

March 5, 2008

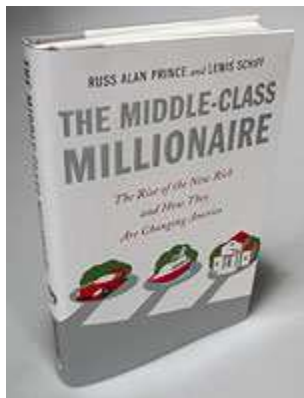
BOOKS
Business Bookshelf
Just Don't Call Them Rich

 By **KEITH WHITAKER**

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The key to riches in America, according to Alan Prince and Lewis Schiff, is not thinking like a millionaire but thinking like...a member of the middle class.

There is something both pleasing and plausible about such a thesis: Although Americans, on average, get wealthier from year to year, they seem to feel uncomfortable with the word "rich" -- except, of course, when it is used as a pejorative. Even Bill Gates, in a recent interview, couldn't bring himself to use the R-word to describe his own sumptuous condition. Part of the hesitation may be simple prudence: Wealth-holders know that assets can be fugitive. The subprime crisis has only reinforced this painful truth.



Still, plenty of people are doing well and holding their own. In "The Middle-Class Millionaire," Messrs. Prince and Schiff focus on the more than five million American households with a net worth of \$1 million to \$10 million. True to form, the members of such "MCM" households, according to the authors' extensive survey, don't think of themselves as rich. They feel themselves to be "middle class." And indeed they claim to live according to rock-solid middle-class values. There are no Thurston Howell III types here.


To help draw their class portrait, Messrs. Prince and Schiff offer a few high-profile MCM examples, like Bruce Spector, the backer of PinnacleCare, and Edward Goldman, the founder of MDVIP, both "conciierge" medical-care providers. We also meet Greg Hund, the posterboy for Mail Boxes Etc. franchisees; Martin Eberhard, the engineer behind Tesla Motors (which aims to turn electric cars from "dork mobiles" into roadsters); and Brian Hickey, who founded Teardowns.com to save owners the trouble of renovating their home only to see an MCM family buy and demolish it.

The most striking thing about these achievers -- and the other middle-class millionaires whom the authors survey -- is that they outdo the rest of their class at practicing certain virtues and following certain imperatives. They value financial independence more than their class brethren (97% vs. 67%) and attach a higher value to their careers. They are more likely to see their children's success as a reflection of themselves (46% to 16%). And they prize persistence above all.

DETAILS


Potential investors repeatedly shot down Dr. Goldman's ideas for medical innovation, for instance,

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The Middle-Class Millionaire
 By Alan Prince and Lewis Schiff
 (Currency, 228 pages, \$27.95)

before he struck gold. (Concierge medicine sells in part by harking back to an unhurried middle-class past, when doctors would visit your home and spend time actually talking to you.) Where MCMs like Dr.

Goldman see the failure of an innovative idea as a learning opportunity -- the better to improve their chances down the road -- a lot of other would-be entrepreneurs see it as a sign to give up and get a "real" job.

MCMs, the authors found, apply themselves doggedly to "putting themselves into the stream of money." If almost two-thirds of the general middle class say that money is important to personal happiness, it is the MCMs who act most forcibly on that belief. Relatedly, they are much more likely than the rest of the middle class to see vacation time as family time -- probably because, working as hard as they do, they don't see their families all that much during the rest of the year.

Messrs. Prince and Schiff stop to examine Rancho Ladera in Orange County, Calif., a community that, though obviously more affluent, prompts comparisons with Levittown and a simpler vision of middle-class life. With its broad sidewalks, closely placed homes, prominent parks, and group activities for residents, Rancho Ladera contrasts sharply with the tract housing all around it. Though many Rancho Ladera homes are smaller than their soulless counterparts, they command higher prices -- and little wonder: Their inhabitants are living the middle-class dream that the other 60 million or so middle-class householders seem to have lost sight of.

There is a lot more to learn about middle-class millionaires, of course. Messrs. Prince and Schiff say little about parenting or philanthropy, for example, and they don't trace the differences between MCMs and the super-wealthy. More puzzling, they never ask their survey respondents the biggest question of all: What's it all for? The authors hold up Benjamin Franklin as the first MCM. But Franklin, they acknowledge, pursued wealth as a means to an end, retiring in mid-life to spend his time (as he seemed to prefer) on politics and science. It is hard to imagine the achievers in "The Middle-Class Millionaire" doing any such thing. They appear to be -- at least by this account -- indifferent to the passions of citizenship or anything else that doesn't contribute to material well-being. All the more reason to find out more about them.

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