



the LEDGER

Economic Education Newsletter

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Putting It Simply. . .

Reasons for teaching economics are explored in this excerpt from a prospectus titled "Economic Education for Children Nine-to-Eleven Years-Old" — and the reasons are applicable to students of all ages. The prospectus was prepared to introduce a project now being developed by the Agency for Instructional Television, in cooperation with the Joint Council on Economic Education and the Canadian Foundation for Economic Education. When complete, the project will include fifteen television programs, a teacher's manual, teacher education and community awareness activities.

Economics is a fact of life. Every day we make economic decisions that affect ourselves and the people around us. The well-being of the individual and society depends upon informed economic decision-making.

Learning to make these decisions begins informally in childhood and continues through adulthood. The process can be expedited and enhanced through formal instruction. Ideally, instruction should begin early in life so that the person will have a sound grasp of economic issues by the time he or she reaches maturity.

The child trying to decide whether to spend all or part of an allowance and the adult struggling with the family budget are engaged in the same decision-making process and both should have some understanding of what they are doing. The sum of individual actions determines if a product or service will continue to be offered and how much it will cost. . . .

Without understanding the economic implications, people may engage in actions or support policies that are harmful both to the public in general and to themselves personally. The worker who demands a wage increase exceeding his productivity may find that more money in his pocket today contributes to inflationary pressures that will erode his purchasing power and lower his real income tomorrow. The employer who underpays or overcharges may lose customers. Citizens who repeatedly refuse to vote for higher school taxes may hold their tax bills in check but weaken their school system so that people with families hesitate to move into the area and local graduates find themselves ill-prepared to maintain the local economy. Because education is an important ingredient of economic growth, parsimonious voters may be reducing their own incomes in the long run to preserve their spending power now.

Schools have a responsibility to help people acquire the knowledge and skills essential for their personal and social well-being. The capacity for making informed economic decisions is vital in our modern society. Career and vocational choices, environmental decisions, consumer purchases, political choices — even historical events — have implications that a knowledge of economics can illuminate.

It is essential that schools expose children to basic economic principles and offer them instruction and practice in making economic decisions. Schools today must teach economics well so that tomorrow's citizens can deal consciously and intelligently with the economic aspect of their lives. . . .

What are the specific goals of economic education? What result should be expected if children are provided adequate economics instruction during their early school years?

First, students will recognize that they live in an economic world and will be aware that there are economic factors they must consider if they are to cope with contemporary challenges.

Second, students will better understand the rapid and often unpredictable changes in our society and be better equipped to deal with them.

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New England Update

MAINE

Radio stations throughout the United States have received a 12-inch record from the **Joint Council on Economic Education** as part of their public service radio broadcast campaign pilot program. The record contains spot announcements and a 15-minute discussion dealing with the importance of economic education. Participating in the discussion are representatives of business, labor and government.

CONNECTICUT

The **Connecticut Council on Economic Education** is planning workshops for teachers in the Stanford Public Schools and in the Fairfield County area. The Council also began a fund-raising campaign at the end of September, approaching business and community leaders in an effort to raise money needed to expand the work of the Council.

Teachers who participated in the summer workshop sponsored by the **Connecticut Council on Economic Education** will gather again in Hartford on November 14 and 15 to discuss how the units which they developed this summer worked in their classrooms. Focus of the workshop was using economic understandings to explore bi-centennial themes.

NEW HAMPSHIRE

The 18 participants in the summer workshop sponsored by the **New Hampshire Council on Economic Education** will receive certificates of recognition from the State Board of Education. Teachers enrolled in the workshop were from Barrington, Concord, Portsmouth, Manchester, Kingston and Penacook schools.

VERMONT

The **Brattleboro Chamber of Commerce** and local teachers and supervisory personnel are currently evaluating economic education materials provided by the Vermont State Chamber of Commerce to determine how best to distribute and make use of the materials. Workshops to train teachers to use the materials are a possibility.

MASSACHUSETTS

Applications are still being accepted for in-service courses at the **Center for Economic Education at the Lincoln Filene Center, Tufts University**, starting in mid-October. The workshop for secondary school teachers will deal with "Teaching Economics in American History." The workshop for elementary school teachers will deal with basic economic concepts and will use *Economics in Society: Concepts and Institutions* as a text. For further information, call: (617) 628-5000 X353.

