

Financial literacy and its determinants: Are they universal?

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As each country has a unique background in terms of their financial system development, historical events, culture, and other factors, we cannot assume that the determinants of financial literacy are universal but they are rather specific to the national context. Therefore, this paper focus on identifying the financial literacy determinants in the Czech Republic by examining the national data and by using international financial literacy measurement tool developed by OECD/INFE. The regression model revealed gender as an insignificant determinant of financial literacy demonstrating that men did not fare better than women. In terms of the age, young adults were indicated as a vulnerable group with low financial literacy, however, it was not the case for the elderly. Data analysis showed statistically significant determinants of financial literacy such as educational attainment, work status, risk tolerance, or income level. These results convey crucial suggestions for the policymakers concerning the target groups' specification and the implementation of the national strategy in order to increase the level of financial literacy.

Keywords:

Financial literacy; determinants; financial knowledge; financial behaviour; financial attitudes; adults; population

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