Process, issues and values in

Economic Education

IF economic education is to have lasting value, we must provide experiences in a process of learning that equips students in the skills of analysis and research. The major safeguard we can give students for effectiveness in a world of change is to help them attain the will and capacity to reach decisions and take action through the process of learning.

From their earliest years of schooling, students should be trained to identify economic problems of concern to them; to define the problems for study and analysis; to seek out and evaluate data, insights and judgments of pertinence from varied sources; to develop generalizations and conclusions consistent with their findings; and to make recommendations or take action based on their conclusions. Even as they act, though, they should be mindful of the need for keeping avenues of information open and reviewing decisions in the light of changing data, insights or judgments. With this form of training deeply imbued in our young people, we shall be able to have a high degree of confidence that the economic education they receive will stand the test of time.

Accompanying this emphasis by teachers upon training students in how to study, think and act in the field of economics, a teacher must have a greater awareness of the need for discretion and focus in content selection. We cannot be certain which specific issues shall demand our attention in the years to come, but an analysis of data and trends does indicate general areas which are likely to be of greatest concern. Study focused upon these general areas will prove to be the most advantageous investment of time, since students will thus become acquainted with the source materials, value positions, and opportunities to act on the major decisions and issues they shall face.

Areas of Concern

Summarized here are ten such areas of concern which are suggested as guides for the selection of content in economic education throughout the curriculum. The summaries are certainly not considered all-inclusive as the content for economic education but rather are intended to indicate some factors to be considered in study related to these areas. From a continuing and broadened study of the areas, students will gain background and experience in dealing with the problems about which they are likely to be called upon to make value decisions in the years immediately ahead.
The areas are not listed in any order of priority and can be seen to overlap in many cases.

1. **Optimum use of human, natural and capital resources.** Our nation's economic achievements have been largely attributable to the education and morale of our human resources, the bountiful natural resources with which we were endowed, and the willingness to develop and invest capital resources for economic enterprises. Freedom and flexibility of action have channeled resources into endeavors in response to the needs and desires of the people. In recent years, gaps and lags have appeared in some areas of our economy, and overabundance and duplications in other areas of the economy. Human resources are not being developed as fully or rapidly as needed and some are not being used as efficiently as possible. Some of our natural resources are in short supply and we have become increasingly dependent upon strategic resources from other nations. Capital resources have been over-invested in some areas of our economy and some economic needs are not being met by private enterprise. Our economic position is challenged by other nations, many of which exert greater influence on resource allocation than we do.

The Problem: What shall we believe and do as consumers, producers and citizens to achieve the optimum use of human, natural and capital resources?

2. **Relative importance of production and consumption satisfactions.** The revolutions in agricultural and industrial productivity during recent years have made possible an abundance of goods with decreasing demands upon direct human effort. Most people of our nation are moving far away from identification with the labor or the satisfaction of producing goods. They are either engaged in activities related to the distribution of goods or they provide economic services. A general decrease in working hours has further moved people toward preoccupation with satisfactions gained from the consumption of goods and services.

The Problem: What shall we believe and do as consumers, producers and citizens to achieve an appropriate balance among production and consumption satisfactions?

3. **Relative importance of consumption satisfactions.** The increasing abundance and diversity of goods has made possible wider opportunities for the satisfaction of consumption needs. The ability to satisfy fundamental needs for food, clothing and shelter with decreasing percentages of income has led many people to seek added satisfactions through services. Widespread communications have influenced choices made by consumers. Consumption satisfactions can be secured either through tax funds allocated to government or through direct personal expenditures for goods and services; income can be spent to satisfy personal needs or to take care of social needs.

The Problem: What shall we believe and do as consumers, producers, and citizens to achieve an appropriate balance among consumption satisfactions?

4. **Government in the economy.** Depression conditions of the 1930's and international conditions since that time have moved the government increasingly into economic activities. The size of governmental expenditures and the fiscal policies of government influence the economy. Population growth and its

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concentration in metropolitan centers have increased the need for services through government. The economic activities of government have been influenced by the increasing mobility of goods and people throughout the nation. Interstate and international economic relations are affected by the role of government in the economy.

The Problem: What shall we believe and do as consumers, producers and citizens to achieve an appropriate role for government in the economy?

