Financial Literacy as Citizenship Education – a viable prospect?

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Keywords: Financial literacy, citizenship education, social studies

- The OECD definition of financial literacy concerns money management on an individual level.
- Social science education should include financial literacy in a more elaborate way.
- Financial literacy teaching should enable students to discuss possible societal changes.

Purpose: This article aims to discuss what kind of teaching is required to enable students to critically review financial issues in a way that is in accordance with a broad citizenship education.
Method: Content analysis where an assessment of students' answers was compared and aligned with Westheimer & Kahne's (2004) theory driven conceptions of citizenship.
Findings: Findings demonstrate that students' understandings correspond with the three conceptions and give important indications of what needs to be included in teaching in order to address financial issues as citizenship education.
Implications: Focus in financial literacy education should be widened to include political and social aspects of the relation between households and the financial systems.

1 Introduction

JSSE
Journal of Social Science Education
Vol. 19, No. 3 (2020)
DOI 10.4119/jsse-3230
pp. 4-20

In Sweden, as well as elsewhere in the world, financial responsibilities of individuals have increased in the last 30 years. Liabilities often concern housing, pensions and healthcare which result in liaisons between individuals and the financial system through mortgages, savings and insurances. These new commitments create a need for an elaborated financial competence and capacity (Lucey & Bates, 2012). Yet, this has proved the be a complex issue. The call for financial competence was recognised by the Organisation for Economic Co-operation and Development [OECD] and other stake-holders, especially after the financial crises in 2008 when efforts were intensified to

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promote financial literacy among young people in educational systems (Aprea et al., 2016; Lusardi, 2008; Xu & Zia, 2012). The OECD definition of financial literacy (OECD, 2016, p.85) together with its related PISA test (OECD, 2015) has served as an important backdrop to research discussions as well as curricular implementations (Bosshardt, 2016).

However, the OECD financial literacy approach mainly concerns money management on a personal level such as budget and compound interest (OECD, 2018). This makes the OECD definition inadequate since it mainly promotes a limited number of personal competencies directed towards earning an income and rational economical thinking (Retzmann & Seeber, 2016) as well as placing all financial responsibilities on the individual (Davies, 2015). Furthermore, the OECD focus on personal financial issues, such as consumption and managing financial products do not help citizens to make sense of the financial and economic systems (Berti, 2016). Thus, the OECD financial literacy definition can mainly be understood as a literacy aiming at legitimising the current financial system rather than critically reviewing it (Apple et al., 2009; Arthur, 2012; Visano & Ek-Udofia, 2016), hence aiming at socialising and qualifying learners into existing world orders (Biesta, 2011). This raises questions regarding the aim with financial literacy teaching, especially when financial literacy education is seen within the context of social science education.

In Sweden, financial literacy is incorporated in social studies, a school subject consisting of political science, economics, sociology and law (Swedish National Agency for Education [SNAE], 2011) and current research indicate that Swedish social studies teachers seem to perceive financial literacy as being mainly money management, hence following the OECD approach (Björklund, 2019, 2020). However, social science education in Sweden aim at a wider citizenship conception than merely taking personal responsibility and acting within a current political system, i.e. to engage in social issues in order to discuss possible societal changes (Ekman, 2011; Sandahl, 2015a, 2015b). This understanding of different kinds of citizenship approaches is in line with Westheimer & Kahne's (2004) three different conceptions of citizenship i.e. 'responsible', 'participatory' and 'social-justice oriented' where the OECD definition only fits with the responsible and participatory citizenship, but not with the justice-oriented citizen where students are empowered with knowledge and skills that can bring about social, political and economic change. This also seems to resonate in national curricula and syllabi where financial literacy definitions follow the OECD approach, without connections to a wider definition of the role of citizens (cf. Lefrançois et al., 2017).

The aim of the article is to explore the relationship between financial literacy and citizenship education and examine how teaching can be designed to allow students to transform their understanding of financial matters from something given and individual to something more dynamical and societal. By examining students understanding of a financial issue through the lens of Westheimer & Kahne (2004) the following research questions are addressed:

- In what ways do students understand the role of citizens in financial issues and what is needed in order for students to transform their understanding?
- How can students' conceptions regarding the relation between individuals and the financial system be utilised to design a financial literacy teaching in terms of citizenship education?

