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Making sense of the financial crisis in economic education: An analysis of the upper secondary school social studies teaching in Finland in the 2010's

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The current financial-economic crisis has actualized important issues regarding the dynamics of the economic system, the relations between economy and politics, and the notions of good society. Thus the question of how economic education in school can support students' understanding of the crisis is relevant to pose. This article asks what are the strengths and weaknesses, and also the promises and challenges, in the Finnish upper secondary school economic education, concerning teaching about the crisis? The article analyses the core curriculum for upper secondary school economic education in Finland, the available upper secondary school economy textbooks, and a selection of students' social studies exam papers in the matriculation examination in spring 2010. The focus of the analysis is on how the current financial-economic crisis is presented in the textbooks and in the exam papers, what the competences are that the core curriculum delineates economic education should develop in students, and what capacity Finnish social studies teachers have for teaching about economy. The article proposes that the presence of historical perspectives and political analyses in economic education are important, in particular when teaching about topics like the current financial-economic crises.

1 Introduction: Economic crises – A golden opportunity for economic education

From the perspective of school economic education, economic crises are welcome. This is because, firstly, in times of economic turbulence students tend to become more interested in economic issues. We recall our students' reactions in the early 1990's when Finnish economy was hit by a devastating depression, the state finances were seriously off the balance and unemployment in Finland peaked higher than ever before since the 1920's. Students were very keen to discuss economy. The current economic crisis appears to have triggered similar reactions – also in other countries (e.g. Blinder 2010, 385).

Secondly, in times of economic crisis policy-makers are likely to support economic education and allocate resources to it, aiming to make citizens economically more well-informed and more prepared to manage their finances. The current crisis has raised concerns at citizens' knowledge of economy, hence numerous educational programmes have been launched in the OECD countries since 2008 for the purpose of improving citizens' financial literacy (Yoong 2011, 69). However, one problem with these programmes is precisely that they often have

a narrow view on economic crises: they see the challenge of preventing economic crises primarily as a question of how to improve citizens' allegedly poor financial literacy. One can argue that, in fact, there are systemic structural flaws which have conduced to the current crisis: a rampant finance capitalism and the global economic inequalities are inherently liable to generate crises like the one we face at the moment (Krugman 2012; Patomäki 2012; Roubini & Mihm 2010). Indeed, a third positive effect of economic crises on economic education is that they can inspire critique of the ideological premises of economics and economic education.

After the outbreak of the current crisis economists have been urged to acknowledge the shortcomings and blind spots in the hegemonic theories of their science. These include, for example, a dismissal of the political and moral dimensions of economy and an unfounded faith in mathematical modelling of human economic behaviour (Krugman 2012; Roubini & Mihm, 2010; Turner 2012; Patomäki 2012; Askenazy et al. 2011). Also, for example, Peter Bendixen (2010, 46) has argued that a notion of economics as a world of logical structures that can be rationalized by human intellect is only a construction.

The complexity of the moral and political aspects of economy entails, that one can usually justify more than one kind of economic policy. To policy-makers it may be expedient to claim that there are no alternatives, yet alternatives usually exist. In the current Eurozone crisis the dominant view at first was that austerity is of paramount importance to the states hit by the crisis, but by autumn 2012 alternative views were voiced all the more loudly also among European policy-makers. This reminds us of the inescapably controversial nature of arguments in economic policy.

Does school economic education provide students with adequate intellectual tools to understand the current economic crisis? In search for answers

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we should analyse the curricula, the textbooks and the conceptions and practical solutions of teachers so as to see what notions of economy they imply and what elements of the 'big picture of economy' they miss or ignore. We should also study students' notions of economy and its dynamics. Regarding the current crisis, for example, it would be worthwhile to look how students explain its causes and effects (see: Klee & Lutter 2010). There is a lot to cover, but in this paper we will take a less ambitious view on the subject.

We are interested in how economic education in the Finnish upper secondary school is prepared to address a topic like the current crisis. We will study the core curricula for economic education and the content of economy textbooks. We will also explore how the current crisis was interpreted in the exam papers of Finnish upper secondary school students in the matriculation examination, in 2010. Our analysis of the books and exam papers focuses on how the causes and solutions of the crisis are presented there. We are interested in what is either emphasized or 'missing' in these accounts, if we compare it with 'what would be possible and reasonable to say in relation to a contemporary debate' (Andersson et al. 2011, 83). Our underlying concern is that in the public debate there has often been, in Finland at least, a tendency to de-politicize economic policy, hence we like to look if the students see any 'politics' in economic policy. We will seek to identify the challenges and weaknesses, and the strengths and opportunities that Finnish economic education has in dealing with the current crisis. We believe such an analysis is of interest to those pondering upon alternative models of economic education that would provide the students with intellectual tools to think about economy – and to do something about it.

Before embarking upon our exploration of Finnish upper secondary school economic education we will discuss briefly the fact that the situation in Europe today is, in fact, similar to Finland twenty years ago. In the early 1990's Finnish economy crashed in a deep depression. The crisis had effects on Finnish economic and social policy, and it has had relevance also to Finnish economic education and how the current crisis is seen from a Finnish perspective. In the next chapter we will take a look at the master discourse of economic policy in Finland after the 1990's. It has dominated economic discourse in Finland to such an extent that we find it justified to name it an ideology, that is, an explanatory framework whose apparent self-evidence makes it difficult to perceive its political and contestable nature (cf. Kantola 2002, 271-273).

2 The ideological context for teaching the current economic crisis: the shadows of the 1990's crisis in the Finnish economy

In the early 1990's the Finnish economy was hit by a depression more devastating than any other in Finnish history. In fact, it was one of the worst economic crises in the post-war Europe. The official

unemployment rate increased from 6.8 per cent, in 1991, to 16.6 per cent, in 1994. The public finances had an annual surplus of five per cent of the GDP in 1990, but it turned to an annual deficit of 5-7 per cent of the GDP in the period 1992-1994. The net debt of the public sector increased from only 14 per cent of the GDP, in 1990, to 58 per cent of the GDP, in 1994 (Kiander 2002, 31, 35). The number of enterprises filing for bankruptcy exceeded 7000 in 1992. (See also the Internet sources, [www.stat.fi](http://www.stat.fi) and [www.yrittajat.fi](http://www.yrittajat.fi), in the references.) Financial sector was in a crisis, due to the defaulted enterprise and household credits. As the housing markets had become overheated some years before, thousands of house owners now faced liabilities they were unable to meet, the result being that many families had to sell their home in falling markets and still not been able to clear their credits. Thus the situation very much resembled the one we have witnessed recently in Spain, Ireland, and the US.

There is some consensus on the causes of the crisis, however there is still debate on how much the policy makers may have aggravated the crash. A major factor behind the crisis was the deregulation of the capital markets by the Right-wing-led coalition cabinet, in 1987-91. It unleashed an unhealthy expansion of household and enterprise credits which resulted in overheated housing markets. The deficit in the balance of trade increased. The Finnish currency, Mark, was overvalued, yet the exchange rate policy was not altered. The rationale was to end repeated devaluations and to force economy and enterprises to adapt to a global competition. But when investors lost confidence in the Finnish economy, also the Mark became under pressure and it was devalued twice in 1991-92. According to the critics, the hardheaded policy of strong currency made the recession only deeper. But also the devaluations of the Mark had serious consequences: those who had debts in foreign currency often defaulted their payments, and this triggered a financial crisis. Moreover, a major part of the Finnish export trade collapsed because of the dissolution of the Soviet Union, in 1991, leaving numerous Finnish enterprises suddenly in great difficulties. (Kiander 2002, 51, 57-62; Kettunen 2002, 16, 33-41.)

