
ECONOMIC EDUCATION: BUILDING ON STRENGTH, THE KEY TO THE FUTURE

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In 1999, the National Council on Economic Education (NCEE), the nation's premier organization in the cause of improving economic literacy, celebrated its fiftieth anniversary of leadership and service. Founded by visionary citizens from business, education, and labor, the Council continues to pursue its mission of getting sound economics taught in the nation's schools as the fourth "R". The birthday party for NCEE was also a benchmarking occasion and a time for strategic planning for the future. That future for the economic education movement looks bright indeed.

During the economic upheavals of the 1920s and 1930s, leaders from education and business began to recognize the value of economic "literacy." A critical outcome of their interest was the establishment in 1942 of the Committee for Economic Development (CED), to promote better economic understanding and to address how to prepare Americans to deal with the post-war economy.

By 1947, the CED, the President's Council of Economic Advisors, and other leaders in a unique coalition of business, education, and labor were actively involved in discussions about the state of economic education. They concluded that "...the public schools are poorly equipped for providing youth with the tools and skills for understanding our distinctively American economic institutions. Appropriate materials of instruction are scarce and, most critical of all, the teachers in elementary and secondary schools have had little training in economics."

In 1948, "The Curriculum Workshop in Problems of Economic Education," organized by G. Derwood Baker of the New York University School of Education and funded by the CED, brought school administrators and teachers from 22 states together to focus on three questions: What key facts about our economic system should every citizen know? What are suitable objectives for economics understanding at the secondary school level? What materials are available or needed for classroom use?

One of the participants in that conference, which resulted in the creation of what was called the Joint Council and then became the National Council on Economic Education, stated the guiding purpose of the organization – which holds

true to this day, and for the day after tomorrow. Ernest O. Melby, Dean of the NYU School of Education, wrote:

"Democracy will live if it works and it will die if it does not work. Moreover, regardless of what democracy may do in the cultural and Human relations area, if it fails on the economic front it will most certainly go down in defeat. Therefore, there is no kind of education more important than that which seeks to make the average American intelligent about our economic system and effective as a citizen in relation to it."

Consequently, the Council undertook three inter-related tasks to teach teachers how to make economics come alive in K-12 classrooms, and through those teachers to reach the ultimate audience, the nation's youth. The first step was to build a nationwide network of state councils, which could correlate mission and method with local circumstances and state standards, and university centers, for both pre-service and in-service teacher training. Today there are 49 state councils and 275 university centers for economic education affiliated with the National Council.

Second, the councils and centers, and the teachers, were armed with curricula and teaching strategies. And third, curriculum designs, to teach basic and applied economics and to infuse economics into subjects such as the social studies, history, geography, mathematics and science, were supported by publications and materials, in what has become a comprehensive, upwardly spiraling K-12 program – now called Economics America.

In recent years, this program has been dynamically extended and enhanced nationally, by the applications of technology to enlarge resources and reach, and internationally, through Economics International. Economics International teaches teachers in the transition economies of Eastern Europe and the countries of the former Soviet Union how to understand and utilize market economics.

Today, the effective and excellent educational work of the National Council on Economic Education and its network of affiliates focuses on four themes: basic economics, that people can use in their lives, all their lives, in the home, in the workplace, in the marketplace, and in the voting booth; school-to-work – that is, workplace readiness – in terms of economic literacy; personal financial decision-making skills; and understanding the globalization of the economy.

We know the need. In 1999, the National Council commissioned a poll, conducted by Louis Harris, which showed that 96% of the adults surveyed believe that basic economic and financial principles should be taught in our nation's schools, but 51% answered "Don't know" to questions about those basics. 68% of Americans

couldn't pass an 8th grade economics test. Most are investors, voters, and parents, many of whom are working for our nation's companies.

To meet the need, NCEE and its Economics America Network have embarked on a concerted Campaign for Economic Literacy – an intensive and extensive, focused five-year drive to raise public consciousness about the importance of economic education and to provide demonstration models, nationally and locally, of what can be done to improve on economic and financial illiteracy. The campaign is a call to action.

What the Campaign for Economic Literacy effort will yield essentially is more teachers, better prepared and assisted, with more and better materials (print and electronics), based on national content standards, to give all students a better grounding in decision-making skills based on sound economics.

Twenty major corporations have already rallied behind this effort with substantial commitments to support component parts of the national program – and that number is growing apace. Corporations, foundations, and associations are partnering with NCEE to advance education in the basics of the American economic system, in a highly visible and substantive way, that will serve to inspire others.