A new director and a new chairman have been chosen to head the **Maine Council on Economic Education**. George Cunningham who has retired as a professor of mathematics at the University of Maine will be a part-time director until January and full-time after January. Cunningham has worked in industry and has taught high school economics, as well as being active in the introduction of the new math. The Maine Council's new chairman is P.A. Nixon, president of the Dead River Group of Companies, whose products include pulpwood, propane and lumber. The Council hopes to raise the funds this year to develop in-service courses for Maine teachers.

Teachers who attended the summer workshop sponsored by the **Maine Council on Economic Education** will meet for their fall follow-up meetings October 18 and in November, at Orono.

Readers are invited to use The Ledger as a forum to share news about their experiences in economic education. Write: Mary Jane Coyle, Editor, The Ledger, Public Services, Federal Reserve Bank of Boston, 30 Pearl Street, Boston 02106 or call: (617) 426-7100 X462.



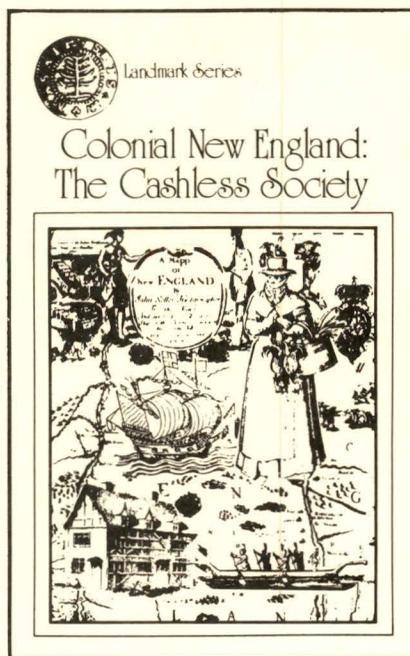
Staff from South Boston High School met with Federal Reserve Bank representatives in September to discuss plans for the Fed's partnership program with SBH. Plans have also been made with Boston Latin, another of the Fed's partnership schools.

Multi-Media

Grade level code: Capital letters (E—J—H—C) after each item indicate grade levels for which the materials are most appropriate: E—elementary school, J—junior high school, H—high school, C—college.

The American China Trade: "Foreign Devils to Canton" 1783-1843, (J-H), compiled by Miriam Butts and Patricia Heard, contains twelve "exhibits" which are photographs of documents and art relating to the China trade and six "broadsheets" which are 1500 word articles printed and illustrated each on one side of an 11-by-17 inch sheet. The articles deal with "Setting the Scene," "Cargos Outward Bound," "Life in Canton," "Merchants Under Sail," "China Cargos Home," and "East and West: Two Merchants." The broadsheets are written in a clear and interesting manner and the exhibits, including "A China Word List with Chinese characters," "A Watercolor set: The Process of Tea Culture," pages from a 1795 ship's journal and a 1795 merchandise inventory are a welcome "hands-on" approach to history which can stimulate student interest in the "stuff" of history beyond a textbook. 1974. Write: the Viking Press, Inc., 625 Madison Ave., New York 10022, \$3.95.

The Ledger compiles information from various sources and is published periodically as a public service by the Federal Reserve Bank of Boston. Inclusion of news about economic education should not be construed as an endorsement of specific programs by the Bank. Material contained herein does not necessarily reflect the views of the Federal Reserve Bank of Boston or the Board of Governors. Copies of this newsletter and a catalogue of other educational publications, films and published research information may be obtained free of charge by writing: Bank and Public Information Center, Federal Reserve Bank of Boston, 30 Pearl Street, Boston 02106 or by calling (617) 426-7100 X656.



Colonial New England: The Cashless Society, (J-H-C), by Elizabeth A. Konker, 75 pages, provides a clear description of the ways in which New England colonists coped with the lack of specie (gold, silver and other metallic coin) in their trading, and the ways in which they coped with their need for capital to increase

their production in farming and manufacturing. Drawings and documents of the colonial period illustrate the booklet's main points. 1975. Write: Bank and Public Information Center, Federal Reserve Bank of Boston, 30 Pearl St., Boston, MA 02106, free.

The China Trade, (H-C), by William Burke, 39 pages, describes both the old China trade of the 1800s and the new China Trade of the twentieth century, exploring the changing internal situation of China and the course of its imports and exports. 1972. Write: Research Information Center, Federal Reserve Bank of San Francisco, P.O. Box 7702, San Francisco, CA 94120, free. (Supply is limited.)

