

Exporting the Consumer Economics Test for High School Students

By *Hamano Takayoshi*

Although Japan certainly cannot be described as an advanced nation in the field of consumer education, its Consumer Economics Test for high school students, which Japan developed as one aspect of its consumer education, has attracted interest abroad and has even been exported to some countries, including Australia, China, and the Republic of Korea.

When I say "export," of course there is no payment involved; it is quite different from the export of such industrial products as automobiles and electric appliances. Let us take a look at the content of this scholastic export.

What Is the Consumer Economics Test?

The Consumer Economics Test has been implemented in Japan since 1996 with the aim of surveying the extent to which Japanese senior high school students have an accurate knowledge and understanding of economic mechanisms and legislation relating to consumer life. The first test consisted of 40 questions on such topics as the basic concepts of economics, the mechanism of the market economy, fiscal administration and finance, the international economy, and consumer problems. After reading each question, the student had to choose one out of four answers.

The test was developed by the National Institute on Consumer Education in Tokyo. After publicity by the institute, the first test in 1996 attracted applications for participation from 13 senior high schools, 3 junior colleges, and 1 technical school and was taken by a total of 2,288 students.

Subsequently the institute revised the questions and increased their number to 50 in 1998. The test in that year was taken by 9,385 students, including university students as well as the main target of senior high school students.

The test will be held for the third time this year and will consist of 30 questions on the theme of the financial "big bang" (reform of the financial system). More than 12,000 students are expected to take the test, which recently has also been taken up by NHK (Japan Broadcasting Corporation) as material for a school education program.

Looking at the results of the first test in Japan, the overall rate of correct answers was quite high at 58.4%, but there were large differences depending on the questions. Of the 40 questions, the ratio of correct answers dropped below 50% for 15 questions.

Among them, in reply to the question "If you are recommended by phone to purchase English conversation educational materials and make a promise to do so, at what stage do you conclude a contract and have an obligation to pay?," the ratio of correct answers was only 13.7%. The correct answer is "when you say that you apply by phone." But of four options, almost 70% of the respondents replied "when you put your seal on the contract."

Now the door-to-door sales and other direct sales law has been revised, and it has become possible to implement a cooling-off period of up to eight days for telephone transactions too. Also, it has become obligatory for the selling company to issue a written document. But nevertheless the test revealed that Japanese high school students are not very aware that basically a contract is formed even through an oral promise.

The Test Goes Overseas

After the first test in 1996, the National Institute on Consumer Education reported the results at a meeting of the U.S. National Council on Economic Education, upon which high school teachers from Australia and

government economic officials from the Republic of Korea expressed an interest. The following year tests based on the questions in the Japanese test were held in high schools in both of these countries.

Subsequently an economics teacher at a university in Beijing also requested permission to incorporate Japan's Consumer Economics Test, and this year 500 students in China took the test. So the Consumer Economics Test is expanding its sphere of implementation.

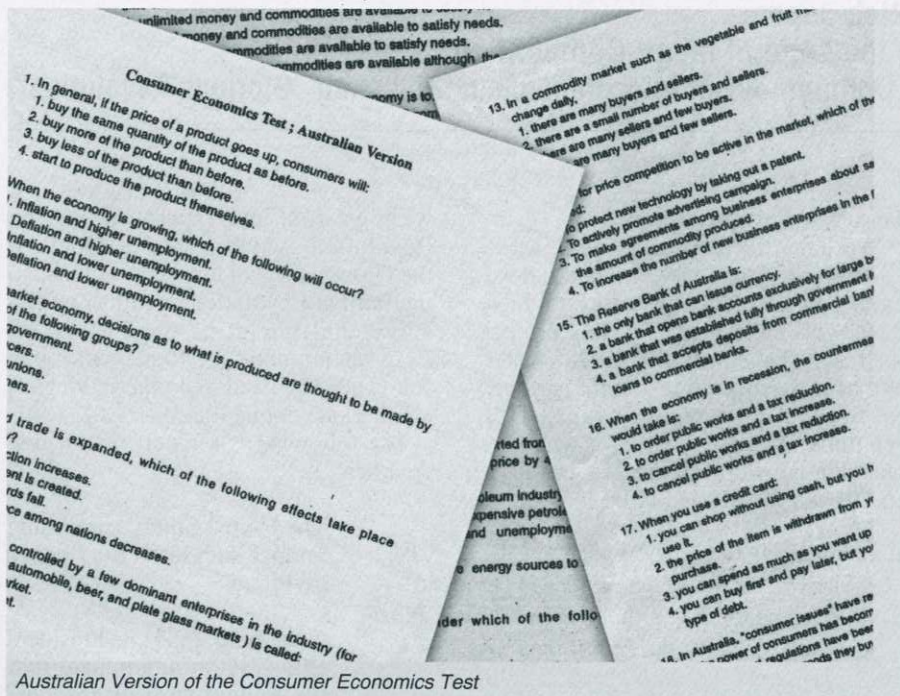
Let us now compare the results of the test conducted in Australia and the Republic of Korea with those of Japan.

