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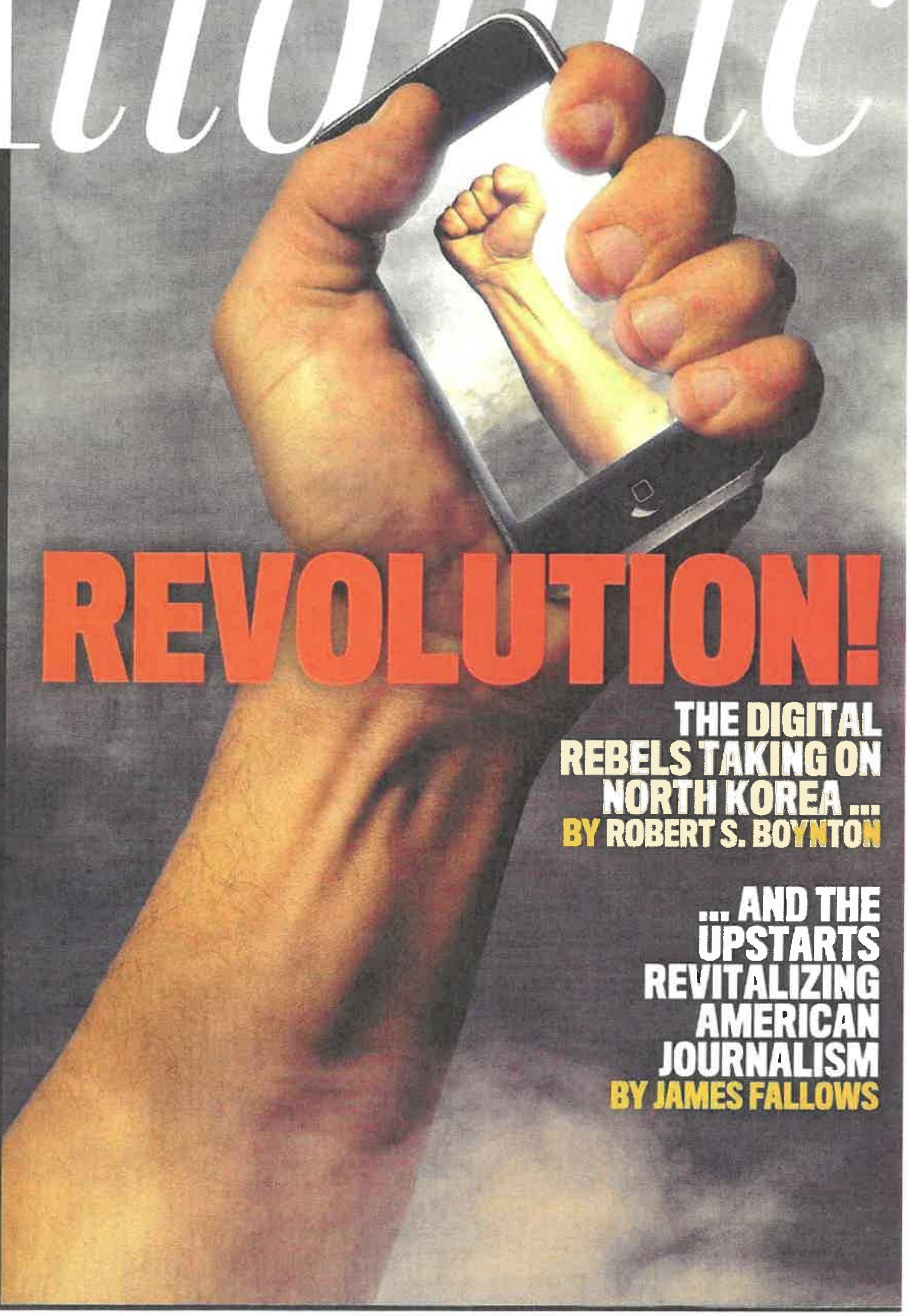

