

Economic Education in England

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Introduction

Economic education is not a term commonly used in the school curriculum in England. Economics as a subject is only part of the wider curriculum which contributes to Business Education. This is a generic term, open to a number of interpretations, which can be used to describe a variety of related subjects. Initial attempts to define the term Business Education stressed the breadth of the subject area:

"Business Education, in a school context, comprises a wide range of learning activities aimed at developing pupils' knowledge and understanding of key ideas, enhancing personal skills and developing informed attitudes, in matters relating to the economy, the world of work and to business enterprise."
(Training Agency 1990)

The historical development of the subject area has been well documented and is beyond the scope of this particular paper (see for example, Abbott, Huddleston 1996; Hodkinson, Jephcote 1996). However, successive governments have through a range of curriculum initiatives, promoted the development of Business Education in schools. The subject area, which comprises elements of Economics, the various Business disciplines and Information and Communications Technology, has become a popular option choice for students and is well regarded by parents and employers.

Business Education has become the accepted term to describe this curriculum area and it is the one I will use throughout this paper. A more recent definition of Business Education continues to stress the wide ranging nature of the subject area. According to the Office for Standards in Education (OFSTED), the government body responsible for maintaining and measuring educational standards in schools and colleges, Business Education is defined as:

"the learning process through which young people acquire a knowledge understanding of the nature and role of business and its anisation, the economic environment in which it operates and the ntribution it makes to the creation of wealth and to the satisfaction of human needs and wants. This process also involves the development and application of skills, attitudes and personal and social qualities for living and working in an industrial society." (Butler 2002)

This is a broad definition which includes elements of Economics, Business Studies, a range of vocational courses and Citizenship. This paper will only deal with general education and will not focus on vocational education. However, in order to fully understand how Business Education is implemented, in England, it is necessary to briefly consider the wider organisation and operation of Education and Training.

Business Education within the school system

Until the age of sixteen all pupils in England follow a National Curriculum. All pupils have to take certain subjects as part of the National Curriculum e.g. Maths, English, Science, but some limited choice is allowed. The curriculum is split into Key Stages with Key Stage 4 representing the final two years of compulsory education. Pupils normally make their choice, about their option subjects,

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at the end of year 9 (age14). In the last two years of compulsory schooling (years 10 and 11) pupils study for their General Certificate in Secondary Education examinations (GCSE). Most school pupils take a minimum of 10 GCSE examinations at the end of year 11. It is relatively unusual for Economics and Business Studies to be offered to school pupils before the age of 14 and they are offered as GCSE options at Key Stage 4. A limited number of vocational business courses are also offered at this stage and this trend is likely to increase under current government proposals to extend vocational opportunities for pupils at Key Stage 4 (DfES 2002). The latest curriculum development, in 2002, has seen the introduction of Applied GCSE programmes in a number of areas including Business. (Abbott 2002)

From September 2002 all school pupils have to be taught Citizenship as part of the National Curriculum. Significant areas of the content of Citizenship, especially at Key Stage 4, are made up of work on economic and business understanding. For example:

- How the economy functions, including the role of business and financial services.
- The rights and responsibilities of consumers, employers and employees.
- The wider issues of global interdependence and responsibility, including sustainable development.
- The United Kingdom's relations in Europe, including the European Union. (QCA 2002)

All sectors of education and all subject areas have been encouraged to make greater use of Information and Communications Technology (ICT). Business Education has been at the forefront of these developments. A number of Business and ICT courses have been introduced. Teachers within the subject area have been encouraged to develop their own skills and utilise ICT within the classroom (see for example: <http://www.becta.org.uk> and <http://www.bized.ac.uk>).

Once young people reach the age of sixteen and the end of Key Stage 4 they have the choice of remaining in full time education and training or going into employment. Once again within full time education there is a choice between academic programmes (A/S and A2 level) and vocationally related programmes (AVCE or GNVQ Business). Post-16 education in England was significantly reformed with the introduction of Curriculum 2000 (QCA 1999, 2001). As a result of this initiative a common format for all courses was introduced with six modules making up a full A2 qualification. This initiative split the A level into two parts: A/S and A2. Pupils normally take the A/S examination at the end of their first year of post-16 study and they can then choose if they wish to carry on with the remaining three modules to obtain the A2 qualification. The A/S, A2 route is the traditional entry method into higher education. Pupils normally study four A/S subjects and then carry on with three of these to A2 level.

