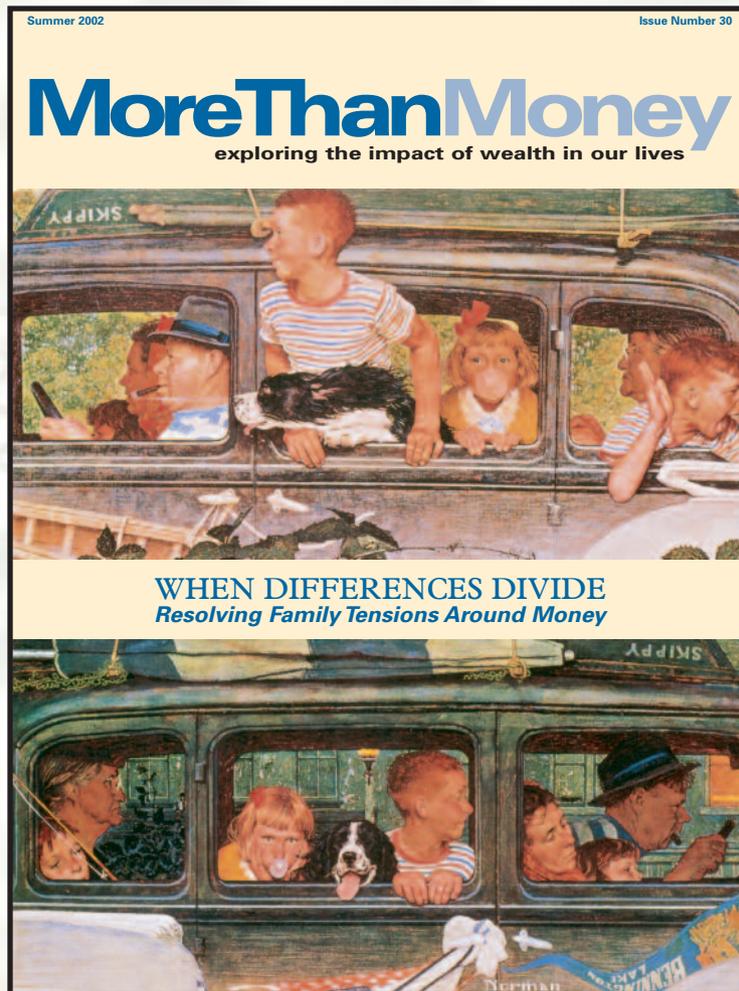


MORE THAN MONEY

Timeless themes & personal stories | Exploring the impact of money in our lives

Archive Edition

When Differences Divide Resolving Family Tensions Around Money



Issue 30 • Summer 2002

A Complimentary Giving Resource
Provided By



Welcome to More than Money Journal

More Than Money Journal, published quarterly from 1993-2006, was one of the first public forums where people shared personal stories about the impact of wealth on their lives. Groundbreaking for its time, each issue is filled with examples of ordinary people struggling to align their money and values in their spending, investing, giving, legacy, and relationships. The themes and stories in these journals are timeless and ring as true today as when they were first published.

More than Money Journal was a project of More Than Money Institute, a nonprofit peer educational network that touched thousands of people through its publications, presentations, gatherings, journal discussion groups and individual coaching. When More than Money Institute closed in 2006, its founders Anne and Christopher Ellinger (whom you'll see in More Than Money as Anne Slepian and Christopher Mogil) went on to launch another initiative called Bolder Giving. Individual articles from the journal were archived online with the Project on Civic Reflection.

Today, Bolder Giving is thrilled to be able to offer full back issues of More than Money Journal as a resource for families with wealth, philanthropic advisors, and all those exploring the impact of money in their lives. On the Bolder Giving website you can download issues individually.

Online, you can also order beautiful bound copies where 6-10 issues of the journal are compiled by theme:

- Giving
- Lifestyle, Spending & Investing
- Money and Values
- Children and Inheritance
- Money and Identity

(See full listing on back page of this journal)

We hope that More than Money Journal brings you fresh ideas for aligning your money and values, and that you use the stories to start conversations with your own clients, family members, and friends. (Note: We have removed many last names from the personal stories in the journals, to protect the privacy of those who gave us permission before the days of internet).

About

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More Than Money Journal roams the full territory of money and values. Bolder Giving has a more pointed mission: to inspire and support people to give at their full lifetime potential. A national, non-profit educational initiative, Bolder Giving invites you to help create a culture of greater generosity and to take your next step in becoming a bold giver.

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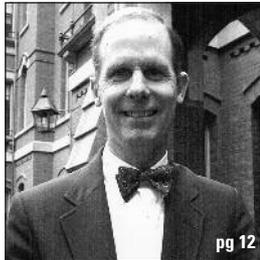
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MoreThanMoney

exploring the impact of
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Years ago I was a hospice volunteer. One night I was watching the television news with a patient who had led a rough and tough life. He was a few days from death. As he listened to the reports of fighting, strife, and violence, he muttered, “What’s it all for, man? What’s it all for?”

So many of us, when close to death, realize how much of our lives are wasted on not getting along, on fighting over our differences. We wait until then to let go of our pride, our hard-heartedness, our contentious nature. . .our foolishness. We have someone like that in this issue (see “Succession Gone Awry,” pp. 26-28); maybe we have someone like that in our family; maybe we even have someone like that in ourselves.

The Norman Rockwell print on the cover—of a family whose differences appear to grow more wearisome as the outing progresses—is humorous and light, and so is some of the content inside. But some stories in this issue are heavy. Sometimes things don’t work out and family tensions don’t get resolved—at least not for a long time. In such cases, it can be helpful to identify behaviors we don’t want to repeat, to note what we have learned, and to acknowledge positive steps taken in response to the tension. As Joan’s story (pp. 26-28) demonstrates, our own learning can benefit future generations.

We have chosen in this issue to focus primarily on “success”—showing people who have resolved their differences to some degree. You will find here concrete examples of differences around money resolved, with lessons applicable to all kinds of families (nuclear and extended, traditional and non-). You will also find resources to help you both harmonize tensions in your own family and more fully appreciate the strengths in your differences.

Because money is so emotionally charged, differences over money are not ordinary differences. They take on a heightened intensity; so dealing with them requires our heightened attention. Harvard professor Sara Lawrence-Lightfoot eloquently discusses what may be the most important ingredient for addressing these differences: respect. She also reflects on why it can be so much harder to be respectful in our own families than anywhere else (pp. 16-18). continued on p. 4



FRANK MONKIEWICZ

**“We can use our
differences around money
to make our families
incubators of peace.”**

Respecting these differences in families is complex because money so often represents other issues, like power, control, identity, or self-esteem. To help cut through that complexity, family philanthropic advisor Charles Collier urges us to ask ourselves “the big questions,” such as, “What is our family’s purpose?” And MTM’s executive director Bob Kenny reminds us that our country grew out of “the mother of all family arguments” around money. That argument changed the world, in large part, because of the Founding Fathers’ commitment to working out their own differences.

When interviewing people for this issue, I noticed a similar, repeated idea: the successful resolution of differences begins from a commitment—from a clear intention. Sometimes, it is a deliberate decision on the part of a single individual. One person *decides* to love, to forgive, to let go of a grudge, to offer respect—even (or especially) when it’s hard to do.

When resolving differences gets hard, and the results don’t seem to pan out, we may wonder, “Why bother?” But we do it not just for ourselves and our families, but for the legacy we will leave to the world. Each family’s choices toward harmony offer an example to a world torn apart by conflict. We can use our differences around the highly-charged topic of money to make our families incubators of peace—learning to harmonize differences where it may be most difficult to do. Whether the outcome is happy or sad, inspiring or discouraging, as we make the effort, we ourselves become more whole.

My hope is that this issue will remind us all that we don’t have to wait until the end of our lives to ask ourselves, “What’s it all for, man, what’s it all for?” What if, when that final moment comes for each of us, we will have already asked that question long before? And what if, each time we ask the question, we, too, *decide*—to change ourselves, our families, and ultimately, the world?



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More Than Money is a nonprofit, peer education network for people exploring the personal, political, and spiritual impact of wealth in their lives. Membership benefits include a quarterly journal, an extensive resource guide, and access to personal and group coaching, member events, an email discussion group, and a resource clearinghouse. Through these programs, members help each other further their dreams for creating a more joyful, just, and sustainable world.

Please Help Us Spread the Word!

More Than Money grows through word of mouth. Please share a copy of *More Than Money Journal* with a friend, family member, colleague, or client.

We all know that money can complicate relationships. Just how much was the topic of a recent conversation among members of MTM's e-mail discussion group.

Money and Relationships



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I'm a fifty-something potential returnee to the dating scene, widowed after 26 years of marriage. The first time around, I avoided the subject of money because I was afraid of being married for my money. Once we were married and I had to reveal my finances (through income tax forms and the like), I grossly underestimated the degree of explanation my husband required. He had nothing financially and had no background or understanding of trust funds, investments, et cetera—so the little I told him went right over his head. I don't think he even knew what questions to ask. The one thing I did right, financially, was that I tried not to use my money as a way of tipping in my favor the scales of power in our relationship. If I ever return to the dating scene, I hope I'll have the courage to be more forthcoming about my financial position when a relationship becomes serious.

—Anne

Mostly, I've had good experiences with money issues in relationships, but I have had enough bad ones to be careful. I adore my on-and-off sweetie for many reasons, one of which is because I know she does not want to pick my pocket or use me as a trophy. Ironically, she is the one I help the most. She has asked for the least and I end up doing more for her than anyone else. It is my choice. I am not pushed. She is working-class and, as I write this, I'm in the middle of making significant repairs to her house. Last year I paid off her mortgage. I love doing things for her because I know she appreciates me for me, and not for what I might do for her. She has been my best investment.

I think dating is hard for wealthy women. It must be so much easier for men. I don't think men get in the same boat we do. I'm sorry to sound so jaded, but I do think those of us with money can't afford to simply ride on the wind with our hearts. This is sad.

—Natalie

The first day I became wealthy I bought a very fast red car (as quite a few other men have probably done). I had a great time driving that car, but quickly realized that women were treating me very differently than before. I was uncomfortable with that. I actually found it much more difficult to get into relationships in spite of (and, to some degree, because of) the fact that more women were suddenly interested in me. It took me a couple years of driving that beautiful machine before I got sick of it and bought an old van for \$3,000 and gave the sports car to a good charity. So I am very aware of what it feels like to be seen by women as wealthy.

I remember years ago reading a study about what women like in a man. Most respondents said they cared, first, about a nice personality; second, good looks; and third, about income and level of wealth. But the study cautioned that around 10

“I think dating is hard for wealthy women. It must be so much easier for men.”

percent of women were pretty much solely interested in number three. That really scared me! I had problems in my relationships with women because I was afraid they were out to get my money. In retrospect, I think my fear ruined several otherwise excellent relationships. (In one, my fiancée would not sign the prenups and therefore left me.)

At a recent gathering of More Than Money members, I had a profound realization. During a discussion with another member, I realized that I didn't get married until I had given most of my wealth away and it ceased to be much of an issue

“In every instance, the non-monied partner was the one financially damaged by having been in the relationship.”

for me. I don't think I'd be in the happy relationship I am in today, or have my beautiful little boy, were it not for the fact that I found a way to release the fear of a woman taking my money from me.

I have not moved through all my issues about money and relationships, by any means. There are still differences of class and imbalances of power as my wife works full-time raising our son and I do work that pays the bills and gives me power that I still need to learn to relinquish. However, I am grateful that I've found a way to have a loving relationship with someone without fearing that money is part of the attraction. That is worth far more to me than money! I hope and pray that all those who have fears or concerns about this will be able to find ways to release the fear and to have beautiful relationships. I would encourage others to think about giving the money away if that's what it takes. It's been a good deal for me.