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# Secret Fears of the Super-Rich

DOES GREAT WEALTH BRING FULFILLMENT? AN AMBITIOUS STUDY BY BOSTON COLLEGE SUGGESTS NOT. FOR THE FIRST TIME, RESEARCHERS PROMPTED THE VERY RICH—PEOPLE WITH FORTUNES IN EXCESS OF $25 MILLION—TO SPEAK CANDIDLY ABOUT THEIR LIVES. THE RESULT IS A SURPRISING LITANY OF ANXIETIES: THEIR SENSE OF ISOLATION, THEIR WORRIES ABOUT WORK AND LOVE, AND MOST OF ALL, THEIR FEARS FOR THEIR CHILDREN.

***By Graeme Wood***

IMAGE CREDIT: LEONELLO CALVETTI/BERNSTEIN & ANDRIULLI

THE OCTOBER 2008 issue of *SuperYacht World* confirmed it: money cannot buy happiness. Page 38 of "the international magazine for superyachts of distinction"—if you have to ask what it takes for a yacht to qualify as "super," you can't afford to be in the showroom—presented the *Martha Ann*, a 230-foot, $125 million boat boasting a crew of 20, a master bedroom the size of my house, and an interior gaudy enough to make Saddam Hussein blush. The feature story on the *Martha Ann* was published just as the S&P 500 suffered its worst week since 1933, shedding $1.4 trillion over the course of the week, or about 2,240 *Martha Anns* every day. Still, one of the captions accompanying the lavish photos betrayed the status anxiety that afflicts even the highest echelons of wealth. "From these LOFTY HEIGHTS," the caption promised, "guests will be able to look down on virtually any other yacht." *Virtually* any other yacht! One imagines the prospective owner wincing at this disclaimer, pained by the knowledge that the world would still contain superyachts more super than his own, that at least one gazillionaire in Saint-Tropez harbor would likely be able to peer over his gunwales and down at the *Martha Ann*.

The lesson that Mammon is a false or inadequate god goes back a long way, and a glossy spread in *SuperYacht World* is just one place to relearn it. Another is Boston College's Center on Wealth and Philanthropy, which since 1970 has minted a diverse array of studies of the wealthy. For four years, the Gates Foundation has supported an effort by the center to determine exactly how the American wealthy think and live—and in particular how, when, and to what degree they make the shift from accumulating fortunes to giving them away philanthropically. (The John Templeton Foundation, which is concerned with spiritual matters, kicked in additional funding to study correlations between wealth, philanthropy, and religion.) The project has produced one of the most remarkable documents in the center's history: a survey that invited the very rich to write freely about how prosperity has shaped their lives and those of their children. From the anonymity of their home computers, the respondents wrote anything from a few words to a few pages, volunteering not only their net worth and sources of wealth but also their innermost hopes, fears, and anxieties.

**Also see:**

Surveying the Super Rich
See some of the questions that 165 households answered for the Boston College study

The responses, which run to 500 pages and fill three plastic binders on the fifth floor of Boston College's McGuinn Hall, constitute what the center's director, the sociologist Paul G. Schervish, calls "an extraordinary sample of confession, memoir, and apologia" from the super-rich. (The researchers admit that this sample is not representative, being inevitably skewed toward those wealthy people who are willing to offer their confessions to a computer screen.) Roughly 165 households responded, 120 of which have at least $25 million in assets. The respondents' average net worth is $78 million, and two report being billionaires. The goal, say the survey's architects, was to weed out all but those at or approaching complete financial security. Most of the survey's respondents are wealthy enough to ensure that in any catastrophe short of Armageddon, they will still be dining on Chateaubriand while the rest of us are spit-roasting rats over trash-can fires.

