

Rising in Midlife Amid Wealth¹

This paper will explore the challenge of rising amid wealth during midlife. We will begin by defining what we mean by “rising.” We will then discuss the character of midlife in general, the shape of rising in midlife, and the challenges that wealth in particular poses at that time. We will conclude with practical suggestions for meeting these challenges.

Rising vs. Next

Rising means having a sense of purpose, potential, and future. It is core to living a productive life, feeling authentically connected to others, and making a positive impact on others’ lives.

In families, the youngest generation, especially those who are emerging into adulthood in their late teens, 20s, or early 30s, are often described as the “rising generation.” But every generation in a family has its ability to rise. Many times, especially within families with wealth, people in their 40s, 50s, or 60s are taking the opportunity to rise.

Very often people refer to the “next” generation in families with wealth or a family business. This vocabulary can pose a subtle impediment to growth. “Next” puts the emphasis on what came first: the wealth-creators. They are the important ones. Everyone else is just “next.” We encourage you consider using the word “rising” when speaking of generations in your family.

Individuation

An essential component of rising is “individuation.” This means establishing your own sense of identity, as an individual with skills, knowledge, character, and purpose. It involves growth and learning. It leads to separating your identity from the identities of your parents, teachers, and other important influencers on your life, including whoever founded the family’s wealth. To truly rise, one needs to have an identity

¹ Based on material previously published by the authors in *Voice of the Rising Generation* (Bloomberg, 2014); and *Complete Family Wealth* (Bloomberg, 2017).

separate from financial wealth—whether you created that wealth or inherited it.

Very importantly, individuation does not mean individualism—losing all connection with where you came from and other members of your family. It means maintaining a mature connection with others. It involves a balance of separateness and connectedness, or independence and interdependence. That’s a balance that each one of us must find, with wealth or without wealth.

Individuation takes place within the context of development. The psychoanalyst Erik Erikson gave a famous account of the main stages of development, including midlife.² According to Erikson, midlife emerges a struggle between generativity and stagnation: which will prevail? For some of us, our bodies and maybe even our minds may begin to slow down. For some, aspirations or hopes for education, career, and family may have been disappointed or at least not turned out as we expected. In contrast, some of us may enter midlife with a sense of achievement, community, and connection. The question is what we do with these conditions.

Rising in Midlife

As a result, it is not unusual for midlife to involve a reevaluation of careers, relationships, or patterns of behavior. This reassessment may include reassessing priorities and reflecting on what really matters.

To the basic human challenge of individuation family wealth adds its own special factor. That factor may impact differently depending on whether you have created your own wealth or have inherited family wealth, that is, whether you are an immigrant to the “land of wealth” or a native to that territory.³

² For more on development, see Erik and Joan Erikson, *The Life Cycle Completed* (Norton, 1998).

³ For more on this distinction, see “Immigration to the Land of Wealth,” Grubman, Jaffe,

For an immigrant, someone who has created significant wealth during his or her lifetime, midlife may find you in a new environment than the one you grew up in. You may be navigating new relationships, new friendships, and an entire new “language.” You may also find yourself renegotiating old relationships, with friends from the “old country” and even with your family of origin, your siblings and parents. If you have moved from running your company to a more strategic level, or if you have even sold your company, you may be facing seriously for the first time the question, “What’s next?” This work can be exciting but also daunting.

For a native to the land of wealth, midlife may bring a new sense of independence. You may at last have been introduced to trusts, investments, and other structures that you have long known exist but that have been “in the dark.” You may have access to significant distributions. Perhaps later than others you may have known at college or in the community, you may be feeling the opportunity to establish your own identity apart from your family of origin and the “family name.” Again, this work of personal exploration can feel both challenging and deeply rewarding.

Besides these personal considerations, rising in midlife often involves parenting a new, rising generation of your own. This work is generativity in its essence.

The foundation for good parenting is individuation. Parents who feel good about their lives naturally start in a better position to help their children grow. Next is, of course, to be clear about who your children are. Even within the same family, there can be amazing variety among children. Seeing your children for who they are is the basis for nurturing each of them.

and Whitaker (*Private Wealth Magazine*, March-April 2009).

To help you do this work, spend a moment reflecting on your own *younger self*. What can you learn from your experience that would help you help your children? What did your parents do that helped you rise—in terms of rules, practices, or communication? What did they do that stymied your rising?

Then, whether from your own experience or that of people you know, consider the importance of *space or openness* for your children versus structure. Most parents err on the side of structuring their children’s lives. Financial wealth can exacerbate this tendency, because it may enable parents to “helicopter” over their children or “snowplow” any obstacles they face. Children need openness to explore the world around them. They also need space to try out their own abilities and so to learn about themselves. Children become free by practicing freedom.

Third, ask yourself what you can do to promote your children’s *learning*. By learning we mean not their formal education, which they receive in school. We have in mind learning about themselves through such experiences as work. Most children want to make things, to build things, and even to sell their products and engage in grown-up work. Let your children learn about themselves by facing the challenge of doing something that meets the needs of others.

