



October

A NEWSLETTER
FOR YOUNG PEOPLE

Wants vs. Needs

Handling money is an important part of life. Your parents and the other adults around you first influence your feelings about money. People spend money on many different things.

Where do you spend money? What you spend money on depends on your values. Values are feelings about what is important to you. They help you decide on your goals. Goals are things you want to achieve. Setting goals can help you get things you want to buy.

Values and goals change as you get older. When you were younger, your goal may have been to buy a new pair of jeans. Today, your goal may be to have a certain brand of jeans.

Setting goals is a way of "making plans" for your future. To reach your goals, you first must decide what you will need and want.

What is the difference between a "Need" and a "Want?"

List three things you need:

1. _____
2. _____
3. _____

List three things you want:

1. _____
2. _____
3. _____

What is different between the two? A "want" is something you would like to have, such as a 10-speed bike, a new camera or in-line skates. A "need" is something that is necessary, such as food, clothing or shelter.

Are the things you listed as a need really necessary? Give your reasons.

Can you think of a case where a want could become a need?

Sometimes wants do become needs. If you live out of town and play on a ball team, a bicycle could be a need. A pair of good basketball shoes for those participating in basketball games also could become a need.

To be good money managers, you must meet your needs before your wants. What would happen to you if your parents didn't buy bread and milk, only candy bars and soda pop?

Choose something you want to have more than anything else. I want _____. It will cost me _____.

Plan how you will get the money to buy it. Have all your needs been met?