



# OVERVIEW OF FINANCIAL EDUCATION IN JAPAN

Ryoko Okazaki  
Bank of Japan

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# 1. SAVINGS PROMOTION MOVEMENTS

- 1946** “Savings Campaign for Economic Salvation” was launched, managed mainly by the Ministry of Finance and Bank of Japan, to curb post-war inflation.
- 1950** Local Council for Savings Promotion started to be established.
- 1952** The Central Council for Savings Promotion was established.
- 1958** Savings Practicing Districts were established.
- 1960** Savings Promoters were appointed.
- 1973** The system of Schools for Pecuniary Education was introduced, based on the children’s bank activities.

## 2. FINANCIAL EDUCATION AFTER FINANCIAL LIBERALIZATION (AROUND 2000 AND AFTER)

- **As a result of Japanese Financial Big-Bang, individuals were expected to become independent and to be able to judge financial matters appropriately.**
- 2001** Central Council for Savings Promotion was renamed Central Council for Financial Services Information and Local Councils for Savings Promotion were renamed Prefectural Councils for Financial Services Information.
- 2002** Districts for Promotion of Savings and Life Planning were renamed Financial Study Groups, and Promoters of Savings and Life Planning were renamed Financial Services Information Advisers.
- 2005** The Central Council regarded this fiscal year as the first year of promoting financial education.
- 2007** The Central Council published the “Financial Education Program.”

### 3. RECENT MOVEMENTS AFTER THE LEHMAN BROTHERS BANKRUPTCY

- Excessive risk taking as one of the major causes of Lehman Brothers bankruptcy
- Financial education as a measure to prevent excessive risk taking
- “Report on the Promotion of Financial Education” by the Financial Service Agency in 2013
- Elaboration of the contents of financial education by CCFSI

## 4. IMPLICATIONS FOR THE FUTURE OF FINANCIAL EDUCATION

### i) Importance of the Neutrality and Fairness

- Role of CCFSI and the Local Council for Financial Services Information in savings promotion movement
- Concern of teachers about influencing on the personal choice of financial products

### ii) Importance of Life Planning and Household Management

- Importance of life planning in the society with increasing variety of life styles
- Effectiveness of using household account book in promotion of thriftiness and savings among people
- Showing risk related to her own life as a key

## 4. IMPLICATIONS FOR THE FUTURE OF FINANCIAL EDUCATION

iii) Emphasis on the behavioral aspects of financial literacy

- Emphasizing “interests, willingness, and a positive attitude” in revised “Financial Education Program”
- Learning from behavioral economics and consumer psychology

## 5. CONCLUSION

- Revision of the “Financial Education Program(2007)” is underway.
- We expect it to be a driving force for the promotion of financial education.

Thank you!