PEER-REVIEWED PAPER

Strategy and Belief for Successful Family Budget Management: A Case Study of Family Account Books for Over 50 Years

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Abstract

Improving financial literacy is important for achieving an internationally sustainable society. According to various surveys and other studies, financial literacy education regarding post-retirement economic life has been implemented in many countries. However, a gap in the literature remains regarding long-term household individuals who have achieved a stable financial life after retiring. By analyzing household financial management methods based on 52 years of case study household accounts and records, we identified the following new contents of financial literacy: (1) attitudes toward keeping household books, (2) attitudes toward avoiding large deficits, (3) bookkeeping skills, (4) life planning skills, and (5) skills in using the Internet to access financial information on a computer. This study dynamically analyzes the family cycle and parent-child and couple relationships from the perspective of household finances. The results can inform educational programs for institutions that provide financial literacy education and contribute to research in the field of family sociology.

KEYWORDS: **LONG-TERM HOUSEHOLD, ACCOUNT BOOKS, HOUSEHOLD ECONOMY, LIFE DESIGN, FINANCIAL LITERACY**

Introduction

In today's Japanese society, with an aging population rate of 28.1% (Cabinet Office Japan, 2019) and an expected increase in average life expectancy (Cabinet Office Japan, 2018), many households are concerned about their financial lives in old age. The Japanese government also states that in today's age of 100-year life expectancy, it is difficult to live on public pensions and retirement benefits alone and that self-help efforts to extend individual "asset life expectancy" in preparation for longevity risks are becoming essential to enjoy a stable financial life after retirement (Financial Services Agency Market Working Group, 2019). Nakagawa (2021) states that such economic insecurity in old age is partly due to a lack of financial literacy in areas such as pensions and insurance and that the financial literacy of individual households must be improved.

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Due to increased longevity, aging, changes in pension systems, and the increasing complexity of financial products common to OECD member countries, the OECD published “the first book of large-scale research on financial education at the international level” in 2005 (Shigekawa, 2020, p. 270) According to the book, surveys in several OECD countries, including Japan, showed that understanding and awareness of finance are generally low and that there is a growing need for financial education. In 2012, the OECD formulated the “High-level principles on national strategies for financial education.” It defines financial literacy as “the totality of financial awareness, knowledge, skills, attitudes, and behaviors necessary for making sound financial decisions and ultimately achieving personal well-being in financial matters” (OECD, 2012).

The OECD has established an international network for financial education, and other countries are also moving forward with financial and economic education. For example, in the United States, the Consumer Financial Protection Bureau (2015), the U.S. Department of the Treasury (2019) and The Financial Literacy and Education Commission (2020) have each produced reports that address the national strategy of improving the public’s financial literacy. The Consumer Financial Protection Bureau in particular has developed the concept of financial well-being (defined as the state of being able to pay one's current and future financial obligations adequately, feeling secure in one's own financial future, and making choices to enjoy life) as the underlying concept for financial and economic education in the United States (Consumer Finance Protection Bureau, 2015).

In the UK, the government-established MaPS (Money and Pension Service, 2020) plays a central role in providing financial information and services to the public as a national strategy. 2020, the government has set a numerical target to improve the financial well-being of the public as a national strategy. In this context, the MaPS plays a central role in providing financial information and services to the public (Money and Pension Service, 2020).

In Japan, the Central Committee for Financial Services and Public Information, which has its secretariat at the Bank of Japan, the central bank, designated 2005 as the first year of financial education and is working with ministries, agencies, and financial institutions to improve financial literacy. In the present study, financial literacy is divided into four broad categories:

1) household budget management
2) lifestyle planning
3) understanding financial knowledge and selecting appropriate financial products, and
4) appropriate use of outside knowledge.

This study posed the following research question: “What kind of financial literacy content is needed for households to realize a worry-free financial life in retirement?”

Previous research

Financial planning for retirement is necessary to achieve a stable financial life in retirement. Researchers have found a positive correlation between higher financial literacy and retirement planning in several countries (Lusardi & Mitchell, 2011; Bucher-Koenen et al., 2011; Van Rooij et al., 2011). In Japan, those with higher financial literacy are more likely to have a retirement savings plan (Sekita, 2011).

A positive correlation has also been found between financial literacy and stock ownership (Van Rooij, 2011). Among financial literacy, investment-related knowledge, such as the difference between bonds and stocks and the relationship between bond prices and interest rates, is considered particularly important.

Farrell et al.'s (2016) study of Australian women showed that women with higher financial self-efficacy were more likely to own investments and savings products (Farrell et al., 2016).

So, what kind of financial literacy should household managers develop in order to achieve a stable financial life in retirement? Kikuchi (2019) noted that in order to promote retirement asset building, the Teachers' and Faculty Retirement Association of America divides financial literacy into four categories:

1) benefits of retirement plans,
2) understanding life events and spending details,
3) understanding the concepts of saving and investing, and
4) learning how to cope with market fluctuations.