2 Financial literacy Education and Citizenship Education - two commitments or one?

Traditionally, money management has been considered a personal and moral issue where prudence and patience are attributes that guarantee financial success (Lucey & Bates, 2012). Since the 1990's, however, there has been a debate among educational researchers arguing for financial literacy education - often presented as a means for individuals to be able to interact with an ever more complicated financial landscape (Lusardi, 2008; Xu & Zia, 2012). Perhaps, this could be seen in a wider educational perspective where aims and means often concern future utility for both learners and society (Biesta, 2011; Young, 2013). In this debate, the OECD (2016) definition of financial literacy has served as an important backdrop (Bosshardt, 2016). Still, an epistemic origin of the OECD definition of financial literacy is difficult to trace, leading to conclusions that financial literacy is incomprehensible; consequently, teaching tools for comprehension are non-existing or unreachable on lay-level (Remmele, 2016). In addition, teachers often lack formal financial literacy training in their educational background, which lead them to use other competencies to compensate. When taught together with social studies, teachers struggle with fitting financial literacy into a societal context, which seem to be related to teachers perceiving financial literacy as mainly private money management (Björklund, 2019, 2020). To further complicate the situation, suggestions regarding sufficient financial literacy educational approaches are manifold.

Several strands of research have tried to widen the OECD definition of financial literacy and associate it with specific disciplines. Retzmann & Seeber (2016) have claimed that the term financial literacy, as stipulated by the OECD, is to narrow and not fit for education. Financial matters in education should instead be associated and taught together with economics, hence they suggest the term financial education. Davies (2015) has suggested that financial literacy education often has had an individualistic approach, which places too much responsibility for financial decisions and outcomes on the individual. The individual approach of financial literacy education has also been contested by Sherraden & Ansong (2016), who argued that financial capability could be discerned by discussing individual financial capability to act in relation to social institutions. Originating from the work of Nussbaum & Sen (1993), this approach puts stronger emphasis on an integration of individuals' ability to act within societal institutions. Thus, capability does not only reside within people as literacy suggest, but "rather in the relationship between the individual and social institutions" (Sherradan & Ansong, 2016, p. 16). This view has been supported, from a sociological point of view by Henchoz (2016) who suggested that both financial learning and action acquire consideration of social context and relations. Consequently, merely focusing on financial information is not sufficient.[1]

Other researchers have associated financial literacy with psychology. Antonietti et al. (2016) suggested that being financially informed is not crucial for effective financial decision-making. Instead, they promote a psychology education that helps students to acquire different modes of thinking for different financial situations, i.e. they suggest a metacognitive education in relation to financial issues. Others have been critical towards financial literacy education as a remedy to individual financial problems (Alsemgeest, 2015) especially when teaching focus on deprived groups of students that become uncritically socialised into existing financial systems (Visano & Ek-Udofia, 2016). As an alternative, these critics have suggested that financial literacy education should take on a deliberative approach aiming at civic engagement (Arthur, 2012).

Thus, alternative approaches have affiliated financial education with citizenship education. Amagir et al. (2018) have suggested that young people need to be "financially empowered and capable" (p. 57) to reach their full capacity as citizens. This is referred to as "economic citizenship" (p. 57) where financial education is related to social education and financial inclusion. In this view, financial education seems to primarily aim for the understanding and skills required for a person to manage financially within the existing system. Even though economic literacy has been considered a vital part of citizenship, financial literacy has been suggested to have a "hidden curriculum" where students are socialised into neo-classical economics and where critical perspectives are omitted (Sonu & Marri, 2018). These critics have argued that financial literacy is an essential competence in relation to civic understanding and participation. Remmele & Seeber (2012) suggest that civic agency is unreachable without financial and economic competence; financial literacy without civic understanding "…remains just on a reactive competence level." (p. 189). Davies (2015) have suggested that a financial literacy education should be aimed at understanding the financial industry as well as economic policy, which can enable learning of democratic aspects of the relationship between them. Willis (2017) supports this view and stress the need to educate financially informed and active citizens who aim to change financial policy and promote financial regulation. In this aspect, Lefrancois et al. (2017), have suggested that citizenship education could be an adequate context for financial literacy education. Still, it is pivotal to discuss what kind of citizens that are being envisioned, especially if the aim is to empower students to think critically.

A benchmark of the democratic school is the assumption of a dual responsibility in developing young peoples' knowledge and abilities and to instil shared values of democracy among students (Gutmann & Ben-Porath, 2015). As such, citizenship education is often conveyed as a cross-curricula assignment, yet the subject of social studies is often explicitly emphasised in students' preparation for citizenship (Parker, 2015) and includes economics (Reinhardt & Hyatt, 2015). In most western democracies, social studies includes a focus on human activity in society and students are taught to inquire social issues and to consider the role of values in topics such as democracy, citizenship, human rights, socialisation, marginalisation and societal changes and challenges (Barton, 2012; Neoh, 2017; Solhaug, 2013). In Sweden, the social studies subject has a disciplinary core in political science, economics and sociology (SNAE, 2011). The teaching, however, also includes contemporary discussions pivotal for students and society at large (Olsson, 2016; Sandahl, 2015a, 2015b). Here personal interests can be judged against societal utility, and even given assumptions regarding individuals and society can be up for discussion (cf. Reinhardt, 2016). Thus, the citizenship education assignment goes beyond the disciplinary content and involves "all the processes that affect people's beliefs, commitments, capabilities, and actions as members or prospective members of communities" (Crittenden & Levine, 2018, p. 1). However, there are different interpretations of who the 'citizen' is in terms of his/hers role in democracy since there is no singular definition of democracy (Crick, 2008) which Zyngier (2016) has suggested can lead to citizenship education that promotes neoliberal aspects of citizenship where individuals mainly are seen as entrepreneurs. When associating financial literacy education with citizenship education this is an important aspect. Here, Westheimer & Kahne's (2004) three conceptions of citizenship can constitute a means to further discuss the relation between financial literacy education and citizenship education.

