

CARDS BY CATEGORY

- Cards Matched for You
- Credit Card Deals
- Balance Transfers
- 0% APR
- Low Interest
- Cards for Business
- Rewards
 - Cash Back
 - Gas
 - Travel & Airline
- Instant Approval
- Cards for Students
- Prepaid
- Secured

CARDS BY CREDIT

- Excellent Credit
- Good Credit
- Fair Credit
- Bad Credit
- Limited or No Credit History

CARDS BY ISSUER

- American Express
- Bank of America®
- Barclaycard
- Capital One®
- Chase®
- Citi®
- Discover®
- MasterCard®
- U.S. Bank
- Visa®
- All Credit Card Companies

NEWS & TOOLS

- News & Advice
- Charge-it Blog
- CARDMATCH™
- Glossary

[Credit Cards](#) > [Credit Card News](#) > [Travel](#) > 6 multicultural money lessons worth learning

6 multicultural money lessons worth learning

By [Matt Alderton](#)

July 24, 2015



Although the concept of money is universal, rituals around it are not.

As international travelers can attest, the world is as wonderful and weird as it is wide. Nowhere is this more evident than in humanity's multifarious customs, which are as diverse as the global cultures that spawned them.

In Greece, for instance, parents throw their children's baby teeth on the roof to bring their family good fortune. In Chile, it's rude to arrive on time. And in China, it's considered morbid to give gifts associated with death or funerals, such as clocks, handkerchiefs or flowers.

Although these customs may seem odd to outsiders, they're rife with meaning that can whisper valuable lessons to those who are willing to listen.

That's especially true of financial customs, according to cultural anthropologist Dr. Bill Maurer, a professor at the University of California, Irvine, and director of the Institute for Money, Technology and Financial Inclusion. "When you look around the world, you can see incredible diversity in kinds of money and in how people use money," he says. "That can open your eyes to all of the strange and wonderful money practices we have at home."

Some of those practices, like throwing money into a fountain to make a wish, are innocent, albeit superstitious. Others, however, such as taking on debt to buy things you can't afford, can be extremely harmful. Consider what lessons you can learn from the myriad ways money is handled around the world:

1. Muslim culture

Muslims follow Sharia law. Derived from the Islamic holy text, the Qūran, it governs nearly every aspect of Muslim life — including finance.

"Under Sharia law, Muslims aren't allowed to collect interest on loans," explains tax adviser Crystal Stranger, an enrolled agent who works with expat clients around the globe, including Middle Eastern countries where Islam is the dominant religion.

"When [the Prophet Mohammad] came to power in the Middle Ages, a lot of people were struggling with large debts because the only loans available at that time were from loan sharks. Many people had their hands cut off, or lost their wives and children to slavery, because they couldn't pay their debts. [Speaking out against interest] was a big way Mohammad could improve the lives of people at that time."

Under Sharia law, interest, or "riba," is not paid on Islamic savings accounts, or charged on Islamic mortgages.

Lesson: Interest payments on credit cards and other loans are an easy way to enter a harmful debt spiral. Before you take on debt, therefore, be mindful of what it will cost in interest over the life of the loan.

2. Chinese culture

In many cultures, money is magical. "Money ... is a physical substance, but because you can do so much with it, it also has otherworldly qualities," Maurer says. "In traditional Chinese religion, there's a practice of buying representations of money — paper bills, paper credit cards, etc. — at a shop, then taking these things to a temple where you burn them. The Chinese believe that when someone dies, they need money in the afterlife to do all the same things we need money to do. So by doing that, you convey those objects of wealth into the afterlife as a way to show your devotion to your ancestors."

Lucky numbers also are fixtures in Chinese culture. Therefore, cash gifts and bets typically are made in multiples of two, six or eight, which are considered auspicious.

Lesson: Having a meaningful philosophy around money can help you spend it in ways that truly matter to you.

3. African culture

In Africa, money isn't the only "money." "When you and I think of money, we think of cash and coin, or funds available in an electronic account," Maurer says. "But in many places around the world, like rural Kenya, people add into the mix other things like animals, access to land or even kinship relationships ... Lots of things can perform the stored-value function of money."

This is especially true in countries with weak national currencies. "In Zimbabwe, a country that's experienced hyper inflation of its national currency, if you wanted to save money you wouldn't accumulate Zimbabwean currency and keep it in a bank. That would be one of the worst things you could do," Maurer continues. "Instead, you might try to buy a plot of land or a calf — because that calf will grow up into a cow that you can sell, or that you can keep for [salable] milk."

Lesson: Cash isn't always king. To grow your long-term savings, consider investing in real estate or other appreciable assets.

