

# **Ethics in Financial Education : A challenge towards sustainable finance**

Jutaro KANEKO  
Chief Representative in Brussels  
Japan Center for International Finance

Tel. +32-(0)2-646-1050  
kaneko@jcif.be

## Correct answers given to questions on financial knowledge

(%)

		Japan	Germany	U.K.
Knowledge (average for five questions)		58	67	65
(1) Interest rate	Q18	66	64	61
(2) Compound interest	Q19	43	47	37
(3) Definition of inflation	Q21-1	61	87	94
(4) Risk and return	Q21-3	75	79	77
(5) Diversified investment	Q21-4	46	60	55

Source: The Central Council for Financial Services Information (CCFSI) "Financial Literacy Survey 2016"

Note: CCFSI is a hub of public-private partnership.

## Those who chose desirable behavior/attitude

(%)

		Japan	Germany	U.K.
Behavior (average for five questions)		65	82	72
Considering affordability when purchasing something	Q1-1	70	82	77
Paying bills on time	Q1-2	85	96	89
Settings long-term financial goals	Q1-4	47	61	43
Keeping watch on financial affairs	Q1-7	58	87	80
Attitude(average for five questions)		45	57	43
Prioritizing future savings over consumption	Q1-5	36	49	35
Avoiding living for today	Q1-6	55	65	50

- ✓ Aging
  - ⇒ Better financial literacy among the elder people
  
- ✓ IT development (e.g. fintech)
  - ⇒ Higher resiliency against cyber fraud

- ✓ An impending global call
  
- ✓ Difference/s from traditional types of financial education for consumer protection and/or financial inclusion
  - ⇒ Literacy is not enough to achieve the goal; ethic is indispensable

- ✓ Literature on economics
  - J. Bentham (1789) “An Introduction to the Principles of Morals and Legislation”
  - A. Smith (1790) “The Theory of Moral Sentiments”
  - M. Weber (1905) “The Protestant Ethic and the Spirit of Capitalism”
  - A. Sen (1982) “Choice, Welfare and Measurement”

- ✓ Japanese education system has had classes specialized in ethic
  - Introduced to schools in 1950's
  - One of the key concepts is altruism
  - Upgrade in 2018 and 2019

# Thank you for your attention!

Disclaimer: The views expressed in this presentation are those of the author, and do not represent those of the organizations he belongs to or belonged to.