



NEWS RELEASE

OFFICE OF ATTORNEY GENERAL HENRY McMASTER
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Campaign for Economic Literacy Addresses Students' Lack of Economic Knowledge

Columbia, S.C. - South Carolina's high school students scored an average of 53% on the recent 2004 Survey of Economic Literacy. The survey was designed to examine student familiarity with basic economic principles, knowledge about the U.S. economy, and understanding of some key economic terms embodied in the South Carolina academic standards. The survey was sponsored by the South Carolina Office of the Attorney General, the South Carolina Council on Economic Education (SCCEE) and Merrill Lynch.

The survey sampled 529 students in 10 high schools representing a cross section of the South Carolina Poverty Index. The average score among the 10 schools ranged from 38% correct to 61% correct indicating that students even in the best scoring schools are still receiving an "F" for their economic understanding on a traditional grading scale.

The survey was a teacher administered questionnaire and included questions ranging from basic economics, perceived importance of understanding economics to financial management. In stark contrast to the average scores, nearly 80% of students believe they can manage their own money.

"This survey clearly demonstrates the need to teach young people about economics and personal finance," said South Carolina Attorney General Henry McMaster. "Concepts such as inflation and interest rates are fundamental knowledge for young people to have in order to make effective money management decisions in their future."

Survey results indicate that 12th graders, who are more likely to have been taught economics, score higher than students in the lower grades. The average of correct answers jumps from 7.9 correct for 9th graders to 11.4 correct for 12th graders. This important finding supports the State Department of Education's inclusion of economics in the academic standards beginning in kindergarten. This inclusion allows economic knowledge to be gained over a student's entire school career rather than a one-semester high school economics course.

"I believe that in the years to come we'll see a 'trickle up' effect from the state Social Studies standards," said Helen Meyers, SCCEE president. "Now that students in grades 3-8 are tested on economics in the Palmetto Achievement Challenge Test (PACT) teachers are talking with them about scarcity and budgets

deficits. The critical issue now is whether the teachers feel confident and prepared to teach the subject matter.”

To address the need to improve economic and financial literacy, SCCEE has launched a statewide Campaign for Economic Literacy. The campaign is a call to action for business and education leaders to think in terms of preparing young people to sustain the many economic development efforts that are taking place across South Carolina. Among the campaign activities are:

Book Distribution and In-service Training Program offered to elementary and middle schools in the bottom third of the Poverty Index. Thirty schools responded to a letter from Attorney General Henry McMaster and are scheduling a training program for their teachers.

Regional Summits on Economic Literacy bring business and educational leaders together to discuss the most efficient and effective way they can work together to provide the resources teachers need to teach economics and personal finance. The next summit will be held at the Francis Marion University Center for Economic Education on Thursday, April 28, 2005.

Hootie & the Blowfish Take Stock in South Carolina gives students in grades 4-12 the opportunity to study the securities industry and learn about their state at the same time. Students invest a hypothetical \$100,000 in a list of 75 companies important to South Carolina’s economy, called Hootie Stocks, and compete to have the best portfolio at the end of a 10-week competition.

To test your level of economic knowledge go to www.sceconomics.org and click on Resources/Economic Literacy Quiz.

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About South Carolina Council on Economic Education

The South Carolina Council on Economic Education is a nonprofit organization dedicated to improving the economic and personal financial literacy of all South Carolinians. Its mission is to help students develop economic ways of thinking and problem solving that they can use in their lives as consumers, investors, and effective participants in the global economy. SCCEE delivers its programs through partnerships with university-based Centers on Economic Education located at Charleston Southern University, Clemson University, Columbia College, Francis Marion University, Lander University and Winthrop University. During 2004, more than 1,000 teachers participated in SCCEE in-service trainings, workshops, and graduate level courses.

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