During these tough economic times how do you help your children understand the sacrifices each family member must make? How many times have you said, “When you leave a room turn the light off” or “haven’t you been in the shower long enough?” It takes time to help children understand the connection between their utility usage and cost savings or even the impact it has on the environment. Continued conversations are necessary, but how do we do this without stressing everyone out?

Consider the following when thinking about communicating with your child about these current economically stressful times:

• **Have the conversation.** Talk with your children about what they see in the news with regard to the economy. Ask what they think we can all do about it. Ask them how they believe this affects them, their friends, and your family. Use this opportunity to talk with them about how your family may be affected.

• **Check in with them.** Check back in with your children to see your message was understood. Choose some period of time after your initial conversation on money to check back in with your child whether it be a few days or a week. This may depend on the child’s age.

• **Spare them the worry.** Although parents are encouraged to share information with their children about the family’s budget be sure not to overwhelm them with grim details. Children need a sense of security and stability. Continue with family rituals and routines that don’t break the family bank.

• **Make it fun whenever possible.** Illicit your children’s ideas and support about things your family can do to save money and cut costs in the home. Perhaps, the person in the house who takes the shortest time in the shower wins an award for the week. This activity can do two things (1) make them aware of the time they spend expending water; and (2) help them see (at the end of the month) how much money the family actually saves when everyone cuts back on water usage. For more tips on cutting household costs, see Spend Smart/Save Smart Tips.

• **Give them a task.** If your children always ask for pricey items in the grocery store give them a “shopping on a budget” task. Give them an allotted amount, a list of items they must buy, and a
calculator in hand. They will have to figure out how to price items and figure out the best value. You may need to model for them how to find the best value.

• **Be a good financial role model.** Children learn values through not only what verbal messages they get but also by the examples adults/parents set for them. Will they inherit a value base of consumption or reserve?

The value of spending today versus saving for tomorrow has become our cultural norm. Many individuals seek immediate gratification that leads to “broken diets, delayed exercise plans, unfulfilled savings plans, and unanticipated debt (Anderson & Nevitte, 2006).” How then do parents balance the need to fulfill today’s desires with a need for teaching/modeling financial moderation to their children?

One way to begin is by having critical conversations with them, especially now, about our current economic crisis. In addition to these critical conversations, it is necessary to become mindful of the unspoken messages you send them. For some people, it helps to talk about things during stressful times – it decreases the amount of uncertainty and helps people begin to plan.

Remember, provide a good balance between the value of spending and the value of saving for tomorrow; demonstrate your economic/money values to your children through your actions; and send a message of hope in the face of economic uncertainty.