

CHAPTER 1

Are You Wealthy?

Patricia Angus

If there's one truth that I've learned in nearly three decades of working with many of the world's "wealthiest" families, it's that the questions you ask are far more important than the answers you might find. Indeed, it has become clear that wisdom is about asking the right questions, knowing what can be answered, and becoming comfortable with all that cannot. This should come as no surprise, but often in "wealth management," this truism is overlooked or given short shrift. Further, it is more important than ever to face this reality as we progress through a period of rapidly increasing disparity of income and wealth.

I've found it useful to help clients understand that they are not alone when they ask questions that do not have simple answers. In fact, many of these same questions have been asked by philosophers, religious thinkers, and spiritual seekers since time immemorial. Nor is it unusual to feel discomfort when facing the fact that there are no simple, and certainly not quantifiable, answers. Coming to terms with this reality is in fact the first step forward in developing a "wealthy" life. Here are some thoughts on this exploration based on my research, readings, and work with clients.

What Is Wealth?

In each new engagement, I ask a series of questions to get to know all members of a family. One of the first questions I ask is, "How do you define wealth?" The responses have been quite enlightening. Only rarely is the answer "money." I hear words such as "love," "health," "family," and "well-being." I hear silence and hesitation and more questions. Even the few family members who answer that they equate wealth with money or material resources quickly elaborate on the definition as they realize that the term encompasses more than that. These reflections can very quickly open up deeper conversations about meaning and purpose.

While the term *wealth* is often used interchangeably with money, its etymology shows that its origin is in well being, not in material resources.¹ Further, the concept itself has been a subject of inquiry in all the world's religions, spiritual traditions, literature, and philosophy. I've found that asking family members what has informed their view of wealth is critical. For some, the Torah or the Bible provide insights. For others, wealth is deeply connected to a spiritual tradition that might have its origins in Taoism, Confucianism, Hinduism, or Buddhism. Most can refer to early childhood messages from their family. It matters far less which tradition is the source, and far more how the individual defines the concept. Whereas professionals and firms in private wealth management today might emphasize that wealth is complex, and use helpful metaphors such as multiple capitals (e.g., human, intellectual, financial, social, etc.), I find that each person must undergo an individual exploration and come up with terms that resonate personally. So, start with "what does wealth mean to you?" and then proceed from there.

Are You Wealthy?

A couple of years ago, I attended a conference focused on the challenges and opportunities of families with "great wealth." For several days, consultants, lawyers, accountants, and financial service executives discussed how families with extraordinary financial, business, and philanthropic resources could ensure that this "wealth" would last many generations into the future. As discussions veered toward questions of "how much is enough?" and "how can we make sure that our wealth doesn't adversely impact heirs?" I felt a sense of discomfort that had been growing in me for some time. These questions are not profound. They are also based on implicit assumptions that deserve further exploration. There are moral, ethical, and societal questions underlying the pursuit of ensuring the consolidation of wealth within such a small percentage of the population. I left feeling disturbed and alone.

I took the backseat of a taxi with these questions and concerns swirling in my mind and heart. My silence was broken when the taxi driver pointed to one of the tallest buildings we were about to pass. He then shared a story with me. Some time ago, his son had asked, "Papa, is there a man who owns that building?" The father replied, "Well, yes, I think so." The son continued, "Papa, do you think that man is happy?" The soft-spoken taxi driver replied, "I am in doubt," then asked, "Son, do you think I am happy?" His son quickly answered, "Yes, I think you are very happy." The father replied, "You are right. I am very happy."

The taxi driver then proceeded to tell me why and how he was happy and, as he said, "wealthy." He'd left his home country, where his family had been financially successful, to start over in this new land. He made his living as a

¹See *Oxford English Dictionary*.

taxi driver, sending his two children through college and on to receive Master's degrees. He stated, "I am a very wealthy man. I have a pillow to sleep on, a beautiful wife of 32 years, and children I love and speak with all the time. I am a rich man."

I couldn't have asked for a better antidote to the conversations I'd just left. We proceeded to have a deep exchange about the nature of family and wealth, challenges and opportunities. We were able to openly question and explore what it means to be truly "rich." This was not a simple story of how "poor people are wealthier than the rich." Rather, it reminded me of how often the most important questions are not asked by wealth management professionals, especially those who work with the few families who now control so much of the world's resources. Are you wealthy? It's a question that's rarely asked, and my fellow traveler opened the door to that discussion in a way that I rarely hear.