In recent years at GCSE, A/S and A2 level Economics as a separate subject has declined in popularity as Business Studies has grown in importance. In 1992 40,222 candidates entered the equivalent of A2 Economics, by 2001 this figure had declined to 19,311. Figures for Business Studies show 19,179 candidates in 1992 and 34,586 in 2001. It has been claimed that Economics is more difficult than Business Studies and that students perform less well in Economics as a result of more severe grading at A level (Fitzgibbon 1999; Ashworth, Evans 2000). In particular, the perceived difficulty of Economics in comparison to other subjects is likely to deter students from opting to study the subject:

"We find that the achievement of students in economics at the end of their first year is significantly lower than in other subjects, both absolutely and relatively. Students of Economics are found to underperform relative to both their performance in their other A level subjects and their GCSE performance. The evidence is striking: it suggests that economics is 'out-of-kilter' with other subjects and, in this sense, seems to have connived in its own demise. It seems likely that at least some additional students would be inclined to opt for A level economics if assessment was conducted with marking scales more comparable with those in other subject areas." (Ashworth, Evans 2002).

At GCSE level, in 1992, 20,472 pupils studied Economics to GCSE level, but by 2001 this figure had fallen to only 5,328. In 1992 Business Studies attracted 119,989 pupils entries, there was a slight fall by 2001, with 105,194 pupils studying GCSE Business Studies (QCA 2003).

The subject area as a whole has grown significantly in size as many students study Business Education subjects in vocationally related programmes in addition to the traditional academic routes. Business Studies has grown in importance as Economics has declined. However, the combined number of students opting to follow courses in either A2 Economics or Business Studies means that it is still an extremely popular subject area. Approximately one in four post 16 students takes a business-related course.

At GCSE level, Business Studies remains a major option choice for a significant number of students, and is one of the most successful subjects outside the compulsory subjects laid down by the National Curriculum.

Curriculum and Content

At GCSE, A/S and A2 level the subject criteria and assessment regulations for each area are laid down nationally by the Qualifications and Curriculum Authority (QCA). Individual examination boards then translate the criteria into examination courses. Schools can then choose which particular course, validated by one of the examination boards, they will offer to students. There will be minor differences between the various courses offered by the examination boards in terms of the options available and the assessment methods. However, all courses have to cover the subject criteria.

At GCSE Economics and Business Studies are the two main courses available. Guidance from a GCSE Business Studies course gives a clear indication of the teaching methods and the subject content:

Business Studies must relate to the real world of Business and the community at large outside the classroom. This cannot be achieved by desk research alone. The dynamics of the business world will be appreciated best by visits to, and contact with, local and national organisations.

The use of graphs, charts diagrams, tables and other means of presenting and interpreting numerical information relating to any part of the Subject Content should be encouraged, as should an integrated approach to delivering the subject.

The teacher is not expected to teach the specification in the order in which the subject content is presented. However, the schemes of work must enable candidates to demonstrate their knowledge and understanding of:

(i) the relationship between business activity and the environment in which it takes place;

(ii) the structure, organisation and control of the main form of business.

- The themes that make up the Core Subject Content are:
- The Business Environment;
- Business Structure, Control and Organisation;
- Organising to Achieve Objectives;
- People in Organisations. (AQA 2003a, 15)

Similar guidance for GCSE Economics sets out the main approach and area of study:

"Economics is concerned with the enquiry into the allocation of resources to the production and distribution of income and wealth. It emphasises the importance of

economic issues in a modern society and seeks to encourage the development of a basic economic understanding which will help to prepare candidates to play a full part in that society. An essential part of this understanding is the ability to assess and evaluate economic behaviour particularly in the context of spiritual, moral, social and ethical issues.

Candidates should be encouraged to use a range of economics skills, including the use of graphs, diagrams and the interpretation of numerical information.

