

Banking in Arkansas

Economic Education in Arkansas

The following is an excerpt of an article written by Dr. Bessie B. Moore, Coordinator of Economic Education for the State Department of Education, from the July 1966 issue of The Arkansas Banker.

More than other business men, bankers probably recognize the need for economic education. The very nature of banking assigns them responsibilities to help eradicate economic illiteracy. Every day they witness tragic results to individuals who cannot manage the family budget, who do not understand the nature or use of credit, and who do not realize the value of saving. Such people know nothing about channeling savings into investment, and consistently practice unwise spending.

Bankers, more than most other citizens, realize how tragic it is when the votes of an economic-illiterate citizenry thwart both community and state progress through decisions based on prejudice or as a result of inability to use the tools of analysis. Voters thereby fail to recognize resultant alternatives.

Furthermore the function of commercial banks is so vital to the smooth operation of the economic system that both bankers and the general public profit when this function is understood. The average citizen does not know that commercial banks actually create money. Even fairly well-informed people know little about the role of the Federal Reserve System in regulating the money supply or the use of monetary policy in helping to keep the economy stable.

Youngsters in elementary school are now being introduced to money and banking and understand concepts as varied as demand deposits and a raise in the discount rate! A fifth-grade boy explained to this writer in detail recent actions of the Federal Reserve Board and the consequences to the economy. Such depth of understanding can result only in a greater understanding of the role of commercial banks as institutions and the banker as a knowledgeable person performing a necessary and useful function for individuals and for the community, state and nation. Even though economic education is intended to produce economically literate citizens, it creates, by its very nature, a depth of understanding of banking and an appreciation of the banker as a person far more effective than the studied efforts of the best public relations expert.

Bankers can take pride in the quality of the economic education program. From its inception in 1962 this Arkansas program has been nationally recognized. It has been practical, imaginative and challenging. Professional direction of the program rests in the State Department of Education where it is a matter of high priority. Commissioner of Education, A. W. Ford, says: "Outside of the skills of communication, economic education is the most important area of the curriculum." Sixteen members of the professional staff of the Department, including the Commissioner and the Assistant Commissioner for Instructional Services, have attended economic education workshops and are furnishing guidance to local schools in their programs.



Dr. Bessie B. Moore, 1966

A State Council on Economic Education assists in promoting the program and in raising money for its work. Organized February 27, 1962, the Arkansas State Council on Economic Education is considered the best in the nation. Composed of sixty-nine outstanding leaders from all levels of education, business, industry, agriculture, labor and the professions, it has had the active support of many individual bankers and the Arkansas Bankers Association. Pat Wilson, President of First Jacksonville Bank, was the first chairman of the Board and W. H. Kennedy, Jr., President, National Bank of Commerce Pink Bluff, is current chairman. The Arkansas Council is affiliated with the Joint Council on Economic Education in New York City, which has supplied invaluable consultant services. Dr. George L. Fersh, Associate Director of the Joint Council, has directed the University of Arkansas workshop each summer and is widely known and respected by both Arkansas educators and lay citizens.

Because few teachers have had the training necessary to incorporate economics into the curriculum, the Council has engaged in an intensive training program for teachers. This has been accomplished through workshops varying in length from one to five weeks and one-day conferences sponsored by education organizations, school systems and colleges. More than

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a thousand teachers have attended workshops held at Arkansas State Teachers College, Henderson State Teachers College, the University of Arkansas and Ouachita Baptist University.

Impressed by the quality of the Arkansas program, the National Committee on Education for Family Finance gave a grant of \$9,000 to Arkansas State Teachers College for a workshop in 1965 and has indicated support for the next five years. Applications of eighty-seven other colleges were passed over when ASTC was selected.

More than three thousand teachers have attended short conferences and have some knowledge in the field. Two successful one-day conferences are cited as examples. They were held in cooperation with Little Rock Childhood Education Association and Southern State College at Magnolia. More than six hundred teachers, school officials and school board members attended the Little Rock Conference. A feature story about it appeared in the April 1966 issue of *Childhood Education*, the official publication of the national organization. More than four hundred teachers from four parishes in Louisiana and seven counties in south Arkansas responded to an invitation from Southern State College in February 1966 to hear Dr. Meno Lovenstein, economist at Ohio State University, and to share experiences.

It would be impossible to describe in detail all the recognition which has come to the economic education program or to Arkansas as a result of it. From the time Arkansas was named as a "pilot" state for the South in 1962 until the announcement in November 1965 that Arkansas teachers had won ten of forty national awards for excellence in the teaching of economics offered by the Kazanjian Foundation, honors have been heaped on the program. Three Freedoms Foundation awards have been won: to Commissioner of Education, A. W. Ford, for his leadership in economic education and to the University of Arkansas Workshop, both in 1964, and to the Arkansas State Council on Economic Education in 1965. Business Week carried a feature article in July 1963 and Forbes ran an editorial in September 1965. The writer told the Arkansas Economic Education story to the Southern Governors' Conference at White Sulphur Springs, West Virginia, in August of 1964. Arkansas was one of three states chosen for a pilot Manpower Conference in March 1964 involving the twelve largest school systems in Arkansas.


Outstanding leaders from the business world such as Henry Ford II, William McChesney Martin, Frederick R. Kappel, and many others have come to Arkansas to speak to workshops. Likewise, leaders from organized labor and high level government officials have also thought the program important enough to appear on workshop programs. Only last year, Gardner Ackley, Chairman of the President's Council of Economic Advisors, spent a morning giving the teachers insight into the intricacies of monetary and fiscal policy. An equally impressive group of speakers will appear at workshops this summer. They come, many for the first time, and they learn about Arkansas, and they leave with a feeling that Arkansas has so much to offer.

Only recently, Little Rock has been chosen as a pilot school in the Developmental Economic Education Program (DEEP) conducted by the Joint Council on Economic Education. This is a three-year program designed to build economic understanding into school curricula, to improve teacher preparation in economics, and to develop and test new teaching materials at all grade levels.

Several other school systems in Arkansas will be "associate" schools with Little Rock. At the end of the three-year period, curriculum materials produced will be published by the State Department of Education.

While the economic education program has been successful, the surface has barely been scratched. Continued financial and moral support at this point is imperative if we maintain the momentum established. While money is needed to support the program, equally urgent is active support of bankers to serve as speakers at workshops, as resource people in the classrooms in their local school and as catalysts in the business community in behalf of the program.

At the organization meeting of the Council, Pat Wilson described economic education as practical, necessary and urgent. It still is!



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