



Early Childhood Economic Education Model to Suppress Consumerism

Inggrita Gusti Sari^{1*}, Yola Anggia¹, Monika Andrasari¹, Arif Rahman¹

¹[Faculty of Economics and Business, Universitas Sumatera Utara]

Abstract. The International Community Service held in the Kuala Lumpur Indonesian School aims to increase students' understanding of Financial Literacy. Departing from the phenomenon of the lack of outreach to early childhood and elementary school students regarding the importance of saving and the high level of consumerism in today's society, educators (lecturers) and students from the University of North Sumatra through presentations, discussions, and simulation on how to use a savings book tries to introduce how the concept of Financial Literacy in a simple way, how to distinguish wants or needs and how to manage finances to students who are in the Indonesian School of Kuala Lumpur. This project aims to support students' knowledge about it. The urgency to introduce the concept of financial literacy education to children, especially preschool and elementary students, will make children accustomed to managing finances properly and correctly in the future. Implementing this program is expected to increase students' knowledge of financial literacy, increase their enthusiasm to be more sensitive to economic conditions, and encourage them to get used to a culture of saving to avoid excessive consumerism in the future.

Keyword: Literacy, Financial, Deposit, Consumerism, Kuala Lumpur Indonesian School

Abstrak. Kegiatan pengabdian kepada masyarakat yang dilaksanakan di Sekolah Indonesia Kuala Lumpur bertujuan untuk meningkatkan pemahaman siswa mengenai Literasi Keuangan. Berangkat dari fenomena masih minimnya sosialisasi terhadap anak usia dini maupun siswa-siswi sekolah dasar mengenai pentingnya menabung serta tingginya tingkat konsumerisme yang berada di masyarakat masa ini, maka tenaga pendidik (dosen) dan mahasiswa dari Universitas Sumatera Utara melalui pemaparan, diskusi tanya jawab dan praktik menggunakan buku tabungan mencoba untuk mengenalkan bagaimana konsep Literasi Keuangan secara sederhana, bagaimana membedakan keinginan atau kebutuhan dan cara mengatur keuangan kepada siswa-siswi yang berada di Sekolah Indonesia Kuala Lumpur. Hal ini dilaksanakan dengan tujuan agar dapat menunjang pengetahuan siswa mengenai hal tersebut. Pendidikan literasi keuangan menjadi sesuatu hal yang penting untuk diberikan sedini mungkin kepada anak-anak khususnya pada anak usia pra sekolah dan sekolah dasar karena dengan pengenalan terhadap pengetahuan literasi keuangan sejak dini akan membuat anak-anak terbiasa mengelola keuangan dengan baik dan benar di masa yang akan datang. Dengan dilaksanakannya program ini diharapkan dapat berkontribusi meningkatkan pengetahuan siswa-siswi terhadap literasi keuangan dan meningkatkan semangat siswa-siswi untuk lebih peka terhadap kondisi finansial serta mendorong mereka

*Corresponding author at: Faculty of Economics and Business, Universitas Sumatera Utara, Medan, Indonesia

E-mail address: inggritagusti@gmail.com

untuk membiasakan budaya menabung agar terhindar dari sifat konsumerisme berlebihan di masa yang akan datang.

Kata Kunci: Literasi, Finansial, Menabung, Konsumerisme, Sekolah Indonesia Kuala Lumpur

Received 21 July 2023 | Revised 26 July 2023 | Accepted 30 December 2023

1 Introduction

Educational institutions are a means of guiding someone towards a better future [1]. Law number 20 of 2003 concerning the national education system states that national education functions to develop capabilities and form useful national character and civilization in the context of educating the nation's life. The increasingly rapid flow of digitalization in various lines of life offers challenges, especially for children's education. this condition can have a positive or negative impact, depending on their ability to sort out the information they read or download, and the role of parents is needed to accompany their children [2].

The Kuala Lumpur Indonesian School (SIKL) provides teaching and learning facilities for elementary to senior high school students following the national education curriculum under the management of the Indonesian Embassy in Kuala Lumpur. Various formal and informal activities have been carried out there. They start with teaching, learning, and other extracurricular activities to enrich students' knowledge. An International Community Service Program, "Financial Literacy", was implemented by lecturers of the Development Economics Study Program and given to students attending the Kuala Lumpur Indonesian School (SIKL); Malaysia aims to improve education by introducing financial literacy.

