



SILVER DAGGERS, SILVER SPOONS AND SILVER LADDERS

By Matthew Wesley

One beautiful spring day, I was sipping coffee in the slightly chilly early afternoon air and reading an article by Thayer Willis from Forbes magazine entitled “Why Family Wealth is a Blessing”. This was a follow-up to her earlier piece entitled – as you might guess – “Why Family Wealth is a Curse”. Now it is important to understand for our little story that Thayer is, among other things, an heiress. She was born into great privilege as a part of the family that founded the Georgia-Pacific Corporation. To hear her tell it, this wealth allowed her to fritter her life away in her twenties. She later stopped drifting, became a therapist, and wrote a book called “Navigating the Dark Side of Wealth”. That book grew out of her own experience and the experience of those she knew and worked with. The “Curse” article recited the litany of all of the horrors we think of when we think of inherited wealth and issues of entitlement. This second article was refreshingly different and I will get to that in a moment. But first let’s wallow a bit in the problematic side of wealth and parenting.

After 30 years of professional advisory work, I have come to see three broad types of consequences of wealth on children of the affluent. In recounting this typology, it is important to remember that life is never as simple as a typology would have you believe. There most often are elements of all types in every particular situation. That said, a typology can be a useful tool to simplify complexity.

The Silver Dagger

The first type is what some (Warren Buffet for instance) might call the silver dagger syndrome. Here wealth has been blatantly destructive to human potential. One way to look at this family dynamic is to see it as a system where money takes the place of both love and authority in the parental relationship. Most often in these families parents really can’t be bothered to raise their children and can afford to outsource the job to surrogates. These are the families where mom and dad are jet setting about and have no real or abiding interest in the children they brought into the world. They leave the raising of their children almost exclusively to nannies, tutors, schools, and, as the children grow into adulthood, dubious social networks. Often, if you look closely, the relationship between the parents is deeply flawed and it seems the parenting gene is missing in action. Children in these families report that they feel like they are just

another ornament to their parents' lives. I have found that these families – in the extreme – are relatively rare. When they do exist in their purer forms, the children are deeply affected by the experience and never really recover (though therapy can help). Children of narcissistic parents are frequently sullen, petulant, angry and deeply tormented people. They are often plagued with such things as borderline or bipolar personality disorders, depression, and severe addictions. These symptoms can, of course, arise in any family where there is profoundly inept parenting whether rich or poor, but it has its own shape and feel in highly exclusive gated communities.

The Silver Spoon

The second syndrome is more subtle and not quite so destructive. This is the type of family most of us encounter in our professional work when there are family issues at play. These families reflect what might be called silver spoon syndrome. In this type of family, children are raised in an environment of luxury and simply never manage to do much with their lives. Quite often, but not always, the self-indulgence allowed in the children is reflected in the lifestyle choices of the parents. Often in these families there is a good bit of love – a genuine affection and care for the children – but very little structure is imposed or parental authority exercised. The parents are largely permissive, the children are indulged and the wealth allows the children to drift without ever finding real meaning or purpose in their lives. Most often as adults these children are pretty normal in most respects. They vary widely in their personality profiles, their interests, their sociability and so on. Some are deeply concerned with philanthropy, others with self-actualization, others with travel, and others with social connection. However, they often don't hold jobs (at least for long) or have much discipline or structure in their lives. In one sense the wealth has frozen their development. They remain dependent – in a state of perpetual childhood – and never quite manage to carve out a life for themselves that allows them to mature into what most of us would consider full adulthood. It is these children that drive our clients to distraction.

The Silver Ladder

The final category in this typology reflects what I would call silver ladder syndrome. And now we come back to Thayer's article. Here she suggests that, when used wisely, wealth can foster real love, healthy choices and profound gratitude. When families create the right environment (and I would suggest that this has everything to do with how families reflect both powerful love and loving power in ways that support the other), then wealth becomes a ladder for reaching not only individual and collective potential, but one that can benefit those outside of the family through contributions in business, the arts, philanthropy, education and a host of other paths. Thayer suggests that there are three ways families can turn wealth from a curse into a blessing. They are:

1. Foster teamwork
2. Communicate openly
3. Ask really good questions as a family

You can read the article yourself here to see what she says about each.

Thayer's background and her experience give her a unique perspective. She chose these three for very specific reasons and it is an interesting list perhaps mostly for what it does not include that many of us would think would be solutions to silver spoon syndrome. Ask yourself what your list would have included before you read this article and if it would have been the same as Thayer's list.

OK, Now What?

I am a big fan of communication and inquiry (numbers 2 and 3 on her list). These are hallmarks of the work I do with families. But because of my focus on governance, I want to dwell on teamwork to close out this piece.

Silver spoon syndrome serves to infantilize the children of privilege and, in one sense never allows them to fully grow up. When children are younger, it seems that there are more opportunities to address behavior that is problematic. The three parents who have been successful at addressing silver spoon syndrome

The problem I continually encounter in my practice are adult children who have never managed to outgrow silver spoon syndrome and the parents who are wanting to

Conclusion

Estate and gifting plans have real long-term consequences for the family, yet they are often created behind closed doors with parents and advisors huddled together. The people most affected by these decisions are never consulted and therefore never given an opportunity to engage responsibly with issues that affect them. In short, the way most planning is done for silver spoon children helps ensure that not only will they continue to be silver spoon children, but that the syndrome will be enshrined in irrevocable structures into future generations. Helping families develop a collaborative approach will help allow them to succeed in their generation as their parents did in theirs. This role for the advisor is, in my experience, professionally much more rewarding.

Matthew Wesley is the founder of The Wesley Group. He graduated from Stanford Law School and practiced as an estate planning attorney with successful families for over 20 years. Matt left active practice to help families do what estate documents alone could not - help to ensure successful intergenerational wealth transfer. In addition to his legal background, Matt has extensive consulting experience and a deep background in psychology, personal development and family systems, and organizational communication and development. Matt works closely with his wife, Marcia, who is a licensed psychologist with over 20 years of counseling experience.

Contact: 425.647.6066 | matt@thewesleygroup.com

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