

Economic Literacy Among Social Studies Teachers in Oman

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Abstract

The study investigates economic literacy among Omani teachers of social studies. An economic literacy test was used consisting of 36 questions distributed into five sections: monetary policies, global currencies, global economic clusters, countries with highest natural resources production, and countries with highest GDP and individual income. The test was applied to 661 male and female social studies teachers from five governorates in Oman. The results showed that the teachers had a moderate level of economic literacy, which was significantly affected by their gender and experience. The study recommends the importance of enhancing the level of social studies teachers' economic literacy.

Keywords: Economic literacy, Social studies, Teachers, Schools, Oman, GCC

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Introduction

Background

A sound economic foundation is essential to drive development in any part of the world, thus it receives intense attention from governments, companies and individuals. The direct effects of economic events on politics, business and individuals within states and across borders are clearly visible, often in spectacular failures such as the economic crisis in 2008 or the oil price collapse in 2014. Economic events are massively influential in political, business and individual decisions, sometimes involving strong reactions to economic solutions such as public strikes against monetary policies, inflation and financial crisis.

Dealing with different economic circumstances requires economic literacy among people to apply basic economic concepts in their daily lives, such as a general understanding of the functioning of the economy, markets, goods, tax, inflation, services, work, economic clusters, trade blocs and work. All of these dimensions have direct impacts on every individual's life. The concept of economic literacy was defined by Al Said (2009, 5) as "individual understanding of all economic issues at local and regional and global level", and by Girls Inc. (2018) as "the ability to use basic economic concepts to make decisions about earning, saving, spending, and sharing money... a skill. As with reading and writing, a working knowledge of basic economic concepts is essential for future success". It can be concluded that economic literacy is enhancing individual understanding of basic economic concepts, economic behavior and recognition of economic fluctuations.

Economic literacy is curial for the socio-economic development of every country (Dwivedi, 2004). It fosters people understanding of economic roles in the development of their countries and individual contributions within it (Akhan, 2015). It enables people to understand worldwide economic trends and interdependences (Darvin, 2006), and prepares people to interact with different economic matters resulting from changeable political and economic policies (Koshal et al., 2008). In addition, it provides them with the historical background of economic issues and expectations of economic issues that may be confronted in their lives (Huston, 2010; Remund, 2010). Moreover, it enhances people awareness of economic functions, investment and financial policies such tax, interest rates, saving, profits, inflation, competition and markets (Aarab, 2017; Al Ali, 2014; Cole, Sampson, & Zia, 2011; Shaker, 2001).

Economic literacy intersects numerous academic and policy domains, notably economics, education, and governance. The importance of economic literacy has received extensive attention among educators, who have found a link between it and people's ability to predict economic trends such as inflation (de Bruin et al., 2010; Leung, 2009) and their behavior (Gerardi, Goette, & Meier, 2013; Smith, McArdle, & Willis, 2010; Stango & Zinman, 2009). Moreover, it influences people's choices of their future career (Kember, Hong, & Ho, 2008; Pasternak, 2005).

Accordingly, fostering economic literacy is curial for any nation to enhance society participation in an economic context. Thus, education systems have paid attention to teaching economic literacy in schools through introducing economic education or financial education curriculum. In other education systems such as in Oman, economic literacy is taught as part of the social studies curriculum. Quality of teaching according to the curriculum depends on the mastery of economic literacy among the curriculum designers and teachers who deliver such academic content in the classroom. Walstad (2001) noted that a high level of subject knowledge is essential for effective teaching; while this in itself is useless, in combination with suitable general teaching skills, it significantly influences student and school success (Vargh, 2004). It also significantly influences the capability of teachers to convey information to their students (Adu, Galloway, & Olaoye, 2014; Ball, Thames, & Phelps, 2008; Baumert et

al., 2010; Chibueze, 2014; Gokcekus, 2000; Hoy, 2004; Kane, Rockoff, & Staiger, 2008). Riabova (2003) found that teachers with a high level of economic literacy are better able to put their knowledge into practice in their classrooms.

Given the significant importance of economic literacy among teachers for learning outcomes and indeed national and global socio-economic development, this study essentially seeks to address a gap in the literature by investigating the economic literacy of social studies teachers (SSTs) in Oman, who are the responsible for teaching Omani students economic literacy and developing their knowledge and skills in this area. McGowan (2009) stated that if SSTs have a low level of economic literacy, they will not be able to impart economic knowledge to their students or teach such skills in their classes. Studies exploring the economic literacy of SSTs found a moderate level of proficiency, which may be better than expected given the generally qualitative and eponymously ‘social’ orientation of learning among such professionals (i.e. they typically specialize in subjects such as sociology rather than economics) (Akhan, 2015; Al-Rabaani & Al-Mikhlafl, 2011; Fagan, 2007; Hindi, 1998).

