

# Forex and Crypto Literacy as Tools for Entrepreneurial Empowerment

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**Abstract-** *Entrepreneurial empowerment through financial literacy has gained increasing attention in today's rapidly evolving digital economy. This paper explores the role of forex and cryptocurrency literacy on Nigerian entrepreneurs, emphasizing their role in financial independence, risk management, and business sustainability. The study highlights how knowledge of these financial instruments enables entrepreneurs to diversify income streams, leverage emerging investment opportunities, and navigate economic uncertainties. While forex literacy allows entrepreneurs to engage in global financial markets and optimize currency fluctuations, crypto literacy fosters financial inclusion through decentralized finance (DeFi) and blockchain innovations. However, challenges such as regulatory uncertainties, market volatility, security risks, and knowledge gaps hinder effective utilization of these financial tools. By synthesizing empirical research, this study underscores the need for structured literacy programs to equip entrepreneurs with the requisite skills for managing forex and cryptocurrency markets. The findings contribute to the discourse on financial education and its role in enhancing entrepreneurial success in emerging economies.*

**Indexed Terms-** *Forex literacy, Cryptocurrency literacy, Entrepreneurial empowerment*

## I. INTRODUCTION

Entrepreneurs have always been an integral part of the society, playing critical roles in the growth and development of economies long before the word “entrepreneur” was established. From venture creation to driving innovation, they serve as catalysts for nation building by engaging in economic activities that not only generate income for themselves but revenue for the government as well. Hussaina et al (2017) argue

that entrepreneurs serve as the backbone of all economies globally as they provide employment opportunities, eradicate poverty and contribute to the development of Gross Domestic Product of developed and developing countries. In economies like Nigeria where unemployment has been a major issue for decades, a lot of citizens end up delving into various enterprises in a bid towards empowering themselves and attaining financial freedom. Due to the dynamic nature of the business environment, entrepreneurs often face significant risks that threaten the existence of their business which sometimes leads to loss of capital or even an untimely dissolution of such enterprise. Therefore, entrepreneurs should be able to make complex financial decisions daily from private matters to key business decisions (Siegried, 2015). Having invaluable business knowledge especially in areas relating to finance goes a long way in running an enterprise, and according to Wise (2013) an entrepreneur’s financial literacy is an important key to the growth of a business.

Technological advancements over the years have greatly transformed the business landscape, revolutionizing entrepreneurship in ways beyond one’s imagination. Transforming innovation and entrepreneurship in significant ways, the emergence of novel and powerful digital technologies, digital platforms and infrastructures have opened up new opportunities for innovators and entrepreneurs (Nambisan et al., 2019). It increasingly becomes important to equip entrepreneurs with digital financial skills and contemporary knowledge to navigate the business world and utilize business opportunities brought about by digitalization.

The foreign exchange (forex) market and cryptocurrency markets have proved to be powerful tools for creating wealth and financial independence in today’s ever changing digital economy, playing a

critical role in global finance and economic development. The advent of online trading platforms and mobile apps allows entrepreneurs to access global financial markets and invest in digital assets with ease, an opportunity that was unimaginable some decades ago when trading financial assets was restricted to physical exchanges and exclusive financial institutions. With the forex market being the largest and most liquid market in the world, it was valued at \$2.4 quadrillion in 2020, despite being virtually not in existence a century ago. Forex trading helps increase liquidity, facilitate international trade, aids in stabilizing the exchange rate, encourages capital inflow and investment opportunities and also creates jobs (Chidi-Okeke *et al* 2023). Similarly, the cryptocurrency market though not as large as the forex market boasts a market capitalization of over \$3 trillion, offering individuals and organizations the opportunity to create and increase wealth. According to Ijaola and Inusa (2024) the ban on cryptocurrency in Nigeria has led to high unemployment rate in Nigeria, highlighting the fact that cryptocurrency trading creates employment opportunities for individuals.

