



FEATURE: HIGH-NET-WORTH FAMILIES & FAMILY OFFICES

By **Michele Mikeska**

Creating Balance in Financially Diverse Partnerships When She Has the Money

How successful couples sidestep predictable traps and master unique challenges

Isabelle, a real estate agent, and Nick, a financial guy, met in their early 40s through a mutual acquaintance. Though their romantic connection was unexpected, the pair quickly committed to each other and their new relationship. However, not long into their courtship, Isabelle disclosed that her father was “kind of rich.” Though Nick was confused about what that meant, he responded with a shrug and with a simple “okay.” Bruised by similar disclosures in the past, Isabelle pressed him for a deeper understanding, “No, like, really rich. Soooo, is that going to be a problem?”

Why is it an issue if one member of a new relationship has far more money than the other, especially if there’s a wide divergence? Money isn’t neutral and has a deep significance in a relationship. Whatever the couple would like to believe, the individual with more money will likely exercise some sort of emotional dominance over their partner. While we’re in an age when we desire gender neutrality or egalitarianism, the reality is that if the woman has greater wealth, both partners will be influenced by that inequality. How does the less wealthy partner feel if his earnings are insignificant, the house and vacations come courtesy of the wife’s inheritance or the wife’s family tries to influence her behavior because they have some control over her wealth? These factors are a significant influence and make the development of a comfortable, trusting, emotionally full relationship more difficult. Let’s consider what happens when the female partner enters the relationship with huge financial resources from her family.

Traversing Differences

Initially things went smoothly for Nick and Isabelle. However, in time and in insidious ways, Nick began to experience the impact of Isabelle’s family’s wealth. Even with a secure sense of self, merits and accolades of his own and a solidly upper-middle class background, Nick felt the shock of entering into her land of wealth and the monolithic family system that inhabited it. Everyone in the system seemed obsessed with her father as well as with Isabelle and her siblings. He felt diminished and one down in the relationship, his work and new family.

The first major blow came when Isabelle’s father informed Nick that somewhere down the line, Isabelle was set to inherit around \$600 million. Nick felt it was too much to get his head around. Not only was Isabelle’s inheritance a challenge for Nick to comprehend, for all intents and purposes, Isabelle didn’t conceivably have a sense of the scale as to the amount she was inheriting. Following their engagement, in a meeting with her family lawyers, Isabelle rejected the idea of a pre-nuptial agreement (prenup). As Isabelle understood it, Nick was also set to receive an inheritance from his family. She didn’t realize that his was \$1 million. If that were the couple’s only resource, it would be a wonderful nest egg. But in their situation, Nick’s contribution was insignificant. The couple had missed their first big opportunity to discuss “the elephant in the room”—what did their financial inequality mean to them?

In time, the couple accepted and navigated the confusion and the challenges of the new relational paradigm. However, new questions continually emerged. Should she be the only one to talk to her father about the money? Was Nick allowed to do it? Were they really going to choose her awesome family trip again over going to his parents’ house for the holidays? The answers were seemingly always out of the grips of their mutual understanding and individual comfort. Having



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no reflection or direction on how this type of relationship might function meant the pair would blindly forge forward.

Challenges of Financial Diversity

Couples who are in a financially diverse partnership due to inheritance, identities, cross-class backgrounds, family systems and socially held norms face a different and unique set of challenges and questions compared with their financially diverse counterparts with earned

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wealth. For example, inheritors may question: What does it mean to spend out of my means, when I have no idea what “my means” are? Spouses may question: What value do I provide if I’m not financially providing? or How will I live up to the achievement of—(insert whomever generated the family wealth)? For the marriage partners: If one of us wants to take up an expensive passion project or quit our job, what does that mean for the other? Of course, couples must work out their questions together. If they don’t, regrets and imbalances quickly build up, threatening to hinder the relationship development or dissolve their relationship all together. However, little guidance on their unique situation is available to these couples. Where do financially diverse couples with inherited wealth begin?

Financially diverse partnerships, in which the wife holds greater financial capital than her husband, are on the rise. The effects on marriage when the wealth is tied to family can now be seen on screens big and small with characters like Astrid Leong-Teo and Michael Teo in the 2018 film *Crazy Rich Asians* or Shiv Roy and

Tom Wambsgans in HBO’s *Succession*. According to the Boston Consulting Group, between 2010 and 2015, private wealth held by women grew from \$34 trillion to \$51 trillion. By 2020, women are expected to hold \$72 trillion. And, most of the private wealth transfers in the upcoming decades will likely go to women.¹

Despite research efforts increasing within the realm of heterosexual marriages in which women earn more, there remains little inquiry around the psychological constructs of cross-class relationships and a notable absence on the effects of a woman’s inherited wealth on her relationships.