3 Theoretical framework

Westheimer & Kahne (2004) have argued that in order to foster and develop democratic citizens, there are three visions of citizenship that educational systems are aiming at. First, the 'personal responsible citizen' that focuses on upholding norms, laws and rules of the current system. Here, prerequisites for a good society are citizens that comply with the current societal system on a personal level, which attributes good character, honesty and responsibility, i.e. this view of citizenship is not necessarily related to democracy. Second, 'the participatory citizen' initiates and organises communal efforts within the societal system. This citizen aims to contribute to and improve society by active participation in community efforts along with non-governmental organisations. The participatory citizen also understands how laws and political governance work, and therefore takes leadership within the societal system. Third, 'the justice-oriented citizen' holds a more radical view and critically examines social, economic and political structures that cause inequity. This citizen understands political, social and economic issues and knows how to affect the system. With systemic changes as means, questions of injustice are addressed and opposed.

For Westheimer & Kahne (2004), these conceptions have consequences for what kind of questions that students are invited to inquire where Westheimer & Kahne argue for a versatile citizenship education that mainly enables students to interact through 'the participatory citizen' and 'the justice-oriented citizen'. Each of the three visions of citizenship represent quite particular aims for curriculum and syllabus, hence these different visions of citizenship should not be understood as cumulative. However, the content features in each conception of citizenship constitute particular affordances, questions and discussions that relates to different financial literacy approaches and are here considered steps towards a more elaborated understanding. In other words, this study treats content features of each conception of citizenship as cumulative with an aim to advance students' understanding of financial matters beyond personal money management towards 'the justice-oriented' conception of citizenship. By discussing financial literacy together with critical assessment of societal systems, democratic aspects of financial matters could be addressed (Lefrançois et al., 2017).

4 Materials and Methods

Data consisted of written student responses with the specific aim of inviting year ten students (age 16-17) to inquire the financial system as a citizenship issue, addressing individual responsibilities, participation and social-justice issues, hence letting the students express their understanding of relations between financial literacy and the theoretical framework. This was first piloted by presenting different types of financial dilemmas to five students in order to find out which type of question they answered the most independently to, and which type of question that could provide qualitatively different answers. Pilot results lead us to devise an elicitation task (Barton, 2015) with a question that included 'should' (Davies & Lundholm, 2012) and 'in your opinion' in order to invite the students to really state their own opinions on the matter without considering a 'right answer' and to give answers within all theoretical conceptions. The task was presented as a contextual case describing an individual's (called 'Kim') financial situation where changed mortgage interest rates put Kim in an unsustainable financial situation. The students were asked individually, and in writing, to discuss who 'should' be responsible for the situation.

A possible, alternate, way to design such a task would have been to offer students different solutions, hence, to urge students to choose an alternative and motivate their answer. However, such a task design could have made the students to believe that they should provide 'the right answer' to the question. Since Swedish social studies students are used to discuss matters in political terms, it was likely that students would have perceived the question of financial responsibility as a mere question of ideology or political choice. In order to try to avoid the latter, an open question design was chosen to elicitate students' understanding of the case and to invite students to really explicate their understanding of the case.

Data was collected in collaboration with two upper secondary school teachers in social studies in Sweden, where researchers and teachers in cooperation designed a financial literacy segment within the social studies course. This specific task was presented to students as an introduction to this segment, i.e. before receiving any financial literacy teaching. However, all students had previously received teaching in economics. One of the researchers presented the task to the students after they had filled in the consent form. The researcher stressed the fact that students' answers had strictly research purposes and were not part of any teacher assessment or grading. Students' accounts (n=97) were collected by the teachers and shared with the researchers. Students' answers were coded and later translated from Swedish to English. In this process, each anonymous student answer was given a number for later, presumptive, comparison.

First, a qualitative analysis of the research data was performed in order to construct different ordinal categories of students' views (Krippendorff, 2004) regarding financial responsibility related to the individual, the financial system (the financial industry, such as banks and other financial institutions in relation to financial policy including rules and regulations) and society at large. Second, the categories were interrelated to the theoretical conceptions of citizenship constructed by Westheimer & Kahne (2004). Based on the comparison of empirical data and theoretical conceptions, synthetic categories were formulated that describe students' understandings from an empirical as well as a theoretical perspective. This form of content analysis established relations between students' understandings and theoretical conceptions, and the students' accounts form evidence for the categories (Krippendorff, 2004). When performing this comparison, the theoretical conceptions helped to determine in which category a certain student answer belonged, hence, the students' conceptions of Kim's financial situation formed categories that were informed by Westheimer & Kahne's (2004) theoretical conceptions. Conversely, students' conceptions also vitalised each category and contributed to internal complexity. At the same time, students' phrasings provided robust and elaborated examples of the relation between Westheimer & Kahne's (2004) theoretical conceptions and financial issues discussed by students.

