

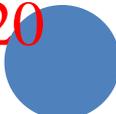


**“FINANCIAL LITERACY: A LIFE SKILL TO BE
INTEGRATED IN THE LEBANESE SCHOOLS”-
WITHOUT FURTHER DELAY-**

**Fady Yarak
Director General of Education
Ministry of Education and Higher Education**

A QUICK OVERVIEW OF THE LEBANESE SCHOOL SYSTEM SHOWS A FULL FLEDGED ORGANIZATION

Ministry of Education and Higher Education (MEHE)
supervising:

- Around **3,000 school** in Lebanon (1,400 Public and 1,600 Private)
 - Around **95,000 teachers** (40,000 in Public Schools and 55,000 in Private Schools)
 - Catering for around **900,000 students** (32% Public and 68% Private (80% private and 20% subsidized private schools))
 - Total Spending on education **11% of GDP** but less than **30% channeled through MEHE**(**LBP 900bln** (2009)) representing 6% of Government Expenditure
 - A five-year development plan with total spending of **LBP 420 bln**
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WHILE, THE EDUCATION SYSTEM IN LEBANON IS BASED ON A CLEAR APPROACH AND AN ARTICULATED STRATEGY

MEHE'S SECTOR DEVELOPMENT PLAN— PROGRAMS AND OBJECTIVES

Priorities

Programs

Objectives

1

Education Available on the **Equal Opportunity Basis**

- I. Early Childhood Education
- II. Improving Retention and Achievement
- III. Development of Infrastructure

- Increase in the percentages of children enrolled in public kindergartens between the ages 3-5 years
- Decreasing the repetition rates through the development and implementation of the appropriate mechanisms
- Adequate and equitable distribution of school facilities in all regions

2

Quality Education that Contributes to Building a Knowledge Society

- IV. Professionalization of the Teaching Workforce
- V. Modernization of School Management
- VI. Achievement Assessment and Curriculum Development

- Promote the professional development of the teaching workforce and devise mechanisms for the efficient distribution of teachers in public schools
- **Modernizing school systems and activating the School Based Management Model**
- **Curriculum development consistent with national needs and global trends**

WHILE, THE EDUCATION SYSTEM IN LEBANON IS BASED ON A CLEAR APPROACH AND AN ARTICULATED STRATEGY **(CONT'D)**

Priorities

Programs

Objectives

3

Education that Contributes to Social Integration

VII. Citizenship Education

- To strengthen students' national identity and their civic responsibilities

4

Education that Contributes to Economic Development

VIII. ICT in Education

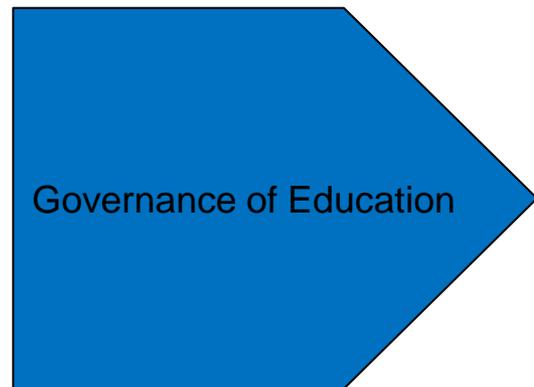
IX. National Qualification Framework

- Supporting and promoting the use of ICT in the educational system
- Determining the expected outputs of the educational programs and certificates, and specifying the necessary qualifications for education related professions

WHILE, THE EDUCATION SYSTEM IN LEBANON IS BASED ON A CLEAR APPROACH AND AN ARTICULATED STRATEGY (CONT'D)

Priorities

5



Programs

X. Institutional Development

Objectives

- Enhance the work flow effectiveness between the various units of MEHE to provide better service for citizens
- Develop a Management Information System that supports the process of education policy formulation and administrative decision-making
- Development of procedures and practices that allow the practical possibility of moving from an “Items Based” budget to the preparation and management of a “Performance Based” budget
- Assessing the effectiveness of sector development programs through indicators and specific data

THE CURRENT SITUATION SHOWS SHORTCOMINGS AND ROOM FOR IMPROVEMENT

- **The Curriculum is in need for update:** The absence of mechanisms for periodical revision of the curricula. The absence of clear standards for writing, producing, and assessing school textbooks
- **The Public/Private gap is very pronounced:** Higher repetition and higher drop-out rates
- **Efficiency Challenges :** in resource distribution (14% of schools have less than 50 students), in resource allocation/spending (large gap in building and infrastructure quality of schools across the regions),
- **The (Public) Teaching Body current characteristics show limited potential:** 71% on tenure (Average age 58+ years) and 29% contractors



THE LEBANESE SCHOOLS ARE FACING MANY CHALLENGES INCLUDING ORGANIZATION AND PRE AND IN-SERVICE TRAINING

- There is **little in-service training** offered to new teachers, and the quality standards for hiring of new teachers are very weak (pre-service training)
- **IT infrastructure still behind** (Less than 43% of schools have internet connection)
- **Review Cost Structure:** 87% of the MEHE budget is for salaries and wages with little room left for Long term investments
- **Poor sources of information** and most dramatically discrepancies among various data sources
- Enrolment in VTE has been increasing, and is expected to grow further, but the system is considered to have **limited links to labor market needs.**



