



## Can The Wealth Inheritor Chase The American Dream?

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## Introduction

It is easy to understand why the American underclass has almost insurmountable obstacles to living the American Dream. What may not be so obvious is how difficult it may be for the wealth inheritor to live the American Dream.

To understand how that's even possible, it's instructive to listen to those who have been raised with significant wealth.

Several years ago, one of us moderated a luncheon of 20-year old wealth inheritors and asked what was on their minds. When one gentleman declared that it was much harder to grow up rich than poor, the others all concurred. For half hour, the moderator heard horror stories about growing up rich and the yearning to have grown up poor (or at least middle class). He pointed out that those who grew up in poverty might not agree. He noted that adolescents were often unhappy and looked outside themselves for the reasons. We concluded that maybe the inheritors were blaming their parents for unhappiness and the group's parents all defined themselves by wealth.

In fact, we were only partially correct. We overlooked a most astounding proposition: These children were feeling just as deprived of the American Dream as their contemporaries who were dirt poor. Whether rich or poor, growing up without the freedom to chase that dream deprives a person of happiness

How can it be that children of great wealth are deprived of living the dream of the Irish cop's son who became a lawyer or the Jewish cobbler's daughter who became a doctor? If the wealth creator has gone from rags to riches, how come his children cannot live as satisfying a life? What is it about wealth inheritance which limits self-actualization?

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## The American Dream—Defined

The answer lies often in the wealth creator's definition of the dream itself. For most wealth inheritors, the passions that actually resulted in wealth become distorted into a message that the dream is to be rich. That dream is either handed to the child on a silver platter or used as a motivational message to make money.

In fact, the American Dream is not a destination. It is a journey. The journey is not about wealth accumulation, even if it results in wealth accumulation. The journey usually starts with a vision and is a road passionately to actualize that vision. Whether rich or poor, the American Dream requires the following elements integral to this journey:

1. The freedom passionately to become all you can become, to self-actualize
2. Financial security
3. Optimism for the future

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## The Role of Wealthy Parents

The wealthy parent who hands his child the American Dream on a silver platter keeps the child from making this personal and wonderful journey of passion. And the parent of significant wealth who uses the dream as a motivational message to make or preserve money creates a roadmap that is passionless for many children. The person with the soul of an artist or a teacher cannot be inspired by a vision of wealth creation. The person with the soul of an entrepreneur will not find passion in wealth preservation and stewardship.

But surely the child of wealth has that second element – financial security. Although he or she is raised in a family with financial security, increasingly “best practice” is seen as using financial need as a tool to “motivate”. In other words, by ensuring that a child does not have as much as he or she needs to live the life he or she grew up with, parents believe that they can motivate the child to build his own wealth. The focus becomes motivation rather than passion. The effect is that the child who has no passion to create something financially productive is not encouraged in passion and is deprived of financial security, oddly we might argue not unlike the child whose parents are poor.

And what about optimism? That concept itself is based on beliefs that there will be progress, social and personal. Belief in community progress is difficult enough in a world of CNN and FOX, and a child of wealth, who must be raised behind walls of protection, will have difficulty saying that the world is becoming a better place. If a parent has created great wealth through what are seen as gargantuan accomplishments, can the child believe that he will lead a “better” life than his parents with more riches, more security and more productivity? In other words, it may be difficult for a child raised in privilege and wealth to believe that his position will improve in either regard as he gets older.

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## The Wealth Gap

The wealth gap itself limits access to the American Dream by the child at the rich end of the gap. So long as many people feel deprived of the tools to make society work for them, the wealth inheritor faces threats to his or her own freedom – whether crime, illness or rebellion. In other words, the very lack of equality and freedom felt by the child of poverty will limit the freedom of the wealth inheritor.

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## How should a wealth creator raise children to chase the American Dream?

The dream should not be defined as “having wealth”. The child handed the American dream has no journey and often becomes the “family wealth steward”, burdened with significant wealth and the associated responsibilities of wealth management. Protection of wealth becomes the goal. Typically, passion does not flow from being a wealth steward, governing a program of wealth preservation. In stewardship, the very risk-taking which created the wealth is seen as intolerable.

Another approach being advocated is the use of wealth deprivation to “motivate” children. Some parents, including a number of celebrity, first-generation wealth creators, say they will deprive their children of access to the wealth they grew up with. This is the wealth they need to maintain the lifestyle in which they were raised. That approach to “motivation” deprives the child of the financial security which is integral to living the American Dream.

Over the years, we have had the good fortune to see many wealth inheritors self-actualize and take the journey to achieve the American Dream. The journey has produced wonderful and unexpected outcomes. We have seen children of great wealth become poets, philanthropists, academics, business leaders, among others. No matter whether they were the captains of industry, or lived very private, contemplative lives, they were fulfilled because they found their place in the world. They had the journey passionately to self-actualize with the comfort of financial security.

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## Self-Actualization

In each case, the journey starts with parents who see the family wealth as the tool to allow individuals to become all they can become. Money is there and can be used, but life is about the passion of living. The parents raise children who understand they have a responsibility to themselves and their community to live life to its fullest. For the wisest parents, that responsibility carries with it an obligation to ensure that others can have the freedom to do the same. Wealth's purpose is to allow self-actualization by members of the family and others.

The wise parent raises children to understand the responsibility and benefit of redressing the inequality which exists in America today. Reducing the wealth gap itself can bring with it the optimism and a sense of progress which are foundations to the dream. Understanding the benefit of redressing inequality may also ignite a passionate personal journey to change the world through anything from a career in social services to political leadership. Or it may mean active philanthropy or other social engagement as one of the passions in life.

Freedom, passion, and self-actualization are crucial elements of the journey that every life craves to make and that we call the American Dream. With careful strategy, the wise parent can open the road for children, and with financial security and optimism, we can all have the satisfaction of taking the journey. Rich and poor should be able to take that road.

*When all have equal opportunity to live the dream the dream will be truly  
American, alive and well.*

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