

Freedom From Wealth And Aging

The Importance Of Setting Priorities

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Renowned psychologist Erik Erikson said that in looking back on life in old age, a person either feels pride in accomplishments or regret about what has not been accomplished. Erikson suggests that this is the stage in life in which people are relatively passive and almost entirely contemplative. It is a stage of satisfaction or depression.

Today, people are taking better care of themselves, are healthier and are more vibrant as they age. We have a president and at least two other candidates seeking the highest office in the land who are over 70 years old. The world is full of people we would consider elderly yet actively engaged in business, academia, politics and philanthropy. They are not sitting in rocking chairs contemplating the past; they are actively chasing dreams.

Yet, no one can stop the progression of aging. What individuals and families can prevent is being unprepared for it. In our experience, those who properly plan for older age are the ones most likely to enjoy their golden years – to enjoy Freedom From Wealth on their own terms. This may be especially true for wealth creators who chased their dreams earlier in life, and still have dreams they want to pursue.

It All Starts With Planning

How do active people enthusiastically continue chasing their dreams even as they age? They do it through thoughtful planning. They plan their lives and their dreams so that they can chase them even as their capabilities diminish.

Preparation starts with considering and setting priorities.

What is most important and what can be forsaken as frailties set in? As important, there must be contingency plans for when the individual may need to adjust their dreams to fit their capability. Priorities and contingency plans also need to be communicated to people who can help maintain them and execute the plans. Fundamentally, success in aging requires finding support not only in the day-to-day living of life but also in adhering to and adjusting priorities.

Setting Priorities

So how do priorities get set?

You start with an analysis of what's important and what isn't. What can be delegated and what cannot? Ask yourself now what dreams you want to chase. Your time and strength for chasing those dreams start to diminish as the years go by. Strategies must then be developed for implementing the priorities and delegating responsibilities and tasks. These should not be confined to the legal documents you need to have – living wills, durable powers of attorney, “declarations of desires” and the like.

How the analysis is performed may be almost as important as the priorities themselves. You should work with people you trust and who will help you manage your priorities. Without a team that knows your goals and your preferred lifestyle, your priorities may get lost in the haze of old age.

I've seen that happen. One day an elderly gentleman came to my office in St. Louis. He saw political chaos and communism likely to take over the world. He made it a priority to have adequate financial resources to survive no matter what happened. He had arranged a safe deposit box in a Geneva bank and placed \$5 million worth of gold bullion in it.

No one was to know about it except him. He would access that wealth if the time came. Having that money available was his highest priority. "What about your son" I asked him? His son was helping him run his business affairs and was a likely confidante, I thought. "Oh no," said the old man. "The communists will end up getting information out of him by threatening his family. I won't tell him about that gold." His strategy of secrecy seemed to make sense to him until I asked: "Suppose you are too old to travel? Suppose you suffer dementia or memory loss? What if you die?" There was silence and then, "Let me think about that." The next day he called to say he had shared all of his information with his son, who had promised not to let "them" torture it out of him.

The plan needed to be shared with the gentleman's son. Only then could strategy be put in place that would allow the wealth and its support to survive the old man's incapacity.

Building The Team

Based on my family's experiences in 110 years of working with families of significant wealth, I realize the importance of setting and adjusting priorities. This process is best done in a deliberate and careful fashion so that your team can help you as you age. That effort is typically led most effectively by a professional who can help ensure that the priorities are objectively developed and all possible strategies can be fully explored.

Designing and engaging the team is a substantial project in and of itself. The selection of team members tasked with this responsibility should be based on their capability, not on how much you may or may not love them. For example, if the delegation of financial affairs becomes a way to free up your time and energy, it may be wise to choose an expert – perhaps someone who is not a family member. You need to build the supporting cast carefully.

When those priorities and strategies are developed, the team needs to be engaged. Those team members may be some or all family members; they may be lawyers, doctors, geriatric social workers, pastors, or friends. But importantly, it is the person planning for aging who needs to set the overall theme by defining the dreams to be chased.

Every team member needs to understand his or her role and how it allows you to chase that dream.

That person planning for aging needs to provide guidance to team members by analyzing various scenarios which might occur. Critically, that team is not to be asked whether they endorse the priorities or whether they would meet challenges posed in the same way as the person planning would meet them. Rather, team members need to understand the priorities and confirm that the strategies to achieve them can ultimately be implemented, even when the aging person cannot implement those strategies himself. The team needs to prepare for scenarios by understanding how the aging person would want them handled.

Defining Priorities

Priorities are by nature quite general, but more discussion may be needed to clearly understand their specific intent. We often hear about “good health” as a priority. That can be difficult to interpret. Is “good health” a condition that allows one to do what he or she wants? What at age 35 would seem unbearable, like feeling sore and stiff when you wake up in the morning, by age 75 can be perfectly acceptable. I know many people who carry oxygen who would have “rather died than do that” when they were 40 years younger.

Good health needs to be defined in terms of how health can interfere with priorities. Similarly, independence is a great priority, but any planning needs to consider the inevitable tension between independence and safety. The process of defining priorities and considering scenarios will help set out ways in which to manage the tension.

The discussion is best begun when you are young enough that your thought process is not diminished, and your health is still good. What a 60-year-old can consider objectively may be impossible for a 90-year-old to contemplate.

We have actually developed a formal process and conversation to help a person develop his or her priorities and communicate them to a team by discussing “what ifs.” That process and the implementation will be the subject of a book I am writing now. This book, my third, is intended to help people deal with the issues of aging in the context of substantial wealth. However, many of these lessons can be used by those without substantial wealth.

Aging well, like living well, requires the freedom passionately to pursue self-actualization. A 20-year-old can chase every passion (and often does) without running out of energy or time. A 70-year-old has to be more selective. Fortunately, the 70-year-old has had more time to see life and to decide on what is important.

Charles A. Lowenhaupt is Managing Member of Lowenhaupt & Chasnoff, LLC, a law firm founded in 1908 that develops wealth strategies and provides counseling to individuals and families of significant wealth. Lowenhaupt is also co-author of the books, [Freedom From Wealth](#) and [The Wise Wealth Inheritor's Guide to Freedom From Wealth](#).

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