Despite the ample opportunities in these markets, individuals often shy away from participating in them due to the risk and volatility associated with trading assets in these markets. Misinformation is also another factor that has prevented a lot of individuals from participating in these markets especially in undeveloped and developing economies. Okorie (2024) emphasizes that whether one chooses to trade forex or crypto, proper education and due diligence are very important. According to Wang and Zhang (2024) financial literacy enhances investment returns, attributing high investment returns to high education level. It therefore becomes important that structured literacy programs are put in place to equip entrepreneurs with the requisite skills needed to analyze and manage risks in trading especially in an era of digital entrepreneurship. This paper explores the role of forex and cryptocurrency literacy in empowering Nigerian entrepreneurs, assessing the benefits of financial education in both markets and the opportunities therein which entrepreneurs can take advantage of. Bridging this knowledge gap will enable entrepreneurs to harness the opportunities present in these markets and strengthen their resilience.

## II. LITERATURE REVIEW

- Financial Literacy

Lusardi and Mitchel (2014) referred to financial literacy as the knowledge, skills and understanding individuals possess regarding financial concepts, tools and processes. According to Huston (2010) financial literacy encompasses various aspects that include budgeting, saving, investing, borrowing, and managing financial risks. It is a precise form of knowledge, the ability to relate that knowledge, perceived awareness, better financial behavior and smooth financial attitudes (Fatoki, 2014). As a concept, financial literacy consists of financial knowledge, financial behavior and financial attitude, all of which are invaluable to modern day entrepreneurs. Financial knowledge is defined as a particular kind of capital acquired in life through the ability to manage income, expenditure and savings in a safe way (Potrich *et al.*, 2016). Perry and Morris (2005) viewed financial behavior as the management of a person's savings, expenditure and budget. Latif *et al* (2011) opined that financial attitude is the creation of value in decision making and resource management through application of financial principles. Chen *et al* (2021) suggested that every business actor must be able to understand good financial management, be able to develop innovative businesses, be able to utilize technological and economic collaboration, and be able to develop new ideas to achieve business success.

In the digital age where technology has revolutionized global finance, financial literacy has evolved beyond traditional banking and investment knowledge to include forex and crypto literacy. With the world shifting towards a more digital economy, the integration of forex and crypto literacy in financial education will enable entrepreneurs to adapt to the ever changing landscape and embrace new opportunities for business growth.

- The Forex Market

The foreign exchange market also known as forex market is a global marketplace where currencies are traded. According to the 2022 Triennial Central Bank survey of FX and OTC derivative markets, the forex market daily trading volume stood at approximately

\$7.5 trillion with the US dollar, Euro and Yen experiencing the highest turnover rates. With more than 50 currencies traded regularly, the US dollar for a long time has commanded the status of a vehicle currency. BIS (2022) reported that the US dollar is on one side of almost 90% of all global forex transactions with the Euro and Japanese Yen falling in second and third place respectively. The market is open 24 hours a day from Monday through Friday and is broken into four trading sessions namely; the Sydney session, Tokyo session, London session and the New York session. With the forex market being the largest in the world, it is made up of several players who actively participate in one way or the other and the most common players in the market include central banks, commercial banks, corporate organizations like hedge funds and brokers, and lastly retail traders. The end-users of this market comprise a wide range of financial and non-financial customers across the globe whose trading activities and interactions with market intermediaries drives the exchange rate determination process (BIS, 2022).

- **Forex Trading**

Oleka *et al* (2014) defined foreign exchange trading as the process of trading domestic currencies for foreign ones at the prevailing exchange rate. It is therefore the act of buying and selling one currency for another in the hopes of making a profit. The origin of forex trading dates back to the 19<sup>th</sup> century where foreign exchange was conducted primarily by governments, corporations and banks who needed to exchange currencies for purposes relating to international trade and investment purposes. The market began to shift towards modernization in the 1970s and in the 1980s it witnessed significant change as a result of the emergence of computer based trading systems that enabled financial institutions to electronically trade currencies. In the 1990s, technological advancements and regulatory changes greatly influenced trading as retail traders were now allowed to have access and trade in the market that was previously exclusive. The 2010s era witnessed another remarkable shift in forex trading with the adoption of smartphones and mobile applications allowing traders to execute orders and monitor the markets from the comfort of their homes. The emergence of artificial intelligence (AI) and its incorporation into trading systems to analyze big data and make predictions with regards to price movements

now aids traders in making trade decisions, thus revolutionizing trade strategies and risk management. While these innovations have made trading more accessible and easier than it used to be, traders in developing economies often have to deal with a number of issues that can affect their trading ability. Futuramo (n.d.) pointed out inadequate infrastructure such as slow internet access and antiquated trading platforms as some of the issues that can be obstacles to effective transaction execution for forex traders in developing countries.