Economic recovery began in the mid-1990's, but the way was long. The devaluation of the currency supported Finnish export trade; financial sector was restructured and the state took over or supported financially the banks that were in the worst situation. A major legacy of the crisis was that from now on there would be strict adherence to a policy of keeping public finances in balance. The policymakers adopted the view that the crisis was, fundamentally, structural: the crisis was caused by the collapse of the Soviet Union and aggravated by the intrinsic pressures stemming from an overly 'swollen' public sector. Hence massive cuts in public spending were explained to be indispensable. The ideologically motivated relaxation of capital flows and a misfired central bank policy in the 1980's were mostly ignored in these post-hoc explanations (Kiander 2002, 55-58; Kantola 2002; Patomäki 2007.)

The Finnish 1990's discourse of 'inevitable austerity' bears close resemblance with the economic policy we have seen the European Union institutions inculcate on the member states during the current crisis. According to some analyses of the 1990's crisis, the massive state budget cuts made the slump only deeper and unnecessarily deteriorated unemployment (Kiander 2007; Kettunen 2002). Maybe because of this massive cuts in the state budgets have been avoided in Finland in the recessions of the 2000's, yet the Finnish economic policy in the 2000's has been characterized as distinctly neoliberal, for example by the Finnish political scientist Heikki Patomäki (2007). The major keywords have been competitiveness, productivity and flexibility. Economic discipline has had a prominent role in public discussion since the 1990's, and policy-makers commonly use 'economese', the language of economic absolutes, when justifying their political programmes. Marko van den Berg (2010) has pointed out that also adolescents now readily use this language when being asked to explain recent social developments in Finland. Independently of which political parties have formed the government coalition, policy-makers have endorsed a policy of 'incentive taxes', restrictive welfare entitlements and extensive 'competitive markets' (Julkunen 2001; Patomäki 2007). The state has followed the policy of balanced public finances that the European Union Stability and Growth Pact has mandated. This is part of the explanation why there has been considerable reluctance among the Finnish audience towards the idea that the EU member states would collectively shoulder the liabilities of the European states that are now in financial difficulties.

The amount of obligatory economic education in the upper secondary school and in basic education in Finland was increased by half in the 2000's, with the motivation that school must support students' economic competence more. Also entrepreneurial education has been encouraged considerably in the post-crisis years. It is indicative that one of the six cross-curricular themes in the National core curriculum for upper secondary schools 2003 is titled 'Active citizenship and entrepreneurship' (National core... 2003, 27). The cross-curricular themes in the core curriculum are a statement on what policy-makers see as the pressing social issues school should address across a wide front. The title 'Active citizenship and entrepreneurship' conflates the citizen and the entrepreneur as actors in society. Moreover, it appears that the entrepreneur in the entrepreneurial education programmes is not a shopkeeper or an artisan but a person who runs an expansive, risk-oriented enterprise (Keskitalo-Foley et al. 2010). Thus it is justified to say that the policy of Finnish economic education in the 1990's and 2000's has fed, inadvertently or not, a notion where the citizens are conceived in terms of competitive individuals in a network of mutual relations of exchange.

Let us now take a closer look at the core curriculum for economic education and the teachers who implement it in the Finnish upper secondary school.

3 The economic education curriculum and the economy teachers in the Finnish upper secondary school

What are the objectives and contents of economic education in the upper secondary school in Finland, and what capacities do economy teachers have for dealing with economic education?

History and social studies was a dual subject until 2003-04 when they became two separate subjects, but their ties still remain close. History and social studies (in basic education civics) are usually taught by the same teacher who, in most cases by far, is an expert in history rather than in social sciences. According to a recent survey, only eleven per cent of the history and civics teachers in basic education (comprehensive school) in Finland have majored in social sciences (Ouakrim-Soivio & Kuusela 2012, 33). The percentage is probably approximately the same in upper secondary schools because subject teachers in basic education and in upper secondary schools share the same academic education and often teach at both school levels at the same time. The percentage will probably gradually grow in the future as social studies and civics all the more are perceived as autonomous school subjects and not as 'auxiliaries' of the school subject history.

Finnish social studies/civics teachers have studied a minimum of 60 ECTS credits in social sciences, and out of this a minimum of 25 credits is in economics. The formal requirement concerning studies in economics was more flexible until the 2000's, and the new regulation on the social studies/civics teachers' qualification at this point can be seen as an indication that competence in economics is considered more essential to social studies teachers than before. In fact, it is noteworthy that in a recent survey on civics teachers in basic education economy was a subject area in which the teachers themselves considered they had a great need to update their studies (Ouakrim-Soivio & Kuusela 2012, 33). It is likely that this view is also shared by social studies teachers in upper secondary school because they have the same education as civics teachers in basic education also when the topics in the upper secondary school economy courses are more complex and theoretical than in the basic education economy courses. Also regarding the studies in subject didactics, civics and social studies teachers share the same background. Social studies/civics didactics as a field of academic research and pedagogical development has long been in the shadow of history didactics and it has begun to develop more energetically only fairly recently (Löfström 2012). Thus also didactics of economic education still has a very limited space in social studies/civics teachers' education.

Teachers in Finland often see themselves reasonably free to decide on the methods and contents in their teaching. The national core curricula which are in force since 2003 (upper secondary school) and 2004 (basic education) are more detailed than their predecessors in 1994, but there is also space for individual manoeuvring. The

aims and objectives of teaching are stated in rather general terms (see the National Core... 2003, and National Core... 2004, in the references). For the purposes of our discussion it suffices to make the following remarks on economic education in the national core curricula:

- Economic education is part of the subject 'yhteiskuntaoppi' (social studies, civics). Approximately 40-50 per cent of the mandatory social studies classes are allocated to economy, the rest is allocated to politics, law and social policy. The school can offer optional extra courses in social studies/civics, also in economy or in entrepreneurial education.

- Economic education in basic education is focused on the basics of economy and civic competences, such as managing one's own purse, but also Finnish and global economy are discussed. In upper secondary school the approach is more theoretical and the subject matter is largely hinged upon the concepts of mainstream economic theory, like demand, equilibrium and competition (National core... 2003, 189-190). 'Sustainable development' is one of the cross-curricular themes in the national core curricula, both in basic education and in the upper secondary school (National core... 2003, 28-29). However, the structure of the economy courses hinges on mainstream economics, hence sustainable development is only given a marginal role. Also most of the economy textbooks are conspicuously ambivalent in their view on sustainable development (Aarnio-Linnanvuori & Ahvenisto 2013; Löfström 2007). The situation in Finland in this respect is not unique: in many countries the conceptual framework of economic education is derived from a neoclassical economic theory (see: Ötsch & Kapeller 2010, 16). Alternative approaches do exist, for example in France, but they have been criticized, indicatively, by economists and the business for portraying the world of business too negatively (Chatel 2010).

