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Review of "Teaching Economics in Troubled Times: Theory and Practice for Secondary Social Studies"

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Teaching Economics in Troubled Times: Theory and Practice for Secondary Social Studies. Edited by Mark C. Schug and William C. Wood. (New York: Routledge, 2011. 232 pp. ISBN-978-0415877725.)

Mark Schug, a leading voice in economic education curriculum and research, has partnered with William Wood, professor of economics and director of the Center for Economic Education at James Madison University, to produce a much-needed volume for economic educators and those who train them. In my opinion, *Teaching Economics in Troubled Times* would be a perfect textbook selection for an economic education teaching methods course. In fact, I also would recommend this book as suggested reading by school-level curriculum directors for first-year economics teachers. Many high school economics teachers are social studies teachers whose intentions and training are heavily focused on history education. As such, when given the assignment to teach economics, they find themselves ill-prepared for the task. This book is a useful tool for teachers in that category.

The editors have assembled the right content, and the authors have written it well. All but six of the sixteen authors currently work or have recently worked in affiliation with the Council for Economic Education. While the reference to "troubled times" in the title implies that the book might have a limited shelf life, the phrase could be omitted and very little of the content would need to be changed. The first section of this book, "The Changing Economic Scene," is really a primer on key economic content framed in the context of the Great Recession. The second section of the book, "Making Economics Cool in School," is the teaching methods part of the book. It discusses where to find teaching resources, as well as insights into where advanced placement economics, personal finance, entrepreneurship, and economic history fit into the economic education curriculum. The final section, "Research Findings in Economic Education," delivers what it advertises: an overview of research in K-12 economic education.

Part I: The Changing Economic Scen

The first chapter, "What Every High School Student and Teacher Needs to Know about Economics," provides a nice framework for teaching microeconomic content. Two items are noteworthy. First, the chapter uses an approach that teaches students to "think like an economist." In my experience, teaching students to look at the world through the lens of economic thinking is effective, especially if the goal is to influence the decision making process. Second, the framework created here assumes that markets work with a small degree of market failure. Of course, the degree to which one believes markets fail is one factor that divides liberal and conservative microeconomists. On one end of the spectrum, conservatives tend to assume that markets are largely efficient—that market failure is very small and rare and that the medicine of government intervention is often worse than the cure. The authors tend toward this persuasion. On the other end of the spectrum are economists who see a market failure behind every tree that must be corrected with government intervention. As with many things in life, most economists lie somewhere in the middle. The chapter is well written and provides the reader with great insights for enhancing students' economic thinking skills. Given that many teachers who end up teaching economics are poorly prepared for the task, laying out the basic principles is an excellent way to begin a book of this nature.

In the second chapter, "John Maynard Keynes: Dead But Not Forgotten," Scott Niederjohn does a good job explaining the rise of Keynes during the Great Depression and the recent resurgence of the Keynesian school of thought during the Great Recession. This is the chapter that provides the bulk of the macroeconomic content. After introducing Keynes, Niederjohn gives an overview of monetary and fiscal policy, although the explanation of monetary policy is a bit of an oversimplification. For example, in his introduction, Niederjohn states that "monetary policy is conducted by the Federal Reserve…primarily through their control of the federal funds rate" (p. 38). He mentions the Fed's control of the rate again later, and then finally explains the mechanism by which the Fed influences the rate using its open market operations. In reality, the federal funds rate is determined in the federal funds market—it is not "controlled" by the Fed. A more complete description of open market operations might have been helpful for the intended audience.

I also found it interesting the way Niederjohn sets supply-side policies apart from monetary and fiscal policy, saying "When it comes to stimulating an economy, discretionary fiscal and monetary policy aren't the only games in town. Economists subscribe to a host of other theories including supply-side economics" (p. 46). Supply-side policy is normally presented as another method of conducting discretionary fiscal policy, not an additional category of government intervention. Supply-side policies use the tax and spending powers of government to shift the aggregate supply curve (supply-side fiscal policy), rather than the aggregate demand curve (demand-side fiscal policy). In my opinion, the author's emphasis on the supply side as distinct policy overmagnifies the importance of this type of policy within the discipline. Aside from these minor discrepancies, this chapter is clear for the reader and informative on macroeconomics.