However, the categories themselves are not sufficient to inform the researcher on necessary transitions that students need to grasp in order to advance their understanding of financial issues as a societal issue. Since salient content features in each citizenship conception constitute different steps of necessary learning, each of these steps form unique objects of learning. Since each step also constitute a transition of understanding which make previous understandings precarious, each step can be defined as a threshold concept (Land et al., 2003; Meyer et al., 2010; Meyer & Land, 2005) where students need to cross boundaries of understanding in order to recognise a new space or landscape. Each step of transformed understanding will be recognised by association with salient features of a threshold concept: First, each step includes troublesome knowledge which can appear as counter-intuitive for students. This knowledge also challenges students' pre-knowledge. Second, each step is *integrative* since it relates new and different features with each other. Third, each step is *bounded* with clear, yet shared borders with the other concepts, i.e. steps of understanding. Fourth, each step is *irreversible* since students are unlikely to be able to overlook a more elaborated understanding of each issue. Fifth, each step is also *transformative* since it changes the students' worldview (cf. Davies & Mangan, 2010; Irving et al., 2019; Meyer & Land, 2005)

In order to probe how these objects of learning appear before students, it is also possible to explore what students need to discern in order to learn. This is called critical aspects (Marton, 2015), and will be used to inform this study on appropriate design principles for teaching in order to advance students' understanding over each threshold.

5 Results

During analysis of data, the ambition to elicit self-sufficient answers from the students was considered successful. Students presented qualitatively different answers, sometimes with quite elaborate arguments and ideas regarding money management in relation to personal responsibilities, compliance with financial and societal systems along with ideas for change. When related to the theoretical framework and its salient content features regarding citizenship, four accounts, that each represents an understanding of presumptive responsibilities in relation to Kim's situation, emerged:

D. A societal question within a changeable system, possible to discuss in terms of social justice and subject for systematic change – corresponding with the social-justice conception;
C. A systematic issue, yet possible to redistribute within the existing system – corresponding with the participatory conception;
B. A natural outcome of the financial system which hold individuals responsible – corresponding with the responsible conception;
A. A condition that is described by repeating a number of 'facts' pertaining to the situation and personal responsibility– corresponding with an unreflected descriptive conception;

Three of the categories (B, C and D) were related to salient content features in the theoretical framework of Westheimer & Kahne (2004) where answers belonging to category B and C were the most frequent. A fourth category (A), which could not be framed by theory, was also distinguished.

Category A - A condition - corresponding with an unreflected descriptive conception

Answers belonging to category A were considered the least complex. Significant answers viewed financial responsibility *as a condition* conveyed as a description where the individual is caught in her own financial dismay with no or little actual present agency to change her own situation. The following students' answer was rather typical:

> "This is a shortage situation for Kim, but sometimes life doesn't happen in the way you want."
> (Student n.72)

Other answers in this category referred to what Kim should have done to avoid the situation, yet no example of how the financial situation emerged, or can be improved was presented. Instead, answers focused on personal responsibility without discussing any rationales related to the financial system. In many cases students used financial concepts such as mortgage and banks but did not elaborate their explanations:

> "Kim shouldn't have taken on a mortgage when he knew that it would be tough to pay for this later."
> (Student n.50)

Thus, liability is on the individual and therefore the individual should face the logical consequences. In some cases, students presented practical solutions, yet these solutions were not explicated or related to any presumptive practical implications.

> "If he is starting to get problems with his economy, he should take responsibility. He should start to look for a cheaper co-op apartment."
> (Student n.16)

A salient characteristic of answers in this category was that the problem at stake was not related to any particular financial or economical context. Instead answers indicated an understanding of financial matters as something private, following self-evident causal relations of a moral nature:

> "[…] it should be Kim that takes responsibility for his own financial situation because this still concerns his economy and the bank can't pay for his (poor) finances."
> (Student n.9)

Consequently, answers in category A did not present any understanding of why Kim ended up in an unsustainable situation, and even though a few answers gave simple solutions to the situations, possible obstacles or difficulties were not included. Still, answers in this category seemed to display basic financial understanding of personal responsibility regarding expenditure and debts. Yet, the fact that answers in this category were not related to any context outside the personal sphere gives that elaborate explanations and understanding is replaced with suggestions of 'who to blame'. Thus, answers in category A can be characterised as unreflected (cf. Tväråna, 2019, p. 99).

