
Go beyond managing your capital wisely. Plan on using it wisely.

Through a lifetime of hard work and astute financial management many people have developed a significant surplus. Use a portion of that surplus to maximize your happiness.



Warren MacKenzie

Are you wasting your hard earned money?

No one wants to waste money. Of course there are many different ideas of what constitutes waste. There's the story of a man who blew through a \$5 million inheritance and on his deathbed he expressed his regret. He had spent \$4 million on wine, women and the racetrack, but regretted wasting the rest of his inheritance!

If leaving a large estate guaranteed an increase in the happiness of one's heirs – then leaving a large estate wouldn't be a waste of the effort and sacrifice needed to accumulate a surplus. But some statistics show that leaving a large estate often causes more grief than happiness for those who inherit.

So to avoid wasting

their money, many people who have surplus capital may want to consider greater involvement with philanthropy.

We all want to be happy and there is evidence (from philosophers, religion and psychological research) showing that helping other people is the true source of happiness. There's a saying – *"If you want to be happy for an hour – take a nap, if you want to be happy for a day – go fishing, to be happy for a month – get married, to be happy for a year – inherit a fortune, and if you want to be happy for a lifetime – help other people."*

Many parents plan to leave everything to their children - because they want their children to have happy lives. But parents should be aware that introducing children (or grandchildren) to philanthropy may be one of the best ways to get this desired result. Parents should also know that when young people get involved in helping others – it is the young people who receive the greatest benefit.

Although we want our children to be happy, there is evidence that giving children a large inheritance may not be the best strategy. Happiness comes from our family and friends, taking responsibility, having accomplish-

ments and service to others. Parents can give their heirs many things – but they can't give them happiness – this is something that everyone must find for themselves. However, introducing children to philanthropy is one way parents can point them in the right direction.

Everyone knows they should manage their capital wisely. It is equally important to use one's capital wisely. If there is clearly a surplus - using capital wisely often means either (1) spending more and enjoying a better lifestyle, (2) giving it to heirs in stages so they can learn to manage capital wisely or (3) donating more and experiencing the happiness that comes from helping others. If we don't use our capital in one of these ways – we may be wasting it.

We can't take anything with us when we die. So we need a proper financial plan that shows us if we have a surplus, and if we do, we should use a portion of that surplus to maximize our happiness. A good way to do that is to get involved (perhaps with our family) to give something back to support the social fabric that makes it possible to accumulate a surplus.

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