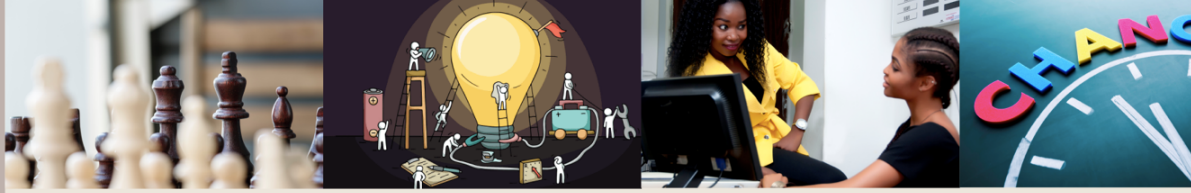




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Money Matters Matter, especially for Children

By Omagbitse Barrow

As a young child, I spent some of my idle time ransacking my parents' wardrobes, closets, and bags. I was particularly fascinated by the peppermints that I always found in my mother's purses and the biros and pens of various colours that both my parents kept. I become a major collector of those items and showed-off my prized possessions to my friends at school each week.

On one of those my "hunting" expeditions I came across my father's pay-slip. He was at that time perhaps an Assistant or Deputy Director at the Federal Ministry of Science and Technology. I was greatly disturbed by what I found – his take home pay just didn't add up. I doubled the amount (assuming about the same income for my mother), and it became clear that having five children, providing us all with education, food and a living must have been very tough for my parents in the 1980s and 1990s.

That encounter changed my perspective towards my parents especially the demands I made on them financially.

If I ever was high-maintenance as a child, I immediately toned down my expectations. In secondary school at Kings College a few years later, I was more than content with using my eldest brother's very old and perhaps antiquated Biology Textbook from the early 1980s rather than the prescribed text of the day – "Modern Biology" which I thought my parents could never afford, and all the way to University of Lagos, I tried to be as realistic as I could with my demands and expectations – at least from my perspective.

My parents and siblings who will no doubt read this article will be in the best position to confirm all of this though. Why have I told this long story? Well, simple to buttress the fact that the best time to educate anyone about money and financial planning isn't when they start to work or run their own businesses but is much earlier when we can lay the proper foundation for a firm financial future – when they are young children.

Many will argue and have confronted my colleagues and I at occasions where we speak about financial literacy for children or even when we promote the books, resources and games that we have created to teach financial literacy to children. They are concerned that children deserve the innocence of their childhood and that teaching them about “how to make money” is inappropriate and a violation of that youthful innocence. As far as I am concerned these pundits could not be any further from the truth, and it is because most people think of financial literacy and financial planning as being about making money, doing deals and getting rich, and you cannot blame them. Some of the most popular literature and games that are available to young children to promote financial literacy tend to over-compensate in these areas of “wealth creation”, leaving out the more important aspects of Financial Planning from their scope and therefore prejudicing the skeptics and further fanning the flames of their skepticism.

The truth is that Financial Literacy and Financial Planning whether for children or adults is a much broader concept that includes firstly a thorough understanding of the system of money and how it works – recognizing that it is the currency of the world, and something that we cannot ignore; then the ethical management of money that speaks to earning and the dignity of work and vocation, planning and budgeting, saving, investing, spending wisely, entrepreneurship, protecting our wealth, retirement planning, and estate planning. All of these are the elements that make up financial planning – so tell me what is so “evil” about teaching children these things!

Financial Literacy like leadership, communication skills, and creativity is one of those essential life skills that is lacking in our educational curriculum and that needs to be part of the education that we give to our children to prepare them for the realities of the world out there. It goes beyond having a degree in Finance, Business Administration or Accounting or even a MBA, because even those degrees do not guarantee Financial Literacy – judging by the number of similarly-educated people who are at the fore-front of Ponzi schemes and wonder-banks or whom themselves as victims of such schemes.

As a former investment banker and even now in my interactions with professionals in the financial industry, I am alarmed at the number of professionals in these institutions including their regulators who do not have a practical appreciation of financial planning and the ethical management of finances and mismanage their own finances.

If children had a better foundation in financial planning, then perhaps a lot of the mistakes that the older generation have made with inordinate the love for money, acquisitiveness and corruption in high places; Ponzi schemes and advanced fee fraud, and the frequent collapses of financial and capital markets will be avoided in future. The rent-seeking economy that has become predominant will be replaced by a culture of entrepreneurship and intrapreneurship and the dignity of work and vocation will be restored. As we celebrate #GlobalMoneyWeek and #FinancialLiteracyMonth this month, let us be reminded that Money Matters Matter, especially for our Children.