

Hosting the US release of the the Programme for International Student Assessment (PISA) financial literacy data.

I am Anna Lusardi the Academic Director of the Global Financial Literacy Excellence Center, or GFLEC. We are delighted to host the US release of the PISA financial literacy assessment in collaboration with three of the most important institutions for financial literacy in the US: The Department of Education, The Department of the Treasury, and the Consumer Financial Protection Bureau.

We'll be talking a lot today about the importance of financial literacy for young people. I am happy that we have many members of President Obama's Advisory Council on Financial Capability for Young Americans here today. They join us both as speakers—including the chair of the Council—and in the audience.

For the financial literacy expert group that designed the PISA assessment, this has been a long journey. We first met in 2010 in Cambridge, Massachusetts, where I was asked to chair the group. For the next 2.5 years, we met regularly – in five different countries — to work on the assessment. And now many members of the group have traveled yet again — some from as far as New Zealand — to be here. I want to thank that work team for an exceptional collaboration. For us, this is a day of celebration.

We are at the beginning of something momentous. The new PISA data will serve as an important tool in helping us assess how much the young know and to guide programs and policies that can improve financial literacy among young people.

To help us understand the data and how it can be used, we have Andreas Schleicher from the OECD here. Andreas, who has been in charge of PISA, travels around the world advising countries on their educational policies. We are so fortunate to have him here today. The OECD was visionary in unveiling the PISA initiative in the year 2000, and it showed leadership again when it added financial literacy to the assessment in 2012. At GFLEC, we are very proud of our collaboration with the OECD.

Also this morning we will hear from two speakers whose financial literacy work goes back many years. Secretary of Education Arne Duncan will discuss the PISA findings together with John Rogers, the chair of the President's Council on Financial Capability for Young Americans. And

we will hear from Richard Cordray, the Director of the Consumer Financial Protection Bureau, and Mary John Miller, the Under Secretary for Domestic Finance at the US Department of the Treasury. The word passion has come up when they speak about financial literacy.

For most of us here today, it is hard not to be passionate about this topic. Financial literacy is critically important for young people. While still in high school, students face life-changing decisions – notably about whether to continue their education and how to pay for it if they do. Financial literacy is also important for job readiness. But financial literacy may remain elusive unless we identify how – and where – financial education can achieve effective results.

There's no question that it "takes a village" to make progress on financial literacy. That's why I'm so pleased to have representatives from the private sector, from universities, and from other institutions join our conversation today. I know some of them are working on innovative ideas. In particular, I'm grateful to PwC for its support of this event. We will hear more this afternoon about the impressive work they are doing on financial literacy in schools.

You'll also hear from students as the day goes on, and at the end of the day, from a surprise guest – although it might be hard to hide her all day. Who better to motivate and inspire students than a star athlete? At the George Washington University School of Business, we have a customized executive MBA program – STAR EMBA. "STAR" stands for Special Talent, Access and Responsibilities. One of our STAR "students" will join us on stage at the end of the day.

The broad impact of the PISA assessment cannot be underestimated. It has already sparked others to collect more data. McGraw Hill Financial and Gallup, for example, have launched the Global Financial Literacy Research project, which is collecting financial literacy data among adults in 148 countries. This adds data from a different age group and a larger set of countries. I'll be working on this project, too, and I am excited about how this will enrich our understanding of financial literacy. And I would like to thank McGraw Hill Financial too for their support.

Please take note of the title of PISA's latest volume, "Students and Money: Financial Literacy Skills for the 21st century." Just as it was not possible to live in an industrialized society without the ability to *read* and *write*, so it is not possible to thrive in today's world without being *financially literate*.