The current study represents a response to the current trend in Oman toward enhancing Omanis’ participation in economic activities and preparing generation to take responsibility for developing national economic life due to the need to diversify the economy away from reliance on oil and gas, as the world attempts to embrace renewable energy sources. This decades-old quest has resulted in governments throughout the GCC adopting aggressive nationalization policies to promote the employment of nationals in the private sector, given a fillip by the collapse of oil prices in 2014. Despite such efforts, there is a noted lack of private enterprise and initiative in the private sector, with most GCC nationals preferring employment in state sector sinecures. To address this inertia, the Oman Vision 2040 focuses on developing people’s economic literacy, innovation and initiatives to involve society in economic activities. Building an economically literate society requires having qualified SSTs to take such responsibility of preparing future generations to ensure national survival, as well as socio-economic development.

This study explores the economic literacy of SSTs in Oman using a test exploring five dimensions: monetary policies, global currencies, global economic clusters, countries with highest natural resources production, and countries with highest GDP and individual income

Aim and Objectives

The overall aim of this study was to examine the level of economic literacy of SSTs in Oman. The specific research objectives were to:

1. Identify Omani social studies teachers’ level of economic literacy about monetary policies, global currencies, global economic clusters, countries with highest natural resources production, highest GDP and individual income.
2. Determine if differences exist in Omani social studies teachers’ economic literacy relative to the demographic variables of gender and experience.

Methodology

Sample

The participants in this study comprised 661 Omani SSTs who teach in different Omani governorates. A non-probability sampling technique was used in selecting the sample because of the impracticability of using random sampling for the whole society of SSTs in five different governorates in Oman (Table 1).

Table 1: Distribution of the study sample

		Number	Total
Gender	Male	427	661
	Female	233	
Governorates	Muscat	106	661
	Al-Batinah	222	
	Al- Dakiliah	123	
	Al-Sharqia	102	
	Al-Daharah	108	

Instrument

An economic literacy test (ELT) was used to determine the economic literacy levels of Omani SSTs (relative to demographic characteristics) in five sections concerning monetary policies, global currencies, global economic clusters, countries with highest natural resources production, and countries with highest GDP and individual income. ELT was developed by the researchers based on literature related to economic literacy (Akhan, 2015; Al-Rabaani & Al-Mikhlafl, 2011; Hindi, 1998; Varum, Santos, & Afreixo, 2014; Walstad Walstad, Rebeck, & Butters, 2013).

Validity and Reliability

ELT was validated by a panel of judges to measure its suitability to measure level of social studies awareness of economic literacy, then it was piloted to 32 Omani SSTs. The Cronbach's alpha was .712, which indicates a suitable internal consistency.

Results

Economic literacy

The results showed that participants had an average level of economic literacy (69.73). The teachers showed very low level of knowledge about global economic clusters such as European Union Countries, Asia-Pacific Economic Cooperation, IGAD and the European Economic Community (Table 2).

Table 2: Mean and standard deviation (SD)

	Mean	SD
Monetary policies	76.81	14.170
Global currencies	75.67	19.493
Global economic clusters	58.11	22.540
Countries with highest natural resources production	71.06	24.105
Countries with highest GDP and individual income	66.98	24.848
Total	69.73	12.620

They also showed a moderate level of awareness about monetary policies (76.81%). The results of each question showed variation, with a high level of knowledge about VAT, production activities, free market economy, and national budget deficit, and a very low level of knowledge about inflation and investment. The teachers also seem to have moderate awareness of global currencies. The results showed high level of awareness about the Indian Rupee, US Dollar and Euro, but they had low level of knowledge about the currencies of Brazil, the Czech Republic and Morocco.

They also showed moderate economic literacy about countries with the highest national resources production. They were highly aware of countries with high oil production but they had a moderate level of knowledge of countries producing coal, such as the USA or China, which are also major producers of renewable energy. The teachers had moderate knowledge about countries' level of GDP, such the USA and China, and countries with a high level of individual income, such as Qatar.

The following sections explore differences among Omani SSTs' economic literacy relative to demographic variables (gender, experience and qualifications).

Gender

Table 3 shows the results of t-test examining differences in SSTs' level of economic literacy with regard to gender. The results revealed that there was a significant difference between male and female SSTs in favor of males for the section on monetary policies and of females for the section on countries with the highest national and individual income, while there was no significant difference in other sections.

