



Interview of the Month

DR. MARA HARVEY

Founder & Author, SmartWaytoStart.com

INTERVIEWED BY VIBEKE THOMSEN, SHECANHECAN

1) You are the author of five books aimed at children and especially at girls about financial literacy. Can you tell our readers what motivated you to write these books?

For many years, I have been engaged in promoting Female Financial Participation as advocate for women's involvement in managing wealth and accessing capital, to advance economic gender equality. Research shows that one of the main root causes for low female financial participation lies in the deeply biased money semantics: the way we talk about money to men and boys (earning, investing) is very different from how we talk about money to women and girls (spending, splurging).

Shockingly, the effect of this bias is visible in pocket money pay gaps: by the age of 10, girls already get 10-30% less than the boys (research in numerous countries proves this). No parent would intentionally discriminate their daughters, yet collectively it is happening.

So I set out to change this: I wanted to find a way to talk to children - and girls in particular - about money and equality. And if we teach children about money, we also need to talk about SUSTAINABILITY - because EVERY money decision we make is a reflection of our values, and we have the power to shape a better future if we are mindful of our money choices.

This is how the SMART WAY TO START book series came to life.



2) Your book series “A Smart Way to Start” addresses how children can earn and save money. Have you observed a difference in how boys and girls approach their finances from an early age?

It seems that boys are bolder than girls in talking about money, in asking how much something costs, and in asking how much pocket money they get if they do little tasks. As parents, we seem to encourage this. However, with girls we tend to think that talking about money is impolite or inappropriate. We tend to discourage talking about money with girls. And often they are steered towards doing the unpaid household chores.

Let me give an example: if a boy washes the car, this chore is seen as valuable and is rewarded accordingly. If a girl washes the dishes, we don't consider this as being worthy of being paid. Yet both activities are basically the same: washing.

It is these micro-biases that we need to raise awareness for because they impact girls' sense of self-worth and self-confidence. If we want the next generation of girls to enter the workforce on equal terms to the boys, we need to empower them to be confident talking about money.

3) The gender pay gap persists in all countries and most sectors, and research has shown it starts as early as 10 years old. What measures can be taken to close the gap and can parents and educators also help challenge the status-quo?

The first step is acknowledging the problem. All the gender biases we see in the work force are visible in society and impact children as of an early age. One very impactful intervention is for schools to invite professionals to talk to young children about their work: making role models visible to children is very important to shape their world view. You cannot be what you cannot see, so girls need to see that adult women can become astronauts, pilots, engineers, scientists, bankers, footballers, etc. And this inclusive view of the world is good for the boys too.

Another important intervention is to promote financial literacy at all ages. This can be hard for schools to do, because talking about money inevitably means talking about inequalities. And yet it is a necessary conversation. Given that our children are likely to live 100 years or more, they will need the financial literacy skills that will allow them to earn, save and invest to sustain their quality of life over such a long timeframe. We can't afford for the girls to be left behind in this important dialogue: they are likely to live even longer than the boys. And the consequences of pay gaps on wealth creation over a lifetime are horrendous: even just a 10% pay gap can lead to a 40% wealth gap. Imparting lessons on money, saving, investing, negotiating your pay, knowing the impact of inflation, calculating compound interest and understanding diversification, is an absolute must.

The relevance of financial literacy is higher than ever, because managing money is even harder when it is digital only. Spending requires just a swipe or a tap - and too many youngsters end up with debt very early on.



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I have heard so many stories from parents who complain that their kids ended up over-spending their pocket money at school kiosks that allow them to put their purchases on a tab. By the time the parents get the bill, the kids have already spent way too much. Responsible spending and long term saving & investing are key concepts for kids to learn: the sooner, the better! They prepare children for their financial future and help girls to avoid falling victim to pay gaps. I try to make talking about money accessible, easy and fun, with playful rhymes and beautiful illustrations - while ensuring that children understand that money is a serious topic.

4) What strategies and approaches have you found successful in building financial confidence in girls from an early age? As attitudes towards money are shaped by age seven, what can parents do to best assist their daughters gain financial literacy?

