

Lessons in financial literacy

Teachers needed to help make students more money savvy

By TOM ZANKI

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John Sumansky says the consequences of financial illiteracy should be obvious by now.

"How do you think we got into this debacle with subprime loans?" he asked. "People were willing to believe things that weren't true."

Sumansky, director of the Center For Economic Education at Misericordia University in Dallas, Pa., and partner Ed Scahall, economics professor at Scranton University, plan to do something about it.

They and other institutions are teaming up to train high school teachers from the Lehigh Valley and elsewhere to improve financial literacy among students.

The initiative is a product of Wall Street West, a nonprofit partnership that is developing backup operations in northeastern Pennsylvania to support Manhattan's financial district in case of a terrorist attack.

This venture aims to enroll 100 teachers from grades 7-12 in the nine counties -- including Northampton and Lehigh -- involved in Wall Street West. This involves 77 school districts or about one instructor per high school.

The program is designed to supply participants with financial knowledge that can help in making critical decisions, be it borrowing money, buying a home or investing in stocks and bonds.

Sumansky said it's important to inspire greater awareness of financial concepts for students before high school graduation so they are not ill-prepared later.

"If they are going to work or take out a loan to go to college, they better damn well understand these kinds of things," Sumansky said. "It's getting complicated out there. From the data I've seen, their parents don't know much more than they do."

The program will mirror a college spring semester, according to Misericordia.

Training begins Jan. 22 and 23, when Sumansky and Scahall will lead a two-day course with selected teachers via interactive video online.

Training will continue online afterward while teachers apply lessons at their respective schools over the next four months.

For instance, students will participate in a 10-week stock market game in which they invest a fictitious \$1,000 in selected companies and monitor their performance.

A comprehensive test culminates things in June.

Knowing that too much talk about mathematical models and economic data can be dull, Sumansky said the course will emphasize how understanding those tools can improve ordinary life.

"We try to focus more on basic principles that they can apply to make good decisions," said Sumansky, a retired executive for Toshiba Corp. who has taught at Penn State and Bradley universities. "We help them organize their thinking."

The program is paid for with a \$153,732 federal grant. School districts participate for free. If it succeeds, educators plan to continue the program annually. Materials recruiting teachers for the pilot course were sent last week.

"Our goal is to recruit 200 names and have 100 enroll," Misericordia spokesman Paul Krzywicki said. "We want to get 200 teachers interested, so we can continue the pipeline."

For now, the idea is to plant seeds.

"It may not sound like a lot, but 100 teachers -- one in each high school -- can have a tremendous impact," Sumansky said.

For more information about the program, contact Misericordia at 570-674-6400 or visit online: misericordia.edu.