The results of the study are not yet public, but *The Atlantic* was granted access to portions of the research, provided the anonymity of the subjects was strictly maintained. The center expects to present the full conclusions gradually at upcoming conferences and to publish them over the next several months. The study is titled "The Joys and Dilemmas of Wealth," but given that the joys tend to be selfevident, it focuses primarily on the dilemmas. The respondents turn out to be a generally dissatisfied lot, whose money has contributed to deep anxieties involving love, work, and family. Indeed, they are frequently dissatisfied even with their sizable fortunes. Most of them still do not consider themselves financially secure; for that, they say, they would require on average one-quarter more wealth than they currently possess. (Remember: this is a population with assets in the tens of millions of dollars and above.) One respondent, the heir to an enormous fortune, says that what matters most to him is his Christianity, and that his greatest aspiration is "to love the Lord, my family, and my friends." He also reports that he wouldn't feel financially secure until he had $1 billion in the bank.

Such complaints sound, on their face, preposterous. But just as the human body didn't evolve to deal well with today's easy access to abundant fat and sugars, and will crave an extra cheeseburger when it shouldn't, the human mind, apparently, didn't evolve to deal with excess money, and will desire more long after wealth has become a burden rather than a comfort. A vast body of psychological evidence shows that the pleasures of consumption wear off through time and depend heavily on one's frame of reference. Most of us, for instance, occasionally spoil ourselves with outbursts of deliberate and perhaps excessive consumption: a fancy spa treatment, dinner at an expensive restaurant, a shopping spree. In the case of the very wealthy, such forms of consumption can become so commonplace as to lose all psychological benefit: constant luxury is, in a sense, no luxury at all.

Taken together, the survey responses make a compelling case that being fantastically wealthy—especially when the wealth is inherited rather than earned—is not a great deal more fulfilling than being merely prosperous. Among other woes, the survey respondents report feeling that they have lost the right to complain about anything, for fear of sounding—or being—ungrateful. Those with children worry that their children will become trust-fund brats if their inheritances are too large—or will be forever resentful if those inheritances (or parts of them) are instead bequeathed to charity. The respondents also confide that they feel their outside relationships have been altered by, and have in some cases become contingent on, their wealth. "Very few people know the level of my wealth, and if they did, in most cases I believe it would change our relationship," writes one respondent. Another notes, "I start to wonder how many people we know would cut us off if they didn't think they could get something from us." Robert A. Kenny, who has trained as a psychologist and is one of the survey's architects, says that extreme wealth can take away some of the basic joys of living—for instance, that some wealthy people don't look forward to the holidays, "because they were always expected to give really good presents." When you're a millionaire, Kenny says, expensive gifts merely meet expectations. *That was a pretty good present*, the recipients might respond. *But last year, you gave me a car.*

Other people "glorify wealth and think that it means that the wealthy are smarter, wiser, more 'blessed' or some other such crock," explains one survey respondent. "I feel extremely lucky, but it's hard to get other, non-wealthy people to believe it's not more significant than that ... The novelty of money has worn off."

SCHERVISH, THE CENTER'S sociologist and director, is 64, with three grown children and a book-filled office overlooking the Boston College campus. He's from Detroit, but his voice bears a slight resemblance to those of Boston's own "Click and Clack," the wisecracking auto mechanics on National

Public Radio's Car Talk. Indeed, with his moustache and (most days) faded sweatshirt, he looks more like an auto mechanic than like someone who spends all day analyzing the psychic consequences of unimaginable sums of money. He often wears two pairs of glasses, one on top of the other, to help magnify the text on his computer.

Given his past, Schervish would seem an unlikely candidate to study the wealthy. As a young man, he trained for the Jesuit priesthood and beginning in 1966 was bound by a vow of poverty. He was ordained in 1975 and earned his doctorate in sociology from the University of Wisconsin while serving in the campus Catholic center. But in 1981, as a professor at Boston College, he found the demands of priesthood, such as celibacy, too strenuous and left the order, finally and definitively trading the pursuit of heavenly treasures for the study of earthly ones. His work on the wealthy remains strongly informed by Christian (as well as Sufi and Buddhist) traditions, however, and is salted with untranslated Latin and Greek, and citations from French mystics as well as from federal reports on wealth.