In Japan, the following are also required:

1) early confirmation of the amount and form (lump sum or pension) of retirement benefits,
2) confirmation of regular income and expenses, assets and liabilities such as pensions after retirement, and
3) in case a shortage of funds for living after retirement is predicted, consideration of the need for continued income
4) continued work in order to secure income, and
5) continued asset management over the medium to long term, with planned withdrawals (Financial Services Agency Japan, 2019).

However, these results were derived from various statistical surveys. By extracting household management methods from long-term household data on stable economic life in old age, we believe it will be possible to identify the specific contents of financial literacy. Although this study is a case study of a single household, long-term household records spanning more than 50 years are available.

Only a limited number of case studies use long-term household financial records as the subject of analysis. Among them, we could not find any studies that focused on the content of financial literacy necessary for a stable financial life in old age. The financial literacy content obtained from the results of this study is significant because it will help not only researchers in this field but also governments and companies that provide financial literacy education to create educational programs.

The family life cycle and theories of interrelationships within the family, which are revealed by family dynamics analysis, are important perspectives in family sociology. The theory of the family life cycle, which is deeply related to the family's economic life, including the different family structures and consumption structures at each life stage, is significantly used in long-term family life planning and welfare planning. In this sense, analyzing long-term data from a case study household allows for a dynamic analysis of the family life cycle and the relationships between parents and children and between husband and wife from the household financial perspective.

Research Methods

In this study, 52 years of household financial records of one working family (hereafter referred to as "Family A"), beginning in the late period of Japan's rapid economic growth (1967) and continuing until 2018, were analyzed. The first half of Family A's records (1967–1989) has already been studied by Nakagawa (2021). The present study adds the subsequent period from 1990 to 2018 to the analysis to enhance the interpretation.

The household records of Family A consist of household account books (1967–2000) and receipt books (2001–2018). Although a wide variety of household account books are commercially available in Japan, Family A recorded their expenses in notebooks in a unique format with separate expense categories.

Specifically, for income, take-home pay income is recorded after taxes—social security contributions, and internal deposits are deducted. Expenses are categorized into seven items:

- Monthly payment (common to all family members)
- Food (common to all family members)
- Miscellaneous expenses (common to all family members)
- Expenses for husband and wife
- Expenses for children
- special expenses (common to all family members) and
- Balance (common to all family members),

as regular expenses such as electricity and gas bills, and the amounts are recorded with the name of each item. The receipt book is used to keep track of daily purchases. Receipt books are notebooks in which receipts for daily purchases are pasted.

In addition to these household account books and receipt books, we also used supplemental materials such as pay slips and tax returns for income, as well as credit card statements and savings account books for expenses.

For the compilation of these household records, we created a database by coding these household records according to the codes of the item names in the Ministry of Internal Affairs and Communications' *Household Budget Survey* and inputting them together with their monetary values. For the analysis, we compared the data with the average of households headed by workers and the average of the cohort of the same generation in the *Family Income and Expenditure Survey* of the Ministry of Internal Affairs and Communications.

In the analysis of long-term household finances, the socio-economic background and life history of Family A, actual household income, average propensity to consume, Engel's coefficient, educational expenses (three children and wife), history of housing and real asset purchases, and Family A's household budget management methods were used to clarify how they achieved a stable economic life after retirement.

Furthermore, in order to capture the actual situation of household budget management and financial knowledge and attitudes that led to the realization of a stable post-retirement economic life, we interviewed the wife, who was primarily responsible for household budget management.

The long-term analysis of Household A's finances reveals the characteristics of household management and the financial literacy of the household managers that led to the realization of a stable financial life after retirement.

Results

Social and Economic Background of Family A

Figure 1 shows the economic situation in Japan since 1967, the year in which the household accounts of Family A were compiled. At that time, Japan was in the midst of a 57-month economic boom that began in 1965, and despite two oil shocks in 1973, the economy generally grew positively until 1990, when the husband turned 50 years old.

