## Why Didn’t They Teach Me This? – audio transcript

Picture this, you're in your mid-twenties, fresh out of college, and suddenly you get a notification. Your bank account is below $100. Rent is due. Your car payment is late. Dinner tonight is whatever you can find in the back of the freezer. And those student loans? Still lurking. Getting more expensive by the minute. And in that moment, you panic. Sound familiar? Well, maybe not yet. But for millions of Americans, this is the reality. We were never taught how to manage our money. No budgeting, no saving, no clue about credit or compound interest. Now we're stuck facing the consequences, realizing too late that financial literacy isn't optional. It's essential.

Hey everyone, I'm Gabe. Welcome to Why Didn't They Teach Me This? The podcast where we break down the financial literacy crisis and explore what it means for students here at USF. Now, some of you may be asking in your heads, what is financial literacy? Well, simply put, financial literacy is the ability to understand and use financial skills like budgeting, saving, investing, and managing debt. It's about having the knowledge and confidence to make smart money decisions. To get a better sense of the state of financial literacy here at USF, I asked some students how confident they feel about managing money and what their habits look like. Do you currently have an on-campus job or another source of income?

Student 1: Yeah, I work for events management and games operations here at USF.

Do you regularly save a portion of your paycheck?

Student 1: To be honest, not really. Maybe only like 5%.

Okay, and a quick follow-up to that. Do you think you've given to impulse spending when you make purchases?

Student 1: Yeah, I would say so. Sometimes I'll buy something. It's usually like clothes. And then I forget that I even bought it after a couple of weeks or months.

As you study to become a nurse at USF, you'll eventually get a job and earn a salary that you'll need to manage. This requires some understanding of basic financial concepts like saving, investing, interest, credit, and many more. As a student, do you think that by the time you graduate from USF, you'll have gained all these important skills?

Student 2: I'd hope so. Right now, I feel like I have a basic understanding of how credit and saving works, but not a lot about other concepts like investing. I feel like the idea of managing such a big amount of money is pretty scary.

And how do you hope to be able to gain more financial knowledge so that once you're making a salary, you're confident in being able to manage it?

Student 2: Honestly, I've kind of accepted that these skills are something I'd have to learn as I go in the future, but it'd definitely be nice to have some sort of class at USF that we could take before graduation.

Those weren't the answers that I was hoping for. These interviews are a wake up call. Sure, it's just two students. but the pattern points to a much bigger systemic issue, the lack of financial education and literacy in our generation. In order to truly grasp the scale of the problem, let's turn to the data, because sometimes numbers speak louder than words.

According to a 2023 study by the National Financial Educators Council, over 60% of college students have made a financial decision that they regret. That's more than half of us walking around with real consequences for mistakes we didn't even know how to avoid. And Gen Z, we're feeling it the most. A 2024 WalletHub survey found that only 37% of Gen Z consider themselves financially literate. That's the lowest of any generation. Student loans are another major weight. According to the 2024-25 USF Financial Aid, the average student graduates with about $23,000 in federal loan debt. and can range to much more. That's before we even land our first professional paycheck. And that's what makes this situation just so ludicrous. We're expected to take on tens of thousands of dollars in debt to get a degree, but no one even bothers to teach us how to manage that money and understand how the interest on the loan even works.

So we've heard from students, we've seen the statistics, but the question still stands. Why is this happening? To find out, I spoke with someone who's seen the problem play out for decades, finance expert Thomas Leneke. Thomas is a senior director at New York Life Insurance's San Francisco office, helping individuals and families improve their financial habits. Thomas shared his perspective and highlighted one of the key root causes of the problem here at USF.

Thomas Leneke: So why do we think it is that, right? I mean, you know it yourself. We're spending society. We're glorifying material things and we're glorifying instant gratification. But if you're in sort of that 18 to 25 range, it's really easy to just give in to your impulses, especially because other people are doing it too. And the whole idea of peer pressure, probably never stronger than between middle school and the end of college, right? And so if other people are doing it, then you don't want to be left out. You want to go with them. I mean, they're going to the bar and they're dropping 200 bucks on drinks. Yeah, you want to do that too because you don't want to be left outside, right? Whether you have that 200 bucks or not. So just that sense of wanting to belong, not wanting to be left out, I think is a big driver.

And honestly, I could relate. I've been in that situation, wanting to save, knowing I should save, but still spending to keep up and buy the next product What he said about emotional pressure hit hard, because it's not just about knowing better, it's about doing better in a culture that encourages the opposite. So at this point, you might be thinking, okay, Gabe, I get it. My financial skills aren't great and college isn't helping much.

So now what? Fair question, honestly. Ideally, we'd learn this in school, but life's not always ideal. Sometimes you got to take control yourself. That doesn't mean we should stop pushing for better education. We definitely should. But even if we had these classes, it would still be up to you to show up, learn, and ultimately apply these financial skills. Don't get discouraged, though, because Thomas shared something that helped shift my perspective.

I asked him, if students could take just one piece of advice away from this and implement it starting today, what would it be?

Thomas Leneke: Saving early and saving often is a big mantra that makes you financially successful. And a lot of people don't live by that. Either they because they don't know or because they don't care. You need to start putting in a bank account for starters and make 2%. You're still going to end up financially so much more successful with so many more choices than if 99% of that gets spent.

I started wondering, how could this actually play out for a student at USF? What's realistic and achievable during school? Well, if you get employed by the school and work eight hours a week, manageable for the average student, and earn $18.67 an hour, That's about $2,390 per semester. Multiply that by eight semesters and you'd earn roughly $19,000 over four years. Now let's say that you managed to save 30% of that, around $5,700. If you invest that money in a standard S&P 500 index fund with an average 10% return, trust me, this is not as complicated as it sounds, and just let it sit there in the fund until you're 25 years old, that money could grow to about $7,600. That's not bad at all, especially when you consider that the average student loan debt at USF is around $23,000. That means you could potentially pay off around 33% of your loan before even landing your first full-time job. That kind of headstart is what can really set you apart and put you on the right track toward long-term financial success.

The bottom line? Start small, start now. Even $10 a week adds up. Every dollar counts. Take advantage of time and let compound interest do the heavy lifting. Nobody taught us this, so now we get to teach ourselves and each other. Take that first step. Ask the uncomfortable questions. Build the habits today that your future self will thank you for. And don't do it alone. Talk to your professors. Look for finance-related courses at USF or online. Follow credible financial educators on social media. There are so many free resources out there if you know where to look. Financial literacy isn't just about money. It's about freedom. It's about peace of mind. And it's about having the power to make your own choices. This is your future. Own it. Thanks for tuning in. If this episode inspired you to start making smarter financial choices, share it with your college friends or anyone who could use a few simple tips to get started on their journey toward financial literacy. Take care and keep taking those small steps toward a stronger financial future.