—*Stef*

I've stood on both sides of the money/no money division in relationships. I came from a working-class, but upwardly mobile, family when I married my first husband, who is a wealthy inheritor. The second time around, I was independently wealthy, marrying a middle-class professional man. My first marriage lasted 23 years. My ex-husband is a wonderful man and, while the divorce was painful and sad, we are on quite good terms. My second husband is daily proof that true love is possible (maybe especially so) in middle age. In neither of these unions did any of us even consider prenups, except to reject the concept if someone from the outside introduced it. While I could never bring myself to advise someone else to go without a prenup, I will hazard the following: I firmly believe that the fact that the three of us involved in these two unions would never consider a prenup directly contributed to us not needing them, even in the event of divorce.

As my relationship with my second husband became serious and I started making some financial and legal changes, my former financial advisor (whom I consider a fairly objective observer) said some interesting things: First, that while the prevailing stories are about gold diggers and fortune hunters, nine times out of 10 it is the non-monied partner who gets screwed in the separation or divorce, especially if the wealth is

inherited, but not exclusively. Most of the financial arrangements we made were to protect my second husband, not me. (This has to do with how wealthy people become wealthier just sitting on trusts and property investments that grow, while their partners, trying to do their share and contribute, aren't even able to save. It also has to do with the fact that those with wealth are able to hire much better legal counsel. So it's very important to set up methods that allow the other person to save.) My advisor watched many matches between a person of wealth and a professional person where, after 20 to 30 years of marriage and then a divorce, the wealthy person would walk away with the compound-interest-enhanced trust, while the professional spouse, who had been pulling down a six-figure salary, would end up with nothing because that person had been contributing “their share,” which precluded saving.

But the really chilling thing she said to me was, “In 30 years of practice, I've helped dozens of clients through separations, divorces, and distributions of investments and wealth. Almost every person of wealth in that situation honestly, genuinely believed himself or herself to have been financially ‘taken.’ And not one single time was that true. Some may have indeed been emotionally ‘taken,’ but in every single instance, the (comparatively) non-monied partner was the one financially damaged by having been in the relationship.” It's all a matter of perspective, I suppose.

—*Nancy*

—*All excerpts printed with permission.* ■

To join More Than Money's online discussion group, where members of the MTM community explore the impact of wealth in their own lives, please contact our office at 781-648-0776 or visit our website at www.morethanmoney.org. Participation is open to More Than Money members only. (See p. 4 for membership information.)

Premarital Agreements

Pitfalls and Possibilities

By Douglas S. Segal



Douglas S. Segal, Esq., is a member of the Litigation Services and Family Law departments of Schnader Harrison Goldstein & Manello, the Boston office of Schnader Harrison Segal & Lewis LLP. For more than 22 years, he has concentrated his practice in Family Law and has been involved in the negotiation and drafting of dozens of premarital, postmarital, and cohabitation agreements.

Prenuptial agreements—whether to have them or not, how to do them, when to initiate them—are fraught with controversy. In a recent *New York Times* article (“Cherished, but for What?” Business section, June 2, 2002), writer Ellen Spragins wrote of prenups, “Is there a more explosive way for love and money to collide?” And indeed, the potential for family division, even before the family starts, can be great. Spragins notes that, according to Gary Schatsky, a lawyer and financial adviser, “Simply having the discussion in the first place is often an emotional nightmare. . . He estimates that 10 percent of couples cannot stomach the discussion, so they drop the idea, and that another 10 percent or so can’t reach agreement, so they drop the marriage.”

On the topic of prenups itself, writes Spragins, “Americans are sharply divided: nearly one-fifth believe that a prenuptial agreement is not needed when two people really love each other, according to a recent survey by lawyers.com, a Web site with consumer legal information from Martindale-Hubbell, while an additional 15 percent

think that such an agreement dooms a marriage to fail. (Twenty-eight percent say prenups always make financial sense, while 25 percent see them as only for the rich and famous.)”

In that same article, Ellen Perry, president of Family Office Solutions, a financial consulting practice in Washington, D.C., disdainfully calls such agreements “divorce planning when you’re at the happiest moment of your courtship.” And Nancy, a participant in More Than

Money’s online discussion group, asserts that not needing a prenup when she was getting divorced was directly related to the fact that neither she nor her former husband would ever have considered having one. (See her discussion group commentary, p. 8.) Yet, attorney Douglas Segal maintains that prenuptial agreements done well can provide a sense of safety and security for both parties, thereby promoting marital harmony.

In the spirit of resolving family differences around money as harmoniously as possible, we offer Segal’s article below, which discusses how to make a prenuptial agreement work optimally for both parties involved.

In a 1989 “B.C.” comic strip, one of the characters is looking up the term *prenuptial agreement* in the *Book of Phrases*. He finds therein the following definition: “A pact between two people who love each other almost as much as their possessions.” Ambrose Bierce, the author of that masterpiece of cynicism, *The Devil’s Dictionary*, would have heartily approved. That text defined love as “a temporary insanity curable by marriage...” The purpose of this article is to help those contemplating a prenup to avoid “curing” their beloved in the process!

When to Have a Prenup

Prenups come into play most frequently in three situations:

1) when one party has substantially more wealth than the other and wants to protect all or a portion of it in the event of divorce;

2) when both parties have been married previously and have children and want to preserve their separate estates in the event of a divorce or death;

3) where one party has been through a bitter and expensive divorce and is hoping to preclude another such trauma, should his or her next plunge into the sea of marital bliss prove equally unsuccessful.

Obviously, these three scenarios can overlap with each other. The second scenario presents the fewest emotional difficulties for the parties contemplating a prenup, particularly where both bring approximately equal wealth into the relationship. However, the first and third scenarios present a veritable minefield of potential emotional conflict,

**“Of all the kinds of intimacy there are—
physical, emotional, domestic—financial intimacy
is perhaps the hardest to achieve, and, it could
easily be argued, the most important in the long run.”**

- Suze Orman in *The Courage to be Rich*

particularly for the party who has less wealth and against whom the wealthier party is attempting to protect him/herself. (For convenience, I will refer to the wealthier party in this instance as Jim, and the less wealthy party as Jane. Of course, either party may be of either sex.)

Raising the Issue

Not surprisingly, Jane is less than thrilled when Jim first raises the issue of having a prenup. Jane sees Jim's request for a prenup as indicating a lack of trust in her, implying either that her love for Jim may be tainted by financial considerations, or that he does not trust her to act in a reasonable and civil manner in the event of divorce.

Unfortunately, where substantial sums of money are involved, few people do behave in a reasonable and civil manner during divorce proceedings, and Jim's concerns on this score are not without foundation.

The Problem

The problem here, as with most prenups, is that Jim wants an agreement that gives Jane the absolute minimum allowable under the law. This approach in turn generates two additional problems: First, it makes Jane feel devalued, and even if she does sign the agreement, the marriage begins under a cloud of negativity that can poison not only the honeymoon, but the entire future course of the relationship. Second, a harsh agreement gives Jane every incentive to

challenge it in the event of divorce, which can produce precisely the opposite result from that originally intended, i.e., instead of the prenup preventing litigation, it generates litigation that may be even more bitter and expensive than that which would occur in the absence of an agreement. Clearly, these are two extremely undesirable outcomes.

The Resolution

I have a suggestion for Jim—and for all you wealthier partners of the world who find yourselves contemplating a prenup.

**“A prenup is the closest thing there
is to divorce insurance.”**

Rather than approaching your beloved with a penurious agreement and a “sign it or there will be no marriage” attitude, try to create a prenup that:

- 1) addresses your partner's legitimate concerns about his/her financial future;
- 2) is generous enough so that it creates a real disincentive for your partner to challenge it, and;
- 3) makes your partner feel loved and valued.

In other words, although such an agreement may still provide your partner with less property and/or alimony than he or she would ultimately receive in an ordinary divorce proceeding, if you as the wealthier partner approach the process with a view to meeting your partner's legitimate emotional and financial needs, then what would likely

become a negative and divisive experience that damages your relationship at least has the potential to become a positive and unifying one. This is not to say that discussing a prenup will ever transport the participants to dizzying heights of romance. Nevertheless, at least half of all marriages end in divorce, and given those odds, it is not at all out of line for the wealthier partner to have concerns about taking a major financial hit in the event the marriage fails. We insure our homes and cars against fire and theft, even though those eventualities are far less likely than a divorce. A prenup is the closest thing there is to divorce insurance, and it is far less unpleasant for people to negotiate financial matters of mutual

concern prior to marriage, when both parties are, hopefully, deeply in love, than during divorce proceedings, when love has all too frequently given way to hatred and recrimination. This is particularly true if the wealthier partner takes the approach recommended here.

Full Disclosure

In virtually every state, one of the prerequisites for creating an enforceable prenup is full and complete financial disclosure of assets, liabilities, and income. Obviously, the disclosure by the wealthier party is more significant than that by the less wealthy one, and the greater the disparity in wealth between the two, the truer that proposition is. With Jim and Jane, the first step in the process is, therefore, for Jim to sit

down with Jane and “open the books.” If x years down the road after divorce proceedings are underway, Jane can show that Jim either failed to disclose significant assets or income, or substantially undervalued those assets that he did disclose, then Jim’s chances of enforcing the prenup diminish drastically. Since not all assets are readily or easily valued (e.g., shares in a closely held corporation, stock options, defined benefit retirement plans, and art work and antiques), the

safest approach is to use a range of values. For example, if Jim is the sole or majority stockholder in a closely held corporation, he would be well advised to value his interest “from x hundred thousand dollars to y million dollars.” Since this range of value will be explicitly designated as an estimate, Jim should not be afraid to set the high end of the range substantially higher than he actually believes it to be. In some states, the burden of disclosure and valuation falls entirely on the disclosing party, and Jane is under no duty to investigate further to see if Jim has additional assets or income, or to make any determination as to the accuracy or reasonableness of the values used by him. So as long as Jim errs on the high side in valuing his assets, the chances of the prenup being set aside on the grounds of lack of full disclosure are minimized.



“We finally hashed out the pre-nup, but I’m never going to speak to him again.”

Learning About Each Other

Once Jim has fully informed Jane as to the extent of his assets and income, the next step is to ask her what she feels she will need in the future to be financially secure and comfortable, in light of (1) the assets that Jane then owns, (2) her income-earning ability, and (3) Jim’s assets and income. Because length of marriage is such a significant factor in the property and alimony awards that courts make in divorce actions, awards of property and/or alimony in prenups are usually tied to the length of time that passes between the date of marriage and the date on which either party initiates an action or proceeding for dissolution, legal separation, or annulment. The longer the marriage, the more property Jim will transfer to Jane, and the greater will be the amount and duration of the

support he will pay to her. If Jim feels that Jane is overreaching with her proposals, he may develop reservations about her character. Conversely, if Jane feels that Jim is being parsimonious in his proposal, she may conclude that Jim does, in fact, love his possessions more than he loves her. The result in either instance may well be a bad case of wedding bell blues. In any event, the things that each party to the prenup will learn about the other during this dicey but important

process are things that every person should know about his/her intended spouse-to-be before either says, “I do.”

Conclusion

The discussion and negotiation of a prenup are delicate matters that can have a significant impact on the future of a relationship. A little sensitivity and generosity from the wealthier partner can go a long way toward assuaging the less wealthy partner’s anxiety and resentment about the concept of entering into a prenup, and producing a prenup that both parties can live with “happily ever after.”

An earlier version of this article was published in the Schnader Harrison Segal & Lewis Business Law Newsletter, June, 2000. ■

What's the Deal?

By Marty Carter

At some time in a relationship, all couples make deals. These deals may be formalized, as in a prenuptial agreement, but there are other kinds as well. Some deals are casually spoken, while others are never spoken at all; they seem to just happen.

These less formal deals may be about such major issues as career paths, where to live, whether or not to have children, or the amount of time and money a couple will devote to causes of interest. Other deals involve smaller, day-by-day living decisions, such as who will cook, take out the trash, drive carpool, or pay the bills.

The most subtle and problematic deals are those that go unspoken, and for which agreement from both parties may not have been gained. For example, in one couple I worked with, the deal was that Bill would work hard in the business and Diane would take care of the kids and house. Diane's version of the deal was that when Bill retired, the two of them would travel, see grandchildren, and pursue interests together. When Bill promised to retire and then did not, the deal was broken—at least according to Diane. She felt betrayed, though she never articulated these feelings to Bill; she simply nagged him about retiring. When I questioned them about the deal they had made, they said: "We've never said what the deal was." In fact, because it was an unspoken agreement, they didn't even realize they had made it. They now need to renegotiate the deal.

