

It's vital to learn how to teach your children the value of money

By Dr John Demartini, human behaviourist, author, teacher and business consultant

AT PRESENT, less than 1% of the world's population becomes completely financially independent.

The majority of people don't truly have a high value on wealth building. Instead, they have a high value on immediate gratification which leads to consumer behaviour that buys depreciable items.

It is easy to allow the habits of the majority of people and the way they live to influence the way you live.

It takes little effort to be part of the crowd. If you want to beat a different drum, it takes education, mentoring and self-governance to be different and to become part of the 1%.

Unless there is a shift in what you value, don't expect to get ahead financially.

If you have a higher value on buying immediately gratifying depreciable consumables, more so than buying true assets in forms of property or stocks – you will continue to have more month at the end of your money than money at the end of your month.

To foster a high value on wealth building in your children, it is wise to make sure that they have accountability and a responsibility to contribute to their family and society.

That doesn't mean taking care of everything for them. If you do, then they will experience little to no feelings of accountability and productivity and little dignity to participate in family and society.

This lessened degree of fulfilment can lead them to react from the Amygdala; the emotional response centre of the brain where immediate gratification reigns.

If, however you provide meaningful accountabilities that help fulfil what they value, they start accessing the frontal lobe or executive centre of the brain which is responsible for rational decision making, and they start acting with the long-term vision of a future leader.

Accountability and responsibility are what makes us grow. The more you implement these in your children's lives, the sooner they will respond to them.

Children that are faced with the reality of how the world works from an early age have advantages.

If you don't implement this, you may pay the price later when they struggle to be independent.

Right from the beginning children become advantaged when they face the reality of how the world truly works.

Some people train their kids from very young and give them an allowance which needs to be apportioned as a budget would need to be apportioned.



Accountability and responsibility are what make human beings grow.

If you give them money – it is prudent to show them how that it is linked to their contribution to chores around the house and not something that they receive for zero input.

If children associate something for nothing, it can set up a fantasy that may have to be broken later in life.

When I was nine years old, my Dad taught me valuable financial lessons. I earned money by doing chores around the home and garden.

But I wanted more money so he said I should offer my services to the neighbours too. I mowed the lawn, weeded gardens and even did some painting.

When my dad saw me with a new baseball and bat I had bought with the money I had earned, he asked how I'd earned it. When I told him, he presented me with a bill for the lease of his equipment I had used to earn that money.

I had to pay him back by signing an IOU since I had already spent my earnings. I had to work in two yards to make the money to pay him and then had to work out going forward what I needed to pay him for using the equipment and only keep the money I earned over and above that.

I learned many valuable business lessons from this when I was still young.

I learned to use the equipment from the people I was working for as they didn't charge me a hiring fee, and at a point I even started employing teams of kids from the neighbourhood.

I bought hedge clippers as there was good money to be made in hedge clipping and this investment in my own

equipment served me well.

I still have my original piggy bank filled with coins which my father encouraged me to fill. I made enough additional money never to need to dip into the piggy bank. It's probable that by now, it contains some valuable coins!

Each child is different and what works for one won't necessarily work for the other. I find that there are two types of behaviours that you see as a parent; children either do what you say or don't do what you say and you would be wise to learn whether they respond more to seeking praise or avoiding reprimand.

In addition to this, if you understand their values and communicate with them in their highest values, you may change the outcome of their behaviour and intrinsically drive them to achieve much more.

● *To find out more, or to take the free online value determination test, visit www.drdemartini.com.*