Early in his academic career, Schervish was a committed Democratic Socialist. But around 1990, he began interviewing wealthy people and decided that his Marxist instinct to criticize the rich was misguided. "I realized good and evil are equally distributed across the economic spectrum and not particular to the wealthy or the poor," he says. "A lot of wealth holders were very sincerely concerned about others and were doing something about it." His recent papers, many co-authored with John Havens, the associate director and senior research associate at the center, have done much to exonerate the rich from the charge that they are more tightfisted than the non-rich. (They're not, Schervish and Havens say: as individuals move up the wealth scale, they give away a greater share of their assets.)

Although Schervish may defend the wealthy, he clearly refuses to hold them in awe. He likes to quote Deuteronomy: "Behold, I set before you this day a blessing and a curse." As he explains, "Money is like fire: it will warm your feet or it will burn your socks off." In the complaints voiced by the survey's wealthy respondents, he believes he hears echoes of religious figures such as the Buddha, who gave up the life of a playboy prince to achieve enlightenment; and of Saint Ignatius himself, the 16th-century Basque nobleman who repudiated his wealth and founded Schervish's own Jesuit order.

"Some of the respondents don't yet know the depth of the yearning in their words," Schervish says. "I hear Buddha and Ignatius very much saying that you have to discern your path and get rid of the things that are encumbrances. That's what these people are trying to find out: Do I have what I want? Am I screwing my kids up? They have the quantity, now they have to figure out the quality of their wants. They don't all say that—some are stuck way before that. But this is what's going on, whether they realize it or not.

"I never forgot the concerns that I learned as a Jesuit. But I got rid of the absolute certainties that I had about how to achieve them," Schervish says, adding, "Trump not, lest you be trumped." The rich, he points out, could easily ask him why he is teaching sociology instead of donning sackcloth, selling his possessions, and giving everything to the poor. "I found that there is no telling people what needs need attending to, because needs are infinite. And they'd be better off channeling their work through inspiration, rather than dictation by others."

IN EARLY 2009, roughly 115,000 American households were warming or singeing their toes on fortunes of $25 million or more—a population that had increased more than threefold since 1989, according to the center's Havens. The broadest distinction among this group is between those who primarily inherited their money and those who primarily earned it. The former are members of what Warren Buffett famously dubbed "the lucky sperm club." These inheritors sometimes display the stereotypical arrogance of privilege—the fast cars and wanton lifestyles—but the more introspective among them contend with worries that they'll lack the motivation to accomplish anything in life or to escape the shadows of their parents. This self-doubt is magnified by the knowledge that they're unlikely to find sympathy from anyone other than their fellow inheritors.

Respondents who earned their wealth worry less about their self-worth. But unlike the inheritors, they have to contend with a major life transition, from the workaday world to a world where work is voluntary. Some friends disappear, and others—perhaps attracted by the newfound wealth—appear. There's even a subcategory of almost accidental earners, who signed on with the right company at the right time and received stock-option windfalls ("sudden-wealth syndrome," as it's sometimes called). Such wealth can feel almost like an inheritance, except that in these cases it's less a matter of lucky sperm than of a lucky job choice.

Regardless of the sources of their wealth, one thing the rich have in common is a severe allergy to discussing their dilemmas in public. "You'd be amazed how many people aren't calling me this week," Kenny said to me when I visited his office. He had told some of his survey respondents that he would be talking to a reporter, and he was convinced they had arranged their schedules to avoid any possible contact with me.

