

Making of a Miser: Nature vs. Nurture

By NEAL TEMPLIN



Are we born cheap or made that way? It's a tough call.

When we first got married, I suggested to my wife that we could save money by living in a tent. She thought I was nuts, and I dropped the idea. Now I earn enough to qualify as a yuppie, but I've never paid more than \$300 for a suit. I still find it distasteful to drop more than \$20 or so on a restaurant dinner, and I often eat out for half that.

All that pales in comparison to my family. My father bought a Volkswagen Bug in 1967 for \$2,000 and drove it for the next 25 years. Even today, I doubt he spends \$300 a year on new clothes. Then there was my maternal grandmother, who grew up dirt poor in Czarist Russia.

I remember going with her to a grocery store in the 1970s when she lived in Miami Beach. She bought a large plastic container with this rather dubious-looking strawberry confection in it for a buck or so. The helpful clerk pointed out to her the container could be reused after we had finished the dessert. "And why do you think I'm buying it?" my grandmother shot back.

Scott Rick, a postdoctoral student at the University of Pennsylvania's Wharton School who has done research on what makes people cheap, says that childhood plays a big role. If you have two thrifty parents, you're likely to be thrifty as well.

Likewise, people who lived through the Great Depression were often thrifty their entire lives. Since the 1930s, each successive generation has gotten to be more free-spending.

The current financial crisis could change that. "Right now, there are probably a lot of children who are going to be tightwads," says Mr. Rick.

But our childhood isn't the only factor. George Loewenstein, a professor of economics and psychology at Carnegie Mellon University, says people have innate tendencies. "It's almost like people are born tightwads or cheapskates," says Dr. Loewenstein, who published a paper on the subject with Mr. Rick and another author.

I've seen these issues play out in my own family. My wife, Clarissa, doesn't fit perfectly into either the cheapskate or spendthrift mode. She grew up in a middle-class family in Mexico, where even the poorest people tend to be generous. After we got married 27 years ago, she was horrified to learn she had married a *codo*, which means "elbow" in Spanish but is also slang for "tightwad."

Clarissa is cheap with some things and a spendthrift with others. She has a great eye for deals on clothing. She combs through discount stores and closeout sales to find stuff for the entire family. When we were in Dallas, she got several nice pieces of furniture for a song through garage sales or on Craigslist.

Food is another matter. Clarissa is a foodie. And when she goes to the store, she buys whatever looks appealing to her, regardless of cost. This is not a good recipe for saving money at an ordinary supermarket, much less a place like Whole Foods.

By mutual agreement, I usually do the food shopping for our family. I buy a lot of stuff on sale, and I try not to get more than we can consume. The result: I can go to the same store with the same list as Clarissa and spend two-thirds or even half the money.

What about our children? As I wrote in a previous column, our daughter, Mariana, learned how to live cheaply in college, buying her clothes at a second-hand shop. She recently got a job with a New York publisher and went out and bought work clothes for the first time. It pained her to spend a few hundred dollars on clothes and tailoring.

Her agony made me proud. But perhaps I shouldn't have been. According to Messrs. Rick and Loewenstein, being a tightwad isn't the happiest state of being. Many cheapskates experience something akin to physical pain when they spend, and are constantly anxious about money.

Spendthrifts aren't necessarily any happier. Their free-spending often causes stress in their lives and marriages. Indeed, Messrs. Rick and Loewenstein say the happiest people are frugal, which they define as people who are able to spend without suffering but take pleasure in saving.

Well, at least I'm halfway there.

Write to Neal Templin at neal.templin@wsj.com

Printed in The Wall Street Journal, page D2

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