



**Global
Financial
Planning
Institute**

Mind the (Culture) Gap

Financial and psychological considerations of moving abroad.

gfp.institute

Global Financial Planning Institute Co-Founder



Matt Goren, CFP®PhD

- Chief Strategy Officer
 - Danko Education (2025 - present)
- Director of Curriculum
 - Global Financial Planning Institute (2020 – present)
- Adjunct Professor of Cultural Psychology
 - UC Berkeley (2015 - 2016)
- PhD Social Psychology
 - UC Berkeley (2011 – 2014)
 - University of Georgia (2007 – 2011)

The American Dream



The American Dream

More foreign-born people live in the US now than ever.

- 48 million, 14.3% of the US population in 2023 (Pew, 2024)
- 55% are naturalized citizens (Pew, 2024)
- Tens of millions of other 'non-immigrant' visa holders (workers, investors and others)
- 2.5M/year (all legal immigration) --- 1.1M/year (legal permanent residents)

The American Dream

Some factors that reliably predict long-term adjustment:

- More economic opportunities in the US than the home country
- Voluntary migration to the US
- English language proficiency
- Low levels of “cultural distance” (US – Canada vs. US - Papua New Guinea)
- High levels of “cultural fit” (e.g., individualistic, like to drive)

Case Study: Mina Habibollahi



Computer Science Doctoral Candidate

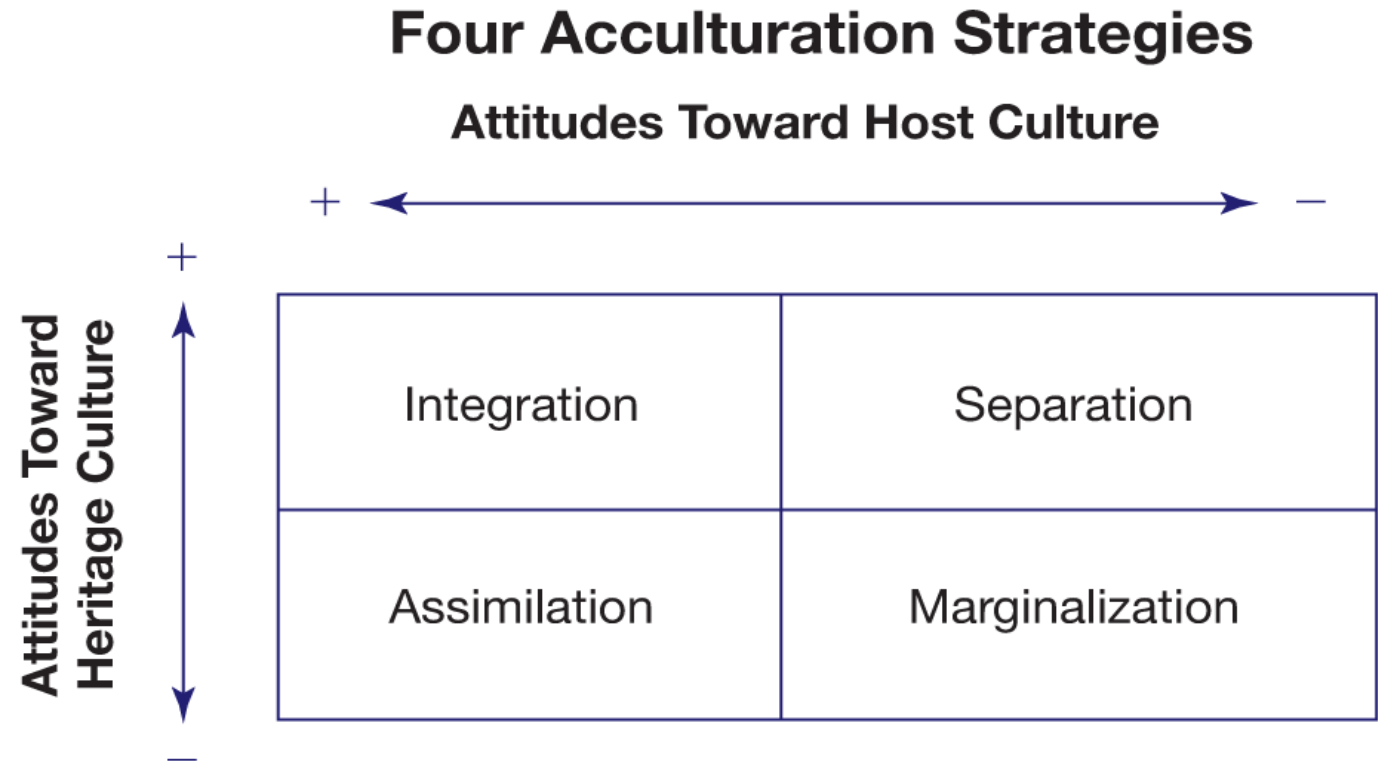
Grateful for Opportunities

- Sister and brother-in-law are US citizens
- Poor job market in Iran
- Limited freedoms for women in Iran
- Much higher earning potential in the US
- Wants to live near family, other Persians and raise children as bicultural

The American Dream

Some factors that reliably predict long-term adjustment:

- “Integration” strategy
 - Participate in host culture
 - Maintain host culture



The American Nightmare



Cross-Border Living by the Numbers

More Americans live abroad now than ever.