The respondents had answered Kenny's calls for cooperation in the first place partly because he counsels the rich professionally through North Bridge Advisory Group, a Boston consultancy that works with individuals and families on complex money and inheritance issues. Like Schervish, Kenny—who at 58 has graying hair and the tranquillity of someone who spends his time talking to people who have more troubles than he does—took a roundabout path to studying the wealthy. For two decades, he counseled adults who were working with high-risk kids, many of them poor, in New York City, a job he remembers fondly and says he has considered resuming. In 2001, a call from a colleague brought him to an organization called More Than Money, which a group of inheritors had convened to help them deal with psychological issues related to wealth. He found that the rich—especially the inheritors of vast fortunes—have unique sets of worries, and face the added difficulty of knowing that many despise or envy them. "Often the word rich becomes a pejorative," Kenny says. "It rhymes with bitch. I've been in rooms and seen people stand up and say, 'I'm Bob Kenny, and I'm rich.' And then they burst into tears."

He isn't the first to identify the rich as a psychologically vulnerable group—the psychiatrist Robert Coles devoted the fifth volume of his Pulitzer-winning *Children of Crisis* series to "the well-off and the rich in America"—but Kenny has become an important confidant and adviser to people of means, someone who can sympathize with their particular concerns. "They're having a bad day, and they can say to me, 'I'm having a really bad day,' and I'm not going to say, 'Well, why don't you give *me* the money?'" he explains. "They don't have a lot of that in the world."

"SOMETIMES I THINK that the only people in this country who worry more about money than the poor are the very wealthy," Kenny says. "They worry about losing it, they worry about how it's invested, they worry about the effect it's going to have. And as the zeroes increase, the dilemmas get bigger."

Typically, he says, an inheritor's angst arrives in early adolescence, and it blossoms when she arrives at college and, in a group of peers unaware of her wealth, discovers what it's like to be treated as a "normal" person. She may keep her wealth hidden for a while, until at some point she's outed and her friends suddenly look at her differently. In some cases, an inheritor isn't even fully aware of how wealthy she is. "She might be 21," Kenny says, "and one day her trust officer sits her down and says, 'Here's how it's going to work. You're going to get this many millions today, and this many millions when you turn 30.' Then she'll have to go back to college, and she'll have to face her friends and her life as a wealthy person." Often, Kenny says, she'll then spend some time—in the worst cases, the rest of her natural life—"drifting," without a career or purpose. As one respondent to the survey confesses, "I wish I had taken better control of my education ... I had money in college, and I was never worried about learning for my future."

One complaint that Kenny commonly hears in his practice and has found echoed in the survey results is the sense of isolation that extreme wealth can engender. "Wealth can be a barrier to connecting with other people," writes the spouse of a tech wizard who cashed in to the tune of $80 million. "Not feeling you should share some of the stressors in your life ('Yeah, wouldn't I like to have your problems'), awkwardness re: who should pay at a restaurant." The poor-little-rich-kid retort is so obvious—and seemingly so sensible—that the rich themselves often internalize it, and as a result become uncomfortable in their interactions with the non-wealthy. Once people cross a certain financial threshold, they have a tendency to hang out with one another, to enjoy the company of other people who know that money relieves some burdens but not others. This can pose particular problems for those at the lower end of the extreme-wealth scale: someone, for instance, who has "only" (I use the word advisedly) $5 million or so may find himself socializing with economic "peers" who are in fact 20 times as wealthy, and feeling pressure to spend money at a comparable rate. Perhaps that's why, as Robert Frank notes in his 2007 book, Richistan, 20 percent of households with between $1 million and $10 million in assets in 2004 spent all their income—or more—in a frantic race to keep up with their newfound friends, the Gateses.

"ONE OF THE SADDEST PHRASES I've heard," Kenny says of his time counseling the wealthy, is when the heir to a fortune is told, "'Honey, you're never going to have to work.'" The announcement is often made, Kenny explains, by a rich grandparent to a grandchild—and it rarely sounds as good to the recipient as to the one delivering it. Work is what fills most people's days, and it provides the context in which they interact with others. A life of worklessness, however financially comfortable, can easily become one of aimlessness, of estrangement from the world. The fact that most people imagine it would be paradise to never have to work does not make the experience any more pleasant in practice.