5. Relative importance of growth and stability. Improvements in communications, transportation, and mass production techniques have opened the way to wider markets and lower unit costs. Increased opportunities for consumption lead to higher standards of living and to more opportunities for employment of the population in providing raw materials, and in producing and distributing goods. However, producing for wider markets can mean increased risks and greater investments. Concentration of employees in mass-production industries makes more people dependent upon such industries. Governmental activity can be used to influence growth and stability. Investments in research to achieve growth divert resources from being used for other purposes.

The Problem: What shall we believe and do as consumers, as producers and as citizens to achieve an appropriate balance between growth and stability?

6. Relative importance of freedom and security. Freedom has been a highly-prized possession of our people both because of what it means to the individual and because we have faith in results achieved by a people free to decide and act on their own judgment. Choices made without coercion in the market place provide directions from which individuals determine, of their own will, what they may choose to produce or what jobs they may try to fill. Industrialization, urbanization, and mass communications have tended to temper the amount of freedom of choice which people can have or believe it wise to allow others to have. Security in employment, in old age, in health, and from aggression are considered highly-prized possessions.

The Problem: What shall we believe and do as consumers, producers and citizens to achieve an appropriate balance between freedom and security?

7. Size and power of organizations in the economy. Individual initiative and decisions provided impetus to significant economic developments in our nation. The interaction between individuals characterized most economic activities and relationships up to recent times. Mass production techniques and improved transportation ushered in the potentials for greater efficiency. Gradually economic enterprises grew larger in size and power both as a result, and in the pursuit, of broader markets. Personal relationships within economic enterprises have declined and producers are increasingly separated from consumers. Groups have formed to achieve balances of power among the various segments of the economy. Both the efficiency and justice obtained from large organizations are under question.

The Problem: What shall we believe and do as consumers, producers and citizens to achieve an appropriate size and power for organizations in the economy?

8. Science and technology in the economy. During our lifetime, research and development have become factors of crucial importance in our economy.
Though a high degree of stability in production methods, materials and distribution existed as recently as 30 years ago, today there is constant pressure for innovation. Problems result in the supply and demand of human, natural and capital resources to cope with the innovations. Price stability is affected and consumer choices are more complex. We are influenced by the fact that the use of science and technology in the economic activities of other nations is advancing.

The Problem: What shall we believe and do as consumers, producers and citizens to achieve an appropriate place for science and technology in the economy?

9. Interstate economic relationships. A high degree of specialization and trade has characterized the economic activities and relationships of our states. Advantageous geographic and natural resource conditions have been capitalized upon to the benefit of separate states and the economy in general. Through assistance from federal funds for certain purposes, economic inequalities among the states have been lessened or economic activities have been fostered within some states for the benefit of the general economy. Pride in their economic development has fostered progress in many states and set high standards for others. Evidences of competition and self-interest, not conducive to the general economic welfare, appear occasionally among the states. Natural resources are sometimes not used or developed as wisely as they might be through interstate cooperation. Interstate cooperation in establishing regulations involving economic activities is not as adequate as it should be in these times of population concentration and mobility. Fixed positions regarding relationships with the federal government are held by some states.

The Problem: What shall we believe and do as consumers, producers and citizens to achieve appropriate interstate economic relationships?

10. International economic relationships. Recent years have seen marked changes in our nation's economic position in the world. World War II developments established our leadership in productive strength. Other nations were dependent upon us and were assisted to economic recovery by us. Increasingly, though, economic growth in our nation and the desire for higher standards of living have caused us to become dependent upon raw materials possessed by other nations. To purchase these necessitates our securing increased markets for our exports. Other industrial nations, however, have been making rapid recoveries to challenge our trading superiority and some nations have been moving toward the production of their own goods rather than purchasing from us. Blocs of nations are developing that lessen the flow of trade and pressures are growing to protect particular industries of our nation from outside competition.

The Problem: What shall we believe and do as consumers, producers and citizens to achieve appropriate international economic relationships?

Economic education for our times is a major responsibility. There must be a process and a focus in such education. The process demands rigorous experiences in research and critical thinking by both teachers and students; it demands that they be willing to learn and that they be willing to act on what they learn. The focus demands that teachers and students expend time and energy on the economic issues that count.