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PLATTE CHAT

Economic Education in Nebraska: Room for Improvement, but Tools and Training Available

By Alex West
Platte Institute

As of late, the status of economic knowledge among Americans has become a topic of concern for many educators, policy makers, and citizens. Indeed, several stories and studies concern themselves with the general lack of basic economic understanding in the population at large, even going so far as to declare it a "crisis."^[1] Reports such as these draw life from an attentive audience primed by concerns over the financial crisis of 2008 and the resulting sluggish economy; an audience more sensitive than ever to the implications of an ill-informed populace making economic policy through the democratic process.

Trepidation as it turns out may be exactly the right response to the news about rampant economic unawareness. Research finds that students who undergo economic and financial instruction choose to save money more often, display a more sophisticated sense of risk, and are more likely to make sound financial decisions.^[2] At the present time, Nebraska may not be taking full advantage of this insight. Indeed, according to the most recent measure of

outstanding way to partake in the discussion and have your voice heard by thousands of people. To make the process easier, the Platte Institute has assembled a list of links which allow you to submit a letter to the editor to nearly all Nebraska newspapers. Simply [CLICK HERE](#) for a listing of the newspapers and follow the appropriate link to submit your letter.

Contact Us

If you would like to contact someone at the Platte Institute, you are always welcome to give us a call, drop us an email or stop by the office. Our telephone number is 402.452.3737. We are located at 10050 Regency Circle – Suite 120 – in Omaha. Below is a list of staff email address:

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economic knowledge among Nebraska's students, there is room for improvement.

In their 2008 article published in the *Journal of Consumer Education*, Drs. Butters and Fischer evaluated students and teachers from across Nebraska who engaged in stand alone or infused economics courses. They used a nationally-recognized standardized test to establish a benchmark by which to measure the progress of economic education in the future.^[3] Their study represented the first such appraisal here in Nebraska and in this author's estimation the only one anywhere since 2008. Therefore, this study is the best available evaluation of economic literacy among Nebraska's students at the present time.

The researchers' findings were that students taught economics in Nebraska were performing at comparable levels in social studies and other non-economic topics to students around the nation, but were performing "well below" the national average in economics. The authors also kept track of distinctions among various subsets of students. For instance, students from dedicated economics courses achieved higher scores than those from courses-primarily social studies and math-infused with economic themes and lessons. On the other hand, Nebraskan students in dedicated economics courses still underperformed compared to the national averages drawn from students in similar classroom settings. Additionally, urban and suburban students performed better than rural students; a finding the authors point out is consistent with previous research linking this trend to the additional resources and specialized teachers available to urban and suburban settings when compared to rural school systems. This trend is significant in Nebraska considering the large number of rural students.

Though Nebraska's performance in economic education fails to meet national averages, Nebraska's economic standards are respectable, according to Dr. Butters.^[4] He attributed the disconnect between the state's criterion and actual measured outcomes on the local autonomy Nebraska's schools enjoy apart from the state's minimum expectations in this particular matter. In all, however, the gap between what economic knowledge students will need in their adult years and what students are now learning in schools may

very well be improving. Nebraskans won't be able to know for sure until a replication of the study done by Drs. Butters and Fischer shows where students in the coming years are in relation to the preliminary benchmark constructed by the study.

In the mean time, there are efforts underway to ensure that the results of that future check-up are positive for Nebraska's students. One such endeavor is the Nebraska Council on Economic Education a 501c (3) non-profit organization whose mission is "to act as a catalyst and lead a statewide initiative to advance economic literacy."^[5] The council accomplishes this goal primarily by providing teachers the opportunities and resources to enroll in economics courses in order to better prepare them to instruct economics in their own classrooms, but the NCEE also does much more. Each year the organization hosts a number of competitions one of which recently registered over 850 teams (nearly 4,000 students) to compete for honors presented by Governor Dave Heinemen in Nebraska's Stock Market Game. In addition, the group holds numerous educational events and activities among students to raise awareness and excitement around the subject of economics.^[6]

Nonetheless, the Council only impacts those students with teachers, administrators, and parents engaged enough to proactively take advantage of its services. If you think your children, grandchildren, or students might benefit from a stronger focus in economics and finance, then check out the Nebraska Council on Economic Education's website and peruse the resources available online (www.nebraskacouncil.org).

^[1] Czelusniak, Sandra. 2009. "The Crisis of Economic Illiteracy." *The Journal of the James Madison Institute*. Spring/Summer: 1.

^[2] Danes, S. M., C. Huddleston-Casas, and L. Boyce. 1999.

"Financial Planning Curriculum for Teens: Impact Evaluation." *Financial Counseling and Planning*. 10(1): 25-37.

[3] Butters, Dr. Roger B. and Tammie J. Fischer. 2008. "Establishing State Specific Benchmarks in Economic Education." *Journal of Consumer Education*. Vol. 25: 61-72.

[4] Dr. Roger B. Butters, phone call with author. June 2010.

[5] <http://www.nebraskacouncil.org/about/index.html>

[6] "Advancing Economic and Financial Literacy Throughout Nebraska: 2008-2009 Annual Report." *Nebraska Council of Economic Education*.

<http://www.nebraskacouncil.org/documents/2008-2009AnnualReportFinal.pdf>.

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