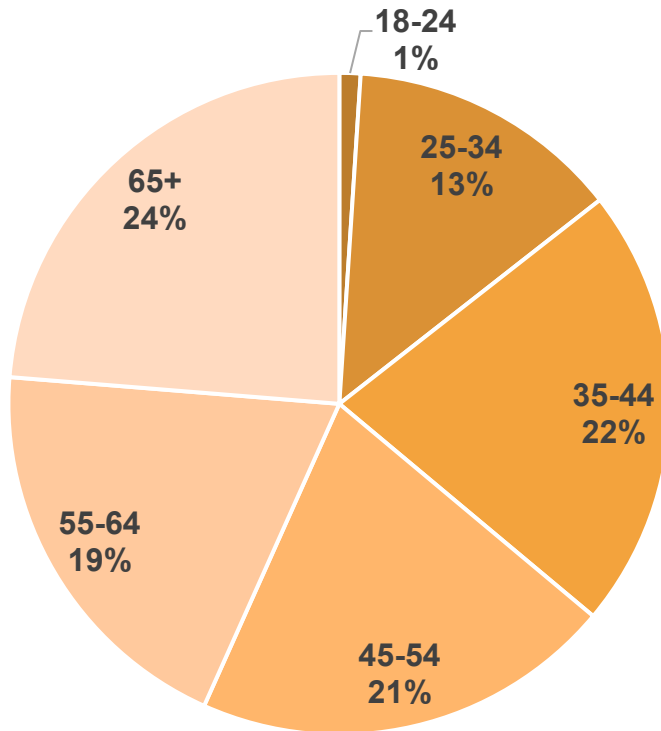
- 5.5M – 9M
- 125K/year expatriate



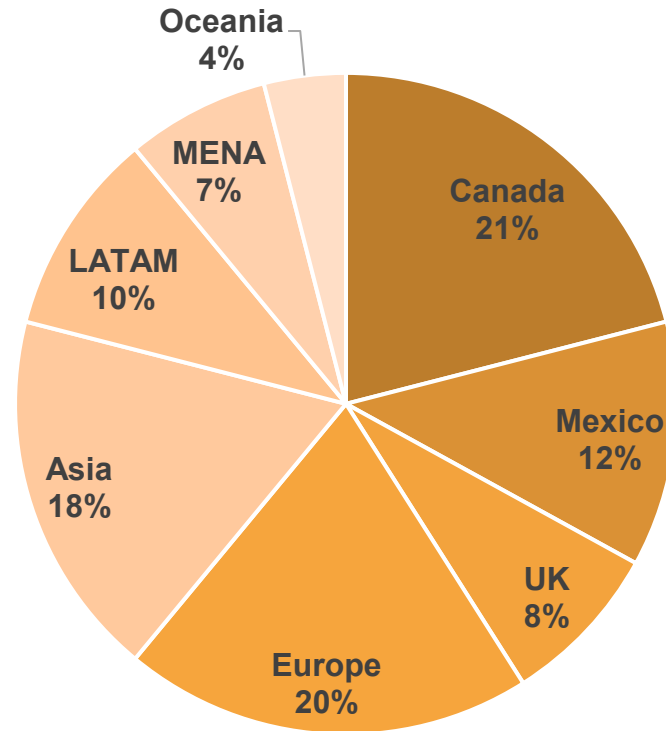
Cross-Border Living by the Numbers

American expats by the numbers

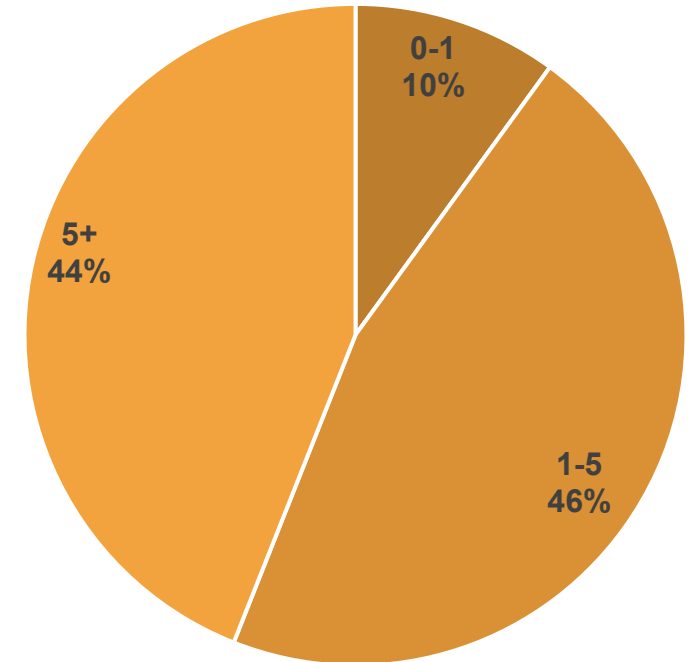
- By age



- By location



- By duration