- **Forex Literacy**

Chen (2024) identified learning how to trade as the first step in the forex trading process which involves understanding terminologies and how the forex market operates. It includes learning what currency pairs are, patterns in the market and factors that influence currency prices. Rovcach (n.d.) pointed out 7 top mistakes both novice and advanced forex traders make, one of which is not knowing the basics of a trade. The most efficient way to become a successful forex trader is by learning from experienced successful traders which can be done through formal trading education or having a mentor relationship with a successful trader (Stammers, 2024). Trading without having a grasp of fundamental concepts and market dynamics can be very disastrous especially for beginners due to the complex nature of the forex market where even the biggest seasoned traders incur losses. Having in depth knowledge about how the market works can help entrepreneurs make rational decisions in the areas of risk management and market analysis, both of which can give the individual a competitive edge and enhance their financial literacy.

- **Crypto Market**

The Cambridge dictionary defines cryptocurrency as a digital currency produced by a public network, rather than any government, that uses cryptography to make sure payments are sent and received safely. The crypto market emerged in 2009 with Satoshi's Bitcoin as a decentralized alternative to the traditional financial systems at the time. Since then the market has grown to become a very large one with over 10,000 distinct digital coins in circulation. Known for its high volatility, the crypto market has evolved into a robust market offering investors the opportunity to capitalize on market volatility for potential gains. With

increasing global adoption, the market has grown to become an integral part of the global financial system promoting financial inclusion and offering new investments opportunities across the globe. ConsenSys's second annual Global Survey in 2024 revealed that Nigeria leads the world in crypto ownership. The survey also indicated that emerging markets like Nigeria and South Africa are driving the global adoption of cryptocurrencies. Charles (2024) opined that the backdrop of Nigeria's growing cryptocurrency fever is the breakdown of its traditional financial system, particularly its mismanaged national currency which has generated massive inflation and other hardships for the country's citizens. Unlike stocks and forex, the crypto market is open 24hrs a day and 365 days a year, offering investors the opportunity to access the market at any given point in time.

- **Crypto Trading**

Cryptocurrency trading is the act of speculating on cryptocurrency price movements via a Contract for Difference (CFD) account, or buying and selling the underlying coins via an exchange. Traders take advantage of the highly volatile nature of the crypto market to buy or sell coins of their choice in order to make gains using trading platforms or apps. According to Bauriya *et al* (2019) cryptocurrency trading systems are built to overcome price manipulation, cybercriminal activities and transaction delays. Due to the intense volatility associated with trading, would-be traders might be better off if they simply take a buy and hold strategy with a given cryptocurrency (Royal, 2024). The buy-hold strategy can be very rewarding especially for traders focusing on the long-term who might not have a high risk appetite for short-term trading. This strategy is exemplified by Bitcoin's meteoric rise from just \$0.10 in 2010 to an all-time high of over \$100,000 in January 2025, rewarding long-term investors with exponential rewards. Other coins that have gained popularity over the past years include Ethereum, XRP and USDT falling in the top 4 category with Bitcoin at the top (TradingView, 2025). For traders who command a mastery of the crypto market, taking long or short positions in the market can result in significant profits even with slight price changes. Technology, through the incorporation of Artificial Intelligence and algorithmic trading has transformed crypto trading from its early peer to peer

transactions into a more sophisticated and automated ecosystem, allowing for faster transactions and increased market efficiency.

- **Crypto Literacy**

Crypto literacy begins with demystifying the fundamentals of cryptocurrencies. It involves understanding what cryptocurrencies are, how they function, and the underlying technology (blockchain) that makes them secure and decentralized (Sha, 2024). In order to become a successful crypto trader, it is paramount for an individual to understand the basic concepts associated with cryptocurrency and which coins one should invest in. People lose money on crypto trading for various reasons some of which include lack of knowledge and understanding the psychology of financial markets. Lack of knowledge and understanding of the crypto market is the main reason why people lose money on crypto (Ziken Labs, 2024). The first step to becoming a profitable crypto trader is learning about trading strategies. It involves understanding what technical and fundamental analysis is, the effect of compound interest, the underlying mechanisms of blockchain technology, and finally, the pros and cons of each trading strategy (Trakx, 2024). This can be done through signing up for online courses, following and learning from seasoned crypto analysts or engaging with blockchain communities.

