

Attachment Theory Research and Concepts for Wealth Managers

Part 3: Multi-generational Bonds and the Hidden Role of Attachment in the Rising Generation

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Many important works in wealth psychology have contributed to the understanding of the Rising Generation, the challenges they face, and processes to support them in growing and developing (Anani, 2022; Weiner, 2022; Whitaker, 2014; Keffler, 2022). Attachment theory provides a unique view into Rising Gen challenges and fortitude and the unique role that trust plays in the development of identity, bonds, and relational capability. The following section will explore research which informs Rising Gen literature from an attachment theory perspective.

The Great Wealth Transfer, now believed to be nearing \$80 trillion in the next few decades, reminds of the vital importance of understanding intergenerational patterns of successful relationships between parents and children, between grandparents and their grandchildren, between siblings, and other family members. These concerns about the importance of addressing generational succession and generational connections can be addressed through understanding and applying attachment theory research. Specifically, all financial/ business succession, financial transfers, and familial financial decisions require importance of bonds and trusting relations, especially between generations. Because concerns about the “rising gen” expressed by families focus on worries about this next-gen functioning, including their being “spoiled” or entitled, emotionally dysregulated, and narcissistically egoistic, several contributions by attachment scholars clarify that it is the quality of relationships between children and parents or caregivers rather than access to wealth, that have direct impact on children’s psychosocial health

and identity formation. Children and young adults of wealth who have secure attachment have dramatically higher chances of being relationally capable, self-sufficient, appropriately self-assured, having capacity for emotional regulation, and having a strong sense of self. Those who have insecure attachment are substantially more likely to encounter significant struggles with their psychological journey through adulthood. In short, it is not money or wealth itself – but it is the quality of secure attachment relationships and bonds – that have the most impact on the rising gen as well as on how they will manage wealth that they inherit. Given the research, we propose that Rising Gen who inherit wealth and have secure attachment have dramatically better outcomes than those who have insecure attachment.

Rothman's (2009) in her ground-breaking book entitled the *Affluent Adolescents* documented an extensive study of New York City teens from high and ultrahigh net worth families, in which she found evidence that contradicted stereotypes that wealth alone somehow breeds self-involved, entitled, materialistic children. In her research, such problematic characteristics were found predominately among those teens who had poor attachment experiences with their parents or other caregivers. Specifically, one of her findings stressed if teens had parents who valued money or wealth acquisition over relationships with them tended themselves to develop such values: they became overfocus on wealth acquisition and displayed narcissistic entitlement to have more and more and more. In addition, teens whose parents who were predominately absent or artificially related to their kids (e.g., fobbed them off to slew of rotating nannies or merely expected them to be at large show-case family events) also tended to become more self-involved, entitled, fake, and focused on wealth over people. In contrast, wealthy families that developed decent trusting relationships with their kids tended to turn out

teens that had numerous successful relationships and friendships, developed varied life interests beyond merely acquiring/displaying wealth, and were at ease with themselves and others.

In her later study Rothman (2012) offered further valuable insights about wealth and attachment among adolescents. She confirmed that affluent teens who were insecurely attached (i.e., reported a sense of alienation and lack of trust with their primary caregivers, especially parents) also commonly displayed malignant narcissism and other difficulties in interpersonal relationships. In contrast, securely attached affluent adolescents showed healthy levels of entitlements (e.g., boundaries, goals) and had healthy relationship patterns, including balanced views of wealth and life. Again, in Rothman's conclusion, despite stereotypes and worries among affluent families that it is wealth itself that somehow creates egotistical, self-absorbed, and entitled children, it is the quality of their attachments that makes a difference in how they relate to others and the world.

Another large-scale study of adolescents across all the socioeconomic spectrum and locations, conducted by Luthar & Belkin (2012), similarly established that children from both the very affluent families and families without financial means were similarly influenced by quality of relationship attachment to their parents. In their study, such indicators of maladjustment as depression, anxiety, substance abuse, and other factors were significantly related to children's insecure attachment experiences. Their conclusion stated that, "*In all settings* [across the range of income or affluence], there are inevitably some parents who are disengaged, lax, or critical and in all settings, the quality of parent relationships is inevitably related to children's adjustment outcomes."

