

## Freedom – and Fostering A Family’s Future

By Gary Klaben

“Freedom!” That’s the final word in the movie “Braveheart” (1995) that William Wallace (actor Mel Gibson) utters before he’s drawn and quartered for leading a Scottish rebellion against British rule.

The Civil Rights movement in this country led by Martin Luther King and India’s struggle for independence against British rule, led by Mahatma Gandhi, represent two of the most significant non-violent movements for civil rights and freedom of the past century. We Americans have strong views on freedom, born of our own revolt against the British, as set forth in our Constitution and Bill of Rights and instilled in our way of life over the past two hundred plus years.

**These hard-won freedoms involved major movements by large communities of like-minded citizenry to achieve basic civil rights.** Our freedoms of speech, religion and the pursuit of social, economic and cultural expression are firmly established in the common law of our land. We are one of the freest countries on the planet. Daily we demonstrate

that freedom—both foreign and domestic, and earned at great expense through our colonial insurrection, Civil War, World Wars, and various other tests of national will—has made a profound difference for our people and our nation.

Indeed, freedom underwrites the moral fabric of our nation and our culture. But freedom must first start with the actions, desires and will of the individual citizen.

### **There’s no perfect definition of freedom.**

But consider this: Real freedom exists when we govern ourselves by truth and justice in relationship to one another and our community.

Freedom is an ideal. An ideal is a mental construct, much like the horizon. We can see the horizon, but no matter how hard we try we can never quite get to the horizon. Such is freedom.

Yet, freedom is an ideal that is imperative to pursue. The Greek Stoic philosopher Epictetus asked the core question, “Is freedom anything else than the right to live as we wish? Nothing else.”

Psychologist-author Rollo May said, “**Freedom is man’s capacity to take a hand in his own development. It is our capacity to mold ourselves.**”

Let’s continue this line of thought, more narrowly focused on freedom around finances and money.

Business owners and entrepreneurs choose their route to success by conducting business in a high-risk manner, aware that a great percentage of them will fail. Many yearn to pursue this endeavor because of a deep-seated desire for freedom: The freedom to be their own boss, the freedom to come and go as they please, the freedom to build a business that promises financial independence—the ultimate freedom from money worries. However, many of their desires for freedom are simply dreams, lacking clearly defined conditions for freedom.

Then again, some do succeed after years of hard work with 24/7 schedules that virtually tie them down to their business. The whole freedom thing is not what they initially envisioned and, of course, they had to remind themselves repeatedly about the very powerful “why”: The “why” to weather the



constant ups and downs of their business, to stay motivated and vigilant, to work relentlessly hard and provide valuable products and services to a changing marketplace.

These same sort of dreams, aspirations, obstacles and struggles form the daily human drama for legions of corporate executives, professional service providers and rank-and-file employees.

**For those fortunate enough to reach financial independence, they are then exposed to something brand new:**

Freedom to do what they want.

Now, for the first time, they have the choice to stop doing the things they don't want to do, and the freedom to start doing the things they want to do. They have reached a key milestone, the proverbial fork in the road. And, as Yogi Berra was famous for saying, "When you come to a fork in the road, take it."

That advice is more true than you may believe. Taken another way, consider your new-found freedom a transition from "freedom from something" to "freedom to something."

Red Alert Notice: Without intentional, purposeful and conscious thought and effort, the new free time created will be filled in with this-or-that thing, something, anything that may not matter and will clutter our lives. We abhor empty



*"Religious freedom is my immediate goal, but my long-range plan is to go into real estate."*

time as we abhor empty space. If left unaddressed, our new-found time will be randomly filled with unimportant, irrelevant "stuff." This is not freedom.

**There is something else to consider: Affluence.**

Jessie O'Neill, the granddaughter of Charles Erwin Wilson, former president of General Motors and U.S. Secretary of Defense under Dwight D. Eisenhower, wrote about affluenza in her book, *The Golden Ghetto: The Psychology of Affluence*.

In O'Neill's words, "affluence is a harmful, unhealthy relationship with money when any individual has addictions, character flaws, psychological wounds, neurosis and behavioral disorders caused by the desire for or presence of wealth." As a trained licensed therapist, along with her personal experience in a dysfunctional

environment growing up with money and wealth, she speaks to this issue firsthand.

This pattern of unwanted behavior and destructive desire for wealth is a virtual prison if money is not relegated to its proper place—as a tool, a means-to-an-end to support positive and creative behaviors and activities.

Money can't buy happiness, health, meaning, value, purpose, desire or any other possible emotional or desirable feelings or state of mind.

**It can make life a little easier... but only a little.**

A critical key to a healthy relationship with money is directing and supporting the freedom we desire. That freedom is different for each one of us. However, universally we desire a positive, healthy outcome.

No human being can last long in a constant negative-spiraling cycle of self-destruction, self-loathing and negative-character behavior.

As Stephen Hawking, the famous physicist theorized in 1974, black holes, those masses of matter left by former stars, suck everything into them. Not even light escapes. He put forth the theorem that even these black holes, the strongest known matter in the universe, eventually completely evaporate.