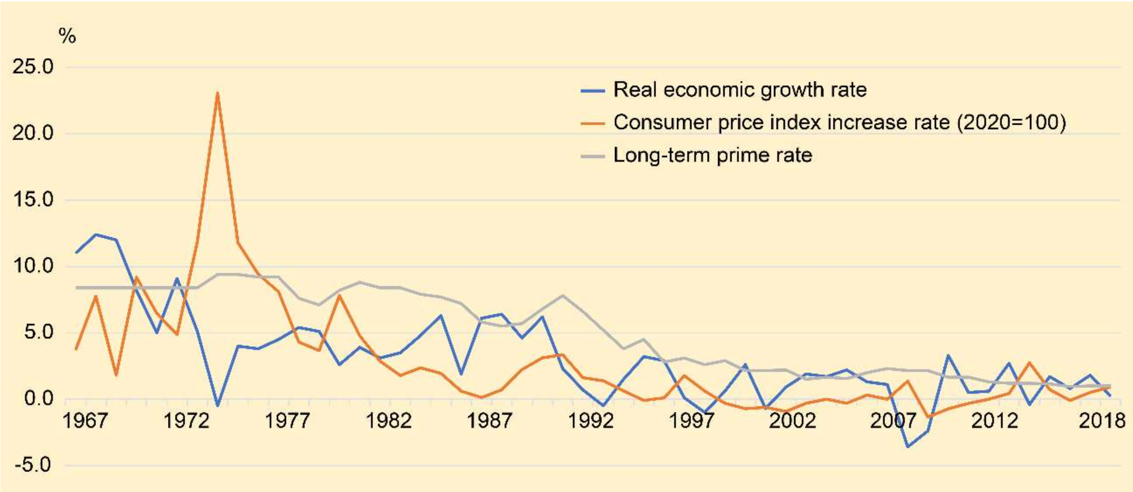

Figure 1 Socio-economic background of Family A

The following year, 1991, the bubble economy collapsed. There followed a period of economic stagnation, but there were also periods of economic boom. The consumer price index rose steadily from the period of high economic growth until around 1998, when the bubble economy was in full swing, but changes since then have been minor.

Family Life History

Table 1 shows the 52-year life history of Family A from marriage to retirement. In 1962, the husband graduated from a four-year college and started working for a company, retiring in 1994 at the age of 54. In 1965, the wife graduated from high school and started working for the same company as her husband. They married in 1967. The first, second, and third daughters were born in 1968, 1973, and 1977, respectively. In 1986, when the third daughter entered the fourth grade, his wife, a housewife, enrolled in college (correspondence course) at the age of 39. The year after completing graduate school, she became a certified financial planner. After working part-time for six years, she became a full-time employee in 2001, at the age of 54, and was still working there during the last year of this household budget report (2018).

Table 1 Family life history of family A

AD	Husband		Wife		Eldest Daughter		Second Daughter		Third Daughter	
1967	27	Marriage	20	Marriage						
1968	28		21		0	Birth				
1972	32		25		4		0	Birth		
1977	37		30		9		5		0	Birth
1986	46		39	University	18	Vocational school	14		9	
1988	48		41		20	Employment	16		11	
1989	49		42	University graduation	21		17		12	
1992	52		45	Enrollment in graduate school	24		20	University	15	
1994	54	Retirement	47	Graduated from graduate school Part-time job	26		22		17	
1995	55	Re-employment	48	AFP Certification	27	Married	23		18	
1996	56		49		28		24	Employment	19	University
1999	59		52		31		27		22	Employment
2000	60		53		32		28		23	
2001	61	Re-employment	54	Full-time job	33		29		24	
2004	64		57		36		32	Self-live	27	
2005	65	Retirement	58		37		33		28	Married
2006	66		59		38		34		29	
2008	68		61		40	Living together	36		31	
2010	70		63		42		38		33	
2011	71		64		43		39	Married	34	
2018	78		71		50		46		41	

The oldest child graduated from a vocational school, and the second and third daughters graduated from a four-year college. After gaining employment, they lived with their parents until the oldest daughter (age 27) left home in 1995, the second daughter (age 28) in 2005, and the third daughter (age 39) in 2011 after getting married.

Household Income

Changes in actual income

Figure 2 shows the actual income of the husband of Family A, who was the primary breadwinner over the 52-year period, encompassing the establishment of his company up to his retirement. Each is a real value after controlling for inflation based on 2020 rates. The husband's salary rises from 1967 until his early 40s and then remains almost unchanged until he retires at age 54. The husband's retirement benefit was approximately ¥25.4 million (¥26.4 million (2020 prices)). After retiring from his first job, he re-entered the workforce through an introduction from the company he previously worked for. The husband's income for the five years after reemployment was 71.3% of his actual income for the five years prior to retirement, excluding the year of retirement. In the second reemployment, when he was re-employed using his state certification, his income was only 52.0% of his income for these five years.

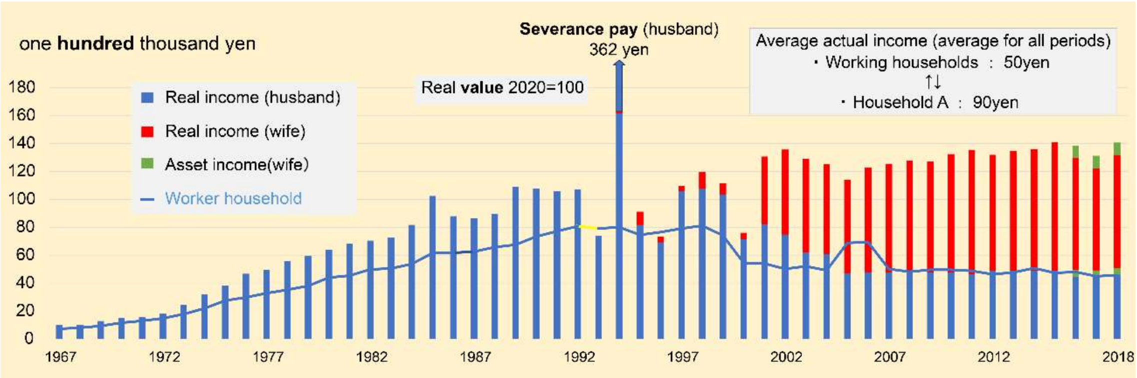

Figure 2 Real income (Household A and working households)

Since his first retirement, the husband has earned pension income in addition to his salary income. Pension income accounted for 25.8% of income in the first year of reemployment and 52.0% of income in the second year of reemployment.

