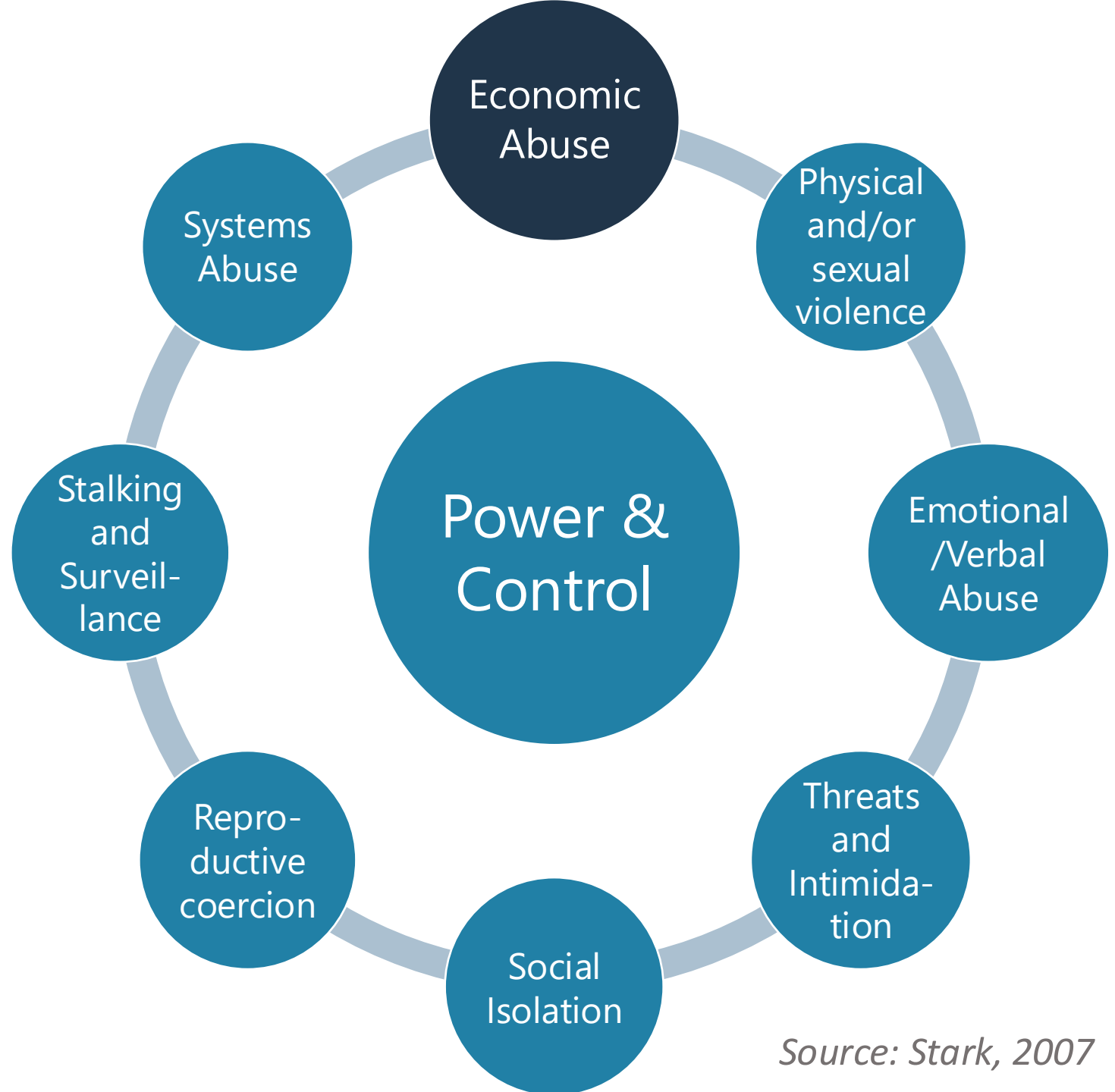
Married for 13 years;

Divorced for 2 years;

Two **children**: Son 12, Daughter, 9

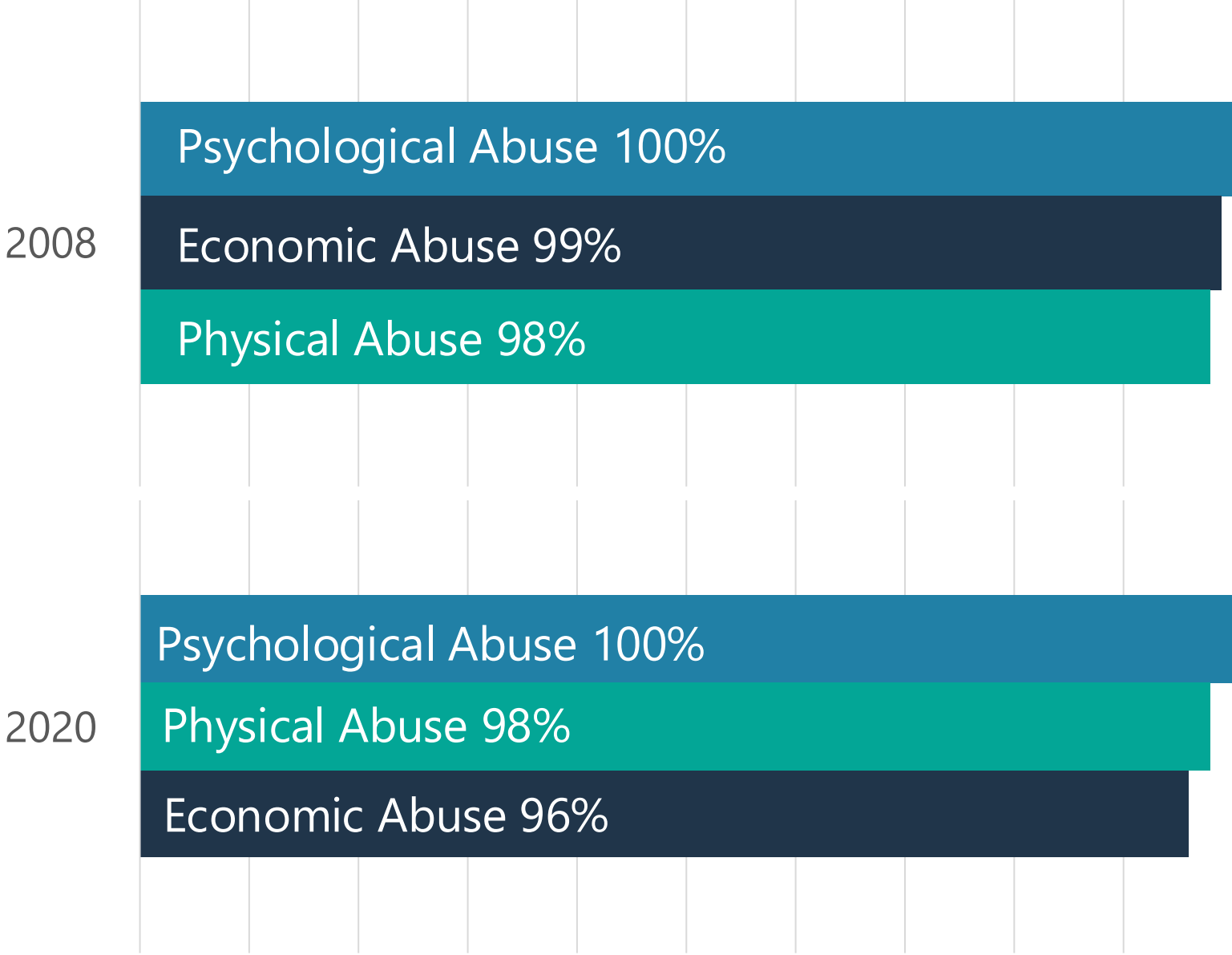
- **The pattern of abuse** began early in the marriage. For instance:
 - Markus insisted that Michele keep the house in order and would scold and belittle her if her housekeeping did not meet his standards.
 - Markus began monitoring Michele's communications and movements and frequently accused her of infidelity.
 - Markus got upset, pouted, and withdrew affection if Michele spent too much time talking with her sister or mom-- she called them less and less.

