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Discovering What Kids Need to Succeed

Speaking of Money:

Equipping Youth and Families to Navigate Finances in Their Everyday Lives

AMONG THE MANY LESSONS LEARNED from the global economic meltdown is that people without the knowledge and skills to navigate an increasingly complex financial world are likely to become its victims. Furthermore, knowledge about financial issues does not, by itself, equip people to navigate effectively and ethically in the world of money.

Of course, efforts are underway at all levels to address the causes and consequences of the ongoing financial crisis—from global financial reforms to a new "thrift" movement. In addition, educators, youth workers, and others who work with children, youth, and families have an opportunity and responsibility to examine how they can more effectively support, equip, and empower people to more effectively manage their money. Such a call to action may be outside the comfort zone of many educators and youth leaders, who may also struggle with personal finances. However, these professionals have something unique to contribute in linking financial capabilities with the principles and practices of asset building and positive youth development.

This article makes the case for linking financial capability with asset building and youth development. It does so by first highlighting the current state of financial education and financial literacy, then showing how building Developmental Assets® with families can contribute to a base of skills, values, and relationships that complement basic financial literacy to develop a sense of financial competence. We end by highlighting principles and practices that can integrate financial literacy with youth development in families, schools, and communities.

Youth and Money in the United States

Today's young people enter a financial world vastly different from previous generations. Over the past 20 years, children and teenagers have seen expanding roles in family money matters. Recent estimates are that today's teens spend an estimated $200 billion annually, creating whole industries focused on the "youth market."[1] They are actively involved in making major financial choices. For example:

- 77 percent have a full or part-time job during the summer or school year.[2]
- 75 percent have access to a bank account.[3]
- 69 percent have access to a car once they get their drivers license.[4]
- 53 percent have access to an ATM card.[5]
- 58 percent of 12-year-old students and 82 percent of 16-year-old students own a cell phone.[6]
- 35 percent use a credit card, usually one that belongs to a parent.[7]

These responsibilities and activities can be positive when young people develop new levels of responsibility and knowledge to navigate the financial world—which many clearly are. A recent Search Institute study found that only 18 percent of 10- to 15-year-old students strongly believe they generally do a good job of managing the money they have.[8] Others studies have found that:

- One in six teenagers admits to spending most of his or her money as soon as he or she gets it.[9]
- 34 percent of high school seniors say they are either unsure or unprepared to manage their own personal finances.[10]
- 29 percent of teenagers say they are in debt.[11]

These and related issues have raised serious concerns among financial experts. For example, from 1997 to 2008, the Jump$tart Coalition for Personal Financial Literacy benchmarked high school seniors' financial literacy. The study has consistently concluded that the average high school senior is failing in financial literacy, with average scores ranging between 57 percent in 1997 and 48 percent in 2008.[12]

. . . it is clear that many teens and parents do not have the sense of urgency about learning about complex financial matters.

It is important to note that teens and parents do not share such a negative view. A 2010 poll of about 800 parents and 500 teens conducted for Capital One found that 61 percent of parents would give their teen an A or a B for their money management skills, and 76 percent would give themselves an A or B. Furthermore, most parents are confident in their teens' understanding of income and careers (89 percent), budgeting (86 percent), saving and investing (81 percent), and credit cards (77 percent). Finally, 83 percent are satisfied with their teen's spending choices and priorities.[13] Two-thirds of teens in this poll (64 percent) give themselves an A or a B for their money management skills, and they are similarly confident in their day-to-day understanding of money issues.

One might argue that this confidence is misplaced, given some of the choices made and the data described above from high school seniors. Or it may be that many families have developed systems, practices, and relationships that help them adequately navigate the everyday money issues they face—or that they perceive to be important in their lives right now. In either case, it is clear that many teens and parents do not have the sense of urgency about learning about complex financial matters that is evident in the reports from financial literacy experts. Such generalizations, of course, mask specific challenges for specific families and communities.

