



The millionaire's story

An inside look at the real value of money

Outline

In modern society making money is possibly the most celebrated and important aim in a person's life. Many of the systems and institutions that we pass through in life are focussed on training us to play as big a role in the economic system as possible, and we are constantly surrounded by media and other messages telling us that the accumulation of wealth is key to a happy and meaningful life.

At Life Squared, we know this to be untrue. Whilst a reasonable standard of material living is essential, there is plenty of research that now shows that greater wealth (above a certain point – around \$20,000 per capita in a country) doesn't generally make us any happier, and there are lots of organisations and individuals now communicating this message to people.

But although the research says this, it can be difficult to truly square it with our experience of real life. After all, who wouldn't honestly say they could use a little more income? And surely there must be some advantages to wealth? Perhaps the real situation is more complex than either of the viewpoints outlined above – and this publication aims to explore it in more detail.

This publication is unusual as it is a rare, honest conversation with someone who has made a lot of money – several million pounds. In the conversation below they talk candidly about what it's like to have gone from having nothing to growing a significant level of wealth. They talk about the advantages and disadvantages of wealth and whether it actually changes life for the better. They have learned a number of lessons that many of us can also learn a lot from.

It is – at last – a realistic view of both the upsides and downsides of wealth.

We hope this publication gives you a picture of what it *feels* like to have lots of money, and more importantly, to help you imagine what it would feel like for *you* to have lots of money. Perhaps by thinking about how you'd react to it, you might be inclined to consider whether it is really a goal worth sacrificing your life for. We also hope this publication helps you to think about what really matters in life. At minimum, we hope it will challenge the romantic (and often inaccurate) view we often have of wealth.

For obvious reasons, we have kept the identity of the millionaire secret. We are, of course, very grateful indeed for this person's time, honesty and help in producing this article.

Tell us the story of your journey to wealth.

Together with a business partner I started a company that grew steadily for 20 years. In the early years it was a bit of a struggle and sometimes we couldn't afford to pay ourselves salaries but from these humble beginnings we were able to create something special and we became the largest supplier in our product sector.

The opportunity arose to sell the company and the timing and money seemed right so the company was sold in 2009.

What was your lifestyle as the business expanded?

The relationship with our factories was very important. As we expanded we needed them to invest in expanding the production of our product. I was abroad at least once a week visiting suppliers – having expensive dinners (I remember the wine at one costing 4,000 EURO) and playing golf. It became my life – all the work and entertaining – and that was very tiring. It was one of the reasons why my marriage collapsed – I got home at weekends and just wanted to sleep but my wife wanted to go out.

Do you miss the lavish dinners and lifestyle?

I enjoyed it at the time. But the wine wasn't worth the money – it was a bit vulgar. But I made friends for life from the business.

At what point did you first feel you were wealthy?

In the last couple of years when I was running the business, my salary and bonus were about £250,000 per year. In addition to this, I'd get dividends each year of between £ 100,000 and £200,000. I'd think 'I've got half a million pounds!'. But funnily enough I never felt rich, or as if I had more money than I had done previously.

Did you feel rich when you sold the company?

I bought a big house when I sold the business and although I had a lot of money in my bank account there was a lot going out too. It seemed that the more that came in, the more went out. For example, we were paying builders hundreds of thousands of pounds to do up the house. Looking at the bank statements now, it's scary. It emphasises the feeling that you never have enough money.

How did you feel when you sold the business ?

Relieved. I don't know whether I'd say happy. We bought the house – and not much else. There was no real feeling that my life was any different. You're in a bit of a void afterwards because you've had a lot of structure to your life and responsibility and now that's gone.

It did feel good when I sold the business. But I never took the time to look back and be pleased or proud about what we had achieved in growing the business.

Why not?

Because you move on to new things. I don't think it was ever what I really wanted to do with my life – it was a way of making money. There was a lot of it that I didn't enjoy.

What were your motivations for building the business?

I think it was the wealth – I wanted to be rich. My business partner and I would have meetings into the night discussing how we could get rich and what our strategy would be for selling the business.

When it was a good size I felt proud of what we had achieved not only through seeing the products in store but also through the development of our employees.

What did you do after you sold the business?

When I sold the company, I wanted a big house with land, and a lot of the reason why I bought it was because I thought life was about having a big house to show off and entertain in. My business partner had lived in a huge house which he rented - he didn't want to wait until he could buy the big house. Meanwhile I had lived in a modest house but I'd see him and he had all the things that (I thought) I wanted. When I eventually bought my big house I thought 'I've got what I wanted – I can have dinner parties, the tennis court, the swimming pool, show everyone what a big man I am and how well I've done', despite the fact that this wasn't what my partner wanted.

How do you feel about the house now?

I'm looking to sell it and move to somewhere smaller. The size of the house and the way we live are not suited to each other. If we had a big family it would be fine. But it costs £100 a day to heat in the winter. My partner loves gardening but the garden here is too big. The tennis court has moss on it and needs to be cleaned regularly – and I only play on it 3 times a year. I also feel guilty living in a big house when we've also got a cottage that's empty.