Research on Financial Diversity

My experience with financially diverse couples, defined as a heterosexual couple in which the female’s inherited wealth² significantly exceeds that of her male counterpart, came via the realization that no research had been done in this area. Noted authors Jay Hughes, Joanie Bronfman and Jackie Merrill started the dialogue,³ and subsequent papers have addressed the need for future exploration surrounding financially diverse relationships by highlighting the vast scale of the issues. These papers prompted my curiosity and ultimately an investigation into the lives of financially diverse couples resulting in a working directional theory, a discussion guide for couples and on-going study.

The main goal of my research was to provide the basis for a conceptual language to help such couples effectively navigate this unexplored paradigm. Simply put, I wanted these couples, and those that work with them, to be able to understand the challenges at hand and talk about them. I interviewed both members of six couples from the United States, ranging in age from mid-30s to mid-70s. The couples represented a range of professions, years married (four to 46) and inherited wealth (\$10 million to \$900 million).

Findings and Takeaways

My research revealed that financially diverse couples overcome their unique challenges by directly addressing the deeper psychological and social forces—such as inheritance and embedded gender and social norms; struggles for balance, power and control; and pressures, assumptions and familial expectations about the roles they should play within the family. Another reason inheritors keep their wealth identity at a distance is



the conscious or unconscious awareness of others' resentment, envy or desire. I also discovered individual identifications and attributes along with relational dynamics that typically occur during the lifespan of the relationship. I found that some couples craft a way to thrive in spite of their differences, while others continue to be plagued by challenges and conflict. Most importantly, I came to understand that if couples know what questions to ask each other and what traps to avoid, they can emerge stronger, fulfilled within their relationship and find more meaning in their inherited wealth.

Five Key Insights

I uncovered five key insights that financially diverse couples must keep in mind to side-step common traps and challenges to have a successful relationship:

1. Address confusion. Perhaps the most pervasive issue that emerged from my research was the individuals' inability to understand how this type of relationship works. Couples spoke to the confusion on how to navigate this new relational paradigm. One husband reflected on not knowing what role to take early on as he always understood the husband to be the financial provider. Confusion can manifest within these relationships because of traditional gender role associations and embedded masculine ideologies. Or, there may be confusion due to: an inheritor's family system, including lack of preparation for inheritance or the lack of agency with the wealth; the couple's cross-class backgrounds and subsequent values; or some variation of all of the above.

Most early relationships tend to steer clear of discussions that can create arguments. And, we know that money is the number one topic that ignites arguments. Not only have numerous studies suggested money as the most frequent source of spousal conflict (as reported by both husbands and wives) but also typically the most difficult issue for couples to resolve.⁴ So, there's a perfect storm of uncertainty, avoidance and high stakes conflict at the onset of these relationships, as couples need to address the paradigm shift and relationship functioning.

Additionally, during these marriages, the confusing question of "Whose money really is it?" resounded. Some spoke of it as "our money," then would say "her/my money," or then at times, "The Money." For the majority of couples, the answer seemed to be rather

ineffable and slippery.

Finally, some couples needed to address prenups that created extra confusion and pressure. In hearing participants describe their early experiences with prenups as an engaged couple, it was apparent that financially diverse couples face steep challenges in needing to address sensitive and confusing material perhaps before their relationship has even been able to establish stability.

2. Consider the inheritor's relationship to her

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wealth. Numerous writers have found that children of wealth are frequently underprepared for the responsibility that having and spending money entails.⁵ All of the participants in my study spoke about the inheritor being uninformed and ill-equipped to understand the impact of her inheritance. For instance, some inheritors may have received so many mixed messages about their money growing up, they didn't know whether they were rich or poor. In a few cases, reviewing the prenup was the first encounter with their inheritance, the totality of their family's wealth and the potential emotional impact of wealth diversity in their relationship. Consequently, I found the relationship then became the catalyst and tool for the inheritor to fully understand her relationship to her wealth.

Money provides a place from which people are able to explore and experience their environment and, for the majority of Americans, it seems to provide a secure base for their sense of self-worth. However, most inheritors don't want to talk about their wealth—what it's afforded them, such as power and privilege, or taken from them, such as self-esteem, autonomy and subjectivity or what it means to their identity. Many don't



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have the opportunity to personally understand their class/wealth identity formation. Instead, class/wealth identity is informed through family, friends and society. Relational observation and modeling then shapes the inheritor's personal viewpoint of wealth and her sense of self.

Also, and not surprisingly, the women I spoke with wanted to be seen for more than their money and separate it far from their sense of self. This, however, can come at a cost—as intergenerational wealth also plays a large role in individual identity. An example: One woman was aware that she would receive her inheri-

Most discussions about diversity in couples tend to focus on the conflicts that arise out of challenges.

tance as a young adult. After a meeting with the family lawyers, she was taken aback by the actual amount. She stated, “I didn’t know what it meant. I was doing Google searches of wealthiest women. And figuring, oh my god, I’m wealthier than Madonna!! That was weird to me. Like Madonna? I didn’t even know who I was anymore.”