After our conversation, I thought of all that I'd read on the subject, including F. Scott Fitzgerald: "He remembered poor Julian and his romantic awe of [rich people] and how he had started a story once that began, 'The very rich are different from you and me.' And how someone had said to Julian, 'Yes, they have more money.'"² I thought of the line in the Bible: "It is easier for a camel to go through the eye of a needle, than for a rich man to enter into the kingdom of God."³ I remembered how difficult it can be to be "affluent" – the financial complexity, the identity and trust issues, the family dynamics, the burdens, and responsibilities. I thought about the assumption that private ownership can allocate resources better than government and the inherent threat to the social compact⁴ that such private control entails. I wondered whether one can be wealthy in a world of such great disparity of ownership and control of the world's resources. I thought, "I am in doubt."

What's the Purpose of Wealth?

There are many ways that the question of "purpose" arises in the context of wealth – material otherwise. Often, family members ask "Now what?" after selling a business or coming to the realization that they've accumulated more financial resources than they'll need for the rest of their lives, and even for the lifetimes of their children and grandchildren. Making money is no longer a driving motivation. Others might reach this moment when they inherit a trust or other funds from a parent, spouse, or ancestor. They look at a bank account statement, a luxurious house, people attending to their needs, and ask, "What's it all for?"

²Ernest Hemingway, "The Snows of Kilimanjaro," in *The Fifth Column and the First Forty-nine Stories* (New York: Scribner's, 1938).

³*King James Bible*. Matthew 19: 24.

⁴Jean-Jacques Rousseau, *The Social Contract; or, Principles of Political Right* (1762).

Once again, these are not new questions and they are not asked solely by those with substantial resources. This is the human condition. Living a life of purpose, connection, and meaning is at the core of these questions. It has always been there. So, what does the world's wisdom and literature say about this?

In Judaism, Christianity, and Islam there is the Golden Rule: "Do unto others as you'd have others do unto you." This is a bedrock principle and guide to living a good life. It has nothing to do with gold and accumulation of material resources. Yet, in my experience, those in private wealth management more often refer to it via the tongue-in-cheek version: "He who has the gold rules." Again, the profound nature of one's place in the world, connection with others, and responsibility toward fellow humans is pushed aside, albeit with humor. The story of Buddhism's origins sheds light as well. Buddha was a wealthy young man who decided to see what life was like outside the confines of the family compound. In his journey beyond, he discovered suffering and proceeded to spend the rest of his life contemplating how best to handle this aspect of the human condition. He concluded that it was best to acknowledge that suffering exists, avoid attachment, and strive to relieve all others from suffering.

There are multiple passages in the Bible addressing wealth and money. There's an admonition against worshiping material wealth. And, there's the simple statement that "The love of money is the root of all evil."⁵ In this tradition, money itself is not evil, but rather, how one feels and acts with it is what matters. In these religious texts we find the questions that can help one explore purpose and thereby meaning. What is the purpose of wealth in your life?

Philosophy has something to say about this, especially as it relates to perhaps the most important question about the human condition: How do we face our mortality? Back in 545 BCE, Theognis warned, "No man takes with him to Hades all his exceeding wealth."⁶

So, what is one to do with material wealth? On this topic, I find that my graduate students (many of whom are values-driven millennials) are especially attracted to the line, "Money is like muck, no good except to be spread."⁷ The reality is that most traditions tie good fortune to responsibility. Money is to be used for others even in – and especially during – its accumulation beyond one's needs. And, again, the answers are not simple. Balancing philanthropic impulses with the requirements of the social compact is complex work.

Wealth and family are at the core of some of the most profound and perplexing aspects of the human condition. I encourage all my clients, and all readers of this book, to ask themselves the unanswerable questions – and to be open to the exploration. I've found that the *wealthiest* people I know are those who stay

⁵ *King James Bible*. 1 Timothy 6: 10.

⁶ Theognis. *Elegies*, 1. 725.

⁷ Francis Bacon, *Essays. Of Seditions and Troubles* (1625).

in community, connected, and are concerned about the balance of the world's wealth. They never cease to ask questions, including,

- What is wealth?
- Am I wealthy?
- What is the purpose of wealth?
- Is my life, community, and world in balance?
- Is the world wealthy?
- Can I be wealthy if those around me are not?

Additional Resources

Philip Novak, *The World's Wisdom: Sacred Texts of the World's Religions* (New York: HarperOne, 1995).

Luc Ferry, *A Brief History of Thought: a Philosophical Guide to Living* (New York: Harper Perennial, 2011).

Mary Catherine Bateson, *Composing a Life* (New York: Grove Press, 2001).

Biography

Patricia Angus is the CEO and founder of Angus Advisory Group LLC, a family enterprise consulting firm. She is an adjunct professor and founding director of the Family Business Program at Columbia University Graduate School of Business. For nearly three decades, she has advised global families with substantial assets on issues including estate planning, succession, governance, wealth management, strategic planning, intergenerational transition, and community engagement. She is the author of numerous articles, case studies, and *The Trustee Primer*. She has been consistently recognized as a global thought leader and is known for her critical analysis, strategic planning, and compassionate guidance.