It is believed to be an essential knowledge given to children from an early age so that in the future, they will not live extravagantly and be able to make proper financial management efforts to get what they want. The long-term goal of financial literacy education is to increase the literacy skills of children who previously lacked or did not have the literacy to understand the concept of financial literacy. Besides that, another goal of literacy education is to increase the use of financial service products effectively and efficiently. It supports a good understanding of financial literacy so that they can determine products and services that suit their needs by considering their choices' rights, obligations, benefits, and risks.



Figure 1. The Kuala Lumpur Indonesian School (SIKL)

Financial literacy education for children is not just an introduction to money and nominal terms but a deeper understanding of financial literacy education for children, such as an introduction to the concept of managing finances properly and being able to control financial expenses by distinguishing between what is a need and what is just a want. In addition, it also emphasized the importance of a culture of saving. In this service, savings books and piggy banks are also given. This project is managed so children can directly implement them in everyday life. Financial literacy education is crucial in creating a society that knows how to manage finances appropriately and wisely according to needs. Financial literacy education is vital to give as early as possible to children, especially preschool and elementary school-age children. Introducing early financial literacy will make children accustomed to managing finances properly and correctly.

The problems partners face are very diverse and interrelated between one situation and another. Still, the problem raised here is the problem of education regarding financial literacy, which has never been taught to children at the Kuala Lumpur Indonesian School (SIKL) before. By seeing the urgency of the importance of financial literacy education to support life in the future. Where this is under the goals of **SDGS Number 4**, which is to ensure inclusive and equitable quality education and increase lifelong learning opportunities for all and **SDGS Number 17**, which is to strengthen the means of implementation and revitalize the global partnership for sustainable development. Therefore, this project involving lecturers from the Development Economics Study Program and the Indonesian Embassy (KBRI) Kuala Lumpur, Malaysia, agreed to carry out the "Literacy Education" program to improve further the ability to manage the finances of Indonesian children living in Kuala Lumpur, Malaysia.

2 Methods

The International Community Service is carried out at the Kuala Lumpur Indonesian School (SIKL). The action will take place on November 1, 2022. This program's target is the Kuala

Lumpur Indonesian School students. So far, understanding the importance of saving, differentiating wants and needs, and managing finances for elementary school children still needs to be improved. Therefore, the International Community Service Program "EARLY CHILDHOOD ECONOMIC EDUCATION MODEL TO SUPPRESS CONSUMERISM" is considered very important to support the success of Indonesian students in the future.

To solve partners' problems in terms of knowledge and understanding of customs and cultural tribes in North Sumatra, what will be done is:

- a. Submission of information, discussion, and question and answer to increase students' understanding of financial literacy, followed by games that help them understand the concept of financial literacy.
- b. Implementing "Financial Literacy" by providing piggy banks and savings books containing the columns they save, what they take, and the total cue. With this simple method, students are expected to be able to apply the numerical knowledge they get in class to their daily lives.

The implementation of this service activity begins with conducting surveys and mapping of partners, outreach to partner training and assistance. The method applied can be explained as follows:

- a. Pre-activity preparation by conducting an online pre-survey. This pre-field survey aims to identify important aspects in evaluating partners' problems and needs. With the help of the school principal, the team obtained information about the issues faced and what students need to encourage the spirit of saving and increase understanding of school students' financial literacy at the Indonesian Embassy (KBRI) in Kuala Lumpur, Malaysia.
- b. Initial socialization related to problems experienced by partners associated with the importance of Financial Literacy being taught from an early age
- c. Preparation of activity schedule. The preparation of the program is intended so that the activities are implemented in an orderly and directed manner.
- d. Submission of Information, discussions, and practices regarding Financial Literacy

3 Results and Analysis

The financial literacy activities include presenting the "Financial Literacy" concept by Arif Rahman, SE., M.Ec.Dev. In his presentation, students are guided to identify their needs and desires, after which it is continued with an explanation of the importance of getting used to a culture of saving, being an intelligent consumer and using money wisely, and being able to make an income and expenditure budget that can train students' numeracy skills. An understanding of Financial Literacy is fundamental because a child's financial intelligence can be given when they

go to school with some cash in their pocket. The point of giving money differs from how big or small the nominal is, but how to teach children to start managing their own money. Giving pocket money is a way to teach children to manage money as early as possible. Being responsible for managing their money will help the child's maturation process.



