

Tip Sheet

Teach your children the value and meaning of a dollar while building character and responsibility with Jim Fay and Kristan Leatherman, co-authors of “Millionaire Babies or Bankrupt Brats? Love and Logic Solutions to Teaching Kids about Money.”

3 tips to help teach your kids about money:

§ Use our tight economic times to your advantage. This is a perfect time to teach your children the difference between their needs and wants. No need to give into their demands for the latest and greatest toys – toys that they want but don’t need. Invite them to put it on their “wish list” or give them a list of jobs they can do at home to earn money for what they want.

§ Use the wish list process to teach your children how to develop a budget, or “spending plan”. Just as adults look for ways to save on gas and food, kids can learn ways to save for toys and possessions. Rather than whining, arguing, or acting entitled, kids with a viable financial plan become empowered.

§ Ask not what your family can do for you, but what you can do for your family. Provide opportunities for your kids to contribute to their home life. Chores have benefits far beyond getting work completed. They meet kids’ basic emotional need to feel valued and important, something money can never buy.

These tips will have no value to parents who cannot say “no” at appropriate times. If your kids argue with you about any of the above – saving, earning or doing their chores - learn how to neutralize their resistance. Here are two simple steps:

Step 1: Go brain dead!

That means you don’t engage in the content of the argument, or think about what the child is saying. While you may be tempted to reason with your child, it’s likely that an argumentative child will try to trap you with your own words when you try to reason with him or

her. This does nothing but embolden an arguing child.

Step 2: Say softly and genuinely, “Love you too much to argue.”

The parents who are the most effective at using this statement find they don't need to be creative. They just repeat the same line ... over again. Some parents successfully end the matter by following their one-liner with: “And what did I say?” as they walk away to continue their day.

This statement tends to backfire if used sarcastically. It is not intended to be a flippant remark or to discount the feelings of a child. When we argue with our children, or allow them to manipulate us, we reinforce those behaviors as acceptable ways for kids to get what they want, in the toy store or anywhere else.