Subject content:

- Background information including key definitions
- Basic economic problem and decisions
- Market systems
- Business Behaviour
- Market failure and policies
- Macroeconomic concepts and policies" ([AQA 2003b](#), 15-16)

The weighting of particular types of assessment will differ between the individual examination boards. However, it is common practice to find a mixture of coursework and various formal written examinations.

Similar guidance about subject content is available for A/S and A2 Business Studies:

AS Module 1 - Marketing and Accounting and Finance

AS Module 2 - People and Operations Management

AS Module 3 - External Influences and Objectives and Strategy

A2 Module 4 - Marketing and Accounting and Finance

A2 Module 5 - People and Operations Management

A2 Module 6 - External Influences and Objectives and Strategy

([AQA 2003c](#), 3)

There are strong similarities between the content for A/S and A2 level Economics and those at GCSE:

AS Module 1 - Markets and Market Failure

AS Module 2 - The National Economy

AS Module 3 - Markets at Work

A2 Module 4 - Working as an Economist

A2 Module 5 - Business Economics and the Distribution of Income

A2 Module 6 - Government Policy, the National and International Economy.

([AQA 2003c](#), 3)

Following the pattern at GCSE individual examination boards will allocate slightly different weightings to different forms of assessment. Since the introduction of Curriculum 2000 one significant feature of A/S and A2 assessment has been the growth in coursework and the relative decline of formal examinations. However, strict limits are imposed by QCA on the amount of coursework allowed.

Whatever the assessment pattern at GCSE level greater emphasis is placed on testing knowledge and comprehension. At A/S and A2 level students are expected to display higher order skills including synthesis and evaluation ([Needham 2002](#))

I have provided examples of the subject content from one subject board, chosen at random, for GCSE, A/S and A2. Given the national criteria imposed by QCA other examination boards would offer broadly similar courses in terms of content and assessment.

In recent years the Nuffield Foundation have established a joint Economics and Business course at GCSE, AS and A2 level ([http:// www.necb.org](http://www.necb.org)). The objectives of the project were:

- To create a course in which the concepts of Economics and Business Studies would be taught in an integrated way. Students would be able to use the concepts wherever they might be applicable to real world problems. This approach is often much richer than a single subject treatment in that a wide variety of concepts can be used in the consideration of any given issue.
- To teach concepts in context. It was seen as vitally important to provide a real world context for the teaching of theoretical ideas. In our text books we have always opened every chapter and every section with a case study which mobilizes prior knowledge. It then leads the student into consideration of the issues which point towards the appropriate concepts. In this way it is possible to proceed from the concrete to the abstract. This contrasts with the commonly followed approach of introducing theory first and then thinking about how it might be applied.
- To foster and encourage the use of active learning strategies in the classroom. Students need to be able to see how the concepts they are learning about can illuminate real world problems. They must be required to investigate and think through their own solutions to the problems that arise.

This project has not had a significant impact on the curriculum, but the development of this project has generated debate about the future of separate Economics and Business Studies courses. However, at his stage there are no plans to abolish the separate status of the two subjects.

Teaching and Learning Methods

The guidance provided by examination boards for their GCSE, A/S and A2 places great emphasis on utilising real world examples to teach significant parts of the curriculum. In particular Business education has been at the fore-front of developing links with industry for the development of teaching materials, visits, and the use of staff from industry in the classroom. The centre for Education and Industry (CEI) has been heavily involved in these developments since 1987. (<http://www.warwick.ac.uk/cej>)

Most schools operate mixed ability groups at GCSE and post-16 level in Business education subjects. To deal with the demands of teaching mixed ability groups a successful Business Education teacher will utilise a wide variety of teaching and learning methods. Some formal teaching will be employed, but other methods are commonly utilised ([Huddleston, Unwin 2002](#)). Active learning involving the use of group and individual work is widespread. Case study material is widely used to teach and assess Business Education ([Davies 2002](#)). The use of ICT to support and enhance pupil learning is commonplace. The most important aspect of teaching and learning within Business Education has to be variety, and subject teachers are encouraged to develop a range of approaches which allows differentiation to take place.