Table 3: T-test results of SSTs' gender

	Gender	Mean	SD	t	df	Sig. (2-tailed)
Monetary policies	Male	78.17	15.04	3.482	654	.001*
	Female	74.15	12.13	3.713	556.372	
Global currencies	Male	75.96	19.83	.483	654	.629
	Female	75.18	19.08	.489	481.999	
Global economic clusters	Male	58.00	23.24	.317	654	.751
	Female	58.58	21.26	.326	503.203	
Countries of highest natural resources production	Male	70.96	24.52	.000	654	1.000
	Female	70.96	23.47	.000	484.191	
Countries of highest national and individual income	Male	63.40	26.20	-5.193	654	.000*
	Female	73.79	20.71	5.569	564.828	
Overall	Male	69.30	13.41	1.194	654	.233
	Female	70.53	11.05	1.265	547.754	

* Significant at the 0.05 level

Experience

The results indicated that in general there was no significant difference between participants with regard to their

economic literacy relative to professional experience except in the section on global economic clusters, where the Scheffe test revealed that teachers with more experience are more knowledgeable.

Table 4: One-way ANOVA results of SSTs' experience

		Sum of Squares	df	Mean Square	F	Sig.
Monetary policies	Between groups	58.192	3	19.397	.096	.962
	Within groups	132466.783	657	201.624		
	Total	132524.975	660			
Global currencies	Between groups	907.894	3	302.631	.796	.497
	Within groups	249895.171	657	380.358		
	Total	250803.066	660			
Global economic clusters	Between groups	4906.659	3	1635.553	3.252	.021*
	Within groups	330410.201	657	502.907		
	Total	335316.860	660			
Countries of highest natural resources production	Between groups	2184.413	3	728.138	1.254	.289
	Within groups	381338.658	657	580.424		
	Total	383523.071	660			
Countries of highest national and individual income	Between groups	2464.721	3	821.574	1.333	.263
	Within groups	405039.061	657	616.498		
	Total	407503.782	660			
Overall	Between groups	85.576	3	28.525	.178	.911
	Within groups	105032.391	657	159.867		
	Total	105117.967	660			

* Significant at the 0.05 level

Discussion

Economics represents the backbone of the development for individuals, companies, governments and nations. It is well known that individuals can make a difference in their national economic and personal investment. Therefore, there is wide attention to foster economic literacy among individuals in order to involve them in economic activities and to enable them to interact with different economic matters. Education is essential to prepare populations for good citizenship behaviors, including active, effective and responsible economic achievement to promote sustainable socio-economic development. The literature clearly indicated the significant role of education in enhancing students' knowledge, skills and behavior (Batty, Collins, & Odders-White, 2015; Grol, Sent, & de Vries, 2016; Meyer & Frey, 2004).

The results of the current study revealed that the Omani SSTs had a moderate level of economic literacy. Such results could be due to a shortage of economic courses in their teacher training programs, in which they study only two related courses about economics and geography. Furthermore, most in-service training programs focus on teaching methods, building assessments tools, and educational technology. The current results can be said to be similar to some of the previous studies conducted on the economic literacy of teachers (Akhan, 2015; Al-Rabaani & Al-Mikhlaifi, 2011; Fagan, 2007; Hindi, 1998). The current and previous studies raised the issue of teaching economic literacy in schools in general and Oman in particular where the economic literacy of social studies need to be enhanced to ensure that teachers can make a significant difference with their students. Teacher training preparatory and in-service programs should be developed to reach a suitable level of economic literacy, as numerous studies clearly indicated that these programs make difference in teachers' ability to enhance their students' achievement (Butters & Fischer, 2008; Clotfelter, Ladd & Vigdor 2010; Hanushek & Rivkin 2010; Harris & Sass 2011; Walstad, 2001).

The results also revealed that there are gender differences in teachers' level of economic literacy, with females having a higher level of literacy about countries of highest national and individual income, while male teachers showed a higher level of knowledge about monetary policies, corroborating previous studies (Akhan, 2015; Grimes, Millea, & Thomas, 2007; Yohanes et al., 2017). Such differences could be attributed to gender-related background and field of interest.

The results also showed that Omani SSTs' levels of experience influenced their economic literacy, affirming previous findings (Grimes, Millea, & Thomas, 2007). Such results could be due to older teachers being exposed to more economic fluctuation in Oman, experiencing the effects of monetary policies over time and being more concerned with following economic news.

In general, the results revealed need for developing SSTs' economic literacy to enhance the economic literacy of students and subsequent the nation. The current results showed that the teacher preparation programs and in-

services training need to be developed with more material in the field of economic literacy. Program designers and policymakers need to expediently address this in order to ensure teachers are optimally supported to deliver the best possible economic literacy instruction to their students (Ball, Thames, & Phelps, 2008; Baumert et al., 2010; Chibueze, 2014; Gokcekus, 2000; Hoy, 2004; Kane, Rockoff, & Staiger, 2008; Vargh, 2004; Walstad, 2001).

Conclusion and Recommendations

The study found that the Omani SSTs had moderate economic literacy and that there are some significant differences due to their gender and experience. The results recommended the need to enhance economic literacy through in-services and teacher preparation programs.

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