

## Books on Money Management

The following is an overview of various books on managing money, consumer credit, behavioral economics, etc. This list is for financial educators looking to expand their knowledge on various financial philosophies and approaches, and is not intended as an endorsement of any specific approach.

1. **The Behavior Gap** by Carl Richards. Richards is a Certified Financial Planner and weekly contributor to the New York Times. His columns begin with a simple sketch and cover a wide range of topics. The Behavior Gap is “the distance between what we should do and what we actually do.” The book includes sketches and is written for a wide audience.
2. **Pound Foolish** by Helaine Olen. A sharp critique of the personal finance industry. Olen argues that we are too focused on financial management as a “knowledge and smarts problem,” when Americans’ money problems are really driven by societal issues including rising income inequality, falling median wages, and a thinning safety net. Olen critiques popular personal finance personalities, the financial services industry including advisors, the nation’s retirement system, financial education, and a host of other aspects of America’s financial landscape. The book is short on recommendations.
3. **Why Smart People Make Big Money Mistakes** by Gary Belsky and Thomas Gilovich. Excellent introduction to behavioral economics. Highlights the ways people deviate from the “rational actor” model. Concludes with a list of personal finance recommendations based on the behavioral economics.
4. **Spend ‘Til the End** by Larry Kotlikoff and Scott Burns. Overviews the lifecycle approach to financial planning. The lifecycle approach focuses on smoothing consumption over the life course and thereby raising one’s standard of living. The lifecycle approach generates some counterintuitive money management strategies, making for an interesting read at times.
5. **I Will Teach You To Be Rich** by Ramit Sethi. Sethi runs a popular blog under the same name (<http://www.iwillteachyoutoberich.com/>). The book is geared towards younger adults, is easy to read, and covers basic financial topics. Section on automating one’s finances stands out as a unique contribution.
6. **Shiny Objects: Why We Spend Money We Don't Have in Search of Happiness We Can't Buy** by James A. Roberts. Roberts is a marketing professor, so this book covers different ground than most personal finance books. Shiny Objects, as the title indicates, covers the forces that lead to overspending. For example, using a credit card instead of cash to pay for items substantially increases one’s spending.
7. **Willpower** by Roy Baumeister and John Tierney. Baumeister is the leading scholar on self-control—one’s ability to resist temporary impulses in pursuit of longer-term gains. Provides practical guidance on setting goals, monitoring progress, and dealing with setbacks. Applicable to a wide range of domains including financial management and coaching.
8. **Nudge** by Richard Thaler and Cass Sunstein. Popular book on the application of behavioral economics to policy and practice. Also serves as an introduction to behavioral economics.

9. **Thinking, Fast and Slow** by Daniel Kahneman. Nobel Prize winner's widely acclaimed book on human decision-making and behavior. Kahneman's research is central to behavioral economics.
10. **Switch** and **Decisive** by Chip Heath and Dan Heath. **Switch** is a practical guide to making changes in a range of domains. **Decisive** is a guide to making better decisions. Both books are highly recommended.
11. **Predictably Irrational: the hidden forces that shape our decisions** by Dan Ariely. A fun read that applies research on decision-making and behavioral economics to our everyday decisions. The reader will take away a better understanding of how emotions, social norms, and expectations shape our decisions and behaviors.
12. **Blindsided: Financial advice for the suddenly unemployed** by Edie Milligan. Written in 2002 after the 'double-dip' recession, the advice and action steps provided in this book is still applicable to individuals affected by the 'Great Recession' of 2007-2008. In addition to being a Certified Financial Planner, author Milligan worked as a financial counselor for 20 years with social service agencies and families of all income levels.
13. **Making Ends Meet: How single mothers survive welfare and low-wage work** by Kathryn Edin and Laura Lein. The authors, from Rutgers University and University of Texas, respectively, interviewed nearly 400 low-income single mothers over a six-year period regarding their sources of income and their spending patterns. The prices cited in this 1997 book may be out of date, but the insight and lessons learned from their research are worth the read.
14. **Your Credit Score: How to Fix, Improve, and Protect the 3-Digit Number that Shapes Your Financial Future** by Liz Pulliam Weston. This book is a good place to start for learning more about credit scoring while providing additional information about bouncing back from bad credit. Weston is the author of several books and is the personal finance columnist for MSN Money.