

● Commonwealth of Kentucky ●
EDUCATIONAL BULLETIN

**BUSINESS EDUCATION
FOR
KENTUCKY HIGH SCHOOLS**



Published by

Ky. DEPARTMENT OF EDUCATION

BOSWELL B. HODGKIN

Superintendent of Public Instruction

LIBRARY
UNIVERSITY OF KENTUCKY

ISSUED MONTHLY

Entered as second-class matter March 21, 1933, at the post office at
Frankfort, Kentucky, under the Act of August 24, 1912.

Vol. XVII OCTOBER, 1949

No. 8

370.61

K419

v. 17

1949

no. 8

copy 1

FOREWORD

The past summer, 1949, a Business Education Curriculum Workshop was conducted at the University of Kentucky. This Bulletin is a product of that Workshop. This Work Conference was directed by Professor Vernon A. Musselman, Chairman, Department of Business Education, University of Kentucky. The State Department of Education cooperated in this undertaking. A number of leaders in the field of business education as well as graduate students in this field took an active part in preparing materials found in this Bulletin.

I wish to take this means of congratulating all who had an active part in the preparation of the Bulletin and also of expressing my appreciation for their contributions. I am confident that the administrators of our public schools and the teachers of business education in our high schools will find the suggestions and materials presented herein most helpful.

BOSWELL B. HODGKIN

Superintendent of Public Instruction

T
senior
regist
partic
of Ve
Pucke
of De
Rober
School
tion,
Marga
Comm
prepar
T
Mr. M
period
Mr. B
was al
S
studen
the ma
Marth
Bailey
West
Ander
time, a
and w
apprec

UN

ACKNOWLEDGMENTS

Teachers of business subjects at all levels (junior high schools, senior high schools, junior colleges, and four-year colleges) were registered in the Business Education Curriculum Workshop, and participated in the preparation of this bulletin under the direction of Vernon A. Musselman, chairman of the department. Dr. Cecil Puckett, Dean of the College of Business Administration, University of Denver; Mr. Harmon Wilson, Editor of *The Balance Sheet*; Mr. Robert Finch, Supervisor of Business Education, Cincinnati Public Schools; Mr. Robert Lowry, Associate Professor of Business Education, Oklahoma A. and M. College; Dr. Ruth Thomas, and Miss Margaret Bell Humphreys, both on the faculty of the College of Commerce, University of Kentucky, served as consultants in the preparation of parts of this bulletin.

The assistance given by the State Department of Education, and Mr. Mark Godman, Director of Supervision, extended throughout the period and was extremely valuable. The sympathetic interest of Mr. Boswell Hodgkin, State Superintendent of Public Instruction, was also greatly appreciated.

Special recognition should be given to a group of graduate students who served as chairmen of the various committees which had the major responsibility for the work on the bulletin. They are: Miss Martha Hill, University of Chattanooga; Mrs. Mildred Rosenmerkel Bailey, Parkersburg, West Virginia; Mr. Harvey B. Oates, Keyser, West Virginia; Mr. Virgil Young, Paris, Kentucky; and Miss Alberta Anderson, Charleston, West Virginia. They gave unselfishly of their time, and guided the work of the various committees in their planning and writing. The members of the workshop also wish to express their appreciation to Miss Ann Kirtley, who typed the entire manuscript.

VERNON A. MUSSELMAN, *Chairman*
Department of Business Education
University of Kentucky

LIBRARY
UNIVERSITY OF KENTUCKY

CONTENTS

	Page
Foreword	368
Acknowledgments	369
Chapter	
I What Are We Trying to Do in Business Education.....	371
II General Business	375
III Typewriting	397
IV Business English	403
V Shorthand	407
VI Office Practice	411
VII Business Arithmetic	419
VIII Bookkeeping	423
IX Selling	427
X Consumer Economics	441
XI Economics	459
XII Economic Geography	467
XIII Business Law	473

Chapter I

WHAT WE ARE TRYING TO DO IN BUSINESS EDUCATION

In order to know what we are talking about let us first define the terms which we are using, namely: (1) Business, (2) Education, and (3) Business Education.

(1) Business—man's economic system for using human and natural resources to satisfy his wants and needs.

(2) Education—a process of continuous growth in the power of satisfactory adjustment of the individual, and of groups of individuals, to desirable life experiences in an endeavor to increase human welfare and happiness.

Frederick G. Nichols
Paul S. Lomax

(3) Business Education—since education is thought of as the adjustment of the individual to his environment, business education must be thought of as the adjustment of the individual to his business environment.