Sometimes we end up in a deal, but it turns out to be more than we bargained for. Charlie, for example, continued on p. 28

Marty Carter is a philanthropy consultant and family legacy advisor with Charles D. Haines, LLC (www.charlesdhaines.com). She works with wealthy families, family businesses, family foundations, and family offices, focusing on family dynamics and money matters. She also serves as consultant to the national Council on Foundations in Washington, D.C.



HE SAID

Arguing About Money

Money talks, but couples often don't. A husband and wife agreed to talk (anonymously) about how they talk about money. The following is an excerpt from their conversation.

HE: We argue a lot about money, and it's a pain. Theoretically, I assumed that the more money you had, the easier it would be. It just seems ridiculous to have arguments about money when money is not a problem. But we do argue about it. The fact is, having more money brought about a different set of problems than before. I thought having money would be like a "Get Out of Jail Free" card so that I'd never have to fight about money, and that's not the case, and it aggravates me.

SHE: What looks like a fight about money is not always a fight about money. Sometimes it's a money conversation, but it's really about something else entirely. It could be about the in-laws, or about one of us not feeling valued, or it could stem from deep-seated fears or resentments from God-knows-when.

HE: That's right. I think a lot of it comes from moving up, in terms of wealth. People advance at different levels, and when you advance financially, your value system from childhood meets a social uptick. One half of a couple may want to give more money away, while the other may be locked into the mentality of the middle-class giving levels to which he or she is accustomed.

SHE: I identify with that totally.

HE: I think you can divide money problems into two categories: chronic and acute. The chronic issues are major problems that keep popping up in various guises and are continually reviewed, discussed, and debated. Chronic problems never go away unless major change happens.

SHE: We have some of those. We have been at odds over some of the same issues for years. We just disagree about these things. We may move closer and understand each other's positions a little more, but basically, we are not going to see eye-to-eye on these things, and we are always at risk of having a disagreement about them.

HE: Acute problems are usually short-term situations. They're more easily dealt with—it's possible to dispense with them through a simple compromise. They're not a big deal unless you let them become a big deal or unless you insist on making them a big deal. And if you do that, an acute problem can become chronic.

For example, you want to put \$500 in the collection plate every Sunday, and I think a hundred is plenty, but I

SHE SAID

like to give bigger contributions for special projects. We compromise.

SHE: Yeah, we do it your way. Is that what you call compromise?

HE: Yes, it is. This time we do it my way. Another time we do it your way. Other times we'll talk about it and meet halfway.

SHE: Let's list some of the money issues we're still discussing.

HE: Well, let's face it: These are the biggest questions of life.

(They begin peppering each other with questions.)

How much is enough?

Why do you work?

Should we be out having fun or doing charity work?

What are you on this Earth for?

What kind of budget is appropriate?

What kind of control do you exercise over your spending?

Should you give to this charity or that one? How much?

Should you coordinate your philanthropy, each pursue individual interests, or both? To what extent?

What do you do with the kids?

What do you tell them, and when?

What limits do you place on their spending and receiving?

When should you give them money? How much?

Should you expect anything in return when you give gifts to children, other family, friends?

Should you make loans? What if the loans are not repaid?

Should you hire relatives? What if they do a lousy job?

What kind of house? How many houses? Cars? Boats?

Does the one who earns most of it keep most of it?

Should marriage partners split everything 50-50 regardless of who earns it?

Who gets what when we die?

How much should we give away, spend, or otherwise distribute during our lifetime?

SHE: Oh, man, we have had a discussion about every one of these things, and we have had some hard words and hard feelings about some of them.

HE: Yes, but we love each other and we are committed to working things out.

SHE: That's right. What do you think of starting our Last Will and Testament with, "Being of sound mind, we spent it all!"? ■

Non-traditional Relationships: Words to the Wise

Written agreements are especially important in non-traditional relationships. Unlike formal marriages, non-traditional unions do not automatically have legal protections built in, e.g. some transfer of wealth in the event of divorce or death. In many states, courts are reluctant to enforce oral contracts between non-married co-habitants for financial support or property division (since the courts have nothing to go on but the relative credibility of the two parties), whereas, if called upon, courts will interpret and enforce a written contract. "We lived together for x years and all these promises were made . . ." may be the truth, but without a written agreement to back you up, you won't have much to stand on.

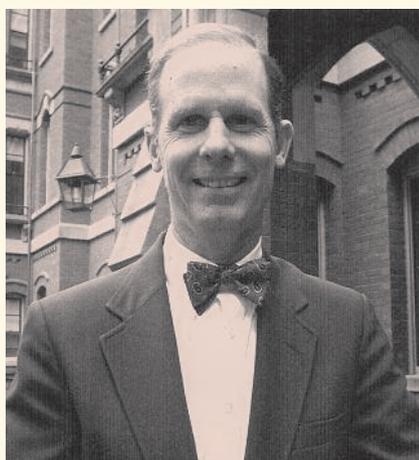
Couples in non-traditional relationships are often reluctant to talk about a written contract when the relationship is going well—for the same reason that people are reluctant to bring up a pre-nup agreement: They feel it reflects a lack of trust. In my view, it is better for everybody to sit down when you are still on good terms with each other and work something out that protects both of you, rather than leave it up in the air and, later, try to convince a court or third party that you have been wronged. It is much more difficult to reach a fair agreement when things go sour and feelings get hurt. That's just human nature. Whether a couple is gay or straight, married or unmarried, the principles are the same. If you are concerned about protecting your rights, the most prudent course of action is to have some kind of written agreement. It can save a lot of heartache down the road. ■

— Douglas S. Segal (See his article, "Premarital Agreements: Pitfalls and Possibilities," pp. 7-9.)

Resolving Family Differences

Asking the Big Questions

An Interview with Charles Collier



*Charles Collier is Senior Philanthropic Advisor at Harvard University and works with individuals and families on issues of strategic philanthropy and family cohesion. His book, *Wealth in Families* (Harvard University, 2001), helps families think deeply about financial wealth and its effects on their lives. Mr. Collier is a senior fellow of The Philanthropic Initiative and serves on advisory committees at the National Center for Family Philanthropy and the Family Office Exchange Learning Academy.*

MTM: Your book, *Wealth in Families*, stresses the importance of families asking what you call “the big questions.” What do you mean by that and how does it help resolve family differences?

CC: I think asking essential questions is a key to family cohesion. I call it “the art of questions.” When I ask parents what they want for their children, they say: “I just want them to be happy.” Then I ask an important question: “What will make them truly happy?” They typically respond, “Being passionate about something.”

There are things more important than money in a family, but so often we act as if money is what matters most. I would say that the most important things in a family are a sense of purpose, meaning, and identity—and that having those qualities is what will make your children happy. So the question to ask becomes: “How can we nurture the growth and development of our family members, and what role does money play in their life journey?” By discussing that question, financial tensions and family differences may be resolved more harmoniously.

MTM: Are there other questions families need to ask themselves?

CC: Before families can make effective decisions about money, they ought to ask themselves a number of big questions, chief of which are: “What is the meaning of our family’s financial wealth?” “What does our family want

to preserve besides our financial wealth?” and “What is our family’s purpose?”

MTM: How do families answer those questions?

CC: First, families ought to understand that they have four dimensions to their family’s wealth (as developed by the faculty of the Family Office Exchange Learning Academy):

Human capital has to do with talent, skills, and “calling.” Human capital needs to be nurtured and grown over a lifetime. To do that, you can ask your children: “What are you good at? What are your talents and gifts and how can we invest in them?”

Intellectual capital is about knowledge, communication, and managing family differences and conflict. To foster the development of intellectual capital, you can celebrate differences in learning styles, encourage lifelong learning, and think deliberately about family governance.

Social capital has to do with civic engagement, developing bonds and networks to your community, and extending care beyond your own family. To develop your family’s social capital, you need to ask: “How do we raise compassionate children? How do we encourage our children to form and sustain a commitment to the public good?”

Financial capital is your money and other assets, such as stocks, bonds, and real estate.

For Charles Collier’s 10 best practices of a successful family, visit www.morethanmoney.org/issue30.

I suggest that the purpose of financial capital is to enhance the other three dimensions of true family wealth. The real wealth of your family is not financial. Financial wealth is simply a tool to enhance the growth of every family member, no matter what life journey they are on.

MTM: Would you say more about how asking the questions resolves differences and promotes family harmony?

CC: Just asking these fundamental questions is not enough. You need to act on the answers. For example, you might ask your son or daughter, “What is your passion?” and “How can we invest in your talents and interests?” If a career as a boat builder is not your family’s definition of success, yet that’s what your son or daughter wants to pursue, then what do you do? You need to allow your children to dream their own dreams, but it’s not easy.

Parents may want to ask themselves, “In what ways are we using money as a form of control?” I would say a key issue in wealthy families is the inability to let go of their children. For example, when a young person in their late twenties rejects the family money, there is often an issue around control. The individual may have the perception that the parents are controlling him or her with money—and the parents actually are! The issue is not really about money—money is the tool for control. To resolve the relational issue, parent and child have to reach out to one another. Usually, it is a parent who needs to take the first step by reflecting on his or her contribution to the relationship.

Many wealthy families tend to overprotect and rescue their

children. They often think money can “fix the problem.” For example, they or their lawyer will call the boarding school headmaster to get their children out of trouble. I like to remember what Albert Camus said: The purpose of all that love is that they shall separate.

MTM: How might “the big questions” affect family communication?

CC: When you are deciding what to do with your financial resources, if you start with the question, “What is the meaning and purpose of our family’s financial wealth?” the decision process has the potential to enhance communication and personal growth for the whole family. The process itself holds within it the statement of what the family values. For example, if a family decides to leave 90 percent of its money to the family, 10 per-

Legacy Planning: Letting Go

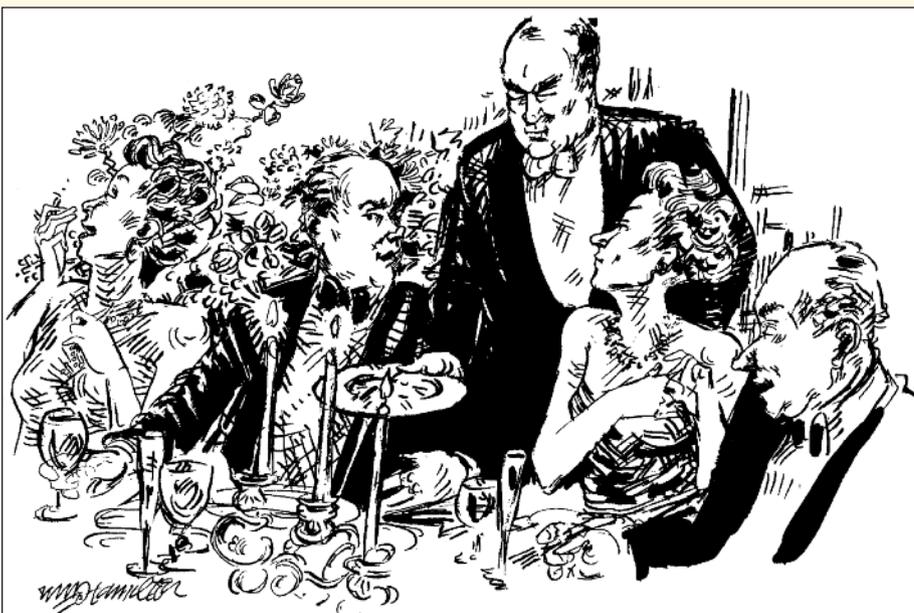
When transferring assets to the next generation, these steps will help you release control and promote children’s financial competence and independence:

1. Transfer the money in flexible trusts.
2. For children who are beneficiaries of trusts, include them as co-trustees.
3. Think about one of the trustees being someone outside the family who can act as a mentor.
4. Give the child a say in who the third trustee is.
5. Pay for your son or daughter to have his or her own fee-only financial planner (not the same as yours).