However, when you move beyond the everyday uses of money in family life, many young people and their parents may be intimidated by the jargon and complexity of financial concepts. Many financial experts use terminology that leaves average Americans of all ages feeling inadequate. "Financial literacy is the new civil rights issue," says John Hope Bryant, a financial literacy activist and CEO of Operation Hope. "If you don't understand the language of money and have a bank account, you are an economic slave."[14]

Adding to the challenge, several major trends have resulted in individuals taking more responsibility for their own financial matters. These trends included:

- the increased complexity and deregulation of financial instruments and institutions
- welfare reform that emphasized individual responsibility
- more sophisticated and sometimes unscrupulous marketing to consumers
- more financial options designed to give individuals more responsibility for their own retirement and health benefits
- changing household finance practices, including increased debt loads
- a growing immigrant population that is not familiar with mainstream U.S. financial systems[15, 16]

Thus, as they enter and move through adulthood young people will be increasingly responsible for saving for their own retirement, medical costs, and other major expenses that are less and less likely to be offered by their employers or the government. All this is happening in the context of increasingly complicated and risky financial options that are unlikely to subside, even with greater consumer protections in place.[17]

These broad trends of teens and money can mask a serious and growing income gap among young people and families, which complicate the challenges of navigating an even more complex financial system that increasingly demands—rightly or wrongly—individuals to protect themselves financially. Far too many young people (22 percent of children under age 18 in 2010) live in poverty, with 38 percent of African American children and teens and 35 percent of Latina/Latino children and teens living below the federal poverty line.[18]

In addition, the overall balance of net worth among Americans has shifted significantly. Between 1976 and 2007, the proportion of the nation's wealth that belonged to the richest grew from 9 percent to 24 percent.[19] Today, the top 5 percent own 60 percent of family net worth.[20]

In addition to the obvious financial difficulties of affordability and getting by, poverty and economic challenges can also negatively impact family dynamics and undermine family relationships, as suggested by a new national study of 1,511 families with children ages 10 to 15 by Search Institute. As shown in Figure 1, when families have faced financial crisis in the past two years (which 31 percent of those surveyed had), they are twice as likely to report arguing and fighting about money with others in their family.[21]

Thus, too many youth and families are caught in the vortex of increased poverty or financial strain, an increased expectation of self-reliance for medical care, retirement, educational costs, and other basic needs, and a highly complex global economic system—all of which increase the urgency of building people's financial capabilities. Too many young people enter adulthood with mounting debts from credit cards and tuition loans, but they lack basic financial knowledge to make responsible choices.[22] As Jacob, Hudson, & Bush wrote:

> Financial knowledge has become not just a convenience, but an essential survival tool. . . . Without an appreciation of money concepts and an understanding of financial options, people are likely to pay more than they have to for financial services, fall into debt, damage their credit records, and over-invest in some financial products while under-investing in others.[23]

The Rise of Financial Literacy Education

These issues led policy makers and financial experts in the 1990s to actively promote financial literacy, which Canada's Policy Research Initiative defined as, "objective knowledge on specific topics related to money, economics, or financial matters, and subjective measures of self-reported confidence."[24]

This emphasis on knowledge and skills was positioned as key to equipping youth and adults to navigate these issues, with a major press for financial literacy education in schools. "Improving basic financial education at the elementary and secondary school level will provide a foundation of financial literacy that can help prevent younger people from making poor decisions that can take years to overcome," argued Former Federal Reserve Chairman Alan Greenspan. "In the long run, better basic education at home and at the elementary and secondary school level will provide the foundation for a lifetime of learning."[25]

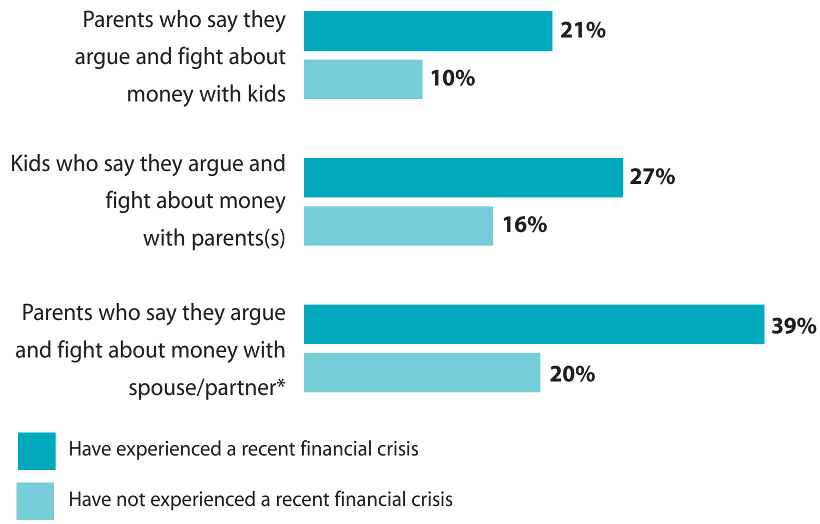
One result of this concern has been the proliferation of financial literacy education programs for children and youth. Most programs focus on imparting to students the knowledge and skills they need individually to be financially responsible. The Jump$tart Coalition's clearinghouse of financial literacy resources (www.jumpstart.org/jump$tart-clearinghouse.html) includes curricula, tools, and resources for financial education for preschool through college.