- The core curricula for economic education touch very lightly on the social aspects of economy and the relationship between economy and politics. We will discuss this later in more detail, but it is worthwhile to just mention here that the National Core Curriculum for Upper Secondary School 2003 declares that the economy course 'is based on economic sciences and will deal with micro- and macroeconomic issues from the perspectives of consumers, businesses and states' (National core... 2003, 189). Symptomatically, the word 'society' does not feature in the exposition of the economy course in the core curriculum (National core... 2003, 189-190).

- The objectives for social studies teaching in upper secondary school include many items referring to students' ability to participate in society and in politics; one of the most notable is that students will be capable of 'forming justified personal views of controversial social and economic issues that are bound to values' (National core... 2003, 188). More specifically,

among the objectives of the economy course one can read that students will 'obtain skills to make everyday economic decisions and also examine economic issues from an ethical point of view' (National core... 2003, 189). These objectives can be considered laudable, and some of the mandated core contents in the economy course might well contribute to them; topics like 'market deregulation', 'politics and market forces', or the 'effects of globalisation' do have obvious links with ethics (National core... 2003, 190). However, the exposition of the core curriculum does not suggest links between the contents and the objectives that are mentioned above. For example, the text fails to call attention to the ethical, social and political aspects of globalisation and market deregulation. Probably this is partly due to a tradition of self-imposed political neutrality in the Finnish school social studies.

From its very beginning in the early 20th century, social studies/civics has usually been declarative and seemingly apolitical in relation to social questions. 'Neutrality' has often been seen as politically expedient, but also the form of knowledge in social studies has not been conducive to an analytic approach to society because it has not been informed by the epistemology of social sciences (Arola 2001; Löfström 2001; Virta 2000). In a survey in 1999, civics teachers in basic education judged that civics is strongly concentrated on teaching facts about society whereas discussions on civic values and exercises in civic participation are in the margins. However the teachers voiced that the latter should have a more central role. (Suutarinen 2007, 106-108.) In the professional media many social studies/civics teachers have also ventilated their discontent with the tradition of simulated neutrality in social studies, and they have urged colleagues to acknowledge and to appreciate the political element inherent in the topics addressed in social studies class. The civics textbooks in basic education have become more analytic and more critical in the 2000's (Virta 2006), but as the textbooks and the core curricula are always a result of negotiation between various actors, it is not surprising they do not commit themselves politically.

What the social studies teacher is teaching in the social studies class is not a direct reflection of the content of the social studies textbook. Still, for reasons we explain below, it is worthwhile to take a closer look at the social studies textbooks and see how they discuss certain economic questions and, more specifically, questions that have relevance also to how the current economic crisis is being interpreted.

#### 4 Upper secondary school economy course textbooks and the current economic crisis

As Inari Sakki, a Finnish political scientist, has pointed out in her study of the social



representations of the European integration in the Finnish social studies textbooks, school textbooks 'do not only transmit facts and information, but also norms and rules of societies, ideologies and images' (Sakki 2010, 89). This is particularly the case in subjects like social studies or history where the subject matter is inherently susceptible of competing perspectives and interpretations, and where the language used in the exposition of the subject matter easily carries implicit value judgments or makes ideological statements. Hence it is of interest to analyse, for example, the representations of economy in the school textbooks and see what images and ideals of society and social life they convey in the interpretations they make.

In Finland practically all school textbooks are produced by commercial publishing houses. Until 1992 the National Board of Education reviewed the textbooks before they were released for publication so as to confirm they were in accordance with the national core curricula, whereas now it is the market – teachers and students – which effectively passes the verdict on the quality of a textbook. The structure and the core content of the textbooks are based on the guidelines provided by the core curriculum. This is understandable: it would be an economic and a credibility risk for a publisher to launch a book which clearly does not match with the core curriculum. Publishing houses look for novel pedagogic solutions in their textbooks, but also there they are usually cautious about changes that would radically depart from the conventions of the genre and, hence, could alienate teachers and students.

Social studies textbooks in Finland are mostly authored by teachers and, to a lesser extent, by researchers at universities or professionals like economists or prominent journalists. They are invariably authored by teams of 2-5 authors which is likely to result in compromises in the exposition of the subject matter. However there are also differences, for example in how economic growth is presented as an inevitable target or as an open political question in the social studies textbooks (Aarnio-Linnanvuori & Ahvenisto 2013; Löfström 2007). Thus, ideological differences may exist between the books, and when the books date from the same years, these are likely to reflect, inadvertently or not, the ideological premises and world views of the authors rather than some outspoken policy of the publisher.

Textbooks provide the basis for teaching a subject. A recent survey tells that 88 per cent of the civics teachers in basic education in Finland use a textbook in the civics class 'always' or 'very often' (Ouakrim-Soivio & Kuusela 2011, 33-35). There are no percentages for upper secondary school social studies teachers but there is no reason to believe they are significantly lower. It is also worthwhile to mention that students in the upper secondary school use textbooks as study material when they prepare for the matriculation examination. Moreover, the social studies teachers in Finland are, as we mentioned earlier, mostly specialists in history and

not in social sciences and, hence, they probably rely more on the textbook in the social studies class than in the history class. The aforementioned survey shows that Finnish civics teachers in basic education also consider economy a subject area where their need for further training is most acute. Thus, an analysis of economy textbooks can be assumed to give some relevant information on what kind of interpretations and images regarding economy are probably being presented in social studies/civics classes.

It would be possible also to make a pedagogic, or 'didactic', analysis (Pingel 2010, 31) of the methods that social studies textbooks deploy in teaching particular topics, for example the current economic crisis. However our interest here lies in what Falk Pingel has named the 'content analysis' of a textbook; this approach poses questions about the congruity between what the textbooks and academic research say and how comprehensively the books cover particular topics, for example (Pingel 2010, 31).

The focus of our analysis here has been on how the social studies textbooks discuss the economic crisis that erupted in 2008. Our method has been to analyse sequences in the textbooks that refer to the crisis, and to categorize their contents according to how they respond to the following questions which have been central in the debates about the current crisis:

- What are the causes and consequences of the crisis considered to be, and what are the remedies suggested to the crisis?

- What are the actors that are identified to have been involved in the genesis of the crisis or in the efforts to contain or to resolve it?

Regarding the first point above, the more specific issues that we have been keen to look at in our analysis is how the textbooks assess:

- the advantages and disadvantages in expanding/diminishing the role of the private and the public sector in economy, respectively;

- the advantages and disadvantages in the regulation or deregulation of the market;

- the priority of objectives in economic policy, particularly regarding inflation on the one hand and unemployment on the other hand.

In our analysis we have paid particular attention to perspectives and interpretations which are omitted in the textbooks but which would be 'possible and reasonable' to raise in the context, as Andersson et al. (2011, 83) put it in their analysis of Swedish economy textbooks. Of course, space in the textbook is always too limited to allow detailed discussion on the economic subtleties, yet it is pertinent to look how, within these limits, the textbooks depict economy and the economic crisis.

We have analyzed also the social studies textbooks for the economy course in upper secondary school that have been published prior to the crisis, so as to see if there are differences between the different editions of the books before and after the outbreak of the crisis in how they discuss the questions which have come to the forth

after the crisis, for example about de/regulation in economy or the role of the public sector in economy. The crisis has triggered public debates on the very premises of economics and the economic order, and it is a reasonable hypothesis that because the publishers and the authors strive for topicality in the textbooks, these debates would be visible in the books, too. The social studies textbooks which have been analyzed have been published in 2004–2012, that is during the period when the current core curriculum for Finnish upper secondary schools has been in force.

