A Preliminary Analysis of the Significance of the Education on Financial Quotient in Universities in Mainland China

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Abstract. The Belt and Road (B&R) is a development strategy that focuses on connectivity and cooperation between Eurasian countries. The strategy underlines China’s push to make a larger role in global affairs. The initiative provides a visionary blueprint for global economic development in the new world order as well as offers global businesses. Chinese President Xi Jinping delivered the keynote speech at the Belt and Road Forum for International Cooperation that China will put in place the mechanisms “the research center for the belt and road financial and economic development” to boost B&A cooperation, which shows the importance of finance & economy in global economic environment. Accounting, as an international business language, has a massive influence on business affairs. Educational institutes, especially universities, should undertake a reform on accounting teaching structure according to the age of great progress, great transformation and profound changes, which aims to improve students’ achievement and bring large returns on economic society as well as on business affairs.

An Introduction of the Background: A Brief History of “The Belt and Road”

Chinese president xi Jinping raised the initiative of jointly building the Silk Road Economic Belt and the 21st-Century Maritime Silk Road (hereinafter referred to as the Belt and Road) when he visited Central Asia and Southeast Asia in September and October 2013. And later in December 2014, the strategy of the Belt and Road (abbreviated as B&A) became an important part of the work for a whole year at the Central Economic Work Conference; therefore B&R became the guiding ideology of the domestic and foreign affairs, officially. In March 2015, Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road was issued by the National Development and Reform Commission, Ministry of Foreign Affairs and Ministry Commerce of the People’s Republic of China, which signifies that the strategy has entered the stage of implementation. B&A, which is designed to achieve the basic national objective, is an overall planning and arrangement to develop, mobilize, coordinate, apply and guide all politics, military affairs, economy, technology, foreign affairs, ideology, culture, spirit and other resource in terms of the overall situation. Therefore it’s especially important to approach the national education system on financial quotient in the contexts of thoughts, culture and spirit.

The Importance of Finance & Economy in Today’s Economic Environment and the Necessity of Reforms on Accounting Education

The establishment ceremony of the Research center for the Belt & Road financial and economic development, the first B&A forum on finance and economy, has been successfully held in Xiamen National Accounting Institute on June 16, 2017. The establishment of the research center is an implementation of the outcome that was delivered in a keynote speech by Chinese President Xi Jinping at the forum’s opening ceremony. The research center aims to inherit the Silk Road spirit and its basic function is on decision-making consultation and enlightening national wisdom. Also it strives to make itself become a word-class scientific research institute on studying financial economic policies, laws, regulations and economic environment of some regions along B&A. So it provides a strong support to further pursue the initiative.
The establishment of the research center for the Belt & Road financial and economic development in Xiamen National Accounting Institute highlights the importance of finance and economy in regional economic exchange. Accounting, as an international business language, it should be reformed to adapt the changeable global economic environment. With furthering the economic strategy, the expectation of corporations to accountants is getting higher and higher. Universities in mainland China are the core strength to train accountants for companies. The cultivation and formation of accountants’ ability largely depend on the mode and effect of the financial education in universities, and the quality of the financial education influence the general level of accountants’ ability. From the perspective of the need on capable accountants by the corporations and strategic planning, the accounting courses set by universities, although with different features, they are still not a capacity-building framework that is eagerly needed to cultivate accountants for corporations which are in the process of entering the international market. Universities should understand the demand direction on capable accountants by the enterprise in national economic policy as well as in the “go global” strategy and make this as a reference to the reform and development on education. Universities can undertake a reform through improving the combination and development between the education on financial quotient and financial & economic courses as well as to train new-type accountants according to the actual market demand.

The Development of the Education on Financial Quotient in Mainland China and the Significance of the Combination of Financial Quotient and Accounting Education

As ancient saying goes when the granaries are full, the people follow appropriate rules of conduct. And the formation of financial perception is the same. The need of managing money matters arises after having money. When lacking materials in ancient era, people hardly need financial knowledge, they can live a relatively better life mainly through frugality. Because of the undeveloped age, most adults in China are lack of financial awareness. But today the society is getting more and more developed, and the children who grow up in this economic society have close dealings with money. So wealth has become one of the subjects that children have to face in their lives. Deng Xiaoping has said that people should learn how to manage wealth from childhood. But unfortunately the education of financial quotient hasn’t been included in the Compulsory Education system yet. And only a few of primary and secondary schools as well as some educational institutions have introduced the financial quotient in their teaching system. So it’s especially important to learn it in universities for students, particularly for students who major in finance & economy, because if a student doesn’t have any knowledge about how to manage wealth, it will be hard to put the financial knowledge into practice flexibly and to make innovations. So, it will be useful for students on upgrading their personal financial quotient as well as on stimulating their enthusiasm to learn the theory, if universities put personal education system of financial quotient together with the reform of financial & economy courses. Also the improvement of the thought on financial quotient will have positive influence on cultivating new generation of accountants in addition to raising the national capacity of financial management. So financial quotient, as an international and advanced idea of human spirit, will help universities connect with the strategic thought of the Belt and Road in educational area.

In the history of China, the feudal ruling class continuously restrains the growth of business, which becomes a direct reason of the undeveloped thought of financial quotient. There is still a large distance between China and those developed countries in the education on financial quotient area, which signifies that china lacks of important financial thoughts in the realization of B&A strategy. The starting of the education on financial quotient in mainland China is very late compared with developed western countries, but it originates from financial education as well. From the decade of 1990s, financial education has become a concern in areas of national education theory and practice with the development of market economy and the spread of foreign educational idea. And financial education has changed from theory into practice in school.
Concluding Remarks

B&A, as the embryo of specification of China dream and China geo-strategy, has indicate the development direction to modern China as well as plans the allocation pattern of 30 years’ resource of the global strategy. Another ancient saying goes “who doesn’t study for overall situation is hardly manage for on aspect and who has no long-term consideration is hardly to organize temporarily.” Any country has to make some strategies in accordance with the requirements of the epoch to respond internal and external challenges. The national strategy, which is designed to achieve the basic national objective, is an overall planning and arrangement to develop, mobilize, coordinate, apply and guide all politics, military affairs, economy, technology, foreign affairs, ideology, culture, spirit and other resource in context of overall situation. So it’s urgently needed to approach the national education system of financial quotient in context of ideology, culture and spirit according to the current formation and cultivation on students’ financial quotient. And universities can help students bring the formation of their personal financial quotient in learning financial knowledge if they undertake the reform on accounting education, with which students can improve their financial quotient and fully understand, master and use the accounting knowledge.

References


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