

Rich Kids

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It is not a simple matter to successfully pass wealth from one generation to the next. Contrary to what most of us might think, it is not so easy to be an heir to a family fortune. However, we can find guidance, in the words of the Torah, as we read them this morning in Deut. 8: 2-4.

As some of you may know, Sherri and I last week had the good fortune to take a long-awaited 3 day vacation (which, parenthetically, for most people is really nothing more than a long weekend, but which for rabbis, who do not have weekends off, constitutes a vacation.) We spent the time in Newport, RI, which besides its delightful seaside resort ambience, being famous as the summer playground for some of America's wealthiest families, is also rich in history, both American and Jewish. And during those three days, we covered three centuries of American life, most specifically what historians would refer to as fin de siecle, or end of century, 18th, 19th, 20th centuries American life, in a manner that turned out to be particularly instructive for us, on the specific subject of family wealth, as passed down over the generations. And it is that of which I would speak today, particularly in light of one verse in this morning's parshah.

Let me begin with a happy coincidence. Almost exactly to this day, 205 years ago, on August 17th 1790, George Washington came to Newport, a year and a half after being elected the 1st President of the United States. On that day he visited the Sefardic synagogue, which still stands in the center of town, where he paid his respects to the Jewish community. When the congregation presented two official letters to him, he responded by writing his famous Reply to the Hebrew Congregation of Rhode Island, in which he pointedly reassured these descendants of persecuted Spanish Jews that the United States would never tolerate bigotry and religious persecution against any of the citizens under its protection, as long as they would "demean themselves as good citizens." But, less famously, in that very same letter, Washington made another comment, which bears careful examination. He wrote "The reflection on the days of difficulty and danger which are past is rendered the more sweet from a consciousness that they are succeeded by days of uncommon prosperity and security." It is significant that Washington should so contrast what he called "the uncommon prosperity" of that setting with the dark and difficult days of the preceding years of struggle, of revolution, and of poverty. Apparently Mr. Washington was singularly impressed with the wealth that he saw in Newport on that day, against the backdrop of the preceding years, and what he called "the difficulties and dangers" that his generation had endured. Given that struggle, the material affluence of Newport, Jewish and otherwise, was particularly sweet and rewarding, and an encouraging portent for the future of the young republic. As Washington concluded: "If we have wisdom to make the best use of the advantages with which we are now favored, we cannot fail, under the just administration of a good government, to become a great and happy people."

Exactly 105 years later, in 1895 to be precise, the Vanderbilt family of New York completed construction of their summer palaces in Newport, known as The Breakers and The Marble House. With a family fortune, estimated at the time at \$200 million, built on a mighty foundation of bi-coastal steam ships and transcontinental railroads, the Vanderbilts had come to epitomize extreme wealth in America. And today, 100 years later, as one goes from room to room, and

floor to floor in the huge mansions, and witnesses them filled to overflowing with priceless architecture, marble, antiques, art, tapestries, and furnishings gathered from all over the world, one cannot help but be overwhelmed at the extreme level of conspicuous consumption. To the Vanderbilts and their circles, as reflected in these mansions, money was, as they say, “no object,” nothing was too expensive. And this was where they lived for just eight weeks of the year! Imagine what George Washington, let alone Martha, would have said about “uncommon prosperity,” had he lived to see them!

As we followed our tour, I found an opportunity to take the guide aside, and enquire as to what had happened to subsequent generations of Vanderbilts. Where was all that wealth today? Where now the yachts and stables and servants galore? I thought to myself, “imagine what \$200 mill in 1895, even conservatively invested, would be worth now!” Quietly, she told me that just two weeks ago many of the Vanderbilt descendants had indeed gathered at The Breakers for the centennial of its construction. “But what of the money, do they still have it?” I asked. “Oh no,” she answered, “it’s all dispersed now, none of them have been particularly wealthy since the Depression years, and the house itself is owned by the local preservation society.” How sad, and how instructive! Even more than the magnificent splendors before me. I wondered what Washington, were he to visit Newport today, would have said about making the best uses of the advantages with which we are favored? Whatever Washington might have thought, I do know that King Solomon, alias Kohelet, the wisest of men, would not have been at all surprised: for the fate of the Vanderbilt dynasty fully bears out his observation that Yesh ra’ah h’olah ra’iti tah’at ha-shamesh: osher shamur li-be’alav le’ra’ato. Ve’avad ha-osher ...ve’holid ben, ve’ein beyado me’umah (“I have seen debilitating evil under the sun: wealth that serves to the detriment of its owner, when the riches are lost in bad times, and the children to which he gives birth have none.”) (Ecc. 5:12-13) My, how history repeats itself, how plus change, plus la meme chose!

For indeed it is true, and experience amply proves, that it is not a simple matter to successfully pass wealth from one generation to the next. Contrary to what most of us might think, it is not so easy to be an heir to a family fortune. As social scientists increasingly recognize, the children of the super-rich tend to be very complicated, and often unhappy, people, commonly afflicted with a lack of self-esteem, feelings of inadequacy and failure, emotionally isolated and profoundly lonely. One counselor who has built a practice dealing with such people, the Richie Rich’s of the world, has identified a whole spectrum of problems, including elevated suicide and dropout rates, pervasive self-doubt, and deep emotional insecurity. As one such heir, speaking from personal experience, has put it, “one of the fantasies of people who don’t have wealth is that they will inherit money and never have to work again. Then they would spend the day sailing, or playing tennis, or doing whatever they like. Most inheritors know that that makes you feel terrible. You just feel useless, and you miss out on many opportunities to build character and develop maturity.” One need only ask H.L. Hunt what became of his billions, once his sons got a hold of them! No wonder Warren Buffett, the billionaire investor, and one of America’s richest men, has said that he will not leave all his money to his children: he wants them to find their own way, to have a positive self-image, and be justifiably confident of their ability to face life on its own terms.

