

## Crisis Could Make for a Fine Lesson in Virginia

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With headlines about plunging stocks, foreclosures, growing numbers of layoffs, rising college costs, increased debt and uncertainty about the future of Social Security, few would argue that there is a need for greater attention to financial literacy in our schools. Hand in glove with this is the need to learn basic economic principles and a framework for making choices, a skill that applies universally to individuals, businesses and government. It is difficult to succeed in our economy without a good understanding of the factors that drive it, how they change over time, and what one can do to recognize those changes and adjust accordingly. Fortunately, Virginia has an opportunity to ensure that its high school students graduate with this understanding.

The [Virginia Board of Education](#) is reviewing high school graduation requirements. I commend the board for including a greater focus on economics and personal finance among the many changes being proposed. One proposal before the board would require that some students -- those earning an advanced studies diploma -- pass a course in either economics or personal finance. But the board should amend the proposal to require that all students earn a credit focused on both economics and personal finance. Every student would greatly benefit from a combined economics and personal finance course before graduation. This is hugely important for the students who go straight into the workforce and for the majority of students who go to college but do not take an economics course or learn practical personal finance skills while they are there.

Every student -- not just those in Virginia -- would benefit from understanding the clear connection between personal economics and the economics of our country and our world. For example:

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- Spending more than one earns leads to debt, a fact that applies to individuals, businesses and governments.
- Understanding our market system and the principle of supply and demand is an important foundation for examining many issues, including why some careers grow faster and provide greater earnings, while other careers and even industries fade away.
- Knowing how globalization, competition and free trade affect our country, our regions, our businesses and our citizens.
- Recognizing that education and training (investing in our human capital) increase the likelihood of having a successful career and that the "investment" must be ongoing.

Since 1995 the Virginia Board of Education has included some basic economic concepts in each K-12 grade as part of Virginia's Social Science Standards of Learning: the SOLs. This is very

important, and teachers and schools are to be applauded for ensuring that this receives appropriate emphasis in the classroom. It is never too early for a child to begin to understand, for example, that everything has a cost -- monetary or nonmonetary -- and that we cannot have everything we want. Our resources are limited, and we have to make choices.

But it is evident that the current emphasis, while admirable, is not sufficient to equip young Virginians with the economic knowledge and financial skills they need to thrive in our dynamic global economy. Virginians should urge board members to require that every high school student pass an economics and personal finance course as a condition of graduation. As President [Franklin D. Roosevelt](#) said: "We cannot always build the future for our youth, but we can build our youth for the future." Requiring all of Virginia's high school students to take an economics and personal finance course will help prepare our youth for the future. Economic and financial literacy are important not only for individuals to function effectively in their own lives, but also so that they can be good employees or entrepreneurs and good citizens.

**-- Sarah Hopkins Finley**

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