- **Entrepreneurial Empowerment**

Stevenson (1983) defined entrepreneurship as the pursuit of opportunity beyond the resources currently controlled. His definition highlights the risk taking characteristic of entrepreneurs in identifying and exploiting opportunities for business growth. Entrepreneurs play a crucial role in nation building and serve as drivers of sustainable development, making them invaluable assets to any economy. For entrepreneurship to flourish and make significant impact on society, it is crucial to empower people with skills and create an atmosphere that encourages individuals to take the entrepreneurial path (Gallant, 2023). Entrepreneurial empowerment provides individuals with opportunities to develop their skills and innovations, while sustainable development aims to achieve sustainable economic growth, environmental protection, and social well-being (Smith, J., 2018).

In developing economies like Nigeria where Small and Medium Enterprises (SMEs) contribute immensely to the growth and development of the economy, empowering them becomes increasingly crucial. This can be done through education and training, access to capital and markets, as well as policy support facilitating the development of Micro Small and Medium Enterprises (Brown *et al.*, 2019). In a fast paced environment where things change in the blink of an eye, technology quickly becomes outdated, marketing tactics come and go, and digital platforms evolve constantly, those who do not keep up will fall behind (Gresge, 2018).

- **The Role of Forex and Crypto Literacy in Entrepreneurial Empowerment**

Financial literacy is widely recognized as a fundamental factor in entrepreneurial success (Lusardi & Mitchell, 2014). Among the emerging domains of financial literacy, foreign exchange (forex) and cryptocurrency (crypto) literacy have become pivotal in shaping the financial decisions of modern entrepreneurs. These financial instruments provide opportunities for wealth generation, risk management, and business expansion. This review synthesizes empirical studies on how forex and crypto literacy influence entrepreneurial empowerment.

- **Forex Literacy and Entrepreneurial Empowerment**  
Forex literacy plays a vital role in shaping the financial strategies of entrepreneurs, enabling them to effectively engage with global financial markets. Understanding foreign exchange mechanisms allows business owners to optimize financial decisions, manage risks, and leverage currency fluctuations for profit generation. This section explores empirical studies that highlight the role of forex literacy in fostering entrepreneurial empowerment through enhanced financial market participation, risk management strategies, and sustainable business growth.

- **Access to Financial Markets and Wealth Creation**  
Forex trading is a decentralized global market where entrepreneurs can capitalize on currency fluctuations to generate revenue. Studies indicate that entrepreneurs with forex literacy can diversify their

income streams and hedge against currency volatility (Al-Tamimi & Kalli, 2009). A study by Kim *et al.* (2019) found that small business owners with forex literacy were more likely to participate in international trade, leveraging exchange rate mechanisms to optimize profits. Similarly, research by Huston (2010) emphasizes the broader significance of financial literacy in improving financial decision-making, which directly impacts forex trading success. Moreover, a study by Xiao *et al.* (2022) highlights that forex literacy enables entrepreneurs to better navigate global economic fluctuations, leading to more strategic financial planning and investment choices.

- **Risk Management and Business Sustainability**

Risk management is a critical skill in forex trading, which translates into entrepreneurial decision-making (Garman & Fogue, 2018). According to a study by Chatterjee *et al.* (2020), entrepreneurs with forex literacy effectively mitigate risks associated with currency depreciation and inflation. By understanding forex strategies such as hedging and stop-loss mechanisms, entrepreneurs enhance their financial resilience and business stability. A study by Lusardi and Tufano (2015) further supports this by highlighting how financial literacy improves an entrepreneur's ability to manage leverage and reduce exposure to financial risks. Similarly, Xu and Zia (2012) found that entrepreneurs with greater financial knowledge, including forex literacy, tend to make more informed investment decisions, leading to better business sustainability. Additionally, empirical evidence from Wise (2013) indicates that financial education enhances risk perception, enabling entrepreneurs to anticipate market fluctuations and adjust their business models accordingly.