In the case of Family A, the wife (age 54) was able to become a full-time employee during the husband's (age 61) second year of reemployment, so her actual income was higher than the husband's during his working years.

Comparing the actual income of the average working household in the “Family Income and Expenditure Survey” with the actual income of Household A, the husband's actual income was about 1.6 times higher during his working years and about 2.5 times higher after his wife began earning full-time employment income.

Average propensity to consume

The average propensity to consume is calculated as (consumption expenditures / disposable income x 100). Six of the 52 years (four years during the husband's employment and two years after his retirement) were deficit years, where the average propensity to consume exceeded 100%. The average propensity to consume was 75.0% until the year before the wife became a full-time employee, not much different from the 76.6% average of working households, but the average propensity to consume from the time the wife became a full-time employee to the last year of this household budget was 54.8%, about 30 points lower than the 84.7% average of working households. This is because the wife put much of the income she earned as a full-time housewife into savings. For the average Japanese wife, for the first 18 years of employment, they worked alone for the first four years, commuted home for the next four years, and then resumed working alone. The average consumption propensity of Family A during the times when his wife worked alone was 48.3% the first time and 58.3% the second time. During the four years that the wife commuted home, the rate was 54.6%. The average propensity to consume for

Family A does not differ significantly due to the wife's residential status. Table 2 shows the expenditure items for the years when the average propensity to consume exceeded 100%. The purchases shown here are commonly cited as the purpose of savings, as was the case in Family A, and the shortfall was made up by drawing down savings.

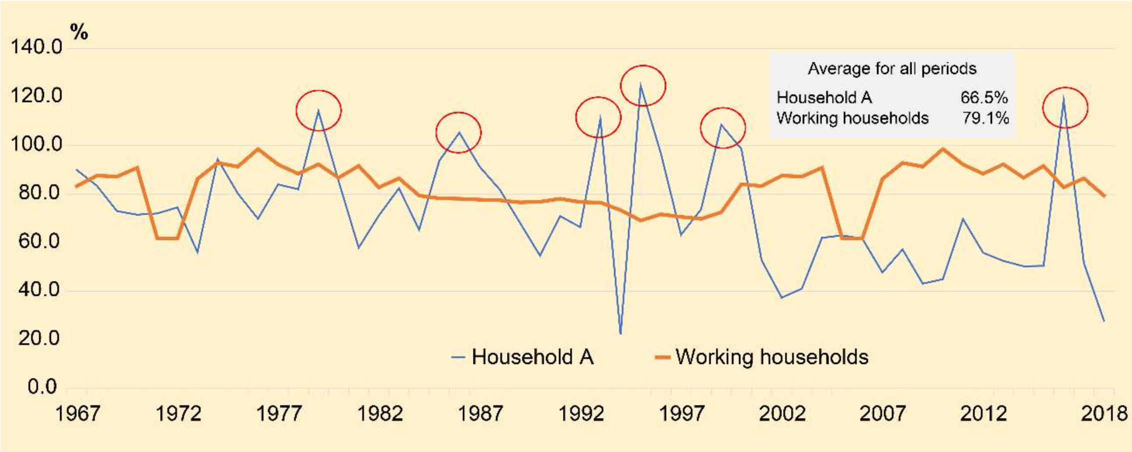

Figure 3 Average propensity to consume (Household A, working households)

Table 2 Large expenditure in years where the average propensity to consume exceeds 100

AD	Average consumption propensity (%)	Large expenditures by year
1975	104.4	Car purchase
1979	114.3	Housing renovation
1986	105.4	Education
1993	104.8	Car purchase and education
1995	137.0	Education and child’s marriage
2016	118.7	Housing renovation

Engel's coefficient

Engel’s coefficient is calculated as (food expenses / disposable income x 100).

During the period from the husband's employment to retirement, the Engel's coefficient for Family A is about 10% lower than that of working families in the same income quintile because the husband ate out for lunch and dinner on weekdays, and the cost of these meals was included in his allowance. This is because the husband was an office worker engaged in overseas business during the period of rapid economic growth, leaving home as early as 6:00 a.m. and returning home after midnight.

During this period, the husband worked overtime for more than 200 hours per month. The Engel's coefficient was 21.4% for the first four years when the wife was working alone and 19.5% for the latter ten years. The Engel's coefficient for the first four years when she lived with her husband was 21.5% for both the first and second times, and there was no significant difference in Engel's coefficients between when the wife lived alone and with her husband.