Career advancement is the standard yardstick by which most people measure success, and without that yardstick, it's not easy to assess whether one's time is well spent. "Financial freedom can produce anxiety and hesitancy," writes one respondent to the Boston College survey. "In my own life, I have been intimidated about my abilities because I inherited money." If the rich do take jobs, they sometimes find that co-workers resent them on the grounds that they're "taking away the jobs of people who need them." The rich also leave jobs more quickly than others, for the simple reason that they can afford to do so. Karen Weisgerber, a senior adviser at the center who also works with Kenny at North Bridge, describes an heir she counseled who had earned an M.B.A. from a top-tier school and was an obviously intelligent man. He nonetheless moved from one high-tech job to another. "At some point, something would happen at each job that those who have to work for an income would learn to tolerate," Weisgerber says. "And he'd just say, 'I don't want to deal with this.' Eventually he had to say, 'I don't have a career.'"

In other cases, wealthy workers find that their work is viewed as a charade. One wealthy survey respondent who worked in the nonprofit sector says she would feel insecure about her position if she resumed working. "If I decided to get a job in the field, I think I would have trouble being seen as a colleague and not a donor," she writes. As a result, she feels unable to take part fully in the only profession for which she has trained. A similar kind of self-doubt afflicts some of the "sudden" millionaires in the survey, whose wealth arrived seemingly by chance. "I just happened to hit the jackpot by choosing to work for the right company at the right time I have never thought that I in any way earned this amount of wealth," one writes. "I'm just now feeling like I'm getting the hang of it."

Just as wealth can aggravate, rather than alleviate, stresses surrounding work, so too can it complicate love, where Kenny says problems are "the rule and not the exception." Despite the financial security a fortune affords, issues related to money cause the failure of many marriages and significant relationships. In the survey, one wealthy mother writes that she worries that the men in her daughters' lives could feel "powerless," and that "their role as provider has been usurped." Wealthy people of both genders are wary of gold diggers—*Does he love me or my money?*—but at the same time fear that this wariness might make them mistrustful of genuine affection. Weisgerber describes a client who was handed a prenuptial agreement just two days before his wedding—a standard form, presented to anyone who married into his bride's family. "It's like marrying into the royal family," the psychologist says, with its own rules and practices, to which the groom might be only a legally complicated footnote.

One issue that Kenny says comes up frequently is the question of at what point in a relationship to reveal one's wealth—a disclosure he makes sound as fraught as telling your date you have herpes. "When do you tell someone that you have got a huge amount of money?" he asks rhetorically. "If you tell them too soon, you are going to worry that they want you for your money. If you wait too long, can the person really trust you?

"Freud was right," Kenny concludes. "Love and work are the two things you have to do in life." And great wealth, he says, often undermines both.

BUT THE OVERWHELMING concern of the super-rich—mentioned by nearly every parent who participated in the survey—is their children. Many express relief that their kids' education was assured, but are concerned that money might rob them of ambition. Having money "runs the danger of giving them a perverted view of the world," one respondent writes. Another worries, "Money could mess them up—give them a sense of entitlement, prevent them from developing a strong sense of empathy and compassion."

Enormous wealth takes care of so many day-to-day concerns, that the remaining ones grow that much more frustrating. The rich "want their children to make wise choices," says Schervish, "because that's what they can't control." Kenny, whose counseling practice serves mostly inheritors, says parents notice the danger signs quickly, in many cases because they have dealt with the same experiences. "They don't think their kids are moral midgets. They just know there are not a lot of guideposts out there, because the world thinks if you have all that money, you've got it made in the shade. And if you don't have it made in the shade—what the hell's the matter with you?"

