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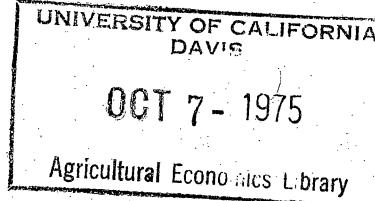
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ECONOMICS IN ACTION:
AN EDUCATIONAL EXPERIENCE FOR YOUTH

AUTHORS:

JOHN E. LIKERT

Extension Associate Professor of Economics

D. G. Harwood
Extension Professor of Economics

R. D. Dahle
Extension Associate Professor of Economics

All of: North Carolina State University, Raleigh, N. C.

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ABSTRACT

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Economics in Action: An Educational Experience for Youth

John E. Ikerd, D. G. Harwood and R. D. Dahle, Extension Economists,
North Carolina State University.

Economics in Action is a short-term, high impact program designed to acquaint youth with the realities of their economic environment. It combines concepts from the economists and the real-world of business and government leaders with the questioning minds of young people to achieve impressive educational results.

ECONOMICS IN ACTION:
AN EDUCATIONAL EXPERIENCE FOR YOUTH

At the 1972 National 4-H Congress, Mr. Raymond Firestone of the Firestone Tire and Rubber Company expressed his concerns about the image young people hold of today's business community. In a private conversation, Mr. Firestone indicated that he and other businessmen of his acquaintance were vitally concerned that many young people seemed to blame them for every unhealthy aspect of the economy including pollution, unemployment, inflation, and other such problems. He expressed a concern that many young people are apathetic toward the positive contributions of the business community and simply do not understand the role of the businessman in today's society.

A survey of high school students by executives of the Lufkin Rule Company of Apex, N. C. showed that these students had greatly inflated ideas of how much money businesses make, with estimates of profits as high as a 75 percent annual return on investment. On the other hand, they greatly underestimate the amount that companies pay their employees with an average salary estimate of \$3,000 per year for a foreman's position with a manufacturing company.

Concerns of businessmen such as those expressed above motivated development of the Economics in Action program, but program momentum is maintained as much by concerns of young people as by the concerns of businessmen. Experiences with young people in the Economics in Action program have shown that they are vitally concerned with the nature of business today. They are concerned with the ethics and social conscience of the business community. They are concerned with the

bigness of companies and the impersonal relationships between companies and their employees. And they feel that business "rips off" consumers by forcing them to accept whatever is produced at whatever price the business wants to charge.

The primary function of the Economics in Action program is education. Concerns of students are couched in the impersonal logic of economics leaving final value judgements to the students. The program is neither a "whitewash" of business nor an "attack on free enterprise". Every attempt is made to bring out both sides of each issue by applying unbiased economic logic. A by-product of the educational process is improved communication between the youth and the business community. In the long run, opening these lines of communication may be the most important accomplishment of the program.

Objectives

The primary objective of the Economics in Action program is to acquaint youth with the realities of their economic environment. This environment includes the national economy, local business and industry, the local community, and personal situations confronting the young people on a day-to-day basis. The program is designed for youth in the 15-19 year old age range from either rural or urban backgrounds.

The Economics in Action program attempts to answer youth's questions concerning such national problems as inflation, recession, unemployment, the money supply and international trade. Business related topics include: profits, middlemen, consumers, computers and management. In

dealing with community problems, the balance of costs and benefits is stressed. And, individual decision topics stress substitution and non-pecuniary costs and returns. Every attempt is made to keep the program basic, relevant, to-the-point and specifically directed toward topics of concern to youth.

The Program

Economics in Action fits the popular concept of a short-term, high impact educational experience that is readily accepted by todays busy teenage youth. The program format consists of four program modules which may be used in any combination to form a one-to-four day program. Each module stands alone as a one day program or may be used in combination with any number of the other three. There are two modules on "Economics in Business", and one module each on "Economics in the Economy" and "Economics in the Community." A presentation on "Economics in Individual Decisions" is designed to be used as an introduction to all programs and a panel discussion on "The Ethics of Business and Government" is suggested as a concluding event for all programs.

The most important aspect of the module concept is that each module prepares the student for what they will see, shows them something and then lets them ask questions about what they have seen.