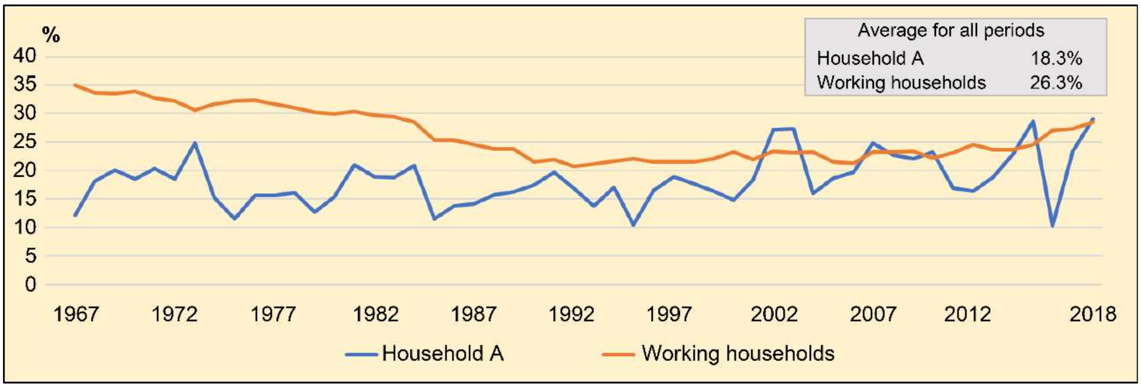

Figure 4 Engel's coefficient (Household A, working households)

Education Expenditures (3 children and wife)

Figure 5 shows the annual educational expenses for this household. These expenses include school tuition, textbooks, teaching materials, and supplementary education expenses such as prep school fees, as well as the education expenses of the wife, who entered college in her late 30s (equivalent to 8.3% of total education expenses). The education period from when the first child entered elementary school until the third child graduated from college is 29 years. During this period, education expenses account for an average of 12.5% of total consumption expenditures.

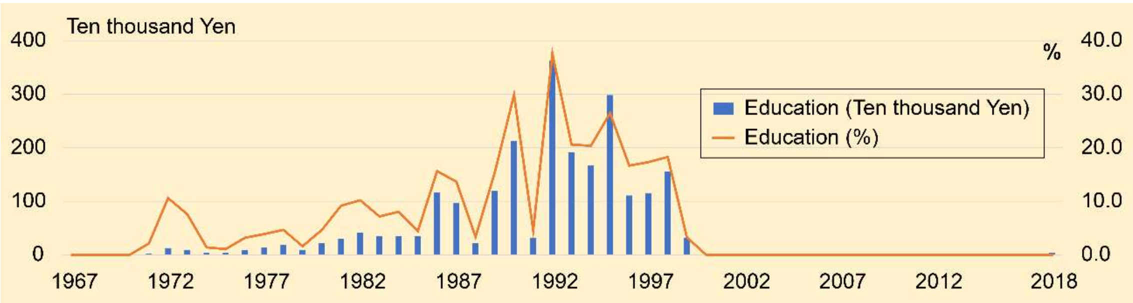

Figure 5 Education expenditures (children and wives)

In 1992, when the second daughter entered college, the third daughter entered high school, and the wife entered graduate school, education expenditures amounted to approximately 4.57 million yen (annual amount, 2020 value*), accounting for 62.1% of total consumption expenditures.

History of housing and real asset purchases

Figure 6 shows the history of home and real asset (condominium for sale) purchases for Family A. Family A lived in a rented single-family home when they were first married. According to interviews with the wife, from the beginning of their marriage, both spouses saved for the purchase of an owner-occupied home. In 1970, three years after their marriage—earlier than originally planned—the couple purchased land (115 m^2) with their savings (600,000 yen) and a bank mortgage loan (1.5 million yen) at the husband's suggestion. The following year, she built a house (99 m^2) for two families to live together with her husband's parents. The cost of this house (total 7.2 million yen (21.88 million yen*) was split 50-50 with the parents, and the share of the first house was covered by a mortgage loan from the husband's company. The fixed interest rate of the mortgage for the land borrowed from the bank was as high as 9.8%, and the repayment period was a long-term contract of 35 years. However, at the time, prices were rising due to the effects of two oil shocks, and the real mortgage repayment amount decreased, so both the land and house mortgages were paid off in 15 years.

