

Hell in Paradise

by Philippe J. Weil

Children from rich families run a higher risk of suffering from depression, getting involved with drugs, and even trying to commit suicide than the average population of their peers. This is not inevitable. Recognizing the symptoms early and reacting quickly can help avoid the pitfalls of paradise.

It is hard to believe that children from rich families are often among those who are the most miserable. Despite the fact that they live in beautiful homes, can buy whatever their hearts desire, and travel freely at any time, a look at this group of young adolescents often reveals a far less glorious image.

I was personally marked by the story of a childhood friend in Switzerland. He grew up in a rich family, always flaunted the latest toys, the most fashionable clothes, and money was no object. His parents were always busy outside the home. In high school he began taking drugs, and by the time his parents noticed, it was too late, and little time passed before he died of an overdose. It is perhaps his memory that drives me most in the work I do today.

Research shows that the children of very rich families, more than any other group, risk drug addiction, suicide, low self-esteem and clinical depression. A study by Prof. Madeline Levine of Stanford University found that 22% (one in five!) of these children suffer from clinical depression. What's more, the research reveals that problems are harder to detect in this group as children have been "trained" to hide them.

These children, as the offspring of talented and successful people, very quickly face the pressures linked to "the pursuit of perfection." In many cases, they are the children of people who started out with very little and succeeded on their own merit. They are expected to step into their parents' "big shoes," and, since they have the means to get the best education money can buy, why aren't they the brightest, most athletic, best looking of their entourage?

In fact, the financial options available to them are only one side of the coin. On the other are the difficulties of creating an independent identity and finding friends with whom to share daily problems. It is hard to build healthy relationships, free of the suspicion that, “they are only interested in me for my money.” What’s more, in many families, children are given money to compensate for their parents’ lack of real presence in their lives. The child often reflects the situation of one or both of the parents. We often see cases, for example, in which one parent is fully occupied with the business, while the other is “searching for meaning.” For these and other reasons, at P.J. Weil we emphasize the importance of tending to the needs of the next generation and introducing that generation to wealth successfully.

How is it possible to live “a normal life in paradise”?

There are a number of answers to that question, but all of them begin with the understanding that the health of the family is of supreme importance.

As in any field, communication is vital. Open communication, talking about subjects that we have been taught to regard as taboo. The children know that they are rich; they hear this from their friends (who heard it from their own parents), from the Internet, and so on, but there are many families where money is a shadowy or even secret subject. It is better for them to hear about the reality from their parents, in a way that allows them to discuss the subject.

In the 21st century, the positive openness that characterizes attitudes to sexuality is also correct with respect to family money.

It is important to listen to children, to be aware of their needs, to appreciate their personal qualities (not necessarily those most important for their social setting) and to spend quality time with them. These are services that cannot be purchased – they must be rendered by the parent. It is important for parents to clarify their values, and the areas in which they want to set an example for the next generation, by living according to these values. One cannot tell a child, “Don’t waste money!” or, “Investing in brand names is ridiculous!” – and do the opposite of what was advised.

Children must be allowed to develop in their own way. They must discover the fields that interest them, even if these fields are different from what is “expected.”

Philippe J. Weil is the founder of P.J. Weil Ltd., a company that provides a holistic solution for select families in the field of family wealth. Our team includes investment advisers, tax advisers, attorneys, accountants and psychologists.