The Broader Context of Domestic Violence



Source: Stark, 2007

Economic Abuse is Present in Most Abusive Relationships



Source: Adams et al., 2008; Adams et al., 2020

Case Example



Markus

- Age 39
- GED, Trade School
- Electrician



Michele

- Age 38
- Associates Degree
- Medical Assistant

Married for 13 years;

Divorced for 2 years;

Two **children**: Son 12, Daughter, 9

- The **economic abuse** began after their second child was born. For instance:
 - Markus demanded that Michele stop working, saying being a full-time mother was "best for the family."
 - Markus insisted on controlling their finances because "it was his money."
- **Psychological abuse** escalated. Markus often called Michele names, criticized her parenting, mandated housekeeping, accused her of cheating, and isolated her from her family.
- **Physical intimidation** started. On one occasion, Markus threw his dinner plate across the kitchen, nearly missing Michele because he didn't like the way she had cut the jalapeno in his meal.

Domestic Violence Limits the Victim/Survivor's Space for Action



Source: Sharp-Jeffs, N., Kelly, L., & Klein, R., 2018

Economic Abuse



Source: Adams et al. (2020)

Economic Abuse



Economic
Restriction

Imposing limits on a partner's economic resources

Case Example



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- Age 39
- GED, Trade School
- Electrician



Michele

- Age 38
- Associates Degree
- Medical Assistant

Married for 13 years;

Divorced for 2 years;

Two **children**: Son 12, Daughter, 9

Economic restriction began when Markus insisted that Michele leave her job and assumed control over the finances. He:

- Changed login for financial accounts
- Sent all financial statements to a personal email and forbade Michele from getting the mail
- Spent freely for his own interests while providing Michele with very limited funds that were insufficient for her basic needs
- Withheld money for necessities like personal hygiene items and groceries
- Destroyed Michele's personal belongings

Economic Abuse

Using a partner's economic resources for one's own advantage



Economic
Exploitation

Case Example



Markus

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- GED, Trade School
- Electrician



Michele

- Age 38
- Associates Degree
- Medical Assistant

Married for 13 years;

Divorced for 2 years;

Two **children**: Son 12, Daughter, 9

Economic exploitation also began after Michele left her job and Markus assumed control over the finances. He:

- Shifted debt into Michele's name by pressuring her to use her credit card to pay off his student loan and a motorcycle loan
- Took out loans for a new truck and RV in Michele's name without her full consent or understanding.

Means of Economic Abuse Perpetration

Force

Direct application of physical strength to make a partner act against their will

Coercion

Implicit or explicit threat of harm for non-compliance with a directive

Sabotage

Deliberately destroying, damaging, dissipating, or obstructing partner's economic resources