A typical first day on an Economics in Action program might begin with a welcome to the students by the president of the local Chamber of Commerce. The welcome might be followed by a 20 minute talk by an economist concerning the economic aspects of individual decisions. Two mini-lectures might follow, each about 20 minutes in length,

concerning the economics of business management and the economics of marketing. The introduction and mini-lectures would have required only about 2 hours time including ample open discussion time after each presentation. The objective of the mini-lectures is to provide the students with an economic framework which will enrich the educational experiences which follow. Short, simple, well illustrated presentations have been found to be most effective in presenting economic concepts to youth.

Following a short break, the students in the typical program might begin the business tour part of the program. Businesses will have been chosen to illustrate the concepts covered earlier in the mini-lectures—in this case, management and marketing. Businessmen in charge of the tours will have been brought into the planning process in the early stages. They will know where they fit into the total program. The businessmen will tell as well as show the students what they do and why. Two tour stops that have been selected, prepared and conducted in an effective manner are much preferred to any number of "walk-through" tours.

Following four hours or so on tours, including an informal lunch, the discussion or feed-back portion of the program module is begun. This portion of the program is moderated by a professional economist with businessmen also present to answer questions. The economist's objective is to tie together the concepts from the mini-lectures with the reality of the business tours to maximize the educational impact. Of course a prime objective of these "bull sessions" is to allow the students to react, interact and respond to the educational experience to which they have been exposed.

If the program was a one day affair, the program would be concluded with a dinner meeting featuring a panel of young businessmen discussing and answering questions concerning the ethics of business. However, in a more typical program an informal dinner would be followed by entertainment and two more days similar to the first using two additional modules would precede the "ethics" panel discussion.

The module program concept stressing the three phase approach to teaching has been found to be highly effective in accomplishing the objectives of the program. Although the module format is preferable, the general concepts of Economics in Action are adaptable to almost any organizational or community situation.

A complete package of educational materials have been developed to support the Economics in Action programs. A publication providing guidelines for planning, developing and conducting these programs has been prepared for use by youth leaders and others involved in the program. (Ikerd, et. al.). The guidelines include the overall objectives and philosophy of the program, suggested committee organization and functions, suggested procedures from program planning to evaluation, sample programs, and sample evaluation forms. A short leaflet has also been prepared summarizing the salient points covered in the mini-lectures. (Harwood and Ikerd). Promotional registration forms are also available for use by the agents in recruiting student participants.

Slide-tape sets have been prepared for the 10 mini-lectures included in the suggested modules. This enables one economist to moderate the principles and concepts portion of the program calling on others to

participate only as is convenient. The slide-tape sets were prepared by a variety of economists and this add variety to the presentations even when conducted by one person.

Program Results

A pilot Economics in Action program was held in the summer of 1973. Three regional programs followed in 1974. As a result of these regional programs numerous county, multi-county and metropolitan area programs have been initiated throughout North Carolina. The initiative for new programs has come largely from youth who have been included in regional programs. Roughly one half of all program participants to date have not been active 4-H members. All programs completed to date have been highly successful regardless of whether they were held in large metropolitan areas or in relatively small communities.

Of course, the most important result of the programs has been the achievement of the primary objective: to acquaint youth with the realities of their economic environment. Program evaluations completed by students and requests for repeat programs support the contentions that the primary objective can be achieved within the existing program format.

There have also been side-benefits or spin-off results which should not be ignored when evaluating the potential impact of an Economics in Action program. These programs have led to improved public relations for the overall Extension program and the business community wherever they have been held. The contact between 4-H and the business community had in the past been one largely of 4-H agents asking for

financial support. Economics in Action gives 4-H an opportunity to offer something to business and community leaders that they want and need: the opportunity to communicate with youth. As one youth agent put it: since our Economics in Action program was held, the right people have been saying the right things at the right time to keep my programs moving ahead.

Economics in Action is also a highly visible program. The business, youth and community aspects of the program make it relatively easy to get the type of publicity beneficial to all concerned.

Young people who have attended these programs have given an overwhelming evaluation of "excellence". Such a program cannot help but reflect favorably on all who are associated with it.

Prior to development of Economics in Action, few North Carolina economists had any significant involvement with youth programs. Also, there was very little interest in economics related materials and programs among 4-H extension workers. This program has greatly increased the interest of economists in doing youth related work and has certainly enhanced 4-H agents' appreciation of economics in their work. The program has been a joint effort of Extension Economics and 4-H Extension and has formed a solid foundation for continued cooperation between these two entities. Economics in Action is a significant beginning to the formidable but vitally important task of achieving economic literacy among our young people.

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