



Raising Money Smart Kids

www.creativewealthbahamas.com

Written by A. Keshelle Kerr, Managing Director

SCHOOLS DON'T TEACH WHAT OUR YOUTH NEED TO KNOW

"Letting young adults out into the world without financial education is criminal. Its like dumping goldfish into a piranha tank."

Would you hand the keys to your car to someone who never learned how to drive? Nobody in their right mind would do that. Yet that's exactly what happens every time another young adult graduate from school without financial education. They are handed the keys to their life—so to speak—without the real world money training or even a road map of how to get where they want to go.



Parents out there you need to know! Not a single school in our country provides our kids with a practical financial education. In fact, they have been teaching roughly the same subjects for decades and financial literacy is not one of them. However, many things in life have changed. We are now in a global economy led by the Information age. Events today are greatly impacting the money people have in their lives—yet our schools still teach the same subjects in the very same way they taught our grand-parents! Each year a large amount of our students leave school with a diploma. They either drop out from frustration, forced

out because of poor choices and bad behavior, or fail to graduate because of low grade point averages. This will eventually lead to an economic death for our country.

During a national address, John Hope Bryant, an international advocate of financial literacy made a key point... "Kids are not succeeding in high school because they do not believe that the education is relevant to their future." When asked how to make it relevant he responded with confidence; "show a kid how to get rich legally, teach him the language of money – give them financial literacy!" Most high schools offer an economics class which they think is sufficient. This class is mostly the history of money and theory behind it however. Youth today need practical information that they can use in the real world.

Here's a quick quiz: Of the group of two sentences what knowledge would you rather possess?

- A. The ability to balance the neutrons from the periodic table of the elements.
- B. The ability to choose what investment will be best for the future of your family.

- A. Memorization of the exact date the American Revolution started.
- B. Development of the financial education skills that will allow you to afford what you want now while planning for the future.

- A. The ability to solve $1/(1+C)^D = 1-AC/B(1+C)^D + B/(B-AC)$
- B. The ability to make millions and retire young by knowing how to use compound interest for you instead of against you.

I really wish that school exposed me important money principles such as “**Interest is only interesting when you’re receiving it**” and “**only borrow money when it’s going to make you money.**” Even the seemingly commonsense principles heard today like “**Pay yourself first**” and “**Save early Save often**” may have prevented some of the financial mistakes I made during my life if they were echoed consistently within classroom walls. I know that I am not alone.

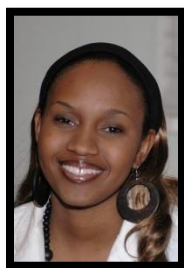
Financially illiterate youth could be 100% dependent on other people or the government for support. Case and Point... I recently attended a youth forum where young people of all ages and backgrounds had an opportunity to let their voices be heard on issues affecting them. While I am pleased to note that there were only standing room spaces, I left truly bothered at the amount of youth whose questions and comments were geared toward the government providing better jobs for them to obtain. “What will the government do to ensure that we don’t get those menial jobs all the time?” was just one of the questions asked. My emotions flared! What does the government have to do with the type of lifestyle you want for yourself? When do we begin to teach our kids that if they can’t get a job, they can make their own?

“Study hard to get good grades and you will find a high-paying job with good benefits.” In today’s unstable job climate, should our youth be thinking like this? National Insurance and a pension (if we are lucky enough to get one) will not even come close to covering the needs of children when they retire. Unless young people start to get a practical financial education and realize that they are responsible for their own financial futures, many of them will be working in their eighties, nineties, hundreds still hoping that the government would come through for them. They will never have the opportunity to retire let alone retire young.

By not giving our youth a practical **financial education** in school we are setting them up for the scenario described above. If schools adopted a practical financial education curriculum – whether during classroom periods or as an afterschool program, it would give today’s youth the ability to get off to the right start financially. We hear people complain daily about the poor state of our educational system. When will it change? Our decision makers must see the importance of such training to our economic future here and begin to do something about it! In the meantime however, parents must fully prepare their child for the financial real world.

You wouldn’t give the keys to your car to your kids without driving lessons. So why in the world would you send them out on their own without a financial education?

~ ~ ~



Keshelle Kerr is the owner of Creative Wealth Bahamas, a subsidiary of an organization located in Santa Barbara, California whose mission is to put kids, teens and young adults on the road to financial independence. She writes a bi-weekly column for The Nassau Guardian and the Grand Bahama Info Newsletter.

Send your comments and questions to keshelle@creativewealthbahamas.com.

For a list of program visit our website at www.creativewealthbahamas.com . For customized programs or talk for your special events, call or email us.

Creative Wealth Bahamas

Tonique Williams Darling Highway, Nassau, Bahamas

Ph: (242) 341-5860 ♦ Email: info@creativewealthbahamas.com

Empowering individuals to create financial freedom in their lives

© Keshelle Kerr, Creative Wealth Bahamas. Feel free to share this article.