

Stream B: Day 1.

Summary:

Stream B targeted secondary school students. The main theme was how can financial education providers better target adolescents and make financial concepts relevant, interactive and fun for this easily distracted age group.

There are gaps in the educational curriculum in many countries in terms of what is needed in financial education, and what is provided by the government to meet this need. Experts from Columbia, Thailand and Korea spoke about the initiatives taken by their organizations to lower the gaps and help fulfill the needs, all within an enjoyable environment.

Key Takeaways:

- Keep content relevant to the country and the culture. E.g. U.S. curriculums used verbatim in Indonesia will not flow well with the local population.
- Children should be involved in content creation. It is very important to get their inputs beforehand itself, as that is the audience we are reaching out to.
- Keep parents involved. With their support, the students and teachers will be more dedicated. Also, as a side-benefit, the parents will also gain from financial education themselves.

Detailed notes (can be read in conjunction with the related PowerPoint slides)

Speaker 1: Julieta de Guarín, Project Coordinator, Dividendo por Colombia

Dividendo por Colombia is an NGO in Colombia that runs a financial education program that has been very well received in the three cities that it is running in.

The organization believes that with good financial education, the students in high schools can change their lives for the better, thus reducing economic inequality. Columbia has been investing in financial education but more has to be done. Columbia does not have a comprehensive curriculum for financial education, so the long-term goal is to include financial education in mainstream education.

The presentation started with covering the demographics of Columbia. With a population of 42 million, the government is making all efforts to reduce poverty but it still stands at about 50% of the population.

The stakeholders involved in the program belong to four groups: Dividendo por Columbia, Citigroup, Fundacion Corona, and local government education authorities. The four partners all provide different areas of expertise in the final goal of promoting financial education.

One major reason that financial education is important in Colombia is that people believe that banks ask too many questions, so it is easier to get loans from the unorganized sector even though the rates are much higher.

The program is addressed to 9th grade students because several students leave school after 9th grade to go work in the family business etc. Parents are also targeted because children also find it easier to discuss concepts learned with parents. The information is also very useful for parents as many of them are micro entrepreneurs and can use the learnings in their business.

There are also some core issues that are addressed – e.g. Students want to have the latest electronic gadgets but do not have much money for food and transport. Lots of students believe that financial education is only for people with money.

The curriculum has been designed for a 9-month school period. The organization used a real-world survey of teenagers that asked them what they needed to know and incorporated this into the curriculum. The curriculum covers three aspects – cognitive, ethical and technical. The curriculum had to fit into what the government requires. So it introduces economic concepts first and then moves into financial concepts. Teachers also go through training on how best to teach the curriculum. The program fits into the existing curriculum, thus making it easier on teachers. The teachers guide is also very useful as they receive inputs on how to conduct each session. The student workbook is also very interactive and self-explanatory.

The outcome of the program has been very promising with 240 teachers trained and 13000+ children benefited. In terms of measuring the impact, the group is in the process of having an evaluation that will interact with students and teachers

Speaker 2: Sung Hee Yoo, General Secretary, National YWCA (Young Women's Christian Association) of Korea

The YWCA of Korea has a financial initiative called “Think Money” incorporated by Citigroup and YWCA. Sung Hee Yoo spoke about this initiative.

How it started: Citigroup approached YWCA and talked about their vision and programs and how these may overlap with YWCAs objectives. It was very interesting and timely, especially after the Korean credit crisis of 1997. The need was realized for specialized education tailored to Korean society. Financial education is not a regular part of Korean curriculum, and financial education concepts are not taught to children.

Secondary student are targeted for this financial education. This is because the education system in Korea is revolved around entering college and older children are focused on this. Elementary students do not get too much allowance and may be too young.

The program also helps parents. Parents feel that learning English is more important than learning about finance. Kids believe that they can just get money from their parents. Financial education helps the children manage their allowance better, in turn helping their parents.

The title of the program is “Think Money” because money is at the core of finance. The program is conducted in schools and in YWCA sites. There is a program course book, a teachers guide and multimedia material. There is a financial essay contest for children in which the Ministry of Education presents the award. This demonstrates the cooperation and support shown by the Government and regulators.

Middle school students were heavily involved in the course development, e.g. they came up with the names of the characters. The program has been highly successful, targeting over 29000 students in more than 100 schools.

There are also Saturday school activities where mothers volunteer. These are held at branch offices of YWCA. This helps the parents to be involved and housewives to be aware of financial education too. Volunteers from Citigroup are also involved.

The next step in the program is to extend it to higher primary and primary students.

Speaker 3: Karuna Aksaravut: Vice President, Office of the President, The Stock Exchange of Thailand

The Stock Exchange of Thailand is a non-profit organization established by Thai law. Corporate and Social Responsibility is a key objective of the Stock Exchange. No other academic institute in Thailand offers financial education courses and therefore the Stock Exchange of Thailand plays a major role.

But why is financial education important? Thailand suffered a financial crisis in 1997. Even now, debt/income ratio is high. Financial literacy is important to ensure that non-performing loans are reduced and savings rate increase. Financial literacy in Thailand aims to promote financial understanding, financial competence, and financial responsibility.

Key focus areas of the print and multimedia curriculum:

Earning, saving, spending, career planning, interest rates, time value of money, opportunity costs, family and personal budgeting, paying bills, taxation, donation, and stock market dynamics – all these topics and more are covered.

The Stock Exchange program has a partnership with the Ministry of Education. Together they conduct focus groups to develop curriculum, and subsequent curriculum/content testing. The partnership also provides for training the teachers. Over 30,000 teachers have been trained in two years.

There is strong public relations too to broaden the awareness of the program. This includes media coverage, a financial literacy competition, personal financial camps etc.

There are limitations to the program too such as limited public awareness and under-emphasis on financial literacy, and limited school time and volunteer support.