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Sibling rivalry: The Super Bowl of family finances

By Chris Taylor

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(Reuters) - You might think that Sunday's Super Bowl XLVII between the Baltimore Ravens and the San Francisco 49ers, which pits brothers John and Jim Harbaugh against one another as coaches, is all about the game.

But what happens on the field might be just the tip of the iceberg for sibling rivalry. What about deep-seated issues like who makes more money? Or who does mom really love best?

Sibling rivalry is not just for the sandbox; it can perpetuate into adulthood, too. And in these grownup conflicts, money is usually at the core, experts say.

"In adulthood, all the issues of childhood can become amplified," says Manhattan psychotherapist Jeanne Safer, author of sibling-focused books like "Cain's Legacy" and "The Normal One."

"If a sibling makes more money than you, then they're more successful in the eyes of the world - and maybe your parents, too."

Indeed, people tend to keep a close eye on how their siblings are doing financially, according to a 2012 TD Ameritrade survey of Baby Boomers.

Some see their siblings doing better financially (20 percent), and others say their siblings are worse off (24 percent). Among the reasons cited for the spread were better jobs, spousal income, kid-free households or a superior education.

Salary and the size of one's bank account are not the only money issues that can trip up sibling relationships. Families can be torn apart by issues like inheritance, the cost of caring for elderly parents or loans between siblings.

WIRED TO COMPETE

Money issues between siblings might be behind the worrying numbers uncovered by insurer New York Life in its 2012 Keep Good Going Report, which surveyed more than 2,000 Americans about how they are faring in their personal lives.

While relationships with one's children, spouse and parents all got decent marks, relationships with siblings brought up the rear. Respondents only gave themselves a C+ in this area.

Sheer competitiveness is a big problem, says Derrick Kinney, a private wealth adviser in Arlington, Texas who has counseled many clients about their gnawing family issues.

"It's very easy for siblings to try to outdo each other, especially with finances."

It is important to develop a more collaborative relationship and approach your brothers and sisters without an attitude of 'How can I beat you,' Kinney says.

That said, it can be supremely difficult to overcome personal wiring, which in many cases, can be traced back to birth order.

Over 18 years in the advisory business, Kinney has observed that first-born children tend to be financially successful in life because they don't have as much given to them and must learn to make it on their own. According to one study by CareerBuilder.com, first-borns are the most likely to make six figures annually and hold a C-level CEO or CFO job.

Youngest children - who often end up in middle management, according to the CareerBuilder study - tend to be treated more leniently by parents, which can prompt them to rely on the Bank of Mom and Dad, instead of saving independently for goals, Kinney notes.

CRINGE-WORTHY DINNER TOPICS

The money issues of the 79-million-strong boomer generation are trickling down to their adult children as financially strapped parents find they need extra money for their golden years. Others are busy figuring out how to pass along savings to their kids.

That can lead to some unpleasant Thanksgiving-dinner conversation topics: Should inheritance be evenly split between adult offspring, or should it be tailored to individual cases of need?

"If your kids are a corporate lawyer and a public schoolteacher, who obviously don't have the same financial opportunities in life, should you do something to reward the sibling who earns less money?" asks Linda Leitz, a financial planner in Colorado Springs, Colorado.

Leitz says it's acceptable to do so, as long as the wealthier sibling is okay with it, Leitz says.

In a mature sibling relationship, a richer brother or sister might say voluntarily, 'Look, I don't need all this extra money,'" Safer adds.

Those good intentions can also backfire, with the less financially comfortable sibling feeling like a charity case.

And when it comes to caring for elderly parents, the solution need not be about money alone.

While it is true that one sibling may be more able to shoulder the costs of home care or assisted-living housing, this can be balanced out by other factors.

"Maybe one sibling might pay the bills and another sibling might go there more often to help out," says Safer.

The best way to work through any of these financial issues with your siblings is not via a series of terse e-mails.

Safer recommends in-person family meetings, which will help you better understand your sibling's point of view, minimize misunderstandings, and get everything on the table so you can find solutions together. If geography won't allow face-to-face discussions, it's best to pick up the phone.

THE HARBAUGH BOWL

The Harbaughs seem to have managed the potential for sibling rivalry fairly well. Both operate on the very public and intense stage of the National Football League.

"These are two gifted and talented people, who are each playing to their own strengths," says Kinney, who plans to watch the big game on Sunday. "Regular families can function financially at an elite level, too - as long as parents take a leadership role, and set up siblings for success."

In fact, for Safer, the most fascinating moment between the brothers has already occurred.

It was when John called up a radio station while his parents were being interviewed recently, presented himself innocuously as "John from Baltimore," and asked whether it was true that they had always preferred younger brother Jim.

"It's hysterical. The two brothers have always denied that there's any rivalry - but I don't buy it for one second. They're human beings, after all," Safer says.

For the record, the Harbaugh parents denied any favoritism, and that was before they discovered that the caller was their son John.

While coaches don't get cash bonuses for winning the Super Bowl like players do (unless they have incentive clauses in their individual contracts), the victorious Harbaugh will come away with added leverage in salary negotiations: John's contract runs through 2014, and Jim's is up the following year. Whoever hoists the Lombardi Trophy will likely be rewarded with an extension and a raise, just as Tom Coughlin was after his New York Giants won in 2012.

But they're not doing too badly as it is.

John is making about \$4 million a year as coach of the Baltimore Ravens, and Jim makes \$5 million with the San Francisco 49ers, according to reports. If there was any tension between the two of them, all those zeroes on their paychecks might help smooth things over.

(Editing by Lauren Young and Bernadette Baum)