



The Kids Aren't Alright

Wealth Management for Families in a Culture of Affluenza

Cultural clichés about children of privilege have been rife in popular culture for decades, most recently with the tumultuous travails of hotel heiress Paris Hilton and before that with the disaffected 1980s rich kids of “Less Than Zero” and James Dean’s tortured antihero in “Rebel Without a Cause.” And while these associations – real or cinematic – may be extreme examples, indeed it often seems that money presents more problems for young people than it solves.

In recent years, the often unforeseen problems – anxiety, depression, addiction, and other emotional and psychological developmental issues – facing kids of means have been the subject of various studies, with data revealing surprisingly troubled waters where privilege resides.

According to research from Professor Suniya Luthar of Columbia University Teachers College, children from wealthy families are at elevated risk for substance use, anxiety, and depression. Her findings indicated that 46 percent of affluent girls and 59 percent of affluent boys had used an illegal substance within the previous year compared to 26 percent of lower-income girls and boys.

Another recent study by a national banking firm revealed that approximately half of wealthy business owners worry that their own success has harmed their children, with only 26 percent of these respondents saying they expected their children to join the family business. This finding, in contrast with another study that reported most millionaires plan to leave at least 75 percent of their fortunes to their children, points to uncertain futures for wealthy kids who may be ill-equipped to deal with the realities of impending adulthood (*Source: Prince & Associates*).

What are we to make of these disparate statistics? Are children of wealth, who are both blessed and burdened by privilege, doomed to lives of disconnection and dissatisfaction? Is money the root of all evils when it comes to fashioning healthy, happy families?

It’s undeniable that having money presents a unique set of challenges – one that impacts parents and, in turn, brings unusual stresses to bear on their kids. Kids model their parents’ attitudes and behaviors. When they see their parents working escalating hours to acquire the trappings of success – from luxury cars to exotic family vacations and expensive summer camps – they get the message that what you have, rather than who you are, determines “success.”

These attitudes, often modeled unconsciously by parents, train children to be slaves to wealth rather than looking at it as one of many important tools for well-adjusted, fulfilled lives. The model for success that reigns in our consumer culture leads parents to pressure their kids to achieve academically while giving less attention to nurturing their self-esteem apart from economic and professional achievement.

Parents, while accountable to a large degree for the emotional and psychological development of their children, should not be condemned for passing on these attitudes to their children. They are

merely reflecting the values of a broader culture of affluence that drives the pursuit of money and status above relationships. Once on this fast moving treadmill of acquisition, adults often find that the most efficient way to show their children love is with things: iPods, video games, shopping, and other entertainments become substitutes for the quality time that is in short supply.

To exacerbate matters, many kids who benefit materially from their parents' financial success are not directly taught what work actually means at an early age. They become conditioned to a world of escapism and instant gratification, while at the same time being driven to achieve the top grades that will grant access to top schools – which will lead to top-paying jobs. It's a vicious cycle with many hidden costs to families and to society at large.

Clinical psychologist Madeline Levine, author of *The Price of Privilege: How Parental Pressure and Material Advantage Are Creating a Generation of Disconnected and Unhappy Kids*, writes that beginning in the 1990s, research began to show a departure from a search for meaningful work among youth. According to Levine, in the 1960s and 1970s, young people entering college said they were pursuing education “to become an educated person” or “to develop a meaningful philosophy of life.” In the 1990s, however, the most oft-reported reason given for attending college was to “make a lot of money.” Somewhere along the line, work – and wealth – became little more than a means to spend.

Amidst all this cultural and social doom and gloom, how can adults manage their wealth in ways that nurture their children's emotional and psychological development? How can we ensure that our attitudes and actions today equip our children and their peers with the tools they need to flourish and find happiness and fulfillment in their lives?

Children aren't “ruined” by money, but parents who are themselves part of a consumer culture that celebrates “having” over “being” must train their sights on teaching their kids what truly constitutes success: family, friendship, community, integrity, and caring about the world beyond themselves. What would happen if instead of planning the vacation to end all vacations, parents occasionally took the afternoon off to stroll through the local history museum with their kids? Or spent a Saturday morning rolling up their sleeves together to volunteer in the community?

Money is not a villain - it's a tool to be directed by our own values and goals. Learning how to use it more consciously takes time and, often, trial and error. For kids to think differently, parents need to uncover and reframe their own priorities. It is important for you as a parent to determine those very individual, highly personal goals and assess how your wealth can be transformed into a tool for enhancing the riches in your life that can't be bought.

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