

Theresa's Story

The moment Theresa Russo was born, her parents knew something was wrong. Theresa was diagnosed with microcephaly, a birth defect the doctors said would preclude her from ever having a normal life. Theresa's condition was so severe the doctors told her parents she would likely never leave hospital. But she did go home where she lived until the age of five. When she passed, her parents, Vincent and Susan Russo and their other three children decided to do something special to honor Theresa's memory and the inspiration she had given the family. They formed The Theresa Foundation which funds the Theresa Academy of Performing Arts, a bright, positive space where special needs children on Long Island, New York can spend every day with friends and family expressing themselves through dance, singing, puppet-making and dozens of other creative activities. The work of the Theresa Foundation is a model of how special needs children can be challenged to live beyond the limits most people assume they have. The Theresa Academy is an inspiring place:

<http://www.theresafoundation.org/>

The work of the Theresa Foundation is a project that has engaged the passion of the entire Russo family. The Russo children are all adults now and work in different parts of the country, but their commitment to the Theresa Foundation keeps them connected with the shared purpose of improving and expanding the impact of the Theresa Foundation on the lives of the special needs children on Long Island. The impact of losing a child or a sibling is unexplainably profound. Transforming that loss into something positive in the lives of others is an act of generosity. Theresa Russo has been gone for more than twenty years, but she continues to influence the Russo family in profoundly positive ways. Generosity is an incredibly powerful thing. If we allow it, it can work magic in the world and it can work magic in the life of your family.

A Generosity Mindset Has Transformative Power

Purposeful acts of generosity have transformative power. Rod Zeeb, in his book "Beating the Midas Curse" uses the term "Transformational Philanthropy"—which is a term that expresses the concept that a gift has as profound an impact on the donor as it does on the donee receiving the gift. He goes on to point out that the transformation that takes place has little to do with the size of the gift, but instead is a reflection of the passion behind the gift. Our own personal experience and our experience with our clients confirms the truth of this.

Every major religion recognizes the value and power of generosity. In Buddhism, practicing generosity is used to help train the mind in a way that leads to attaining enlightenment. Giving serves as a way to eliminate one's greed and ill-will. In Islam, the concept of generosity is so central that it is embedded in one of the five pillars of Islam. One of the most familiar and enigmatic quotations attributed directly to Jesus in the Christian New Testament—expressed in slightly different ways in each of the four gospels—is this: "If you want to gain your life, you must lose it." This expresses a fundamental principle that goes to the core of how human beings are designed to function in the world. I understand that scripture to mean that if you want to live a joyful life, you must invest it in service to others.

The wisdom of that insight is certainly validated in my own personal experience. There have been those times when I found myself in a self-absorbed funk. The only solution I have found that actually works to

break me out of that unpleasant mind-space is to find a way to invest myself emotionally in an outwardly focused act of generosity of some kind. I'm not unique. I have noticed that my happiest clients and my happiest friends are the people that are the most generous. Self-absorbed and miserly people are not a joy to be around, and we suspect they don't enjoy being alone with themselves either. Supporting that notion is a 2011 study at the University of Notre Dame which found that the practice of generosity was a key factor in marital happiness and a significant factor in reducing the likelihood of divorce.

The generosity impulse emerges early. An experiment on 20-month-old toddlers conducted in Vancouver, Canada found that the toddlers were clearly happier when they shared their treats than they were when they were able to keep all of the treats given to them. People achieve a greater level of fulfillment when they are working on something bigger than themselves, especially when that something is about more than just making money. Reconnecting with our own generosity impulse is positive and healthy for us, and teaching our younger generation family members to connect with their own generosity impulse can be transformative for them.

It's a Dog-Eat-Dog World...Or Is It?