But the problem is not just one for the Vanderbilts and the Buffetts and the Hunts and Gates’ of society. Even those of us who have less fabled wealth should be equally concerned. As David Frum noted in an OpEd piece in the Times just this week, in recent years there has been an

unprecedented explosion of high income families in America. Until recently, virtually everyone in America, by our standards, was shockingly poor, with the median male income in 1950 a mere \$14,000 in today's dollars, with only a few thousand genuinely wealthy people in the entire country. But by 1993, for instance, nearly a million households in this country, had annual incomes of over \$200,000. Such people represent, for the first time in history, a mass upper class of wealthy people. And it is the children of these families, growing up a culture that promotes instant gratification, easy living, the use of drugs, liquor, and sexual license, who are and will be particularly challenged to find their own way, and carve out their own positive identity, not to speak of perpetuating the family assets and wealth which they will one day receive.

And living as we do, in a town such as ours on Long Island's prosperous South Shore, I do not speak in the abstract. My concern is not for rich Wasp strangers and their offspring, but for our own families, this being a community that, by any reasonable standard, is blessed with affluence and wealth aplenty. We may not always feel affluent, but compared to the overwhelming proportion of our fellow Americans, let alone the global masses, we surely constitute a privileged class. As a visiting Congressman from Massachusetts said just the other night, "I don't know why New Yorkers come to Cape Cod in the summer, when they have an Atlantic Beach so close to home!" Hence, it is surely for us to consider how it is that we will raise our children, and grandchildren, so as to avoid the fate of so many others who came before us. Not just to preserve family assets, but to raise healthy, normal, and well adjusted children, in spite of their surroundings.

Here, however, we can find guidance, in the words of the Torah, as we read them this morning: You shall remember the route by which the Lord your God has led you these 40 years in the desert, to afflict you and test you, to know what is in your heart, whether you will observe His commandments or not. Thus he afflicted you and starved you, and fed you the manna, to teach you that man does not live on bread alone, but on all that comes forth from the mouth of God does man live.... Deut. 8: 2-4

Now this statement apparently makes little sense. Why state that the God-given manna, so plentiful day after day, year in and year out, was an "affliction" that tested the people for their loyalty to God? On the contrary, the manna, in its very plenitude and regularity, should be anything but a trial of endurance? There is a wonderful answer supplied by Rabbi Ben Zion Firer, based on the Moshav Zekenim of the Baalei Tosafot: when a person does not earn his bread by the sweat of his brow, but receives it gratis, be it manna from heaven or as a yerushah from parents, such bread cannot really satiate and satisfy. For a person needs to feel that he has it in him to make it through life on his own. But when we live purely off the gifts or legacy of others, be they miracles of manna, or revenues from family Trusts, we are denied the self-esteem that comes with the awareness that we have through our own hard work or ingenuity "brought home the bread," and made it in the real world. Hence the manna, with all of its plenty, was indeed a trial: it was the acid test not of deprivation, but of benevolent plenty. Such a situation is of course particularly challenging to the children of affluent and successful parents, children who so often desperately need to measure up to the achievements of their parents, but whose own lives are lived in their giant shadow.

How then does God deal with such challenged children of plenty? The concluding verse tells us loud and clear: "For you surely know deep down, that just as a man disciplines his son, so God

disciplines you.” Far from indulging His children, God made sure that in that wilderness setting he kept his children the people of Israel people on a short lease, closely supervising, demonstrating a doting love, but also where necessary chastising them. On the one hand providing them with their every material need, but on the other, making sure to monitor their behavior, their associations, their tendencies, where necessary carrying the big stick of tough love, rewarding them, and where called for, punishing them, as a wise father in relation to a prodigal son. Rather than kill them with kindness alone, God could and did equally invoke the rod of discipline. With such a careful balance of reward and punishment, praise and rebuke, indulgence and austerity, He did indeed serve as an eternal role model for fathers and mothers of every generation, and in our case in particular, to the often clueless parents of our affluent age.

That, I believe is a lesson that Cornelius Vanderbilt never learned, to the detriment of his descendants. But we, Jews of the incipient 3rd millenium in the new world, these centuries later, can still benefit from the words of our timeless Torah, and the experience of preceding generations, parents and children alike, as we face the daunting task of what our sages of blessed memory called tzaar gidul banim, the challenge and the pain of raising the next generation to be affluent by birth but also self-assured by disposition, materially advantaged but modest in character, pedigreed yet accomplished in their own right, so as to maintain, and build upon, the achievements of the generations that succeeded them. But most importantly, as with the generation that entered the promised land, to grow up fully cognizant of God and of His eternal covenant with Israel, loyal to His commandments and obedient to His will, meriting to the fullest His endless blessings in their own right. As our parshah puts it, in conclusion, in those familiar words of Thanksgiving, which fully presaging the words of our first President quoted earlier, ve’akhalt ve’savata, u-veirachta, “that we eat, and be fully satiated, and then bless the Lord our God, for the good land, Israel, but also America, which He has given us.”