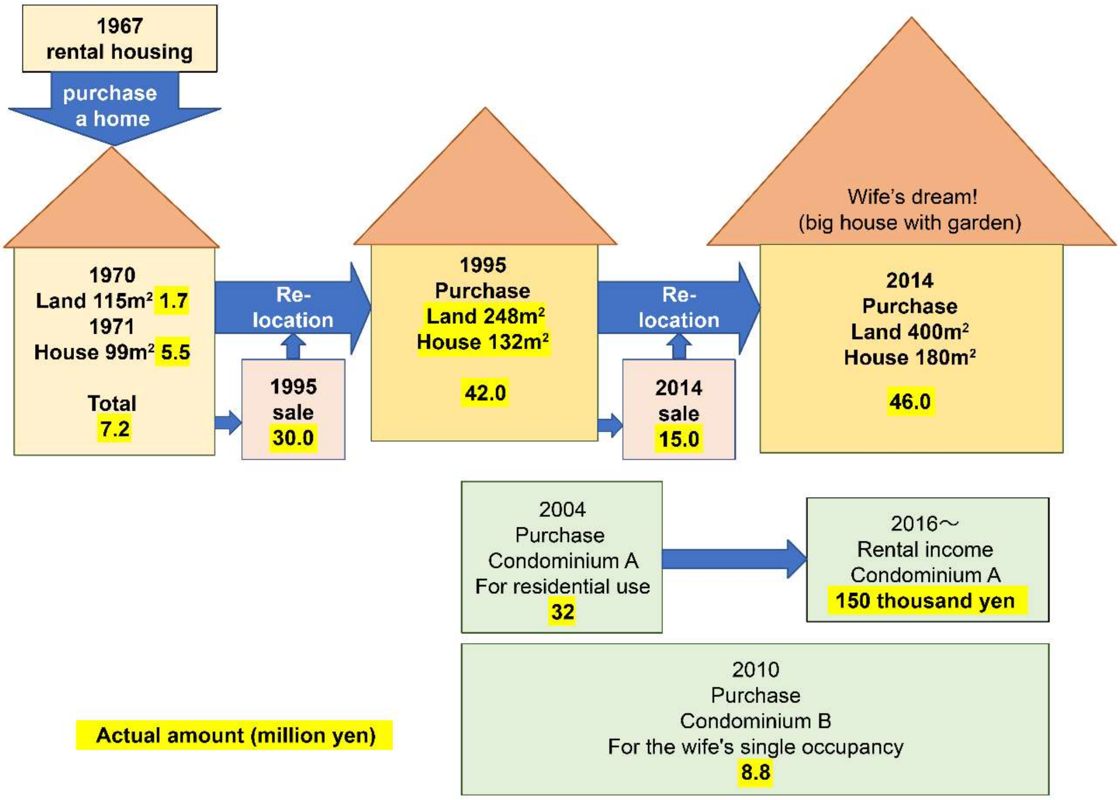

Figure 6 Residential history

In 1995, the year after the husband retired, he agreed to move into an existing house near a train station, which the wife had long wanted to do. They sold the house they had lived in for 25 years, and with the proceeds of 30 million yen (31.3 million yen*) from the sale and 8 million yen from a portion of their retirement savings, they borrowed 8 million yen in a mortgage loan (fixed interest rate of 3.8%, repayment period of 15 years) and purchased an existing detached house (land: 248 m^2, house: 132 m^2) for 46 million yen (48 million yen*). This mortgage loan was paid off in 10 years, as his wife had been earning income as a full-time worker since 2001.

In 2014, the wife found an ideal used house she had been looking for on the Internet and proposed moving again to her husband. At that time, the Japanese economy was in a slump, and real estate prices were rapidly declining. The purchase of this used house required the use of a mortgage loan. The husband hesitated to take out a new loan because of his age (husband: 74, wife: 67), but the wife prepared a repayment plan based on the family's financial records and persuaded the husband. As a result, the husband agreed to purchase the property. The wife had obtained an AFP qualification and also utilized her knowledge related to real estate transactions (laws, taxes, expenses, etc.), mortgage interest rate trends and risks, and knowledge related to financial assets and real estate management. The sale price of the previously occupied house was 15 million yen (15.4 million yen*), about one-third of the purchase price. However, the price of the newly purchased used house had also declined from the period of high real estate prices and was 46 million yen (47.2 million yen*).

This second-hand house was financed with personal funds (deposits: 13.2 million yen (husband) + 1 million yen (wife)) and a 31.8 million yen mortgage loan from a bank in her name. At this time, Japan's zero-interest-rate policy was in effect, and the mortgage loan was at a very low variable interest rate of 0.85%. The repayment term of the mortgage was 15 years, and the plan was to use the wife's retirement funds to pay off part of the loan early, with the balance to be paid off when the wife reached 80 years of age. The bank told us that the elderly wife was able to obtain a high-cost mortgage loan because she had a full-time job and the second-hand house she purchased was used as collateral, but that her ownership of two rooms other condominiums was also effective in the mortgage application.

One of the condominiums (Condominium A) (newly built, 2LDK) was purchased in 2004 for 32 million yen. The funds consisted of 10 million yen from the husband's retirement allowance, 8 million yen in savings in the wife's name, and a mortgage loan of 1.660 million yen (interest rates of 2.5% (for the first ten years) and 3.5%, repayment period of 22 years). The equity of the couple was 35% (husband) and 65% (wife). The couple originally purchased the condominium after they sold their home and purchased a condominium in front of a station that was convenient for them to live in for their retirement. However, they gave up selling the home because the appraisal value of the home was lower than expected. Instead, they rented it to their second daughter, who had just started living alone for the same amount (50,000 yen) as the rent of the apartment they rented. Later, after the second daughter got married, she rented the apartment at a price lower than the market price (100,000 yen). After the second daughter lived there for ten years, the apartment was rented out as a rental apartment to supplement her retirement fund based on her wife's new retirement plan, and she earned rental income (150,000 yen).

The other condominium for sale (Condominium B) (used, 2LDK) was purchased in 2010 for 8.8 million yen as a single-person residence near the wife's place of work. The funds were provided by the wife's savings of 1.3 million yen and a mortgage loan of 7.5 million yen (fixed interest rate of 1.8%, repayment period of 15 years). The remaining mortgage payments on these two rooms condominiums were all paid off in 2015, with the proceeds from the sale of the house that was sold the previous year.