The Limits of Financial Education

Advocates of financial literacy education see the

FIGURE 1

Financial Strain and Family Dynamics



*Asked only of those with a spouse/partner

Many other factors and influences affect financial choices, not just one's knowledge. For example, people become overconfident and make poor investments without adequate information.

case for this education as self-evident. Yet a number of questions have been raised about the field, which points toward the need for new strategies that can help to address the underlying issues.

Limited evidence of program effectiveness

Financial literacy education has been promoted in order to improve financial decision-making and help young people negotiate complex financial systems. Although some programs have been shown to impact specific behaviors (such as The Stock Market Game in improving math scores[26]), there is scant evidence that broad financial literacy education programs have had a lasting impact on students' knowledge or behaviors.[27] A number of factors may be at work in this lack of evidence, including questions about the research and program implementation. But the gap in evidence after two decades of investment gives pause. At a minimum, these findings press for exploring alternative approaches.

The gap between knowledge and behaviors

One problematical myth is that increased financial knowledge drives better financial decisions. As Braunstein and Welsh wrote, "The assumption that the presence of more information will lead to improved behavior is faulty."[28] Many other factors and influences affect financial choices, not just one's knowledge. For example, people become overconfident and make poor investments without adequate information. Or they make rash choices based on fear when they get new information. Sometimes they simply make poor decisions under pressure because they cannot process all the needed information.[29] These and other psychological and decision-making issues are difficult, if not impossible, to adequately address through financial literacy education.

The danger of "blaming the victim"

A number of critics of financial literacy education note that the field implicitly—and sometimes explicitly—places the primary if not sole responsibility for one's financial situation on the individual.[30] By being "smart consumers," people can overcome "financial ignorance, unhealthy debt burdens, predatory lending, mortgage foreclosures, joblessness and susceptibility to savvy lenders and scam artists."[31]

By itself, this approach places little or no responsibility on public or financial systems to provide fair access to financial products and services, to break the cycle of poverty that limits access to any working capital, or to place limitations on the types of products, services, and risks that the industry can offer. Thus, these critics argue, equal effort should be placed into making the financial world easier to navigate, not just educating consumers.[32] As Gross notes: "Banking on education is particularly objectionable in the context of economic literacy because it posits that individuals alone can right their plight. . . . The real challenge rests in finding ways to diminish the financial burdens individuals bear and improve the financial opportunities for all Americans."[33]

Limited relevance for low-income youth and families

Much of the concern regarding financial literacy focuses on building the financial competence of those in poverty. Too often, though, the emphases on, for example, understanding wills, maintaining credit records, managing risk through insurance, and diversifying investments have little relevance if you do not have access to the financial institutions, policies, instruments, and services[34] that offer those resources—much less the income to take advantage of them. Without that access, the knowledge becomes a moot point. A United Kingdom study identified different topics that resonated with low-income families: managing money, planning ahead, making choices, and getting help.[35]

Underlying these critiques is the question about whether teaching personal finance skills and knowledge to individuals with few financial resources merely avoids addressing the deeper, systemic questions about the difficult economic circumstances of many children, youth, and families. As Lyons and Neelakantan wrote, "In the end, financial education itself rarely changes an individual's financial circumstances. Some individuals with limited financial resources do not possess the means to meet program goals to increase savings, pay bills, and reduce debts, no matter how much financial education they receive."[36]

A debate between "literacy" and "capability"

In response to some of these issues, a number of leaders have begun challenging financial literacy as the goal. For example, a focus on "financial capability" has been advocated in the United Kingdom and, increasingly, in U. S. federal policy. This approach proposes addressing individuals' financial knowledge and skills while also working to increase their access to financial institutions and their services.

