

## 049: The History of Women and Money



### Full Episode Transcript

With Your Host

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Welcome to *The Wealthy Mom MD* Podcast, a podcast for women physicians who want to learn how to live a wealthy life. In this podcast you will learn how to make money work for you, how you can have more of it and learn the tools to empower you to live a life on purpose. Get ready to up-level your money and your life. I'm your host, Dr. Bonnie Koo.

Welcome to episode 49. So, it's March. And did you know that March is Women's History Month? And so, what I thought I would do for the next few episodes is to give you an overview of the history of women and money. It is absolutely fascinating.

And I've been learning a lot about the history of women in general, including money, because right now I'm actually in a continuing coach education program. It's called the Advanced Certification in Feminist Coaching.

And so, I actually attended an all-women's college. I went to Barnard College in New York City. And also, as a woman, I am very interested and invested in knowing this history. And knowing this history just explains so much why we, as women, are socialized, or have been socialized with regard to money and all the things.

So, obviously, I love to talk about money. And so, I want to talk about the history of women and money. And so, today, I'm going to specifically go over the history in terms of important dates and milestones, legally in terms of our financial rights, both in ancient history and then I'll bring us up to date in the US.

And the reason why I think it's really important for you to be familiar with this history is it gives you a lot of context to why most women have money issues. Because it's not an accident. There is a reason – many reasons – why so many of us have limiting beliefs when it comes to money.

So, obviously, we are in the modern time. It's 2021. I live just outside of New York City. I pretty much grew up in the New York City area, so I've always lived in an area where people tend to be more liberal and embrace

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equality. But I know that is not the case in all of the US. And obviously it's not fully the case where I live right now.

And did you know it was only relatively recently where we women had full financial legal rights? You know, I don't think any of us right now even give much thought about opening an account in our name, taking out a loan, or buying property.

But there was a time not too long ago where we could not do that. And so, that's why I want to go over today the actual history, the facts, et cetera. And in the next episode next week, I'm going to talk more about the socialization of women and money in the US, which was super-fun to research, by the way.

Okay, so let's talk about some ancient history when it comes to women and money. Okay, first I have to say I am not a history person. I never was. And I will just say, growing up, it was probably my least favorite subject. So, I had to do a little research to make sure I didn't give you wrong information in terms of, for example, what does ancient history mean? Because I wasn't really sure what that meant.

And so, maybe some of you are also in that same boat. Maybe not. Maybe you loved learning history. I did not. So, I learned that ancient history actually means between 3000BC to about 500AD. So, this is obviously not the US history because the US was not around in ancient history. But I wanted to give you a little bit of background.

So, here's what I found. In Ancient Egypt, women and men actually had equal financial rights. I thought that was pretty cool. Meaning that women could enter into contracts in their own name. They could go to court. They could be sued, et cetera.

Now, in contrast, in Ancient Greece, women were not allowed to inherit property or take a case to court unless a male guardian was in charge.

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Meanwhile, in Ancient Rome, Roman women were allowed to divorce. They were allowed to own and inherit property. What I also found interesting about Ancient Rome is that even though women could get divorced, the husband, apparently, got to keep the children legally.

And let's go to Ancient Hinduism, around 1500BC. So, women were able to own property before marriage, but divorce wasn't allowed. And the inheritance laws favored male family members. Not too surprising, I guess.

Okay, let's fast forward to the middle ages, which by the way is the fifth to late-15<sup>th</sup> century. I also found that the middle ages is also sometimes referred to as pre-modern Europe.

So, in Europe in the 800s, women were allowed to own property before and after marriage. How progressive, I guess. Then in England, around 1100, something called English Common Law came into law, basically. And I learned a new word. It's called coverture. I'm probably pronouncing it wrong.

Coverture basically is the belief that married men and women become one financial entity. Let me repeat that again. Coverture refers to the belief that once you're married – and we're talking traditionally, men and women – you became one. That kind of still holds today a little bit in the US, right?

Anyway, because you became one entity when you got married, married women could not own property. What I found super-interesting is that if you weren't married, whether it's because you never got married or you became a widow, then you could enjoy those financial rights like owning property, et cetera.

