

Teen Voices on Money Matters

MESILA
Providing the Path to Financial Stability

PART III

By Ahuva Sofer with Mesila Staff

Earning your keep is one thing, but learning to properly handle your cash can become a real challenge. How do we achieve the proper balance between saving and earning? How do we know when to shell out our hard-earned stash, and when to put it on reserve? Once again, fellow teens take front stage and share their struggles, stories, and solutions.

Join Mesila and *Mishpacha* as they explore yet another important money issue.

M & M: Do any of you have a hard time either saving or spending?

"I do," says Baila, 17. "I struggle with it kind of in the same way we struggle with our diets. I've tried a million times, but there's always something I decide I want — and then, there go the savings...."

It's interesting how Baila compares her money struggles to a diet. Like dieting, sometimes it's a matter of learning to develop healthy habits, change mindsets, and upgrade behavior patterns!



"Actually, I have the opposite problem," says Shanah, 18. "I'm a little extreme when it comes to saving. I find it impossible to spend money. I really wish I could bend a little more toward the middle and learn to cough it up once in a while. I save because I'm the anxious type and always worried about the future. It does drive my parents a little crazy that I have money put away since eighth grade and never spent a penny of it."

M & M: It's great that you're so honest about your challenges! Are any of you satisfied with your approach to money?

"I'm not a spender," says Bracha, 13. "But I don't think I'm extreme either. I usually put away what I earn and then take it out, only after I come to a decision that spending the money is worth my while. Personally, I like to save it for an experience that I'll remember, or for things I think will last me."

"I also save," adds Chanah, 16, "but for a purpose. For example, I think going to Eretz Yisrael to visit my sister is worth it. I feel like I'm investing my hard-earned cash into something worthwhile. I'm actually about to go back for a second time with the money I saved up. My parents first felt that I was going a little overboard, but decided to let me go in the end. I think they were happy that I chose to save up for something like going to Eretz Yisrael, instead of blowing it on clothes and stuff."

"I think we're supposed to judge spending differently when we're still teenagers and don't yet have too many responsibilities," says Naomi, 19. "Let's think ahead a little bit and consider the future, a time when we'll really need it."

"I know older girls who saved up money for a future married life," adds Shanah. "They're able to look back and really appreciate that they did what they did."

"But let's not be too extreme," counters Naomi. "Though I do believe in saving most of what I have, I always make sure to set aside some pocket money for spending. This way, I can indulge in something I want once in a while without going on a whole guilt trip."

Naomi and Shanah both brought up super relevant points! Are there set rules for saving and spending? Or does it just depend on our personal responsibilities and which stage of life we're in?



"I save because I'm the anxious type and always worried about the future"

M & M: Do your parents get involved in handling your finances?

"I think all parents have their own ways of going about it. Personally, my parents would match my savings when I was little," says Chayah. "For example, if I wanted something for \$40 and I was responsible enough to save up half, they were usually pretty generous about it, and would give me the rest."

"Until today," says Rivkah, 15, "my parents make me put away half of all the money I earn. They did the same for my older siblings too. In the case of my brother's bar mitzvah, they put away three quarters of the money he got. My parents' plan is to give the savings to each child after they get married."

"My mother doesn't really get involved with the money I make," says Bracha. "I'm happy that she trusts me with it. But even I agree that parents should get involved with their child's money if the kid has spending issues."

That's a great balancing act to put into practice: Allow yourself to have spending money available for all of what you need and some of what you want. Try to save the rest for more important things that will come along in the long term.



M & M: Do any of you work out a budgeting system on your own? How would you advise kids who struggle in this area?

"The system I set up for myself works well for me," says Naomi. "As soon as I get my pay, I always put aside some tzedakah and also a little bit of what I earned (ten percent or less) for pocket money. The rest goes directly

into the bank. This way, I'm not at risk of becoming extreme on either end of the spectrum."

"I think," adds Bracha, "that kids who have a problem spending too much should try to put some of their money out of their reach, like in a bank or safe, in order to curb their spending impulse. Kids who have a very hard time spending should be encouraged to splurge once in a while on something they know they won't regret spending on."

"I once had a simple savings system with a plain old sneaker piggy bank," says Baila. "But unfortunately, I didn't get too far. Maybe I should try again and see if I can work something out. You guys are inspiring me."



That's positive peer pressure coming into play — Baila's starting to save because her friends are. Friends can really have a huge influence on our money habits. Thanks, teens, for sharing your stories with us. Looking forward to hearing more of your inspiration and input.

Stay tuned for next week's topic: Borrowing and lending: when, why, and how.

Awesome Contest Coming Up!

Like what you've learned? Let's see how you can put it into words or even a picture! Choose one concept you learned in Mesila at school or in this *Mishpacha-Mesila* series and express it in the form of an essay, poem, or cartoon strip.

Winner will receive a Melaveh Malkah for your whole class, so get your friends involved too! We'd love to publish entries, so send them as soon as you can to teens@mishpacha.com or info@mesila.org.

Tips to help you get started with saving:

1. Saving is like giving yourself a loan — it's an amazing feeling to put money away slowly, and then have the money you need, when you need it.
2. Start small! Every little bit counts. Chazal remind us that "small coins add up to a large amount." Just watch how fast it grows!
3. Divide the money you get into three different categories: tzedakah money, spending money, and savings.
4. Keep this quote in mind: "What you spend will be gone, what you save will be for the future, and what you give to tzedakah lasts forever."



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