For example, one model provides all youth with savings accounts as part of financial education. "Without increasing institutional access," Johnson and Sherraden contend, "we run the risk of repeating approaches employed in the early 20th century that focused on the financial incompetence of the poor rather than directly addressing inequality."[37]

Financial capability aims to increase financial knowledge *and* financial skills. It incorporates the field of behavior economics, which focuses on both what someone knows and on what his or her judgments and choices are.[38] Some financial experts say that financial capability involves three components: financial knowledge and understanding, financial skills and competence, and financial responsibility.[39]

Promising Approaches to Strengthen Financial Literacy and Capability

Given the increased complexity of the global financial world and the ongoing challenges faced by the field of financial education, innovative efforts are needed to strengthen the supports and educational opportunities available for children, youth, and families to equip them to navigate these issues. To be sure, such efforts ought not be substitutes for systemic efforts to address injustices or other policy-related matters; rather, they are needed to complement those broader efforts so that young people and their families can access and effectively utilize their financial opportunities in ways that reflect their own priorities and values.

Below are five recommendations for strengthening financial education and supports for children, youth, and families.

DISPLAY 1

Search Institute's Framework of Developmental Assets

Developmental Assets® are positive factors in young people, families, communities, schools, and other settings that have been found to be important in promoting their healthy development. Assets shown in italics are conceptually linked to promoting financial competence among young people. Further details on Developmental Assets—including definitions of each asset and adaptations of the framework for different age groups—are available at www.search-institute.org/developmental-assets.

EXTERNAL ASSETS

Support

1. Family support
2. Positive family communication
3. Other adult relationships
4. Caring neighborhood
5. Caring school climate
6. Parent involvement in schooling

Empowerment

7. Community values youth
8. Youth as resources
9. Service to others
10. Safety

Boundaries and Expectations

11. Family boundaries
12. School boundaries
13. Neighborhood boundaries
14. Adult role models
15. Positive peer influence
16. High expectations

Constructive Use of Time

17. Creative activities
18. Youth programs
19. Religious community
20. Time at home

INTERNAL ASSETS

Commitment to Learning

21. Achievement motivation
22. School engagement
23. Homework
24. Bonding to school
25. Reading for pleasure

Positive Values

26. Caring
27. Equality and social justice
28. Integrity
29. Honesty
30. Responsibility
31. Restraint

Social Competencies

32. Planning and decision making
33. Interpersonal competence
34. Cultural competence
35. Resistance skills
36. Peaceful conflict resolution

Positive Identity

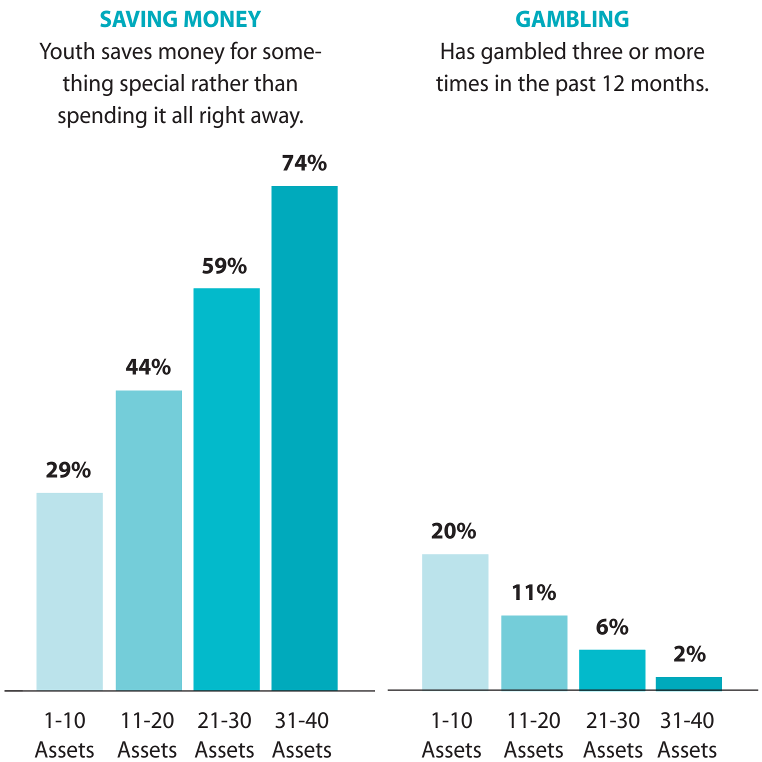
37. Personal power
38. Self-esteem
39. Sense of purpose
40. Positive view of personal future