Closely related to the meaning of the terms which we are to use is a statement of purposes which we, in education, are striving to accomplish:

Education: The Education Policies Commission has given four major areas in which specific purposes are grouped:

1. Objectives of Self-Realization
2. Objectives of Human Relationships
3. Objectives of Civic Responsibility
4. Objectives of Economic Efficiency

It would seem then that the school has an obligation to aid each American youth in determining his own points of strength and weakness, and in developing a program of experience and study that will enable him to strengthen his weaknesses and capitalize upon his points of strength. A corollary to this would be for a youth to determine in what field of activity he can best work and earn his living—in terms of his native capabilities and their development.

Secondly, he must be given opportunities to adjust to his environment as it is concerned with working with individuals. He must develop such traits and attitudes as a respect for humanity, spirit of friendship, cooperation, courtesy, appreciation of home and the other members of the family.

The third area of civic responsibility means that he must develop the qualities of social justice, tolerance, critical judgment, law ob-

servance, responsibility to civic duties, and a devotion to democratic ideals and democratic ways of living.

To be economically efficient he must have an appreciation of good workmanship, be able to select his occupation intelligently and to succeed in it, be able to plan his economic life, possess standards for wisely spending his income which requires skill and understanding in buymanship, and to be able to safeguard his economic interests.

Specifically for business teachers this means that we must be concerned with first, those phases of business which concern *every member of organized society*, and secondly, give specialized instruction for those who wish to become wage earners in specific business occupations. We must:

1. Guide the student as he develops an appreciation for, and understanding of, our capitalistic economic system.
2. Help the student to analyze his personal capacities and training opportunities with the view of properly selecting an occupation in which he is to earn his living.
3. Help the student as he forms an intelligent knowledge and understanding of business organization, functions, and services.
4. Help the student to develop competence in solving daily problems as a buyer and consumer.
5. Provide a laboratory where secondary school youth can practice democratic living as citizens.

The best ways to accomplish the goals of education, meet the needs of the students, and keep the students interested in the activities in which they participate as members of the school and society appear to be those which give emphasis to:

1. Problem-solving techniques.
2. Laboratory techniques.
3. A variety of procedures.
4. Demonstrations and sensual experiences.
5. Recognition of individual differences.
6. Interest of students.
7. Awareness of success.
8. Wide participation of the students in: determining goals, planning activities, executing plans, judging results.

The typical business curriculum which is so prevalent in Kentucky high schools, namely: three or four classes of typewriting, one of bookkeeping, and one of shorthand does not appear to be the best possible curriculum plan for accomplishing these objectives. Specifically it seems to put the emphasis on the development of the vocational objective to the neglect of the general education objective. The weaknesses of such a program of studies seem to be threefold:

1. Neglect of training and experience in the area of understanding of business principles and functions.
2. Neglect of training and experience in the area of buymanship and consumership.
3. Too great an emphasis on vocational training for office occupations to the neglect of training and experience in selling and

other business occupations into which more high school youth enter than enter the office occupations.

A more justifiable program would appear to be one which offers courses in selling, consumer economics, and business principles and functions. In order to include these subjects it is necessary to alternate the offering of certain subjects in the small school, teaching them during alternate years. It will also be necessary to reduce the number of typewriting classes; this can be done by increasing the number of typewriters and the enrollment in each class. These suggestions, when adopted, would enable a one-teacher school to offer a business program for our high school youth which is superior to the typical program offered today. The following two-year program is offered as an example. It is understood, of course, that each individual school will vary its offerings from this suggestion to meet the needs of that community.

SUGGESTED TWO-YEAR BUSINESS SCHEDULE FOR ONE TEACHER

First Year	Second Year	
Period Both Semesters	First Semester	Second Semester
1 Typewriting (10) ¹	Typewriting (10)	Typewriting (10)
2 Typewriting (10)	Typewriting (10)	Typewriting (10)
3 Planning ²	Planning Period	Planning Period
4 General Business (9)	Consumer Economics (11 and 12)	Business Law (11 and 12)
5 Shorthand (11-12)	Bookkeeping (10 and 11)	Bookkeeping (10 and 11)
6 Selling (12)	Office Practice (12)	Office Practice (12)

¹ Figure following subject indicates the grade or grades in which the subject should be offered.

² Since this proposed program calls for four different preparations, the teacher should be given one period for planning and preparing his class work.