In addition to the textbooks for the obligatory economy course we have analyzed the textbooks for the obligatory course in the twentieth century Finnish history, so as to see how they discuss the 1990's economic crash in Finland which can be considered a twin to the current European crisis. The main object of our interest there has been the interpretations of the 1990's crisis and how, for example, the crisis is explained in the books as an outcome of economic policy decisions or as a painful adjustment to the realities of economy or as a combination of both.

We start our discussion with the book *Forum Uusi Taloustieto* (2011). In our view it is the book which more than any other textbook we have analyzed invites students to ponder on the political elements of economy. It has 1-2 pages long separate texts or 'information boxes' which discuss issues of economic debate, like the consequences of the free trade policy and globalization (p. 158). Often these boxes are titled with a direct question, for example, 'Is it reasonable of the state to get in debt?' (p. 138), or 'Greed and globalization in the background of the 2008 financial crisis?' (p. 93). The boxes do not take a stand on the controversies but try to give voice to opposing views. In the layout of the book the boxes are easy to update or change, should need arise to address other, more topical issues. On the other hand there is a risk that students will easily skip separate information boxes as 'extra' they do not need to study so closely.

Also the rehearsing questions in *Forum Uusi Taloustieto* often address controversial issues. For example, students are asked to ponder on who to blame on the financial crisis and on what grounds (p. 96). Further, they are asked to defend and to criticize public debt (p. 147), globalization from the perspective of different countries (p. 164) and the claim that the environment can not sustain economic growth (p. 191). These assignments encourage students to a critical reflection of economic affairs, however it is possible that unless there is an explicit invitation to think of the role of different actors in economy, as in the question about the culprits in the crisis, the assignments may result in simulated debates where the political interests in economic issues are ignored or only remotely touched upon.

The 2008 financial crisis is explicitly addressed in *Forum Uusi Taloustieto*; in fact, the discussion on it is very extensive, ranging over seven pages (pp. 90-96). Though it can be considered balanced in terms of its perspectives, there is a shortcoming in that the

role of financial institutions in creating potentially destructive 'innovations', like subprime credits, does not come up. The 'rotten' security packages just seem to have appeared from somewhere in 2008, and 'investors did not have a clear picture of the content of the package' (p. 90). The information box and rehearsing question we mentioned raise the point about moral responsibilities in the financial crisis, but this part may escape students' attention because they may often read only the body text when preparing for an exam.

*Forum Uusi Taloustieto* has, in our view, a well-balanced perspective on economic issues. The textbook describes market economy as a stone base for our economical system, which has been able to produce growth and welfare. On the other hand, the book also pays attention to the shortcomings of the prevailing economical theories. For example, it notes that the GNB growth rate can only partially represent the real well-being of the population. It also introduces the notion that market economy can be practised in different ways: both monetarism and keynesianism are presented as the major paradigms for the maintenance of state economy. The exercise questions also encourage the students to reflect on different alternatives for economic policy. In some instances one may however discern in the book a tilt towards mainstream interpretations of economy that could be challenged or problematized. For example, the book argues that Adam Smith dismissed the policy of states intervening in the markets (p. 46, 142), that public utilities pose a 'challenge to free competition' (p. 50), that a moderate regulation of the financial markets is needed until the markets recover (p. 96), the statutes guiding the work of the European Central Bank (ECB) 'aim to protect the ECB from attempted political influencing' (p. 114), the Bank of Finland has now 'in practice more power in fiscal policy than ever before' (p. 118), inflation hits hardest the poor (p. 129), and that heavy taxation in one country may entail a risk of industrial production, capital and labour force moving to countries with a lower taxation (p. 137). All these claims are far from being uncontroversial, yet they do not alter the big picture that *Forum Uusi Taloustieto* has a reasonably multiperspectivist view on economy and economic policy.

After this rather an extensive discussion on *Forum Uusi Taloustieto* we will now comment on the other economy textbooks briefly by setting them against the relief of *Forum Uusi Taloustieto*. The old version of the book, *Forum Taloustieto* (2004), authored by a partly different team, discusses clearly less issues of political debate. It would be harsh to say that it ignores connections between economy and politics, but, at any rate, it does not give them much space. This is also the case in the other textbooks of the early years of the 2000's that we have analyzed which are *Agenda. Lukion taloustieto* (2004) and *Lukiolaisen taloustieto* (2004). In part at least, this is probably a result of that in the obligatory social studies courses in upper secondary school the subject political system is placed in the first course and economy in the

second course. This division is legitimate but the interconnections between politics and economy may thereby easily become difficult to piece together. It does seem, however, that the current crisis has encouraged some of the publishers and authors to incorporate in the economy textbooks also elements where some of the openly political debates and controversies on economy are presented. In addition to *Forum Uusi Taloustieto*, this feature is also clearly visible in *Kansalainen ja talous* (2010).

*Kansalainen ja talous* discusses capitalist market economy extensively. It contends in that context that also market economy benefits from the regulative policies of the public power (p. 51-52). It points out that the balance between the free markets and the public power varies according to the political constellation and social structure in a country (p. 52). However these observations are not connected to concrete cases or countries. Like *Forum Uusi Taloustieto*, also *Kansalainen ja talous* discusses the 2008 financial crisis only briefly in the body text but more extensively in a separate 'box'. The box locates the birth of the crisis in the US mortgage markets where the banks issued mortgages in expectation that housing prices would continue to rise (p. 111). The text names buccaneering and the policy of incentives in the US financial sector as the major cause to the crisis, and it states that the crisis was brought about by 'greed, imprudence, lack of control, ignorance and a nonchalance that repeatedly accompanies periods of economic boom' (p. 111). Yet we think the analysis fails to mention relevant institutional and ideological factors that would help us understand why the crisis could develop and why the problems in the housing market were not addressed in an earlier phase. It is surely not incorrect to say that the US financial institutions and bankers are major culprits in the crisis, but it would add important elements in the picture if also the role of political decision-makers and advocators of a rampant free market ideology in the deregulation of the financial industry and capital markets would be discussed. Narrowing the focus on the bankers entails a risk that the crisis is explained only in terms of individual irresponsibility or greed, without pondering on a wider political, social or structural framework of the crisis (cf. Klee, Lutter 2010).

The social studies textbooks that we have analyzed are reasonably neutral in tone, however they do not clearly take up the ties between politics and economy. They have a tendency to speak of economic developments as something that 'happens', instead of portraying them as an outcome of political choices. This applies at least partially also to *Forum Uusi Taloustieto* and *Kansalainen ja talous* which are more sensitive of the political element of economy than the other textbooks. We do find mild criticism in some books, for example regarding the power of big corporations or the instability caused by the deregulated financial markets, but such criticism is scarce. In some cases the textbooks give an impression that economic development has its unyielding laws and that, for example, the notion of

extensive free markets as the primary organizing principle for public policy is unproblematic. Neo-classical notions surface in many occasions, but their ideological tenets remain undiscussed. For example, *Agenda. Lukion taloustieto* (2004, p. 105) explains the deregulation of the capital markets in Finland in the 1980's as follows: 'It has been commonly held that ending regulation is important because, according to many, the free markets can channel capital flows to purposes that are most efficient for economic development. Regulation [in Finland] had to be ended also because legislation could not keep the pace with development.' It seems here that legislation and political decision-making can only abide by the directives stemming from the analyses of economists.

