

Social Work and Economic Literacy

Guiding Competencies, Values, Principles and Standards

3

Goal: This section zeroes in on select principles and standards emanating from core social work values that relate to economic literacy and social work practice. In addition, this part of the curriculum delves into the meaning and definition of economic literacy, and how it differs from financial counseling.

Social workers are frequently on the frontlines of combating poverty. This is especially true in times of major economic hardship such as the Great Recession, which began in 2008. The economic upheaval and devastation affected large numbers of people throughout the country. The suffering has been enormous and economic recovery has been slow. The need for families to confront ongoing economic challenges has resulted in the need to educate social workers and other human service professionals to become **more economically literate and competent**.

Economic Literacy: Part of Every Social Worker's Toolkit

These competencies include the ability to:

- Identify and discuss financial issues
- Assist clients to obtain and retain appropriate benefits
- Help clients understand asset-building options
- Acquire a basic understanding of the market economy
- Understand how the broad economic picture contributes to the economic well-being -- or to the economic stress -- experienced by individuals, families and communities.

Economic literacy and competency is broadly defined as increasing one's skills and knowledge so that you can better serve clients in addressing their economic problems. Baseline knowledge should include the ability to identify potential solutions such as accessing entitlement programs, discussing economic asset-building strategies, and helping clients make informed financial decisions that are geared toward strengthening household stability, hope, and opportunities.

Becoming economically literate will help practitioners better understand the economic forces that significantly affect the quality of their clients' lives, so they can recognize, and point clients in a direction that will improve financial stressors.

While practitioners may educate clients about benefits and asset-building resources, or refer clients to legal and financial advisory experts in asset management, economic literacy or economic capacity building is not financial counseling. Rather, it is the ability to know about how economics work so that you can provide clients with resources and options, and increase their basic knowledge base about managing their money. This may include ideas for budgeting, savings, credit/debt, insurance, investments, home ownership and pension/retirement planning.

Economic literacy includes ethical values

A discussion about practice involving economic literacy must begin with professional values. The National Association of Social Workers (NASW) Code of Ethics (1999) represents a set of core values, principles and ethical standards, which inform all areas of social work practice and provides a platform of values. The NASW Code of Ethics asserts, "The primary mission of the social work profession is to enhance human wellbeing and help meet the basic human needs of all people, with particular attention to the needs and empowerment of people who are vulnerable, oppressed, and living in poverty." The Code of Ethics further references the significance of ongoing professional development and cites the importance for social workers to "develop and enhance their professional expertise."

This curriculum honors these fundamental ethical considerations by providing information and resource tools for social workers and other human services professionals to use in honing their professional skills and advancing the well-being of their clients. While the following broad principles are rooted in social work values, they have wide application to the work of other human service practitioners.

A. Commitment to Social Justice. The NASW Code of Ethics identifies social justice as a core social work value. It urges social workers to work for social change with a primary focus "... on issues of poverty, unemployment, discrimination, and other

forms of social injustice,” all of which can undercut a client’s economic prospects, opportunities, and security. The economically literate practitioner has the knowledge to apply an economic lens to psychosocial problems. Commitment to social justice and utilizing core competencies increases the social workers’ capacity to assess and intervene on behalf of a clients’ economic needs, to understand the clients’ economic circumstances within an economic context at all levels, to engage in direct practice with clients to access information, services and resources, and to advocate with clients for greater equality of opportunity.

B. Ethical Standard of Self-Determination. The NASW Code of Ethics protects the client’s self-determination and obligates social workers to assist clients to achieve their own goals, whether or not we agree with their choices. The over-riding exception to self-determination occurs when a client’s behaviors are deemed harmful to the client and others.

Supporting client self-determination requires that the social worker suspend his or her own personal value judgments about money, including ideas and feelings about client’s monetary values or spending behaviors. How clients manage their finances varies considerably. Some people may prefer economic independence, others may prefer interdependence, and still others may have to depend on friends or relatives. The choice may reflect personal preferences, life circumstances, prevailing cultural norms, or their assessment of their capacity to manage their own finances. In recognizing the mandate of self-determination, social workers assist clients to identify their needs, preferences, and the feasibility of economic self-management.

