



Research Article

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Financial Education in Mexico: A Study Proposal

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Abstract: A good financial education promotes the momentum and well-being of assets, currently seeking to implement, promote and develop alternatives that allow young people to educate themselves financially, in order to create healthy habits, have a better understanding of personal and social decisions of an economic nature, provide alternatives of the different financial tools and services, in order to improve the quality of life. That is why the purpose of this research is to analyze the state of the art on financial education to design a training proposal aimed at high school students. The research in question is qualitative of a descriptive type since the characteristics of the study variables are documented, as well as the factors that are related to them, using a Systematic Literature Review (RSL), which has the purpose of analyzing scientific information. Existing on a subject area or phenomenon of study using a process of search, cataloging, ordering, analysis, criticism and synthesis, which seeks a contextual interpretation with flexibility to obtain data on the behavior of young people, with an age range of 17 and 18 years, with the data collected, a training model design on financial education will be proposed.

Keywords: Education, Finance, Economics and Quality of Life.

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INTRODUCTION

A good financial education contributes to the inclusive growth of a country and to having more resilient economies. The lack of basic financial knowledge inhibits the ability of the citizens of a country to grow and, therefore, have resilient economies, as well as leads people to use informal methods of savings and credit and even schemes that may represent a risk for their heritage.

Efforts have been made worldwide so that people obtain the necessary skills and knowledge to efficiently plan and manage their finances. (Rojas Donjuan, 2018). Education is an essential element for financial inclusion. In Mexico, the instrument that measures the variables related to financial inclusion is the National Survey of Financial Inclusion (ENIF). The National Policy for Financial Inclusion (PNIF) presents the diagnosis, objectives, strategies and lines of action to promote inclusion and economic-financial skills, as well as the protection of the user of financial products and services in Mexico. The ultimate goal of the PNIF is to contribute to increasing the welfare and social mobility of the population and the economic

development of the country (National Platform for Financial Inclusion, 2022).

According to the OECD through its test (PISA 2015), globalization and digital technology have made financial services and products more accessible to young people. Although this represents an advantage since it gives them the opportunity to learn through experience, it is also a risk, because if they do not have enough knowledge, they will be more exposed to fraud.

An aspect that is not very related but that is very relevant is entrepreneurship and its relationship with financial education, since it is essential for entrepreneurs to make their money work for them, as well as to invest for the benefit and diversification of their business. It is essential that entrepreneurs are trained and understand finance, so that they can make the best decisions for the expansion of their company (Ruiz Healy, 2017).

Having financial knowledge and skills allows the person to plan their economic resources so that in the future they can develop personal projects such as entrepreneurship with a sustainable approach where

decisions are made about sources of financing; respecting the restrictions of natural, economic and social capital; It is necessary to promote the development of financial skills from an early age.

BACKGROUND

Institutions such as the OECD, the World Bank and CAF have mobilized national governments on issues of education and financial inclusion through their support for the development of strategies, evaluation and implementation of national efforts, and issuing guidelines and principles to follow for national strategies

The study of financial literacy among young people has become relevant today, even more so when globalization and digital technologies facilitate access to existing financial products; It is worth emphasizing that part of this financial literacy involves a degree of education in the same area for this population sector.

At the national level, the National Banking Securities Commission (CNBV) through the Ministry of Finance and Public Credit (SHCP) have generated a financial literacy index whose purpose is to measure the financial literacy of the population and is broken down into three sub-indices: knowledge, behaviors and attitudes.

There are investigations that relate the lack of financial education with financial inclusion, that is, they propose that there are barriers to acquiring a better education depending on the context in which the student develops, whether urban or rural; Likewise, it confirmed significant differences in some variables such as the type of school, school grade, sex, age of the participants and the education of the parents (Huchin Flores, 2011).

In Mexico, there is research related to financial education, such is the case of the research entitled "Level of financial education in higher education settings. An empirical study with students in the economic-administrative area" whose objective was to measure the level of financial education of young people who have already received formal instruction related to finance and in which it was shown that university students have the knowledge and habit to prepare budgets to plan their expenses but their level of financial education is very low compared to the rest of the variables that are evaluated (Moreno García & García Santillán, 2017).

For others, financial education in upper secondary education should be related to information and communication technologies in order to take advantage of the skills that recent generations have developed in virtual environments, in this research entitled "Financial education in high school: implementation of an online platform" (Trujillo García

et al., 2019) concludes with a valid argument that demonstrates the need to include financial education permanently in the school curriculum. Under criteria of systematic and flexibility, with the purpose of reducing the levels of uncertainty that may occur in the class and anticipate what will happen in it, granting rigor and coherence to the task of educating on financial issues.

Problem

Institutions such as the OECD, the World Bank and CAF have mobilized national governments on issues of education and financial inclusion through their support for the development of strategies, evaluation and implementation of national efforts, and issuing guidelines and principles to follow for national strategies. In Mexico, the national financial inclusion policy was launched in 2016 and a year later, in 2017, the National Financial Education Strategy was launched. (OECD, 2020).

