

“A Lesson in Values: Teaching Kids About Money, Possessions and Eternity”

by Jim Burns, Ph.D.

Kids today are growing up in a culture that places tremendous value on personal appearance. Almost all kids have a desire to be “normal” and not stand out when it comes to appearance or lifestyle. As a result, it’s not unusual for them get caught up in materialism. This rat race of self-interest can make it difficult for kids to learn the proper perspectives on being a good steward of all the resources God has given. So, as usual, this is where parents come in! It’s up to you to be proactively involved in the process of teaching you kids about healthy and godly perspectives on money, possessions and eternity.

For better or for worse, your kids are watching the example that you set in this important area! In the New Testament book of Matthew, we read that Jesus said, “Do not store up for yourselves treasures on earth, where moth and rust destroy, and where thieves break in and steal. But store up for yourselves treasures in heaven, where moth and rust do not destroy, and where thieves do not break in and steal. For where your treasure is, there your heart will be also.” (Matthew 6:19-21, NIV)

What “treasures” do your kids see you chasing after – ones that will perish or ones that are eternal? The sooner we begin teaching our kids by example how to handle their resources, what treasures to pursue, the better off they’ll be! Larry Burkett of [Crown Financial Ministries](#) gave some advice I’ve found helpful on important areas of stewardship that kids need to know. The following material has been excerpted and adapted from Larry’s articles, “*Teaching Kids to Manage God’s Gifts*” and “[Teaching Children about Finance](#).”

1. Kids need to know that money is not the most important thing in life. A person's attitude toward finances is an indicator of his or her heart. Jesus said, “*For where your treasure is, there your heart will be also.*” (Matthew 6:21) In His teachings and parables -- whether the rich young ruler, the lost son, the widow's mite, the sheep and the goats, or many others -- Jesus taught that what we do with our money and our possessions is a direct reflection of what is in our hearts. Our checkbooks are like thermometers, measuring the heat of our love and commitment to God and His principles. Our Lord emphasized that we “*cannot serve both God and wealth.*” (Luke 16:13) Everyone serves one or the other. Your heart will be devoted to the one you serve, and your actions will demonstrate which you are serving. Our kids’ hearts will be found wherever their treasures have been buried.

2. Kids need to know about income. As soon as a child is ready for school, he or she should begin to receive an income to manage. Whether that income is earned or given as an allowance is a decision that must be made by the parents. But whatever the choice, parents need to begin to instill within their children that boundaries must be placed on how money should be spent, and that spending must not exceed income. In other words, encourage them to discipline their spending to remain within their income, discourage them from borrowing, and impress the need to save and accumulate in order to buy.

3. Kids need to know about budgeting. As soon as children begin to receive income, they should be taught how to divide that income into categories and to budget. The categories may be as

simple as saving, spending and giving. Encourage kids to budget and not to spend their entire income on personal desires just because they have it to spend.

4. Kids need to know about saving and investing. Children should be encouraged to regularly save a portion of their incomes and to not deplete their savings when they want to buy something that they feel they need. Saving must be ongoing and if any savings are withdrawn and spent it should be replaced. Eventually, they should be taught the difference between emergency savings, long-term savings and investment saving.

5. Kids need to know about debt. Parents need to teach their children the cost of borrowing and how difficult it is to get out of debt once they are in debt. They should be encouraged to stay out of debt and to purchase with cash whenever possible.

6. Kids need to know about tithing. From the very beginning, parents must instill within their children the mandatory necessity of tithing to the Lord and help them understand that this is a principle that must not be compromised. The first part of any and all of their incomes must be tithed to the Lord—before personal purchases, savings or recreation.

7. Kids need to know about generosity. In addition to tithing, parents need to encourage their children to set aside a certain amount of their incomes to help people in need, either through missions, special humanitarian projects, or to purchase and give items for the benefit of others. Beyond this, kids need to learn that good stewardship includes not only generosity when it comes to money, but when it comes to giving of their time.

Finally, I want to conclude this tip sheet by sharing a story (author unknown) that I've found helpful in giving a good perspective on the pursuit of material things. Perhaps, you'll find it useful in talking to your own kids about this important topic:

An American investment banker was vacationing in a small Mexican coastal village. While walking near a pier, he observed a small boat with just one fisherman. Inside the boat with the Mexican fisherman were several yellow-fin tuna. The American complimented the Mexican on the quality of his fish and asked how long it took to catch them. "Only a little while," replied the fisherman.

The American then asked why he didn't stay out longer and catch more fish. The Mexican said he had enough to support his family's immediate needs. The American then asked, "But what do you do with the rest of your time?" The fisherman responded, "I sleep late, fish a little, play with my children, take a siesta with my wife, Maria, stroll into the village each evening where I relax and play guitar with my amigos. I have a full and busy life."

The American scoffed, "You should spend more time fishing and with the proceeds, buy a bigger boat and then buy a fleet of boats. Instead of selling your fish to a middleman, you could sell directly to a processor. You could eventually open your own cannery. You would control the product, processing and distribution. You could leave this small village and move to a big city where you could run your expanding enterprise."

The Mexican fisherman asked, “But how long will this take?” The American replied, “15 to 20 years!” “But then what?” asked the fisherman. The American laughed and said, “That’s the best part. You can sell your business and retire and move to a small coastal fishing village where you could sleep late, fish a little, play with your kids, take siestas with your wife, stroll to the village in the evenings where you could relax and play guitar with your amigos. You would have a full and busy life.”

The Mexican fisherman smiled at the American, quietly gathered his catch and walked away.

Crown Financial Ministries has also created some great products for helping parents teach their kids about managing money. They include:

[My Giving Bank](#)

[Money Matters for Kids](#) board game

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