

Analysis of Student Economic Literacy Levels Malang State University

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Abstract: The purpose of this study is to determine the level of economic literacy of Malang State University students. This research is quantitative research with a survey type. The research sample is 80 students from class 2021 who had taken microeconomics and macroeconomics courses. The results of this study indicate that the level of economic literacy of Economics Education students at the State University of Malang is categorized as moderate with a value of 61.13% (60-79%). The total percentage of correct answers from students or respondents with the most correct answers amounted to 56.25% with a total of 45 students in the moderate category. Furthermore, the correct answer with a percentage of 36.25% with a total of 29 students in the low category. While the high category was 6 students with a percentage of 7.5%. The implication of this research is that students need to increase their knowledge and understanding of the economy. This is because supporting their competition and economic literacy greatly affects several aspects of student life. In addition, economic literacy is also needed to make the right economic decisions in everyday life.

Introduction

Changes in the economic situation often occur at this time, ranging from the existence of covid-19, and high inflation spikes to the threat of a global recession that could occur in the future. Based on a report from the Central Statistics Agency in 2020, Indonesia experienced contraction of economic growth of -2.07% (Badan Pusat Statistik, 2020). The contraction of the economy occurred as a result of restrictions on the movement of the business world itself due to covid-19. The impacts include layoffs, the occurrence of PMI Manufacturing Indonesia, a decrease in imports, an increase in prices or inflation, and a decrease in revenue in the tourism sector (Yamali & Putri, 2020). However, in 2021 and 2022, Indonesia's economic growth has begun to lead to more positive improvements where economic growth in 2021 amounted to 3.69% and in 2022 amounted to 5.31% (Badan Pusat Statistik Indonesia, 2022). The changes in this economic situation and the impacts caused to make the community or a person need to anticipate this well. This can be done if a person has good economic literacy.

Economic literacy is very important for a person to have because with economic literacy one can identify economic problems, collect and organize economic evidence, examine the consequences of changes in economic situations, and consider costs against benefits (Stambler, 2013). Economic literacy is an understanding and basic knowledge of theories, concepts, and their applications (Yasmin *et al.*, 2014). Economic literacy is also a person's ability to be able to recognize and use economic concepts and economic thinking to improve and gain welfare (Mathews, 1999).

In the context of students, economic literacy is very important to have. This is because learning related to economics itself has been taught in several courses such as macroeconomics and microeconomics. Economics is a science related to how a society or a person makes choices using limited resources (Samuelson, 2010). Learning these economics will have an impact on students' economic literacy. The more economic knowledge obtained, the better the economic literacy will be. The benefits of having good economic literacy for students such as having good consumption patterns, high entrepreneurial interest in making impulsive purchases, and good saving behavior as well. In addition, economic literacy is very important to have because it changes unintelligent behavior to be smarter (Sina, 2012). Economic literacy is also useful to help make everyday economic decisions (Budiwati *et al.*, 2020).

The results of research related to student economic literacy show that economic literacy has a positive effect on student consumption behavior (Astuti, 2016). Economic literacy has a positive and significant effect on student entrepreneurship interest (Sahroh, 2018). Economic literacy has a positive effect on impulsive buying behavior (Pratiwi, 2017). Economic literacy affects student saving behavior (Novitasari & Ayuningtyas, 2021).

Based on the results of the above research, shows that economic literacy has a good influence on students ranging from consumption behavior, increasing entrepreneurial interest, impulsive purchasing behavior, and student saving behavior. In addition, an analysis

of the level of economic literacy of students at the university level shows that the economic literacy of prospective Social Studies teachers at Akdeniz University is categorized as moderate or good (Akhan, 2015). The economic literacy of Anadolu University students is categorized as moderate or good (Gerek & Kurt, 2011). The economic literacy of International Islamic University Malaysia students is categorized as moderately good (Hashim & Kazeem Kayode, 2013).

Measurement of the analysis of the level of economic literacy of students will use the economic literacy test or TEL (Test of Economic Literacy). According to (Walstad, 2013) this economic literacy test is useful for assessing the extent of understanding of the economy of a student so that it can be known which material is not understood by the student. In conducting this economic literacy test will use the standards of the CEE (Council for Economic Education) which has 20 economic indicators.

This research is expected to be a reference and guide for readers, especially students. In addition, this research topic is very important, especially for economic education students to know their level of economic literacy so that they can utilize this knowledge in carrying out their daily lives. The purpose of this study was to determine how the level of economic literacy of Economics Education students at the State University of Malang.

Research Method

This research is a quantitative study with a survey type. Survey research itself aims to provide an explanation of a problem. This research is also included in descriptive research which will provide an overview of the level of economic literacy of Malang State University students.

Data Sources

The data sources in this research are 3rd semester Malang State University students who have completed microeconomics and macroeconomics courses. The number of students themselves is 107 from 4 classes, namely class M, class MM, class N, and class O. Based on calculation carried out using the total Slovin formula from a total sample is 80 students. The sampling technique used is simple random sampling using the Randbetween formula in Excel 2016 application.

Type of Data

The type of data in this study is quantitative. The data collection technique used is an online questionnaire containing test questions. In addition, in determining the answer there will be several alternative answers, one of which is the correct answer.

Instrument Development

This study uses test questions to test the level of economic literacy of students with standards from the Council for Economic Education (CEE). This standard has also been tested for validity (Walstad, 2013). The indicators of economic literacy themselves are as follows:

1. Scarcity, choice, and production resources
2. Decision-making and marginal analysis

3. Economic system and allocation mechanism
4. Economic incentives: price, salary, and profit
5. Trade and exchange
6. Specialization and comparative advantage
7. Markets and prices
8. Demand and supply
9. Competition
10. Economic institutions
11. Money and inflation
12. Interest rates
13. Labor market and income
14. Entrepreneurship
15. Physical and human capital investment
16. Economic role of government
17. Government failure
18. Output, income, employment, and price levels
19. Unemployment and inflation
20. Fiscal and monetary policy

Data Analysis

After all the data is collected, data analysis will be carried out. Data analysis is done by looking at the results or scores of each student's ability to answer each question correctly. Furthermore, it will be presented in the form of a percentage and described descriptively from all existing answers.

