

6 Activities to Teach your Kids About Money



Every parent wants to set their children up for success later on in life. Sadly, quite a few adults neglect to teach their kids about money starting at an early age. You can teach children simple but powerful lessons about money and personal finance by engaging in the following activities.

Play a Game of Monopoly

There aren't many games in existence that can teach so many important money lessons in such a short amount of time as Monopoly. It's a great way to demonstrate how the financial system works as well as the importance of owning real estate and other productive assets.

Start a Small Business

Whether it's a lemonade stand or a lawn-raking service, operating a small business is an incredibly valuable experience for adolescents. Doing so teaches them vital bookkeeping and money management skills. Furthermore, [children that run small businesses](#) are more likely to become entrepreneurs as adults.

Offer Interest & Advances on Allowances

Treating an allowance like a bank account is arguably the best way to illustrate how money works. Give your kids a 2% return on money that they don't spend. Likewise, provide a "line of credit" that they have to pay back with interest using future allowances.

Create a Mock Stock Portfolio

It's never too early to learn the fundamentals of investing. Any parent can use an app like Google Finance or Yahoo! Finance to show their kids how to manage a mock portfolio. They'll learn to grow their wealth wisely and avoid undue risk.

Hunt for Discounts & Coupons Online

Saving money on goods and services using the Internet is easy thanks to digital coupons, web-only sales and Google Alerts. The key lesson to impart is that [planning ahead and waiting for the right time](#) to make a purchase can save a bundle of money over time.

Buy Something Used Together

The next time you need to buy a car or an appliance, opt for second-hand merchandise and bring the children with you. They'll learn two important skills: the ability to spot a deal and the lost art of haggling. Knowing how to negotiate will serve them well in the future.

Early Lessons Often Last a Lifetime

For most people, early childhood experiences have a way of shaping the course of their lives for better or for worse. Consequently, it's imperative that you give your children a strong financial education to ensure that they can handle money responsibly.

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