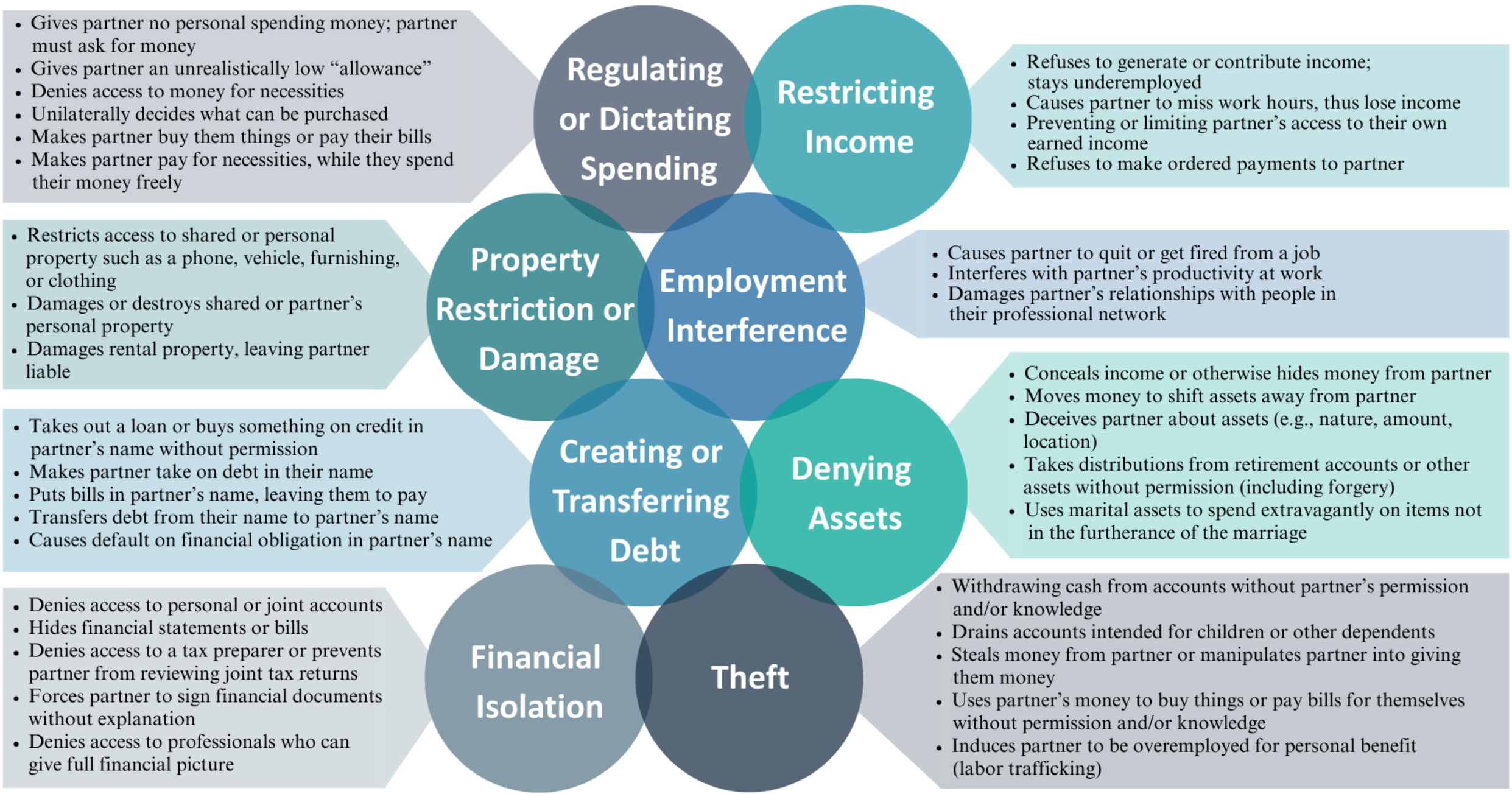
Fraud

Taking financial action in a partner's name without permission

Manipulation

Managing conditions or information to lead a partner to make a financial decision they would not have made

ECONOMIC ABUSE in the context of domestic abuse

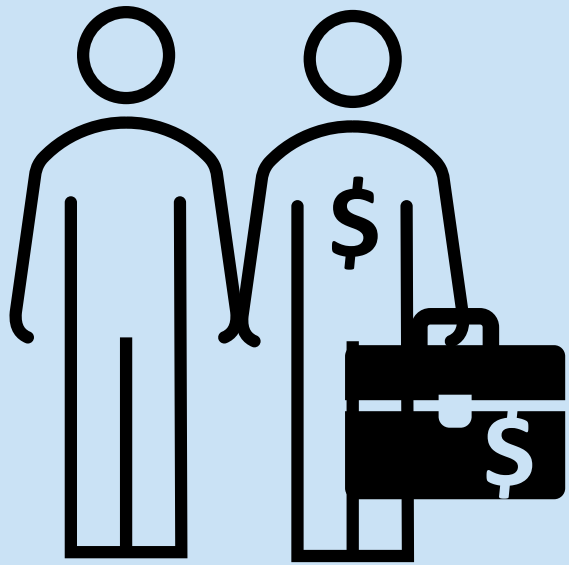


Victim and perpetrator **financial health at the start of the relationship** is associated with the types of economic abuse perpetrated.

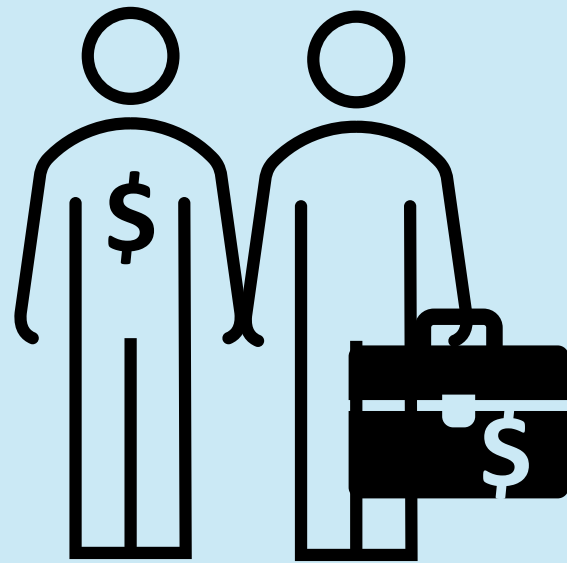
Among 315 women seeking services for abuse perpetrated by a male partner, there was:

- More **economic restrictions** when:
 - Perpetrators were advantaged in terms of assets.
 - Perpetrators were disadvantaged in terms of debt.
- More **economic exploitation** when:
 - Victims were advantaged in terms of assets or credit.
 - Perpetrators were disadvantaged in terms of assets, debt, and credit.

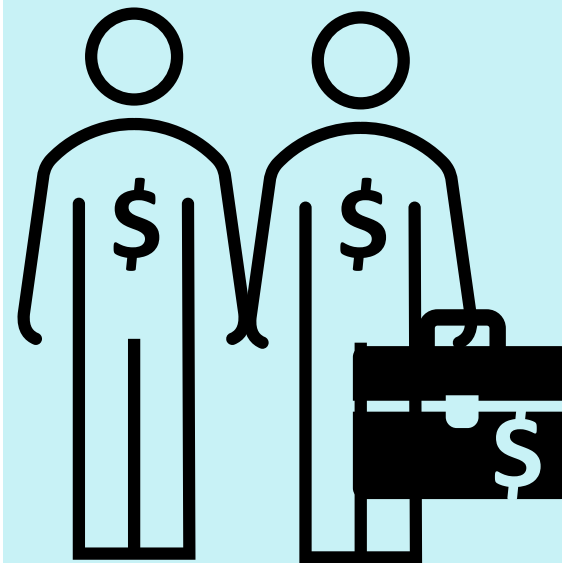
Four Common Household Financial Arrangements & Economic Abuse



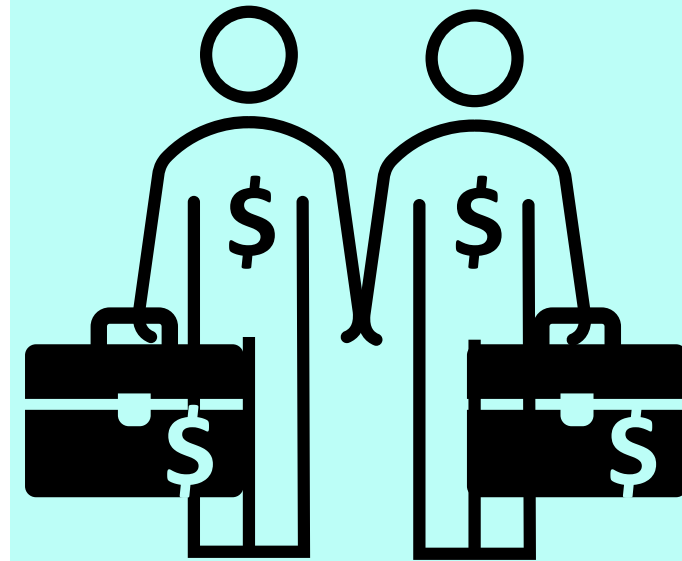
**Single earner,
and the earner
manages the
finances**



**Single earner,
and the non-
earner manages
the finances**



**Joint earners,
money pooled,
and one spouse
manages the
finances'**



**Joint earners,
money separated,
and financial
responsibilities
divided**

Not all negative financial behaviors in intimate relationships constitute economic abuse

