



**POWELL CENTER FOR
ECONOMIC LITERACY**

ECONOMIC TIPS FOR PARENTS

Rebecca S. Shepherd

- A. Help your child learn about the world of work:
1. Take your child to work with you and introduce him/her to fellow employees and discuss the skills needed for their positions.
 2. Look through the classified ads with your child and discuss the skills/training needed for job opportunities.
 3. Encourage age-appropriate jobs for kids such as baby-sitting, feeding pets, tending gardens, watering lawns, folding laundry, taking out garbage.
 4. Explain how people may need to change jobs if a product or service is no longer wanted.
- B. Discuss inventions that have made our lives easier:
1. Encourage your child to become an inventor by imagining easier ways of doing things.
 2. Read about the lives of famous inventors such as Edison and Carver.
- C. Encourage your child to manage money well:
1. Before providing an allowance, ask your child to make out a budget.
 2. Encourage your child to save towards a goal.
 3. Discuss spending choices and priorities.
 4. If a child borrows money, develop responsibility by having them repay in an agreed upon length of time.
- D. Help your child distinguish between natural and capital resources:
1. When cooking with your child, notice the natural (tomato, carrots) and capital (jar, pan) resources used.
 2. Take a walk on the beach or in the woods and observe plants and animals that are useful to mankind.
 3. Discuss what resources were used to produce your child's favorite clothes, toys, or food.
- E. Introduce your child to the international marketplace:
1. Discuss whether friends/neighbors' cars were made in the U.S.A. or foreign countries.
 2. Help your children locate on a map/globe the countries named on clothing labels and food packages.
 3. Plan two meals - one made with ingredients found in the U.S. and another made with ingredients found in other countries.
- F. Help your child understand why we pay taxes:
1. Visit a public library, zoo, park, fire station, or police station. Explain that individual families cannot pay for these goods and services. Taxes allow governments to provide these goods and services.
 2. When shopping, show your child that the total cost is the purchase price and the sales tax.
- G. Encourage your child to become an entrepreneur:
1. Buy a new product and discuss how someone started with an idea - next they produced and sold the product.
 2. Encourage your child to think innovatively. Challenge them to think of new products that could solve problems.