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For a generation of adults accustomed to credit card debt and negative checking account balances, teaching kids about savings is a matter of do as I say, not as I've done.

Everyone knows that kids learn by example. Dr. Ted and Brad Klontz, in their new book *Mind Over Money*, describe the concept of "financial flashpoints": key moments in early life that have shape one's relationship with money forever. So, like it or not, your kids learn from watching you—how and what you buy, how you save, or how you don't save.

You might be a positive, responsible example, which is great. You might be the total opposite—and maybe that's not so bad either. Financial flashpoints, as described by the Klontzes, generally push your relationship with money in one of two directions: Consciously or not, you either use the example as a pattern you try to copycat, or you use the example as a demonstration of exactly what not to do.

Naturally, parents would prefer to be positive role models, and that includes being good with money. Recent times have given parents some especially obvious reasons for trying to help their kids develop into responsible, money-wise adults, as the LA Times writes:

Across America, the deep recession has taught harsh lessons to millions of families. In some, it has stirred a passionate determination in parents to see that their children don't make the mistakes they made and learn what they wish they'd learned as kids: how to manage spending and to save.

If those impulses persist and have their intended effect, the result could be a watershed moment with profound implications for the nation's future.

For too long, parents have wanted their kids to view them primarily as the generous bestowers of treats and toys. We want to make our kids happy, a feat that, in the short run at least, is pretty easy to accomplish with a few bucks. But repeated immediate gratification leads to long-term irresponsibility, along with long-term unhappiness because of all the money problems encountered by the irresponsible spenders out there.

So, for parents everywhere today, "the talk" (about money) is becoming just as important as "the talk" (about sex). Again via the LA Times:

In a more recent poll for American Express, 71% of parents said their children, ages 6 to 16, understood that the country was in a recession. And about half the respondents said they were seizing the opportunity to teach their children about finances, debt and good credit card use.

"We think there's going to be a lot of money talks taking place at the kitchen table this year," said Pamela Codispoti, a senior vice president at American Express.

No matter if the topic is sex or money, or drugs, alcohol, or cheating for that matter, one simple "talk" between parent and child doesn't have the impact of an ongoing conversation on the subject, combined with examples that the child sees every day. That's one of the messages from Jeff D. Opdyke, author of *Piggybanking: Preparing Your Financial Life for Kids, and Your Kids for a Financial Life*, part of which was adapted in a WSJ story. Opdyke lists 15 rules, including some general guidelines:

Guide and advise your kids about money, but don't dictate.

And some really specific ones that I like, especially these two:

Failure to balance the debit-card bank account monthly means losing access to the debit card for a week or more; failure to repay an entire month's credit-card balance means the loss of the card until the balance is fully paid off, plus one additional month.

Only 50% of the money put into a piggybank can be taken out to buy something. At least half must remain inside the pig.

Sub "savings" for "a piggybank," and these are good rules for adult and child alike.

Teaching a Child to Save When You Have No Clue How

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Read more: http://money.blogs.time.com/2010/03/29/teaching-a-child-to-save-when-you-have-no-clue-how/?artId=3299?contType=blog_its_your_money?chn=us#ixzz0jeE3AWH9