—Charles Collier

cent to tax, and nothing to charity, just as important as the final decision is the process that was used to reach it. Having that discussion over time among family members holds enormous possibility for growth and for clarifying the family’s values, as well as for enhancing everyone’s human, intellectual, and social capital. If the parents make the decision alone, the children may feel disenfranchised—they may feel as if their parents do not value their contribution, as if they do not value them as people.

That is the ultimate decision—how are you going to address these questions? Engaging in these kinds of conversations with your family over time forces you to think about your values, to communicate, to



“I like the big questions—but I’m more comfortable with money.”

resolve conflict, and to be lifelong learners. It's not something you do in one weekend retreat. The process itself is an incubator for the competencies of the four capitals, including how the family will deal with money in the next generation.

MTM: Do you do this in your own family?

CC: I'm trying! In my family, something positive that grew of this approach happened recently with my father. He is 88 and has 10 grandchildren, and has sometimes shown more preference to some of his grandchildren than others. Because of family meetings we have had, my siblings and I decided to

Family Meeting Tips

- Rotate the leadership of the meeting among family members. (Sometimes you may need an outside facilitator.)
- Give everyone input on the agenda.
- Meet regularly; for example, at least once a year as an extended family, and more often with committees (such as a family foundation meeting).
- Start your first family meeting by talking about family stories, traditions, rituals, or history, before tackling more sensitive issues, such as financial wealth and family philanthropy.

—Charles Collier

his grandchildren (independent of their parents) that charitable giving is important. The grandchildren all had a positive experience around giving. The amount of money was not important; the process was.

MTM: It sounds as if you have had good results with family meetings. Would you say more about them?

CC: Because of positive experiences in my own family, I'm a great advocate of family meetings. They send two wonderful messages: You count, and you belong. This is a process that takes time, but you can get noticeable effects fairly quickly. You may struggle in the first meetings to get it right, but it will get better over time. (See sidebar: Family Meeting Tips.) Some family topics are so emotionally charged that you need

an outside facilitator. A facilitator will often interview individual family members before a meeting. I know of families who, with a capable outside facilitator, worked through issues and, in six months, resolved serious conflict and increased family cohesion. Of course, it entailed a commitment of time and effort.

It's important to remember that enhancing family harmony is a learning process—and it can take a lifetime. I like to think of the learning curve. You start out at the bottom, where you're in a state of "chaos." Then you grow more competent as you go along. Eventually, you may level out, and then you might start off in a direction of learning something new, or of staying where you are and going deeper into that learning. I like to ask families: Where are you on the learning curve? Where is your family on the learning curve? What are you called to do next? What impact does your family want to have? ■

—Interviewed by Pamela Gerloff

Charles Collier's book, *Wealth in Families* is available (in single copies or in bulk) from Harvard University. To order, call: 617-495-5040.

Family Foundations

Family foundations can both harmonize and accentuate family differences. The following resources can help you start or run a family foundation:

Council on Foundations
www.cof.org

Foundation Strategy Group
www.foundationstrategy.com

Grantcraft
www.grantcraft.org

The Family Foundation Advisor (newsletter)
www.bbpnews.com/familyfoundation

The Foundation Center Learning Lab
<http://fdncenter.org/learn/topical/family.html>

The Foundation Incubator
www.foundationincubator.org

The Institute for Family Foundations
www.familyfoundation.com

The National Center for Family Philanthropy
www.ncfp.org

For additional resources, please see Resources, p. 34.

Step by Step

Our First Family Meeting

By Sue Gilbert

Sue Gilbert is the great granddaughter of a famous industrialist. Here, she gives a practical, step-by-step account of her branch of the family's first meeting about issues of wealth. For additional resources for planning and conducting your own family meeting, please see Resources, p. 34.

When my five siblings (“the Sibs”) and I received our inheritance 22 years ago, there was no guidance available from our elders. In an effort to make it easier for the next generation (“the Cousins,” ages 16 to 33), we Sibs recently hosted a family discussion called “The Power of Money.” Our goals were to address issues surrounding wealth, to share our varied perspectives with our children, and to exchange resources. We requested that all topics be generated by the Cousins. Invitations were e-mailed a month in advance. For convenience, the meeting was held in the New York hotel where we gather annually on family business. Two weeks ahead, we called for topics, inviting Cousins to contribute whether they could attend or not. The subject of wealth began to crisscross the Web.

We met in my suite on a Friday evening, serving food buffet style. Out of a possible 22 of us, 11 attended and two others participated by e-mail and telephone—pretty good for the first time. As we formed a large circle in the living room, I welcomed everyone, focusing on our purpose in gathering. We began with three minutes of silence, setting the intention to leave the day’s cares behind. A tape recorder and microphone were set up on the coffee table. We agreed to use the microphone as a “talking stick,” a technique borrowed from Native American ceremonies. Anyone holding the mike could speak without interruption. This made for more effective listening.

The topics were written on a white board as the Cousins called them out. These served as a discussion guideline. To allow everyone a chance to talk, we established a limit of three minutes per person per topic. Our first topic was: Why do we hide our famous family name and how does this hiding affect how we feel about it? Other topics included how we feel about our wealth, having more than our friends, and lending or giving friends money. The Cousins were very open about their anxieties. It was gratifying to hear how the Sibs have come to

terms with these issues, each in our own way.

We also discussed giving back—through tithing, philanthropy, and gifts of time. My newly-married niece observed that most of the Sibs have been divorced. What part did unequal money play in the demise of our marriages? The Sibs rose heartfully to answer her question. The last topic of the evening concerned the issue of “proving oneself” by working before being allowed into a trust fund. I distributed copies of *More Than Money Journal* as a resource. After three hours, we ended the meeting as we had begun: standing together in a circle.

Afterward, I sent a shortened transcript to all 22 family members. I hope it will stimulate further discussion, though it is too soon to tell. Without question, we have deepened our relationship to one another. As we have returned to our lives, the circle we established in the room that night continues to nourish and enfold us. ■



“Before we begin this family meeting, how about we go around and say our names and a little something about ourselves.”

Respect in Families

An Interview with Sara Lawrence-Lightfoot



*Dr. Sara Lawrence-Lightfoot, a sociologist, is Professor of Education at Harvard University. Her works include *Balm in Gilead: Journey of a Healer*, *I've Known Rivers: Lives of Loss and Liberation*, and *The Good High School: Portraits of Character and Culture*. Her most recent book, *Respect: An Exploration* (Perseus Books, 1999), is an in-depth examination of the nature of respect as it occurs in individual lives.*

Dr. Lawrence-Lightfoot is the recipient of numerous awards, including the prestigious MacArthur Prize and Harvard's George Ledlie Prize for research that "makes the most valuable contribution to science and the benefit of humankind." She is currently chair of the board of the MacArthur Foundation.

Here, she offers reflections on how respect applies to families and money.

MTM: What is respect and why is it so important in families?

SLL: Most people who study respect talk about it very differently than I do. They talk about it in a hierarchical, pyramidal way—with the more powerful people at the top and the less powerful at the bottom. Those at the bottom are supposed to be deferential to those who have more skills and more power. Approbation is given to those at the higher end of the totem pole. One is respectful to one's elders, to one's teachers, to the CEO of the company. It's fairly impersonal.

My approach is to reframe the whole notion of respect. The image I use is of a circle, rather than a pyramid. Even if there are differences in power, knowledge, or resources, there is still a symmetry and equality to respectful relationships. It is respect that creates that symmetry.

I watch for the nuance and detail of how people communicate respect—how it really looks in action. Respect is rarely carried just in talk. We see respect more clearly in behavior, action, and interaction. Children learn about respect primarily through watching their parents operate—watching how they treat their neighbor, or how their parents show respect with money when the children are given an allowance.

In families, it is respect that generates a feeling of empathy for one another and appreciation for what each contributes in different ways. This respect builds trust and communication. An example is the common scenario where one spouse is making most of the money—or there is some other unequal amount of resources coming in. That should not mean that the person who is bringing in more resources should get more respect. In our society, so much of people's worth gets equated with how much money they make—with material resources and wealth. The view of respect I take challenges those inequities and those hierarchies that are based solely on material resources.

So I view respect as carrying empathy and trust and communication among equals. Whoever you are, you are worthy of respect. That respect creates the equality.

MTM: How can families cultivate respect?

SLL: It's more about doing and embodying than it is about telling and teaching. When I was a small child and lived out in the country with my family, we would sometimes come into New York City in our Ford station wagon, with my siblings and me in the back. I remember driving across the George Washington Bridge and my father paying the toll, which was 50 cents at the time. The people who collected the tolls wore uniforms, and they had their names on them. My father would greet them every time, saying, "How are you, Mr. So-and-So? How are you doing today?" He would look directly in

the man's eyes. He established contact. He would always reveal a kind of respect for this man and what he was up to. I remember that, and watching the man's surprise that anyone would greet him by name and actually look into his eyes. There was a wonderful moment in that surprise. I remember watching that as a child, and then later, *anticipating* that—and getting such pleasure out of seeing my father doing that.

Children do that. They watch their parents cultivate respect in their relationships. This giving of respect can feel almost invisible. It is carried in those small gestures—not in great, bold proclamations, but in small moments of surprising intimacy and empathy. It is particularly important for people who are “invisible” in society to experience this kind of respect, because we generally don't pay attention to the work they do or the contributions they make.

MTM: In your book, you discuss different dimensions of respect. How do those relate to family differences and money?

SLL: *Empowerment* is one dimension I explore. When we are respectful of others, we try to figure out a way to offer them the knowledge, wisdom, and resources that they need to be able to take care of themselves and navigate in the world. One way to give respect is to share information; to help the other person in a relationship or family develop financial skills and knowledge, as well as the resources needed to take part responsibly in that process. Imagine a conversation about money where you are not withholding information, not keeping secrets; instead, you are offering up what you know about money, and the ways you know of to take care of it. Respect is carried through the empowering process. As you empower others, you are offering them respect.

Another dimension I examine is *dialogue*. This involves communicating honestly, listening to the interplay of ideas, developing a discourse that's meaningful and authentic, and finding a way to move through misunderstandings—even through rage and anger, towards reasoning and reconciliation; hanging in there and trying to go back and renegotiate the conversation. Those are crucial for conversations about money, which can be so hard to talk about in families.

With money, we all come carrying such baggage from our own families of origin—how we were raised to attend to money, to value it, to hoard or not hoard, splurge or not splurge. Every family has a money curriculum that gets taught over time and is passed on to the next generation. In couples, each partner comes with a different curriculum. Respectful relationships need to begin to expose the principles of those curricula and to enter into a dialogue that expects conflict and is able to move through it toward reconciliation. This is not just one dialogue—it isn't as if you sit down at the kitchen table and say, “Let's get this settled”—it is a conversation that is reiterated time and again. These are deeply held values and it's important to be able to discuss them over time. People's

perspectives change and evolve and the dialogues need to be able to address those developments.

Attention is the quietest of all the dimensions of respect. When you are respectful of another, you try to listen and be receptive to what a person is really saying. It doesn't necessarily mean that you are always quiet. One can attend in a dynamic and vigorous way. So much of what we take for communication and talk doesn't include genuine, undiluted listening. Being completely present and engaged is what I call attention.

“Even if there are differences in power, knowledge, or resources, there is still a symmetry and equality to respectful relationships. It is respect that creates that symmetry.”

Because money conversations are such hard conversations, and because people often get defensive and calculating, people tend to talk over or past one another when discussing money, instead of to one another in an engaged way. The respect we hope for in a conversation—this quality of being completely present—is really important with adolescents. I suspect that most of the fighting between

"Respect is carried not in great, bold proclamations, but in small moments of surprising intimacy and empathy."

adolescents and their parents is not about drugs, alcohol, or school, but about money. Money stands

for both independence and dependence. To assert autonomy in our society, young people need money—they need it to take a girl out to dinner, to make a trip down to New York—but they also need to be dependent on their parents. Parents often use money to control and manipulate and keep their children dependent. Navigating that treacherous relationship requires a great deal of respect.