- **Problematic financial management**

Without discussion, the financial spouse skips several car payments due to a lack of funds after paying for a family vacation and an unexpected new roof for the house

- **Financial infidelity**

One spouse secretly engages in sports and online casino gambling, leaving the couple \$40,000 in debt

- **Survival strategy**

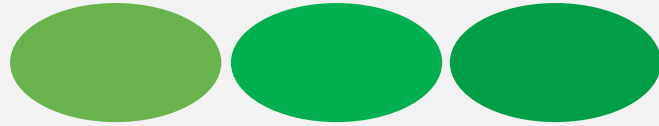
Domestic violence victim-survivor siphons a portion of her paycheck into a separate account as a safety net for when her husband denies her money for food or in preparation to leave

Signs it may not just be negative financial behavior

- ❑ Part of a broader pattern of abusive conduct
- ❑ Imposed and/or concealed through abusive means
- ❑ Used to create a power imbalance and/or dependency
- ❑ Used for personal gain (financial, psychological, or other) at the partner's expense

Continuum of Intra-Household Economic Power Dynamics

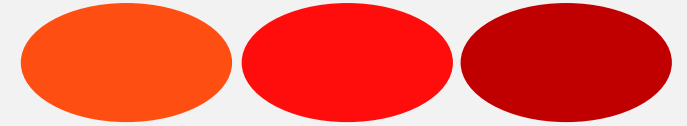
Balanced/Equitable



Mutually-agreed Imbalance



Economic Abuse



	Balanced/Equitable	Mutually-agreed Imbalance	Economic Abuse
INCOME	Parties generate comparable income and/or contribute equitable income	Per mutual agreement, one person generates more income or contributes a higher proportion of their income	One person imposes their income generation preferences on their partner
EXPENDITURES	Parties decide together what, when, where, and how income is spent	Per mutual agreement, one person decides what, when, where, and how income is spent	One person imposes their spending preferences on their partner
ASSETS	Parties decide together how to build and manage assets	Per mutual agreement, one person decides how to build and manage assets	One person imposes their preferences for building and managing assets
OUTCOMES	Gains and losses are shared equally; parties have the same living standards	Per mutual agreement, gains and losses are unequally divided and/or living standards are unequal	One person gains at the others' expense; equal losses with intent to harm; and/or imposed unequal living standards

What's the Harm of Economic Abuse?



Sources: Adams, et al. (2020); Stylianou, A. M. (2018)

Coerced Debt: Non-consensual credit-related transactions that occur in abusive relationships



Taking out **loans** in partner's name



Taking out or using **credit cards** in partner's name



Putting **bills** in partner's name

FRAUD

COERCION

MANIPULATION

Case Example



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- Shifted debt into Michele's name by pressuring her to use her credit card to pay off his student loan and a motorcycle loan
- Took out loans for a new truck and RV in Michele's name without her full consent or understanding.

Interviews with 187 Women Who Recently Divorced an Abusive Man

62%

had coerced debt through fraud, coercion, or manipulation

26%

of their credit accounts had coerced debt (among those with coerced debt)

\$12.5 M

in coerced debt created through fraud, coercion, or manipulation

Coerced Debt by Types of Account

- The types of coerced debt held by the most women were credit cards, vehicle loans, mortgages, and personal loans.

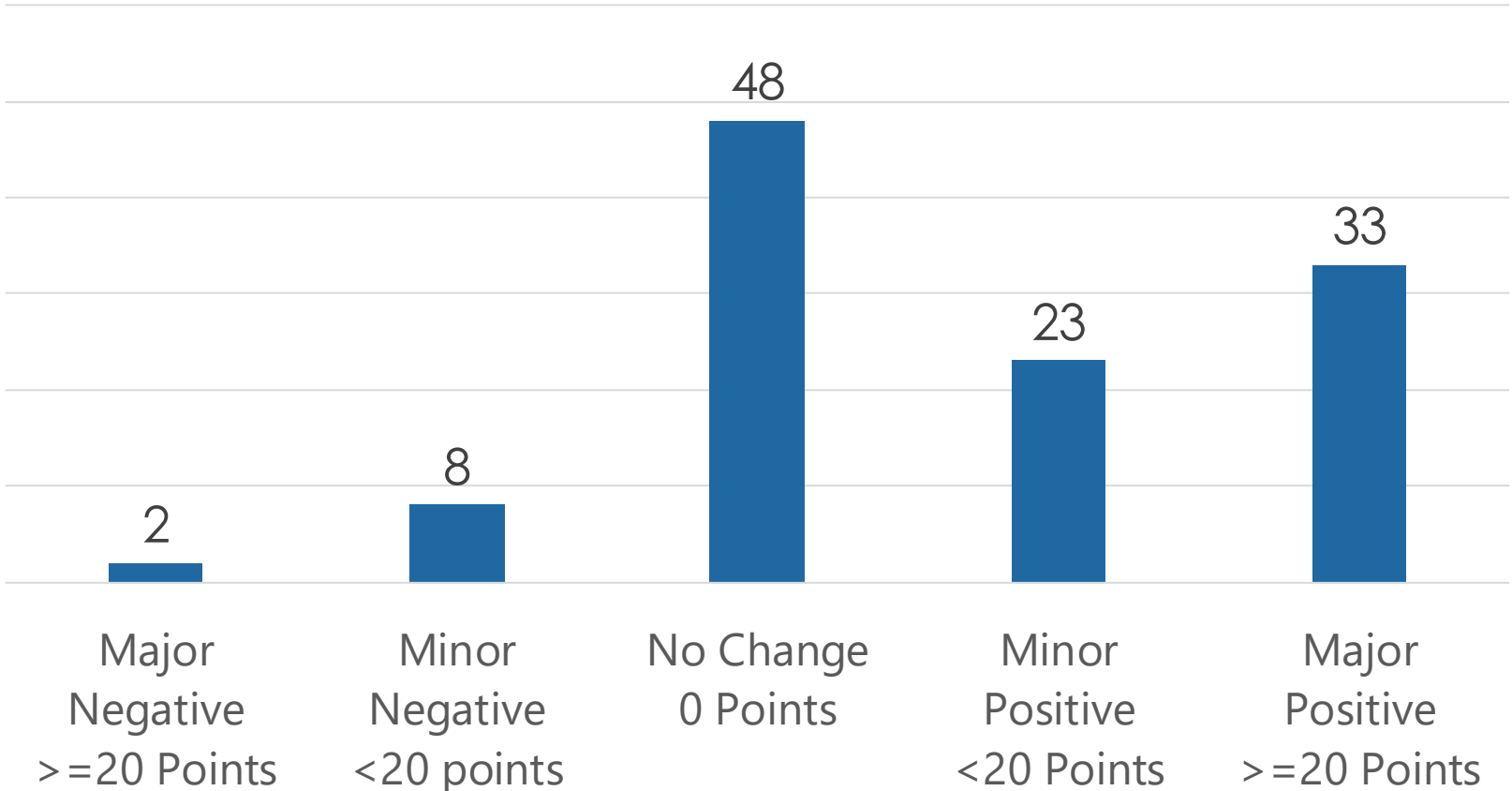
Account Type	# of Women	% of Women
Credit Card	92	49.2%
Vehicle Loan	33	17.6%
Mortgage	23	12.3%
Personal Loan	21	11.2%
Student Loan	10	5.3%
Loan for other Property	8	4.3%
Unpaid Utility Bill	6	3.2%
Unpaid Med. Bill	6	3.2%
Rental Center	4	2.1%
Home Equity LOC	4	2.1%
Line of Credit	4	2.1%
Payday Loan	3	1.6%
Vehicle Lease	3	1.6%
Unpaid Cell Phone Bill	3	1.6%
Unpaid Rent Bill	2	1.1%
Vehicle Title Loan	1	0.5%
Unpaid Taxes	1	0.5%

