

Like Communism, Generational Wealth Is Just A Red Herring



Daniel Scott Contributor ⓘ

May 21, 2018, 10:52am • 272 views • #LikeABoss



Actor Tim Curry, star of the upcoming remake of "Family Affair" series, arrives for the Family Television Awards on Wednesday, July 31, 2002, in Beverly Hills, Calif. The awards, in their fourth year, were initiated by the Family Friendly Programming Forum. The group was formed by more than 40 advertisers to encourage the production of programs aimed at parents and children. The show airs Aug. 9 on ABC. (AP Photo/Krista Niles)

What is so great about “generational wealth?” Why do we spend so much time talking about “wealth succession” and the challenge of making the family fortune last more than two or three generations? Do we really desire nothing more than to hand over to our children and grandchildren mountains of cash for them to spend or do with what they will? For some, that may be the goal. I have certainly encountered my fair share of wealthy individuals who say, “I’ll be dead—I really don’t care what they do with the money.” Most of us, however, I am sure feel that what we want to provide is comfort for our children and future generations so that they can live the life they want to lead—so that they have the financial freedom to pursue happy, fulfilling lives. Even the individuals who claim to “not care” what happens to their wealth when they are gone are not intending for their

children to spend it on a gambling or a substance abuse problem. Most, if not all, really mean that they do not care what life their children choose and they just want their children to be happy, whatever that means to them. So, when we talk about “generational wealth” we do not mean wealth for wealth’s sake. Instead, what we

really mean is wealth for opportunity's sake. In essence, we are not talking about generational wealth at all; we are talking about generational opportunity.

How does one go about creating generational opportunity? Well, it's not too unlike turning a popular family board game into a “[sex farce that's also an allegory for the McCarthy era](#),” which is exactly what the 1985 film *Clue* accomplished. It starts, of course, with a script. Here, your script is your legacy plan, which empowers you to proactively tell your own narrative about the life you want to lead and the success you ultimately aspire to achieve. It gives you purpose and direction. Your script also tells the story of how your success will ultimately empower your heirs to choose and live their own best lives. This script, your plan, is a blueprint for generational opportunity.

In order to bring a script to life, every movie requires a film crew—producers, directors, costume and set designers, sound, lighting and technology engineers, etc. Similarly, your script will require a team of professionals in order to bring your story to life, propel you towards achieving your own greatest success and ensure that success leads to generational opportunity. This is your *legacy team*. At the very least, your legacy plan will combine legal, tax and financial strategies, and so an attorney, accountant and financial/wealth advisor are typical key members. Depending on your industry and career, your legacy team may include other advisors. For example, if you are an actor in Hollywood, your legacy team will most likely also include a manager, agent, entertainment lawyer and business manager. Other potential members of your legacy team include a life/career coach, therapist, personal trainer, nutritionist and spiritual advisor (i.e., priest, rabbi, minister, etc.).

Your script will inevitably involve an ensemble cast of colorful characters—your family, friends, work colleagues, etc. Like the characters in *Clue*, those people in your life will be chock full of secrets, display outrageous behavior, and present a challengingly complex dynamic. Yet, if properly executed, your legacy plan will control the chaos and result in the seamless story of your success. Everything will fall into place in the end and, more importantly, you will have set up your children and future heirs for their own success. Sure, there will be money and assets

involved, but you will have solved the great mystery of how to create generational wealth—you give it purpose and direction. Having achieved family harmony and empowered your children and heirs with the tools, freedom and opportunity to pursue happy, fulfilled lives, you can explain to them all how the great mystery unfolded and, with a smile, confidently say, “generational wealth was just a red herring.”

DISCLAIMER: The information contained in this article is for informational purposes only and is not intended, and must not be taken, as legal advice on any particular set of facts or circumstances. You need to contact a lawyer licensed in your jurisdiction for advice on specific legal issues.

Attorney, advisor, entrepreneur, speaker, writer, musician, artist, and innovator. I spent over 12 years navigating “Big Law” and have served as an advisor to some of the wealthiest families in the world. Now, my focus is on empowering others to proactively define and live t... MORE