I remember my children saying, "Mom, be quiet and listen to me." When I don't listen with this quality of attention, they experience me as talking over them, not really being prepared to listen to them. But when I bring my full attention and open myself up to whatever their point of view is—when I put myself in their shoes empathically, to see what this money thing might be for them, they feel I'm really listening, a sign of respect.

So all of these are vital to respect in families—*empowerment*: giving kids, and others, the resources and knowledge to act responsibly and to be accountable in reference to money; *dialogue*: learning how to move past differences toward understanding and reconciliation; and *attention*: having your receptive antennae up, being restrained, not talking over others, trying to genuinely listen in a complete way to where they're coming from. Respect is carried in all of that and might have a whole lot to do with figuring out a way to put money in its rightful place in families.

MTM: Why do we so often not offer respect? Why does it seem so hard to do?

SLL: To be respectful inside families is so much harder than out in the world. It's hard to sustain and nourish respect day by day. When a three-year-old grabs her mother's cheek and turns the mother's face toward her, so the mother has no other option than to offer this kind of attention, the child is demanding that the mother listen to her. Yet the mother is so tired and exhausted at the end of the day. The ways we know respect needs to be nourished get left at the door when we

walk into our homes. But we need to be attentive to nourishing this respect—not taking

people for granted; finding ways to nurture, to look people in the eyes, respond to them, and not talk over them. All of that is extremely hard to do inside families. I experience it constantly, especially when I return home from being out on the road talking about my book on respect! It is then that I experience how very hard it is to actually live that message with my daughter who is 21 and my son who is 19.

It is harder, too, in families because you care so much and so passionately. The stakes are higher in doing this work of respect in your own family. Also, because respect is carried gesturally, people who love us know what we are really communicating, even when it would not be visible to those who know us less well. In a recent fiery conversation I had with my son, he said, "I'm going to ask you to take that smirk off your face." No one else would have seen this "smirk," but there must have been something in the curl of my lip or the crinkle of my eye that communicated disrespect to him. He couldn't have a serious conversation with me because the expression on my face felt to him disrespectful. All of this is part of the embodiment of respect that is required in a family. It is much more rigorous than when we're out in the rest of the world. For all those reasons, giving respect is that much harder to sustain in families. ■

—Interviewed by Pamela Gerloff

Our Differences Can Change the World



By Bob Kenny

Bob Kenny, Ed.D., is the executive director of More Than Money. For more than 20 years, he has worked with individuals, communities, and organizations to identify and address the gaps between their stated values and the reality of their lives.

Americans are an argumentative bunch. The shouting can be traced all the way back to the revolution, when the colonists decided to pick a fight with their British kin about money and government. Because the colonists ended with the last word, a country was born—one based on what could only be described as the mother of all family arguments.

And the arguing didn't stop when the last redcoat left. The Constitution, the Declaration of Independence, the Bill of Rights, indeed every aspect of what became the new American government, was created on the basis of—and in anticipation of—argument, disagreement, and even bloodshed. (Does anyone remember why Hamilton and Burr were feuding in the first place?) Out of this bickering came some of the most profound, eloquent, and durable covenants in the history of humanity.

Let's take the Declaration of Independence as an example. When Thomas Jefferson wrote the Declaration of Independence, he put down on paper some basic moral principles that were shared by many colonists. Those words resonated then, and continue to do so. Those basic moral principles help us

argue about important issues, such as racism and sexism, even today.

I would suggest that vision and its successful achievement—whether in a country, in an organization, or in a family—is vitally connected to moral principle. When we speak to people's moral sense, as Thomas Jefferson did so eloquently with the Declaration of Independence, something powerful happens. People get charged

up and motivated in powerful ways. The Declaration of Independence incited a riot, which turned into a revolution, and that was precisely its intent. Jefferson and the rest of the Founding Fathers were interested in fundamentally changing the way people thought about government.

At More Than Money, we have a similar mission. We want to change the way people think about money and wealth. So let's take a closer look at who these Founding Fathers were. Besides Jefferson, there were John Hancock, Henry Lee, Robert Livingston, and Jonathan Witherspoon, to name a few. All were signers of the Declaration of Independence, and all were extremely wealthy individuals. George Washington was one of the three wealthiest men in the country when he became our first president.

I can't help but wonder: If these men were alive today, would they be members of More Than Money? They recognized certain moral principles, and the

importance of acting on them—what we might call moral courage. At More Than Money, we try to help people think about their own moral principles and how they can act on them—express their moral courage, if you will—in

“Out of this bickering came some of the most profound, eloquent, and durable covenants in the history of humanity.”

ways that can create a more joyful, just, and sustainable world. Or, said another way, create a world that can foster “life, liberty, and the pursuit of happiness.”

The final line of the Declaration of Independence reads: “We pledge to each other our lives, our fortunes, and our sacred honor.” Jefferson and company signed a document that supported their principles, and then went public with that document for the world to see. As Bill Sullivan of the Carnegie Institute put it, this was not a limited-liability contract. It was a full-blown covenant made to each other to support and do the right thing, for now and for posterity.

Sometimes arguments and disagreements can change the world. The adventure comes in working out these differences, and in what the differences allow us to become. In identifying and sharing some basic moral principles—as individuals, as families, as communities—we can draft a roadmap for how to live and behave in the world. ■

PERSONAL

The Glue That Holds Us Together

A Conversation with Van Woods

Visitors to New York City go to Harlem to see the Apollo Theatre and to eat at Sylvia's (www.sylviassoulfood.com), a renowned restaurant named after Sylvia Woods. Van Woods is the oldest of Sylvia and her husband Herbert's four children.

My family has been able to do a lot with our family business—a successful restaurant in Harlem—because of two things: We are hard workers, and we stick together when difficulties arise. We are close-knit mainly because of my mother, who is the nucleus of everything. I believe that closeness in a family develops because there is a central person whom others rally around. That person is able to transform negativity into something positive.

I was the first-born and the others thought I was shown favoritism. That was true emotionally, but not materially. Being older than my siblings, I did not grow up in the family business as they did. Not wanting to be on the family's payroll, I created other businesses. When our generation took over the restaurant, the family asked me to come back into it. Since I didn't know how to cook or serve customers, I took on buying the real estate and handling the expansion of the business. I got credit for being the brains behind things while my sisters and brother were doing the physical work. (I have always thought my brother and sisters should get more credit for their work, but the media often focus on the individual rather than the group.) This is where some tension started.

We have always divided everything



Van Woods, with his mother, Sylvia Woods

six ways, among our two parents and the four children. We now have 17 grandchildren in the family—so the number of people living off the business has grown. The rest of my siblings think we should continue to divide everything equally, but I don't. For things that I created, I feel I should have a larger share—to make up for the sacrifices that I made in the past; I invested my money in expanding the business and creating new businesses, rather than investing in a beautiful home.

The original business was the restaurant. Then I arranged for us to create a restaurant franchise. We took on a large investor—a big, blue-blooded, financial institution, J.P. Morgan. It was very

unusual for them to invest in a small black business. I also created a packaged food product that we sell around the country. Because it is food-related under the Sylvia's name, even though I did all the creative work, I'm obliged to share the ownership equally with my siblings. I believe that as the owner-representative I have the right to pull more cash from it than they do. What I have is my creativity, and I feel it's only fair for me to be compensated for it.

Our parents were unhappy with our disagreements. Since we didn't want to see our mother unhappy, we always resolved our differences. All she had to do was say, "Why are you all doing this? What's wrong with you?" continued on p. 25

STORIES

A TALE OF TWO HEIRS

When One Gets More

By Natalie

With my younger brother, David, Dad is the Lone Ranger and Buzz Lightyear all rolled up into one superhero. Dad comes racing to the rescue whenever David needs money. My brother rarely hears the word, “No.”

With me, it’s a different story. Don’t get me wrong: Dad is an exceedingly generous and doting father to me, too. I would not hold my present wealth if not for his vision and continued generosity through annual gifts and allowances. But with David, Dad has great difficulty setting financial limits, whereas with me, he sets appropriate boundaries. Most of the time, it feels as if there is no end to my brother’s open line of credit at The Great Bank of Daddy. This difference in how my father treats the two of us has created considerable tension in my relationship with my brother.

The tension began shortly after David’s trust matured when he reached age 30. (The terms of the trusts and the amounts gifted to our trusts were completely equal. Today, we are both in our forties.) For me, learning to manage my money became a passion. Meanwhile, my brother blew his entire inheritance within a few years. Dad elected to completely subsidize David (for reasons he feels are valid), and he continues to do so.

I could nitpick with examples of my brother receiving more than I, but the real story is how I’ve made peace with the differences.

Here is how I did it: I befriended my brother. I simply grew to understand that it is not his fault that he is spoiled and overindulged. How can I fault him for having no boundaries with Dad when Dad has few boundaries with him? It has been that way since childhood. When David had a bad day, he would ride his bike to the toy store and say, “Charge it” in grand style. Dad always blew his top when the bill came in, but he never sent the toys back. Like most wealthy children, David and I both had too many toys, but occasionally Dad made me work for a special one. For instance, I bought my first bike at age six with five dollars saved from my weekly allowance of 35 cents. I have no idea if my brother was ever encouraged to play by these same rules.

The main thing I remember is that my allowance stayed in my Snoopy piggy bank and sat on my desk. Meanwhile, my brother was deemed fiscally irresponsible by age six or seven, and his allowance stayed locked in Dad’s desk. He had to ask for “withdrawals.” I believe this set co-dependency in motion.

Befriending my brother as an adult has been easier because I have discovered that being the “good kid” comes with fringe benefits. I have my father’s respect. Dad is leaving no strings attached to my portion of his estate. I will not be mired down in a trust. I have also been designated to have limited, durable power-of-attorney over his estate. In contrast, Dad has chosen to keep my brother’s portion of his future inheritance in trust until he sees fiscal responsibility from his son.

Not long ago, I freed myself from anger toward Dad by asking for a very modest “raise” in his will. At first, this was a

shock to the entire family system. Dad ranted and yelled and, in general, blew his top. I cried and felt devastated. It was not about the money—it was that, once again, I felt as if there were no reward for being good. But I was wrong. After a few

weeks, Dad changed his mind and agreed to my request.

I also asked Dad to create an estate planning document, listing our individual annual gifts should he become incapacitated. As his limited, durable power-of-attorney, I need Dad to clearly state exactly how much money I am supposed to dole out to my brother each year.

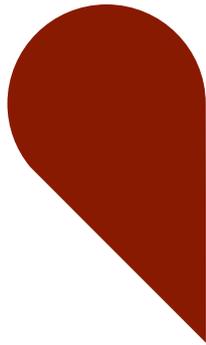
I have also set my own boundaries. I’ve made it clear that I will encourage my younger sibling in any way possible, but The Mid-Sized Bank of Natalie is not open and will not be opened. I have also declined requests to become my brother’s future trustee.

Ironically, my younger brother is becoming my advocate. He is beginning to voice his belief that this inequality in current giving is not fair to me. I have no idea what will become of my brother’s attempt to advocate on my behalf, but it touches my heart to know that he cares. ■

“I could nitpick with examples
of my brother receiving more than I,
but the real story is how I’ve made
peace with the differences.”

A Sliver of Love

A Conversation with Andrew



Money in our family was like a Geiger counter. There was always an underlying *tick tock* that said, “We have to get it as cheaply as possible. We can’t spend money.” My mother struggled with that her whole life. She was a Depression girl and for that generation, pennies mattered. When I wanted to go on a date, if the girl lived too far away and my mother thought it would take too much gas to go pick her up, she would dissuade me. One time my brother Ron wanted to buy a pair of pants and when we got to the checkout counter, we discovered the price was one dollar more than my mother had thought. She and Ron screamed at each other about buying the pants. And one time, I accidentally hit Ron in the nose with the back swing of a golf club and his nose started to bleed. I wanted to call a doctor, but she wouldn’t let me because house calls cost money.

It might have been the sickness about money in our family that moved my brother to try and steal the family fortune.