Confidence is largely shaped around age 5 - which is very early indeed! This is why I recommend to start involving young children, in particular girls, in money conversations as early as possible. Between ages 5 and 7, these two crucial years set the foundation for a child's adult money habits. Giving girls an opportunity to learn to earn, by doing simple chores, will encourage them to ask how much a chore is worth. This is an important skill, that will help girls later in life to negotiate their pay when entering the workforce. What better place to learn and practice than at home?

This does open up the debate about paying for chores versus fixed allowances and/or expecting children to do chores without pay, as contribution to family life. Indeed, I would not encourage parents to pay children to do basic daily tasks such as tidying their rooms and laying the table. But it is advisable to identify certain sporadic chores, such as helping to clean windows or disposing of waste glass or plastic in recycling bins, that can be used as "earning learning opportunities". Giving a child a chance to earn their pocket money - before they learn to just spend it - creates a positive money mindset. It boosts their financial confidence and empowers them feel comfortable talking about money.

5) Your latest book "A Smart Way To Start Doing Good" focuses on the Sustainable Development Goals and has been endorsed by the United Nations. Can you tell us more why the SDGs are important when talking about finances?

If we teach children about money, we need to explain to them that money is not just a transmission of value, it is also a transmission of values. This means that every single money decision we take has an impact on our world. How we earn money, how we spend money, how we invest money: each money moment can potentially have a positive impact on our planet. Being mindful about money moments can help shape a more sustainable future.

With my book series, I aim to teach small children how to manage their money, how to make wise choices with their money, and what the world needs for our future to be more sustainable. This is why the 5th book of the series explains the 17 Sustainable Development Goals with easy rhymes: children can learn their SDGs as easily as they learn their ABC. It is important that we explain how we can improve the state of our planet and of our societies, so that as children grow up, they know which choices they will face and the potential impact thereof.



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My illustrator, Mariajo Ilustrajo, and I are thrilled that our SDG book will indeed soon be added to the United Nations' library, so it will hopefully reach as many children and parents around the world as possible.

6) Can you tell us what is in the pipeline for you and the book series in 2022?

Next spring, I will be publishing a joyful addition to the series: Marty's Birthday Book. It was written during the lockdown when I was unable to celebrate my own birthday and needed something fun to cheer myself up. Many children receive money from relatives on their birthdays, so they are a fabulous opportunity to reflect on the real value of such gifts: a gift of money might feel less fun than a big parcel to open, but someone had to work hard for that money. Children need to learn to appreciate that. And they need encouragement to plan wisely what to do with that money, once their birthday celebration is over. Will they spend it, and if so, what will they buy and why? Will they save it for later on, and if so, why is it a bad idea to just keep money lying in a piggy bank? If they need help knowing what to do with their money, Marty and Francis (the protagonists of our rhymed book series) can offer some guidance, for sure!

On a more serious note, I am working on a Financial Parenting guide for parents which will be published in 2022. I have had so many great conversations about introducing money to children and I would like to share as much guidance as I can on this topic, with parents far and wide. In order to teach our children about money, we need to first reflect on the money messages we ourselves grew up with, and process our own money emotions. Does money make us feel empowered? Does it make us feel anxious? The spectrum of emotions associated with money is broad and our children pick up on these emotions whether or not we are conscious of it. To be our children's best role models, there are many opportunities to create "positive money moments" that will shape their money habits for life.

My wish is for all children to grow up financially confident and, together with their parents, be able to shape a sustainable future for our planet.

About Dr. Mara Harvey

Dr. Mara Harvey is a passionate advocate for financial literacy, equality and female economic empowerment, and is driven by two fundamental beliefs: that daily money decisions are an untapped source of positive social and environmental impact, and that we cannot wait another 100+ years to achieve economic gender equality.

As senior leader in finance with over 21 years' experience in Wealth Management at UBS,

Mara had the privilege to support clients to have more impact with their wealth.

Mara holds a doctorate with highest honours in Political Economy from Fribourg University, CH, and speaks English, Italian, French and German fluently. Since 2014, Mara lives in Zurich and enjoys spending her free time writing. She is the author of Women and Risk and A Smart Way To Start.

Her vision is to shape our children's financial future, and in particular to empower all girls to talk about money, to know their worth and to feel comfortable negotiating their pay, so they can enter the workforce on equal terms to the boys.



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