



Investments: Paying For My Child's Education

Should I Pay For My Children's Education?

By: Joe the Investor

Paying for a child's education is becoming as complex as saving for retirement or buying a house. Paying for an education used to be like buying a car or going on a trip to Europe. It was expensive but it wasn't really that expensive – it could be paid for if you worked full time for a couple of years. There is much written about this subject in terms of how to save for education, what options there are, government assistance and so on. This article is focusing more on the intangible factors of making this decision such as: What are your expectations? What does your child want to do? What is suitable for your child in terms of a career? Once you realize what outcome is important for your child, you would then consider how it would be paid for and how the plan will be executed.

What Does Your Child Want to Do?

This is a huge question – and the answer is likely to be “I have no idea.” Other variations of this answer are careers that change every 6 months, or careers that go with whatever is popular. When asking this question, it may be better to ask “What are they good at doing?” “What do they always seem to gravitate to?” and “Where do they get the most enjoyment?” If they want to make money they can become a deep sea welder - but will they enjoy it? If they do not enjoy it, will your child be able to do the job for a period of time? Don't be fooled into thinking they can persist in a job because the money is good. This can lead to health problems, family issues and possibly addictions to drugs, alcohol or destructive behaviours because what is missing from their lives has to be dealt with somehow. In the same vein, they may enjoy something but are they talented at it? Sure they may love to ride horses, but if they are clumsy around animals it is not likely to be a good idea to work with them. A related question to ask is: “What motivates my child?” They may say they like this or that activity but what do they do with their free time? What do they do when they have all the choices in the world and are not influenced by you or anyone else? This activity will usually be what they really enjoy doing. Observe to see if these activities can relate to a career, be made into one or tie into the options for education.

If there is a choice between going the conventional route and your child having decent odds of making a living, versus doing something unconventional and challenging but your child loves it – always try to allow for the challenging route to be tried. If someone really wants to succeed at something, they will go to great lengths against all odds to make it happen. When athletes are scouted, they are not chosen for their fitness, athleticism or basic talent – they are chosen because they have the winning spirit and mental toughness that it takes to win. The same

principle applies to doing a job; the recruiter will phrase these attributes as “soft skills” or “intangible skills” but what is really meant is that this candidate is chosen because they have things that cannot be taught – integrity, passion, drive and commitment. Anyone can work out for 6 hours per day or learn the technical aspects of a career, but how do you motivate them? The answer is that you cannot – the person must motivate themselves. Fear works to an extent as motivation, but misery and pain eventually overcome the effect.

Should I Help My Child or Make Them Pay Their Own Way?

This will come down to your child’s character and your expectations. Is your child someone who takes advantage of people? Do you feel that your child should pay you in return for your education? Is there resentment that you need to give up a large amount of money that you could have used for retirement, a bigger house, travel and so on and have to pay for an education instead? If you give your child that head start – will they put it to good use to the best of their ability? Do you have a hidden expectation that “if I am going to spend this much money, my child is going to become a doctor, lawyer, prime minister or whatever? Even if a lot of money is spent on education and things do not work as planned, will the experience be worthwhile for my child? The experience in question can be learning things like recovering from failure, making decisions mid-stream, realizing that they made a mistake and having to own it, disgrace at promising an outcome and not being able to deliver it, or positive experiences like coming through in adversity, learning who to trust, closer bonding with people when others did not have faith, making friends under unexpected conditions, or perhaps achieving their goals and realizing that they really did not want them because the outcome is not what they expected.

Should you give your child the money, allow them to borrow it from you or have them borrow it from a third party themselves and have to pay it back? This will come down to what you can provide, what your expectations are and what feelings there are around the situation. The child will also have to be assessed in terms of what they will do with the opportunities given to them, and whether you are okay with the results. Options should also be kept open to avoid crushing debt or a change in plans which is very common today.

There are many schools of thought that paint children as lazy, desperate or having it too easy. Take a close look at what your child wants to do and what the prospects are in that career or related careers. If you can find an information source that will tell you what will happen with that career in the future that you actually trust, this would be valuable information. Realistically nobody knows the future, so you will have to go with your instinct and what kind of character your child has because these are things that tend to stay true in spite of all the noise from media, institutions and corporate interests. The best way to find out about a career is to actually do it for a period of time, or talk to people who are actually doing it. Keep in mind that people filter what they say to you according to their beliefs and biases, so try to make the information as objective as possible to be useful to you.

Are You Basing Your Decisions On Stereotypes?

Everyone assumes that their child should go to university and become a professional with a degree, a designation and a licence. Why? The reasons often cited are that it is a social statement. Professionals are considered the most respected, well paid and the most stable among society. You will find it easier to obtain a job if you are a professional and you are better able to provide a more comfortable life with more money. Along the same lines, you get more respect from society if you have a professional title and a designation. You also have more options in your career in terms of becoming a manager or running a large company. These stereotypes are reinforced in many places including grade school, advertising, and neighbourhoods that are considered more elite.

The key question to ask is: Does my child want to lead a stereotypical life? If you know the answer is yes, then the conventional routes should be pursued. If you know the answer is no, they will likely break from convention at some point. If this question is a big unknown or has not been thought of before, options can be left open to explore different careers, which is usually easier to do with a degree of some kind.

In thinking about your child's education, you will need to know your child deeply and know yourself as well. You would like to know why you like this or that type of education and what the expected outcomes are. Decisions can always be changed later on in life regardless of how much you spend today or what career your child does at the beginning of their working life. The more you know earlier on however, the easier the decisions will be to make and the closer to the true essence of their desires and reality the outcomes are likely to be. Once the target is clear from a mind and spirit perspective, the money will soon follow both to pay for the education and to receive the abundance from the endeavor.

Contact me, Joe Barbieri by email at joetheinvestor.today@gmail.com, or by telephone at 647-286-8020 for an independent consultation on what your options are. **Note: This site is intended for people who want to learn about the world of investments and how to research for themselves. If you would like to buy or sell investment products, or specific advice on investment products, tax or legal issues, please consult your investment advisor, accountant or legal counsel.**