I am still able to recall the first time I got a real allowance. It was at the end of a long, hard week of washing dishes and picking up dog poop, but those two soft dollars crinkled up in my little hand was just about the best feeling in the world. That was the same moment I started learning about money, real money, and what it could do. My father, a successful businessman, took it upon himself at that moment to educate his naïve young daughter about the value of a dollar. Since then, I have saved, budgeted, splurged occasionally, held a job all through high school, opened a Roth IRA, and put away money for retirement, all before the age of 20. My father did me the greatest service by teaching me how to be a smart spender, and more importantly a smart saver, but unfortunately that’s a rare gift nowadays, and it’s about time that changed.

While financially educating their children is a burden some parents take on, most do not, leaving many kids unprepared for the fast-approaching, complex world of taxes and mortgages. This information should not be privilege to a small group of young adults, but rather the responsibility should be held by the school system in an effort to effectively educate each and every student about necessary fiscal skills.

In 2011, 1.4 million people filed for bankruptcy.¹ On average, each household with a credit card has over $15,000 in credit card debt with total U.S. debt amounting to over $11.4 trillion.² Young adults spent almost a fourth of their income servicing debt in 2004.³ This does not sound like a world I would like to send a child into unprepared. They’ll learn how to take care of all that money stuff in school…right?

Unfortunately, parents, that is not exactly the case. A small amount of schools offer classes that deal with budgeting, mortgages, taxes, and financial responsibilities as math class options or...
electives, but as something that every person will undoubtedly encounter at some point in their life, it should be a priority.

Stuart Heckman and John Grable discuss in their scholarly study in the *College Student Journal* that “only nine states in the U.S. require students to enroll in some type of personal finance course to obtain their diploma” and how young adults and college students are “particularly vulnerable to falling into financial indebtedness.” There is a very apparent and very dangerous gap growing between education and application that is sending young adults into the world unprepared and uninformed about the complexities of finance and economy.

The need for an addition to high school curriculum that addresses these issues is enormous. Boise, Idaho based professional financial advisor Kathy Stearns says that “young people are not nearly educated enough about financial planning” and that her clients usually are challenged more by a “lack of knowledge or awareness than irresponsibility.”

Ernest Boyer, the President of the Carnegie Foundation for the Advancement of Teaching, describes the purpose of education as the ability “to develop an understanding of human commonalities,” but unfortunately, according Harold Hodgkinson, the school system has failed to uphold that purpose. He explains that “the general curriculum prepares [students] for neither higher education nor a vocation.” I can say from personal experience that the knowledge about finance that I learned in school was close to nothing, and Richard Thaler of the University of Chicago Booth School of Business captures that sentiment perfectly when he discusses the intricacies of our economy by saying that “throwing the financially illiterate into that maelstrom is like taking students currently enrolled in driver’s education and asking them compete in the Indianapolis 500.”

What I am suggesting be added to high school curriculums is not a college-level course about the ins and outs of every fiscal loop hole in the book, but several journalists from the *Journal of Consumer Affairs* summed it up perfectly when they wrote that “the major purpose of financial education is to build a foundation for greater understanding or an orientation to the financial world that will be useful at a later point in life.” Even a basic teaching of the subject would be better than what is offered now.

Not only would it be useful, but students would be eager to jump on this opportunity to learn how to balance a
checkbook and grow stocks. David Faux and Stephen Hearn discuss in their study about alternative teaching methods and topics that “students are interested in money… a finance module would inspire and stimulate many students.” I would have loved a class like this, and it surely would open doors for students who find their passion in finance and economics, or those who do but just don’t know it yet due to lack of exposure to the topic. As illustrated in this viral Tumblr post, the sentiment, or rather bitterness, is valid:

Many experts in the field of education have spoken on this exact topic, and not without proper data to back up their claims. On more than one front, monetary education has proven to be extremely beneficial. Heckman and Grable’s study again provides data that allows them to boldly and simply state that “individuals with enhanced levels of financial knowledge were more likely to engage in responsible financial management behavior.” And not only economic knowledge in general, but the Journal of Consumer Affairs printed that specifically for young people, “financial education does make a positive and important contribution to a high school student’s knowledge of personal finance…” In addition, the journal conducted “a longitudinal study [that] reported that adults who had taken a personal finance course in high school saved a greater proportion of their income when they were older.”

