

**POCKET MONEY IS THE FIRST STEP TO MONEY MANAGEMENT***Andrey Belko, X "B" form**Heads – I.V. Lanets, English teacher of I category; V.V. Doronina, English teacher of I category  
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Family attitude to money has changed over the past 50 years. The older generation sometimes worked several jobs to support a family. Money was saved for a rainy day. Today's generation works to spend, not to save. Children today are treated as equals within the family. Younger family members are able to voice any opinion. They are encouraged to define their independence early in life by getting pocket money [2].

Of course, parents should give their children pocket money, because it is the first step to learn the basics of managing money.

But the problem is that most children buy everything they want and their parents don't put limits on how or what children spend their pocket money on. They don't teach their children about money management and forget the fact that children learn their attitudes towards money from home.

The aim of the research is to investigate the importance of pocket money for teenagers as the first step to money management.

This aim involves the following tasks:

1. Learn the necessity of giving pocket money for teenagers.
2. Identify positive and negative features of pocket money.
3. Study the opinion of the psychologist of School No 8 on the question of pocket money.
4. Prove the relevance of the research through a social survey.
5. Work out the recommendations for teenagers how to use pocket money.

The subject of this study is pocket money.

The object is the attitude to pocket money of the pupils and their parents.

In the study of this subject we have used the following methods:

1. Questionnaire.
2. Survey.
3. Comparison.
4. Analysis.

Should parents give children pocket money? The answer to the question is clearly yes. It helps children to make choices and to see that sometimes people have to wait and save up to get what they really want. Even a very small amount can give a child the feeling of some independence [4].

For the practical part of our research we interviewed pupils of about 10 to 17 year-olds. We also interviewed their parents. Then we asked the psychologist of our school to explain her attitude to the question of pocket money. We have the following results: 95% of children get pocket money every week.

The regular amount of money is vital. If you want your children to be able to budget and save they need to get the same amount every week – then they know how long it will take them to save for any one thing.

But there are some mistakes that parents make giving or not giving their children pocket money.

It's a pity but only 4% of pupils get their pocket money just because they are members of the family.

57% of children get pocket money for doing some work around the house. According to the opinion of the psychologist there are family jobs that parents may not pay their children for, such as setting the table,

making the bed, washing up, tidying the room. But parents may let their children earn a little more for doing extra jobs, such as washing the car.

After getting results to the question “What do you spend your saving money for?” we came to the conclusion that most parents of school No 8 don’t encourage their children to save and spend their pocket money thoughtfully. 42% of pupils spend their saving money on buying nothing useful. Only 5% of them spend their saving money on buying a mobile phone or a computer; 12% – for buying clothes and shoes; 18% – for developing their hobby.

We have such a problem in our school as 67% of parents punish their children stopping pocket money. Our psychologist explains that sometimes children in this situation steal from their parents or friends because of resentment. Money and behaviour should not be linked. Teaching children how to manage money is unrelated to teaching them about managing their emotions and behaviour [1].

Based on the results of this survey, we can conclude that most children have never been taught financial literacy. They get pocket money, but have no idea about their management. As a result they won’t be able to budget in the future.

We offer a booklet for such children. They will find useful money management tips in it. Our booklet has a supplement with step-by-step video lessons [9].

Every child will need skills for managing money throughout life, and only parents can help them learn. Parents should be a role model for their children. Because children learn a lot by watching their parents and how they deal with money. They should set savings goals, prioritise the things they need to buy over the things they want to buy, work hard to save for something, and talk about how they organize their earnings to pay bills. It’s also good to avoid impulse buying. Instead they should check prices, look for other options and talk to their child about why they’re not buying the first thing they see [5].

If kids develop good financial skills from an early age they’ll be ready for the financial challenges of adulthood.

## References

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