

Money shrinks soothe souls of the tragically rich

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LOS ANGELES (AP) - Psychologist James Gottfurcht specializes in coaching people about their money woes, and as his affluent clients' fortunes sink in these recessionary times, he's getting richer.

The L.A.-based shrink is busier than he's been in 30 years of practice. He's even had to hire an extra assistant and get his psychologist wife to help out.

And Gottfurcht is not alone. Across the country, so-called wealth coaching has never been more profitable than in the current economy because rich people have never been more frightened.

"And the reason they're more afraid is that more of them believe this time is different," Gottfurcht said. "They believe this (recession) is more semi-permanent."

Money and the economy top the list of sources of stress for eight out of 10 Americans, according to an American Psychological Association survey last year. And the ultra-rich are not exempt.

Wealth coaches typically help them cope with addiction to money, guilt for having wealth, and family tensions over inheritance. Now, they're also dealing with clients who fear they're on the brink of financial ruin.

The affluent "watch what's going on on television and read about things in the paper, and without thinking, they believe that they're part of that group that's suffering," said Michael Glowacki, a financial planner based in Los Angeles, who blends counseling techniques with running the numbers. "They fail to realize that they may be in the top half of the 1 percent population in the country with that kind of money."

Some panicky clients could actually triple their spending and not run out of money, said Glowacki, who has seen his coaching business double. One of Gottfurcht's clients who still had a \$100 million net worth after losing half his fortune became so worried that he cut his spending across the board — including \$250-an-hour sessions with the shrink.

Others forced to live less lavishly may keep the counseling but scale back on their charitable contributions. They're also threatening to cut off relatives who fail to rein in their spending habits, with psychologists at the ready to ease families through the resulting friction.

Elsbeth Gilmore belongs to Resource Generation, a New York City-based group of 18- to 35-years-olds with wealth whose aim is to use their money and connections to help the not-so-

fortunate. Gilmore knows it sounds ridiculous to most people, but she said money creates complications.

"Everyone is impacted by class and by wealth and by money, and it looks really different depending on where you fall on that spectrum," Gilmore said. "In no way can we compare our problems to someone living paycheck to paycheck, but there are ways that having wealth impacts us in real ways."

About 75 percent of wealthy people have earned their money — not inherited it — so losing money can cause anger, anxiety and depression, said James Grubman, a wealth coach based in Turners Falls, Mass.

A billionaire who loses half his net worth has the same reaction in the brain that a poor person who loses his or her home does, said Richard Peterson, author of "Inside the Investor's Brain: The Power of Mind Over Money." There's a "biochemical cascade" that produces profound feelings of disappointment.

"I have a client whose net worth was about \$400 million and now it's about \$200 million and you would think he's about to be put out on the street by the way he reacts," Peterson said, explaining that the man is upset because he can no longer afford his private jet.

"For the rest of us, that would be ridiculous," Peterson said. "So you have to fly first class, what's the big deal, right? But I can't react that way because he really is going through devastation."

Professionals use the same techniques on their well-heeled clients as they do with their other patients — getting them to talk about their fears in a nonjudgmental setting and doing meditation or deep breathing exercises such as Tai Chi and Qigong. Peterson recommends writing down three things to be grateful for each day. Others recommend placing a moratorium on decision making for a few months or only looking for positive signs about the economy.

Gottfurcht insists that getting into "prosperity thinking" is key. Other counselors agree that the less clients allow themselves to worry, the more apt they are to see new opportunities.

"The happiest couple I've seen," Glowacki said, "came in here and asked me to shred six months of unopened 401k statements."