I believe another reason inheritors keep their wealth identity at a distance is the conscious or unconscious awareness of others’ resentment, envy or desire. We live in a society that both idealizes and vilifies the wealthy. Inheritors spoke of experiences of envy and exclusion. Social psychologists have suggested, in fact, that misfortunes of the wealthy can evoke a malicious pleasure in others, because people in general feel some satisfaction in the downfall of those far more successful than they are (a phenomenon labeled “schadenfreude”). So, not only may an inheritor’s wealth be a source of pressure stemming from family expectations, but also it can produce feelings of guilt or embarrassment and protection and explain why the inheritor excludes inherited wealth from her identity when meeting potential romantic partners.

3. Redefine “adding value.” All of the husbands and wives recognized the wealth’s effect on inherited power imbalances. They also observed their attempts to restore equity to the relationship. One woman talked about the conscious effort to balance the power by not making all the money decisions the way she desired. Instead, she deferred to her husband for a joint decision. Another woman got her husband a credit card in his name under her account and started buying public-facing items in both their names. One of the men talked about tirelessly working around the house and garden in effort “to contribute.”

The challenge for balance and equity is real but different for each member of the couple. For the male partner, his wife’s wealth may make his own career achievements and earnings less important, noteworthy and significant. For the female, her own feelings of not deserving the wealth may lead her to devalue or have difficulty feeling that her work and life have significance. Together, the couple must find their own way to feel a sense of accomplishment and self-worth amid her world of family wealth.

The husbands in this study found it helpful that they had already developed a secure sense of self when entering into their relationships and the land of wealth. The majority of inheritors found it helpful that their spouses seemed uninterested in money—or more importantly, the materialism that can go along with it. Yet, the husbands discussed a variety of feelings around the inability to find their place in their spouse’s family system and in the relationship due to feeling like an outsider to the wealth itself. One husband discussed the pressure from his spouse to be more ambitious, while another talked about the judgment cast by her family elders based on his job and class background. Some men admitted placing themselves directly within the family system by joining the family enterprise, though in some cases, this added a whole new set of challenges.

Perhaps most compelling was the ability for some of the couples to reconceptualize the meaning of “adding value” to find balance in the relationship. Couples redefined what it meant for the husband to “provide for the family” and respected each other’s contributions in a variety of contexts. For those who were willing to expand their views, adopt a different perception, a new



way of being—as well as fully accept their cross-class differences—there was a different and accelerated trajectory to those relationships. These relationships were more resilient and less prone to conflict.

One inheritor put it this way: “There’s certain playing fields in this arena that he can’t compete on. So, it depends on what yard stick you use to measure stuff. If you’re using the wrong measuring stick you’re gonna be unhappy.” Her husband agreed: “It could have been a real problem real fast, if we were measuring success or wellbeing or contribution financially. It would have just blown up. It would have never worked. She has a whole bunch of things that she thinks I do or contribute to her, and to our family, and to her father, and to the whole thing—that are, in some ways, a nicer way to think about someone than just providing financially.”

4. Remember context and the power of systems. We’re cultural and relational beings who reside in systems. As the saying goes, “Birds of a feather flock together.” Indeed, there’s homophily in marriage unions as well; that is, a tendency for people to have positive ties with people who are similar to themselves in socially significant ways. Most marriages occur between men and women who live close to each other and are of the same race and similar age, education and social class. Therefore, perhaps it isn’t surprising that a recent study established that couples are less likely to form if the wife’s income or capital greatly exceeds the husband’s.⁶

The central thread that ran through my research was that these are non-normative (read: even more complex) relationships that possess significant, and at times, insidious challenges due to the different systems in which they reside. Not only are these couples rewriting cultural norms, namely embedded gender role associations, but also they must continually move between multiple systems: the relationship itself, social classes and family enterprises/systems, to name a few.

One thing that struck me was that these couples have to work against and with these external systems to understand how to make their relationship work for them—many doing so without an internal compass or capacity for mutual discovery due to age and/or lack of experience. As one husband noted, “One of the few ways that I actually do think her wealth has been an issue is she’s used to being the center of the universe. She’s used to people making her preferences

into their preferences.”

For better or worse, relational patterns along with how these multiple systems are navigated will influence how a relationship’s development unfolds. For the majority of financially diverse couples I studied, possessing assets from inheritance was a primary source of income that often carried a great deal of internal and external pressure, confusion, interdependency and power differentials within the family. It can be hard for the inheritor and couple to separate from the benefactor or family system. However, couples must figure out how to move towards the active creation of their own system.