It is worthwhile to note here that also in some of the history textbooks that we have analyzed one can discern a notion that the laws of economy stipulate what is feasible or necessary in economic policy. – Such resemblances are not surprising, considering that the authors of the social studies and history textbooks are often the same people. – For example, discussing the 1990's economic crash in Finland the textbook *Forum: Suomen historian käännekohtia* (2012) states that the Finnish government was only 'forced to react' to external pressures (p. 172-173). The economic policy of the state appears merely reactive. The book does not consider the interpretation that the hasty financial deregulation or the Finnish central bank fiscal policy may have conducted to the outbreak and escalation of the crisis. Likewise in the textbook *WSOYpro: Linkki 4 Suomen historian käännekohtia* (2011) we read that the 'political decision-makers had no alternatives: social income transfers and social services had to be cut. At the same time taxes had to be raised' (p. 204-205). It appears as if the politicians had no choice but to capitulate to the necessities of the economic situation which suddenly had emerged. The explanation to the crisis is more diverse in the textbook *Kaikkien aikojen historia 4. Suomen historian käännekohtia* (2009): 'a hasty deregulation of economic life' and 'a misfired foreign exchange policy' (p. 178-179) are also listed among the potential causes of the crisis, albeit only in passing.

In sum, the textbooks we have analyzed mostly say very little about how to connect political and economic processes with each other. For example, the role of political decisions in the context of the financial crisis is either ignored or just briefly alluded to. Presumably the authors (and publishers) of the textbooks count on social studies teachers providing a more detailed political analysis in the class, and some teachers may do that, yet it would be important that the political element in economic policy is discussed more also in the textbooks so that all social studies students are invited to ponder on it, independently of individual teacher's choice. Now such discussions are missing or cursory in the textbooks. As we mentioned, the current social studies curriculum for upper secondary school discusses the political system and economy in two

different courses, hence it is easy to understand that also in the textbooks the links between politics and economy are rather few. In addition, one can suspect that the authors (and publishers) also reflect how much 'politics' they should put in the discussion on economy. The books are rather neutral in how they discuss economy and, for example, the current crisis, though one can suggest that this neutrality may often effectively entail an implicit support to the 'truth' of neo-classical economics. Some of the textbooks put forth more readily the kind of notions of the blessings of competitive markets and austerity in public finances that have also been endorsed in the mainstream neo-classical economics and in neo-liberal politics, whereas in some of the books there are also, for example, critical perspectives on deregulated capital market or the global role of corporations. Explicit judgments are few, however, and they are likely to be in the parts that are 'extra' reading or placed in separate boxes in the layout of the book, being thereby separated from the seemingly purely factual and neutral body text. They are the space in the textbooks where the homo politicus is allowed to enter economic discourse.

#### 6 Accounts of the financial crisis in upper secondary school students' exam papers

We now turn to the third part of our discussion which is the analysis of exam papers of upper secondary school students in the matriculation examination in 2010, where one of the social studies exam questions was about the financial crisis and its effects on the Finnish state economy.

Student conceptions of the 2008 financial crisis have been studied, for example, by Andreas Klee and Andreas Lutter (2010) and Michael Schuhen (2010). As material these authors used students' essays or interviews focusing on the students' views on the causes and consequences of the crisis and, in Schuhen's study, the solutions to it. The matriculation examination social studies exam papers we have used as material in our study are probably substantially more shallow than Klee' and Lutter's group interview material and Schuhen's student essays, but nevertheless they can provide valuable perspectives. In a high-stakes examination like matriculation examination the students are more likely to reiterate textbook accounts which they – reasonably – assume are authoritative so that they will also be accepted as correct by the referees in the Board of Matriculation Examination. However, people do not construct their view of the world only on the basis of what they learn in school; as Klee and Lutter (2010, 77) point out, they are also 'influenced by social experiences, commonsense understanding or the media on a daily basis'. The influence of these 'non-academic' discourses can be assumed to be visible particularly in the exam papers that discuss topical political or economic issues. In the Finnish social studies matriculation exam most of the exam questions have such an element of topicality, like for example the question that we will presently discuss. With such exam questions the students can not

directly resort to a textbook account but they need to construct the answer more independently. For a researcher it is interesting to analyze these answers as they are produced in a high-stakes examination situation where the students are expected to construct what they assume is a legitimate account on the given subject.

As mentioned, the Finnish social studies textbooks tend to take a prudent and neutral view on the financial crisis. The teachers are not obliged to follow the interpretations of the books but the impact of the textbooks on teaching may be important in social studies as most Finnish social studies teachers are not specialized in social sciences. The core curriculum for upper secondary schools encourages students to bring forth critical views and to make their own judgments, but the textbook genre traditionally has not supported these objectives; the textbooks have been seen as instruments for conveying factual information. Thus the relation between the objectives in the core curriculum and the contents in the textbooks can be tenuous. In our analysis of the exam papers we have been interested in such potential tensions.

In our analysis of the exam papers we have also focused on what causal connections the students have constructed when explaining the background of the financial crisis. Do they refer to particular decisions and identifiable political actors or are the events described at a more general level? We have been looking for references to political ideologies that are more or less overlooked in the textbooks. Are the reactions to the financial crisis described as technical and non-ideological or as political? In addition, is there in the exam papers some notion that the means for dealing with the crisis can also be perceived as political choices?

Virta, Löfström, and van den Berg (2010) have described briefly the parameters of the Finnish matriculation examination, hence they are not discussed here in detail. Approximately one percent of the exam papers each year is archived for research purposes. Because of a statutory period of confidentiality researchers do not have access to papers until 18 months after the exam. For this article we have used exam papers from the social studies matriculation exam in spring 2010.

One of the ten optional questions in the social studies exam spring 2010 addressed the 2008 financial crisis. In the question the students were assigned to discuss two opposing quotes by Finnish experts on whether the Finnish state should increase its spending in the present-day situation. The students were also asked, '*What kind of troubles did the world economy get into in 2008, and by what means did the Finnish state try to tackle them for its part.*' Out of the 4,900 students taking part in the social studies exam 72 per cent chose to answer to this question – a moderately high figure in this exam<sup>1</sup>. The random selection of exam papers that has been archived and that we have studied consists of 54 papers written by 25 male and 29 female students in 14 upper secondary schools. Regarding the level of student performance, there is no



systematic bias in the material. In the following we will discuss the features that we find most noteworthy in the exam papers.