THE INTEGRATION OF FINANCIAL EDUCATION IN THE LEBANESE SCHOOLS IS LONG OVERDUE

- Every **integrated citizen has inevitably to deal with** items such as loans (for consumption, housing, education), savings/retirement plans, health insurance and other protection plans
- Every Citizen will **need to understand** the various available options in terms of real costs, real interest rates, and will have to be able to make objective comparative analyses and understand the implications and associated protections coming with each choice
- Currently, Lebanese citizen are clearly behind in term of basic financial education with **dramatic implications** on their immediate and long term life conditions (survey in school)

*Financial Education is a must-have **survival tool** for the 21st century*



LEBANESE SCHOOLS HAVE TO CATCH UP WITH THE REST OF THE WORLD: NO COUNTRY IS AN ISLAND

- With the 1975-1990 parenthesis in development and reporting, full generations of Lebanese citizen are missing the **interrelation among the various elements in a normal economy**: Employment, Consumption, Savings, Investments, and Protection
- The Lebanese citizen **are running an increasing risk** of poor economic health and sorry inefficiency in a world of scarce resources
- With increased number of drop outs and spread out majors after school, it is **critical to provide integrated financial education** as early as possible at the school level to facilitate economic integration and increase useful knowledge for the future workforce



MORE PRACTICALLY, INTEGRATED FINANCIAL EDUCATION CAN HELP ACHIEVE SOLID OBJECTIVES AT THE INDIVIDUAL AND SOCIETY LEVELS

- Financial education contributes to reduce **financial exclusion and poverty and contributes to the wider and healthier Lebanese economy**
- Solid Financial Knowledge on a wider base:
 - > Exposes students to their citizenship rights and duties
 - > Promotes local production and economic initiatives
 - > Generates economic growth (direct co-relation)
 - > Facilitates the shift from consumerism to a productive society
 - > Reinforces the relationship and cooperation between citizens and public institutions
 - > Helps students in the long run to better manage their future resources, by helping them making more realistic and objective financial choices and decisions
- But most importantly help citizen **stay out of trouble** (over indebtedness, defaulting, attractive but irrational choices) putting at risk the entire economic cycle



FOR THIS PURPOSE, WE HAVE ALREADY SOME ON-GOING INITIATIVES

- MEHE has built a solid network of partners: **Basil Fleihan Institute** (MOU, ToT, 35 workshops, development of Materials), **Injaz** (extra curriculum activities including awareness, Financial education, Entrepreneurship knowledge)
- Other initiatives include :
 - Schools delivering aspects of financial education under **alternative banners**: maths and enterprise education
 - **Enterprise Events** including book fairs, Christmas markets, car washing and gardening projects, selling produce to the community, involving de facto learning about budgeting, planning, and financing



WITH CLEAR FOCUS TO STREAMLINE THE EFFORTS

- **Partnership and commitment between the public and private sectors**

This initiative brought together the **Lebanese MoF**, Basil Fuleihan Institute of Economy and Finance, the **MEHE**, the **St Joseph University – Faculty of Economics** to launch a pilot training program addressed at Economics Teachers in all Lebanese public schools

- **A comprehensive training methodology**

- **The Curriculum**: Produce a detailed training methodology encompassing information, practical exercises, reference material and websites
- **The Content**: Identify 9 themes set as priority by the teachers (National Accounting, Public Accounting, Microeconomics, Macroeconomics, Money, International Economic Relations, Economic Growth, and Public Finance)
- **The Approach**: Use the Arabic language and training techniques addressed to adults and foster experience exchange between the trainees and the trainers



AT MEHE, WE HAVE MORE AMBITIONS TO SPEED UP AND CONSOLIDATE THE PROCESS ON VARIOUS LEVELS

- **MEHE Policy:**
 - Integrate financial concepts into the **curricula across the board**
 - Periodic **review of the curricula** to keep up with (evolving) needs: Decree amendments to teach finance in elementary and intermediate classes
 - Drive and implement **School leadership** reforms
 - Develop programs to assure **Readiness** for implementation (**Teachers capabilities**, time in the curriculum and the necessary resources and incentives for execution)

 - Leverage the efforts from **both private and public institutions** and sponsor efforts to build capabilities in Economics and Finance by:
 - Develop **new material** for elementary and secondary levels through pedagogic and user-friendly tools (IT based Games, Business simulations, audio-visual : cartoons, how to use money, and build businesses) based on well tested concepts-Keep abreast of the best practices and international models
 - Sponsor **competitions** between students teams on relevant topics (to keep momentum)
 - Design and Develop **continuous training** programs around relevant topics (in service) to spread and update knowledge and education
- 

AT MEHE, WE HAVE MORE AMBITIONS TO SPEED UP AND CONSOLIDATE THE PROCESS ON VARIOUS LEVELS (CON'T)

- Organize regular **stakeholders meetings** (Public institutions, Private sector stakeholders, Education community) **to compare notes and get fresh input**
- **Encourage wide PPP** among significant players (BDL, Association des Banques), Financial institutions, NGO's, based on win win situation: students become future clients, customers/users.



IN SUMMARY, IT IS A LONG WAY AHEAD BUT SUCCESSFUL EDUCATION EFFORTS ARE BASED ON SOUND PRINCIPLES

Approach based on **sound financial principles**:

- Solid and dynamic **planning** taking into consideration evolving needs
 - **Rationalization** of resources utilization and objectives
 - **Allocation of resources**: Up front and ongoing Investments
 - Clear **commitment** from the stakeholders
 - Performance related **measurements to draw** reasonable conclusions and learning
 - Continuous efforts to favor building **Sustainable Returns**
- ...and most importantly maintain continuous **COOPERATION** among the Private and Public sectors for mutually beneficial results