As soon as my father died, Ron got my mother to sign papers saying he would be the only one in charge of the money if she were declared incompetent. A few years later he got two doctors to sign papers saying she was incompetent. When we got a statement from our investment firm saying there was no money left in our account, I called Ron up to try to find out what had happened. I thought maybe he would say, “It must be an administrative error.” Instead, he said, “I lied to you, betrayed you, deceived you, and there’s nothing you can do about it.”

When I called the investment firm, I discovered that Ron had total control of the money. He hadn’t put my other brother and I on as co-trustees, as he had promised he would. I didn’t know what to do. He was my kid brother and I loved him. A lawyer told me there was nothing I could do except send him a stiff letter saying he had financial responsibilities. I was confused and didn’t really care about the money. I thought, “If he wants the money so much, let him have it.”

**“For the first moment ever in my life,
I felt a little sliver of love between us.”**

But someone else told me I couldn't let him get away with that. I called another lawyer who got

my mother and her physician in the same room and my mother signed a statement saying that anything she had signed up until that point was null and void. The document also created a trust with all three brothers, with no amendments allowed unless all of the brothers and my mother agree to the amendment. So we did regain control of the money, but Ron hasn't spoken to anyone in our family since, including my middle brother and me. We both forgive him—after all, nothing bad happened, in the end. Perhaps he was unsuccessful at stealing the money because some part of him really didn't want to. I'd love to start talking with him again.

Although Ron and I have not reconciled, my relationship with my mother, including around matters having to do with money, has gone through profound transformation. At the end of her life, we had finally created a very loving relationship. She had grown very generous toward me, though not necessarily toward herself. One time she wanted to give me \$5,000 for a new kitchen. I was a bachelor living quite simply and I didn't want a new kitchen. She called me up the next day and said, “I think I was trying to control you. I'm going to send the check for \$5,000. You can do whatever you want with it.”

That change in our relationship may have happened because I have always tried to be loving to my mother—but I also didn't speak to her for four years. She loved to fight. If I asked her to stop yelling at me she'd scream, “Don't try to control how I talk! You're a Hitler.” After our four-year break she was afraid I might stop talking to her again. When she started yelling at me, I yelled back, “Ma, stop talking to me this way. How do you like it when I speak to you this way? How does it feel?” She left the room. The next morning she said, “I think we should talk to each other more kindly.”

After that she invited me to visit her in Sarasota. When I was about to go home, she uncharacteristically said, “Is there

anything you would like to do?” I said, “I'd love to visit the nature preserve.” At first she said

no, and I knew it was because it would cost gas money. But she changed her mind because I was leaving, so she said, “I'll take you.”

At the nature preserve, we were walking along looking at the crocodiles in the rivers and an armadillo crossed the road. Mom said, “Wow. Isn't that cute?” Suddenly, I felt as if there were all these shells of armor between us dissolved. For the first moment ever in my life, I felt a little sliver of love between us. After that, that little moment of love grew. She became the most appreciative person I've ever met in my life. My job from then on, as I saw it, was to be the only person in her life to consistently love her.

I had the experience of the “evil mother” replaced by a much more loving and appreciative one. She also softened toward Ron. She knew what Ron had done, but she didn't hold it against him.

Ron might not talk to my other brother and me for the rest of his life—which would be very sad for all of us. I imagine he needs our forgiveness, and he has it. It's “pre-approved,” although I would not trust him with money again. What he did still boggles my mind—I am amazed that he could have planned it so much. (He had been planning it for three or four years.) He and I were allies in a very difficult family. We loved each other. I still have tears in my eyes telling this. But looking back, we did have a warning. He had betrayed me once before. Someone more alert than I would have realized then that he couldn't be trusted. We let him handle the finances and I wouldn't give him that control again. As Red Auerbach said, “If someone deceives you once, it's their fault. If it happens twice, it's yours.” I've learned that it's not a kindness to trust people with stuff they can't handle.

—Based on an interview with Pamela Gerloff

Choosing Not to Judge

By Benjamin

At a young age, my grandfather discovered that he had inherited enough money to survive without having to work. He was deeply ambivalent about his inheritance and what people would think of him, and he passed this ambivalence on to both his children and grandchildren. Despite his own long career working (without receiving an income) and his mixed feelings about inheriting, my grandfather set up trusts for all of his grandchildren, before any of us were born.

By the time I became aware of my inheritance, my older cousins and siblings (there are 17 of us) had been wrestling for years with issues that often accompany inherited wealth, such as feelings of guilt and isolation or decisions about how much to give away or share with spouses. In order to break the family silence around these

issues, many of the grandchildren decided to gather together and speak about our struggles. Our silence had arisen from a sense of etiquette and humility, but also from the fear of what others would think—both within the family and outside it.

At the gathering, we realized that we had much in common. For example, our grandparents had believed strongly in philanthropy. They made a habit of giving away at least one-third of their income each year. This habit of philanthropy has extended into the succeeding generations; the children and grandchildren are involved in public service and philanthropy, locally as well as internationally. We also discovered that there were big family messages—largely unspoken—that had been passed down to all the cousins: avoid conspicuous consumption, give anonymously, and never spend capital. Another taboo was naming numbers, as in how much money one has, spends, or gives away. In fact, speaking of our money at all just wasn't done. My siblings and I didn't even learn of our inheritance until we were 18, when the first of our graduated trusts arrived. At the gathering, when one of us would give voice to a message we had received in our family, other cousins would often say, "Oh yeah, we got that too." It was astonishing. My

grandfather had been dead for 20 years, yet these messages had come down to the entire third generation. Much of each weekend gathering was spent laughing and talking about these shared values and experiences, which, until the discussion, we did not know we had in common.

Despite these commonalities, there were, and still are, major differences, as there had been in our parents' generation—which had experienced considerable family tension around spending "lavishly" or "simply." Hearing the range of views among us, and just knowing that various family members were making different choices, was helpful to all of us, including our partners. We could see that we were not alone. We tried to share in a non-critical way. We saw that being judgmental of each

“Our silence had arisen from a sense of etiquette and humility, but also from the fear of what others would think.”

other was not going to help. Each person simply said, “This is what has worked for me.” This was an essential step to increasing sharing. Instead of putting ideas on the table in a manner that suggested, “This is the only and correct way,” people simply related their own experiences.

Despite the value of each gathering, it is not as though there has ever been a sudden opening of the floodgates and then we all felt wonderful. All of us continue to struggle in various ways with how to deal with inherited wealth. The progress towards internal peace remains slow and unsteady at times, but persistent.

Personally, it has taken me a lot of work to overcome the fear of judgment (it persists) and also to discard some of the familial taboos. Slowly, over time, I have learned that I can put these things on the table with my cousins and siblings. I have found that the more I can be open and devoid of judgment, and overcome my own fears of being judged, the better. For example, at one point, I became tired of wrestling with the worries of naming numbers—the fear that someone will judge me for how much I have, or make, or give away. I decided I could get rid of that fear in myself, and perhaps help

a cousin of mine who was struggling with how much of his money to give away, so I said to myself, “I’m going to name some numbers and tell him the percentages I give away. I am not going to worry about what he will think.” He was very happy with the conversation.

I have been helped to let go of my judgments by participation in The Life Training Program (www.lifetraining.org), which helps people uncover the beliefs they hold about themselves, others, and the world around them. One thing it has helped clarify for me is that the fear of judgment is often rooted in one’s own tendency to be critical of others. But judging others can be a tough habit to break because of a theoretical payoff. After all, when I judge others, I can tell myself that I am better than they are, and thus bolster my self-image. This was true for me in my relationship with one of my sisters. I used to like to live like a pauper and I had a sister who spent more openly than I did. I made a lot of negative judgments of her in my own head. Instead of talking openly to her about my struggles with money, my comments to her were designed to prove to her that I was virtuous. Not surprisingly, this did little to facilitate a healthy, enjoyable relationship between us.

One of the most poisonous aspects of judging is that the more I judge myself, the easier it is to be critical of others. If I’m happy with myself, it’s easier to extend acceptance to others. I try to look at what in myself is leading me to judge others, knowing that the cost of judging is in fact far greater than the benefit, though in the moment the benefit seems too valuable to give up. I have found that a lot of family tensions are born of judgments, not only of others but of myself. It is by no means easy, but dropping judgments has gone a long way in ending the isolation our family has felt as a result of our privilege. ■

For a discussion of family relationships when family norms about money are breached, see “Families and Money” (pp. 81-85) in We Gave Away a Fortune by Christopher Mogil and Anne Slepian with Peter Woodrow. Available through More Than Money.

Van Woods *continued from p. 20*

We were driven more to please her than to please each other. My father recently died, but my mother still sometimes steps in as a mediator. She focuses us on the question, “What is right?” She plays it not just from a business or factual point of view, but also from an emotional point of view. She just wants us to work it out so there is harmony. She is 76 now and won’t take a side anymore. She’ll say, “I don’t want to leave this world with you all like this.” So we work it out. We have always been able to come up with some framework within which disagreements can be resolved.

I went to Harvard University’s executive business program, which is for owners, presidents, and managers of businesses worth more than three million dollars. We did a lot of case studies on family businesses, and I can tell you that family tension around money is a big issue—and not just for our family. I have an investor—he’s a philanthropic investor, a wealthy guy, who has been a mentor to me since I met him in 1995. He said, “Money can break up families. Your family is no different. You must decide how to divide the money while it is small, because the bigger it gets, the bigger problem it will be.” I would say that’s right, and when there are disagreements in a family, you may have to bring in an independent or neutral person to help you resolve issues. If you have a dysfunctional family, you will need therapeutic help to work it out. If your family is kind of functional, you may be able to work it out on your own or with the help of a consultant. We decided to try to work it out ourselves. We learned that it’s best to remove yourself from your customary environment. We didn’t meet in the home we grew up in, because that has an emotional history. It works better to get into another environment, so it’s like a retreat.

My brother and two sisters and I have our petty differences and some strong friction, but we always try to deal with each other out of love. If you don’t like each other, you’ll have more trouble resolving the issues. Our love has kept us from knocking each other in the head. We have been able to work out our differences because we care so much for each other. ■

— *Based on an interview with Pamela Gerloff*

Succession Gone Awry

A Conversation with Joan

For 36 years, my father ran our family's manufacturing company, which he and my grandfather had started more than 50 years ago. The problem came in 1988, three years after my dad passed the business on to my husband, Ken, who had been groomed for the top job for 17 years. Ken and I were much loved—I was the oldest daughter and a favorite of my father's; Ken was his hand-picked successor.

At first, Ken had difficulty making money in the business. Then he took a leadership management course and figured out that he had been trying to run the business the way my father would; he hadn't adopted his own style. Once he realized that, it led to differences. He began making changes, doing things the way it felt natural for him. It wasn't that his way was right and my father's was wrong or vice versa. They were just different ways of doing things. It had to do with values. My father was someone who spent money on himself. When he needed extra cash, he took it out of the business. (It was a small plant of about 20 people and my father didn't answer to anyone about the finances.) When he brought my husband into the business and they had two people writing checks, they found out very quickly where the differences were.

Ken wanted to grow the size of the company (which would necessitate a move) and accommodate employee requests to provide better equipment. All of that was going to cost money. Conflict came when Dad wanted the money that was in the company savings account—the first \$30,000 profit Ken had put in the bank—to use as a down payment on a condominium, and Ken wouldn't let him have it. (My parents had gone on vacation and decided, on a whim, that they would move. They already had two cottages and had recently moved twice.)

Things got very ugly after that. My father took Ken's refusal to let him have the money as a judgment about his lifestyle and communicated this to my mother. In a sense, it was. But it was far more than that. Ken's own morale was being affected by what was happening in the company. He had talked to my dad about moving, paying the employees more, and creating a pension plan for them. All that was fine with Dad until it

actually affected the bottom line for him.

When my dad didn't get the money, he got very angry. He had loud, verbal confrontations within the family. He stopped working at the company. When he couldn't resolve the issue within a few months, he went to every one of my siblings and tried to convince them to pressure us to change the way things were. When we didn't do that, he decided to pursue legal means, and within two years he tried to take back the company.

