

NJS Presents**Teaching NJ History****In this Issue:*****Is One Semester in Personal Finance/Economics in New Jersey Enough?*****By William Gorman****DOI: <http://dx.doi.org/10.14713/njs.v5i1.181>**

In this editorial, Professor William Gorman (an educator with 30 years' experience) lobbies for the state of NJ to think long and hard about its financial literacy and economics education requirements.

New Jersey, since 2010, changed its high school graduation requirements to include a 2.5 credit requirement in Personal Finance/Economics. The fundamental question here is: Does that do the job and is this amount of financial literacy and economics instruction enough for those that are leaving secondary schools in our state? This is not just a New Jersey problem but also a nationwide problem. According to a 2013 poll by Sallie Mae, 84% of students admitted to not having any confidence in or knowledge of financial and economic fundamentals. They're not just lacking self-confidence. The Organization for Economic Cooperation and Development tested students at 15 years of age in 18 countries. The United States' students in this assessment ranked significantly behind students from countries such as Estonia and China. In fact, American kids in this assessment fell 60% below the average score of the others in the study. It's not just a matter of doing poorly on tests of economic knowledge; this economic illiteracy, if you will, can have detrimental real life consequences. The Jump Start Coalition for Personal Financial Literacy, for example, makes the point that "1/3 of graduating high school seniors... already have credit cards and that number increases to 50% by the age of 18 with a personal amount of credit card debt of

\$1,585.” Clearly, there is a problem here. So while we have a personal finance/economics requirement in New Jersey, and there is discussion of making this a requirement at the middle school level as well, it might not be enough. We might need to spend more time on the subject, and I would argue here that this type of education and economics/financial literacy **MUST** be started at an even younger age. The State of Louisiana implemented this requirement into upper elementary grades almost four years ago. This would suggest that New Jersey is a bit behind the times in this type of education for our children. It could be argued that financial literacy and economics education are life skill components that all students should have greater exposure to and experience with in order to become life-long learners and more competent money managers as adults. The sooner we get students to understand the importance of these types of skills, the sooner the trajectory of debt over time in adults will change. This type of educational exposure, in my view, is really commensurate with the State Department of Education’s 21st Century Life Skills requirement and should be taken more seriously by those in government within the state as this type of knowledge is truly “life-skills” at their best. When one looks at the amount of debt in our country amongst adults, there is clearly a need to educate students across the nation.

Professor Gorman had a career in public education as a Social Studies teacher and Supervisor in the Freehold Regional High School District and has experience in curriculum development and writing and staff supervision. He has served at the State of New Jersey Department of Education level in areas of H.S.P.A. test construction and also was one of those involved in the construction of the Social Studies curricular frameworks for the State of New Jersey in 2005. He has been a member of the Department of History at Monmouth University since 1986. His areas of research interest include: Social Studies Education and curriculum; the Federal Budget; National Security and politics. Besides being co-editor of The American Economy, he has

also written on National Security and the Federal Budget, being published in the Oxford Journal Forum on Public Policy. In his time at Monmouth, he has taught Western Civilization, American History Survey, Critical Discourse, and for the last five years has taught exclusively courses in American Economic History.