Source: Adams, Littwin, Kennedy, & Beeble (2025)

n = 187

Change in Credit Score When Computed with and without Coerced Debt

Of Women with Coerced Debt (n=114)



- A plurality of participants' credit scores improved when we computed them without coerced debt.
- 20 points is enough to change the interest rate one would get on a mortgage.

Coerced Debt Shifted to Ex-Husband in Divorce

Of Women with Coerced Debt Active at Time of Divorce

- The overwhelming majority of these participants had no debt shifted.
- Even when debt is shifted, it does not change the contract with the creditor.



Source: Adams, Littwin, & Kennedy (2026)

Debt-Service Funds Awarded in Divorce for Coerced Debt

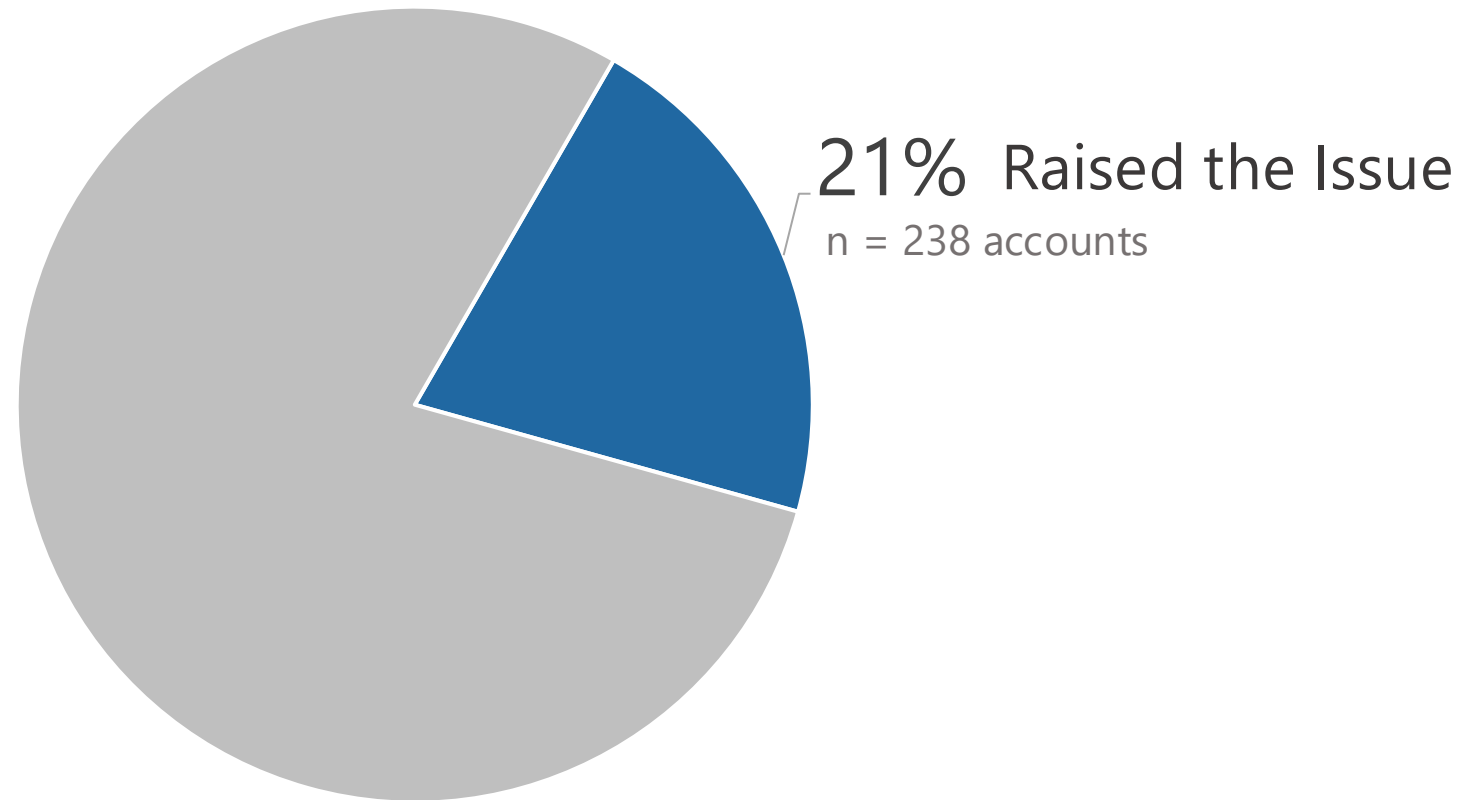
Of Women with Coerced Debt Active at Time of Divorce

- Only 1 participant received money in the divorce to pay coerced debt.
- The cash was to pay for three student loans that still had balances.
- The amount awarded was \$41,338.