Integrate a developmental emphasis

For several years, Search Institute has sought to draw connections between youth development and financial literacy, based on the theory and research demonstrating that having a strong base of Developmental Assets is associated with a wide

FIGURE 2

Money-Related Behaviors, by Levels of Developmental Assets



SOURCE: A Search Institute study of 89,366 6th- to 12th-grade youth who were surveyed in school districts across the United States during 2010.

range of positive choices and outcomes as well as the avoidance of a range of high-risk behaviors. As shown in Display 1, the Developmental Assets are research-based factors that are foundational for healthy development. Research with more than 3 million middle and high school students across North America consistently shows that the more Developmental Assets young people experience, the more likely they are to grow up caring, competent, and successful.[40]

Though data that directly connects Developmental Assets and money choices is limited, what is available is suggestive. Young people who have higher levels of assets are more likely to say that are likely to save money for something special compared to those with few assets (Figure 2). In addition, those who have more assets are less likely to gamble than those with few assets.

When you look in more detail at the individual assets in the framework, plausible connections between these positive developmental traits and financial competence become evident. For example, the following external assets likely contribute to young people making better financial choices: family support, positive family communication, service to others, family boundaries, adult role models, and positive peer influence. In addition, the following internal assets likely contribute to young people setting better financial priorities and making better decisions: equality and social justice, integrity, honesty, responsibility, planning and decision making, personal power, a sense of purpose, and a positive view of a personal future. An important corollary also merits attention: Dealing with financial matters is also an important opportunity to focus on building these or other Developmental Assets. Thus, as families learn to engage in positive conversation about money-related issues, they enrich their overall relationship through that shared experience. By learning to be responsible and making thoughtful decisions about money, young people develop skills they can use in other parts of their lives as well. In this way, addressing financial matters—a major part of young people's lives—is integral to their overall healthy development, and the two priorities become mutually reinforcing.

Offer relevant, engaging content

As is the case with most curriculum standards efforts, current financial literacy materials are guided primarily by what financial experts believe is important for children, youth, and adults to know. For example, the Jump$tart Coalition's Standards in K-12 Personal Finance Education[41] establish benchmarks for what young people need to know in grades 4, 8, and 12. It outlines 29 standards and a total of 140 indicators for grade 12 students that support those standards. The standards focus on six areas:

- financial responsibility and decision making
- income and careers
- planning and money management
- credit and debt
- risk management and insurance
- saving and investing

The Jump$tart standards are designed with a focus on classroom settings, intending to set the bar much higher than the current norms. These standards are the basis of the series of national studies of financial literacy among grade 12 students that consistently find that the vast majority of seniors receive a failing grade in financial knowledge.[42]

Underlying this gap may be a question of motivation and relevance of these standards in the everyday lives of children, youth, and families. In addition to rating students on their financial knowledge, the researchers who conduct the Jump$tart surveys began in 2006 asking students questions about their motivations; they found that student apathy regarding their personal finances consistently correlates with low financial literacy scores.[43]

If the goal of financial literacy education is to influence behavior, then these efforts are more likely to achieve the desired aims by addressing specific money-related challenges that the students (be they children, youth, or parents) are actually facing, rather than expecting a one-size-fits-all prescriptive curriculum.[44] As Beck and Neiser wrote, "Whatever the messages, . . . making them clear and relevant to the context of people's lives improves their success."[45] Such a responsive curriculum would require adept and adaptive teachers and leaders, something that is generally not assumed in programs that overlook the teacher or leader's need for flexibility to address the felt needs and priorities of participants.

Other scholars—particularly those focused on marginalized populations—argue that a focus on basic information and confidence-building approaches may be key. As Lyons, Chang, and Scherpf wrote, "Programs that focus on more basic and fundamental decision-making skills may give participants the confidence they need to take the first step towards behavior change. These types of programs may not need to have numerous and complicated financial lessons."[46]

Expecting knowledge of the complexity of the financial system before basic skills and competency are established may only reinforce a sense of inadequacy or marginalization. This dynamic can lead both teens and parents to be put off by the complexity of the financial system and issues in daily life, thus becoming even further disengaged from it.

Focus on engaging marginalized populations

The financial education field continues to struggle with how to reach, engage, and educate low-income populations who are much less likely to utilize financial services or to have access to personal finance education. Even if they did, it is not clear that the services would be welcoming or that the formal curriculum would be relevant.