- **Crypto Literacy and Entrepreneurial Empowerment**

The quick development of digital currency has opened up new doors for business owners, and the understanding of cryptocurrency is becoming an essential ability to succeed in this ever-changing environment. By comprehending crypto techniques, business owners can take advantage of decentralized assets, improve operations by integrating blockchain, and uncover new investment opportunities. Therefore, this section explores how crypto literacy promotes

entrepreneurial empowerment through decentralized finance, blockchain technology, and wealth creation.

- Decentralized Finance (DeFi) and Access to Capital

Cryptocurrency has disrupted traditional financial systems, offering entrepreneurs alternative funding mechanisms. Empirical evidence from Xu and Zou (2021) shows that startups with crypto literacy are more likely to access decentralized finance (DeFi) platforms for funding. DeFi eliminates the need for intermediaries, reducing transaction costs and increasing financial inclusion for entrepreneurs in developing economies (Akins et al., 2016). Furthermore, research by Chen and Bellavitis (2020) suggests that crypto literacy fosters financial autonomy by enabling entrepreneurs to leverage smart contracts for peer-to-peer lending and crowdfunding. A study by Catalini and Gans (2018) also highlights that blockchain-based financial solutions enhance transparency and security, making it easier for small businesses to establish credibility and secure funding. Additionally, empirical findings from Cong *et al.* (2022) indicate that crypto-literate entrepreneurs are more likely to engage in tokenization, allowing them to digitize assets and unlock new investment opportunities.

- Blockchain Integration in Business Operations

Blockchain technology, the foundation of cryptocurrency, enhances business transparency and operational efficiency. A study by Tapscott and Tapscott (2017) demonstrated that entrepreneurs who integrate blockchain solutions into their business models experience increased efficiency in supply chain management and secure financial transactions. This aligns with findings from Treiblmaier (2018), which suggest that crypto-literate entrepreneurs are more likely to adopt smart contracts for automating business processes. Additionally, research by Casino, Dasaklis, and Patsakis (2019) highlights that blockchain technology improves data integrity and reduces fraud, which is crucial for entrepreneurial sustainability. Similarly, Wang *et al.* (2020) found that blockchain adoption enhances business trust and operational transparency, particularly in digital marketplaces. Empirical studies by Hawlitschek, Notheisen, and Teubner (2018) also indicate that blockchain-driven decentralized systems enable

entrepreneurs to reduce dependence on traditional banking infrastructure, allowing for greater financial independence and innovation in business models.

- Investment and Wealth Growth

Crypto literacy enables entrepreneurs to explore various investment opportunities, such as staking, yield farming, tokenization, and decentralized autonomous organizations (DAOs). In a study by Bouri et al. (2021) he highlights that those entrepreneurs who invest in cryptocurrency as part of a diversified portfolio experience higher returns compared to those relying solely on traditional assets. However, the study also emphasizes the volatility of cryptocurrencies, underscoring the importance of informed decision-making. Further, studies by Corbet *et al.* (2019) and Dyhrberg (2016) suggest that crypto-literate entrepreneurs can leverage cryptocurrency for hedging purposes, similar to gold, mitigating financial risks in uncertain economic conditions. Additionally, Foley et al. (2019) states that blockchain-based assets provide entrepreneurs with liquidity options that are otherwise inaccessible in traditional financial markets. These findings suggest that an in-depth understanding of cryptocurrency mechanisms enhances entrepreneurs' ability to navigate digital asset markets effectively while minimizing their financial risks.

While both forex and crypto literacy empower entrepreneurs, they present different risk profiles and opportunities. Forex literacy is more established and widely integrated into business operations (Bodie *et al.*, 2014). On the other hand, crypto literacy introduces innovative financial instruments with higher risk but significant disruptive potential (Nakamoto, 2008). Studies indicate that entrepreneurs who combine both Forex and Crypto literacy achieve a balanced approach to financial risk and reward (Chen *et al.*, 2020).

- Challenges and Risks Associated with Forex and Crypto Literacy in Entrepreneurial Empowerment

While forex and crypto literacy offer significant advantages for entrepreneurial empowerment, they also present notable challenges and risks that entrepreneurs must navigate carefully. These challenges stem from market volatility, regulatory complexities, financial education gaps, security

threats, and psychological factors that influence decision-making.

