Blog BanRep: Financial Education: Evidence from Colombia in a High-inflation Environment

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A paper recently published in the Borradores de Economía series (# 1267) analyzes some aspects of economic and financial education in Colombia using a survey that follows the methodology known as the “Big Three.” This methodology was developed by experts Annamaria Lusardi and Olivia Mitchell in 2004. The method was first applied in a study on health and retirement in the United States. Since then, it has been replicated in several countries around the world and has been used to diagnose and make international comparisons on the levels of economic and financial education of different populations. The first two questions in the set address compound interest and inflation, while the last question assesses knowledge about risk diversification in investment decision-making. The questions are known for being simple, brief, and concise and do not require familiarity with mathematics from the respondents. Additionally, no prior definitions of the concepts included in them are necessary to answer the questions.

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Fuente: https://www.banrep.gov.co/en/noticias/blog-banrep-educacion-financiera-evidencia-colombia-entorno-alta-inflacion