

# NEW EUROPE

European  
Forum  
Alpbach  
2022



**ERSTE**  
Stiftung

## **High-Level Retreat on Financial Literacy**

[#efa22](#)

European Forum Alpbach  
21 August – 2 September  
Alpbach, Tyrol



Co-curated with [Three Coins](#)



in partnership with [FLiP](#)

## Executive Summary

Europe is at a turning point facing multiple challenges. Financial Education is one of the key measures when it comes to address the financial wellbeing of its citizens. Selected experts and opinion leaders followed the call to Alpbach this year to attend the High-Level Retreat on Financial Literacy. Topics that were addressed during the retreat were:

- Session 1: The influence of financial literacy on creating a socially balanced economy
- Session 2: Status quo and the potential of capital market participation and the role ideology plays
- Session 3: Evaluating impactful measures to increase the financial health of European citizens

### I. Overarching Agreements

- Financial literacy can positively contribute to social mobility. The most enhancing factors are basic financial skills (e.g. planning, budgeting, long-term thinking), awareness and motivation.
- The most important factors which prevent social mobility are social influence and consumer culture.
- Financial literacy leads to better decision making, wellbeing and more capital market participation.
- Financial literacy is a lifelong process.

### II. Outcomes

One of the main goals of this retreat was to come up with concrete measures that would increase the financial wellbeing of European citizens. After an extensive valuation, the group of selected experts agreed on the following three measures:

- Make **yearly financial health checks** a habit for everyone. Similar to a health check-up, each person's financial health should undergo an annual check-up and, if necessary, derive measures for improvement.
- Introduction of a **strong pillar 2 – pension scheme**. Occupational pension plans are an important pillar of our pension system. Strengthening this pillar, and the opportunity to participate indirectly in the capital market through it, promotes financial independence in old age.
- **Financial Literacy for Politicians**  
Politicians should undergo trainings on financial literacy. In this way, the topic of financial education and its effects should be made more relevant in politics and taken into account in future decisions.

The retreat participants found these measures as most important to secure the financial future of Europeans and to create social equality. The group is committed to ensuring that these measures are implemented.

## LIST OF PARTICIPANTS

### High-Level Retreat on Financial Literacy, EFA22

ATKINSON, Adele	Professor of Practice in Financial Literacy and Wellbeing	University of Birmingham
BAKAY, Zoltan	Researcher	Erste Group Bank AG
BECKER, Sebastian	Partner	Redalpine
DELAVA, Diane	Founder	mymoneyplanet, solifin
DRAKOPOULUS, Makis	Head of Programs Design and Institutional Fundraising	Action Aid Greece
EGG, Laura	Managing Director	Austrian Angel Investors Association
FANNI, Rosanna	Associate Researcher and digital Forum Coordinator	Centre for European Policy Studies (CEPS)
FLATZ, Alois	Growth Investor, Company Builder, member of the supervisory board	Supervisory Board Erste Group
Frick, Andreas	Juristic Specialist	FMA Liechtenstein
HALIASSOS, Michael	Chair of Macroeconomics and Finance/ Director of CERP Network on Household Finance	Goethe University/CERP
JERUSALMY, Olivier	Managing Director, Expert	Financial Inclusion Europe, Financial Services User Group (FSUG)
Kainz, Gregor	Projektmanager, Lehrer	Stiftung Wirtschaftsbildung
KOCH, Vanessa	Policy Officer Financial Markets & Financial Market Supervision	Austrian Federal Ministry of Finance
Köppl-Turyna, Monika	Director	Eco Austria-Institut für Wirtschaftsforschung
Leitner, Stefanie	University Assistant	Vienna University of Economics and Business
LIST, Philip	Director of the Financial Life Park (FLiP)	Erste Bank
LUSARDI, Annamaria	University Professor of Economics and Accountancy/ founder and academic director	George Washington University School of Business, Global Financial Literacy Excellence Center
MAYER-HEINISCH, David	Founder	Froots.io
NIEDERLÄNDER, Petia	Director for Equity Interests, Payment Systems and Internal Services	Oesterreichische Nationalbank
NOWOTNY, Ewald	President	Österreichische Gesellschaft für Europapolitik

OBLING, Soren	Managing Director and Co-Founder	FINABRO
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RIITSALU, Leonore	Researcher of Behavioural Policy	Tartu University
Schellhorn, Franz	Director	Agenda Austria
SCHLÖGL, Marianne	Manager, Strategic Partnerships	ERSTE Stiftung
Theresa Graf	Facilitator	Three Coins GmbH
Lena Gugenberger	Facilitator	Three Coins GmbH
Goran Maric	Facilitator	Three Coins GmbH
Julia Vlahovic	Facilitator	Three Coins GmbH
Jan Trimmel	Social Media	Three Coins GmbH

## APPENDIX

### Major Outcomes Session 1: The influence of financial literacy on creating a socially balanced economy

- Nearly 100% agree that financial literacy can contribute to social mobility. Even though only a few have experienced it in real life.
- Common understanding of social mobility: it is about changing a rank in society but not on the backs of others. Moving „up“ doesn't mean that someone else has to move „down“.
- It is an achievement to avoid downward social mobility because upward social mobility is nearly impossible in the current economic environment.
- Financial literacy leads to better decision making, wellbeing and more capital market participation.
- The most enhancing factors are basic financial skills (e.g. planning, budgeting, long-term thinking), awareness and motivation.
- Social influence and inheritance can be factors on both sides.
- The topic of financial literacy influences many different areas of our lives. It would therefore lead to many changes if everyone was financially literate, e.g. in politics, private sector and society.
- Financial literacy leads to better decision making, wellbeing and more capital market participation.

### Major Outcomes Session 2: Status quo and the potential of capital market participation and the role ideology plays

- Nearly 100% agree that there are “wrong” clichés about capital markets and that culture, politics and ideology have a big impact on how people think about capital market participation.
- Pro & Con Debate: “Capital market participation is an advantage for everyone”
  - Pro:
    - Personal advantage: It is very accessible through Digitalization. There is the chance of high returns. This form of investment is currently, compared to other forms, one of the most profitable and can therefore increase personal wealth.
    - Economic advantage: Increased capital market participation is good for the economy and therefore an advantage for people living in the economy.
    - Increases democratization: Actively participating in capital markets gives people the chance to be involved in policy making etc.
  - Con:
    - It is not possible to speak in general about “everyone”. The personal circumstances and situation must be taken into consideration as well.
    - There is a potential risk that this will further increase inequality and that people are being left behind.
    - Lack of knowledge and behavioural barriers.

- It should not be a paternalistic decision that everyone must be invested in capital markets. However, there was a common understanding that financial literacy is crucial when it comes to empowering people. It can help them better understand their personal situation so they can make the best possible decisions for themselves.
- Knowledge is therefore not the only key to achieve that, it is again a lot about behaviour.
- It was concluded that behaviour can change when the surrounding culture changes.

### **Major Outcomes Session 3: Evaluating impactful measures to increase the financial health of European citizens**

Another goal of this retreat was to come up with concrete measures that would increase the financial wellbeing of European citizens. Three measures have been selected and were extensively evaluated.

- The following order shows the results, with 1 being the measure most likely to be implemented:
  1. Make yearly financial health checks a habit for everyone
  2. Introduction of a strong pillar 2 pension scheme
  3. Financial Literacy for Politicians
- The following order shows the results, with 1 being the measure that has the greatest impact:
  1. Introduction of a strong pillar 2 pension scheme
  2. Make yearly financial health checks a habit for everyone
  3. Financial Literacy for Politicians