And from my reading – and let's just be real. When I say reading, I mean Google research – coverture is sort of what started this idea that women are basically the property of their husbands.

And what I found interesting is that many countries basically had to deal with whether women could own property by themselves. And the term I

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came across was something called separate economy, which is the ability to basically earn their own money, keep their own money, and spend it independent of their husband. I mean, the thought of not being able to do that now might seem crazy to us, but this was kind of the norm in the rest of the world for a very long time.

Now, right before the US became the US in 1776, I found that in 1771, New York became the first US state to require a woman's consent if her husband tried to sell property that she'd brought to the marriage.

Alright, so now I'm going to focus on the history of women and money in the United States as we know it, more or less. So, let's fast forward to the 1800s. So, in 1839, Mississippi was actually the first state to allow women to own property in their own name. Which means that everywhere else and up until that time, women could not own property in their own names.

Remember that term I mentioned before, separate economy? Well in 1844 in Maine, married women were the first married women in the US to basically win the right to have separate economy. Meaning that they could earn their own money, keep their own money, and spend it without permission from their spouse.

Now, some of the other historical facts that I want to go over might not seem directly related to money, but they really are. For example, I found that in 1845, that was when women could first file patents. And this was in New York.

And the reason why this was important with regard to the history of women and money is because if a woman could not file a patent, that means that's he couldn't retain the rights to her work or make money off of it. And that also explains why up until 1845, at least in the US, that's why most of the history is, well, male dominated.

Well, the good news is that in 1848 through about 1900, so about a 50-year span, finally states started to come around in terms of allowing married women to basically have separate economy, to not be automatically liable

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for their husband's debt, that she could basically do her own thing, that she could actually inherit property, she could file a lawsuit on her behalf.

Basically, starting in 1848 through 1900, all the states started to basically recognize separate economy for women. And let me just pause here and say that it's crazy to me to even be reading that this had to be law, meaning that we actually had to win the right to do the things we take for granted today.

So, in 1862, there was the US Homestead Act, which made it easier for single, widowed, and divorced women, basically unmarried women to basically own land in their own names. Remember I said that whole separate economy thing. So, while that was happening between 1848 and 1900, in 1862, California was a state that allowed women to retain full control of their money.

And then, I also that in 1862 was when the San Francisco Savings Union, a bank, approved a loan to a woman. So, I'm not 100% sure, but what I'm reading sounds like before then women couldn't get loans. Which is kind of crazy.

And so, now I want to highlight a few sort of notable women that came up in my Google research. So, the first woman I wanted to highlight is someone named Myra Colby Bradwell.

So, she was a lawyer in Illinois. And even though Illinois allowed women to actually work and do whatever they wanted – how progressive – the Illinois bar refused to admit her. And this case went to the Supreme Court. And unfortunately, the Supreme Court basically said, “Well, the states don't really have to grant a law license to a married woman if they don't want to.”

The next lady I want to be aware of is someone named Sarah Breedlove. Now, she's more well-known as Madam C.J. Walker. But she was born Sarah Breedlove.

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Now, she is recorded as the first female self-made millionaire in America according to the Guinness Book of World Records. Now, I'm going to put a little asterisk here only because it says, "We don't really know for sure if that's true. But she's the first well-documented self-made millionaire."

And so, what I wanted to highlight about Sarah Breedlove is two things. One is that she was born right after Black Americans were, quote unquote free from slavery. Meaning that her parents were slaves and I believe her elder siblings were as well.

And so, I just loved reading about her story to see that no matter where you came from, no matter who you were born into or what you were born into, that you can still become rich.

And I just want to note that the self-made millionaire record that she holds, this was in the 1900s, meaning that \$1 million is actually worth, in today's money, more like \$15 million. So, we're talking about a lot of money.

Around the same time that Sarah Breedlove was making money, we have a few other women who were doing the same thing. And so, the two names I came across were Mary Gage and Hetty Green. And so, Mary Gage was apparently the first woman who opened a stock exchange specifically for women who wanted to use their own money.

Remember, women couldn't really do that in the recent past when Mary Gage was alive. And then Hetty Green, who apparently has the nickname of the Witch of Wall Street, her net worth was around 100 to 200 million, or the equivalent of basically two to four billion in today's money, which probably means she was the richest woman in the world at that time.