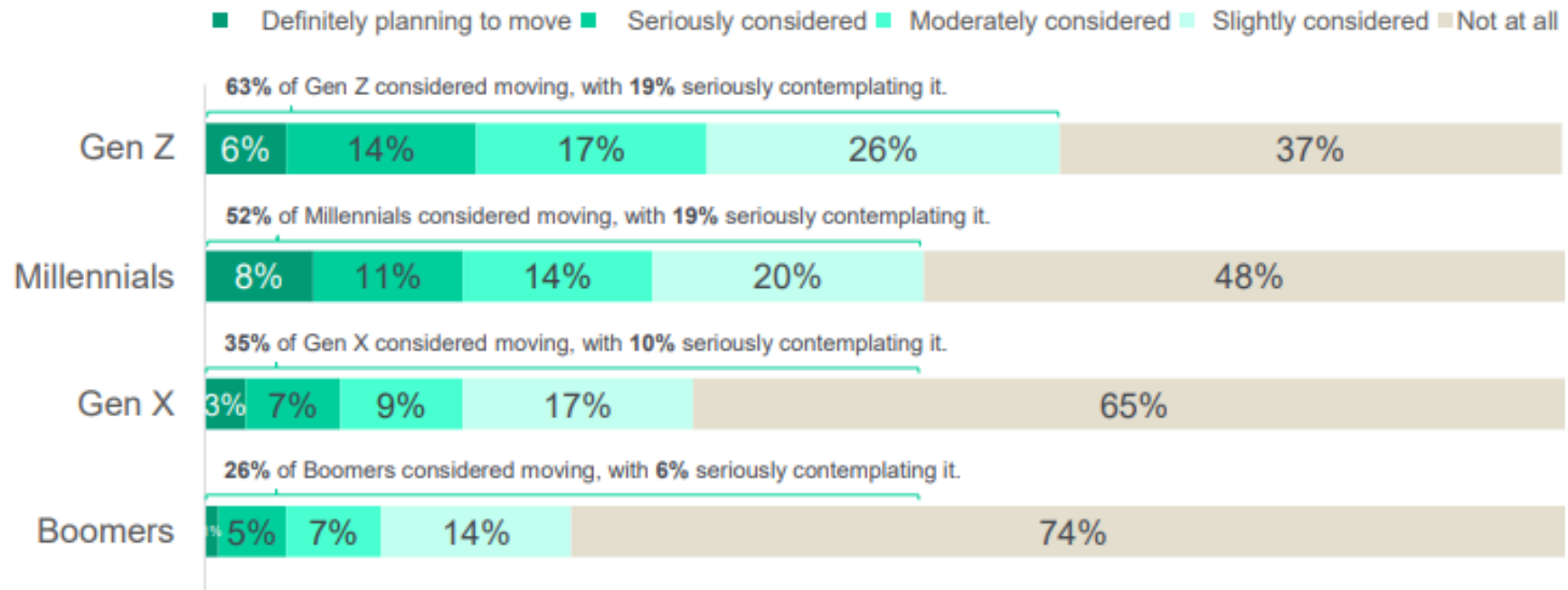


American Interest in Moving Abroad




How seriously have you considered moving out of the U.S. in the next 2 years?

February 2025



Why so much interest?

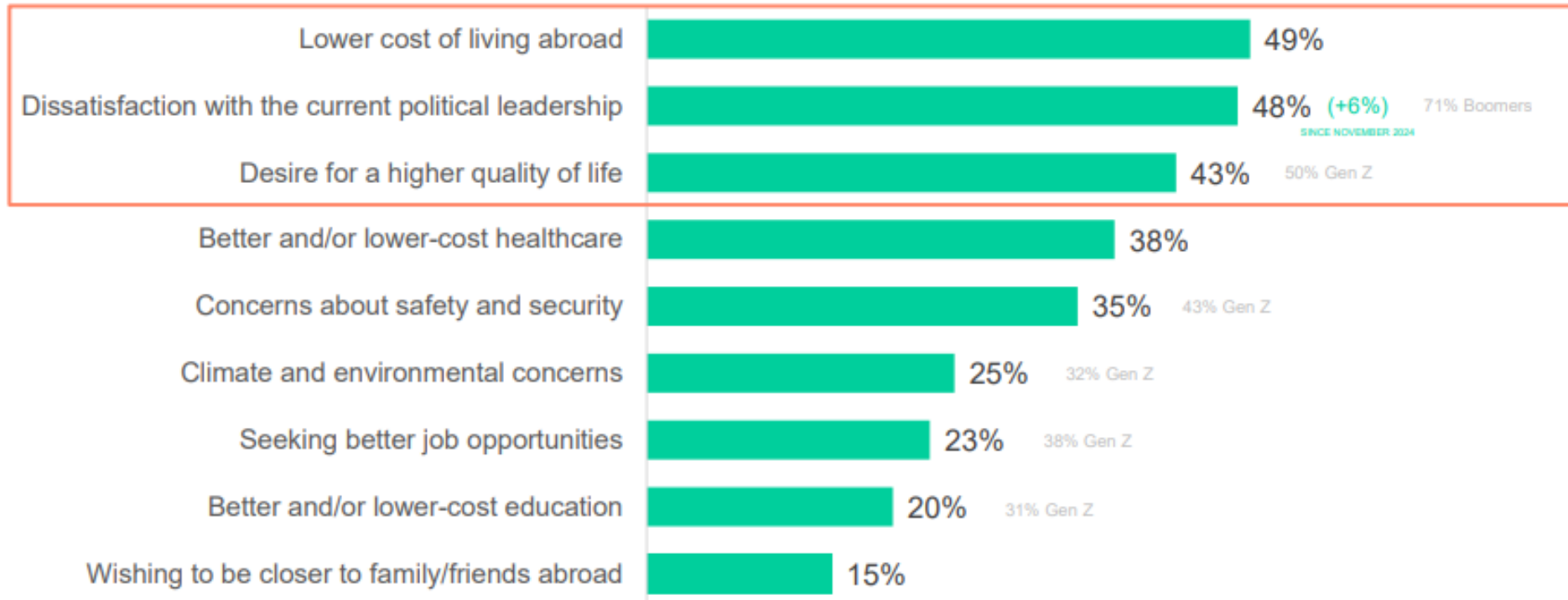
Literally anywhere else is better.