In addition, even when the curriculum content is made relevant, particular effort may be needed to encourage low-income youth and parents to consider participating in—and then sticking with—financial education, particularly given the history of predatory practices and redlining in low-income communities by financial institutions. Re-establishing a sense of trust and moving

Additional Resources on Financial Education

- **Bank It (www.bankit.com)—**A free financial literacy resource from Search Institute and Capital One that is designed to help children, teens, and parents get comfortable talking about money in their everyday lives. The ready-to-use workshop modules integrate Developmental Assets® throughout and can be customized to respond to the priorities of participants. Available for upper elementary students, teens, and parents. Teen and parent workshop resources are available in English and Spanish.
- **Consumer Action (www.consumer-action.org)—**Consumer Action empowers underrepresented consumers nationwide to assert their rights in the marketplace through multilingual financial education materials, community outreach, and grassroots advocacy. It developed MoneyWi$e (www.money-wise.org), a personal financial education program that provides families in low-to-moderate income communities with financial tools.
- **Jump$tart Coalition for Personal Financial Literacy (www.jumpstart.org)—**A national coalition of 180 organizations and 47 affiliated state coalitions dedicated to improving the financial literacy of pre-kindergarten through college-age youth by providing advocacy, research, standards, and educational resources. Jump$tart maintains a clearinghouse of available resources and maintains national standards for financial literacy education.
- **National Financial Capability Challenge (www.challenge.treas.gov)—**An awards program organized by the U. S. Treasury every spring that is designed to increase the financial knowledge and capability of high school youth across the United States. It challenges high school teachers and other educators to teach the basics of personal finance to their students, and rewards students, educators, schools, and states for their participation.

DISPLAY 2

Bank It: Linking Financial Literacy and Youth Development

Search Institute and Capital One designed Bank It, a free financial literacy program that seeks to address some of the gaps described in this article.The program—which includes ready-to-use workshop modules for upper elementary children, middle and high school students, and their parents—focuses on helping youth and parents become more comfortable talking about money and understanding basic financial principles that they can use in their everyday lives. Among its features are the following:

12 KEY TOPICS IN BANK IT

- Talk Well
- Borrow Well
- Budget Well
- Dream Well
- Earn Well
- Give Well
- Invest Well
- Live Well
- Protect Well
- Save Well
- Spend Well
- Move Forward Well

- It focuses on increasing participants' comfort and confidence in talking about and managing money.
- It emphasizes the links between financial capacities and the relevant Developmental Assets® that provide the foundation for healthy, holistic development.
- It introduces all of the topics identified in the JumpStart Coalition's standards for financial education. (See box for the list of 12 content areas in Bank It.)

All Bank It workshop materials may be downloaded at no cost from www.bankit.com. In addition, the website has information and conversation starters for youth and additional content for parents. Search Institute offers training for teachers, youth workers, and other leaders who would value the additional support in preparing to facilitate the workshops with children, teens, or parents.

NOTE: All of the content in Bank It was developed by Search Institute and approved by Capital One. The curriculum does not mention or promote any Capital One financial products.

beyond condescending, blame-the-victim messages will be vital, even though these endeavors may be extremely time-consuming. Because of the trust and credibility issues, a number of observers propose that the best leaders and educators would come from the local community and would have personal biographies that allow them to relate to the learners.[47]

Provide opportunities to think critically about money and finances

In order to be active citizens, contributors, and consumers, young people need to develop critical thinking skills; furthermore, the worlds of economics and finances must represent an appropriate focus for developing these competencies. Such an approach challenges young people to think about financial issues and systems in light of their values, such as honesty, integrity, and social justice. They need opportunities both to understand the place of money in society and to critique the positive and negative impacts of financial systems on the world. Such efforts are not ends in themselves, but seek to work toward a more just society in which all persons, regardless of their financial circumstances, have the knowledge and access they need "to be free to live in the way they value, and have reason to value."[48]

Emphasize shared responsibility

Money and financial issues are pervasive in the lives of youth and families. Learning, values, skills, and priorities are shaped by many different influences in young people's lives. They learn and grow best when different parts of their lives reinforce shared expectations, skills, and values. In order to have the kind of impact needed to prepare young people to successfully navigate today's complex financial world, they need many parts of their lives to share responsibility for equipping them with knowledge, skills, values, and opportunities.