And so, one of the claims to notoriety or fame or whatever you want to call it for Hetty Green is that she apparently was a cheapskate. That was the word I saw describing her. Because she apparently owned one dress and only wore the one dress and she only washed it when it got ratty. And she basically didn't spend her money.

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Alright, now we're going to fast forward and I'm going to get you up to speed with modern times. Did you know that women could not necessarily open a bank account in her own name in all states until about 1960? That's really not that long ago.

In 1972 was when we had the first female CEO of a Fortune 500 company. And that is Catherine Graham. Now, the next few laws I'm going to talk about were shocking for me to find out.

So, the equal credit opportunity act was passed in 1974. Now, up until 1974, until this law became enacted, banks apparently required unmarried women to bring a man with them to cosign a credit application, regardless of their income.

And then in 1978 it became illegal for women to be dismissed from their jobs for becoming pregnant. This is the pregnancy discrimination act. And even though this is law, we all know that's not really true, especially in medicine.

And it wasn't until 1981 where women were finally basically given, I wouldn't even say equal rights. But up until 1981, husbands could basically do big financial decisions without getting permission from their wife. For example, if a married couple jointly own property, the husband couldn't just go out and get a second mortgage without his wife's permission.

So, I guess before that, if you owned property with your spouse, your husband could go and basically take out money, refinance, HELOC without you knowing. Now, we all know that that still happens, but at least legally they're not supposed to do that.

Akin to that pregnancy discrimination act law that was passed in 1978, in 1993 – now, I was born in 1977, so now we're getting to the time when I was alive, although younger. So, 1993 is when the family and medical leave act becomes law in the US. We also call it mostly FMLA.



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And people get really confused by what FMLA means. But I'll just say real briefly, all FMLA means is that you can take 12 weeks off from work and still keep your job. It's nothing to do with whether you're paid for it or not. So, it's just job guarantee for taking time off. Now, many people think of it as taking time off to have a baby. But it could be to take care of a sick family member as well, among other things.

Alright, so now we're going to be wrapping up. But one more thing I want to talk about is Lilly Ledbetter. So, Lilly Ledbetter worked for Goodyear. And she found out, after working there for decades, that what she was paid was significantly lower than her male counterparts at the same level of seniority.

Now, we're talking about gender wage discrimination, right? And so, in 2007, the Supreme Court basically ruled that a woman couldn't bring a lawsuit for pay discrimination if more than 180 days had passed.

Thankfully, in 2009, President Obama sort of reversed that law, which basically means that people can sue companies for pay discrimination even if more than six months have passed.

And so, I kind of skipped over some of the pay discrimination laws that came into place, but what I find so interesting is that it is technically illegal for a woman and a man to have different pay. But at least in medicine – that's the industry I know – that's just not true. I know so many female physicians who find out that they're not getting paid the same as a male for the same job.

I'm not talking about RVUs and things like that, because obviously those are things that can affect your pay. But I'm talking about a salary job or a base salary. It is illegal.

And what I find interesting – I'm going off on a tangent here. But I know that for many physician or medical jobs, there's like a gag clause where you can't even talk about what you get paid. And I've actually read that that might be illegal. But I definitely signed a contract where I basically had to agree with that. And I think that should be illegal if it's not already.

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So, that's the conclusion of my little mini history of women and money starting from ancient history, bringing you up to speed to current-day United States. And even though we technically have laws in place to prevent gender money discrimination, we all know that's not quite true. It hasn't fully propagated to what actually happens.

And because many of these laws are really recent, meaning that even though you may be listening and you were born after 1980 or 1990, our parents were born in a time where women did not have full financial rights, and our grandparents. And so, I think you can hopefully see that knowing this history will hopefully shed some light as to why women are socialized to believe that we are not good with money, which is the topic of next week's episode. I cannot wait for you to hear what I'm going to discuss then.

Hey, if you're ready to create wealth, I want to invite you to join my program Money for Women Physicians. You'll join a community of likeminded women physicians who are committed to creating wealth. Just head over to [wealthymommd.com/money](http://wealthymommd.com/money) to learn more.