

Welcome to the Science of Parenting, a podcast dedicated to sharing scientific information with parents. I'm Lori Hayungs, Human Sciences Specialist Family Life for Iowa State University Extension and Outreach.

The cost of raising children and running a household is expensive and the costs are continually increasing. It's no wonder, that many, many parents get stressed when the topic of money is discussed. Is there a parent alive that hasn't worried and stressed over money issues? Pleasant family times can be interrupted by the reality of financial stresses brought on by mortgages, childcare, kid's activities, clothing, food, medical expenses, college tuition, and everyday living expenses that seem to multiply exponentially. And when families experience financial crisis—like unemployment or unanticipated medical expenses, the impact on all family members can be immense.

Do children know that their parents are under extreme financial pressures? Many parents think they can hide financial stress from their children. But research from the American Psychological Association in their 2010 Stress in America survey tells us that children know their parents are stressed because of their “complaining, arguing and yelling”. Children are resilient, yet they are keenly aware of what is happening. The survey also concludes that parents are not accurately aware of the effect their stress has on their children. The APA survey found that half of all middle schoolers and almost 40% teenagers feel frustrated when their parents are worried.

Researcher Rand Conger, currently at the University of California Davis with the Center for Poverty Research completed a 20 year study with families of school age children who were impacted by the Midwest farm recession during the 1980's. The longitudinal study revealed the emotional and psychological impact was not only significant, but permanent and enduring. Parental financial concerns increased their child's anxiety, depression, behavioral issues and negative peer relationships. Conger's study found that children experienced feelings of economic hardship, and emotional distress. In addition the youth felt the indifference of parents, and lack of parental warmth when their parents were experienced financial problems.

It's important for parents and kids to talk about money together. Kids learn about money on television, the internet and even pop culture musical lyrics and without parental conversation misconceptions are likely to develop. Many parents are uneasy and uncomfortable discussing their personal financial situations with their children. Some will even exaggerate the truth and deceive their children. . Parents may think they can protect their children from the effects of stressful financial situations. But the research clearly shows that children intuitively know.

Money matters require good family communication skills. A parent's willingness and openness to questions will help reduce a child's anxiety. The best way to communicate money issues will depend on the child's age. Most people, parents included have strong feelings and opinions about money that are deeply rooted in their own values and belief systems. Children need parents to talk openly and consistently around issues of money.

Join us this month on the Science of Parenting as we discuss ideas on how to teach children about money and how to keep financial situations from negatively impacting our children. We will discuss communicating about the positive and negative meaning around money. We will

focus on money concepts including saving and earning money. We'll look at ages and appropriate money concepts to teach at each developmental stage. We will encourage ideas on how to begin financial planning discussions with your teenager revolving around career and life choices. The topic of family spending plans and goalsetting and how to involve children will be addressed. As always, we look forward to hearing from you and what you have learned about the value of teaching and talking about money.