

Promoting Economic Literacy

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(NAPSA)—Economic literacy, for too long relegated to the bottom of educators' and government officials' wish lists, is coming out of the shadows and winning recognition as a prerequisite to realizing national and individual financial goals. Scores of organizations—including the National Council on Economic Education, Foundation for Economic Education, National Endowment for Economic Education, Center for Economic Education—are vigorously churning out educational materials. We see major opportunities for business to help bring millions of previously excluded individuals and families into the American mainstream.

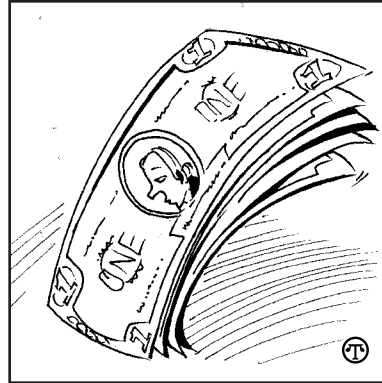
Chief among the ingredients warranting optimism is the growing awareness of the problem. Economic illiteracy negatively affects productivity and standards of living. It leaves too many people ill-prepared to grow their assets, and it virtually ensures there will always be individuals with financial problems.

Second, goals are being set. The economic literacy movement is targeting an educational mindset that has, up to now, tolerated the fact that only 14 states require high school students to take an economics course in order to graduate. Also being targeted are adults who missed economics in high school but who still can be reached via continuing and/or employee education programs.

Third, technology brings invaluable information to people through the pressing of computer keys—and allows Nobel laureates to address thousands simultaneously. If it's this easy to share information, how can we, as a nation, fail to do so?

And fourth, there are the countless financial planning examples that turned middle-income savings and investments into six- and seven-figure portfolios over time. The major difference between these families and those with similar incomes is they have a financial plan. To fill the need, corporations throughout the country are promoting financial literacy programs—especially as an economic development tool.

The American Express Foundation's Economic Independence Fund, piloted in 2000 and expanded to \$500,000 in 2001, is



taking an innovative direction in economic literacy education by supporting the delivery of financial literacy education to underserved segments of society, including newly employed people, young workers, individuals moving from welfare to work, immigrants and refugees.

Projects supported through the Economic Independence Fund range from initiatives created to assist low-income women in starting small businesses, to the translation of financial education curriculum into Hmong, Russian and Spanish.

As the concept for the Fund was developed, American Express became aware of the abundance of personal financial literacy curriculum material and the lack of a central repository, or even public listing of what's available. To meet this need, American Express provided funding for the National Endowment For Financial Education to develop a clearinghouse for financial literacy programs and curricula. The clearinghouse includes more than 90 resources that provide education in the fundamentals of business, economics, the importance of savings, the basics of personal financial management, and related consumer issues. The clearinghouse is available at www.nfc.org.

Resistance to educational reform, language difficulties for newcomers to the United States, the absence of computers in every home or classroom in certain neighborhoods, and competing demands for funding preclude major overnight changes. But the motivation to take positive steps for economic literacy is in place. So are the necessary tools. These ingredients will add up to a more sophisticated consumer public. It's a win-win-win for people, businesses and the economy.