In order to advance understanding of this issue, teaching should focus on the relation between the personal sphere and contextual matters. The object of learning, which also constitutes a threshold concept, is the financial system. Here it is critical to distinguish how the financial system works to be able to understand both financial causes and effects along with the function of *the financial system* in a societal context. In order to understand who is responsible and why it is so, basic economic skills are required. This is defined as the *interrelational aspect.*

Category B - A natural outcome of the financial system - corresponding with the responsible conception

More elaborated answers incorporated contextual matters and related the financial system to personal decisions and actions and therefore financial outcomes are considered a *natural outcome of the financial system.* These answers constituted category B. Here, the financial system and context were in the foreground, which were used to explicate the situation:

> "Kim has taken a loan from a bank which means that the head of the bank makes decisions. Still all banks, including this one, are affected by the central bank, the bank of all Swedish banks. By some reason, a kind of problem arose which has led to that the interest rate has been changed by the central bank. The result is that all Swedish banks are affected. It's common knowledge that interest rates never stay on the same percentage - it all depends on whether there is a boom or bust."
> (Student n.82)

Kim's financial situation was explicated with the financial system as rationale, which was used to explain what Kim should have done. The financial system was treated as a hierarchical system that affects all actors and therefore it is only natural that individuals should have knowledge of key features in this system and act accordingly, otherwise the individual is to blame.

Other answers singled out personal responsibilities, which were related to the financial system, yet with the same rationale:

> "It is Kim's responsibility to know that interest rates can change and that this has consequences."
> (Student n.70)

In any case, the unilateral division of responsibilities, where the individual was depicted as liable, together with structural explanations give that answers in this category treated the financial system as a natural law that was not questioned or challenged in any way. Consequently, students also perceived the system, including lines of responsibilities, as impossible to change. In other words, students did not see the financial system as a constructed societal system.

In order to advance understanding of this issue, teaching should focus on how different agents by rules, regulations and contracts are accredited to different entitlements and liabilities and how these agents act upon the financial system. In relation to this, it is important to stress that individuals, financial corporations, such as banks, do not interact on equal terms. Thus, the object of learning, as well as threshold concept, for students to grasp is *political governance*. Here it is critical to distinguish that the financial system is possible to change by political means and that these new regulations would force all agents within the system to act accordingly. This is defined as the *adjustment aspect.*

Category C - An issue possible to redistribute within the existing system - corresponding with the participatory conception.

Accounts in category C expressed an implicit understanding of the system and tended to find it natural for individuals to act upon their knowledge of the financial system and to comply with the same. Answers also seemed to expect that the financial system should be predictable over time. When preconditions change, the system was perceived as unfair, especially when individuals are affected. Thus, answers belonging to this category considered financial responsibilities as *possible to redistribute within the existing system*. For example, arguments included societal responsibility for ruptured personal finances:

> "I would say that the responsibility lies with society. Since Kim had already saved money and adapted her expenses to the situation she was in, she had already honoured her part of the agreement. The fact that banks all of a sudden raise interest rates makes it unfair for Kim who has to pay more money. Therefore I would say that society should provide Kim with welfare or some form of financial support."
> (Student n.34)

Coherently, accounts in this category perceived banks and the government as more significant agents than individuals. These power relations also seem to be perceived as equivalent with a fair line of responsibility - more power should entail extended responsibilities. Consequently, banks should take responsibility for loans together with the consequences for the borrower, and therefore banks should be vigilant towards lending money to households with insufficient financial margins:

> "The bank should take responsibility for Kim's new financial situation since it was the bank that raised the interest rate even though they knew that this would affect Kim in a profound way."
> (Student n.2)

Agencies, such as the central bank, also should take responsibility and consider consequences for individuals when they make decisions. Here arguments followed the same rationale for a fair line of authority and responsibility - power to influence others automatically gives responsibilities:

> "I would say the central bank [is responsible] since they can raise or lower the repo rate which means that it becomes more expensive or cheaper to borrow money."
> (Student n.19)

Conversely, accounts in this category seemed to convey that individual interaction and compliance with the financial system automatically should be rewarding or at least not unrewarding. Answers stressed that individuals have freedom of choice on an open market, especially regarding mortgages, which also gives individuals the opportunity of freedom of contract regarding terms of a loan, including interest rates. Yet, answers also expressed that it is reasonable to protect individuals from future financial dismay by giving more powerful agents more responsibility to control otherwise unforeseen events over time.

In order to advance understanding of this issue, teaching should present the financial system as a societal function where its commission and system is compared to other functions in society such as the public authorities and corporate domains. The object of learning and threshold concept is the societal system. Here it is critical to discuss possibilities and limitations in a democratic society in relation to roles and commissions we attribute to different agencies in society and that any *societal system* can be changed - in parts as well as in hole. This is defined as the *reform aspect*.

