

Richmond Times-Dispatch

Every High School Student Should Study Money Matters

Sunday, Oct 26, 2008

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With headlines about home foreclosures, growing numbers of layoffs, rising college costs, increased use of debt, and uncertainty about the future of Social Security, few would argue that there is not 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.

The Virginia Board of Education is currently reviewing high school graduation requirements. The board is to be commended for including a greater focus on economics and personal finance among the many changes being proposed. As drafted, the board's proposal requires some students -- those earning an advanced studies diploma -- to pass a course in either economics or personal finance.

The review offers the perfect opportunity to require all students to earn a credit focused on both economics and personal finance. Every student would greatly benefit by being equipped with the knowledge and skills gained from a combined economics and personal finance course before graduation. This is hugely important for both the students who go straight into the work force 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 would benefit from understanding the clear connection between personal economics and the economics of our country and our world. For example:

- Spending more than is earned 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 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 these concepts receive 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 non-monetary -- 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.

We all need to communicate with the Board of Education during the public comment period that ends Nov. 5 -- and urge board members to require that every high school student pass an economics and personal finance course as a condition of graduation. Information about how to comment is provided nearby on this page.

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 so that they can be good employees or entrepreneurs -- and good citizens.

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[This article also appeared in the *Washington Post*, *Roanoke Times*, and *Virginian-Pilot* in October, 2008.]