We would have let him have it back, but by then Ken had a hundred employees, all of whom were very committed to the way the company had grown. Ken was well-versed in computerized machinery, which my dad didn't know anything about. We knew that if we gave the company back, it was at great risk of failing.

We had made an arrangement with my dad where we would pay him for life. When it went to mediation, he lost, big time. He got a lump sum payment, which was less than he would have otherwise had. Had we been able to even talk to him, we could have worked something else out.

I've always known that my father dominates conversations, but until this happened, I hadn't understood the degree to which it has always occurred. He can't listen to anyone. He is very self-centered. That characteristic (which had always been apparent with employees, but not at home) showed up in a verbally abusive way. It came out in any family meetings we tried to have. We tried a family intervention meeting, but he was uncontrollable. It ended with him screaming and yelling. None of us could have even a phone conversation with him without him yelling and going berserk. It set all of us on edge.

We didn't know what was going to happen. At one point, Dad walked back into the plant and threatened Ken's life to several of the employees. He said he would rather see Ken dead than ever see him again. That was a total shock, and it frightened me, too. We ended up moving an hour away from where we had been living. That put some distance between us. Dad had always been emotionally close to me and he didn't

“Our commitment is that we will pass this company on without this kind of upheaval in the family.”



understand why I wouldn't divorce Ken over this. He told me, "Choose your parents or your husband. You won't have both."

Dad and Mom told my siblings that they would not go to family parties if we were present. We went from a family of 34 people (counting all of our grandchildren) celebrating birthdays and holidays together, to none of that, for about seven years. It took my siblings a long time to figure out what was going on. It was very difficult for any of them to intervene and it took years for them to garner their own strength in this situation.

In the beginning, I kept trying to re-establish some kind of relationship with my parents, but without success. It affected my health and my kids. My three children never understood why their grandparents suddenly dropped out of their life. They experienced my father coming into our house screaming and yelling. They were afraid and would run to their rooms. Every time the behavior happened, I tried to yell back. You think you can argue with someone who is irrational; you don't know they're not rational. In the end, all I felt I could do was set limits on that behavior; when out-of-control behavior happened, I would leave or break off contact with my parents for months.

I went through a grieving period for losing parents I thought I knew. They had chosen to be offended and to hold a grudge. There was nothing I could do about it. It wasn't until my dad's health deteriorated that the situation improved. When

he got colon cancer, he was very sorry about the whole thing for the two weeks he thought he was going to die.

As soon as he figured out he was not going to die, he went back to all his old behaviors. Three years ago, though, he had open-heart surgery, and that was when he let go of his anger. He just decided it wasn't worth it anymore. When he came home from the hospital, he said, "I'm sorry about everything that's happened. I don't want this to go on." He stood there and cried like a baby. He used to tell me he thought that Ken was more of a son to him than he had ever had in the business, because his other sons were so much younger. Ken was old enough that he could take over the company. Dad lost his best friend, for his own reasons of control and pride. Life had to wear him out before he could look at things differently. Now we can finally be in the same room together and actually talk to each other. But he has never recovered from it; he has lost his zest for life. He stopped playing golf and other things he could be doing now in retirement. He watches TV and the stock market. It's very sad.

Ken and I have since come to understand that people can be addicted to money and we believe that was the case with my father and mother. When all this happened, I was in nursing school learning about addictive characteristics; I had also studied Elizabeth Kubler-Ross's stages of grief and I put two and two together: My father had a need to have money and then there was this loss of the business. He experienced a lot of anger and grief and didn't know how to handle it. In all of this, it has been helpful for me to have organizations like More Than Money, through which I have been able to hear other people's stories and be exposed to various theoretical frameworks. It has been helpful for me to understand that there are larger issues here, which undergird our whole society. It's not just a little thing I did wrong, not just the way my parents are. It's much bigger than any of us. Money is dictating our lives and controlling our relationships. Our attitudes toward money affect so many aspects of our lives.

Neither Ken nor I feel guilty, because of the way Dad acted toward us. But had we known what was going to happen, on Day One we would have handed the keys to him and walked out. It wasn't worth what it put our whole family through. Had we done it that way, it might have caused him to think. But we didn't understand that at the time. My dad had in fact

done the right thing by planning ahead and making sure he had leadership for the company. He had always believed he was going to die in his sixties, the way his parents had; what he didn't count on was he didn't die. And he didn't have a clue about how hard it would be emotionally for him to give up the company. He couldn't do it, but he didn't know that about himself ahead of time. He had thought he would have things the way he wanted: He would have someone else taking daily responsibility and he would be free to do whatever he wanted.

It's curious, but one story I grew up with was the way my dad had taken over the company from his own father. He one day walked in and took over the reins, telling his dad that he was in charge and if his dad didn't like it, he could get out. He used to tell us that a person in the next generation who was worth his salt to take on the company would have to kick him out. We didn't think that made any sense. We weren't going to kick him out! Legally, everything was done to take care of him. But it was as if he had to play out the scenario the way he thought it had to happen.

Having gone through all this, our commitment is that we will pass this company on without this kind of upheaval in the family. Tom, a much younger brother of mine, had come to work for Ken just before this happened. Our kids didn't seem interested in the business and we wanted to plan the succession early. Ken felt he owed it to the employees to have a good succession plan in place. We said to our kids, "We're going to sign an agreement with your uncle and he's getting the company. If you want a part of it, we need to know that now. And you need to understand that if you ever change your mind, you will work for your uncle. You can't come back and say, 'I wish you had given it to me.'" To us, the important thing is continuity, for our employees and for the next generation. The paper work has been done. The way we believe we can redeem the whole situation is to do it right the second time.

Ken and I are now getting a divorce. The two of us carried the burden of the company for years and we didn't do what we needed to for our own relationship. We could have become very angry with each other and split the company, but we're committed to preserving it. We're dividing things three ways, not two, so the company will stay intact for the employees. My brother has been touched by that. Ken and I are both pleased as we go through this divorce that we have not had to touch any of the stock in the company. We're finally passing this baby on. ■

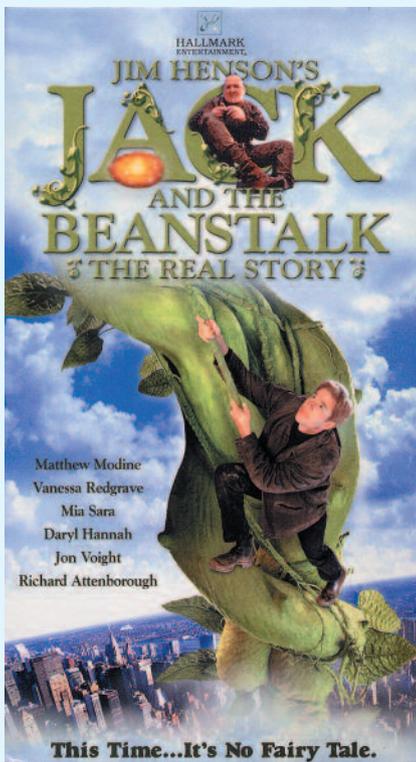
—Based on an interview with Pamela Gerloff

What's the Deal? *continued from p. 10*

somehow started taking out the garbage, servicing the cars, and mowing the lawn, while Sarah assumed responsibility for household finances. Now the unspoken deal is a given. However, Sarah did not bargain for the emotional responsibility that goes along with making money decisions. She thinks to herself: "The inheritance is Charlie's, so how come I'm the one working with the investment managers and handling all the calls from people looking for money?" Sarah has become the undesignated foundation administrator. Although she enjoys her contact with grantees, she is overwhelmed by the enormous amount of time the work consumes. This isn't the deal she signed up to do.

**"The most subtle and
problematic deals
are those that go unspoken."**

Deals may be examined, clarified, and renegotiated at any point, but it is particularly important to do this during life transitions. Transitions will go more smoothly if couples talk about what they need and want and negotiate new terms. Having direct conversations and making explicit agreements about expectations can prevent disagreements and broken deals later. For such conversations, I suggest that couples set aside time (like a weekend) to examine their goals and accomplishments as a couple and update and set new goals. This entails making deals, because deals—spoken or unspoken—are made to support goals. Couples I have advised have found that it's also good to recall what first attracted each to the other, express gratitude, identify timelines and financial resources, and discuss deals they will make to support each other in accomplishing their goals. ■



Jack Robinson is the head of a successful business that has been in his family for generations. A skeleton shows up—both metaphorically, in his closet, and literally, in the ground: the bones of a murdered giant. A mysterious woman accuses Jack of having profited from the amoral actions of his ancestor, the original Jack, founder of the family legacy.

Thus begins the recent video, *Jack and the Beanstalk: The Real Story*. While succeeding as action-oriented fantasy entertainment (our ten-year-old son watched it three times in three days), the production went still further. Our jaws dropped in astonishment when we saw that the protagonist, a wealthy CEO and inheritor—a role so often portrayed in popular culture as greedy and power-hungry—was, yes, naïve, but also unpretentious, open-minded, and generous; a figure that was likeable and good.

The story is one of moral awakening. What do you do when you discover that your family has done something terrible? That your fortune comes directly from others' misfortune? Do you, personally, have any responsibility? In this story, Jack goes through a gradual and believable process, from shock and denial to a willingness to take per-

Legacy's Shadow

Movie Reviews by Christopher Mogil and Anne Slepian

Jim Henson's Jack and the Beanstalk: The Real Story (video, Hallmark Entertainment, 2001)

Katrina Browne's Traces of the Trade (film in production, release date 2003)

sonal responsibility to right the wrong that was done.

At one point, Jack is on trial for what his ancestor, the first Jack, has done. The bad news is that not only is the first Jack accused of murdering the giant (who was gentle and generous), but also of stealing the goose that laid the golden eggs—which, it turns out, served as the source of peace and prosperity in the giants' world. Ever since the goose was stolen, the population has suffered severely. It seems the original Jack lied about "the real story" to make himself look good to his descendants.

After unsuccessfully claiming that he has no responsibility for acts committed hundreds of years before, our modern-day hero decides he better do something. He discovers that he wants not only to heal the giant's land, but also to use all the resources at his disposal (and after hundreds of years of golden egg-laying, they are considerable!) to help heal his own world and provide for those in need.

The fable eloquently addresses the concept of "responsibility." In our culture, where, when something goes wrong, responsibility is so often assumed to imply blame and possible retribution, people with wealth may naturally want to deny having benefited from past wrong-doing. Here, Jack demonstrates that redemption—through compassionate and ethical action—is a preferable alternative to denial. Once Jack takes action, he grows into a leader of great moral courage, who brings priceless gifts to the wider community.

While watching Jack awaken to the true roots of his wealth, we remembered that, years ago, we met a real-life Jack: More Than Money member Katrina Browne, who had just learned that her New England family had built its fortune by running slave ships. At the time, she dreamed of making a documentary film exploring that untold story. We reconnected with Katrina and watched the movie trailer of her film, now in production.

She told us, "I sent a letter to all my relatives, inviting them to join me in retracing the steps of our forefathers' slave ships. Of the 200 who received that letter, nine family members, aged 32 to 71, joined me on a painful and profound journey: starting in our hometown of Bristol, Rhode Island, on to the slave forts on the coast of Ghana, then to the family plantations in Cuba, and back to Rhode Island, where 30 other relatives joined us to discuss implications. With a professional film crew, I filmed every step of the way, as our eyes were opened to the brutal past and its legacy.

"I had known about my family's role in the slave trade, but completely repressed it. My conscious memory started with knowledge of the first generation after the slave trade, and all the proud accomplishments that were touted in family lore. continued on p. 30

"If you cannot get rid of the family skeleton, you may as well make it dance."

—George Bernard Shaw

Bang for the Buck

Making it Easy: Loaning to Family and Friends

What do you do when family members or friends need a loan? Do you say no, to avoid potential problems? Or yes, and regret it later? More Than Money member Mark McDonough found a service that takes a lot of the trouble away: Circle Lending, a for-profit company that sets up and administers loans to family and friends. McDonough says, “The best part about Circle Lending is that it slows down the process, so both the lender and the borrower can be more realistic and specific about the payback terms. This significantly increases the likelihood of being paid back.”

