

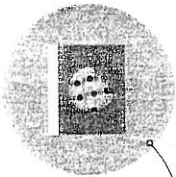
Work & Money

MONEYWISE

How to teach kids about money

Saving your financial wisdom for a future fireside chat? Money expert and best-selling author Beth Kobliner, a member of the President's Advisory Council on Financial Capability for Young Americans, says to start talking now. She shares advice on what concepts children are primed to grasp when, so you can deliver the right info at the right time.

THE GUIDE
work & money



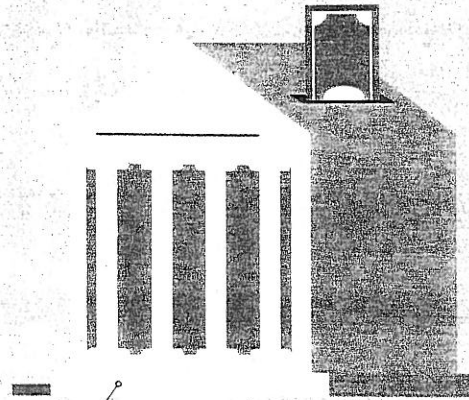
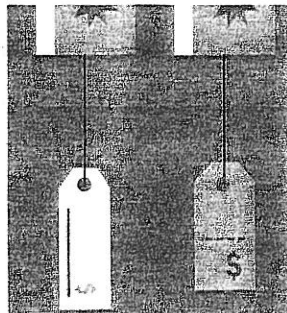
AGE 4

Preschoolers are ready to learn the distinction between wants and needs—and the basic premise of pricing. At the grocery store, look together at what the same dollar can buy—say, three bananas or a small bottle of ketchup. Which is a want? Which is a need? You can negotiate this issue further in the cookie aisle, where “need” is often up for debate.

Written by
Kaitlyn Pirie
Illustrations by
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AGE 6

Value and comparison-shopping are concepts first graders can get, especially when the funds are their own. If birthday money from Grandma is burning a hole in your daughter's pocket and she has her eye on a specific toy, you already have an engaged audience. Shop online together for the best deal. Discuss the bumper of shipping costs. And maybe visit the mall to extend the lesson.



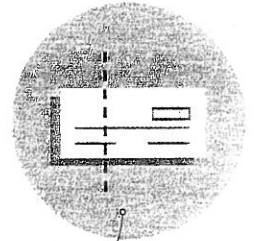
AGE 8

Saving toward a goal is totally within the grasp of an eight-year-old. Open a low-fee or no-fee bank account for your child. He'll find it easier to save once he has a place other than his piggy bank to keep his (small) stash. Encourage him to save a dime or a quarter for every dollar, but give him a bit of autonomy regarding when to spend and on what. That's a key to developing financial responsibility.

FOR MORE TIPS FROM THIS EXPERT, VISIT MONEYASYOUGROW.ORG.

AGE 11

Tweens like to get the inside scoop. Teach them about the dangers of credit-card debt. Well before kids can apply for their own credit cards, you should be explaining the risks involved. Keep it simple: Credit cards make sense only if you pay them off every month. If you use them to buy things you can't afford, as many people do, that can lead to deep debt and financial disaster. This is the time to share stories of friends (change the names) who have stumbled into bad credit-card debt. (The kids will be rapt!) And to talk about the difference between a debit card and a credit card.



AGE 16

With a teen's first real job and paycheck comes a very real brush with taxes. Take-home pay versus gross pay is a punch to the gut—and presents a chance to explain a few things about your own paycheck. You don't have to share details, but you can talk about the money that's taken off the top of your gross pay for your health insurance, 401(k), and flexible-spending account. Also explain the money-saving upside to pretax contributions.

How to Raise a DIY Kid

All parents want their children to be self-sufficient.

(How will Clara ever win the Nobel Prize in physics if she can't tie her shoes!?) But teaching self-sufficiency in a world full of danger, real and imagined—not to mention coats that need zipping—is a challenge. Here's how to help little ones stand on their own—with matching socks, no less.

