
“Young people are very keen to understand financial concepts”

Jordi Martínez

Financial Education Director at the IEF (Institut d'Estudis Financers)



The EFEC programme has been running for several years and shown that financial education is crucial for young people and adults alike. Why is financial education so important?

We make key choices throughout our lives which often involve financial decisions. For example, if I want to move out of my parents' home, I'll have to decide whether to rent or buy somewhere to live, or if I want to study abroad, I'll need to save up first so I don't get into debt. If you're financially literate, you can make better, fully informed decisions and get closer to achieving your life goals.

How have the programme and its contents changed over the years?

The EFEC programme came out of a European project 10 years ago. After a pilot test, it began by addressing 4th year lower secondary education pupils in 100 schools. Each year the programme has expanded in various ways: target audience (4th year lower secondary education, vocational training courses, adult education schools, prisons, juvenile facilities, programmes for training and entering the labour market, etc.), in the number of schools going up from 100 to over 525 taking part this year, and also in its number of partners, initially three and

now thirteen. As for the workshops, we started out with five and by the end of this academic year there'll be nine for young people in 4th year lower secondary education and four for adults. The workshops have been tailored to the needs and suggestions of students and teachers.

What does a programme like EFEC bring to them?

EFEC makes financial concepts accessible to the general public which many people may not be all that familiar with. It does this through materials prepared for the groups we're targeting, and to a large extent through the voluntary work of professionals who bring along their knowledge and business experience.

Dozens of volunteers from the financial and economic fields are involved in the EFEC including ICF staff. What value is added by the fact that it is people from the industry who run these courses in the schools?

There are some clear-cut advantages in having people from the sector. The

first is that the training to get them ready to go and lead the workshops can be more condensed because they're already au fait with the financial concepts. The second is that they can share their hands-on experience with the students. And the third is that they are eager to do it and give up their time, which is noted and warmly welcomed by the schools.

Over all these years you've been able to pinpoint young people's main shortcomings in terms of finance. Can you share them with us?

More than shortcomings, you might say that what we've found is that they are very keen to understand financial concepts as they realise they'll need them throughout their lives. Some of the most popular topics are personal budgeting, sustainable finance, the hazards of getting into debt, and also the significance of taxation and the problems of tax fraud.

Are there any differences between generations in terms of basic financial literacy?

By and large there's not that much financial literacy. Obviously, adults have more experience because they make financial decisions every day, and they are also extremely enthusiastic about the workshops because they see that they can put the knowledge to work straight away. Young people are more tech-savvy and more interested in social media. For example, when we talk about an influencer who recommends making self-interested decisions or when we look at cryptocurrencies, they probably know more about it than the adults.

Why is this programme aimed at young people in 4th year lower secondary education? Would it be a good idea to do something similar at even younger ages?

The programme was designed for young teenagers because they are the adults

"The most popular topics are personal budgeting, sustainable finance, the hazards of getting into debt"

of the future, and furnishing them with tools to better manage their finances in 4th year lower secondary seemed right because it's the last year of compulsory schooling. My own view is that financial concepts could be brought in earlier whether in schools, for primary school pupils or kids at home. At the IEF we've devised a board game called Fin-nelis which works very well for children aged seven and above.

What other initiatives could be put in place to enhance financial literacy?

Financial education is useful for the whole of society, so it makes sense to offer it to everyone but especially to people who have the greatest difficulties. It's also essential to provide financial education to the self-employed, entrepreneurs and SMEs as a priority which has recently been underlined by international organisations such as the G-8. Plus the survey on the financial knowledge of SMEs recently brought about by the Bank of Spain shows that SMEs with better financial knowledge have fared less badly during the pandemic.