COUNTRY	QUALITY OF LIFE (NUMBEO 2024)	QOL (US NEWS 2023)	↓	QOL (CEO WORLD 2024)	QOL (US NEWS 2022)
 Sweden	187	100		94.9	3
 Norway	189	93.6		97	4
 Canada	161	92.7		94	100
 Denmark	206	91.4		96.4	2
 Finland	200	90.6		94.5	8
 Switzerland	204	90.3		97.1	5
 Netherlands	208	87.7		96	7
 Australia	186	86.8		96.3	6
 Germany	185	85.8		92.6	9
 New Zealand	184	80		91.9	10
 Belgium	164	79.7		94.1	12
 Austria	191	78.9		95.4	11
 China	116	76.1		78	23
 United Kingdom	171	73.9		92.3	14
 Japan	184	69.6		88	13
 Ireland	161	62.7		97.2	15

Why so much interest?



Reasons for considering moving out of the United States (Select all that apply)

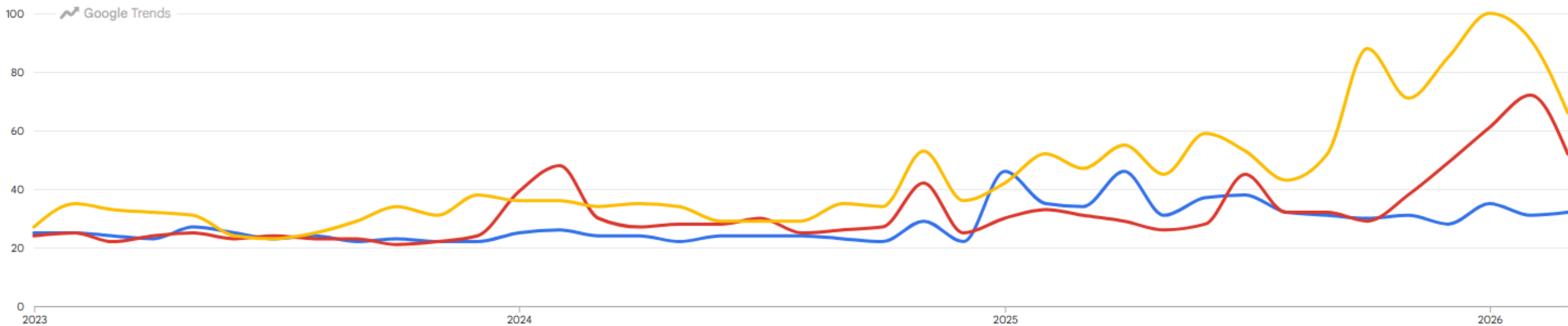


The Curious Year of 2025



US Interest in Expatriation Skyrockets

- 4% (14M) are “definitely planning to move” (Harris Poll, February 2025)
- +138% increase in immigration lawyer clients (Henley & Partners, 2025)
- 2x searches for “leave US” “immigration lawyer” “expat”