Dollar Points, (E-J-H), 6 pages, explains the meaning of the artwork, letters and numerals on the dollar bill. 1975. Write: Bank and Public Information Center, Federal Reserve Bank of Boston, 30 Pearl St., Boston 02106, free.

Putting It Simply . . .

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Third, students will focus on the central role of decision-making in their lives and learn that the decisions they make involve both costs and benefits to themselves and society.

Fourth, students will be able to improve their decision-making skills at both the personal and societal level. They will learn how to make logical decisions in the home, in the marketplace, and in the voting booth.

Fifth, students will be aware of the personal and social values that underlie economic issues, the problems that arise when economic goals conflict, and the difficult decisions that may have to be made.

Sixth, students will be able to identify and use the basic principles and relationships of modern

economics that constitute the tools of economic analysis. They will be able to deal logically with economic problems, basing their decisions on a reasoned understanding of their own and society's values.

Seventh, students will acquire a way of thinking about economic issues that will last throughout their lives. . . .

Complete materials for this television project are scheduled to be available September, 1978, with the possibility of materials being available one year earlier if the present funding stage ends earlier than expected. For further information, write: Agency for Instructional Television, Box a, Bloomington, Indiana 47401.

The Innovative Classroom

Students Barter for Tea At China Trade Workshop

Twenty students from Boston and the Milton area this summer took roles as 19th century traders to learn about the old China trade which flourished between New England and China in the 1800s. The students, from grades 2-6, followed a program at the Museum of the American China Trade in Milton, MA which would be bound to interest older students as well.



Class was conducted in a building behind the Museum, which is a house built in 1833 by Robert Bennet Forbes, one of the leaders of New England's China trade. The class had access to the Museum and viewed the originals of many China trade objects and so could reinforce what they learned about the China trade and how it worked.

The students created their own three-masted clipper sailing ships out of shoe boxes and stocked them with samples of the products which were part of the China Trade — tea, spices such as cloves, pepper, cinnamon and mace, furs, and tin foil coins representing gold or silver coin. They also spent time reproducing a Chinese fan and ceramic plates (from paper plates!) and painting a large mural of Canton Harbor where the early trading occurred.

During the last week of the three-week session, the students — role-playing the parts of Chinese and American merchants — bartered for tea, porcelain and other items, as the merchants did in the 19th century.

Three three-week sessions were held last summer at the Museum, made possible by financial assistance from the Massachusetts Council on the Arts. Similar programs are planned for next summer. The classes run five days a week, two hours a day. The purpose of the programs is to teach students about their early New England heritage, as well as the history of the first American contacts with China.

U.S. interest in the China trade began after the American Revolution, when British intervention led to a decline in the "triangular trade," which the colonies had developed with the West Indies. Financier Robert Morris sponsored the first ship to Canton in 1784. Three years later, two American ships stopped off in the Pacific Northwest to acquire seal pelts which they traded in China for tea, setting a trading pattern for many years to come.

In the 1790s, Chinese products were one-seventh of all American imports. The old China trade was at its dollar peak for American traders in 1819 when nearly 50 ships brought \$10 million worth of goods to China and took home \$9 million worth of goods. Trade began to decline with the advent of Britain's steel steamships (superior to American sailing ships) and with changing tastes. (Americans, for example, grew to like Brazilian coffee.) By the 1850s, trade with China accounted for only 2-3 percent of American trade.

The economic and cultural history of the old China trade provides a fascinating comparison with the new trade beginning again between the U.S. and China and is a comparison which could successfully capture the imagination of students.

In addition to the Museum of the American China Trade in Milton, MA, the Peabody Museum in Salem, MA houses many exhibits and resources which add to knowledge about the China trade and the part which New England played in that trade.

Boston Fed Sponsors Workshops for Teachers

Secondary and elementary school teachers are invited to participate in one-day economic education workshops, sponsored this fall by the Federal Reserve Bank of Boston. The workshop for elementary school teachers will be held October 21 and a workshop for secondary school teachers will be held November 18. Both workshops will be at the Bank in downtown Boston, from 9 a.m. to 2 p.m.

Teachers will have the opportunity to learn more about money, banking, the Federal Reserve System, and educational materials which the Fed makes available free of charge. At the same time, teachers will have the opportunity to share their ideas and experiences in economic education with their colleagues. There is no fee for the workshops.

For application and further information, write or call: Bank and Public Information Center, Federal Reserve Bank of Boston, 30 Pearl St., Boston 02106, (617)426-7100 X657.