

EDUCATION, GENDER AND FINANCIAL KNOWLEDGE IN SRI LANKA

N.M.A. Jayasinghe and K.G.G. Weerasinghe

Department of Economics, University of Sri Jayewardenepura, Nugegoda, Sri Lanka

Corresponding author: jayasinghe.anurajp@gmail.com

The ability to understand how money works in the world is known as financial literacy. This paper analyses evidence on level of education and differences in financial knowledge, attitudes and behaviours from the financial literacy survey. This study was carried out in three areas in Colombo, Nuwaraeliya and Anuradhapura districts. It consists of two parts in data analysis, namely descriptive analysis and quantitative analysis. In the quantitative part chi-square with contingency table is used. The sample consisted of 1000 households which are distributed among three schemes based on population share in each. Financial knowledge of highly educated people is in a higher standard. It is most valued for the stakeholders of financial markets of every economy. Women display lower financial knowledge than men in Sri Lanka. This result is same with developing countries. Young women, widows, less well-educated and low-income women lack financial knowledge the most. Available evidence of financial attitudes suggests that women are less confident than men in their financial knowledge and skills, less over-confident in financial matters, and more averse to financial risk. In terms of financial behaviour, women appear to be better than men at keeping records of their finances. Future research should investigate further relation across gender differences in financial knowledge, attitudes and behaviours, and especially the ability of men and women to manage and save money in short and long term.

Keywords: Education, Financial literacy, Financial knowledge, Gender, Sri Lanka