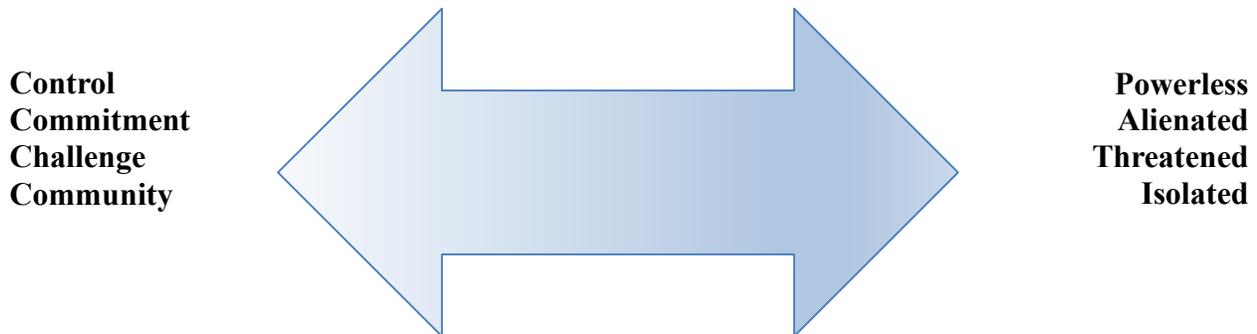
Finally, accept *failure*. When we are raising our children, most of us seek to insulate them from any failure. But when you reflect upon your own life, what stand out as the moments when you learned the most valuable lessons? Were they the moments you won the prize? Or, more likely, were they the moments when you fell short, failed, and had to course-correct?

Meeting the Challenge

Rising is a life’s work. Here are a few suggestions on how to continue or begin the process:

- Ask yourself, “In which situations have I felt truly in control, positively committed, gladly challenged, and community with others?”

These “Four C’s” indicate a place of centeredness and self-efficacy. Recognizing where you feel the Four C’s can help you seek out similar situations in the present and future.⁴



- Next, think about what activities you are good at. What do you esteem about yourself? Where have you enjoyed the greatest success? You decide what success means. Once you’ve identified these activities, look behind them: what strengths have allowed you to enjoy this success?

These are questions aimed at self-knowledge. But self-knowledge does not come only, or for all people, from reflection. It can also come from action. It is important to test your self-understanding in practice.

The areas that are particularly important in that testing are *work*, *relationships*, and *communication* (especially with other family members, including elderly parents).

When it comes to work, look for activities that challenge you and test your abilities, that require your dedication, and that also meet the true needs of others. That work may be for pay; it may be volunteer. It may be part- or full-time. The key is that in having to dedicate ourselves at least in part to others’ needs, we learn a great deal about our own strengths.

As for relationships, cultivate relationships with people who

⁴ Illustration adapted from Maddi and Kobasa, *The Hardy Executive*. Irwin Professional Publishing, 1984.

- Affirm your strengths
- Share your dreams
- Are positive and forward- focused
- And challenge you to be the best you can be.

Think about your own close friendships or other relationships. Can you see elements of these characteristics in your friends or partners? Incidentally, one of the main concerns voiced by members of families with wealth is that they fear that prospective friends or partners will see them only for their money. This is a valid concern. The response to this challenge is not to hide your money, much less to flaunt it, but to go beyond the money in evaluating your prospective friends. If they do the four things listed above, you will find ways together to deal with the money.

Finally, when it comes to communication with elderly parents who may be considering their own estate plans, plans that may affect you or your children, here are a few points to consider:

- Accept that talking about family wealth is hard, but don't wait for your parents to bring it up. They may not know how to.
- Think about what you would like to learn and why. Try to make your questions as specific as possible. For example, "What are your hopes for your financial legacy?" "What are your expectations for how I will use any financial inheritance I may receive?"
- Think about who your parents are, and how best to approach them. One-on-one? In the context of a family meeting? With a written note first to give them a chance to think?

As mentioned above, the key to successfully navigating midlife is generativity: a sense of giving back, distilling what you have learned and experienced, and using it for the benefit of others—your children, nieces and nephews, or other members of your community.

When pursuing generativity amid wealth, it can help to seek the support and insights of others in your shoes. These may be other family

members, such as siblings or cousins. They may be other wealth-creators or members of other families with significant wealth, who you can meet through membership organizations, philanthropic boards, or the like. Midlife can be isolating for anyone, especially if surrounded by large financial capital. Use your networks to break down that isolation and practice *active ownership*. Taking active ownership may involve making your voice heard in the management of your financial capital and directing it to investments that suit your values. It may also involve taking a more active hand in bringing your larger family together to communicate, learn, and make decisions.

Setting Off

You have now reviewed the key work of individuation, the particular character of midlife, the challenges that wealth poses to rising in midlife, and some actions you can take—around work, relationships, communication, and parenting—to pursue your own continued rising.

Before setting off on that pursuit, spend a moment to reflect on these questions:

- What special challenges am I experiencing in my present stage of development?
- What did I do that was most helpful in making life transitions in the past?
- I could better enjoy my present stage of life if I would continue ...
- I could better enjoy my present stage of life if I would stop ...

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