The Curious Year of 2025



The Curious Year of 2025



Election Effect

- Expat desire appears highest among ethnic minorities, left-leaning voters

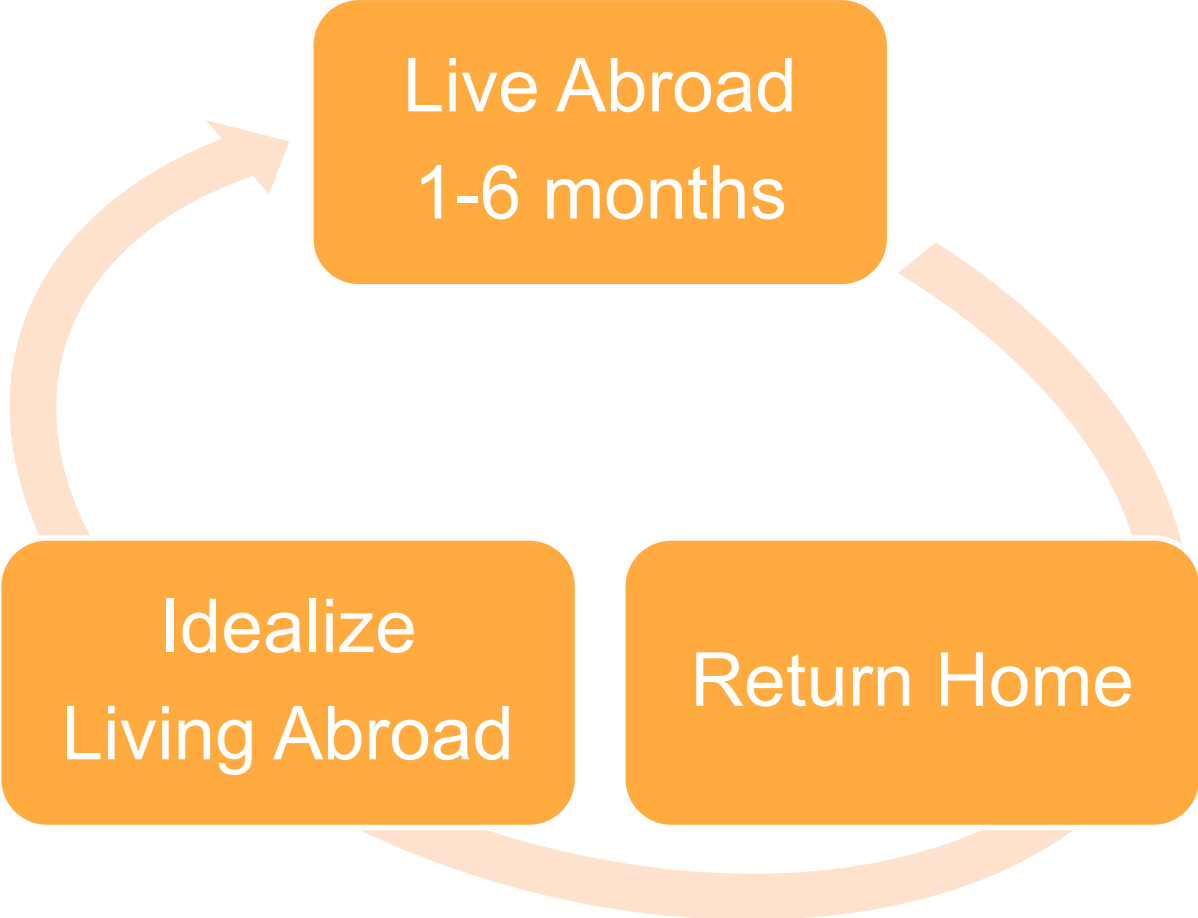
	“My rights are becoming compromised.”
Women	58%
BIPOC	57%
LGBT+	67%

Why so much interest?

Travel is fun.



Why so much interest?



