"Should the U.S. Mandate Financial Literacy Education in High Schools? A comparison of national data and financial education in practice in Philadelphia"

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Many policymakers and educators consider the majority of U.S. high school students to be financially illiterate; several states have thus started to mandate financial literacy education. However, financial education has shown mixed results. The first half of this study examines the Financial Industry Regulatory Agency (FINRA) dataset of over 26,000 people surveyed in 2009. The data show that attending high school in a state that mandates financial literacy education in high schools has little effect on future financial knowledge or behavior. In the second half of the study, leaders of three major types of third-party financial education providers in Philadelphia were interviewed. The interviews revealed that there are at least some successful financial literacy programs for high school students; they highlight some best practices for financial education and suggest that different groups of students need different types of financial education in order for it to be effective. The conclusion compares the evidence from both halves of the study, suggesting that financial education should be mandated by the state to be taught in high schools, but should not be taught by teachers in those schools. Instead, it should be provided by third parties who can tailor their programs to meet the various and distinct needs of students.