The tests implemented in these two countries were equivalent to the 1996 test in Japan. Partial revisions were made only in cases where the questions did not suit the situation in the country concerned.

In Australia, 127 students took the test, and the average correct answer ratio was 62.5% – slightly higher than Japan's. In the Republic of Korea, 1,380 students took the test, and the average correct answer ratio was 53.2%.

Making a detailed comparison of the results of the test in Australia and Japan, Australian students performed better than Japanese students on questions relating to the international economy and the mechanism of the market economy. The weakness of Japanese students on questions relating to the mechanism of the market economy perhaps reflects the fact that there is much red tape in the Japanese economy and people do not have a proper understanding of the market economy.

In contrast, Japanese students performed relatively well on questions relating to consumer problems, although there was some unevenness among questions here, so Japanese students cannot be said to have been



Australian Version of the Consumer Economics Test

absolutely superior in this category.

Also, since young Australians do not have a very strong taste for brands, they do not display much interest or knowledge on the issue of imitation brand products, so the question here was changed to one concerning copyrights for pirated video films and CDs. The differences in young people's tastes and feelings can be seen here.

Future Issues

In Japan recently there has been an increase in the number of cases of young people getting caught up in consumer trouble by being waylaid on the streets in busy shopping and entertainment districts and pressured to purchase expensive goods. Also, regulations, which until now have been strict in Japan, are being relaxed one after the other. At the same time as the administration and companies are being called on to accept the financial "big bang," restructuring, and information disclosure, so a new tide is rising in which consumers are required to take more self-responsibility. Therefore, it is becoming necessary especially for young people to have a clearer under-

standing of the market.

For this reason, when a new curriculum is introduced in elementary and junior high schools in 2002 and in senior high schools in 2003, based on teaching guidelines issued by the Ministry of Education, social studies classes in junior high school will "give students an understanding of the basic ideas of the market economy," and civic studies classes in senior high school will "give students an understanding of basic opinions and ideas relating to the economy." The point of concern here, however, is whether the teachers themselves will have an adequate basic knowledge of the market economy and economy.

For example, the concept of "competition" is introduced from the lower elementary grades in the United States, but in social studies education in Japan the idea of competition has not been considered morally desirable, because it leads to dropouts and losers. Instead of competition, therefore, it has been deemed more important to study about cooperation among people. Only recently has it become evident that this way of thinking must be changed to one that accepts free and fair competi-

tion as an important factor in improving productivity.

Furthermore, in the United States such economic concepts as scarcity, opportunity cost, and tradeoff are applied to daily life and taught from kindergarten and the lower grades of elementary school. In other words, the educational base for consumer economics is completely different in the United States from the one in Japan.

It should not be overlooked either that these efforts to teach economic concepts in the classroom were in the background of the economic prosperity that continued in the United States in the 1990s. Also, the cultivation of the entrepreneurial spirit, which is a driving force behind economic development, is one of the pillars of economic education in the United States. In contrast, Japan's experience in economic education so far has been very small indeed.

Actually, a test similar to the Consumer Economics Test was being conducted in the United States more than a decade ago in the form of an interschool contest. In comparison, the Japanese version was rather late in coming.

Nevertheless, the Japanese Consumer Economics Test has been exported to other countries around the Pacific. This brings back memories of the productivity improvement movement, which was first of all introduced into Japan from Europe and then developed further in Japan and later exported to Singapore and other Pacific countries as a Japanese-style productivity improvement movement, slightly different from the European one.

When we think of Japanese exports, we tend to think mainly of industrial goods; comics are perhaps the only well-known item other than manufactured products. So perhaps we should appreciate the fact that other countries are now showing an interest in the rather mundane area of consumer economics, too.

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