

When I Grow Up I'm Going To Be A Millionaire (A Children's Guide to Mutual Funds)

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It may seem a bit odd to be reviewing a 52-page children's book in a prestigious academic financial journal but *When I Grow Up I'm Going To Be A Millionaire (A children's guide to mutual funds)* is no ordinary children's book. Rather it is a valuable tool for financial practitioners and can be used in a variety of ways, including a class "handout" for programs for adults about children and money and a resource for clearinghouses and libraries of financial education materials for youth. The book would also make a nice holiday gift for financial practitioners to give to their clients who are parents of pre-teenage children.

Similar to books of the same genre for adults, such as *The Wealthy Barber* and *The Richest Man in Babylon*, the book teaches personal finance within the context of a simple story. In *When I Grow Up I'm Going To Be A Millionaire*, there are two main characters: Ellen, the clueless learner who soaks up personal finance information like a sponge, and Griffin, the patient teacher, who tells Ellen that he learned a lot about money and investing from his money coach. Like *The Wealthy Barber*, Griffin proceeds to teach Ellen (and, thereby, readers) a new topic in each of the book's eight chapters. Topics discussed by Ellen and Griffin include compound interest, the Rule of 72, characteristics of mutual funds, and the growth of money over time.

When I Grow Up I'm Going To Be A Millionaire (A children's guide to mutual funds) is geared for children age 9-15, making it an excellent resource for middle school and junior high school personal finance classes and extracurricular programs such as the national 4-H curriculum *Financial Champions*. It opens on page 1 with Griffin (nicknamed Griff) telling Ellen his secret to becoming a millionaire: save \$10 a month, starting at age 10 from age 10-15, and \$50 a month when you turn 16, and keep doing this until age 70. This projection assumes an average annual return of 10%. If the return is, instead, 12%, 7%, and 3%, a child would eventually have \$3 million, \$385,000, and \$86,000, respectively, at age 70.

The dialog between Ellen and Griff is realistic and any corny-ness in the story is kept to a minimum. The emphasis is on teaching basic financial concepts to pre-teens and the book weaves in a number of significant financial concepts such as inflation, the rate of return on investments, and excellent definitions of different types of mutual funds. It also clearly describes the cost of procrastination (read: foregone savings) on savings for financial goals. In addition, the illustrations and tables used to teach financial concepts are excellent and very age appropriate.

Parents and educators will also appreciate the fact that the book directly discusses values, such as charity and the importance of human relationships. This is not a book that encourages greed and getting rich at any cost. Rather, it stresses life balance and concern for others. When Ellen asks Griff "What if you put in more [money into savings] each month?," he replies "Then I'll have even more than a million dollars. The other cool thing I could do with that money is help less fortunate people, donate to charities, or help buy land for nature- I think that would be really cool, too."

Two items of concern struck me as I read this book, however. First, although the description of the Rule of 72 and the accumulations that are possible with different rates of return are excellent, I felt that the relationship between risk and reward was given somewhat short shrift. Granted there were several brief phrases that allude to investment risk, such as Ellen asking Griff "When it [stock price] goes down, does it scare you?" and Griff telling Ellen "my money coach says you really have to know what you're doing [when investing in individual stocks], or you may lose a lot of money." However, the need to remain invested in stocks or growth mutual funds for the long term, without panic selling, and the trade-off between risk and reward could have been better explained.

My second concern is a number of stereotypes about retirees found in the dialog between the two main characters. Granted, they were probably inserted to make the conversation between the characters seem "real," but as someone closer in age to 70 than 15, and

as an educator who encourages adults to explore as many options as possible in retirement, I was not amused. For example, on page 3, Griff tells Ellen “But who’d want to go to Disney World when they’re seventy? We’ll probably just want to sit in rocking chairs and drink prune juice.” In Chapter 7, Ellen asks Griff “Retire? Is that when I put new tires on their [parents’] car?” and he replies “No, that’s when they quit working, and just sit around in rocking chairs.” These ageist stereotypes are totally unnecessary, not to mention wrong and outdated, and foster a false impression by young children of how many people actually live their lives in retirement.

I noted with interest on the inside front cover that *When I Grow Up I’m Going To Be A Millionaire (A children’s guide to mutual funds)* is a “print on demand” book. Thus, perhaps these two concerns of mine could be addressed rather easily in future reprints with a bit of judicious editing. All in all, there is much to like about this very informative and well-written book and I highly recommend it to financial practitioners as both a reference and a teaching resource.