- **Market Volatility and Financial Risk**

Forex and cryptocurrency markets are inherently volatile, making them high-risk financial instruments. The rapid price fluctuations in the forex market, driven by geopolitical events, interest rate changes, and economic indicators, can lead to substantial losses if not managed properly. Similarly, cryptocurrencies experience extreme price swings due to speculative trading, regulatory news, and technological advancements. According to Corbet *et al.* (2019) and Bouri *et al.* (2021) entrepreneurs who fail to implement effective risk management strategies, such as stop-loss orders and portfolio diversification, may face significant capital erosion. Without a strong understanding of market trends and technical analysis, entrepreneurs risk making impulsive decisions that can harm their businesses financially.

- **Regulatory Uncertainty and Compliance Challenges**

The regulatory landscape for forex and cryptocurrencies varies significantly across jurisdictions, creating challenges for entrepreneurs who wish to engage in these markets. While forex trading is regulated by financial authorities such as the U.S. Securities and Exchange Commission (SEC) and the European Securities and Markets Authority (ESMA), cryptocurrency regulations remain fragmented and continuously evolving, this unclear or restrictive regulations hinder businesses from fully leveraging crypto-based transactions (Akins *et al.* 2016). Furthermore, some governments impose stringent foreign exchange controls, limiting entrepreneurs' ability to conduct cross-border transactions effectively. The lack of a unified regulatory framework increases the risk of non-compliance, leading to potential legal penalties and business disruptions.

- **Lack of Standardized Financial Education and Knowledge Gaps**

Despite the growing significance of forex and crypto literacy, many entrepreneurs lack access to formal education and training on these financial instruments. Lusardi and Mitchell (2014) emphasize the

importance of comprehensive financial education in reducing financial mismanagement risks. Without adequate knowledge, entrepreneurs may fall prey to misinformation, scams, and poor investment decisions. Additionally, the technical complexities of blockchain technology and foreign exchange mechanisms require continuous learning, which can be time-consuming and challenging for small business owners who have limited resources.

- **Security Threats, Fraud, and Cyber Risks**

The decentralized nature of cryptocurrencies, while advantageous in many ways, also makes them susceptible to security breaches, fraud, and illicit activities. According to Foley *et al.* (2019), the anonymity of crypto transactions has led to increased cases of fraud, hacking, and money laundering. Entrepreneurs who lack adequate cybersecurity measures risk losing funds to phishing attacks, Ponzi schemes, and fraudulent Initial Coin Offerings (ICOs). Similarly, forex traders face risks from broker scams, account hacking, and unethical trading practices such as price manipulation and excessive leverage offered by unregulated brokers. Ensuring financial security requires entrepreneurs to invest in secure digital wallets, two-factor authentication, and reliable financial platforms, which can be costly and complex. Psychological and Behavioral Biases in Decision-Making

Entrepreneurs engaging in forex and crypto trading are often influenced by psychological factors such as overconfidence, herd mentality, and emotional trading. According to Chatterjee *et al.* (2020) the novice traders are prone to making impulsive investment decisions based on market hype, leading to financial losses. Fear and greed also play significant roles in driving market speculation, causing entrepreneurs to either panic sell during market downturns or over-invest during bullish trends. Moreover, cognitive biases such as the illusion of control and confirmation bias can cloud judgment, leading to poor financial choices. Overcoming these behavioral challenges requires disciplined trading strategies, risk management techniques, and continuous education on market psychology.

- Theoretical Framework

This study is guided by the human capital theory which asserts that humans can increase their productivity and efficiency when they focus on education and training. Becker (1993) posits that financial literacy acts as human capital for entrepreneurs, enhancing their knowledge, skills and decision-making capabilities in managing the financial aspects of their ventures. . By investing in education and training, individuals can improve their output and performance, leading to higher earnings. Higher levels of financial literacy enables entrepreneurs to make better decisions, allocate resources effectively, and access financial markets more effectively (Grohmann *et al.*, 2018). Similarly, McConnell *et al* (2009) opined that an individual that is more educated and better trained is capable of supplying a larger amount of useful productive effort than one with less education and training. In the modern business world, entrepreneurs who have an understanding of how the forex and crypto market operate gain strategic advantage that can enable them improve their business. With increased access to financial opportunities, entrepreneurs can diversify their income streams by investing or trading digital assets like crypto. Also, the incorporation of crypto payment systems into their businesses allows entrepreneurs to transact with customers from all over the world, ultimately expanding their business while also eliminating high transaction fees associated with traditional payment methods. This theory explains how understanding of basic financial concepts can enable entrepreneurs to make well-informed decisions in running their enterprise, manage risk and also create additional wealth for themselves. It underscores the importance of financial education in empowering entrepreneurs, allowing them to unlock new investment opportunities.