When I was a young lawyer, my client acquired a company on the East Coast. I was the company lawyer helping my client with this new business. He and I were flying back from the East Coast late one night when he decided to share a story about something seemingly very ordinary. He starts telling me how he walked into the dining hall of the business he had acquired, and knowing that the woman working the cash register was the wife of the pastor of a small church in the area, reached in his pocket spontaneously and signed over his travel reimbursement check to her with instructions to the woman to give the check to her husband's church. The check was for \$500. My client then told me that within a month of his having made that spontaneous gift, a customer of his business who had an unpaid account he thought was uncollectable walked in and paid off the account. The amount this customer owed was \$50,000. My client told me these two stories because he was certain they were connected. He believed that because he had spontaneously given the pastor's wife the \$500, he was rewarded by receiving the \$50,000 he was sure he would never collect. He explained to me that this is how the universe works. When you give generously without expecting anything in return, you are always rewarded. My client was convinced the amount of his gift--\$500--and the surprise payment of \$50,000 were mathematically related to his generosity. "But Stan, you can't give expecting something in return," he said. "You have to give without expecting anything in return." I knew this client and his family well. He lived his life that way. He moved through life with the joyful, childlike trust that the universe was hard-wired for generosity.

In their book *The Go-Giver*, the authors describe the conventional wisdom we all know and understand. That wisdom teaches us that to be successful, we have to recognize that it's a dog eat dog world, and that to win in the competitions of life, it is necessary to be hard-nosed negotiators and cut the sharpest deals. If we're tough, we can extract the maximum advantage and gain the most benefit for ourselves. If we don't get that advantage, our competitors will, and we will be left to starve. But these authors go on to say that while things do often appear to be that way on the surface, when we look deeper into how things really work, they are not like that at all. In fact, it turns out, the universe is a friendly place—a place that is designed from inception to reward authentic generosity.

I believe these guys have it right. In moments of stillness, we may become aware of a presence larger than ourselves and inextricably connected to the deeper part of us. I believe that presence is divine and eternal. It is larger than I will ever be able to comprehend, but what I do know is that it is generous. If we learn to trust that presence and open ourselves to the abundance and generosity that is there and

available to us in every moment, every aspect of our lives will be infused with confidence and power that far exceeds what is possible for us when we compete alone and from a place of scarcity. I know this sounds very spiritual, and it is. But the experience of the most successful people I know and my own experience validates this underlying truth of the universe.

Because this understanding of how things work is so counter-intuitive to conventional wisdom, it is not always easy to trust our best instincts and allow this mindset to guide our attitude and our decisions. But with repeated experiences, we can move to a place where generosity and abundance become the attitudes that guide our lives. The strategies we outline in this chapter can be effective tools to open the door for younger generation family members to learn, with your help, that the universe is truly an abundant and generous place and that by allowing an attitude of authentic generosity to shape their personal and financial life will allow them to experience more joy and fulfillment and, perhaps surprisingly, greater financial success.

Generosity is the Antidote for Affluenza

Most of our clients are regular middle class folks, but we do have some clients who have done rather well for themselves. Almost all of our wealthy clients have what we call “first generation” wealth. They started with very little and now, decades later, still do not think of themselves as wealthy. They do not live the kind of lifestyle typically associated with wealth. We know their story well enough to know that their wealth was created through risk-taking, grit and real work. Usually their children, the people we call the “second generation” are old enough to have memories of the struggle that went into the creation of the wealth, so they retain an appreciation for the commitment and sacrifice that the first generation made to build it. But by the time the “third generation” arrives on the scene, the family has usually been comfortable for decades and the first generation may even be gone.

Usually, the third generation and the generations beyond that have lost the connection with the source of the wealth. While they did nothing to help create the wealth, they’re quite willing to spend it and to enjoy the status it brings. In our experience, in most families, the life experience of the third generation and the generations after them are so different from the first generation who created the wealth that relating to each other, if they are still around, is very difficult. It’s not uncommon for the first and second generations to be aware of this shift in mindset, so they seek us out to find ways to reconnect these younger generations with the values that created their financial security. Often we hear these clients express horror at the thought that they worked their entire life to create wealth only to have it consumed by ungrateful heirs who don’t work, don’t contribute to their community and spend their inheritance on drugs, alcohol and frivolous living.

