



PARENTS **PARKids** CHRONICLE

Growing in Grace at Grandview Park

## TRAINING YOUR CHILDREN TO MANAGE MONEY BY RANDY ALCORN

In the days of the Klondike gold rush, two miners struck a huge deposit. Feverishly excited, they unearthed more and more gold each day. Meanwhile they neglected to store up provisions for the winter. Then came the first blizzard. Nearly frozen, one scrawled a shaky note explaining their predicament. Months later a prospecting party discovered the note, along with two frozen bodies lying on top of a huge pile of gold.

Today countless children grow up begging and grabbing and clinging onto all the things money can buy. As adults, they rarely outgrow this shallow self-centeredness, but simply graduate to more money and bigger toys. Living their lives on earth as if this were all there is, they fail to prepare for their eternal future.

Christ told the story of a rich fool, to whom God said, "This very night your life will be demanded from you. Then who will get what you have prepared for yourself? This is how it will be with anyone who stores up things for himself but is not rich toward God" (Luke 12:20-21).

Five minutes after we die we'll know exactly how we should have lived. But then it will be too late. The good news is, God gave us his Word so we don't have to wait till we die to discover how we should have lived. And God gave our children Christian fathers, so we could show them what the world will not—how to live now in light of eternity.

**1. Give your children something greater than money—your time.** Our children won't remember what we did *for* them nearly as much as what we did *with* them. I've never heard anyone complain, "Dad was always around, but I never had enough material possessions." I've heard many lament, "I had lots of stuff, but Dad was never there for me."

The best thing you can do for your kids is put them on your appointment calendar. Cancel other things to make time with them. Work hard, but don't work such long hours that you miss your brief window of opportunity to shape your children for eternity. No man ever looks back and says "I wish I'd spent more time in the office, and less with my children."

**2. Use life's teachable moments to train your children.** "Train a child in the way he should go, and when he is old he will not turn from it" (Proverbs 22:6). Deuteronomy 6:6-9 tells fathers to impress God's commands on our children and "talk about them when you sit at home and when you walk along the road." When we're alert, life brings countless opportunities to teach our children an eternal perspective on life, money, and possessions.

One night when they were six and eight, my daughters asked me to play the game of "LIFE," a popular board game I'd never played. One of my girls expressed disappointment when she landed on a space that made her a teacher rather than a doctor or lawyer—despite the fact that in real life she wanted to be a teacher! Why the disappointment? Because it meant she would receive a lower salary the rest of the game. And money, after all, is what LIFE (and for many people *life*) is all about.

LIFE presents the choice of whether to have children. Because there's a minimum amount of money but no minimum amount of children required to win the game, my girls kept choosing money over children. When I chose children instead of money, it surprised them. Choosing children might mean losing the game, and who plays a game with the intention of losing?

The whole event turned out to be an excellent teaching opportunity. I shared with my daughters Scripture's infinitely higher regard for children than money, and how "winning" and "success" are very different in God's eyes than the world's. Next time they played the game I noticed they made decisions that would make them "losers" by the game's standards, and winners by God's.

**3. Take a field trip to a junkyard.** How can we teach our children the emptiness of materialism in a memorable way? Take them to a garage sale and show them how things that people spent great amounts of money on are now sold for pennies.

Or, take them to visit a dump or junkyard. Show them all the piles of "treasures" that were formerly Christmas and birthday presents. Point out things costing hundreds of dollars, that children quarreled about,

friendships were lost over, honesty was sacrificed for, and marriages broke up over. Show them the remnants of battered dolls, rusted robots, and crashed cars. Let them look at the expensive furniture and electronic gadgets that now lie useless. Point out to them that nearly everything *your* family owns will one day end up in a junkyard like this.

Then read, or ask them to read, 2 Peter 3:10-14, which says when Christ returns the whole world "will be destroyed by fire" and "the earth and everything in it will be laid bare." Ask them the ultimate question: "when all that you owned lies abandoned, broken, burned and useless, what will you have done that will last for eternity?"

What will survive the coming holocaust of things? The answer is, only God, His Word and people. Explain to your children how life should be invested in the eternal. Read to them Matthew 6:19-25, where Jesus says, "Lay up for yourselves treasures in heaven." Tell them "you can't take it with you," but according to Jesus, you can send it on ahead!

**4. Teach your children to link money with labor.** Once I mentioned we couldn't go out for dinner because we didn't have enough money. My youngest daughter said, "Just go to the money machine and get all you want." She referred to the Automated Teller Machine. This was a great chance to teach her money doesn't just magically appear in a machine, but is earned through work—good, hard, and well-done work. Fathers can show our children how to work, to make things, to sell them. We can show how work can be meaningful and fun as well as financially profitable.

A common mistake we dads make is to indiscriminately dole out money to our children as life goes by. This teaches them to think money comes easily or automatically. As a result they disassociate money from work. Eventually they feel it's their right to have money available even when they haven't worked for it. This misguided thinking is what puts able-bodied people on welfare rolls. The government fosters the handout mentality, but often it's

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learned first in the home, where character is built and lifelong attitudes are forged.

### **5. Teach your children how to save.**

Children learn the value of money and the discipline of self-control through saving. We helped our daughters open savings accounts years ago. If your child wants a major item, say a telescope, help him make a plan to save for it over a period of six months. Help him think of jobs to accomplish his goal. If he sticks with it (he may not), buying that telescope won't be an impulsive decision. And once he gets it, he's likely to take good care of it.