Schools—Embedding financial literacy courses and standards into education has been the primary focus of most financial literacy advocates. These efforts have an important role to play in an overall strategy, and one poll found that 96 percent of parents believe that financial education should be taught in schools.[49]

One of the challenges in schools is whether teachers feel competent to teach financial literacy. A survey of 1,200 K-12 teachers found that the vast majority believes that personal finance education is important, yet 64 percent did not believe they were qualified to teach these courses. Furthermore, few teachers felt competent in addressing any of the six topics raised in the survey: income and careers, planning and money management, credit and debt, financial responsibility and decision making, saving and investing, and risk management and insurance.[50] Thus, for schools to have significant impact on students' financial literacy and capacities, a tremendous investment in teacher preparation would likely be required.

Even if more educators were fully prepared to address financial issues, school-based efforts alone are insufficient. As reviewed above, there is little evidence that requiring students to take a personal financial literacy course would insulate them from negative financial decisions. As is the case with any subject aimed at influencing behavior and values (e.g., sex education, drug education, character education), we must ask what can be realistically expected from a few weeks or months of classroom or experiential learning. "The task of preparing financially literate young adults cannot be the task of the schools alone," wrote Danes and Haberman. "That means that a partnership must be developed between the schools, families, and the community of financial professionals."[51]

Families—When young people are asked where they learn most about money, they consistently report that they learn the most at home. Similarly, a study of 2,000 first-year college students found that parents' influence on young adults' financial knowledge, attitudes, and behaviors was substantially greater than the combined influence of students' work experience and financial education in high school.[53]

A challenge is that many families—particularly those who have experienced financial hardship—neglect being intentional about guiding that influence. Search Institute's new study of 1,500 families found that 46 percent of 10- to 15-year-old students said their parents rarely talk to them about the family's money situation. Similarly, 45 percent of fathers and 35 percent of mothers said they "rarely" talk about their family's money situation with their kids.[54] The good news is that up to 80 percent of parents said they want to do a better job of being a role model for their kids regarding money management.[55]

It is important to note that a family's influence is not necessarily determined by the financial knowledge and experience of the parenting adults. Researchers have found that the influence is heavily rooted in parental modeling and having shared responsibility for financial tasks in the family while growing up.[56] These findings reinforce that addressing money in the home is not an additional, discrete task for parents, but can be woven into the everyday lives, activities, conversations, and other interactions within the family.

Communities—Beyond the family, other community institutions (such as youth development organizations, social service agencies, and faith-based organizations) are untapped resources for financial education and capacity building. A federal report noted that "many financial literacy curricula . . . are most effective when offered in conjunction with community-based organizations, . . . [which] are likely to have a deep understanding of their constituents and can therefore ensure that financial education is tailored to meet residents' needs."[57]

These and other aspects of communities and society (including businesses and corporations, the media, the public sector, and the philanthropic sector) can all play important and distinct roles in supporting the financial knowledge and capabilities of children, youth, and families. As these conversations increase, they will sometimes be aligned and mutually reinforcing. Other times, their goals and priorities will conflict, surfacing important issues and assumptions that can fully engage young people and their families in productively sorting out the issues based on their own beliefs and values.

Becoming responsible with money requires more than knowledge of financial terms. Many influences and pressures in our families, peer groups, communities, broader society, and media shape our choices.

Equipped for Success in Life

For some leaders in education and youth development, talking about money is outside of their comfort zone. They may struggle with their own financial challenges, or they may assume that they need an accountant's knowledge to address money issues with children, youth, and families. Yet money is a part of life for everyone, and dealing with money involves much more than complex financial transactions and instruments. It involves what people value, their priorities, and how they make decisions. Becoming responsible with money requires more than knowledge of financial terms. Many influences and pressures in our families, peer groups, communities, broader society, and media shape our choices.

Equipping children, youth, and families to navigate the everyday world of money, then, requires more than knowledge of terms. It requires intentional efforts to help people in communities with practical knowledge and support as they work through the day-to-day challenges of managing their money. For some people, these challenges may grow from the lack of adequate resources or opportunities to get by. For others, it may involve helping them learn to use their more abundant resources responsibly in ways that reflect their values and priorities. In each case, linking these money issues to the broader context of their development and their day-to-day lives presents opportunities for learning, growth, and responsibly that will not only strengthen their financial capabilities, but will help them thrive and prosper in ways that they deem most relevant.

—Eugene C. Roehlkepartain

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