The students had a reasonably good or a satisfactory grip of the sequence of events in the financial crisis from 2008 to 2010 and the location where the crisis first exploded. For example, they were well aware that the explosion has been located in the US and they could mention the unhealthy expansion of the housing loans and the subsequent spread of high-risk securities. Our data is much too small to allow conclusions about statistical representativity, but as a piece of 'hard data' we can note that two-thirds of the students mentioned the financial meltdown in the US banking industry and over a third of the students mentioned that the problems of the US banks were connected to the excessive risks they took in the mortgage market. What we find more noteworthy than these figures per se is that also the exam papers with more detailed information very often contained considerable inaccuracies and conceptual errors. The following quotes may serve as examples (the figure in the end of the quote is an identification number in our notes):

*'The troubles in 2008 started in the US where lots of credits were given and then people could not pay them and then banks began to fall. This soon led to troubles also in Europe where the banks ran into problems. This resulted in a depression when people could not anymore consume in the same way, and economy came into a halt.'* (1196025)

*'The cause to the banking crisis which began in the US was that the banks had issued credits too carelessly until suddenly there was no more money. The state in the US saved some banks through capitalization so that economy would not capsize totally.'* (1196011)

*'In 2008 a housing bubble busted in the US and one of the biggest investment banks collapsed. The housing bubble was caused by low interest rates which encouraged people to buy bigger and bigger houses with mortgages that were bigger but cheap. The mortgages did not have solid collaterals and the housing market plummeted. The US economy fell abruptly. The European banks began to suspect each other of having investments in the collapsed US shares.'* (1068016)

*'In 1996 the US Government had ordered the two biggest banks to issue credits to the poor. Yet also people with middle-income could get these loans "easily". Really many Americans seized the opportunity to get a loan on loose grounds like this, which resulted in an explosion in the housing prices in the US. But suddenly the housing prices turned into a steep decline.'* (1068015)

*'In 2008 a banking crisis began in the US with*

*the so-called bad banks. The US banks didn't get their money back when people got into excessive debts. The crisis began in the housing market, spread to the finance market and all over the world through international investment industry. When a US bank fell there was lack of confidence between banks since one couldn't know which banks had investments in the bank that had fallen.'* (1068056)

The first quote is basically factually correct but it does not specify the nature of the fatal credits or why people defaulted in payments. The second quote fails to tell the difference between mortgages and other credits, and though it points out right that credits were given carelessly, it does not explain why money suddenly disappeared. The third quote is reasonably precise and detailed, but it does not point out clearly that a major factor in the housing bubble was that households with low or no steady income had been encouraged, even urged, to take mortgage loans. The fourth quote also fails to distinguish between credits and mortgages but it correctly mentions that there had been a new policy, urged by the US government, to issue 'credits' also to those with low income and that a lax credit policy was conducive to the housing bubble. The turn of the tide in the housing prices is left unexplained, however. The fifth quote is also factually reasonable correct but it does not explain what had made people take excessive debts. Interestingly, the student has given 'bad banks' as the cause of the financial crisis. Probably the student has confused the concepts 'rotten credit' (in Finnish, *roskalaina*) and 'bad bank' (in Finnish *roskapankki*, a bank that has been founded to manage securities which risk a default), and as the issue of bad banks was not yet in the headlines in spring 2010, it is plausible that the student has got it from the history of the Finnish 1990's crisis where bad banks had a prominent role. In any case, the student's use of the term betrays a flawed picture of the causes of the financial crisis.

The shortcomings we have listed above are not glaring but they witness of students' difficulties to use appropriate economic terminology and to construct explanations, rather than descriptive accounts, of economic developments. It is probable that the poverty of explanations in the exam papers in some instances is a result of students not wanting to risk that they go wrong in details. It is noteworthy that the questions that students pose to the referees of the Board of Matriculation Examination in the Internet after the exam clearly show they often assume that also mistakes in details are fatal. Thus it is not surprising that in the exam papers the effects of the financial crisis on employment, economic growth or public finances are usually described in very general terms. But partly the students' difficulties in constructing explanations are perhaps due to that economic processes are simply difficult for them to grasp.

Causes and effects in economy are undeniably complex. In many exam papers that we have analyzed for this paper the students' understanding

of economic processes remains sketchy. For example, in the quotes above the accounts are often short of information: *'lots of credits were given and then people could not pay them'; 'the banks had issued credits too carelessly until suddenly there was no more money'; 'an explosion in housing prices in the US. But suddenly the housing prices turned into a steep decline'*. Michael Schuhen (2010, 43) has concluded that a major shortcoming in the economics students' interpretations of the financial crisis in his study was that the accounts were 'incomplete constructs based on only approximate knowledge'. If we consider that the students in the social studies exams in the Finnish matriculation examination have only studied economics in the civics and social studies courses in school, it is not very surprising that the factual content in their exam papers is often vague. This may also reflect the scarcity of time resources in social studies teaching: the economy course in upper secondary school is crammed with topics, and this may result in a cursory processing of the subject matter.

Moreover it appears that students do not conceive economy as a playing field with living human actors. In the exam papers that we have analyzed there are remarkably few identifiable human agents. In their accounts of the financial crisis the students mostly speak of institutional actors, like states and banks, or impersonal forces, like prices and interest rates. This is not a novel finding: also earlier studies have shown that Finnish young are inclined to explain both historical changes and contemporary developments in society with reference to structural forces and macrolevel processes rather than human agents (van den Berg 2010, 88-96). In fact, also the social studies textbooks speak this language; it is typical of their explanatory models that structural forces and causal mechanisms figure more prominently than intentions or motives of individuals and collective actors. The result is often a text where economic processes take place without distinguishable human actors. One can argue that when economic processes are depicted as something driven by impersonal structural forces, it is only likely that the students' picture of the processes remains fragile and they do not fully understand the internal logic of them. Arja Virta found out in her study in 1995 that whereas students' exam papers in the history exam in the matriculation examination usually had a coherent structure based on chronology or a sequence of events, their social studies exam papers mostly lacked internal coherence, unless there was some element of sequencibility also involved (Virta 1995). The exam papers that we have analyzed suggest that the students liked to construct narratives of economic 'events' as an explanation to what the financial crisis is about but they had so few agents to place in the narrative that the storyline was bound to remain so thin that it provides only 'approximate knowledge' (cf. Schuhen 2010) about the subject.

The role of political interests and ideological motives in economic decisions figure rarely in the economy course textbooks. There are some exceptions but as we have noted they are mostly

found in separate 'extra information' pages in the textbooks, thus students may easily skip them as seemingly marginal. Also in the exam papers that we have analyzed there are remarkably few references to the political origins of the financial crisis. However, the question was posed in a way which did not clearly suggest the students should venture into a political analysis of the crisis in the first place, thus the responsibility for the lack of such analysis in the exam papers partly lies with those who formulated the question (i.e. also one of the authors of this text). Löfström, Virta and van den Berg (2010) have noted that in Finland the matriculation examination social studies exam effectively sets the criteria for social studies literacy in upper secondary school because it provides a normative operational interpretation of the vague objectives of social studies teaching in the national core curriculum. The expert team designing the exam questions thus has an important role. For example, if the questions do not invite students to reflect on the political dimension of economic questions, students (and teachers) will conclude that this dimension is not relevant to address in a social studies class. Thus we are (self-)critical of how the social studies exam questions in the matriculation examination may have failed to take up the issue of politics in the context of economy.