The same applies to a college education. I know parents who save for their child's education, while he spends his money irresponsibly. Remember, the quality of anyone's college education improves dramatically when he has a substantial part in paying for it.

### **6. Get your children started on the lifetime adventure of giving.**

We taught our children to tithe from the very earliest age (Leviticus 27:30; Malachi 3:8-10). They often gave more, but that 10% was untouchable. If Grandpa gave them ten dollars for Christmas, the question wasn't "What can I do with ten dollars" but "What can I do with nine dollars?" The other dollar wasn't theirs—it belonged to God.

The holy habit of giving is like the holy habits of Bible study and prayer and witnessing and hospitality. These things need to be integrated into our lifestyle. Those not raised in a home where they learn this are at a great disadvantage later trying to develop new habits as adults. Children raised in giving families would no sooner stop giving than brushing their teeth.

When we make decisions to give sacrificially to God's kingdom, we need to include our children, so they can both learn and get in on the blessing. Once we received a large and unexpected amount of money from book royalties. We sat down with our children, and discussed what we could do with the money. I explained we could use it to feed hungry people and reach them with the gospel. I also pointed out the money would entirely pay for a two week Hawaiian vacation for our whole family. We asked our girls what they thought. They enthusiastically encouraged us to give it to help the poor and lost. (Five years later the Lord provided a wonderful place to stay free in Hawaii. But at the time our children weighed the options, exercised their convictions and joyfully gave.)

### **7. Provide your children with financial planning tools.**

When the girls were five and seven, I gave each three jars labeled "Giving," "Saving," and "Spending." I explained that every time they received money, they were to first put at least ten per cent into the giving jar, then distribute the rest between the other two jars as they wished. Once they put money in the giving jar, even beyond the tithe, it was dedicated to the Lord and they couldn't use it some other way. Every Sunday morning they'd empty their giving jar and bring it to the offering at church.

Similarly, when they put money in saving, they were not to take it out and spend it on anything spur of the moment, but reserve it for some upcoming special expenditure or "a rainy day." However, they were free to transfer money from saving and spending to giving, or from spending to saving. As the jars lined up, it went this way—you can transfer money to any jar on the left, but never to a jar to the right.

I'll never forget that night. The girls were so excited they immediately took the money they already had and distributed it in the jars. They arranged the jars just right on their dressers, and literally spent two hours talking and figuring things out. My seven year old asked me to show her how to figure percentages on our calculator. She broke down her then one dollar a week allowance, and wrote on the jar labels, completely on her own, "Giving: \$.25 a week," "Saving: \$.25 a week," and "Spending \$.50 a week." For the next five years, this simple system resulted in more financial education than any single thing we did.

Remember, a child cannot learn money management unless he has money to manage, and unless he earned that money himself. (Otherwise he's giving or spending his parents' money, not his.)

### **8. Teach your children how to say "No."**

Few things we teach our children are important as the discipline of saying "no." We must model the principle of delayed gratification, and teach the value of avoiding an expenditure when the money could accomplish a higher purpose if given away or saved or used more wisely. God commands and commends self-control one of the highest Christian virtues (Galatians 5:22-23; Titus 2:1-12).

Children are by nature impulsive spenders, and need our help to develop sales resistance. Every time we say "no" to our child about ice cream, candy, a new doll or

squirt gun, we can teach him there are higher values than immediate gratification. Self control learned by children in one area often carries over into others. A child who learns to say "no" to unnecessary purchases is much more prone to say "no" to sexual immorality or drugs.

Of course, tight-fisted stinginess is as negative as careless self-indulgence. Our goal is not to be penny-pinchers fretting over every expenditure, but joyful, responsible and generous stewards.

### **9. Show your children how family finances work.**

Bring home an entire paycheck in one or ten dollar bills. Or, use play money in an amount corresponding to your paycheck. Put the money in piles to show exactly how much goes to what expenses each month. This way your children can visualize where the family's money goes.

Some things will surprise the children, and they'll ask you questions. You'll probably end up reevaluating and making some healthy changes yourself. (Comparing the amount you give away with the amount you spend on various items may be particularly convicting.) Your children may see things in perspective for the first time. A child who's told to turn off the lights when he leaves the room, or to shut the front door behind him in the winter, suddenly understands why when he sees the stack of money that goes to pay the electric bill.

### **10. Never underestimate the power of your example.**

Albert Schweitzer said, "There are only three ways to teach a child. The first is by example, the second is by example, the third is by example."

Whether consciously or not, we continuously train our children, engraving our values in them as if drawing with a stick in wet cement. Children learn most effectively not just from what we say, but from what we do. Our actions speak louder than our words. (Sometimes so loudly our children can't hear a word we're saying!)

When it comes to handling money and possessions in light of eternity, dads, the most important point is this: sometimes our children will fail to listen to us; rarely will they fail to imitate us.

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This is the last *PARKids Parents Chronicle* I will have the privilege of creating. I hope these Parents Chronicles have been helpful to you as you bring your children up in the discipline and instruction of the Lord (Eph. 6:4). Parents, never stop telling "to the coming generation the glorious deeds of the Lord, and his might, and the wonders that he has done!" (Ps. 78:4)

Pastor Greg Long