

Financial capability and gambling: a key to a new approach in harm prevention?

Aura Pylkkänen & Teresa Tenkanen
Takuusäätiö/Guarantee Foundation
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About us

- We are a Finnish national, non-governmental social welfare organization founded in 1990
- We are experts in everyday finances and support people's efforts to cope financially with counselling and debt restructuring
- Money in the game -project: promoting the importance of financial literacy as part of gambling harm prevention and developing advice and support for financial recovery



Observations

- Gambling clients mostly young men
- 97 % of gamblers have debt, 42.000 EUR on average
- People seek help for gambling debt, saying "I just quit yesterday": most applications for debt restructuring rejected at first
- Loved ones don't recognize financial abuse
- A common challenge: treatment for PG and financial counselling seen as separate entities



Financial capability

- The capacity to act in one's best financial interest, given socio-economic environmental conditions
 - Encompasses knowledge (literacy), attitudes, skills and behaviors of managing one's resources
 - Can be operationalized and measured on a national level
- How does it work in a gambling context?



Financial knowledge

- Indicators: knowledge of basic financial concepts (inflation, interest, risk diversification)
- Challenges with young people:
 - inadequate comprehension of risks, harm or probabilities; unrealistic expectations of passive income or doubling student loans
 - lack of elementary financial skills, need for assistance with basic tasks
 - poor financial literacy and tendency to take financial risks predict the purchase of crypto assets and running into fraud (2)
- Potential in harm prevention: raising awareness of risks, the logic of economics and marketing practices



Financial behaviour

- Indicators: living with means, monitoring and planning of finances
- Challenges with young people:
 - casinos as rites of passage, young people resorting to petty crime and being concerned about running into debt at 18
 - lack of (gambling) budget, only counting the profits; rent arrears and overdue bills
 - men more willing to take risks, also taught and encouraged to (3)
- Potential in harm prevention: promoting responsible spending and conscious decisions



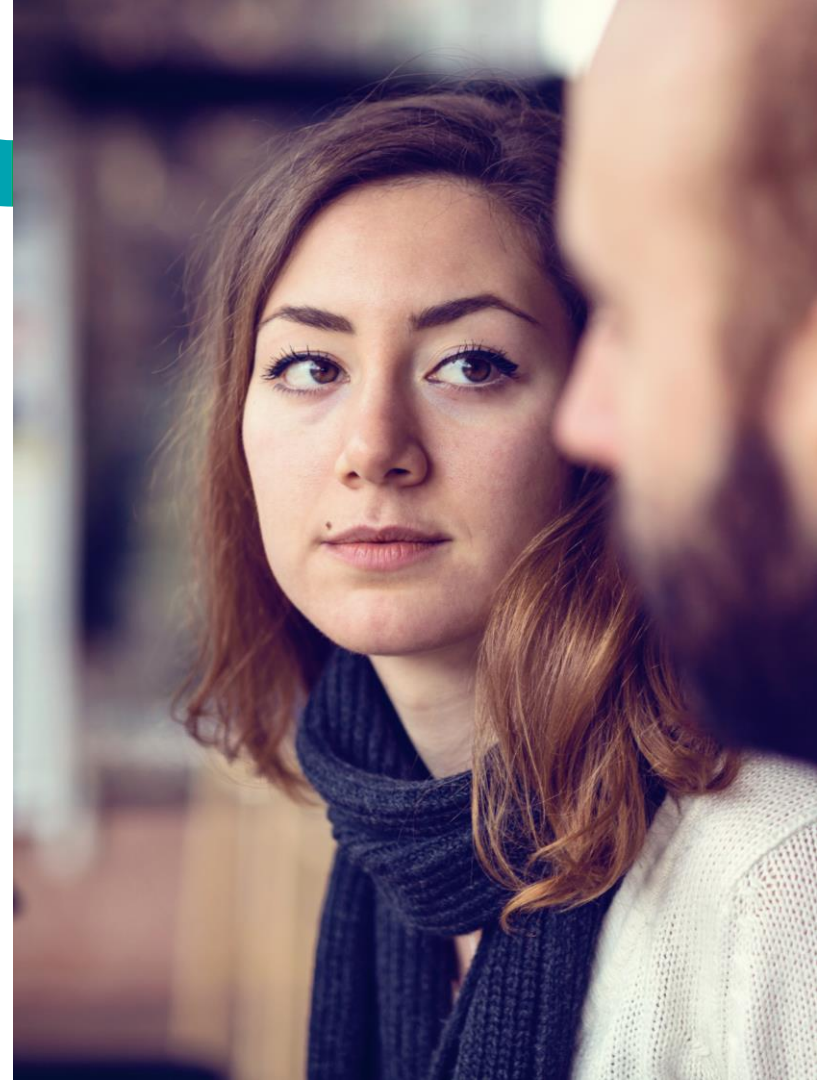
Financial attitudes

- Indicators: attitudes towards the future, non-impulsiveness, achievement orientation
- Challenges with young people:
 - living in the moment and glorifying getting rich suddenly, lack of critical judgment towards individualistic societal virtues
 - seeing no ways to overcome financial challenges of their families that are sometimes intergenerational
- Potential in harm prevention: encouraging conscious and value-based money management and reflecting on the importance of building a healthy relationship with money



Summary

- Framing gambling with finances instead of health: a feasible framework for
 - providing realistic information and concrete instructions on managing one's finances (knowledge)
 - separating long term and short term financial goals, promoting the use of a gambling budget and paying attention to gendered practices of financial education (behaviour)
 - challenging the societal ideals of consumption and wealth and exploring the social dimensions of financial decision-making (attitudes)
- Experts by experience could be systematically made use of in educating young people about financial aspects that are related to gambling



Sources

- (1) World Bank: Financial Capability Surveys Around the World, 2013.
- (2) Wilska, Nyrhinen, Ranta: Selvitys nuorten talousosaamisesta. Oikeusministeriön julkaisuja, Selvityksiä ja ohjeita 2024:29.
- (3) Nuorten talousosaamisbarometri. OP-ryhmä, HY, JY (2024).



Thank you!
Any questions or
comments?



aura.pylkkanen@takuusaatio.fi
teresa.tenkanen@takuusaatio.fi
www.takuusaatio.fi

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takuusaatio.fi