The National Council wrote the book, as it were: designated by the Department of Education to do so, we published in 1997 the Voluntary Content Standards in Economics – which essentially define what we mean by economic literacy. NCEE then commissioned its poll, conducted by Louis Harris and supported by Merrill Lynch, based on the Standards. The results of the economic literacy poll show that high school students and adults in the workforce flunk a test of basic knowledge of economics. So, while the economy may be thriving today, that lack of understanding of why and how is alarming for the future. The Campaign for Economic Literacy is designed to address this issue pro-actively, as the extension of our fifty-year mission and proved track-record of effectiveness.

For example, the National Council is presently working in partnership with the Human Resources Task Force of the Business Round Table (BRT) to develop a "tool kit" for economic education in the workplace, by adapting materials proven to be effective in the schools. To meet the competitive challenges of today, and tomorrow, economic educators intend to improve on the knowledge base, especially in regard to the issues of the global marketplace.

For another example, NCEE has developed a website, EconEdLink (www.nationalcouncil.org), sponsored by MCI WorldCom. The award-winning EconEdLink features dynamic, standards-based economics lessons for grades 3-12, developed for the Internet. New lessons are continuously in development and Spring 2000 plans call for a revision of Datalinks and the launch of an economic-forecasting league.

Together with other education partners and associations, economic educators know that teaching teachers how to increase economic and financial

literacy is basically about improving decision-making abilities. People need to know how to make responsible choices – as workers, consumers, savers and investors, and citizens. The Campaign for Economic Literacy is really about "the skills of freedom."

NCEE's effort is analogous in many ways to the national campaign already under way to increase reading literacy: to the idea that "reading is fundamental", we would add, yes, and "economics is essential." If a young person cannot read or manage his or her affairs, that person will likely not survive, let alone thrive, in a rapidly changing world.

Progress is being made. Economics and personal finance are receiving more emphasis in schools. NCEE's survey showed that economics is now part of the graduation standards in 38 states. However, economics is still most often an elective. While a remarkable 96% of Americans think that basic principles of economics should be taught in the schools, only 58% of high school students are being taught.

Therefore, the clear and compelling goals of the Campaign for Economic Literacy are:

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| C | to insure that economic literacy becomes a priority in the education agenda of the nation and of every state; |
| C | to expand the effective teaching of high-quality, standards-based economics into every state and every school district; and, |
| C | to teach all Americans the economic reasoning and decision-making skills they need in their lives – that is, economics for life. |

To accomplish these goals, the national campaign, convened and led by the National Council on Economic Education, is pursuing the following objectives:

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| • | A communications program to heighten public awareness of the need to orchestrate public demand for sound economic education is being conducted. |
| • | Technology enhanced forms of delivering economic education to new and extended audiences are being implemented. |

- An "Economics for Life" volunteer initiative to increase volunteer opportunities for working with and through NCEE's nationwide network is being developed.
- Innovative work in professional development for K-12 teachers is being accomplished.
- Electronic and print materials to advance the teaching of economics in such areas as environmental economics, personal finance and consumer education, for every grade level, K-12, as well as for life-long learning, are being produced.

To accomplish the goals and objectives of the Campaign for Economic Literacy, the NCEE has a nationwide network that delivers quality economic education through curriculum assistance, standards development, teacher training, materials dissemination, and evaluation. The NCEE has established an outstanding track record in assisting economic education reform in transition countries of the former Soviet Union. The Council's federally-funded international program is based on the instructional methods, materials, and university-based delivery system used in the U.S. The program, in turn, strengthens economic education here at home.

Senator Akaka (D-HI) has taken the lead in proposing legislation that will provide resources for improving economic education in schools in the U.S. Original co-sponsors for this bi-partisan initiative include Senator Cochran (R-MS). The proposed "Excellence in Economic Education Act" (S. 1487) would provide funds for the National Council on Economic Education and its nationwide network for new instructional materials, teacher training, assisting school districts that are incorporating economics into their curricula, evaluating impacts, and strengthening and expanding the network's work in all states.

We know from over 50 years of experience that children who are taught how our free-market system works, work better in it. Students who recognize the importance of survival skills taught to them in school have a higher motivation to stay in school and to succeed in school and thereafter. Economics is essential; we tell them why. Students prepared for the workforce of the 21st century will bring the skills to the marketplace that will allow the U.S. to maintain its competitive edge in the world economy. And that is the vision, direction, and promise of the economic education movement.