

NPR Planet Money Podcast #205
Allowances and Toilet Training

Vocabulary

allow	allowance	incentives	taxes
bemoan	to muck up	potty training	diapers
buckets	jelly beans	toilet training	abuse
hard-nosed	to get in the way of	revenue	forecast
a binge	to match	leakage	to overshoot

Prelistening Questions

When you were young, did you get an allowance? If so, how much? Did you have to do anything to earn it?

If you have children, do you give them an allowance? If so, how much? Do they have to do anything to earn it?

What challenges do you think of when you think of children getting an allowance?

What do you think “turning spending time with your little brother into billable hours” means? And how do you think that happened?

Listening Questions

What do economists say is the problem with politicians?

What do politicians not pay attention to?

What incentive did Joshua give his first daughter Bee to get her toilet trained? Did it work?

What did Joshua’s other daughter do in order to get as many jelly beans as possible?

What did Bee do when her brother was getting toilet trained? How did it help her?

What do the podcasters say is the hardest part of providing incentives?

What is the formal name they use for an allowance?

What are the two purposes of giving children an allowance?

What problem did Joshua face when it came to his daughter's allowance?

What type of tax did Joshua impose on his daughter? What percentage was the tax?

Did Joshua receive any revenue from this tax? What does he say would happen if he repealed the tax?

What benefit did Joshua provide for educational materials that his daughter bought with her allowance?

What is leakage? How did it happen with Bee and the tax?

How much of an allowance did Bee receive? How did she feel about this, and how did her father feel about this?

What happens in Basel, Switzerland?

What point do the podcasters make about banking and economic regulations?

Post Listening Questions

How did Bee "turn spending time with your little brother into billable hours"?

What does the phrase "gaming the system" mean?

What is your opinion of children receiving an allowance? Has it changed after listening to this podcast?

How does Joshua's experience with his daughter's allowance relate to the world of economics and banking?