As described above, Family A purchased a detached house with land for their residence after the husband retired, as well as two rooms condominiums. The condominiums are not only assets held by the family; they also generate rental income and bring more room for economic life in retirement.

Family A's method of managing family finances

Measures to prevent deficits in the household budget

One of the features of Family A's household budget management method is the use of a savings account. This account is a savings account and a time deposit in one passbook. It also has a *general account overdraft* function that allows the family to obtain a loan using the time deposit as collateral when the balance in the savings account becomes negative.

Using this general account, Family A deposited the equivalent of one month's salary out of their semiannual bonus into the time deposit account. Monthly living expenses are covered by the take-home pay deposited into the savings account, and if there is a deficit, the family manages living expenses by borrowing against the time deposit without any procedures and repaying the loan from the next bonus payment. Living expenses are budgeted and all but major expenditures are kept within budget.

Accumulation of savings

During the working years from the time of marriage until her husband's retirement, Mrs. A's family made monthly in-house deposits at the company where her husband worked. Because her salary was paid after deducting the amount of the in-house deposit, savings steadily accumulated. At the discretion of the wife, who was the household manager, this in-house deposit was used to purchase the husband's company stock (stock ownership plan), to fund the acquisition of a house, and for a company pension plan (private pension plan) (all optional). She also took out a private pension insurance policy. They saved approximately 70% of their biannual bonuses.

Education expenses for the three children were prepared on the assumption that they would go on to higher education. From the time their oldest daughter entered elementary school, they set a goal of 3 million yen per child and accumulated the funds from their monthly salary and semiannual bonuses. The accumulated funds were used for tuition and wedding expenses for the eldest daughter at a vocational school (two-year program) and for university (four-year program) tuition for the second and third daughters. These deposits and their uses were recorded in the household account book as *deposit memos*, and the wife always kept track of the balances, income, and expenditures.

Wife's views on household account books

Family A kept a household account book for 52 years because the wife, who was a housewife at the time of marriage, believed that keeping a household account book was a natural role for her, as was the general view at the time. In this regard, his wife made it a habit to keep a household account book through daily bookkeeping. In addition, there were many types of commercially available household account books, and it was common practice to categorize purchases by type, such as food, housing, and clothing expenses. However, Family A did not dare to use a commercial household account book. The wife kept a separate household account book for common family expenses and expenses for the couple and their children, assuming that the children's expenses would increase in the future and that the children would get married and leave home. By keeping household account books in this way, for example, when planning for the future when three children get married and the couple has two children, the common household expenses, excluding monthly fixed expenses, can be prorated according to the number of family members and children's expenses can be omitted, so that an approximate budget can be made.

Lifestyle planning that was made on an ongoing basis

The wife, who was the household manager, had made plans throughout her life to cope with the three major one-time expenses: housing, education, and retirement. In addition to education and home ownership, which occur relatively early in life stages, the couple could prepare for retirement early on because of their employer's corporate pension plan and private pension insurance. These corporate pension amounts and pension insurance amounts accounted for more than 40% of the pension payments, providing a large margin for later life. Thereafter, the wife continued to review the plan every five years and whenever the need for new budgeting arose, thereby ensuring sound household budget management. His wife's interest in life planning can be inferred from the fact that she had a life plan in place even before they were married. In addition, she obtained her financial planner certification (AFP) at the age of 48, when she was seeking to advance her career after completing graduate school. Acquiring this certificate likely improved her financial literacy and enabled her to purchase physical assets to prepare for financial life in old age.

Spousal cooperation

In Household A, the wife proposed, and the husband agreed to, the purchase of housing assets, the largest household expense, with the exception of the first house built after marriage. The wife also decided to purchase two rooms condominiums after the husband's retirement.

Effective measures for a stable financial life in retirement

Effectiveness of wife's investment in education

The fact that the wife started working as a full-time employee when the husband started working again contributed greatly to Family A's financial life after retirement. The wife, who was a full-time housewife at the time of marriage, enrolled in a correspondence university at the age of 39, when she had finished raising her three children, and completed her graduate studies (master's program) at the age of 47. After working part-time for six years after graduation, she became a full-time employee at the age of 54 and continued to work for 18 years until the final year of this household income report. If we consider the wife's education expenses as an investment, the investment effect (wife's education expenses / total income earned by the wife × 100) is about 57 times the wife's education expenses.

Investment effects of investing in kind (condominium purchase)

As mentioned above, Family A purchased two two-room condominiums (one new and one used) in addition to their home after the husband's retirement. Neither condominium was purchased for investment purposes at the time of purchase, but condominium A was purchased and utilized as a rental condominium to cover the couple's subsequent living expenses after the second daughter left home. The monthly rental income (net income) from this condominium exceeded the amount of the wife's pension, enriching the economic life of Family A in their old age. Condominium B was purchased as a residence for the wife to live alone at her new post, but in later years (three years after the final year of this family budget book), it was also planned as a living fund for the couple, and when the wife retired, she added to the fund and bought a used condo, from which she also earned rental income.