Nevertheless, in random moments an insidious and ambiguous question will float in: “Who’s money is it really?”

5. Increase communication about differences. All relationships begin, are maintained and end through communication. Americans generally dislike talking about money, class and class-based stratification. Nonetheless, they’re important features of our society and influential variables in financially diverse marriages especially as class distinctions manifest in everyday life. Differing attitudes and behaviors stemming from cross-class backgrounds impact these couples in ways big and small. Yet, the couples in my study consistently discussed how money magnified their problems.

I believe the subjective meaning of money holds a host of conscious and unconscious feelings that can create a variety of issues while in a relationship with another. But, I also believe what happens all too often is that money becomes the vessel for which all other underlying issues get placed. Money is the easiest to blame.

Cross-class backgrounds, along with the transmission of family values, may lay dormant in discussions but they act as directives in these partnerships. They play an important role in decisions ranging from



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where to live and what to do in free time, to the management and governance of inheritance structures and parenting.

Researchers who study interracial and interfaith relationships discuss each individual bringing different and unique aspects that create a richness in the relationship. I would argue the same is true for these cross-class couples. I think the potential strengths and creative aspects of these unions are often ignored. However, these couples also encounter a unique set of challenges: one potentially being the inheritor's lack of integrated identity to her wealth. Another challenge is the complex dialogue of intersecting identities (that is, gender, ethnicity, class, etc.). Historically, gender roles, ethnicity, wealth and social class each commonly and independently included social dictates about power and powerless, independence and dependence, but as these norms slowly change, how they interact with each other and influence the cultural zeitgeist (and one's identity) is still unknown.

Renowned researcher and clinician John Gottman has done extensive work over four decades on divorce prediction and marital stability. He discusses how it's life's every day, moment-to-moment communication attempts and how these attempts are acted on that make the difference in whether a marriage succeeds or fails. It's no surprise then that I found the main differentiator for successful and sustainable financially diverse marriages came down to awareness and communication between partners. Without question, the communication about—and acknowledgment of—the inheritor's wealth, along with the recognition of varying and differing attitudes and behaviors that stem from cross-class backgrounds, were crucial in determining the course of the relationship.

Sidestepping the Traps

Most discussions about diversity in couples tend to focus on the conflicts that arise out of challenges. Because the challenges are a developmental byproduct of this type of relationship, it's important for couples to learn how to sidestep the traps and move through the challenges towards resiliency and growth.

Despite the power of systems and differences to damage these relationships, my research showed it can also assist in the development of a greater sense of self, more meaningful relationships to inherited wealth and

an increased intimacy within these marriages. I found that the differences that complicate these relationships don't predict relational outcomes such as satisfaction, commitment, intimacy and stability. Rather, it's the couple's ability to communicate effectively with one another and understand each other's diverse and divergent points of view.

Relational tension can be unbearable for some—and at best, uncomfortable for most. So, it's understandable that couples often look for logistical solutions to their challenges, especially as the waters of a financially diverse relationship can be murky and anxiety provoking. However, it prolongs the struggle. The underlying confusions and tensions will remain unresolved in the relationship. Instead of simply trying to find ways to negotiate and balance differences, financially diverse couples must seek to understand, share and discuss the emotions, values and fears underlying their differences and the inherent imbalance of power.

Talking about the feelings as well as the challenges that come with family money, non-normative partnerships, shifting power differentials and differing backgrounds can help mitigate and manage conflict. But, couples must also allow themselves to go through the feelings—the ones that typically we all prefer to stuff down—to move towards acceptance and sincere understanding. It's similar to the grieving process, in which one has to go through it to come through it. I recommend working with a professional who has experience in couples therapy and understands the complex psychological picture of money as well as diversity for the most comprehensive approach in managing the moments when different perspectives and backgrounds clash.

Moving Forward

Like all good change agents, in time, Nick disrupted the established systems a huge way. First, he and Isabelle had discussions that led to the mutual acceptance of the wealth disparity and their differences. Next, Nick abandoned the masculine ideologies of his youth, such as financially providing for his family, and fostered a sense of purpose by developing his own, unique role. He asked the uncomfortable questions no one else would to Isabelle's dad, the family lawyers and perhaps most importantly, to Isabelle, so that they both could



understand the wealth differently and deeply. In turn, Isabelle became more comfortable with her identity as inheritor. New conversations emerged. Nick and Isabelle now oversee the stewardship and governance of the wealth together. Admittedly, they say it's challenging. But, they feel they make better decisions together. With time and experience under their belts, they notice a colossal shift from their early days. Nevertheless, in random moments an insidious and ambiguous question will float in: "Who's money is it really?" And, they say, that's "just part of the deal." 🌀

Endnotes

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