However, Whelan and colleagues (2019) warn that in childhood environments marked by poor attachment quality and relational challenges, insecurely attached children who grow up with access to wealth can turn toward non-human objects as sources of human-like relationships (i.e., anthropomorphize or humanize them). In this study, the authors wondered that over-emphasis on control, independence, autonomy, and self-promotion, at the expense of relational bonds that recognize need for interdependence and emotional closeness, resulted in greater tendency of children in affluent families to anthropomorphize non-human and non-animal objects (e.g., gadgets, technology). For example, such kids' phones or videogaming consoles could become more reliable and kind "humans" for children since adults in their lives emphasize being independent, resilient, strong, and always in (self) control. As attachment theory stresses, children must have consistent, accepting, attuned, and warm relationships where they can be vulnerable and close in times of stress, distress, confusion, or uncertainty. Over-emphasis on independence, self-control, positivity, grit, and so forth among children may, in some cases, create more problematic attachment patterns, in which non-human objects can be used as substitutes for people, as people are perceived as inconsistent, cold, and/or unreliable/unhelpful.. A phone or a videogame can offer far more access to emotionally attuned and regulating information, "be there" in times of confusion or distress – when adult caregivers give children messages of "staying always positive" or "being resilient."

Moreover, while trained nannies, caregivers, and teachers can offer excellent attachment based help when raising children, they typically cannot and should not substitute close bonding relationships between parents and children. Children, even very young children, know the difference between a parent and a paid caregiver, and part of Bowlby and colleagues early work

on attachment came in response to a rather broken system of child-caring that characterized Britain of the early twentieth century (e.g., nannies, boarding schools). Here in the U.S. Ainsworth and others' attachment work in 1960s was a response to a problematic behavioristic approach to children, promoted by American psychologists such as John B. Watson, who taught parents to never show any affection or love for children and to raise them entirely on rigid schedules (including eating, sleeping, bathroom use, studying, etc.) with "empirical" guarantees that such parenting would result in adults who are utterly unemotional, self-controlled, autonomous, and unattached to other human beings.

In his book commemorating 50 years of attachment theory, Sir Richard Bowlby (2018) again warned that dramatic increases in wealth and living standards, including having means to pay to raise the child by others, will not prevent poor attachment relations. Affluent parents must choose to focus on relational health and attachment bonding with their children in order to raise healthy successful people. They should read "research" in parenting wisely, recognizing that old behavioristic models, even with new "positive" spins, have not abated (such research continues to be carried out predominately on caged experimental animals) even while attachment based scholarship unequivocally shows that building trust and relational bonds requires us to show up in times of crises, transitions, and life challenges.

Takeaway Points:

- Wealth does not create spoiled, entitled, non-resilient/resilient, narcissistic, or moneyobsessed children – but poor quality parenting does. Financial advisors and wealth managers, especially working in family offices, should pay attention to narratives, fears, and concerns discussed by parents (or grandparents). Educational offerings and

encouragement to include children, in fact to create opportunities through wealth or financial management itself, to build relational bonds between generations may create far greater legacies and circles of trust (which include advisors and managers) than excluding children to “protect” them.

- Poor quality parenting, including among affluent and non-affluent kids, leads to insecure attachment styles, which further can lead to many problematic child and teen problems such as depression, anxiety, substance use, and so forth. Certainly, mental health problems among kids and adults have multiple causes. However, not avoiding discussions about improving quality of relationships with kids and teens in families, including possibly through engaging kids and teens in age-appropriate financial processes, may offer a healthy pathway to improve attachment.
- Secure attachment parenting can be learned and applied in all families. Wealthy or affluent families with rising gen concerns can benefit from educational offerings that expand their understanding of human development and its impact, including on their and family’s future financial health. In Great Wealth Transfer, healthy family dynamics will undoubtedly translate into healthy financial family legacies.
- Families of wealth must pay attention to not use their wealth to “buy” replacement attachments via retinue of paid caregivers or teachers or even expensive gadgets as replacements for attachment parenting work. Such attachment based parenting work will pay out in numerous ways, as shown throughout this piece – it is a true lasting investment that will pay dividends for generations to come.

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