Case Study: Sam Brown



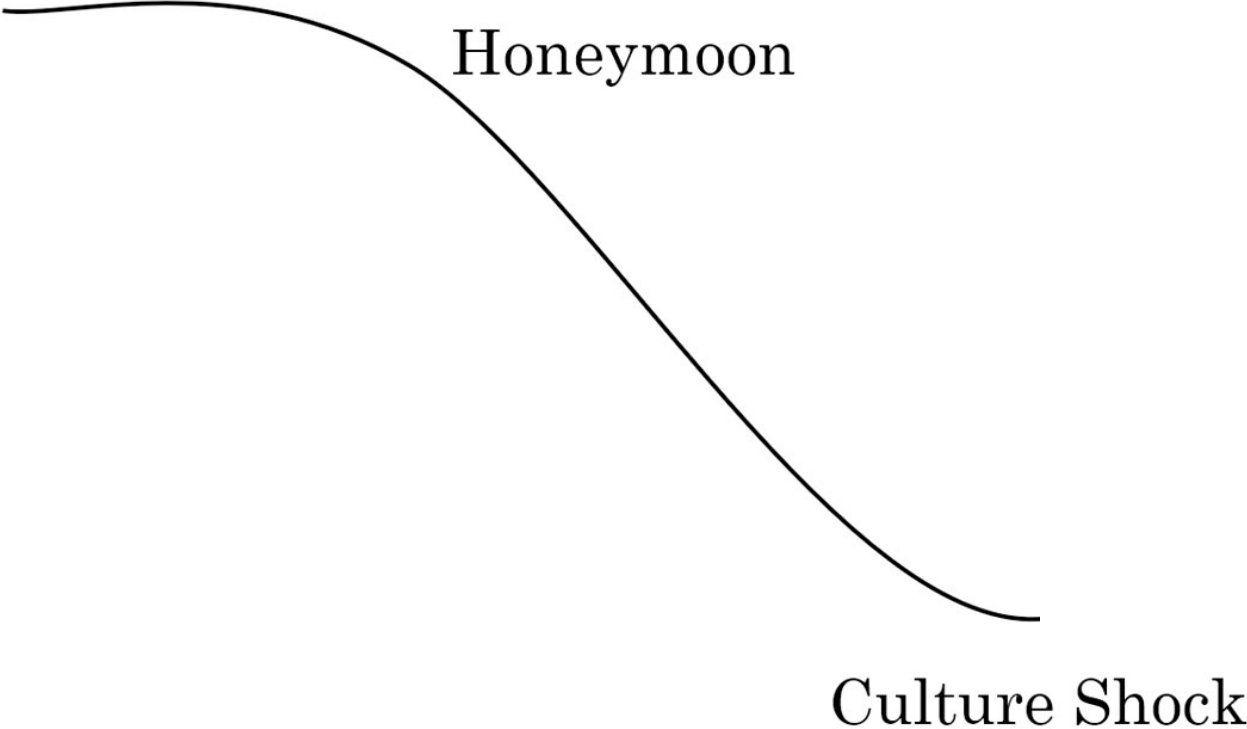
Lead Machine Learning Engineer

A decade of global living

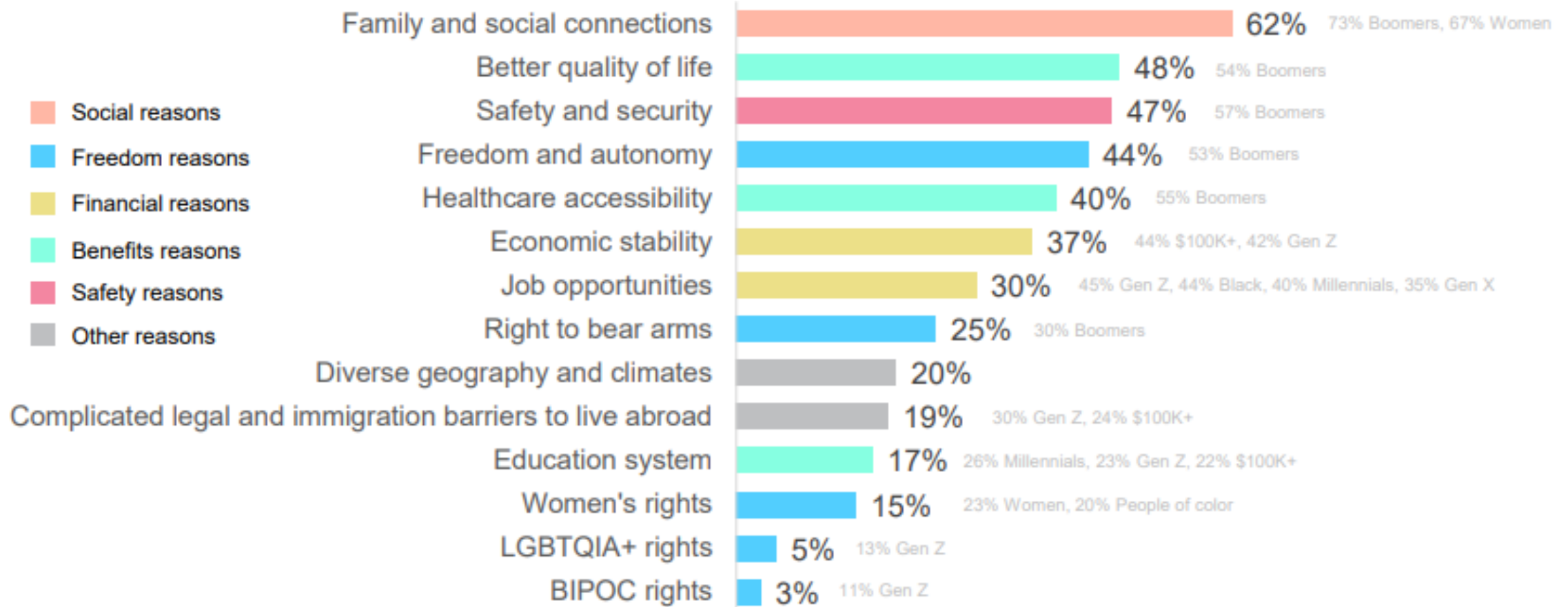
- Thailand high school
- Morocco teaching English
- MS in Spain
- Months-long backpacking in remote parts of Europe, Africa, LATAM