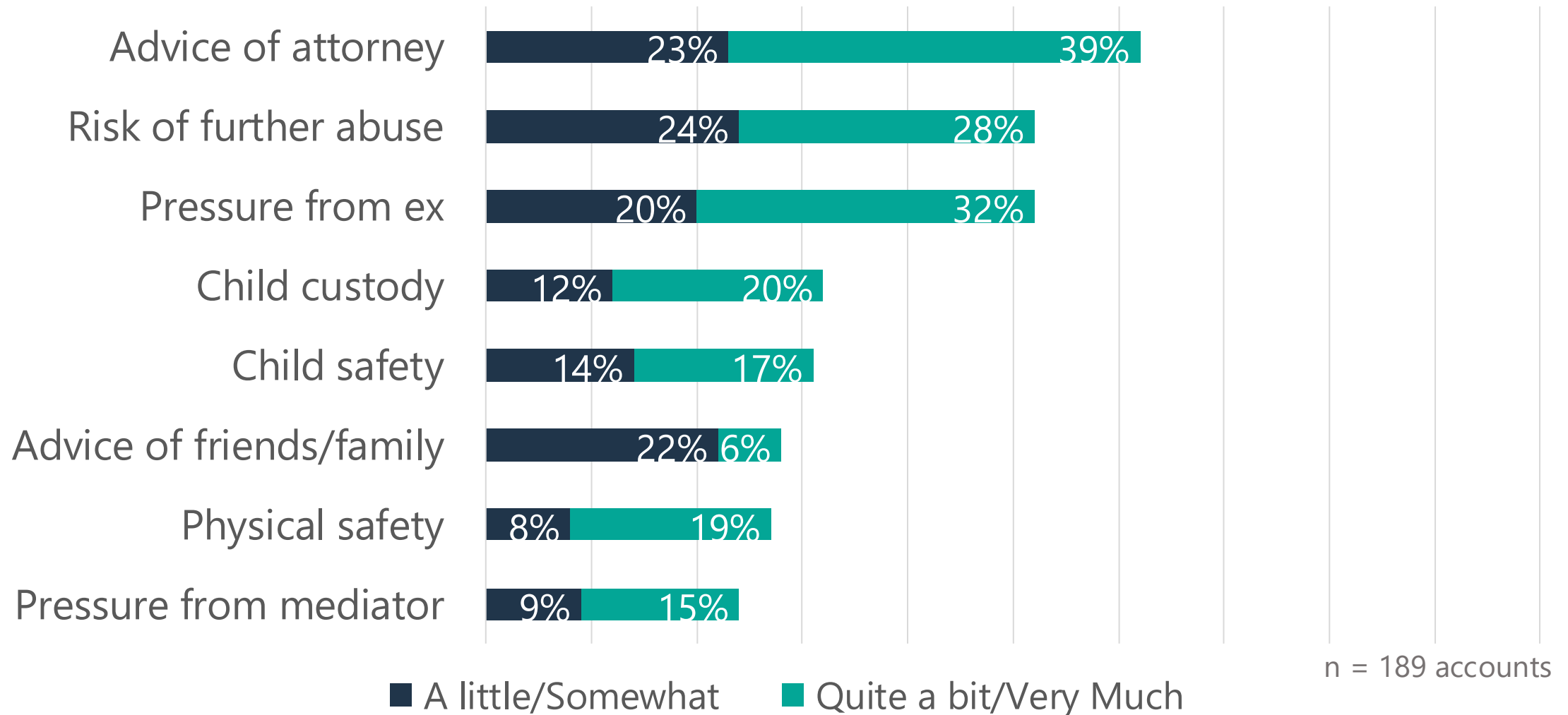


Source: Adams, Littwin, & Kennedy (2026)

Participants Rarely Raised the Issue of Coerced Debt with their Attorney or the Court



Reasons for Not Bringing up Coerced Debt



Well, at that point, I didn't even realize that that was something that I could contest [coerced student loan debt]. The only thought that clicked was when he was asking for half of the vehicle value or whatever. And my lawyer was like, "Well, are you going to take half of her debt?" That was the only thing that I ever was like, oh, I've never considered that we could split all of that.
- Morgan

No. None of that was really brought up. The judge wanted to focus on was anybody physically harmed. The judge wanted to focus on was anybody... were the kids in the car when he was driving under the influence. He was one of those black and white type of judges. He wasn't really interested in what I was feeling on this particular day over a purchase. - Claire

[Claire later said about judge] But I was like, "Whatever, just cut it in half." But the judge was like, "Well this is a debtor's paradise. It'll drop off after two years. You won't have to worry about it." So he didn't really rule in favor or against me when it came to the debt.

I did. They were not any help. Not any help at all. I know it was kind of brushed off, because my major concern was more... What I was really pushing for was him not to be able to consume alcohol while having visitation with my daughter. I didn't want him driving with her drinking. I didn't want him to be around her at all while he was drinking. [when asked what the attorney said] "Well, it's easier if you just pay off your stuff, and he just pays off his." - Vera

He [Attorney] just kind of was like "it really sucks if that's what happened, and I completely agree that he needs to pay more, but there's not really any legal recourse. There's no way for me to obligate him to do this. And if you continue to fight him, he's probably just going to keep fighting about it. And you're probably not going to be able to change anything." So his recommendation was just "he seems to be agreeing to this. This is probably the best deal you're going to get. This is the best you can do. I'm sorry." I trusted him because he's been lawyering for 30, 40 years and he's the best one in town. And so I was just like, "Well, if the super fancy lawyer guy says this is the best I'm going to get then I'm going to trust him because that's what I am paying him for." And I did eventually pay him. I wrote him a very nice thank you note. And I bought him a succulent. - Alexis

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FINANCIAL RELIEF THROUGH FAMILY LAW

Identifying and Quantifying the Financial Harm

Case Example



Markus

- Age 39
- GED, Trade School
- Electrician



Michele

- Age 38
- Associates Degree
- Medical Assistant

Married for 13 years;

Divorced for 2 years;

Two **children**: Son 12, Daughter, 9

Economic abuse continued during the divorce.

- By threatening a prolonged custody battle, Markus pressured Michele to accept a settlement in which she was responsible for all debt in her name
- He claimed in court documents that she was financially unfit to care for the children without his support
- He also used threats of continued legal battles over child support modifications as a negotiation tactic

The Revised Scale of Economic Abuse (SEA2)

Using the 0–4 scale below, during your relationship, how often did your partner do the following:	0 Never	1 Hardly ever	2 Sometimes	3 Often	4 Very often
1. Keep you from having the money you needed to buy food, clothes, or other necessities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Keep financial information from you	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Decide how you could spend money rather than letting you spend it how you saw fit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Make you ask him/her for money	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Hide money so that you could not find it	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Demand that you give him/her receipts or change when you spent money	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Keep you from having a job or going to work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Make you use your money to buy him/her things or pay his/her bills when you didn't want to	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Spend his/her money however he/she wanted while your money went to pay for necessities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Take out a loan or buy something on credit in your name without your permission	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Make you take out a loan or buy something on credit when you didn't want to	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Put bills in your name, leaving you to pay them	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Force or pressure you to give him/her your savings or other assets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Steal your property	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Note. Researchers and practitioners should contact the lead author for permission to use the SEA2.