We think their point is very well taken, and it’s a point we hear often. There has been an explosion of wealth in the United States since World War Two. For the first time in history, we have a significant percentage of the population who have wealth they did not earn themselves. Our language has already developed words to describe the people who receive this wealth. You probably know people who are described by others as “trust-babies” or “trustafarians.” The term “affluenza” is commonly used in the estate planning community now.

The number of people with wealth they did not create themselves will accelerate dramatically as the baby-boomer generation retires and dies. The estimates vary, but even the most conservative estimates say that in the next thirty years, thirty trillion dollars in wealth will pass to a generation that didn’t earn it. If we don’t manage this transition well, the consequences will not bode well for the heirs that inherit this wealth, and it will not bode well for the future of the country. When wealth is wisely

managed and invested, it is a power tool for the financial security of future generations and a healthy, growing economy. When wealth is wasted, it undermines the very foundations of our democracy. We have an obligation to future generations to get this right.

A purposeful generosity plan is an essential part of a comprehensive strategy to produce a well-adjusted and responsible next generation. We believe affluenza can be avoided by helping younger generation family members develop a healthy relationship to wealth. An intentional generosity plan is a key part of that education. If you want well-grounded, happy children and grandchildren, then help them discover the power of personal generosity. Learning to internalize a generosity mindset is as important as learning math and science because we know that children who internalize the power of generosity and make it a part of their lives, live happier, healthier more productive lives.

What do You Have to Give? It's More than Money

You may have noticed that we have used the word “generosity” in this chapter rather than the word “philanthropy.” We have generally avoided the word “philanthropy” because the word usually conjures up the idea that we should be reaching for our checkbook. Don’t misunderstand me. I fully support philanthropy. Without philanthropy, critical charitable work couldn’t be done. Hospitals, religious institutions and universities would have to close their doors. But the word “generosity” is a bigger word and opens the doors to more options than simply giving money.

In his book ***Connected for Good***, author John Stanley challenges us to reimagine the way we think about the role of generosity in our lives so that we no longer give out of a sense of guilt or obligation but rather from our heart’s desire for connection to others and a passion for creating change in the world. He makes a compelling argument that we humans are hard-wired for connection and that we are happier, healthier—and the world is a better place when we operate as part of a community.

When our generosity emerges out of our innate desire for connection and a passion to make a difference, it becomes possible for us to then assess all the resources we have to give that can empower connection. Those resources extend far beyond the money we have in the bank to include the skills we have, the connections we can make between people, the ability to listen intently, possessions we no longer need, a spare room in our home or a vacation home we only use occasionally. We are quite confident that everyone has something of value that could be useful to others. A thoughtful generosity plan recognizes the uniqueness of what we have to offer and creates the opportunity for each of us to give what we have to give.

My friend Rodger Johnson is a successful financial advisor in Tyler, Texas. He and his wife Crystal remain very close to their adult children, and a few years ago he made the decision to become more intentional about encouraging their children to develop a passion for making a difference in their community. In their regular Friday night dinners at the ranch, Rodger began making cash gifts to each of their four children and then prompting discussion about how they planned to use these gifts to make a difference. Rodger tells me that his children have become much more aware of the needs around them and more engaged in reaching out to meet those needs. He also tells me that the Friday night dinner conversations with his children are much deeper and more satisfying. This simple approach to generosity is not complicated and does not require a lawyer or a large financial investment. What it requires is intentionality and thoughtfulness.

Many of our firm’s clients are retirees who moved south to escape the cold winters in the upper Midwest. It’s always interesting for me to talk them when they first arrive. They tell me they are tired of working and look forward to spending the rest of their life playing golf and fishing. When I talk to them six months later, I ask how the golfing is going. Generally what I hear is “Oh, I still golf a couple

times a week. I'm volunteering at the local high school now, and I'm on the board of the Boy Scouts. I got bored just golfing. I'm having a lot more fun with these kids." Like I said, we're hard-wired for generosity.