Category D - A societal question within a changeable system– corresponding with the social-justice conception

The most multi-layered answers could be found in category D where answers perceived financial responsibility as an issue not solely related to the financial system, but to multiple factors within society such as home ownership, financial regulations and governmental intervention. Thus, both the unregulated financial system along with individuals' exposure towards an unregulated financial system were discussed. These answers perceived financial responsibility as *a societal question within a changeable system*.

Answers discussed the need for direct governmental control over interest rates, both in relation to the central bank and commercial banks:

> "I think that the government should take responsibility for how banks raise and lower interest rates. The reason for my argument is that the government must monitor and make sure that the central bank cannot raise interest rates several percentage points at the same time. Instead, they will be allowed to raise interest rates under a longer period of time. This prevents people to borrow when the interest rate is low and then to end up in dire straits because the interest rate is risen too fast."
> (Student n.93)

Here arguments implied that even though individuals act rational within the financial system, the preconditions, inherent in the financial system, changes at a pace that impede long-term decisions for individuals. Thus, fundamental financial regulations that slow down the system were proposed. This also points out the government as responsible for the financial system which otherwise can be perceived as self-sufficient.

Other arguments stretched beyond the financial system towards relations between political decisions and social factors, such as housing for deprived groups in society:

> "I think that the government should take responsibility for that there aren't any flats to rent. The financial situation is insecure when you have a large mortgage and not enough money to amortise, which many people do not have."
> (Student n.8)

Thus, the financial system was implicitly perceived as a societal factor in the sense that it enables housing for individuals. This situation could be resolved through political decisions that protect individuals from a system that only acts in its own right - without individual considerations or exceptions.

Shared qualities of answers in this category recognise that the financial system also can be subject for change through political decisions and regulations. The fact that individuals hardly can keep up with the swift changes within the financial system together with the risks that all borrowers face are here perceived as major societal problems that need to be addressed and dealt with by political means. Feasible reform solutions to the addressed problems were also presented. Further, answers show an ability to see beyond the present societal system including the financial system, and hence to address societal questions directly.

6 THRESHOLD CONCEPTS AND CRITICAL ASPECTS

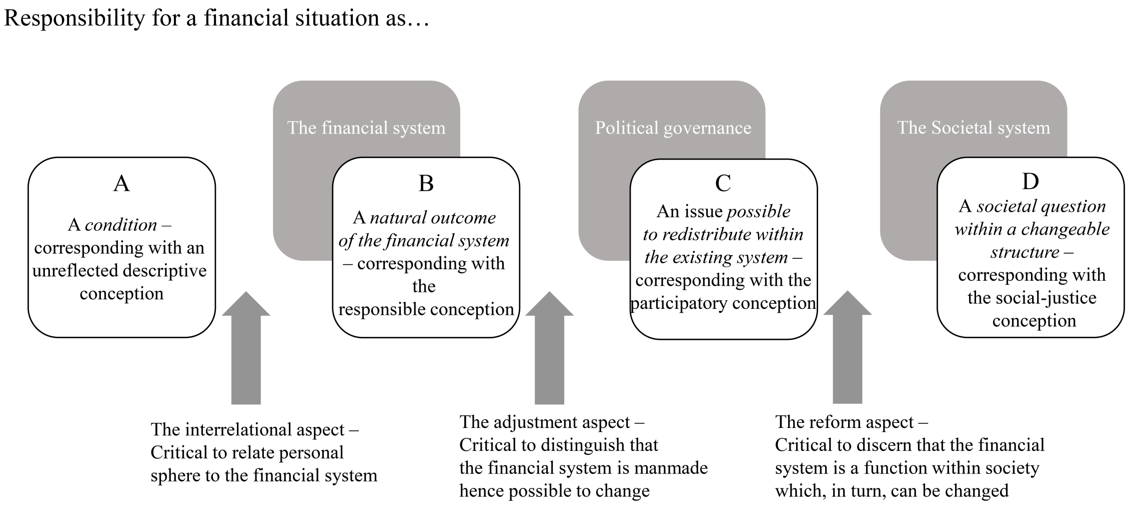
The financial system including its function and inherent logic constitutes an incomprehensible threshold concept for students whose answers belong to category A. The question of financial responsibility became merely impossible to grasp when students could not integrate the notion of personal financial decisions with the financial system. Instead, the financial problem remained with the individual, intuitively perceived as trapped in their own situation. Thus, answers simply concluded who is responsible, namely the individual. In order to advance understanding, it is critical, not only to grasp how the financial system works, but to relate the personal sphere to this system, hence, to include the individual in the financial system's logic.

Answers in category B, likewise, consistently placed all responsibility on the individual but referred to rules and rationales within the financial system. Here salient content features of 'the personal responsible citizen', such as upholding a system by following rules and regulations for moral reasons, concurred with statements in category B. However, the integrative understanding of the financial system was also portrayed as if it was a natural law with clear boundaries towards the personal sphere, hence impossible to change. The awareness of the role and importance of the financial system irreversibly transforms students' understanding which suggests that the financial system constitutes a threshold concept which is elucidated in comparison with answers belonging to category A. To further advance understanding for students in category B it is critical to grasp that the financial system is manmade and therefore possible to change by political means.