In recent years, there has been a trend in Japan to shift from savings to investments. Family A did not sell their condominium and make financial investments such as stocks and bonds because the wife decided, based on information obtained from the Internet and other sources, that investing in a condominium was safer and more advantageous.

Discussion

This study aimed to identify the characteristics of household financial management based on a long-term analysis of the household finances of Family A, a family that achieved a stable financial life in old age, and to extract the financial literacy of the household managers from this analysis.

The financial literacy of household managers necessary for Household A to realize a stable financial life in retirement can be described as the sum of (1) awareness, (2) knowledge, (3) skills, (4) attitudes, and (5) actions regarding finance, as shown in Table 3a.

Table 3a shows the characteristics of the wife's financial management analyzed from the long-term household analysis of Family A and the contents of financial literacy extracted from it from the five OECD classifications. Table 3b shows the factors other than financial literacy that contributed to household A’s success in managing their household.

Table 3a Characteristics of Household A's household budget management and financial literacy of Household manager (wife)

OECD Classification	Characteristics of Household A's Household Budget Management and Financial Literacy of Household Managers (Wives)	
	Financial literacy content of household budget managers	**Characteristics of household budget management of Household A**
Awareness	Awareness of household budgeting and household record-keeping	Existence of household books and records for 52 years
	Consciousness of not incurring a deficit	Household budgeting and the use of general accounts Household budgeting and use of general accounts
Technology	Household budget bookkeeping techniques	A unique method of classifying household accounts that takes into account a review of living arrangements
	The art of creating a living plan	Preparing funds for children's education Creating cash flow projections when purchasing assets
	Skills in using the Internet for financial information via computer	Use of the Internet to obtain various types of financial information when purchasing assets and other financial information
Knowledge	Knowledge of how to use financial products	Use of bank general accounts, use of mortgages, use of long-term accumulation savings
	Knowledge of the economic environment	Including interest rate trends for use in mortgage borrowing, etc.
	Knowledge of real estate	Transactions knowledge of laws, taxes Expenses related to condominium purchases
	Investment Knowledge	Knowledge pertaining to real estate management at the time of condominium A lease.
Attitude	Household manager's (wife's) attitude toward realizing her dream garden	Realization of the dream of going to college (resulting in a significant increase in household income) and living in a large house with a garden
	Contribution of household managers (wives) to economic self-efficacy	In addition to daily household budget management based on household account bookkeeping Obtained AFP as a qualification related to household finances
Actions	Proactive financial actions based on the basis of the financial plan	The purchase of real assets based on a detailed financial plan

Table 3b Factors other than financial literacy that contribute to successful household budget management of Household A

Family A's income was above the average household income and remained stable

Social and economic background of Family A. (Husband's salary increase against the background of high economic growth)

(Husband's salary increase against a background of high economic growth). They were able to purchase their first single-family home before the oil shock (before prices skyrocketed)

After the husband retired and took a second job, the wife began to have a full-time job and income

The husband's pension became higher due to a company pension plan and annuity insurance that he had accumulated early on

The wife had a spouse who was cooperative in managing the household finances

Conclusion

The household analyzed in this study was a fortunate one in that the husband had high income, his pension was increased by a corporate pension plan and pension insurance that he planned to accumulate early after retirement, he was able to find a new job twice, and his wife found a full-time job after she reached old age. In addition, there were social and economic backgrounds that enabled Family A to realize a stable economic life in their old age. In particular, the husband's reemployment, which enriched his economic life in old age, was the result of his qualification acquisition, and the wife's employment was the result of her college and graduate school education from middle and high school age. Recently, reskilling and recurrent education have been advocated, and it can be said that Family A anticipated these trends, and as a result, they reached a financially secure retirement.

The financial literacy that led Family A to a financially secure retirement is the sum of awareness, skills, knowledge, attitudes, and behaviors, as shown in Table 3. While many of these financial literacies have been confirmed by previous studies, the following financial literacies were newly identified in this study.

1) awareness of keeping a household/family budget,
2) awareness of not running substantial deficits,
3) bookkeeping skills,
4) life planning skills, and
5) computer-based Internet-based financial information skills.

Thus, the wife of Family A, the household budget manager, has developed a vision of her family's future through bookkeeping, made necessary preparations, and considered ways to avoid deficits while at the same time acquiring knowledge about finance and real estate by preparing for retirement through corporate pension plans and annuity insurance from a young age and purchasing real assets after retirement. It can be concluded that by acquiring real assets while increasing their financial literacy, they have gained an advantageous position. This is in line with Lusardi and Mitchell (2011), who examined financial literacy in the United States based on the National Financial Capability Study. Their results are consistent with those in the present study.

The results of this study provide information for researchers in the field of sociology on the family life cycle and parent-child and couple relationships from the perspective of household finances, and for those involved in developing educational programs on household financial literacy, information on the content of financial literacy education programs for government agencies and businesses. This information is to be provided.

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