- Empirical Studies

Jacqueline (2013) carried out a study on the effect of financial literacy education on performance of small businesses in Njoro, Kenya, establishing that training in financial awareness, budgeting and credit management greatly improved the performance of business owners. In a similar study, Njoroge (2013) assessed the relationship between financial literacy and entrepreneurial success in Nairobi, Kenya. The study set out to find out whether financial literacy is

linked with entrepreneurial success and a sample of 79 entrepreneurs were interviewed where questions on both financial literacy and entrepreneurial success were asked. The findings of the study showed that all the SMEs that were interviewed possessed some level of financial literacy and highly successful entrepreneurs scored highly in financial literacy, demonstrating high understanding of finance. On the other hand, less successful entrepreneurs were found to have low level of financial literacy with majority of them being in the informal sector. The study came to a conclusion that a positive relationship exists between financial literacy and entrepreneurial success in Nairobi County.

Adomako and Danso (2014) conducted a study on financial literacy and performance of firms in Ghana using the Resource Based Theory. They found out that financial literacy is positively associated to a firm's performance. Another study by Chpkemoi (2017) on the effects of financial literacy training on business profitability by SME in Kwale County, his study revealed that financial literacy positively influenced SMEs performance and enhanced their profitability. Usama *et al* (2018) investigated the relationship between entrepreneur's financial literacy and business performance, issuing questionnaires to entrepreneurs in Bauchi state. The analysis conducted revealed that a statistically significant relationship exists between the different dimensions of financial literacy and entrepreneurial business performance, their findings proved that financial literacy is a key driver of business performance and entrepreneurs should incorporate it as a part of business activities. A similar study by Tejedor *et al* (2020) concluded that financial literacy has an impact on business success and contributes 88.9% to the success of a business.

Hasan *et al* (2024) explored the influence of financial literacy, entrepreneurial literacy, and digital economic literacy on the success of Micro Small and Medium Enterprises, with entrepreneurial creativity as a moderator variable. 700 respondents were selected using purposive sampling method and questionnaires were used for data collection which were then analyzed using PLS-SEM. Their work confirmed that financial literacy, entrepreneurial literacy, and digital economic literacy have a positive and significant effect on the success of MSMEs through



entrepreneurial activity. They recommended the development of new concepts and insights that relate to intellectual capital in MSMEs which include financial literacy, entrepreneurial literacy, and digital economic literacy as part of intellectual capital in the knowledge based view perspective. A similar study by Frimpong, Agyapong and Agyapong (2022) examined the relationship between financial literacy, access to digital finance, and the performance of SMEs in Ghana's Central Region. Utilizing a quantitative methodology, 400 responses were collected from SMEs by use of questionnaires as data collection method with the data analyzed with SPSS. Based on their analysis, financial literacy was found to have a beneficial impact on access to digital money, additionally, access to digital financing enhanced business performance.

#### CONCLUSION AND POLICY IMPLICATION

Empirical literature underscores that forex and crypto literacy significantly contribute to entrepreneurial empowerment by providing financial independence, risk mitigation strategies, and access to alternative funding mechanisms. Entrepreneurs with a solid understanding of these financial domains are better equipped to navigate the complexities of global markets and capitalize on emerging financial technologies. The ability to leverage forex literacy allows entrepreneurs to engage in international trade, optimize currency exchange strategies, and manage financial risks associated with global economic fluctuations. Likewise, crypto literacy empowers business owners to utilize blockchain solutions, decentralized finance platforms, and innovative investment tools, thereby fostering financial inclusion and expanding economic opportunities. Furthermore, integrating these literacies enables entrepreneurs to diversify their financial portfolios, enhancing business sustainability and resilience in volatile markets. Future research should explore longitudinal impacts of forex and crypto literacy on business growth, economic development, and the broader implications of digital financial literacy in shaping entrepreneurial success.

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