The land (we have many acres of it) is a big responsibility – for example, one needs to maintain public footpaths.

You also get protective of your land – if I see someone going slightly off course on a public footpath on my land I get very protective – I think they're taking advantage of me.

What are the advantages of having wealth?

Complete freedom to do what you like.

What are the disadvantages?

- Money gives you the freedom to do what you want, but you're like a child in a sweetshop – there's too much choice. You don't want to rush into something. I've invested in some things that have gone badly – given people money without thinking rationally about it.
- I've learnt that material things don't bring you long term happiness. You want them, then you get them, then it's nothing. There's a saying that buying a boat only makes you happy for 2 days – the day you buy it and the day you sell it – and you can apply this idea to lots of things. I bought an expensive car that I really wanted – then when I got it I felt I had to go fast in it. There were lots of worries attached to it. So I sold it. Now, when I see a picture of a nice car I think 'I could buy that, but instead I could give £100,000 to someone to make positive change in the world and make people's lives better, rather than bombing down a country lane at 100mph, which is stressful anyway.'

- People are after you for your money. People come out of the woodwork looking for cash and you never know who you can trust and if you are just liked for your money. For example, I had a phone call the other day from someone who used to work for me and although I hadn't seen him for six years he was asking for a share of the money I had made! I have also had a lot of people asking for loans and for me to invest in their businesses.
- Everything costs more – people quote you for work and it is often double what others would pay because they think you can afford they think you should pay a higher price.
- Money brings a bit of responsibility. You've created this great opportunity and you really can do anything. You don't want to screw it up – it can be a burden. I don't want to reach 85 and think I screwed it up by not making the best use of my fortune and the opportunities it brings.
- You never feel you have enough money. I've had some bad falling outs with my partner over money – for example, I said I'd give her a good amount of money as a lump sum so that she felt secure. When it came down to it my fear of running out of cash outweighed my desire to make my partner feel secure. I started to really hold on to stuff. I thought I didn't have enough if I wanted the house abroad, the flat in London, the car etc. You do the maths and it doesn't quite go.

You always want more. There's an analogy I use – of getting onto a plane in standard class. You see the people in business class and think 'I'd love to go there'. Then one time you upgrade and everything is better and your ego feels better. You can lie back, you get great food – you feel 'we've arrived' and want to tell your friends.

Then you realise it's just a seat. And the food is still airline food. And what's behind the curtain at the front of the cabin? That's real luxury! If only I could fly first class...

That's what life is about – you always want more – and when you get the thing you wanted you realise it's not as good as it could be – it wears off quite quickly.

Would you say the value of money decreases as you have more of it? (i.e. above £x you get no happier)

I think it depends on your frame of mind. You want to get on in life –and part of this is about how you're valued – we all want to be valued in life. I remember being on £40,000 a year and going up to £45,000 and it was great. But after the first cheque went in, the increased amount made no difference. And pretty soon I wanted to be on £50,000 a year.

Describe a typical day in your life now

I get up whenever I want – perhaps at 8ish. I let the dogs out, feed the chickens, then make a cup of tea and depending on what my partner is doing, I might take the dogs for walk. I'll then take breakfast in bed to my partner. I'll do chores like shopping and doing stuff in the garden. There's often stuff to do on the land, builders in the house, or the need to speak to the gardener. I might go up to London or a meeting or have lunch with a friend. A normal weekday for me is a bit like a Saturday to someone who has a normal working week.

I allow things to take up my time. I might be at my desk looking at some of the things I'm involved in, such as charity work and my business investments. I am also able to spend time on my hobbies or might just chat to my partner or read a book. It's funny – the day goes.

The freedom allows us to be able to take holidays whenever we want and quite often we will fly off somewhere at the drop of a hat for a couple of weeks of sunshine.

I also spend a lot of time thinking and planning what I'm going to do next. I'm in a bit of a state of limbo at the moment – I'm thinking 'is it OK to spend most of my day relaxing or should I be pushing on?'. I'm often berating myself saying 'what are you doing with your life? You can't be doing this'.

You said you don't want to reach 85 thinking you screwed it up. What does 'not screwing it up' involve?

It means doing something that would make me really happy.

Helping others is very important to me. It would be nice to feel I could give back something equal to what I've received. Use the fortunate position I'm in now to help others get into a similar situation and improve their lives.

You've also got your own security – not worrying about money for life – on one hand. Then you've got risking it on the other hand (to turn it into 100 million). I'm a bit of a gambler but my partner is terrified we'll run out of money. If I left the money in the bank we could live off the interest for the rest of our lives but I have thought 'where would be the fun in that?'. Initially I spent my time looking for new business opportunities and by trying to make fantastic returns but now I am more interested in investing in me. I want to be able to use the money in a way that gives us security but at the same time invest in business ideas that will bring pleasure to my partner and I i.e. things that we have always wanted to do in our lives.