Result and Discussion

This study aims to determine the level of economic literacy of Economics Education students of the State University of Malang class of 2021 who have taken Macroeconomics and Microeconomics courses. The results of students' economic literacy levels will be seen from the test questions that have been given. The number of students who became the sample itself was 80 students.

The results of the research on the level of economic literacy of Economics Education students of the State University of Malang class of 2021 are as follows:

Table 1. Categories of Economic Literacy Level

No	Number of Correct Scores	Category
1	>80%	High
2	60-79%	Medium
3	<60%	Low

Based on Table 1, there are 3 levels of economic literacy, namely the level with a high category where the number of answer scores is more than 80% or has correct answers to

about 16 questions. A level with a medium category where the number of answer scores is between 60-79% or has the correct answers to about 12-15 questions. While the low level is where the number of answer scores is less than 60% or the correct answer is no more than 11 questions. Based on the results of the tests that have been carried out, the average value of respondents answering the correct questions is 61.13%, this shows that the level of economic literacy of Economics Education students at the State University of Malang is in the moderate category (60-79%).

Table 2: Total percentage of correct answers

No	Number of Students	Persentase	Category
1	6	7,5%	High
2	45	56,25%	Medium
3	29	36,25%	Low

Source: Gform (Data processed by researchers in 2022)

Based on Table 2, shows that the percentage of correct answers from students or respondents with the most correct answers is 56.25% with 45 students and is categorized as moderate. Furthermore, the correct answer with a percentage of 36.25% with a total of 29 students and categorized as low. While the high category was 6 students with a percentage of 7.5%. This also illustrates that the 2021 State University of Malang Economics Education students have a moderate level of economic literacy.

Table 3. Percentage of Respondents' Answers Based on Indicators

No	Indicator	Economic Literacy Level		
		High > 80%	Medium 60 – 79%	Low <60%
1	Scarcity, choice, and production resources	87,5%		
2	Decision-making and marginal analysis			20%
3	Economic system and allocation mechanism		62,5%	
4	Economic incentives: price, salary, and profit	92,5%		
5	Trade and exchange		70%	
6	Specialization and comparative advantage	80%		
7	Markets and prices			23,8%
8	Demand and supply			12,5%
9	Competition			21,3%
10	Economic institutions		73,8%	
11	Money and inflation	83,8%		
12	Interest rates		61,3%	
13	Labor market and income	91,3%		
14	Entrepreneurship	80%		
15	Physical and human capital investment	90%		
16	Economic role of government		55%	
17	Government failure			3,8%
18	Output, income, employment, and price levels		67,5%	
19	Unemployment and inflation	83,8%		
20	Fiscal and monetary policy		62,5%	

Source: Gform (Data processed by researchers in 2022)

Table 3 shows that the percentage level of correct average answers from each indicator varies. Answers in the high category with the highest average value were in the economic incentives indicator with a value of 92.5% and the labor market and income indicator with a value of 91.3%. Answers in the medium category with the highest average value were in the economic institutions indicator with a value of 73.8% and the trade and exchange indicator with a value of 70%. While answers in the low category with the highest average value were in the market and price indicator with a value of 23.8% and the competition indicator with a value of 21.3%.

Based on the research results above, it can be seen that the level of economic literacy of Economic Education students at the State University of Malang is categorized as moderate with a value of 61.13% (60-79%). This shows that students already have good enough abilities in the field of economic literacy as a result of the learning process that has been carried out and good economic literacy is very necessary for a student to have. Students with good economic literacy will be able to behave smarter than students who have poor economic literacy. Students with good economic literacy will be able to understand the phenomena and economic situations that are happening, besides that students are able to make economic decisions more precisely. This is in line with the opinion of (Akhan, 2015) that with economic literacy students can become good individuals and citizens in economic terms. Students need to explore and understand every change in the economic situation that occurs with good economic literacy (Hashim & Kazeem Kayode, 2013). The ability to understand good economics will be followed by experience or good application, it can be said that students have a good level of economic literacy as well (Suminto *et al.*, 2020). According to (Redmund, 2010) the purpose of teaching economics is to be able to improve insights and life skills that are related to human actions, especially regarding actions in carrying out economic activities.

In addition, the positive effect that students get when they have good economic literacy is that students are able to make good daily economic decisions (Budiwati *et al.*, 2020). Economic literacy greatly affects student consumption behavior (Astuti, 2016). Economic literacy greatly influences student entrepreneurial interest (Sahroh, 2018). Economic literacy is very influential on students' intrusive purchasing behavior (Pratiwi, 2017). Economic literacy is very influential on student saving behavior (Novitasari & Ayuningtyas, 2021). The need for economic literacy is very important, not only for students but also for all citizens or society, this is because everyone must be economically literate to save and manage well-limited resources (Yasmin *et al.*, 2014). As a result, student economic literacy can serve as a foundation for carrying out economic activities. Economic literacy will continue to be beneficial in the future for both students and others.

Conclusion

Based on the results of the study, it can be concluded that the level of economic literacy of Economics Education students of the State University of Malang class of 2021 is categorized as moderate with an average value of 61.13%. The advice that can be given to students is to

increase their knowledge and understanding of the economy. This is because support the competition that is owned and economic literacy greatly affects several aspects of student life. In addition, economic literacy is also needed to make the right economic decisions in everyday life.

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