Dwight Lee's clear discussion of free trade starts with the simple comparative advantage model that teachers often struggle with. As a result, students often find the topic very difficult and confusing. After a good description of the model in very easy-to-understand language, Lee addresses some questions that teachers might have but are usually not addressed by textbooks. For example, textbooks might use a two-country/two-good comparative advantage model to show that China should specialize in producing computers and the United States should specialize in producing cars. Lee lays out the two commonly used simplifying assumptions of the model: First, there are only two goods and each good is the same regardless of which country produces it. Lee notes that in the real world both the United States and China will both import and export cars. The second assumption is that the opportunity cost of the other good is always the same within a country. In reality, marginal costs usually rise as production increases. As a result, America might start specializing in cars, but as costs rise it would likely reach a point where computer production is comparatively less costly than car production, so America would produces both cars and computers. Is the comparative advantage model incorrect? No. Instead, it is worthwhile to simplify the model even if it doesn't perfectly match reality. But, Lee realizes it is important for teachers to know the simplifications so they can address them in the classroom.

In the chapter, “Public Choice and Behavioral Economics: Implications for Instructors in an Uncertain Environment,” Angela Smith and William Wood cover some content that could easily carry over to the government/civics classroom. They also introduce some of the content of behavioral economics, a new and exciting field that blends economics with psychology to describe human behavior. The chapter provides a nice overview of the content and recommends teaching resources that might be useful in introducing these concepts in the classroom.

Part II: Making Economics Cool in School

This section is perhaps the most practical for beginning teachers, especially those with some background in economic content. Every economics teacher should read the first chapter, with the very fitting subtitle “What Every First Year High School Economics Teacher Needs to Know.” It offers a good overview of what many of us learned the hard way. The author, Jane Lopus, gives 12 very useful tips, including (i) teach economics as a way of thinking and (ii) use activity-based lessons (she also suggests specific titles of very useful lessons). She also suggests that teachers participate in professional development programs provided by organizations such as the Council for Economic Education and Federal Reserve Banks.

The next chapter focuses on Advanced Placement (AP) economics. John Morton provides some specific reasons schools and teachers should consider an AP course in economics. He also provides some very practical information and advice on how to implement a course to ensure a positive experience for students and respectable scores on the exam, all while maintaining the dignity and sanity of the teacher.

Remaining chapters in this section on personal finance education, entrepreneurship education, and economic history provide great information on topics that some might consider tangential to economics, but they can provide a more practical or interdisciplinary approach to a discipline criticized by some as too abstract for the high school classroom.

Part III: Research Findings in Economic Education

In this section of the book, Phillip VanFossen reviews the economic education literature in the elementary classroom. Given that the subtitle of the book is “Theory and Practice for Secondary Social Studies,” I was surprised to see an entire chapter on economic education literature pertaining to elementary education. The section begins with a discussion of research that finds young children can and should learn economics. The emphasis at this level is not on graphs and data but rather the decision-making process. The chapter stresses that research consistently shows that students learn more economics when their teachers know more economic content, spend more time teaching economics, and use good instructional materials. This is true in both the elementary and the secondary classroom. Another point highlighted by VanFossen is that elementary teachers often teach a lesson meant to help students distinguish between needs and wants as their introduction to economics; this is a problem because economics does not have a concept called “needs.” Scarcity, a foundational concept in economics, is about the relationship (and conflict) between living in a world with limited resources, but unlimited *wants*. The prevalence and popularity of such “needs vs. wants” lessons is an indication of the lack of economic content knowledge within the ranks of elementary teachers. The chapter concludes by covering promising practices for the K-5 classroom, such as using children's literature to teach economic concepts, integrating economics with other academic content (such as math), and simulations such as Mini-Society that have been used in the classroom for quite some time, while Internet-based learning is relatively new to economic education.

The chapter reviewing research for economic education at the high school level is written by Michael Watts and William Walstad, both well-published economists in economic education research. Their chapter begins with a discussion of whether economics should be taught at the high school level. The opposition to teaching economics at the high school level usually comes from university professors who worry that high school economics is taught so poorly that it may do more harm than good for students who continue their studies at the university level. The authors remind the reader that many students will not continue their education at the university level, and many who do will not take economics courses. They pragmatically conclude that some economics instruction (even if some is poorly done) is better than none at all. They suggest three factors that lead to successful economic teaching and learning: (i) the amount of time students spend on economics in their classes, (ii) teachers' knowledge of economics, and (iii) the use of good instructional materials.

Teaching Economics in Troubled Times is a great one-volume primer on what matters in economic education. The editors have compiled a nice collection of essays from accomplished academics, researchers, and practitioners into a usable, practical guide to teaching economics. The text is clearly written and accessible to all—including the target audience: those with little or no experience teaching economics. I recommend it to anyone interested in teaching economics or social studies methods professors looking for materials that address economic education in the classroom.

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