Many wealthy parents structure their children's inheritances such that the money arrives only in discrete packets, timed to ensure that during their formative years they have no choice but to find a vocation. But Kenny hasn't seen the strategy work, he says, because the children always know that the money is out there, and usually their friends do too. "We try to get our kids to do chores," one survey respondent complains, but it's hard to get them to mow the lawn when "we have an almost full-time gardener." Even if parents succeed in setting up a trust to parcel out the inheritance according to guideposts—get a degree, get a job, raise a family, etc.—they run the risk of setting up bitter intergenerational feuds. As one survey respondent from a wealthy family explains, "I have grown up with a father who never wanted to give up control of his business but kept taunting me with the opportunity to step into his shoes." His wife adds, "It has been difficult to feel financially independent when [my] spouse's parents hold tight control over [our] children's inheritance."

As they get older, many children of privilege take either too many risks, because they know the consequences of failure are minimal, or too few, because they feel assured in their financial well-being. Kenny says they, like their parents, can grow bored with one line of work and make consequence-free shifts to other jobs—until finally they reach middle age and discover that they have put together the résumé of a dabbler and haven't made the impact that they had hoped. "They get to be 50 years old," says Kenny, "and all of a sudden they say to me, both in their love life and in their work life, 'I have to stop hitting that reset button.'"

EVENTUALLY, SCHERVISH AND KENNY say, most wealthy people discover the satisfactions of philanthropy. Havens, who designs and conducts the center's surveys and statistical analyses on the patterns of wealth and philanthropy, notes that almost all of the respondents to the Boston College survey had family foundations or donor-advised funds. Excluding two unusually wealthy foundations, these respondents invested an average of $11 million in these funds, in addition to household giving. But the experience of giving away their wealth—in addition to being pleasurable and empowering—also helps teach the giver that money sometimes carries its burden with it, and can harm or unsettle a recipient if given without caution. Anyone who has ever been approached by a panhandler knows what it's like to reach for one's wallet but then hesitate, wondering whether giving to this person at this time is the right thing to do. That dilemma only grows more difficult as the wallet gets bigger.

The survey offers lessons for the rest of us as well. Bob Kenny says it buttresses the observation he's been making about the super-rich for years: that their wealth isn't always worthy of envy, and is certainly not worth sacrificing one's life to attain. "If we can get people just a little bit more informed, so they know that getting the $20 million or $200 million won't necessarily bring them all that they'd hoped for, then maybe they'd concentrate instead on things that would make the world a better place and could help to make them truly happy," Kenny says. "Don't work too hard for money, because it isn't going to get you much if you ignore everything else." In their 1873 novel, *The Gilded Age*, Mark Twain and Charles Dudley Warner coined the nickname of an era and cataloged its excesses. But in one passage, they describe an untroubled, unwealthy family that had found a happy medium that many among the super-rich might envy:

> Having only riches enough to be able to gratify reasonable desires, and yet make their gratifications always a novelty and a pleasure, the family occupied that just mean in life which is so rarely attained, and still more rarely enjoyed without discontent.

At its core, the survey underlines the fact that money may ease some worries, but others always remain. "Nobody has the excuse of 'lack of money' for not being at peace and living in integrity," writes one survey respondent of his family, with a touch of bitterness. "If they choose to live otherwise, that's their business."

If anything, the rich stare into the abyss a bit more starkly than the rest of us. *We* can always indulge in the thought that a little more money would make our lives happier—and in many cases it's true. But the truly wealthy know that appetites for material indulgence are rarely sated. No yacht is so super, nor any wine so expensive, that it can soothe the soul or guarantee one's children won't grow up to be creeps. When the rich man takes his last sip of Château d'Yquem 1959, he tips back the wineglass to find at its bottom an unforeseen melancholy. Like Leontes in *The Winter's Tale*, he notes in horror, "I have drunk, and seen the spider." It is as terrifying a realization in Saint-Tropez as it is anywhere else.

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