No matter how much wealth is accumulated, without a set of principles and constraints, it's just a

matter of time before it becomes a black hole and it completely evaporates—along with everyone associated with it.

**Our financial task, if duly acknowledged and willingly accepted, is to harness our energy in positive, meaningful and ever-expanding ways to guide our money through our lives and on to future generations.**

Now, before you scoff at the idea of passing along an “estate” to your heirs, consider the alternative. Are you really going to die a day before you run out of money? Sounds good. Appears neat and tidy. But, is it realistic?

Let me paint a picture. You are fully engaged during your entire working years. You retire from active work and reinvent yourself in new ways to do what you want and desire to do. You’re past the halfway point in life. Presumably there’s less time left, with the possibility of failing health, both physical and mental.

“Well, let’s enjoy what we built.”

I agree. However, what does that really entail? Enjoy—How? What? Where? When? With what resources? Suddenly it doesn’t seem that simple. Don’t worry too much about how the money is doing? Just live appropriately, smell the roses? Enjoy the time left on this side of the grass?

Now, for the real world.

Stock markets gyrate negatively, inflation raises its ugly head, healthcare costs climb, children and grandchildren need money, and you are on a “fixed income.” Assets begin to dwindle. Fear of being out on the street starts to build little by little like a broken record in your brain, your heart and your soul.

It causes health problems due to an increasing unhealthy level of stress. Abhorrent behaviors crop up, along with old, bad habits and addictions. Money dwindles, fear increases, your health and well-being decline. Okay, enough already. You get the point.

**Running out of money when you no longer can or want to work is frightening. Believe it or not, this scenario continually plays out with wealth inherited by second-and third-generation family businesses.**

More than 80% of the time, family businesses unfortunately go through a three-generation financial rise and fall. The phrase “rice paddies to rice paddies,” or “shirtsleeves to shirtsleeves,” has long been a global truism. There’s nothing new about money and

the doors it opens (or, the lack thereof, closes).

**Quoting Ecclesiastes 1.9: “there is no new thing under the sun.”**

The human race has an abysmal track record in the wealth-preservation area.

The history of wealth plays out this way: Generation-one, individuals lift themselves up by their bootstraps and create the wealth. Generation two, seeing the struggle and hard work of their parents, decides not to mess it up, frets and worries about losing the wealth, and does little or nothing proactively to seek new ways of increasing it. Generation three, seeing

*The gratification of wealth is not found in mere possession or in lavish expenditure, but in its wise application.*

- MIGUEL DE CERVANTES

their parents worry about money with their rigid-scarcity mindset, says “to heck with it” and frivolously spends it all—thus ending up back in the rice paddy.

**Today more than three million Americans are classified as millionaires—and that’s just counting their investable assets, not their home or other possessions.**

One million dollars still means something. It is still difficult to amass a million dollars. Ask the other 320 million Americans.

The freedom this money brings you—to you who have earned, saved and successfully invested your money—is a very different freedom from the “life, liberty and pursuit of happiness” that our Founding Fathers fought for. It is a freedom still rarely seen in the world today: The freedom from dependence on a parent, a company, a community or a government to provide for us.

However, the freedom of financial independence can be a perilous journey. Along the way, many distractions in the form of goods and services, unhealthy wants and addictive behavior, along with a desire for even more, can derail us permanently.

**This freedom requires a set of rules and principles to live by, starting even before building up our wealth.** It is common for those who have created wealth and retained it to have established principles, values and good habits regarding money.

It behooves those of us with good money habits and a healthy money relationship to pass those values along early to the next generation,

rather than just the money itself. It's a hard task. It's a difficult task. It is something that many of us really don't know how to start to do.

**We start where we've always started, by exposing and teaching the next generations about the things we have learned, experiences that we have had, and the wisdom that's been gained.**

Freedom—especially freedom around money—involves that next level of most important experience-inculcated attributes that can foster good habits and that can guide our family, our community and our society. Fostering the proper relationship with money can make a quantum difference for one, two, and three generations in the future.

Back in the 18th century, in Jane Austen's England, Lord Chesterfield began writing advice letters to his son on manners, morals and finances. This British statesman and man of letters counseled his son not to throw money away “in idle follies,” not “dress like a jackanapes,” and not squander money “to play the fool with”: Generation one patiently teaching and instructing generation two.

Today, surely, dropping all the dough on junior in one fell swoop—like a mighty, cacophonous lottery winning—is the height of folly. A sure recipe for disaster. Far, far, far better to start the teaching and advising process early, whereby family members learn about money well before the ultimate final mortality.

You, after all, are the first-generation wealth builder. You have the knowledge, experience, “war stories”—and plenty of time—to help form healthy family habits, values and principles around money.

Earlier, I quoted Yogi Berra, and I'll end with him. He once said, “If you don't know where you are going, you will wind up somewhere else.” It's vitally important to share your life's business wisdom with your family members. To give them a compass and vectors for sustained future success.

Of course, Yogi Berra also said, “You better cut the pizza in four pieces because I'm not hungry enough to eat six.” With pizza, as with family estate planning, it's best to start by considering the whole pie.



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