In category C, answers consistently suggested that it is natural for individuals to both comply and take leadership within the financial system in order to be able to take responsibility and benefit from the system. To be able to perceive the financial system as a set of rules, yet at the same time perceive integrative systemic features and possible political changes of the financial system as opportunities for individuals, must be considered a counter-intuitive understanding of a troublesome piece of knowledge. This notion, that change is possible through political means, must also be considered irreversible hence making the political governance a threshold concept. These features also go in line with salient content features of 'the participatory citizen'. Even though answers pointed toward alternative solutions to the question of financial responsibility, all answers in category C still remained within the boundaries of the financial system without placing the financial system in a wider societal context, i.e. towards discussion of financial utility for both individuals and society. Here it is critical for these students to grasp that financial responsibilities often are related to welfare issues, such as housing and healthcare, which, in turn, can be managed by other political means and by other agents. Thus, even societal systems are possible to change by democratic means.

Answers in category D distribute responsibilities not only to individuals or civil society, but also to governments and tend to see the financial system as a societal function that both constitutes a risk as well as enabling necessities for individuals where the final responsibility lies with society. This notion is truly counter-intuitive and integrates financial and societal understanding. This understanding also transforms students' worldview and reshapes conceptual boundaries. Answers belonging to category D were consistent in their view of the financial system's societal function where regulation must protect individuals from any financial harm. This may also explain why these answers always held society responsible for financial issues. Thus, students' understanding expressed in category D must be considered irreversible. Therefore, the societal system must be recognised as a threshold concept.[2] When seeing society as a whole, the power relations within the financial system are perceived as distorted, and therefore answers in category D suggest systemic changes as means to address questions of injustice. This is consistent with salient content features of 'the justice-oriented citizen'. The categories along with the threshold concepts and the critical aspects are visualised in figure 1, below.

Figure 1: Categories of answers together with threshold concepts and critical aspects



7 Discussion

We do not question that every citizen needs to grasp fundamental financial concepts and products. Nor do we question the need for a financial literacy comprising calculations that aims to affect how individuals make financial decisions regarding income, expenditure, savings and mortgages. However, a teaching approach based on money management seems to miss the mark, at least for year ten students. All students in this study perceived the given problem as a question of expenditure exceeding income but answers that perceived the situation as private did not display any explanation to why the situation occurred which seem to lead to moral or character judgements. Such accounts are not a novelty but aligned with traditional notions of financial matters (Lucey & Bates, 2012). Still, as Aprea et al. (2016), Lusardi (2008) and others point out: modern incentives for financial literacy education derive from individuals' increased interaction with the financial system. Thus, individual money management must be interrelated to financial contexts when teaching financial literacy. To go even further, we would like to stress that the interrelation between individuals and the financial context should be the focal point when designing contemporary financial literacy teaching. In relation to this we agree with suggestions made by Retzmann & Seeber (2016) and stress that financial literacy should be taught in relation to economics and in accordance with Davies (2015) and Amagir et al. (2018) we also believe that an adequate financial literacy includes economic skills.

Further, we do not argue that it is important for financial literacy teaching to address basic features, rules and agreements of the financial system. We concur with Remmele & Seeber (2012) that both financial and economic issues need to be included in financial literacy teaching in order to enable a future financial competence to act in one's own interest as well as to develop society. Here, financial cause and effect for individuals must be distinguished both by explicating the financial system and by discussing implications of systemic cause and effect, hence an approach aligned with the OECD (2016) definition of financial literacy. Yet this definition seems to aim for the 'personal responsible citizen' (Lefrançois et al., 2017), where the financial system is displayed as a natural system that cannot be questioned or even discussed. Since citizenship, here, still plays out on a personal level, the financial system constitutes yet another feature in society which should be met by honesty and responsibility. This approach does not solely leave the individual responsible for any financial dismay (Davies, 2015); it also conveys an aspect of the financial system as impossible to change by political means. This, in close relation to suggestions by Sonu & Marri (2018), leads to conclusions that young students easily can be socialised into neo-classical and even neo-liberal views of the financial system and economics. Aspects of financial and economic policy, such as underlying incentives for politicians to make decisions (cf. Davies, 2015) in relation to questions regarding the autonomy of the financial system could be helpful tools for teachers when designing a financial literacy teaching that aims to discuss financial questions as essential for citizens.

In line with Sherraden & Ansong (2016) and Henchoz (2016) we stress that financial literacy teaching must point out relations between financial issues and societal institutions, hence seeing the financial system as a function in society. This could also help students to single out unique features of the financial system in relation to rules, regulations, political stakes and plausible interventions. Here, a viable teaching design could be to relate the concept of risk to different stakeholders in society, such as individuals, banks and the government. When doing this, financial literacy teaching aims for 'the participatory citizen' where the financial system as well as financial policy is something that citizens understand and can interact rationally with. Citizens act upon bank information and relate to risk and regulation. Thus, rational financial behaviour can support not only the welfare of a single household but also the financial well-being of society.