Having said that, we nevertheless suspect that the social studies classes could better prepare upper secondary school students to analyze connections between politics and economy. Earlier studies of Finnish adolescents' learning and skills in civics have shown that the connections between politics and economy are quite difficult for the young to picture. In a national evaluation of the 15-year-old adolescents' learning achievements in civics in 2011 the competence area where the young scored lowest was their ability to ponder on alternative political and economic decisions and their consequences (Ouakrim-Soivio & Kuusela 2011, 60). Also the Cived study, in 1999, showed that the links between politics and economy were difficult for the young to conceive (Suutarinen 2002, 11). The challenge is that the complexity of intertwining structures in society is particularly hard to analyse and conceptualize in relations that cut across politics and economy simultaneously. The exam papers we have analyzed do not challenge the conclusions in earlier studies, quite the contrary.

It is noteworthy that in a number of exam papers there are references to the 1990's Finnish economic crisis, as a point of comparison to the current situation. Here are some examples:

*'In Finland the financial crisis didn't have as devastating or visible consequences as the depression in the 1990's, however, even though also in Finland aggregate production diminished more than [in the 1990's] [...]' (1068056)*

*'In addition, Finland decided to begin to lower taxes so as to start resuscitating economy quickly. The nightmare was the serious*

*of the early 1990's. [...] The state acted swiftly immediately when the signs of depression emerged.'* (1068016)

*'Finnish export plunged even deeper than in the depression in the early 1990's. [...] The state in Finland has increased its expenditure generously in the recent years, and it has taken a lot of debt so as to boost economy.'* (1068014)

There is hardly any explicit information on the proportions of the current crisis in the exam papers. The exceptions are the cases where the students compare the crisis in the 1990's and in 2008. Such a comparison does not require any statistics, it suffices that the students know that the two crises land approximately at the same level. That is rather a general statement by the students, of course, but it is noteworthy that they would readily mobilize their knowledge of history in this context, albeit in a cursory manner perhaps. Social studies/civics as a school subject in Finland has had a close relationship with history, and social studies/civics teachers often resort to historical perspectives in a social studies class, thus it was not unexpected that there would be references to the 1990's Finnish crisis also in the exam papers that we have analyzed. Besides, the 1990's crisis was a traumatic experience, collectively and individually, to tens of thousands of Finnish people, and it is still often discussed in the media. In that respect the 1990's crisis can be assumed to be a frame that also many younger students readily think of when discussing the current crisis (cf. Berg 2010, 51-53).

Historical parallels between the crises in the 1990's and 2000's can be helpful to the students, however there is a risk of confusion between the two cases. It materializes in the following exam papers, for example:

*'The crash created enormous problems for the US people (default payments) and it spread gradually [...] also to the rest of the world. The affiliate companies of the bad banks fell in many countries, leaving substantial debts behind. Also in Finland many banks collapsed and the customers were left without their money.'* (1058141)

The last sentence is patently false. It is plausible that the student has confused the current situation with the crash in Finland in the 1990's when, unlike in the 2000's, some banks indeed collapsed. Historical examples can provide useful analogies in a social studies class, and the quotes earlier above speak in favour of using them, yet there is also a risk of confusion, in particular with students whose command of the subject matter remains fragmented.

The students' reflections upon the two expert quotes in the exam question sometimes indicate support to a Keynesian economic policy, sometimes reservations regarding expansive public finances. However there are no signs in the exam papers of a notion that the state should just let the markets 'rectify' the economic crisis. In fact, we find

examples to the contrary, as in the following statement:

*'The state in Finland courageously took the bull by the horns and took to counter-measures, by lowering taxes and increasing public spending.'* (1058083)

The contents in the exam papers that we have analyzed suggest that the students find 'the benign state' a more plausible notion than 'wisdom of the market'. This matches well with the findings in the international ICCS 2009 and Cived 1999 surveys where the Finnish 14-15-years-old adolescents' trust in the government and the parliament has been very strong (Schulz et al. 2010, 45-47.) In the Finnish version of the ICCS survey questionnaire in 2009 there was also the option 'the market forces' in the list of institutions whose trustworthiness the young were asked to assess. Interestingly, the market forces were judged as the least trustworthy institution of all, clearly less trustworthy than 'political parties', for example (Suoninen et al. 2010, 110-111). In addition it can be noted that in the 1999 survey the Finnish young were also inclined to give considerable economic and moral responsibilities to the state, for example in promoting employment (Suutarinen 2001). The Finnish young are not unique in this respect, however; in the 1999 Cived survey also the young in Sweden supported the notion of state having wide economic responsibilities (Suutarinen 2001, 48-49), and more recently Klee and Lutter (2010, 63) in a qualitative study of 11th grade students in Bremen concluded that there was among the Bremen students strong confidence in the positive role of the state in economic policy.

7 Strengths and weaknesses of the Finnish upper secondary school economic education in dealing with the financial-economic crisis

It is now time for a concluding assessment of the possibilities of the Finnish upper secondary school economic education to make the current financial-economic crisis intelligible and accessible to the students. The crisis has actualized important issues regarding the dynamics of the economic system, the relations between economy and politics, and the notions of good society and social justice. Thus the question of how school economic education supports students' understanding of this complex subject is exceedingly important. The task is demanding: school economic education should contribute towards students acquiring knowledge that is academically valid, socially relevant and also – we would argue – supportive of moral engagement. What are the strengths and weaknesses, or also the promises and challenges, in the Finnish upper secondary school economic education regarding teaching about the economic crisis?

Answering the question one has to consider a number of factors which influence and give shape to school economic education. Here we have discussed

some of them: the national core curricula, the textbooks, the teachers and the matriculation examination as a high-stakes examination at the end of the upper secondary school. We have also discussed, albeit briefly, the ideological climate where decisions about economy and economic education have been made in Finland in the last 20 years, and what earlier studies tell about Finnish adolescents' civic knowledge and attitudes. This is not, by any means, an exhaustive list but we would suggest it covers the major factors which play a role in the shaping of the Finnish upper secondary school economic education and, consequently, its strengths and weaknesses.

The *national core curriculum* for the economy course in upper secondary school that has been in force since 2003 is conceptually reasonably robust and clearly structured. It identifies the central concepts that are used for describing and analyzing economic processes and systems, but it does not provide a very detailed list of perspectives and issues that should be addressed in the class. Thus teachers (and textbook authors) are left with a fair amount of discretion in how to approach the subject matter and where to put more weight or less, regarding the allocation of time resources. This flexibility allows teachers, and to some extent also textbook authors, to respond to the needs of the moment and take up topics that can be expected to have immediate interest to the students. This is likely to result in students finding economy classes more rewarding and motivating. It is also noteworthy that in the current core curriculum the economy course is an obligatory course, thus basically all the upper secondary school students in Finland have to acquaint themselves with economic questions at that level.

However there are also some potentially problematic features in the core curriculum for economic education. The economy course is largely hinged upon the concepts of modern economics in a neo-classical tapping, and the political element of economy is only remotely present in the core contents of the course. There are two mandatory social studies courses in the core curriculum, one on politics, one on economy. Such a discipline-related division between the courses is understandable but it very easily takes politics too much out of economy which is negative, considering an issue like the current financial-economic crisis. The national core curriculum is renewed every ten years approximately and it is possible that some future arrangement of the social studies courses will allow addressing the connections of politics and economy more systematically in teaching, but that is not encouraged by the structure of the current core curriculum for social studies. One can add, though, that the core content of the economy course in the core curriculum focuses on national economy and economic processes rather than household economy and private finances. Such a 'theoretical' approach is in our opinion more promising than a seemingly practical emphasis on promoting citizens' financial literacy, as a strategy for decreasing the likelihood of economic crises in the future.