Economic Abuse Assessment

A Tool for Divorce Attorneys

Created by
Adrienne Adams, Ph.D., Michigan State University
Margo Cook, CFA, CDFA, CAP, CFRE, Rothschild Capital Partners
John Dame, Esq., Rothschild Capital Partners



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Coerced Debt Assessment

An Economic Advocacy Tool

2024

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Angie Kennedy, Ph.D., Michigan State University

In Consultation with
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PILOT VERSION

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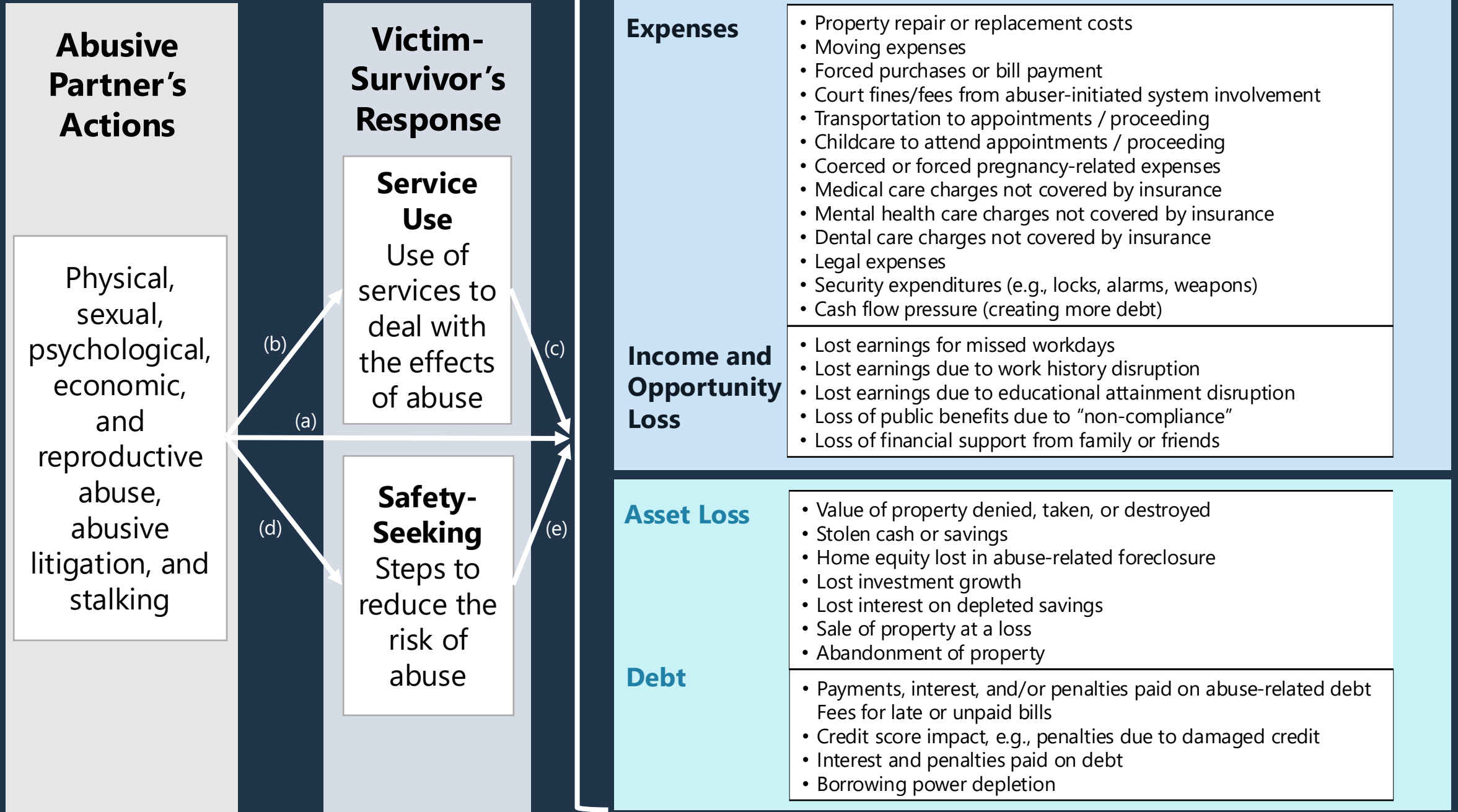
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Abuse Indicator	Type	Behavior/ Activity Present	Source	Verification	Outcome for Victim
Abuser controlled access to financial accounts, limiting victim to unrealistically low "allowance" or refusing the victim access to funds for necessities	Regulating and dictating spending Financial isolation	Husband took away ways access to bank accounts and turned on double authentication to prevent her future access	Client report	Advisor confirmed that client could not gain access due to double authentication tied to an alternate phone.	Wife was unable to gain access to financial resources without first asking permission from husband. Lack of resources for basic needs.
Abuser used marital assets to spend extravagantly on items not in furtherance of the marriage	Denying assets	Husband purchased truck accessories, hunting supplies, and electronics for personal use. Paid for a trip with his mom to visit family	Client report	Advisor reviewed account statement and confirmed these purchases were made.	Wife's resources were used for husband's benefit and no longer available to wife.
Abuser transferred debt out of their name and into the victim's name	Creating or transferring debt	Husband coerced victim into paying off his student loan and motorcycle with her credit card	Client report	Advisor reviewed credit card statement which showed a loan payoff, motorcycle purchase.	outstanding credit card debt at high interest rate and cannot afford to pay it down. Negatively impacts credit score.

SOURCES OF COSTS

TYPES OF COSTS



Calculating the Harm

Add up expenses; Comparative cash flow analysis

Articulate negative cash flow

Identify needs not being met and associated cost

Quantify lost earnings/wages/benefits

Project opp. cost of career disruption

Trace stolen/abandoned money with totals

Project interest & growth on lost savings

Calculate diff. between high & standard rate

Add up coerced and survival debt

Project interest & fees on min. payments

Articulate spread on competitive rates

Expenses

- Property repair or replacement costs
- Moving expenses
- Forced purchases or bill payment
- Court fines/fees from abuser-initiated system involvement
- Transportation to appointments / proceeding
- Childcare to attend appointments / proceeding
- Coerced or forced pregnancy-related expenses
- Medical care charges not covered by insurance
- Mental health care charges not covered by insurance
- Dental care charges not covered by insurance
- Legal expenses
- Security expenditures (e.g., locks, alarms, weapons)
- Cash flow pressure (creating more debt)

Income and Opportunity Loss

- Lost earnings for missed workdays
- Lost earnings due to work history disruption
- Lost earnings due to educational attainment disruption
- Loss of public benefits due to "non-compliance"
- Loss of financial support from family or friends

Asset Loss

- Value of property denied, taken, or destroyed
- Stolen cash or savings
- Home equity lost in abuse-related foreclosure
- Lost investment growth
- Lost interest on depleted savings
- Sale of property at a loss
- Abandonment of property

Debt

- Payments, interest, and/or penalties paid on abuse-related debt
- Fees for late or unpaid bills
- Credit score impact, e.g., penalties due to damaged credit
- Interest and penalties paid on debt
- Borrowing power depletion

Cashflow Analysis

Assets & Liabilities Analysis

FINANCIAL RELIEF THROUGH FAMILY LAW

Presenting Evidence

Case Example



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Evidence of Markus's economic abuse