Financial matters, however, could also be approached from a societal perspective, addressing questions of the very reasons why individuals interact with the financial system. In this study, housing and mortgages has been in focus which evidently is possible to teach from a multitude of aspects, yet more research is needed regarding teaching of other vital issues such as savings and pension planning which governments have delegated to the financial system. In any case, we suggest a teaching design where the teacher first address crucial societal questions, such as housing and financial exposure, and second discuss implications, means and obstacles for individuals in relation to the financial system and financial policy. This could enable an aim for a justice-oriented citizenship when teaching financial literacy. Here, the financial system is presented as a part of public affairs, hence incorporated in a societal system. Such a teaching design invites students to criticise the financial system and suggest changes. Even though political ideologies seem like adjacent perspectives for such discussions in class, financial issues related to citizenship can also be discussed from a democratic perspective.

Thus, in order to teach financial literacy for enabling individuals to participate in economic life as well as addressing questions of injustice, we suggest that financial teaching should include content features found in all citizen conceptions provided by Westheimer & Kahne (2004). Students need to understand personal responsibilities, know how the system works and that there are instruments to handle financial situations within the system through participation. Hence, the empirical findings of this study suggest that financial understanding and progression involves complex considerations where each step of understanding partly revise previous understandings, i.e. each step of understanding involves the understanding of a new threshold concept. However, we suggest that teaching rather needs to emphasise how the financial system distributes different authority and responsibility to households, banks and government in relation to financial liability, risk and profit. However, teachers also have to address the fact that the system is human-made and therefore possible to change by humans (Barton, 2012). On these terms, we believe that aiming for 'the justice-oriented citizen' will help teachers to focus their financial literacy teaching to further advance students' understanding of this issue as a societal question, namely discussing the financial system as an economic necessity in relation to its societal importance and its authority over society. Accordingly, we suggest that financial literacy education also should include normative aspects to be addressed as different political positions.

Aiming for 'the justice-oriented citizen' could also be feasible in the Swedish setting. Social studies teachers could acquire the necessary tools to overcome their perceived lack of financial literacy proficiency (Björklund, 2019) and help them to better fit financial literacy with social studies (Björklund, 2020) where financial issues could be discussed together with political science, economics and law. On the other hand, Swedish social studies teachers still need to be financially educated (Björklund, 2019) yet this education should also address economic, political and social questions related to the financial system and household finances.

Financial literacy education seems to face a problem where teaching designs that focus on money management and individuals' financial responsibilities do not seem to enable students to make rational financial decisions nor to face their financial responsibilities in the future. However, more research is needed on how to design financial literacy teaching that actually help citizens to manage their finances in relational to complex financial and societal contexts. Even though financial literacy may not be a remedy for personal financial difficulties (Alsemgeest, 2015) it could aim for civic engagement (Arthur, 2012) and become an important contribution to citizenship education. On the other hand, if elaborated as a discipline together with citizenship education, perhaps financial literacy can become a powerful knowledge (Young & Lambert, 2014) to disclose questions of inequity and injustice and further to discuss a political system that protects the independence of the financial system at all costs. In that sense, financial literacy could vitalise citizenship education and we agree with Davies (2015) believing that financial literacy can empower and encourage young people to become attentive and active agents for democracy. In relation to this we also concur with Lefrançois et al. (2017) - social studies is the proper context for an elaborated education of financial literacy.

Endnotes

[1] In line with Sherradan and others, one could argue, in order to widen the definition of financial literacy, the term 'financial capability' should be used. However, and despite our support towards such a shift, we will in this article use 'financial literacy' since it is the prevailing term in literature and policy documents.

[2] Answers in all categories were consistent in relation to the threshold concept of each step of understanding where each step also must be considered as a developing contextual understanding which enables students to discern rules, features and possibilities within society. If the question of financial liability is displaced from this context, students might be expected to change opinions regarding the financial responsibility and sometimes blame other actors within the financial and societal system, including individuals. This, however, was not found in data. Therefore, each step of understanding, also is irreversible.

Declaration of interest statement

This paper contributes with empirical and theoretical findings to research on financial literacy in relation to citizenship education. By inviting students to discuss their understanding of the financial system in terms of how it 'should' be (Davies & Lundholm, 2012), the paper gives empirical evidence how financial literacy can be addressed as an issue involving questions about personal responsibility, participatory action and social justice rather than merely as a question of taking personal responsibility in a fixed system (Davies, 2015). Consequently, it is in line with the call from researchers to expand the notion of what financial literacy can be in relation to citizenship education and how teaching about financial literacy can enable democracy (Lefrançois et al., 2017).

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