What do you think IS important now?

I want to look at who I am and what I can offer – rather than just using the money I have. The money can allow you to be you, but don't allow you to become the money.

Overall, do you feel any happier now?

Yes I do. But I think it's because I'm able to be more aware about the things that make me happy. I'm not sure that when I was working in the business it was what I really wanted to do. Before I had the money I thought that it would be the things that I could buy with the money that would make me happy (big house, fast car, luxury yacht etc) but now I realise that isn't the case. I'm now in the process of working out what I really want to do with my life and although I am now realising what's important in life it's making me think 'why didn't I do this 20 years ago instead of chasing the money?'. If I had my time again, even knowing how much money I made, I don't think I would have done the same thing.

I'm also now with someone who allows me to be what I want to be. I'd rather have no money and be with the right person – who I'm with - than have all the money in the world and be with the wrong person.

Conclusions

We should firstly note that the interview above is with just one person, and other people may well react differently to the situation that our secret millionaire found himself in.

His story and reflections do however raise some very interesting questions and thoughts that are worth considering in anyone's life - from the real value of material goods to being honest with ourselves about what really matters to us. You will have undoubtedly drawn some conclusions from the interview, and in this section, we will note some of the thoughts that we have gained from it.

1. Money can buy something useful – but it's not material goods

Money buys a certain type of freedom – the ability to spend your time doing what you want (within reason). It also gives you a certain degree of power to make things happen – including helping people, funding good causes and investing in businesses. It could be argued that these things are useful – they do at least appear to be so for our secret millionaire. Of course, the levels of these benefits depend on your level of wealth.

Money also buys material goods of course, but our secret millionaire has found (through their own experience of pursuing and then having them) that these have real limits to their value. Perhaps one of the most interesting parts of the interview is how quickly an overwhelming desire for a material object (no matter how big or expensive it is) can turn into nothing within just a few days of buying it. This is a lesson we can all apply to our own lives – it could be a gadget worth £100 or a sports car worth £100,000 –but the sense that the purchase is a very temporary pleasure is often the same.

2. Money doesn't guarantee peace of mind

One thing money doesn't seem to provide is peace of mind – perhaps one of the most important things in life. If you see wealth as the way to a relaxed future where your head is empty of concerns and worries, think again, as it seems to create a number of new challenges and pressures to overcome. You might feel overwhelmed by the number of options open to you, a sense of pressure to do something significant with your money or a sense that the more you have, the more you feel you have to lose.

Even one of the most basic things you'd expect as a result of wealth – a sense of financial security – is not necessarily part of the deal in reality, as you may be worried about losing it or feeling that you still don't really have enough.

3. You're still you

A common experience when people go travelling is for them to expect to go to a new place and become someone else. But of course they don't, because they take themselves (including their personalities, worldviews, fears and everything else) with them. The same thing applies to wealth - if you were to become wealthy you'd still be you – just with a larger number of digits on your bank balance. So how would you really feel if you had wealth? Is this really something you feel the need to strive for in life?

4. What really matters in life?

After achieving wealth, having spent two decades of their life doing something they didn't really enjoy, our secret millionaire is now in a position where they are considering what they really want to do with their life.

One conclusion we can draw from this (for our secret millionaire, at least) is that the state of being wealthy in itself does not necessarily make us happy or satisfy our hunger for meaning in life.

The situation our secret millionaire is in - thinking about what sort of work will make them happy – may well be a familiar one to many readers. It is therefore worth noting that this situation doesn't necessarily change just because you have wealth!

More importantly, although we're all different, it seems that for many of us, we don't need extreme levels of wealth to get the life we really want. Some of the things that seemed to be most important to our millionaire were their relationships (which they mentioned a lot) and things that related to having time rather than material possessions – for example, time to relax at home with their partner and dogs, or time for cooking, reading and photography. These are priorities that you don't need much wealth to enjoy.

5. Appropriateness matters

When thinking through what you want from life and what makes you happy, it is worth considering what you feel is *appropriate* for you.

The biggest material possession that our secret millionaire wanted was a large house. They partly bought it as a means of showing their status and achievement, but once they'd bought it they realised that it carried much bigger responsibilities and expenses than a smaller house. Most importantly, in the end they realised that they didn't actually *need* or *want* a big house – they wanted an *appropriate* house – one appropriate to their situation. So, even with a large amount of money at their disposal, they are choosing to downsize.

One of the classic fantasy objects of desire for people is a 'big house in the country' – perhaps this story will make us think twice about whether this, or any other large material fantasies, are really worth having!

Final note

The thoughts above are just a selection – there are many more issues arising from this interesting interview that we could discuss, and we may return to them in later Life Squared work. But we will leave it here and let you think about your own reactions to it.

Our secret millionaire went through years of striving and work to reach their current situation, and learnt their lessons from harsh experience. Perhaps we can learn from their experiences and apply these lessons to our own lives now, so that we don't have to go through the same things in order to find a good life.

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