



# Will Power

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## DOES INHERITANCE WEAKEN AMBITION?

I've had many conversations recently centered on whether leaving an inheritance somehow weakens the drive and ambition of the loved ones that the inheritance is supposed to benefit. The *Wall Street Journal*, for example, recently posted several articles on this subject, all claiming that leaving a child or grandchild significant sums could result in that person becoming a "trust baby".

In my own anecdotal experiences, I've seen where significant gifts and inheritances have played a destructive role in some lives, both professionally and personally. Twenty five years ago, while I was attending the University of Florida, I was jealous of a few fraternity brothers who seemed to have the world handed to them. While my beat up junker of a car never ran, forcing me to bicycle everywhere, they drove around town in gleaming new Datsuns, Hondas and Toyotas. I was working my way through school, while they partied on Saturday nights.

But many of those silver spooned fraternity brothers, twenty five years later, aren't doing so well. Some are in dead-end jobs. Others continue to rely on their father's good graces in a business, and bemoan working with family members. A few inherited significant sums but have blown through it.

That's not to say they've all been dismal failures. Plenty of the guys I went to school with who had successful parents are now successes on their own. I would say, however, of the ones that I have personal knowledge, that having more handed to someone at a young age inhibits their personal development, rather than the other way around.

Professionally, too, I've seen where leaving large amounts of inheritance or gifting large amounts to a child distorts that child's views on the world. A daughter of one client so depended upon her father's gifts, that when he died and the gifts dried up, she was left destitute. Over the course of the years she was given a half of a million dollars. Today she has nothing to show for it.

I think it's just too easy for someone to believe that they are "entitled" to things when it is always handed to them. That's why I am suggesting more and more to my clients that they should put some more thought behind how their wills or trusts leave assets to their children and grandchildren. There are various ways to create a trust that will act as a safety net in the event of a significant medical event or emergency, for the education of grandchildren, or for propping up a child when they fall on bad times such as in a divorce or other similar situation — without taking the drive away for that child or grandchild to become a productive member of society.

Talk to your estate planning attorney about these issues when you next meet with him or her. If you would like information from my office on our unique process that we use to work through these and other estate planning issues, call (239-334-1141) or email us at my address below and ask for our brochure on "The Family Legacy Solution". If you email me please put "Family Legacy Solution" in the Subject Matter line of the email so I will immediately recognize the request.

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