Organisation

In England there are a range of different types of secondary school. There are still a few grammar schools, but the majority of state schools are now comprehensive. They include 11-16, 11-18 and 14-18 schools. There are an increasing number of specialist schools, but these still offer a broad curriculum. Increasingly secondary schools are being encouraged to develop a more flexible curriculum, especially at Key Stage 4. As a consequence a range of vocational programmes are being developed, examples include Applied Business and Applied ICT ([CEI 2002](#)).

Most secondary schools offer some form of Business Education within their option subjects at Key Stage 4. Economics and Business Studies remain popular choices at post-16 level. Secondary

schools are normally organised on a departmental structure with the head of department being responsible for the management and organisation of the subject area.

Teacher training

In common with other aspects of education and training, teacher training is centrally controlled by the national government. The Teacher Training Agency (TTA) is the government organisation responsible for the training of teachers. Common standards are laid down and all teachers have to successfully meet the standards imposed by the TTA ([TTA 2002](#)). The standards include:

- Professional values and practice
- Subject Knowledge
- Planning, expectations and targets
- Monitoring and assessment
- Teaching and class management

In addition all students have to pass skills tests in numeracy, literacy and ICT. The teacher training system is monitored by a series of inspections carried out by OFSTED who produce a report on each training programme at each institution.

A significant majority of teacher training still takes place in University Departments of Education in partnership with local schools and colleges. However, increasingly due to teacher shortages alternative training programmes are being introduced. Most trainee teachers complete an undergraduate degree in their chosen subject area, either Business Studies or Economics. They then go onto complete a one year Post Graduate Certificate in Education. During the year students are expected to spend a minimum of 24 weeks on school placement and they have the opportunity to teach the full range of Business Education subjects. At the end of the PGCE successful students obtain employment in schools and colleges and receive some further support and training during their induction year.

Future developments

The subject area is likely to grow in importance as the government continues to recognise the significant role Business education can play in the creation and maintenance of a successful economy. The number of specialist schools is being significantly increased and schools can now apply for Business and Enterprise status. These schools have to secure some funding from the private sector, but they also receive a capital payment of £100,000 and additional funding for each pupil ([DfES 2002](#)). In addition the current Labour government has a strong commitment to the development of Enterprise education in schools. There will be £60 million in 2005-2006 available to develop enterprise capability ([Davies 2002](#)).

Business Studies is certain to remain as the most popular subject choice at GCSE and A/S, A2 level. Early indications from the introduction of Curriculum 2000 suggest that the changes which have been implemented have stopped the decline of Economics at A level. However, it is extremely unlikely that Economics will regain its former popularity with students. Certainly the reforms at post-16 level have considerably increased the workload of subject teachers in Business Education ([Savory 2002](#)).

The introduction of Citizenship will provide further opportunities for growth within the subject area. However, previous attempts to introduce some elements of Business Education to all students have failed because of the lack of integration with other subject areas and the reluctance of subject specialists to become involved in teaching and organisation. The Citizenship initiative will not be successful unless properly qualified staff are involved in course organisation and delivery.

Despite an impressive record in the utilisation of technology continuing improvements in ICT will lead to increased pressure for additional resources. Substantial investment will be required in hardware, software and staff training to ensure that Business Education remains at the forefront of developments in this area.

Given the changes in the post-14 curriculum the demand for Business Education teachers is likely to increase. However, this is likely to create some problems when there is already a national teacher shortage. Recruitment into the teaching profession and the training and support offered to Business Education teachers are all likely to come under review in the near future.

The relationship between the academic and vocationally related areas of Business Education will continue to create some pressures and tensions. The existence of academic Business Studies courses at GCSE, A/S and A2 alongside comparable vocationally related programmes will inevitably lead policy makers to consider whether there is a need for both types of programme. Greater flexibility at Key Stage 4 will encourage more pupils to choose a Business Education course. In the past giving students more choice at post-14 level has resulted in a greater take up of Business Education programmes. The continuing reform of 14-19 education in England is likely to have a major impact on Business Education. However, the overall outcome is likely to be an increase in the number of students studying Business Education courses with some changes in the distribution between the various components which make up the subject area.

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