



Reasons to talk about money to your children, without delay

“Give me the child until he is 7 and I will give you the man” – apparently from Aristotle and also attributed to St. Ignatius Loyola, founder of the Jesuits

“The single biggest problem in communication is the illusion that it has taken place” - George Bernard Shaw

“Reasons to be Cheerful” – Ian Dury

It is natural to avoid talking to young people about adult topics like money, sex and the dark side of ageing. Society supports our natural reluctance with memes such as “maintain the imaginary simple life, innocence and joy at feeling immortal for as long as possible”. So, unless we challenge ourselves on some of this, society will add no pressure on us.

Nothing to see or do here then? Well, your children from puberty onwards are likely very interested in the first two, money and sex. Out of your earshot and line of sight, there are conversations and actions that you can only guess.

Don't get me wrong, talking about sex in any depth with children is beyond your humble scribe. And I agree that, other than being open about and normalising death, the disappointments and humiliations of ageing can be largely left alone for young people to discover organically themselves.

So, why would you talk to young people about (your) money in an honest and open way?

Here are 20 reasons – you may have more or different ones?

1.	You may <u>not</u> want to honour a tradition that has been passed on to you ie you consider your parents were not able to talk about taboo topics.
2.	Your parents had far more simple affairs so a discussion was not needed but maybe it should be explored now, noting you have no lived experience of doing this so a natural reluctance might creep in.
3.	You agree that others are not better able to do this than you? Their friends? Your Accountant or Adviser? The latter should be at a choreographed future meeting with the children in the future, we suggest. If you are not sure that you are ready to do this given it is probably the first time, why not prepare with a “thought partner” who has done it many times and learned from each occasion?
4.	By talking about (your) money openly, you can raise the bar of communication and reduce the taboo and one of the reasons for the “shirtsleeves to shirtsleeves” proverb
5.	You can learn more open communication skills and improve your family communication – because we can talk, we all have biases about our communication skills. If it works at work, we can be deluded into thinking a simple toning down of that will work fine at home.
6.	Showing interest in how your children filter information, their headsets and how they relate will deepen connection and smoke out issues early so they can be managed best in a family dynamic – discipline loses its power over time.



LEGACY LAW

Protecting the assets in your family tree

7.	By sharing your vulnerability and desire to improve, you model good self-development – children watch what we do more than they listen to what we say.
8.	By talking about (your) money in an age-appropriate way, you can observe where your children are at on their path and bring in more resources if you think they need them. In the US, this is called “The Great Reveal”.
9.	You can set expectations of your children such as finding a career or serious interest or passion and encourage them so they find their own path that lights them up.
10.	You can use the opportunity to suggest that (your) money may go to philanthropic ventures and invite the children to observe at close hand how others are less fortunate.
11.	You can set up a safe place for them to come to address and put in place guardrails for gossip or teasing outside the family – we note the story of an heir to the Johnson & Johnson fortune was made aware of the family finances by someone who was not a friend showing a group a picture of their Dad on the front of Time magazine.
12.	You can build up their self-confidence gradually and manage any secret fears, inhibitions or guilt about having to manage wealth in the future.
13.	You can observe how they overcome a lack of street knowledge and mentor them from a place of transparency rather than learning to hide awkwardness.
14.	You can help them set their own financial goals and observe how resilient they are in the pursuit of them, doing it with the children and not for them – walking the walk with personal accountability.
15.	You can deepen your relationships with them individually and foster a sense of family together by reducing the temptation to fix their problems and creating an environment for them to more easily seek assistance from family (at which point fixes will be welcomed by them).
16.	You can observe improved communication among you all and, in particular, among them managing the natural tendency for the eldest to want to lead and not understand how to bring the others along with them.
17.	You can observe them collaborating on small projects which shines a light on what kind of a team they are developing into (as when both parents die a long time in the future hopefully, they may be the de facto board of directors / shareholders of a business family if not a family business).
18.	You can manage disagreements and learn to all disagree well and not just play well together.
19.	You can satisfy yourself that you have not poured petrol on them and walked away – wrestling with communication is a noble pursuit and your children will see you trying and may try to raise the bar for the next generation (before you spoil your grandchildren!)
20.	You can observe differing views and establish a culture where each path they choose to a fulfilled life is well chosen.

“Money matters are treated by civilized people in the same way as sexual matters – with the same inconsistency, prudishness and hypocrisy” – Freud

“Be A Better Ancestor” - Griffin