As an example, a recently widowed older woman, who has been financially supported by her husband for most of her life, may not know how to write a check or balance a checkbook. She may feel that she cannot carry out these tasks or may not care to learn at this point in her life. Instead she may want or expect her children to pick up where her deceased husband left off. In this situation, the social worker can explore the feasibility of this preference with the client. If her children are not able or willing to accept this responsibility, the social worker might engage the client in restructuring her expectations of her children, and help her to discover that she can manage her finances, and/or explore other options.¹

C. Ethical Standard of Cultural Competence and Social Diversity. As explored earlier, it is essential that social workers seek to understand and respect diversity of all kinds, including differences in culture, race, ethnicity, religion, age, sexual orientation, physical and mental abilities, family structures and income. Economically-literate social work practice recognizes that attitudes about money are significantly influenced by many factors that are frequently subsumed under the term “cultural differences” or “cultural competency.”

Financial preferences are often subtle or can be manifest by material choices. Examples of value judgments include disparaging people with limited means who spend money on costly electronics rather than healthy food; criticizing people who receive public assistance when the social worker thinks that they should be working; or belittling people for their “excessive shoe collection” or “flashy” jewelry. Other examples include judging clients based upon the type of car s/he drives, or viewing them as “cheap” or “stingy” based upon the amount money they spend on themselves or their families. In order to effectively engage clients, social workers should understand their clients’ choices within the context of culture and diversity.

Such stereotypes and reactions illustrate dominant societal values that the popular media reinforces. If left unexamined, these ideas can negatively affect the quality of services provided. Drawing on personal ideas about what is proper and improper economic behavior can quickly translate into a value judgment. Unrecognized, it can interfere with an accurate assessment of the client’s needs, limit the ability to build a relationship, and block development of an effective problem-solving strategy.

Instead of passing judgment on client choices—even those that we think may cause harm or distress—we can work with clients to help them understand the consequences of their behavior, assess the pros and cons, and /or collaborate with clients who want to make changes in their financial behavior(s). Utilizing a lens that includes awareness of financial diversity is central in economically literate practice. It involves self-awareness and reflection about how one feels about people who have different financial styles and behaviors from our own in order to avoid conscious or unconscious, malicious, or well-meaning judgments.²

D. Conflicts of Interest. The NASW Code of Ethics explicitly prohibits “conflicts of interest that interfere with the exercise of professional discretion and impartial judgment.” Such conflicts can arise when a client requests assistance with financial matters, for example, if he or she asks the social workers to cash the client’s check or to become guardian over a legal matter.³ This ethical consideration differs from legal guardianship that an agency may assume if a person lacks decision-making capacity.

E. Privacy and Confidentiality. Ethical issues can surface around the areas of privacy and confidentiality. What actions are you expected to take if a client reveals that s/he obtained money illegally, through drug dealing, prostitution or extortion? In another instance, one member of a family may ask you not to tell another family member about certain economic behavior such money laundering, gambling, spending money, etc. Clients may share such information, and believe that this information will remain confidential. Legal considerations about confidentiality should be directly shared with clients and made clear.⁴

F. Clients Who Lack Decision-Making Capacity. Some clients may have mental health issues or cognitive impairments that limit their decision-making capacity. At what point do we limit their rights to decision-making and what are the criteria for such decisions? Subtle but powerful signals can serve to undermine clients' rights to self-determination and are communicated when social workers or others participate in a discussion in a way that renders the client invisible. These include failing to make eye contact or not directly addressing the client, or discussing the client with others in the room as if he or she was not present or able to participate in decision-making.⁵

For Discussion:

1. Review the sections of the NASW Code of Ethics referenced above. What questions arise for you about how they might guide your conduct when working with clients around financial issues?
2. What would you do if one of your clients disclosed that s/he was involved in prostitution? Would your perspective or intervention change based on whether or not his or her prostitution was by choice or by coercion?
3. Have you come across an ethical dilemma when working with a client? If so, how did you handle it? Moving forward, how would you handle a similar situation?

NOTES

UNIT THREE

1. National Association of Social Workers. (approved 1996, revised 1999). Code of Ethics of the National Association of Social Workers. Washington, DC: Author. Retrieved from <http://www.socialworkers.org/pubs/code/default.asp>
2. NASW Code of Ethics: 1.05. Retrieved from <http://www.socialworkers.org/pubs/code/default.asp>
3. NASW Code of Ethics: 1.06. Retrieved from <http://www.socialworkers.org/pubs/code/default.asp>
4. NASW Code of Ethics: 1.06. Retrieved from <http://www.socialworkers.org/pubs/code/default.asp>
5. NASW Code of Ethics: 1.14 Retrieved from <http://www.socialworkers.org/pubs/code/default.asp>