

# Money, Your Child, and You

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PHOTOGRAPH BY ANN ZANE SHANKS

Here is why and how the dollar should be used as an educational tool that can teach youngsters priceless lessons

"BUT I don't want both the doll and the ice cream," Jennifer wailed. "I want to give up the ice cream."

What a strange remark! Especially from Jennifer, a normal little girl of eight. Who ever heard of a girl (or boy) wanting to give up something?

To understand this snatch of dialogue we have to go back and listen to the whole conversation between Jennifer and her mother.

"Mom," said Jennifer, coming home from school one day, "I wish I had a regular allowance the way Susan has."

"What on earth do you want an allowance for?" Mrs. Blaine asked. "You're much too young."

Jennifer had been giving the matter some thought, and she did very well for an eight-year-old as she explained her position. She admitted that, of course, she would like daily ice-cream cones, weekly movies, every toy that appealed to her, and anything else her generous parents might give her. But there was a special doll that Susan was going to get with her own money. She was saving for it, 15 cents a week. Though it would take her quite some time to save enough, it would mean a great deal more to Susan because she had bought it with her very own money.

Mrs. Blaine still thought the girl too young for money of her own, but she was impressed with her daughter's seriousness, and she promised to take up the matter of an allowance with Dad when he came home that evening.

To her surprise (and mild alarm), Mr. Blaine thought this a splendid idea. Children should have some practice in handling money, he said. They should also have practice in making choices—giving up certain pleasures now for a greater pleasure at a later time.

"You make it all sound so wise and logical," Mrs. Blaine protested, "but you know perfectly well that Jennifer's only a little girl. She's bound to lose her money sometimes. And after this special doll is bought, she's bound to squander her allowance on foolish trifles."

"Sure, she'll make mistakes," Mr. Blaine agreed. "Foolish ones, too. But maybe she'll learn from them. She'll buy shoddy stuff that doesn't last till she gets home; next time maybe she'll look twice before buying. Sure, she'll buy stuff and realize later that she doesn't want it at all, but later she'll think twice before buying."

Mrs. Blaine, like many of us, was afraid of money in the hands of careless children. Lost money and wasted money seemed to her much worse, somehow, than lost rubbers and wasted food. Most of us also find it hard to look on money as an "educational tool"—like crayons and pencils, scissors, hammers, and knives. However well off we are, there never seems to be quite enough money to squander.

Reluctantly, however, Mrs. Blaine agreed that Jennifer could have an allowance. And, as she had predicted, Jennifer saved diligently until she bought the little doll—then became more careless,

spent her allowance on less worthwhile things, occasionally even lost it.

But, as Mr. Blaine had predicted, Jennifer also started to learn a thing or two. While she was saving, Jennifer was pleasantly surprised at how quickly small amounts added up to a dollar, then a dollar-and-a-half. She was unpleasantly surprised at how quickly money runs through your fingers if you don't watch out, leaving you with worthless stuff or small, forgotten pleasures.

But Jennifer's lessons are well worth their cost. Even Mrs. Blaine sees that now. For one thing, only money is involved! Traffic, fire, water—these things are dangerous; yet boys and girls must learn to master or control them; here they can't afford to make big mistakes! Secondly, it's much better to make money mistakes now—when nick-

were discussing a purchase they had in mind.

"Phil knows a place where you can get it cheaper," said one.

"Cheaper, sure, but not so good," said the other. "Phil had to buy three since school started, and I've still got my first one."

The boys left the bus without revealing what "it" was that could be bought cheaper but not so good, whether it was a toy, tool, or tie. But they did reveal that, young as they were, they had already gained some wisdom about price and quality.

Many parents, however, feel that there is no "extra" household money, that they can barely get through each week, and that an allowance is a luxury they can't afford. Mrs. Finlay was in such a position when she was talking with her friend, Mrs. Dobbs.

"How can you give each of your children an allowance every week?" she asked. "Fred and I could never afford to do that."

"You do give them money once in a while, don't you?" Mrs. Dobbs asked.

"Of course. Sometimes for a little treat, sometimes for something special that one of them really wants. I have to decide each time whether we can afford it—not pay it out automatically the way you do."

Mrs. Dobbs persuaded her friend to keep track for a few weeks of the nickels, dimes, and quarters she gave her three children. To Mrs. Finlay's surprise, this turned out to be a fairly sizable amount. Mrs. Finlay figured out that she would spend even less if she gave fixed sums regularly. It also occurred to her that it was even more important in families where each dime counts for the children to practice making each dime go as far as possible.

One cannot say, however, that all the Finlays lived happily ever after! Administering an allowance can get complicated—when, for example, a child needs an "advance" for a sound, legitimate reason, and then has trouble while he pays back the loan. Parents are sometimes inclined to give up when matters get too complex, but if they think things through they usually come to the conclusion that the knowledge, judgment, and experience their children gain are well worth the pains.

From the child's point of view, one Finlay youngster said: "I'm not sure I like getting an allowance. Before, when I used to ask for money for something in particular, you decided whether it was a good idea. Now I have to decide whether I really want it that much, and that's hard!"

Hard, yes—but one of the things all of us have to learn when we're handling allowances or incomes is: what do we really want, what do we value? For adults, many of these decisions are made for us. We have no say, for example, on the amount we are going to spend on taxes. And as children reach junior high school, then high school, they, too, have more "fixed" items about which they have no choice.

Some parents don't consider these expenditures

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## SOME TIPS ON MONEY AND KIDS

Money is an important part of our daily lives. Will your children be able to handle it in adulthood? They will if you as parents:

1. Give regular, fixed allowances and not just odd sums in hit-and-miss fashion.
2. Start money-training early in childhood when it's a matter of nickels and dimes instead of dollars.
3. In general, let children make mistakes. Through the experience of mistakes, they learn.
4. Do not hesitate to offer advice, however, on handling money; nor to step in when money is used harmfully.
5. Do not use money as a reward for things expected of a child—good behavior, for example. Do not withhold money as punishment.
6. Most of all, teach children that, as important as it is, money cannot buy all the valuable things of life—respect and love, for instance.

els and dimes and quarters are involved—than later on, toward adolescence, when it's a serious matter of dollars.

Certainly, money lessons must be learned, sooner or later. Like it or not, money plays an important role in the lives of all of us today. Each family finds this out for itself, often with something of a shock because the picture has changed so drastically in the past few generations. Most parents of present teen-agers, for example, grew up in depression years when money was scarce. The generation before that, the present grandparents, grew up in a much simpler economy than the one we know today.

The exact age at which an individual child begins to handle money today depends in part on where the family lives in relation to stores, schools, and transportation. Many four-year-olds go to the store for bread and other items. Many five- and six-year-olds, starting school or kindergarten, need money for carfare, milk, and various contributions. Given such responsibility, boys and girls usually learn a great deal about money. On a bus one day, for example, two boys of about ten