4. Caribbean culture

Dr. John Edmunds, a professor of finance at Babson College in Babson Park, Mass., once lived in the Dominican Republic. While there, he witnessed the local custom of *san*. Common in rural cultures around the world, *san* — called *susu* in Africa, *Chit* in India and *tontine* in Southeast Asia — is the practice of informal community lending.

"Say 20 people want to buy a car. Each car will cost \$2,000 so we all agree to put in \$100 a week for 20 weeks. At the end of the 20 weeks, we'll draw lots; whoever draws the first number gets the first \$2,000, whoever draws the second number gets the second \$2,000 and so on," Edmunds explains. "You may not get the pot immediately, but you'll get it someday."

Lesson: Save for a big purchase instead of slapping it on a credit card and paying for it over time, which can be expensive (interest charges add up) and can trivialize its importance. Plus, if you're saving up for something for, say, the entire family, such as a new TV, the whole family can get involved in saving.

5. Scandinavian culture

When she lived in Norway, Stranger discovered the Scandinavian tradition called the "Law of Jante." Established by Danish author Aksel Sandemose in his 1933 novel "A Fugitive Crosses His Tracks," Jante (pronounced Yen-tah) Law encompasses 10 social "commandments" that have since spread throughout the Nordic region. The first commandment — "You shall not believe that you are someone" — is typical of the others, which discourages individual overt self-promotion and achievement.

"With Jante laws, talking in terms of profit is considered distasteful ... which creates a very different way of looking at money," explains Stranger, who says Scandinavians frame everything in terms of social relevance: how it is making the world a better place for the collective, not the individual. "Business plans must highlight the social and community benefits and downplay the profitability of an enterprise. This is the extreme opposite of U.S. corporate law."

Lesson: Restricting purchases to only those for which you or your loved ones have a true need instead of "wants" could help you better manage spending and avoid debt.

6. Filipino culture

Professor Edmunds' father was born and raised in the Philippines, where superstition dictates an unusual New Year's Eve tradition.

"The practice among Filipinos was to supply you with groceries, bread and so on, and to bill you once a month. You could roll that bill over for 30 days, 60 days — whatever — but once a year on New Year's you had to clear out your debts and pay your suppliers," Edmunds says.

Filipinos believe that whatever your financial state is at the stroke of midnight on New Year's will be your financial state for the rest of the year. Starting the year debt-free, therefore, is extremely important.

Lesson: Eliminating debt today will ensure a more prosperous future tomorrow.

Share

 Tweet { 6

 Like { 21

 +1 { 0

...In many places around the world, like rural Kenya, people add into the mix other things like animals, access to land or even kinship relationships ... Lots of things can perform the stored-value function of money.

The practice among Filipinos was to supply you with groceries, bread and so on, and to bill you once a month. You could roll that bill over for 30 days, 60 days — whatever — but once a year on New Year's you had to clear out your debts and pay your suppliers.

VIEW RELATED STORIES

[Flying high on rewards with airline cards](#) - When making a choice on the best airline rewards card, it is important to as the right questions.

[4 travel perks your card might have](#) - Are you aware of the travel benefits your credit card offers? Find out what is available and whether those perks are right for you ...

[Do miles make a good holiday gift?](#) - If you know someone who loves to travel, air miles might seem like the perfect holiday present. But before tying a (figurative) bow to a stash of miles, make sure you understand the process -- and costs -- involved

[ALL CREDIT CARD NEWS & ADVICE ARCHIVES >>](#)

If you are commenting using a Facebook account, your profile information may be displayed with your comment depending on your privacy settings. By leaving the 'Post to Facebook' box selected, your comment will be published to your Facebook profile in addition to the space below.

Our editorial content is not sponsored by any bank or credit card issuer. The comments posted below are not provided, reviewed or approved by any company mentioned in our editorial content. Additionally, any companies mentioned in the content do not assume responsibility to ensure that all posts and/or questions are answered.

0 Comments

Sort by Newest ▾



Add a comment...

 Facebook Comments Plugin



Subscribe



About

About Us
Contact Us

Privacy Policy
California Privacy Rights

Editorial Team
Media Relations

Terms of Use
Site Map

Advertiser Disclosure: CreditCardGuide.com is an independent, advertising-supported comparison service. The offers that appear on this site are from companies from which CreditCardGuide.com receives compensation. This compensation may impact how and where products appear on this site, including, for example, the order in which they may appear within listing categories. Other factors, such as our own proprietary website rules and the likelihood of applicants' credit approval also impact how and where products appear on this site. CreditCardGuide.com does not include the entire universe of available financial or credit offers.

*Every attempt has been made to present accurate information. However, all credit card information is presented without guarantee. After clicking on an offer, you will be taken to the credit card issuer's web site where you can review the terms and conditions for your selected offer.