I could go on about multiple other experts who support these claims, but the point is that a link between financial education and future success exists, yet for some reason the school system is not utilizing it. Some may discredit the legitimacy of this course by arguing that students will forget whatever they learn in a couple years when they actually have a need for it, but Richard Thaler writes in his New York Times article that the solution to that skepticism is called the

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**Things I Never Learned In High School**

dontcomecryingtome:

- How to do taxes
- What taxes are
- How to vote
- What political parties are
- How to write a resume/cover letter/anything related to getting a job
- How to write a check/balance a check book
- Anything to do with banking
- How to do loans for college
- How to jump start a car or other basic emergency things
- How to buy a car or house

but I’m so glad I know the **pythagorean theorem**

thank you
Financial well-being is ‘related to academic success and overall life satisfaction, as well as psychological and physical health.’

Now, it’s nice to fantasize about a perfect world in which every child is fiscally responsible and educated, but frankly, that cannot happen. We can, however, come as close to that as possible, but that doesn’t happen as a result of a newspaper article. You could simply read this and think “wow that’s a great idea” (which I do hope crosses your mind) but it will never become reality if action isn’t taken. Nobody has a greater interest in the successes of children than their own parents, so that is where the movement needs to come from.

There is, without a doubt, lots of red tape that need be navigated when dealing with public school system curriculums, however it’s not as daunting as it may seem. In fact, the curriculum is already out there. Walstad, Rebeck, and MacDonald of the Journal of Consumer Affairs once again enlighten us with the fact that “[i]n response to the perceived need to improve financial literacy, a wide range of private businesses, nonprofit organizations and government agencies have developed financial education materials and programs.”

A great deal of worry about this idea is the cost to develop a whole new class curriculum, but there are already many available just waiting to be chosen!

The Center for Ecoliteracy is an organization that helps schools transition into a...
Parents of students hold more power than they perceive. The last thing principals and superintendents want is more ecologically friendly lifestyle and curriculum. No, that is not the change I am advocating for, but their website contains some very useful information about navigating change within school systems. They say that a good place to start is “developing a small faculty team to start with the end in mind,” however the main point is that “parents and other community members play key roles in shifting the curriculum.”

Before faculty can even jump on board, the word needs to get out there, and there is no better way to do that than directly through parents and the community. Petitions, newsletters, emails, forums and info nights...whatever it takes to gain attention and support is the best place to start.

Parents of students hold more power than they perceive. The last thing principals and superintendents want is a strong-willed group of parents lobbying for change and gaining attention by pointing out the outdated and insufficient curriculum of their school. But by no means does this have to be done in a threatening way. As stated above, getting a small group of focused directors to make a plan and work in cooperation with the school board is bound to gain more favor than picketing the playground.

Granted, while curriculum reform is possible, especially with widespread support, proven data, and strong advocates, it will still take quite some time until it lands in classrooms. For those parents with kids that will miss that window of opportunity, or those who simply don’t want to wait, you don’t have to!

There are dozens of sources out there that can help aid parents in starting a basic foundation of financial knowledge. Sites like Moneycrashers.com has a great article titled “11 Ways to Teach Kids How to Save Money” or, if you’d prefer to take the governmental route, Kids.gov has tons of tools and resources available for parents and kids. For the old-fashioned folk, the books The Complete Guide to Personal Finance: For Teenagers by Tamsen Butler and Banking on Our Future: A Program for Teaching You and Your Kids About Money by John Bryant and Michael Levin contain excellent and valuable information. Whether it gets learned in the classroom or at home, starting at a young age and instilling fiscal responsibility is a key skill for today’s young adults to secure.

Ernest Boyer once again provides us with some wise insights about

"Parents and other community members play key roles in shifting the curriculum."
Bringing High school back to life

reform within schools, saying that “[w]hat we’ve seen thus far has been a mechanistic approach to school improvement…the challenge now is to focus on education as a human enterprise, not as a “system” to be regulated.”

That is the biggest thing you can contribute to this effort: bring the school to life. Treat your child’s education with the tender care and attention that it deserves.

Boyer encourages parents and others to be heard and speak their wishes. He says “the reform movement has been seriously damaged by the failure of our national voices to inspire and lead.”

Decreasing crippling debt and heartbreaking bankruptcies starts with preparing and arming our future citizens with the tools they need to be successful, educated, and smart with their money. We can’t completely fix what is now broken, but if we think a few steps ahead, we can prevent our kids from facing such daunting challenges with such little proficiency.

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5 Stearns, Kathy. "Interview." E-mail interview. 21 Nov. 2014.
7 Demographer working for the National Association of Secondary School Principals
12 A popular social networking site
14 Including the National Foundation for Financial Education, the Council for Economic Education, and Junior Achievement
15 Such as Financing Your Future, High School Financial Planning Program, MoneyTalks: Should I Be Listening?, and Financial Fitness for Life

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“The reform movement has been seriously damaged by the failure of our national voices to inspire and lead.”