- Testimony from Michele
- Written Communications (Texts, Emails)
- Photographs of Destroyed Belongings
- Markus' Credit Report
- Michele's Credit Report
- Subpoenas/Doc Requests to Financial Institutions
 - Access Records for Accounts/Statements
- Strategic Use of Interrogatories and Request for Admissions
- Tax Returns and Tax Transcripts

Expert Witnesses to Consider

- Forensic Accountant
- Tax Expert
- Certified Financial Planner
- Abuse Expert

Proving Economic Abuse

- Multiple empirical studies have established that economic abuse is a distinct form of intimate partner abuse.
- To form a judgment about whether economic abuse occurred in a relationship, an expert witness would first need to establish that the relationship was abusive and then determine whether the abusive conduct extended into the economic domain of the victim's life.
- On the first point, an expert witness would need to determine if one spouse engaged in a pattern of abusive conduct that effectively secured power and control over their partner. There are several standardized instruments for assessing the presence of domestic violence rooted in power and control.
- If the relationship is shown to be abusive, the expert's next step would be to assess for economic abuse.

Proving Economic Abuse

- An economic abuse assessment would focus on whether the perpetrator engaged in abusive behavior that targeted the victim's economic resources, limiting their individual agency and resulting in economic harm.
- An expert witness could use as a starting place for this assessment a research instrument developed to measure the frequency of economic abuse in an abusive relationship.
 - The original such instrument, the *Scale of Economic Abuse (SEA)*, and the recent *Revised Scale of Economic Abuse (SEA2)* were developed and subjected to psychometric testing to establish their factor structure, reliability, and validity. The SEA and SEA2 were published in a leading peer-reviewed journals, *Violence Against Women and Psychology of Violence*, respectively. The instruments include instructions for scoring, and the scale development studies are widely cited as an authority on economic abuse.

Massachusetts General Laws Chapter 208, § 34

In fixing the nature and value of the property, if any, to be so assigned, the court, after hearing the witnesses, if any, of each of the parties, shall consider

- the length of the marriage,
- the conduct of the parties during the marriage,
- the age, health, station, occupation, amount and sources of income,
- vocational skills, employability, estate, liabilities and needs of each of the parties,
- the opportunity of each for future acquisition of capital assets and income,
- and the amount and duration of alimony, if any, awarded under sections 48 to 55, inclusive.

In fixing the nature and value of the property to be so assigned, the court shall also consider

- the present and future needs of the dependent children of the marriage,
- the contribution of each of the parties in the acquisition, preservation or appreciation in value of their respective estates,
- the contribution of each of the parties as a homemaker to the family unit.

Building a Compelling Narrative

- **Trace the Paper Trail – Develop a *Prima Facie* Case**

- Cast a wide net in discovery
- Use a forensic accountant to review the documents and leverage their expertise to build the evidentiary foundation
- Explore unexplained asset depletion in Requests for Admissions and Depositions

- **Highlighting Client Voice**

- Credibility is critical. Outside of the documents, your client's credibility is the most important piece of any economic abuse argument. The client must be able to credibly articulate their story.
- Support the client's narrative. Consider coaching or therapy to help clients prepare to testify and withstand cross-examination.

- **Collaborate with a Team**

- Work with the forensic accountant, a mental health professional (i.e., the client's therapist, divorce coach), and an abuse expert to translate a complex narrative into a coherent, credible story.

FINANCIAL RELIEF THROUGH FAMILY LAW

Anticipating and Responding to
Post-Judgment Issues

Case Example



Markus

- Age 39
- GED, Trade School
- Electrician



Michele

- Age 38
- Associates Degree
- Medical Assistant

Married for 13 years;

Divorced for 2 years;

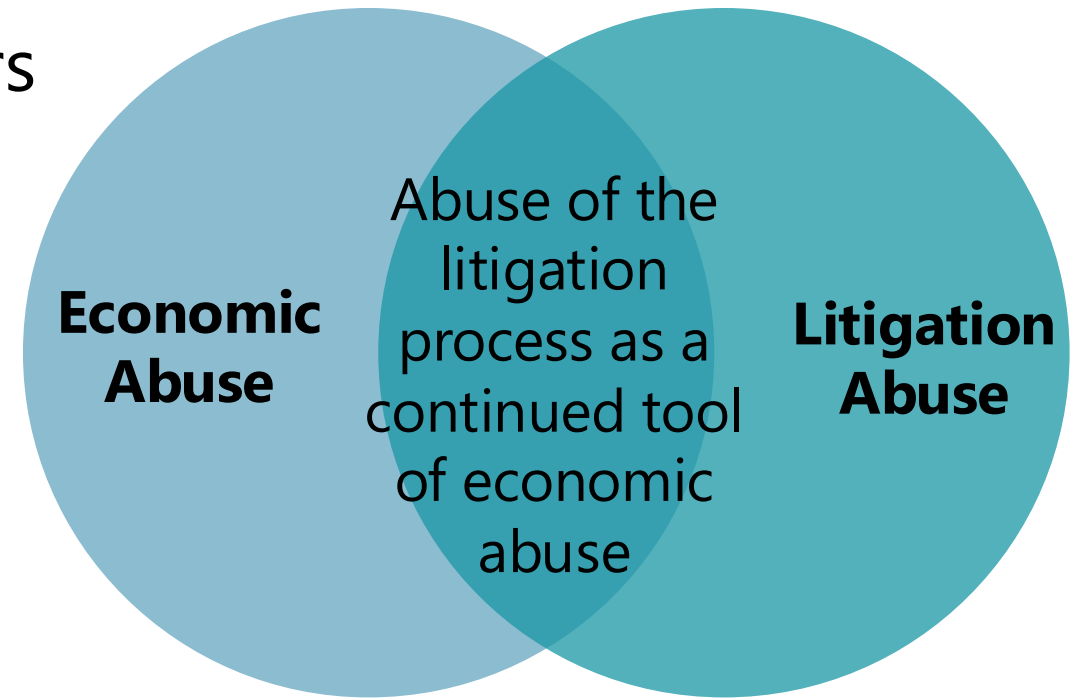
Two **children**: Son 12, Daughter, 9

Economic abuse continued after the divorce.

- After Michele was awarded alimony and child support, Markus frequently returned to court to modify the payments and drag out the proceedings
- His alimony and child support payments were in arrears, forcing Michele to file a contempt action
- Markus also regularly harassed Michele through their parenting app and defamed her to friends, neighbors, and children
- This conduct created an ongoing financial and emotional strain on Michele. She had no savings, took an entry-level job after years out of the workforce, and took numerous unpaid personal days because of the ongoing abuse

Ending the Marriage Doesn't End the Abuse

- Employment interference
- Parental alienation
- Non-compliance with spousal support or child support
- Failure to adhere to court orders
- Frivolous litigation
- Economic coercion



Questions?



Thank You

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