



## **THE DISTELFINK – They Watch What We Spend**

November 9, 2009

One of the hardest things I had to reconcile in the midst of all these children's observations was that they actually pay attention to what we buy. "Come on now, cut me some slack," was all I could think. Because here is how their minds can work, "Why does Mom get to buy some new pair of designer jeans, and I get stuck with Target brand workout clothes instead of Under Armor or Nike?" "Ungrateful little urchins!" I wanted to scream, but I bit my tongue and let them continue.

They anticipate having the newest technological gadget be it a phone, MP3 Player, laptop or gaming device. They know brand names like I used to know players' numbers on my favorite sports teams. They want to drive a new car at 16, receive a designer watch for graduation, and take the next equivalent of a Wii and X-Box 360 with them when they go to college.

How did this happen? Our children have turned into materialistic nightmares. But we know the factors that led to this. The American consumer accounts for 70% of this country's GDP, so whether we like it or not, shopping is still big amongst individuals and families. In fact, it was a pretty prescient hedge fund manager who said back in October 2001 that the great American pastime was no longer baseball, it had become shopping. Retailers and advertisers know that the "echo generation" has more discretionary money to spend than almost any other population group, and they're the most knowledgeable and influential buyers today, according to the authors Yarrow and O'Donnell of [Gen BuY: How Tweens, Teens, and Twenty-Somethings Are Revolutionizing Retail](#).

As much as I would love to concede that our kids are smart and savvy, in fact, they have just learned from us. They've watched us use our homes as revolving charge accounts to purchase cars, vacations and renovations in our thirst for material gratification. I wish more of us were like a client of mine who all along had earmarked her home equity to subsidize her children's college tuition payments. Where does it say that just because we have money, or have access to money, we're entitled to spend it? What happened to saving and living more within our means?

I wish our children could grasp the longer-term implications of all this spending and see more "millionaires next door" like those described in Thomas Stanley's books. "Because most people have it all wrong about wealth in America," proclaims Stanley. "Wealth is not the same as income. If you make a good income each year and spend it all, you are not getting wealthier. You are just living high. Wealth is what you accumulate, not what you spend." So it is my sincere hope that the reason our children don't see these "millionaires" is because they're subtle. "Their wealth is the result of a lifestyle of hard work, perseverance, planning, and, most of all self discipline," writes Stanley.

Deep down, I know we can't go back to different times, different lifestyles, but I do know some families who try. In a deliberate attempt to get away from the myriad of ways we can communicate with one another, and entertain ourselves with TVs and all the apparatus we can attach to them, they leave it all behind. They go to New England, they go to the mountains, they go camping, and they let the electronics stay at home. For a little window each year they enjoy the outdoors, setting up puzzles on tables, and playing games as a family. They don't think about Malls and online coupons and where to get the best price on back to school clothes. They just enjoy life for the natural beauty it brings.

Wealth brings with it temptations, lots of material temptations. But if one of our true goals is to raise responsible, self-sufficient children, we have to acknowledge that the environment in which we raise them, and the example we set ourselves, will be noticed and often mirrored. We cannot live one way ourselves and expect our children to do otherwise. It starts with us, and that's why this parenting gig is so hard. There are no easy answers, and it's almost impossible to be consistent with our messages every day. But we can try, because that's what being a good parent is all about.

Copyright ©2009 Weightman Wealth Advisory. All rights reserved.