Written by Ingela Ratledge
Illustrations by Graham Roumieu



THE GUIDE
family

IT'S HARD TO STOMACH THE IDEA that one of your main jobs as a parent is to help your kid not need you—eventually. To put it bluntly, “We are raising our children to leave us,” says psychologist Wendy Mogel, Ph.D., the author of *The Blessing of a Skinned Knee*. Sob, right? But the behavioral milestones of self-sufficiency—a five-year-old pouring her own cereal, a 16-year-old (eek) driving a car—are outward expressions of even more important growth beneath the surface. “Believing you are a capable person is what makes it possible to learn and develop more skills,” says family therapist Jane Nelsen, a coauthor of the *Positive Discipline* book series. Ideally, this is a self-reinforcing loop. “It takes confidence to master new things, and the more you master, the more capable you feel,” says Nelsen. And though it can be tricky to know when to back off—especially when swooping in feels nurturing and, honestly, saves time—this is crucial. Consider the alternative: explaining how to separate lights and darks to a 30-year-old. (Double sob.)

More than tying shoes

Self-sufficiency goes far beyond the rinse-your-plate, comb-your-hair type stuff. When you trust children with physical tasks, they're empowered to handle emotional issues, too, precisely because they feel capable. On the flip side, standing in the way of autonomy can spell serious trouble. A 2012 study published in the journal *Family Relations* found that young adults who had been "overparented" in childhood were more likely to have depression, anxiety, and a sense of entitlement. "Behavior problems will show up at school, in friendships, and later down the line at work and with romantic partners," says Marti Erickson, Ph.D., a psychologist in Minneapolis and a cohort of the Web talk series *Mom Enough*. "There's often an inability to handle tasks without a great deal of direction and support, which wears other people out."

You may have the best intentions behind your coddling. Everyone else on the playground is spotting

their kids on the monkey bars—it's a scary world. But the reality is, kids are wired to wriggle out of our grasp. "They are made to be self-sufficient," says Vicki Hoefle, the author of *Duct Tape Parenting*. (Ever heard "I do it!" from a toddler?) What parents need to learn is how not to overrule them. "Kids are programmed to overcome obstacles, but over time, if you don't let them, they'll give up," says Hoefle.

Training yourself

If you are prone to jumping in because your child is struggling to get her bum straight on the swing, you may need to adjust your thinking. Sheri Noga, the author of *Have the Guts to Do It Right: Raising Grateful and Responsible Children in an Era of Indulgence*, points out that, at our core, we don't want to see our children suffer for even a second. "Most parents know what their children are capable of but step in to make things easier for them," says Noga. Remember: Long-term benefits trump momentary discomfort (theirs and yours).

Ask these questions before you rush in to help with any task, whether it's jungle-gym climbing or the first time doing laundry. First, "Is my child in real danger?" If not, "Can I live with the outcome? What's the best- and worst-case scenario?" Think about whether your child has the necessary skills—enough dexterity and balance or simply adequate sleep and a snack. Yes? Then back away from the shoelaces. "Your job is to be the secure base," says Kevin Nugent, Ph.D., the director of the Brazelton Institute, at Boston Children's Hospital. "Your child can venture out because he knows you are there in case of serious trouble."

Training them

Seven steps to the she-packed-her-own-lunch promised land.

1. WATCH FOR SIGNS. "Kids know their speed, and they let us know when they're ready to do something," says Hoefle. That could be anything from approaching you with toilet paper in hand (time to potty-train) to requests to help cook.

2. BE AN ALLY. During the early years—until about age six—much of the learning will be a team effort. "Rather than forcing your son to pick up his toys, suggest things like 'I'll get the red ones, you get the blue ones,'" says Bonnie Harris, the author of *Confident Parents, Remarkable Kids*. And don't go gaga with praise for routine behavior. (Do you get a ticker-tape parade every time you wash your hands or make the bed?) "Save that for big accomplishments," says Noga.

3. PICK YOUR TIMING. Tackle a toothbrushing lesson on a lazy Sunday afternoon, not right before bed. "Start new techniques when everyone is relaxed and no one is hungry or tired," says Mogel. "Offer patient explanation and a bit of rehearsal." Of course, there will be times when the school bus is rounding the cul-de-sac and Sydney's on her 14th crack at tying her shoes; then you have to step in. "Say, 'I'm going to tie the shoelaces this morning, and you can practice this afternoon,'" says Rebecca Jackson, a neuropsychological educator and a coauthor of *The Learning Habit*.

4. LAYER SKILLS. Your kid wants to cook? Start with simple: toast. "When he shows you that he understands the concept of hot, puts the butter on himself, and cleans up, then move on to pasta," says Hoefle. When coaching kids to be emotionally independent—say, resolving a fight with a friend—