The Circle Lending service:

- connects lenders and borrowers to resources to help them structure formal loan terms
- processes all financial transactions for lenders and borrowers
- provides online accounting for lenders and borrowers to easily check on the status of loans made
- reminds borrowers of upcoming payments due

Besides setting up new loans, Circle Lending also helps formalize existing ones. According to Jill Miller, Circle Lending’s

vice president for marketing, the normal default rate on person-to-person loans is more than 14 times that of bank loans, while loans made and administered through Circle Lending have a default rate of under five percent. Benefits to borrowers include the opportunity to demonstrate creditworthiness, because the loan is formally documented.

Although we know of many organizations that facilitate micro-loans to entrepreneurs, Circle Lending is the only one we know of that facilitates loans between family and friends. If you know of others, please let us know!

Contact: www.circlelending.com, 800-805-CIRCLE or 617-859-0099

See also: “MTM Online: Equitable Giving in the Family,” *More Than Money Journal* Issue #29, pp. 5-6, in which members of More Than Money’s e-mail discussion group share tips about loaning money to family and friends. ■

Four percent of the 1.5 trillion dollar consumer credit market in the United States is in the form of person-to-person loans.

—From Circle Lending

Legacy’s Shadow *continued from p. 29*

Never mind that the slave trade created the capital for a textile mill and rubber company, and the elite educations and professional success that have followed. Now our family is struggling to figure out our present responsibility for past actions. Do we support the African-American reparations movement? What does “repair” look like? At the least, we hope the film will open some crucial conversations.”

The next day, as we were driving to

the mall, talking about *Jack and the Beanstalk* and how it connected to our work, our son piped up from the back seat, “Mom? Dad? Does our money come from something bad?”

“Well . . .” we hesitantly responded. “We don’t *think* so. Your ancestors owned an import-export business. But to be honest, we really don’t know much about it.”

We’ve decided to call Uncle Charlie and find out more . . .

The expected completion date for Ms. Browne’s film, *Traces of the Trade*, is Fall 2003. For more information, contact: Kbrowne@tracesofthetrade.org. ■

Christopher Mogil and Anne Slepian are co-founders of More Than Money. They are award-winning writers, presenters, and organizers on issues of wealth stewardship.

Strengthening Families

Family Firm Institute

Provides a directory of family business consultants to help with family meetings, manage transitions, and mediate conflict. 617-482-3045

www.ffi.org

Family Matters

Newsletter of the Council on Foundations' Family Foundation Services Department. Offers information to strengthen family philanthropy. Topics include family self-assessment and generational succession. 202-466-6512

www.cof.org

Family Meetings: How to Build a Stronger Family and A Stronger Business

By Craig E. Aronoff and John L. Ward (Business Owner Resources, 1992) Demonstrates the value of family meetings to achieve family and business milestones. Includes how to measure the impact of family meetings and build family participation and commitment.

Family Office Exchange Learning Academy

Offers courses for wealthy families to develop their intellectual, social, human, and financial capital. The next learning academy is September 27-29, 2002 in Sedona, Arizona. 541-465-8940

www.foxfoundation.org

How Families Work Together

By Mary F. Whiteside, Craig E. Aronoff, and John L. Ward (Business Owner Resources, 1993) Shows how to build positive family relationships in daily life.

National Center for Family Philanthropy

Provides resources to strengthen family relationships and support effective family giving. 202-293-3424

www.ncfp.org

Raising Kids Who Can

By Betty Lou Bettner and Amy Lew (Connexions Press, 1989) Discusses family meetings, as well as the bigger picture that makes family meetings (and families) work.

The Seven Habits of Highly Effective Families: Building a Beautiful Family Culture in a Turbulent World

By Stephen R. Covey and Sandra Merrill Covey (St. Martin's Press, Inc., 1998) Presents Covey's "habits" adapted to family issues. Includes numerous ways to improve family effectiveness.

Conflict Resolution

Center for Non-Violent Communication (CNVC)

Offers publications and trainings for using non-violent communication in relationships and parenting. 818-957-9393

www.cnvc.org

For Love and/or Money: The Impact of Inherited Wealth on Relationships

By Barbara Blouin and Katherine Gibson (Inheritance Project, Inc., 2002) Interviews with inheritors show how financial inequality can affect friendships and intimate relationships. Available through The Inheritance Project.

www.inheritance-project.com

Money Disagreements: How to Talk About Them

By Deanne Stone (booklet) Uses role-plays to help with money disagreements. Available from Deanne Stone Productions, 2828 Forest Avenue, Berkeley, CA 94705.

Money Harmony: Resolving Money Conflict in Your Life and Relationships

(Walker & Co., 1995)

By Olivia Mellan

A guide for resolving challenging money dynamics in relationships.

The Secret Meaning of Money: How it Binds Together Families in Love, Envy, Compassion or Anger

By Chloe Madanes

(Jossey-Bass, 1998)

Case studies from the author's family therapy practice provide insight into couples' and parents' emotional entanglements around money.

Legal Issues (Prenups to Legacy Planning)

Ethical Wills

For those who want to leave a legacy of more than money. Everything you need to know about writing an ethical will.

www.ethicalwill.com

Equality in Marriage Institute

Educates about the importance of equality in marriage and divorce. Offers resources and support to couples, including for prenuptial agreements and divorces.

212-489-5590

www.equalityinmarriage.org

Family Wealth:

Keeping it in the Family

By James E. (Jay) Hughes (Hughes and Whitaker, 1997)

A practical guide for families who want to preserve their wealth for future generations.

The Courage to Be Rich: Creating a Life of Material and Spiritual Abundance

By Suze Orman (Riverhead Books, 2002)

Includes chapters on love and money, providing answers to numerous legal questions about money and relationships.

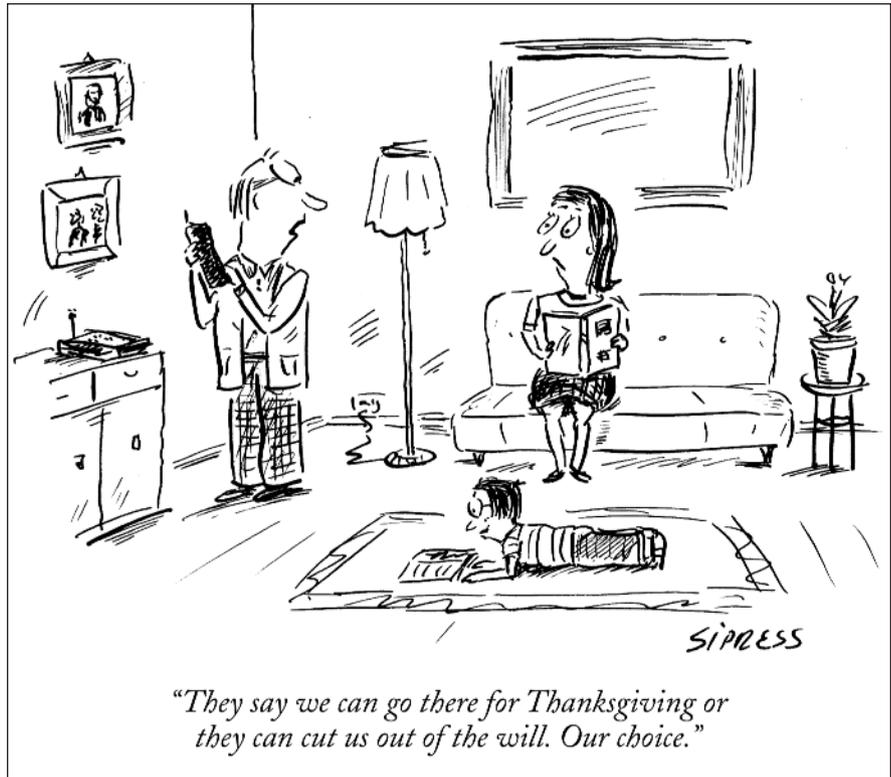
Family firms comprise 80% to 90% of all business enterprises in North America.

—J.H. Astrachan and M.C. Shanker, *Family Business Review*, Summer 1996

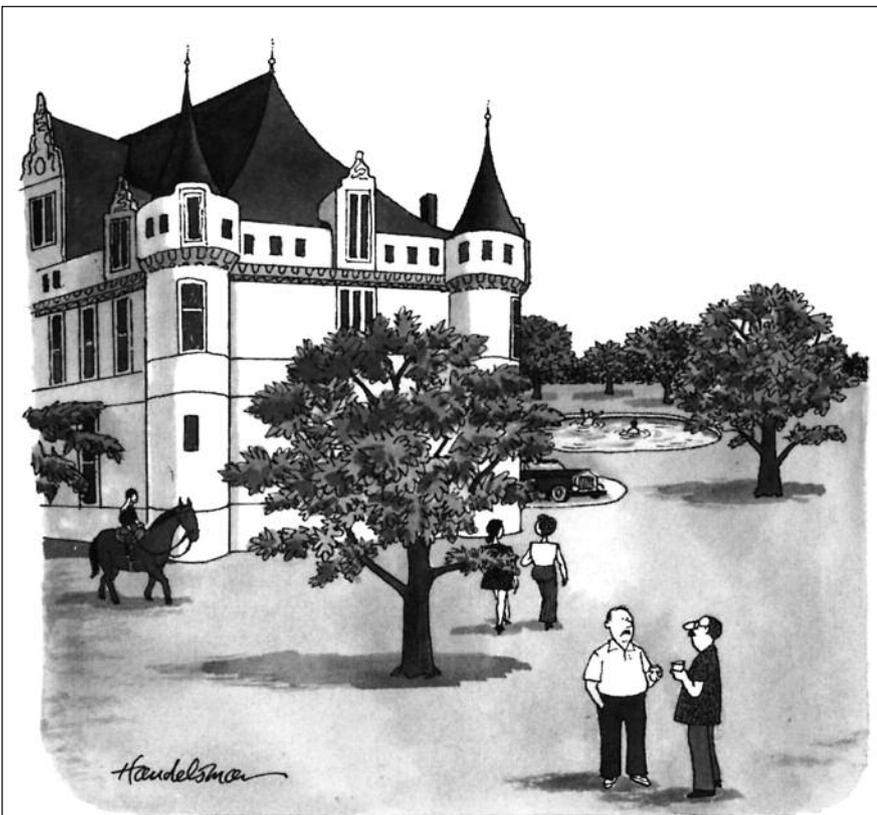
.....
 “I want to leave them enough to do anything they want, but not enough to do nothing.”

— Warren Buffet, when asked what he intended to leave his children

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“I could cry when I think of the years I wasted accumulating money, only to learn that my cheerful disposition is genetic.”

Three out of every 10 married Americans do not know what their spouse earns.

59% percent of Americans would loan money to friends if asked.

23% of those loan it and then write it off as a gift, while 10% lend it with the full expectation of getting all the money back.

8.5% wouldn't lend money to their parents if asked.

Money is the number one source of disagreements in formal marriages, sparking twice as many arguments as sex.

—From *Are You Normal About Money?* by Bernice Kanner

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BolderGiving Resources

Available at www.boldergiving.org

Story and Video Library

Over 100 brief vignettes of extraordinary givers from across the economic spectrum. These Bold Givers have committed at least 20% of their net worth, income, or business profits toward making a better world.

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Monthly teleconferences and online chats offer an informal chance to interact and learn from Bold Givers.

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Bolder Giving Workbook

Through articles, exercises, and stories from outstanding givers, this workbook offers step-by-step guidance for people exploring their lifetime giving potential.

We Gave Away a Fortune

This award-winning book features stories of sixteen people who gave 20% or more of their wealth and highlights common themes among them.

More Than Money Journals

Explorations of the impact of money in our lives. Each 16-32 page issue includes personal stories, articles, and resources. Available in three different formats: free pdfs of each issue, print-on-demand books that compile 5-7 issues by theme, or separate articles you can browse online. *(See list of 40 back issues in right column.)*

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- #30 When Differences Divide
- #37 Money and Community
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- #14 Young and Wealthy
- #18 Art and Money
- #19 Women, Money, and Power
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