Culture Shock

Oberg's (1960) Cultural Adjustment Stages



Reason for not moving



Reason for moving back

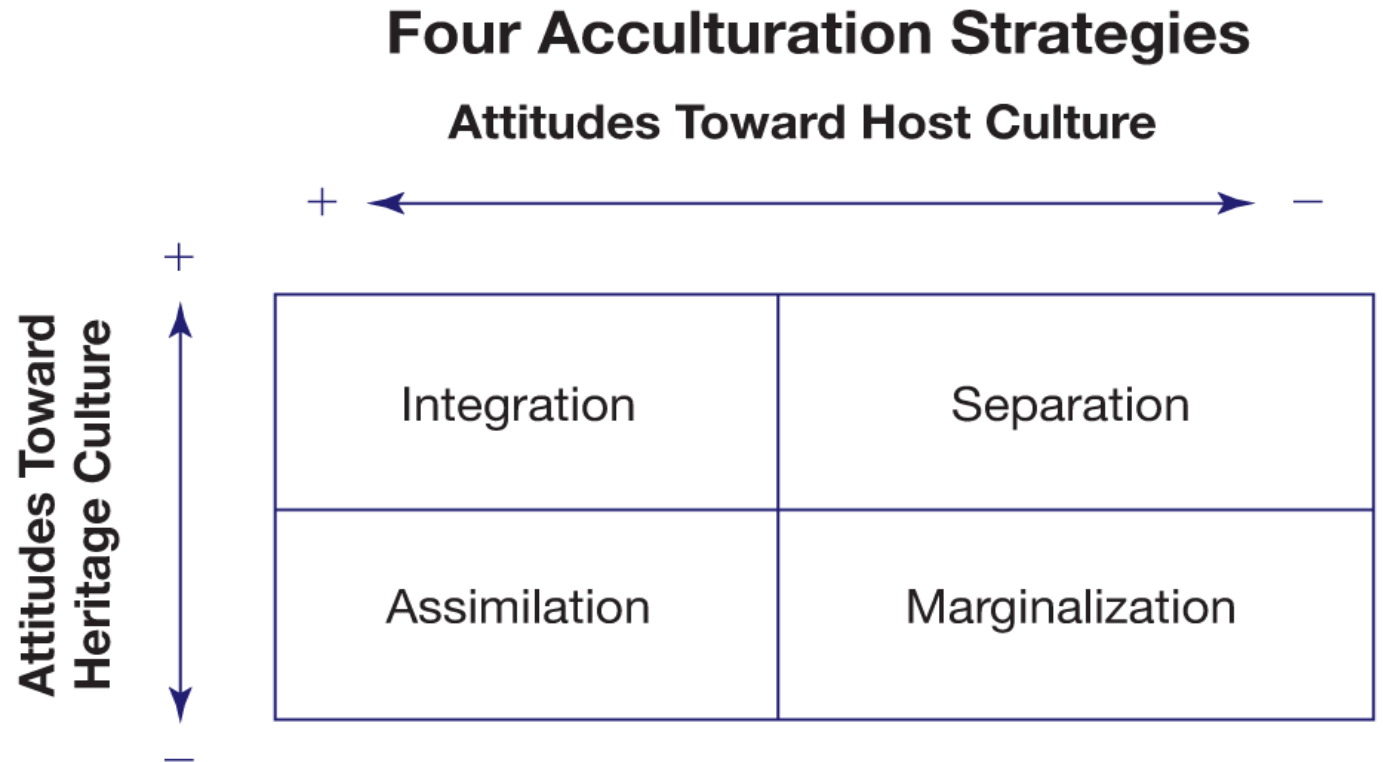
As many as 25% of American expats move back home.

- “Missing family” is consistently a top concern, especially
 - If living abroad alone
 - If a spouse has died

Acculturation Strategies

Americans abroad are likely to adopt a separation strategy

- Language barriers
- Cultural distance
- Retired
- Working remotely



Reason for moving back

As many as 25% of American expats move back home.

- Living abroad wasn't as inexpensive as expected
 - Foreign exchange rate fluctuations
 - Inflation
 - Unstable housing situation

Reason for moving back

As many as 25% of American expats move back home.

- Healthcare wasn't good enough
 - Traveling back to the US for care is costly
 - US-based medical care is costly
 - Medicare is not (fully) accepted
 - Major issues arise when the expat is not well enough to return home

Hasty Moves by Short-Term Movers

Some decisions are difficult and expensive to reverse.

- Selling primary residence in home country
- Buying new residence in host country
- Adjusting residency
 - Tax residency
 - FBAR and FATCA reporting
 - Education funding

Case Study: American Family in France



Moving a high schooler overseas

- CA residents
- Moved to France
- Sold home, business
- 17-year-old wants to move back to local uni
- ~\$240K increased education costs

Domicil Uncertain



What should we recommend to domicile-uncertain movers?

- Maintain ties to home country
 - Primary residence
 - Investment assets (especially if American)

Case Study: Gary Clement



Financial Planner, Educator

Geoarbitraging digital nomad

- Lived and worked in US into 50s
- Fully remote job
- Increasingly spending time in Merida, MX
- Questions remain:
 - Will wife come?
 - Part- or full-time?
 - Buy or rent?