The OECD, through its PISA 2015 program, examined the experience and knowledge of students from 15 countries about money and how it is applied to real decisions. On average, 22% of students are below the basic level in financial education, that is, they do not know how to apply the knowledge in real situations, nor make decisions in this regard. On the other hand, 12% is at the highest level, it is worth mentioning that Mexico is not considered in these data.

According to a study by the George Washington University School, in Mexico, 32% of adults have financial education, while in countries like Sweden and Norway, 71% of adults know and apply concepts to manage and save well their money (Dominguez, 2017).

According to the National Survey of Financial Inclusion (INEGI, 2018), 68% of Mexicans have some financial product (bank account, formal credit and insurance or retirement savings account), however, for the southern region this percentage decreases to 49%. In terms of context, it is noteworthy that 51% of the population aged 18 to 70 have at least one account in towns with 15,000 or more inhabitants and 39% in towns with less than 15,000 inhabitants. As can be seen, one of the primary challenges that must be overcome is to make this knowledge accessible, from an early stage and considering the diversity and context of the Mexican population.

Main Concepts

Institutions such as the OECD, the World Bank and CAF have mobilized national governments on issues of education and financial inclusion through their support for the development of strategies, evaluation and implementation of national efforts, and issuing guidelines and principles to follow for national strategies. In Mexico, the National Policy for Financial Inclusion was launched in 2016 and a year later, in

2017, the National Strategy for Financial Education was launched.

Financial inclusion has been identified as an enabling factor for 7 of the 17 Sustainable Development Goals. (World Bank, 2022). According to the World Bank, as countries have accelerated their efforts towards financial inclusion, it has become clear that they face similar obstacles that prevent them from moving forward. These obstacles include:

- Ensuring that financial access and services reach hard-to-reach populations, such as women and the rural poor;
- Increase the financial capacity and knowledge of citizens so that they can understand the different financial services and products;
- Ensure that everyone has valid identity documents and that they can be legalized easily and at low cost; Devise useful and pertinent financial products that adapt to the needs of users; Establish robust financial service user protection frameworks, and align relevant regulators and supervisors, for example by using technology to improve supervision (Technology for Financial Sector Regulatory Compliance [RegTech]); Throughout the world, the lack of identity documents makes it difficult to open a bank account, access capital or credit.

Some terms related to the topic to be investigated are referred to below:

Financial Education

Financial education is defined as: the process by which financial consumers/investors improve their understanding of financial products, concepts and risks, and, through information, instruction and/or objective advice, develop the skills and confidence to become more aware of financial risks and opportunities, make informed decisions, know where to go for help, and take any effective action to improve their financial well-being (OECD, 2005)

Financial Inclusion

It means that people and companies have access to useful and affordable financial products and services that meet their needs (transactions, payments, savings, credit and insurance) delivered in a responsible and sustainable way (World Bank, 2022).

Saving

It is the excess monetary amount of people and institutions over their expenses. This is also the name given to the part of the income that after taxes is not consumed, in the case of natural persons; nor is it distributed in the case of society. It is the unconsumed income, that is, the difference between income and consumption. In an open economy, the addition of net transfers from abroad or the subtraction of net transfers abroad must be considered. For a closed economy,

saving is equal to investment (saving and investment made as opposed to saving and desired investment). Saving means "reserving" a productive capacity, not used in the production of consumer goods, and leaving it available to produce new investment goods. National saving does not consist in accumulating money, but capital.

Positive difference resulting from the comparison between the income and expenses of an entity. For budget purposes, there are two types of savings: current account and capital account.

Savings for the Federal Government are determined before considering current transfers and interest payments. (BANXICO, 2022) personal finance Financial decisions and activities related to earnings, savings, investments, expenses, etc. (Lusardi, 2014)

Development

It has been defined as development capable of meeting the needs of the present without compromising the ability of future generations to meet their own needs. (UN, 2022)

Entrepreneur

Entrepreneurs start their business project from the identification of a business, the need for a product or service or they simply have the enthusiasm to start a company.

Entrepreneurs constitute the base of the business pyramid and to materialize their initiatives into profitable businesses, they need to structure a complete support scheme that facilitates the creation of companies, their permanence and their growth in the market. (Secretariat of Economy, 2010).

Entrepreneurial education plays a fundamental role in developing certain skills in the student such as creativity, talent and the capacity for innovation; basic training in financial education can contribute to generating sustainable projects, likewise, the facilitator plays a relevant role at all educational levels, however it is decisive at middle and higher levels.

CONCLUSION

This project seeks to promote and implement the adoption of financial education and culture, so that high school students obtain the necessary tools and knowledge to support the implementation of good decision-making practices, in order to contribute to the development and sustainable entrepreneurship of future generations, in order to contribute to the development of the State. It is important to highlight that according to INFE (2018), "the State of Campeche ranks second in the sub-index of financial attitudes, which measure the propensity to act in the present, representing an area of opportunity which can be used to the development of the State (p. 19)". In relation to the aforementioned,

financial education and culture is essential for the development of a country, currently in contrast to other countries such as the US, these promote through federal entities such as (FLEC) the strengthening of financial capacities and the increase in access of financial services for all Americans in order to improve their quality of life.

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