Financial literacy as precondition of ethics in financial communication. An Applied Linguistics perspective on the language of numbers.

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Résumé

Ethics and finance seem to be incommensurable to many of us: almost every day are there news about unruly financial practices, tax evasion, and market manipulations. The complex interplay and interdependence between multitudes of stakeholders make it difficult to understand which parties and factors influence ethical behaviour in the domain of finance (Palmieri, Perrin, & Whitehouse 2018). Moreover, vastly different levels of knowledge regarding financial principles and standards impede a common base for assessing ethical behaviour.
This is why behaving ethically in financial communication requires the knowledge of the underlying rules, principles, and mechanisms: Only if stakeholders understand what consequences their actions and behaviour have, can they assess whether they act ethically or not in relation to these rules. In the context of widely accepted ethical rules, such behaviour includes, e.g., communicating in agreement with the stock market law, investing in ethically sound projects and instruments, and setting up sustainable investment plans for the current and future wealth.

Key for such knowledge-based ethical behaviour in the financial domain is financial literacy, "the knowledge and understanding of financial concepts and risks, and the skills to make effective decisions across a range of financial contexts to improve the financial well-being of individuals and society, and to enable participation in economic life" (OECD, 2014). However, according to studies of OECD, a majority of society-at-large lacks financial literacy and cannot answer simple questions such as what the main differences are between shares and bonds or how cashflow is defined.

This is even more problematic as text products in financial communication do not fulfil their requirement to translate between experts and laypersons. In the case of financial analysts, ongoing cost cutting measures, tough competition with peers, and missing language awareness lead to a neglection of intra-lingual translation (Whitehouse, 2017). In the case of financial journalists, marginal financial education, questionable quoting practices, and growing time pressure often result in texts that offer no value added to society-at-large.

In my presentation, I define the key concepts of *financial literacy*, *language awareness*, and *ethics in finance* (part 1). Drawing on a long-term qualitative corpus (part 2), I use pragmatic text analysis to explain how the lack of intra-lingual and cross-domain translation affects stakeholders and how this impacts ethics in financial communication (part 3). The

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results suggest that texts in financial community bear the risk of partial communicative failure, which impedes the target readers to identify non-ethical behaviour and to act ethically themselves (part 4). I conclude by explaining measures that can improve the communicative potential of financial text products and discussing actions that can lead to more ethics in financial communication (part 5).

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