



## Talking to Kids About the Economy: Tips for Parents and Other Caregivers

Raising children can be very difficult when you have concerns about not having enough money to take care of your family. You may become anxious, depressed or develop other emotional problems. Often this makes it even more difficult for parents and other caregivers to take care of their own health and their children's health.

The American Academy of Pediatrics cares about you and your family's health and well-being and has written the following tips to help you cope with life during tough economic times.

**Take care of yourself.** Remember that children depend on the adults around them to feel secure, so it's important that you take care of yourself. If you are worried or upset, your children will be too. Even very young children can tell when something is wrong.

**Limit TV and other media time.** When children overhear news coverage or adults talking about America's money problems, like job cuts and people losing their homes, they may become worried, especially because they don't really understand what is happening. Try to limit your own exposure to the media (especially when you are with children).

**Choose your words carefully.** Comments like "We just lost your college savings", "I might lose my job", or "We can't afford that!" can be very upsetting to children. In times of uncertainty, try to focus on what you do know and offer reassuring words. For example, "We have enough money to pay for food and our house, but we may need to spend less on eating out," or "We saved money for times like these."

It's important to talk with your children because they can sense stress and become anxious or upset if no one communicates with them. All they need is a very basic explanation of why people are upset or worried and what impact it will have on them personally.

**Be sensitive to each child's needs.** It's important to talk at each child's level. What and how much information you share depends on the age and developmental level of your children. In general, older children will want and benefit from more detailed information; younger children and those children with developmental delays or intellectual disabilities will benefit from simpler and briefer information. But for all children, start with asking them what they may already have heard or offer a simple explanation at first. Then ask your children if they have any more questions.

Children who already had problems with anxiety or other emotional problems may be particularly upset or worried about the economic situation and benefit from more direct advice and additional reassurance. Talk with your pediatrician or mental health provider about how to provide additional support. Children dealing with other challenges, such as the serious health problem of a family member, the recent death of a friend or family member, or a recent move or divorce, may find it even more difficult to deal with the current financial crisis.

**Let your pediatrician know if you think your children are showing signs of stress.**

It is natural for children to be concerned if their family has money problems, yet if they are reminded that they do not need to solve these problems, they will feel better. See tips above on how to talk with your children. Also, watch your children closely for changes in their behavior, mood, friendships, or school performance, and talk to your children's primary care clinician or other mental health professional as needed.

**Plan family meetings.** Family meetings are a very effective way for families to encourage healthy communication. It can be a time when family members learn how to get along with each other better. Parents can also use the time to share family values and cultural beliefs.

### **Additional Resources for Parents**

External resources:

- Dollars and Sense: Talking to Your Children about the Economy  
<http://apahelpcenter.org/articles/article.php?id=185>
- How to Budget in a Recession  
[http://www.ehow.com/how\\_2221896\\_budget-during-recession.html](http://www.ehow.com/how_2221896_budget-during-recession.html)
- Preparing Your Kids for a Recession: Six Strategies for Talking About Money and Investing  
<http://www.msnbc.msn.com/id/24206048/>

AAP resources:

- Children, Teens, and Resiliency  
<http://www.aap.org/stress/>
- Holding Family Meetings  
*Developed by William Lord Coleman, MD, FAAP*  
<http://www.aap.org/disasters/pdf/FamilyMtgsHandout.pdf>
- Information on Parenting and Raising Children  
<http://www.aap.org/healthtopics/parenting.cfm>
- Information for Single Parents  
[http://www.aap.org/publiced/BR\\_SingleParenting.htm](http://www.aap.org/publiced/BR_SingleParenting.htm)
- Information for Working Parents  
[http://www.aap.org/publiced/BK5\\_WorkingParents.htm](http://www.aap.org/publiced/BK5_WorkingParents.htm)
- Ways to Build Healthy Communications in Families  
[http://www.aap.org/publiced/BR\\_Communicate.htm](http://www.aap.org/publiced/BR_Communicate.htm)

This handout was created by the American Academy of Pediatrics. For more information, see: <http://www.aap.org/disasters/economy.cfm> or e-mail [DisasterReady@aap.org](mailto:DisasterReady@aap.org).