The *textbooks* for the upper secondary schools economy course are informative and rich in substance. Some books include more numerous topical elements than others, regarding the financial crisis for example. The use of such elements depends on the authors and publishers, the core curriculum does not put obstacles to it, and also the available technical solutions in layout make it easy to incorporate extra 'information boxes' or 'special pages' in the book, if only there is interest for it on the part of the authors and the publisher. The textbooks are mostly neutral in tone and avoid taking an open stand on issues that are controversial in economic policy. They often try to give voice to all the parties in the debate, and in that respect they can be considered non-partisan. However, as we have mentioned, in the textbooks there is sometimes an implicit tilt towards neo-classical interpretations in that these interpretations, for example regarding the risks of public debt, are not questioned but taken for granted. This is not surprising, considering that the conceptual framework offered in the core curriculum largely hinges upon concepts and models of neoclassical economics.

In general, the connections between politics and economy are hardly discussed in the textbooks. This reflects the divide between the realms of politics and economy in the core curriculum. In two recently published textbooks there are more of elements that invite students to a critical analysis of economic policies. Such elements are however usually placed in the rehearsing questions or in additional information, thus they may become disregarded by the students as not really substantial economic 'hard facts'. It remains to be seen if such elements will continue to gain ground in the textbooks and if they also will be allowed to feature in the body text more than hitherto. Relegating such elements to the 'additional' parts in the textbooks is likely to sustain the image that controversies on economy are not an essential part of economic decision-making and discussion.

The teachers who are responsible for economic education in Finnish upper secondary schools have usually majored in history, thus they are often better able to discuss the history of economic developments than economics as such. An historical perspective on economy has been welcomed by critics of mainstream neo-classical economics as a corrective against 'utopian' (Cassidy 2009) formal models of economic behaviour. History, from that point of view, should warn against simplifying theories of rational choice and against presumptions of 'final truths' in economics. Finnish social studies teachers probably consider themselves historians more than social scientists, because of their academic background. As we mentioned earlier, they are rarely specialists in social sciences, and very rarely specialists in economics, hence they are not likely to be very well acquainted with the epistemology and methodology of economics. This entails that their competence to analyse economic developments and controversies in economics may



be fairly limited. Let us remember that civics teachers themselves in a recent survey saw economy as an area where they judged their need for additional training acute (Ouakrim-Soivio, Kuusela 2012, 33). On the one hand it is certainly a handicap if the competence of an economy teacher to scrutinize critically arguments about economy is limited, on the other hand it has been pointed out that economists, on their part, have often assumed uncritically the dogmas of their science which has resulted in massive miscalculations, as witnesses the recent financial crisis. A social studies teacher whose main competence area is in history is thus not necessarily less capable of posing penetrating questions about economy than an economist who does it from within the paradigms of economics. Also elsewhere there have recently been suggestions that economic education should more often include also perspectives in sociology, philosophy and economic and political history so that the students would have better opportunities to see the historicity and contextuality of economic 'truths' (Ötsch, Kapeller 2010, 23). As Hans-Georg Gadamer (1988) has pointed out, such a historical consciousness is an essential prerequisite for social change.

Among Finnish social studies teachers there is at least some support for the view that they can encourage their students' interest in politics, some of the textbooks authored by teachers themselves indicate that. But as long as the national core curriculum and, consequently, the textbooks give only a very limited space to political education and education in political literacy the teachers are not likely to feel happy about spending too much time on the subject. This connects with the issue of student evaluation that we will discuss below. If the number of social studies teachers who have majored in social sciences will slowly increase, as it seems to do, there can be fruitful exchange between social sciences and history specialists in school. At the moment, however, it seems that these social scientists will mostly come from the field of political science, sociology or social policy, but not economics, which will leave economic education in school in the hands of 'amateurs' also in the future. But as we pointed out, this is not necessarily negative in itself.

In the social studies exam in the *matriculation examination* approximately one third of the questions is usually related to economy. Thus economy, as a subject area, has rather a strong foothold in the exam which is likely to be a motivating factor at least for the upper secondary school students who consider taking the social studies exam. Some of the questions in the social studies exam include material that the student has to scrutinize critically. Often the material consists of one or more political statements and there may be tensions between them that the student has to identify and analyze. Thus there is the idea that the issue of political conflicts is recognized and addressed in the exam. However, the questions in the social studies exam seldom explicitly ask the

student to consider the political aspects of economy. Also in the question that we have discussed in this paper there is actually no explicit invitation to that effect. This is unfortunate because the matriculation examination social studies exam, as a high-stakes examination, is an authoritative message to teachers and to students about the subjects and competences that are important to study in a social studies class. If the exam questions do not openly request students to ponder on the politics of economy, for example, students (and teachers) will not find politics of economy worthwhile to discuss in the social studies class.

It is a question in its own right, however, as to how popular the questions requesting political analysis would be among students and what kind of students would choose to answer them. One may conjecture that in a high-stakes examination achievement-orientated students dislike questions where the criteria for the 'right' answer appear difficult to pin down accurately. Exam questions where one has to assess political or economic arguments are often in this category because there it is difficult to give the kind of model answer as in questions where one has to give proof of mastering a set of facts. As a high-stakes test, the matriculation examination social studies exam has limitations as an instrument that would encourage students to show their competence to reflect upon controversial political and economic issues.

Also *students* can be regarded as a factor which contributes to the shaping of school education, economic education included. As we mentioned earlier, Finnish young at the age of 14 years have ranked the global top among their peers in civic knowledge and competences in the international surveys in 1999 and 2009. It seems reasonable to assume that this should provide a good theoretical basis for a study of politics and economics in upper secondary school. Compared to the whole population in the age group 18-30 years, upper secondary school students' knowledge in politics has been characterized as 'high' (Rapeli 2010, 129). The studies of 14-years-old adolescents have also shown, however, that in civics the biggest challenges for the young are to understand connections between politics and economics and to compare alternative political or economic decisions and their consequences. These challenges are likely to exist also among the 16-18-years-old upper secondary school students, and some recent qualitative studies also suggest this (van den Berg 2010). In this perspective teaching issues like the current financial crisis can be assumed to pose considerable challenges in Finnish upper secondary schools.

As a concluding remark, the two key points we think are important for sustaining and developing the capability of the Finnish upper secondary school economic education to address topics like the current financial crisis are, firstly, the presence of historical perspectives in social studies teaching and, secondly, the presence of political or also sociological analyses in economic education. The first has always been part of social studies teaching in

Finland, due to the institutional history of the discipline, and it is likely to remain so also in the future, considering the academic background of social studies/civics teachers. The second point, however, is an ambition rather than reality, considering the impediments which have to do with the current curricular structures in social studies and the disciplinary tradition of discussing economy as a system of impersonal logical mechanisms more than a congregation of often whimsical human actors with vested interests. Paying attention to these two points in the social studies class would help the students to think of the variety of alternatives that always exist in economic decision-making. That would place the focus more consciously on what we think is the crucial question in economic education in the first place: what are the aims of economic activity, and what are the objectives that citizens, individually and collectively, have when engaging in economic activity? After all, economy is part of society rather than the reverse, and we believe this perspective should come out more strongly also in the fundamentals of school economic education.

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#### Endnote:

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