

The History of Ethical and Heritage planning



"Heritage plans" or "Ethical Wills", are one and the same thing. They have gained broad popularity in recent years. The earliest heritage plans were most likely passed on by word of mouth, while those of later generations were recorded on paper. Wills dating from the Medieval and Renaissance periods have even been preserved to modern times.

Ironically, it is the way we live rather than how we die that has made Heritage plans more popular recently.

Supporting Research

Market research conducted by ourselves also concurred with an extensive research exercise, conducted by Ken Dychtwald on behalf of Allianz Life Assurance, which shows that there is a need to enhance the public's existing traditionally accepted view of "Wills", to augment and allow them to reflect not only their material wealth but also their heritage and ethical values.

In 2005, the study by Allianz found that leaving a legacy (an emotional inheritance) was far more important to people than leaving a financial inheritance, and that 77% of both "baby boomers" and their parents rated "values and life lessons" as the most important legacy they could receive or leave. Only 10% of boomers said that financial assets or real estate were important as an inheritance. The study concluded that money is a 'minor' component of legacy to parents and their heirs. *"Many people wrongly assume that the most important issue among families is money and wealth transfer -- it's not,"* said Ken Dychtwald, a gerontologist, and designer of the survey. *"What we found was the memories, stories and the personal values were 10 times more important to people than the money."*

A study by respected author/advisors, Roy Williams & Vic Priesser went into the issue of 'what are the most critical risks that you face.' They asked over 3,250 families who had lost their wealth, "so, what was it that actually got you?" 60% replied that it was lack of communication and trust in the family, 25% said unprepared heirs. Less than 3% said poor planning and investments had

brought about their wealth loss. These two studies highlight the knowledge gap between the factors that conventional wisdom says causes the loss of assets and unity, versus what actually happens in real life. The Williams & Priesser study further supports the conclusion that building and enhancing trust and facilitating effective communication within the family are foundational keys to family success.

A new survey, carried out **by Ipsos MORI, was commissioned by the National Trust** reveals that over half of us (57%) can't name any of our great-grandparents. The survey also showed that a further 14% of the population can only name one great-grandparent. Findings were similar across all age groups, suggesting that young and old are equally unsure about their ancestry.

- The phenomenon of sudden wealth also is driving some to consider what Michael J.A. Smith, a managing director of Deutsche Bank in New York, calls "social capital." In the wake of huge success, says Smith, his clients "feel the need to come to some agreement about who they are and how they want their descendants to interact with society. The patriarch or matriarch often wants to come up with a family mission statement," tantamount to an ethical will.
- "Most people in this will-writing process are already thinking in this direction. You can't be making your will without thinking about where you started, how you got where you are, and why would anybody care if they got your silver, beyond its monetary value," said Stein, who writes an occasional column for the Boston Globe, USA.
- A growing number of estate planners find that clients want their wills to have a more soulful component. Timothy Mininger, a certified senior adviser and vice president at Univest Corp. in Souderton, recalls one client who finished her will but felt a desire to express her deeply held religious beliefs to her children and grandchildren.
- Andrew McDonald in this great work gives a clear picture of how important our purpose is, not only to our lives, but also the life of those who come after us. His focus on the role of the "Heritage plan / Emotional Will" is a master stroke of literary genius that motivates us to live life to its fullest. *Dr. Myles E. Munroe...BFM International, Nassau Bahamas.*
- Barry Baines, a hospice director in Minneapolis and author of the book *Ethical Wills*, cites the memoir of Gluckel of Hameln, written in the 1690s and born out of Gluckel's lack of power as a woman, as a prototype of the modern ethical will. "Women couldn't bequeath valuables, so they bequeathed values," says Baines.

- Marc H. Benson, president of Hamlet Village (Hospice), said ethical wills go a "quantum leap" beyond legal wills. The patients are able to share - in a lasting, tangible way - the wisdom and experience they have gained over eight, nine, sometimes 10 decades," he said.
- In one of Pennebaker's experiments (Pennebaker 1997), people who wrote about their deep feelings showed strikingly improved immune functions based on blood tests. It is logical to assume that the preparation of an Heritage or Ethical will may also offer similar benefits. James W. Pennebaker, a Professor of Psychology at the University of Texas, Pennebaker, 1997, as reported in "Ethical Wills: Passing on Treasures of the Heart," The Forum for Family & Consumer Issues, North Carolina State University, vol. 3, no. 3, Fall/Winter 1998.
- Elaine Tiller, Executive Director of Community Ministries, Baptist Senior Adult Ministries, Washington, DC says that: "Ethical wills are windows into the souls of those who write them. It is this that makes them so cherished by family members from generation to generation."
- The experience of working on the ethical will has, in our experience, been a universally positive emotional experience for our clients, providing an often unexpected sense of clarity - Reintroducing The Ethical Will: Expanding the Lawyer's Toolbox By Scott E. Friedman and Dr. Alan G. Weinstein. Ph.D, who holds a professorship in management and entrepreneurship at the Wehle School of Business, Canisius College, Buffalo, N.Y
- The only way to truly share your values and life experiences will be to find a sustainable product to carry them far into the future. Heritage planning does just that. Andrew McDonald, author of "Record your Past – Lead the Future".
- A parent's insight, knowledge and wisdom are the most important assets they can transfer to a child. The ethical will is a wonderful tool that all lawyers should become aware of and use in their professional practice to help their clients share insight and wisdom with children, friends and favorite organizations. Scott E. Friedman, a managing partner at Lippes Mathias Wexler Friedman LLP, a law firm in Buffalo, N.Y., has written several books and numerous articles on family business. Alan G. Weinstein, Ph.D., holds a professorship in management and entrepreneurship at the Wehle School of Business, Canisius College, Buffalo, N.Y.

- Giving More Than Money Ethical Wills Gain Favor, *Published on Thursday, July 5, 2001 in the Boston Globe*, by Michael Paulson. LONDONDERRY, N.H.
- Ethical wills can be helpful in establishing estate plans, too, said Tim Mininger, senior financial adviser with Univest Trust & Wealth Management in Souderton, For many, creating an ethical will helps bring the sense that their values won't pass away when they do.
- "What we've seen in the recent technology boom and then bust is that people tend to reflect quite a bit more on the meaning of life, what their real values are, and what they want to pass along to their kids," Said business lawyer, Stephen L. Palmer of Boston.
- "I have learned that ethical wills have the power to make people confront the ultimate choices that they must make in their lives. They can make people who are usually too preoccupied with earning a living stop and consider what they are living for." Rabbi Jack Riemer of the 1991 book "So That Your Values Live On"
- Hank Mattimore, a former Oblate of Mary Immaculate, is the author of "The Priest Who Couldn't Cheat", conducts seminars and teaches community college courses on "Writing Your Own Spiritual Will." An Associate member of the Legacy Center in Minnesota, Hank feels strongly that the very act of writing a spiritual will is taking a stand against the culture of consumerism/materialism in which we live. The most valuable gift we leave our loved ones is the gift of ourselves.