Figure 2. Financial Literacy Presentation

In This International Community Service, various systematic procedures or patterns are used as guidelines for achieving learning objectives. Strategies, techniques, methods, materials, media, and learning assessment tools exist. The learning method is the method or stages used in the interaction between students and educators to achieve the learning objectives set according to the material and mechanism of the learning method. One of the learning methods is a simulation in this program where students are taught to fill in savings books. The simulation method has several advantages, including being fun so that students are naturally encouraged to participate, allowing interaction between students, generating positive responses, and practising critical thinking for students. The community service team with this pioneering service scheme has four members: Ingrida Gusti Sari Nasution, SE., M. Si, Yola Anggria, SE., M.Ec, Monika Andrasari, SE., M. Si, Arif Rahman, SE., M.Ec.Dev and his team of students.

The results obtained from this activity are:

1. Introduction to the basic concept of saving by differentiating needs and wants
2. Presentation on savvy consumers and using money wisely
3. Improve students' numeracy skills by making income and expenses in a savings book.

The children's environment also contributes to strengthening literacy, especially in the financial aspect. The SIKL educational institution has been promoting the character building of students since kindergarten in various forms of activities such as an honesty canteen [3]. The results of Munawaroh looks at various implementations of character building and student learning creativity through the main programs at the Kuala Lumpur Indonesian School (SIKL) such as digital lesson

plans, honesty canteens, SIKL TV channels, life-based curriculum, SIKL Expression Stage, "Child Friendly" home learning", digital media teacher, and Library Explorace [4]. The aspect of honesty is the lifeblood of financial management. Fitriati conveyed that such grounding of good values to SIKL students becomes the catalyst of SIKL transformation that leads to its success [5].

4 Conclusion

International Community Service Program "Financial Literacy" is conducted by the lecturers of the Development Economics Study Program, which is given to students who attend the Kuala Lumpur Indonesian School (SIKL). The results of this service activity are:

- a. Presentation of material on Financial Literacy, the basic concept of saving by differentiating needs and wants,
- b. Providing savings books and piggy banks to students, making income and expenses in a savings book that can train students' numeracy skills

Students are expected to be able to apply an understanding of Financial Literacy in everyday life by setting aside some money to save in a piggy bank and writing it in the savings book that has been given. On the other hand, educators (teachers) are expected to continue to remind and motivate students to be sensitive in carrying out their obligations to manage their finances independently.

REFERENCES

- [1] K. Inayah, E. Yuli, N. Farika, and A. Nurronia, "Pengembangan Digital School System Dalam Menghadapi Era Society 5.0 Di Sekolah Indonesia Kuala Lumpur (SIKL)," *J. Educ. Integr. Dev.*, vol. 1, no. 3, pp. 210–224, 2021.
- [2] S. Kurniawan and M. Miftah, "Malay Culture-Based Character Education Model For Elementary School-Aged Children In Urban Malay-Muslim Family In Pontianak," *Elem. Islam. Teach. J.*, vol. 9, no. 1, pp. 15–34, 2021, doi: 10.21043/elementary.v9i1.9997.
- [3] D. I. Cahyani, F. U. Muna, M. F. Fadhilah, and S. Wachidah, "Peran Lembaga Pendidikan dalam Membentuk Karakter Peserta Didik Era 4.0 di Sekolah Indonesia Kuala Lumpur," *J. Educ. Integr. Dev.*, vol. 1, no. 3, pp. 181–194, 2021.
- [4] D. A. Munawaroh, S. W. Widyastuti, and A. N. Itsnaini, "Pembelajaran Siswa Melalui Program Utama Pada Sekolah Indonesia Kuala Lumpur (SIKL)," *J. Kaji. Pendidik. Dasar*, vol. 6, no. 1, pp. 14–23, 2021.
- [5] R. Fitriati, R. Romdana, and U. Rosyidi, "The Practice of the School Principal ' s Leadership in Sekolah Indonesia Kuala Lumpur (SIKL): The Study of Leadership Styles and Techniques with Cognitive ScienceDirect The Practice of the School Principal ' s Leadership in Sekolah Indonesia Kuala Lumpu," *Procedia - Soc. Behav. Sci.*, vol. 115, no. February 2014, pp. 258–268, 2014, doi: 10.1016/j.sbspro.2014.02.434.