Domicil Uncertain



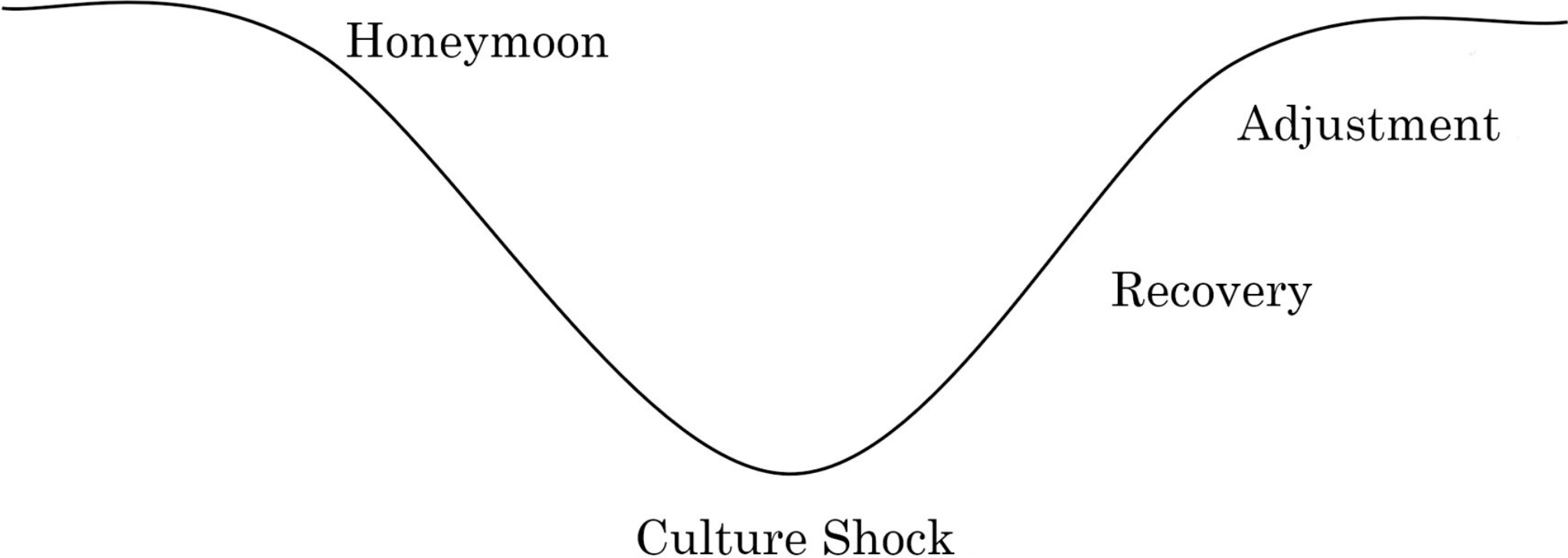
What should we recommend to domicile-uncertain movers?

- Focus on building social and cultural ties in the host country
 - Language
 - Expat communities
 - Local communities that share interests (e.g., sports, food)

Cultural Adjustment



Oberg's (1960) Cultural Adjustment Stages



Case Study: Craig and Isabelle



Professor and Therapist

Canada-US-France-?

- Met while studying abroad in Canada
- Moved back to US, earned PhDs
- Eventually move to France for work
- Putting down roots:
 - Isabelle native speaker, children learning
 - Family nearby
 - Close to international expat community

Permanent Movers

There are key steps to making a move permanent.

- Legal permanent residency
- Citizenship
- Shifting assets to the host country
- Buying property
- Marriage and family

Permanent Movers



A “permanent” move may not be permanent.

- Difficulty managing cross-border legal obligations¹
- Difficulty working with host-country financial systems²

Top Challenges Expats Face in Fulfilling US Tax Obligations While Living Abroad



¹<https://www.greenbacktaxservices.com/blog/expat-trends-survey/>

²<https://abcnews.go.com/International/record-number-americans-renouncing-citizenship-overseas-tax-burdens/story?id=26496154>

Permanent Movers

A “permanent” move may not be permanent.

- Difficulty attaining permanent legal status
 - Divorce
 - Loss of job
 - Failure to pass language exams
 - Career change

Permanent Movers

A “permanent” move may not be permanent.

- Personal issues
 - Illness
 - Family in home country
 - Preferences of spouse and children

Case Study: Ashley Murphy



Financial Planner, GFPI Founder

Cross-border planner living across borders

- Tri-citizen (US, AUS, UK)
- Grew up in AUS, moved to US in 20s
- Back-and-forth AUS-US 2019-2025
- Bought land in US to develop...
- After '24 election, permanent move to AUS

Conclusions



The costliest part of moving abroad is moving back home.

- Financial risks are legion and complex
 - Legal issues
 - Tax issues
 - Complex domestic issues are exponentially more complex cross-border
 - Estate planning
 - Business planning
 - Education planning

Conclusions



The costliest part of moving abroad is moving back home.

- The biggest risk factor is psychological
 - Encourage clients to deeply understand the consequences of their choice
 - Encourage integration strategy (e.g., socializing, language skills)

Next Steps

Find (or become!) a cross-border financial planner.

- GFPI (www.gfp.institute)
- CIGA (<https://theciganetwork.com/>)
- FPA Cross-Border and International Knowledge Circle

Thanks!

- **Me**

- <https://www.linkedin.com/in/mjgoren/>

- **My job**

- <https://www.brettdanko.com/>

- **My other activities**

- <https://www.gfp.institute/>
- <https://www.financialplanningassociation.org/>
- <https://finservfoundation.org/>
- (formerly) <https://academyfinancial.org/>