
FINANCES FOR MORTALS - EDUCATIONAL JUSTICE: FINANCIAL RE-EDUCATION TO BUILD A FUTURE



Case study based on story from media
resources

Developed by the Acción Laboral (Spain)

Introduction

The following is a case study on the development of financial skills in populations with low levels of financial literacy, some of them belonging to vulnerable groups. The case study aims to bring the world of economics and basic finance closer to vulnerable groups so that everyone understands financial concepts and can manage their daily economy, make the right decisions and invest safely.

This case study provides a clear example of a good practice in financial education targeting people with fewer opportunities in order to foster socio-economic inclusion. In this sense, the aim of this case study is to provide an example of a good practice that links digital financial literacy with social inclusion of a particularly disadvantaged group.

Specifically, the case presents the problem of financial exclusion experienced by persons deprived of liberty due to lack of information and the restrictions inherent to their situation. It addresses a solution that is already being implemented..

Case analysis

In Spain, there are parts of the population that do not have enough training in new technology, which puts them at risk of being left out of financial services. Within these parts of the population with little digital financial literacy, one group is very present: people who are in prison.

In December 2023, there were 52,698 persons in prison in Spain. They have a low level of digital skills, because security measures and restrictions in prisons prevent prisoners from using computers and technologies, which leads to low levels of digital literacy among this group. Digital literacy is essential for social inclusion. However, technology can only help solve social problems if there are also programs to teach people how to use it. Moreover, if we take into account the economic backgrounds of people in prison, there is a significant lack of preparation for them to reintegrate into the economy.

It is estimated that around 15% of prisoners (more than 9,000 people) participate in some kind of training programme, a very positive figure that undoubtedly influences the 69% success rate of reintegration in Spain.

Based on the previous data, we can conclude that in Spain, there is a significant need for financial digital literacy among people in prison. This means that the socio-economic inclusion of these groups is not optimal, with the consequent problem for Spanish society. For this reason, it is necessary to create a type of training aimed at working with this group.

Proposed solutions and recommendations

As a solution to the problem, there is a training project in Spain aimed at these groups called "Finances for Mortals". This programme is recognised as one of the most important financial education programmes in the country by the Bank of Spain and the Comisión Nacional del Mercado de Valores. Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the European Education and National Agency (NA). Neither the European Union nor the NA can be held responsible for them.

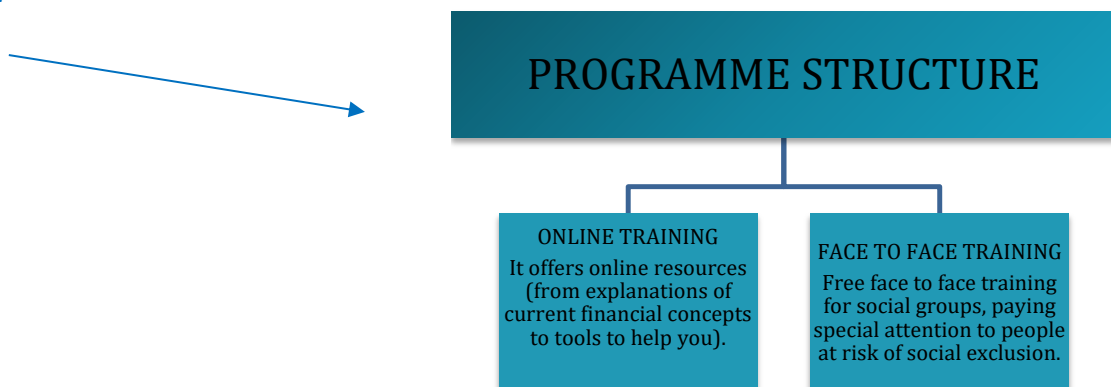
(CNMV). Its objective is to provide training on basic financial education in different groups, including penitentiary centres for the inclusion of people in prison, providing inmates with sufficient financial knowledge to help them make responsible and informed decisions about their finances. It was promoted in 2021 by Banco Santander, Penitentiary Institutions (IIPP) and the Foundation of the University of Cantabria for the Study and Financial Sector Research, (UCEIF) through the Santander Financial Institute (SANFI)



The programme is based on training sessions, carried out by volunteers from the Santander bank and provides inmates with sufficient financial knowledge to enable them to make personal and family decisions about their daily finances in a responsible and informed manner.

The structure of the project is divided

into *two parts*.



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Both the online and face-to-face parts of the programme cover the following financial topics:

- career guidance
- financial basics
- online banking
- safe investment

Concerning *investment* the training covered the following topics:

- savings and investment products and funds of investment
- investment in fixed income and equities
- secure online shopping and investment
- safety tips

To cite a *real case*, José Alberto is one of the inmates participating in the programme. Before he started, his financial knowledge was basic and he did not know about online banking, safe investment or online payment methods. He said that "I didn't even know bizum" (bizum is a mobile payment solution launched in Spain in October 2016). However, after participating in these sessions, he feels empowered and has the goal to open his own business.

In conclusion, this programme is a great and important example of how training for vulnerable people can give them the necessary tools to reintegrate and improve their quality of life and therefore improve society.

Self-reflection questions

These questions can serve as prompts for introspection and self-assessment, helping individuals gain insight into their financial habits, values, and aspirations.

1. What kind of financial skills do you think a person in prison needs?
2. How do you think financial training should be structured for people in prison? Can you think of any activity that could generate participation and involvement?
3. If you had to rate your financial skills, would you say they are updated and appropriate for a digitalised world?
4. What do you think of this initiative? Do you think it really achieves its goal?

Self-assessment questions

*Read each question carefully and select the best answer from the options provided.**

1. The training activities of the Finance for Mortals project correspond to:

- a) A basic level of financial skills with topics such as online banking, safe investment and career guidance
- b) An intermediate level of financial skills with topics such as investment in technology
- c) An advanced level of financial skills with topics such as high-risk investment and changes in the investment stock market
- d) A course that progressively evolves from basic to advanced

2. Some of the testimonies of the programme say that:

- a) The experience has not been very useful to them, and they would do better without it.
- b) The experience has been highly useful and has even given them a vision for the future.
- c) Indifference is the general feeling regarding this course among the inmate population.
- d) Many prisoners have felt offended and have considered this workshop as a test of their abilities.

3. The project is structured in:

- a) Workshops divided into 5 sessions
- b) Workshops divided into 6 sessions
- c) Single session workshops
- d) Two parts: an online training and a face to face training. All answers are correct.

4. People in prison:

- a) They constitute a vulnerable group due to factors and conditions linked to the prison sentence.
- b) They constitute a vulnerable group because they do not have rights.
- c) They do not constitute a vulnerable group because they have committed crimes.
- d) They do not constitute a vulnerable group because the State gives to them everything they need.

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5. The program:

- a) Aims to create banking and finance professionals
- b) Tries to keep the inmates busy to prevent them from committing any type of crime
- c) Has only been implemented in two Spanish prisons
- d) No answer is correct

This multiple-choice test can help assess understanding financial journey and the lessons learned from his experiences.

* Correct answers

1.A.2.B.3.D.4.A.5.D

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