Larger schools can offer more than one curriculum. One five-way curriculum is suggested on the following page.

A FIVE-WAY BUSINESS CURRICULUM FOR LARGE SCHOOLS¹

	9th Grade	10th Grade	11th Grade	12th Grade
Subject Suggested for All Bus. Pupils	English General Science	English Consumer Econ. ($\frac{1}{2}$ U.)	English American History	English ² Current World History
Bookkeeping	General Business Algebra I	Typewriting Algebra ($\frac{1}{2}$ U.) Business Math. ($\frac{1}{2}$ U.) Economic Geography ($\frac{1}{2}$ U.)	Bookkeeping Salesmanship ($\frac{1}{2}$ U.) Elective ($\frac{1}{2}$ U.)	Bookkeeping II Business Law ($\frac{1}{2}$ U.) Economics ($\frac{1}{2}$ U.)
Secretarial	Intro. to Business Elective	Typewriting Economic Geography ($\frac{1}{2}$ U.) Business Math. ($\frac{1}{2}$ U.) Elective ($\frac{1}{2}$ U.)	Shorthand Bookkeeping	Office Practice Business Law ($\frac{1}{2}$ U.) Economics ($\frac{1}{2}$ U.)
General Clerical	Intro. to Business Algebra I	Typewriting Business Math. ($\frac{1}{2}$ U.) Economic Geography ($\frac{1}{2}$ U.) Elective ($\frac{1}{2}$ U.)	Clerical Practice I Bookkeeping	Clerical Practice II Business Law ($\frac{1}{2}$ U.) Economics ($\frac{1}{2}$ U.)
Merchandising	Intro. to Business Elective	Typewriting Economic Geography ($\frac{1}{2}$ U.) Business Math. ($\frac{1}{2}$ U.) Elective ($\frac{1}{2}$ U.)	Bookkeeping Salesmanship ($\frac{1}{2}$ U.) Advertising ($\frac{1}{2}$ U.)	Retail Merchandising Business Law ($\frac{1}{2}$ U.) Economics ($\frac{1}{2}$ U.)
General Business	Intro. to Business Elective	Typewriting Economic Geography ($\frac{1}{2}$ U.) Business Math. ($\frac{1}{2}$ U.) Elective ($\frac{1}{2}$ U.)	Bookkeeping Salesmanship ($\frac{1}{2}$ U.) Elective ($\frac{1}{2}$ U.)	Economics ($\frac{1}{2}$ U.) Business Law ($\frac{1}{2}$ U.) Elective

¹ All courses include 2 semesters of work (1 unit of credit) unless labeled $\frac{1}{2}$ U. which indicates 1 semester of work ($\frac{1}{2}$ unit of credit).

² Suggestion: 1 semester of the regular 12th grade English should be Business English.

By
business
(1) un
as citiz
velop
travelin
Me
more w
a chose
field of
tion wh
training
The
erably
certain
a vocati
So
student

Chapter II

GENERAL BUSINESS

Value to All Students

Every day students are confronted with individual and group business activities and problems. It is of utmost importance that they (1) understand, analyze, and appreciate how business affects them as citizens of a capitalistic, democratic nation; and that they (2) develop proficiency in business activities such as spending, saving, traveling, and business correspondence.

Value as Preparation for a Vocation in Business

Many students will find their life work in business, and many more will find initial employment in business as a stepping stone to a chosen vocation outside business. All students should explore the field of business and understand the fundamentals of business operation which are basic to more advanced study of business and vocational training.

Length of Course, Grade Placement, and Objectives

This should be a one-year course in the 9th or 10th grade (preferably the 9th). Probably it should be required of all students, and certainly should be required of all students who plan to prepare for a vocation in business.

Some desirable objectives are to provide opportunities for the students to:

1. Become acquainted with business and the services performed by business in the local community as well as the nation.
2. Acquire information, develop a sense of values, improve those skills needed for managing personal affairs efficiently, and apply these ideas and skills in solving personal business problems.
3. Understanding, appreciate, cultivate, and practice business-like, ethical attitudes in everyday business situations.
4. Learn how business operates and develop critical, analytical thinking directed toward the improvement of local and national business conditions.
5. Survey the field of business occupations, consider the requirements for successful workers in each occupation, and carry on a program of self-discovery and self-evaluation in relation to these occupations.
6. Realize how a continued study of business in the secondary school may assist him to meet his immediate and future needs and plan his future education.

Suggested Content Outline

The teacher and the pupils should cooperatively select the material for this course from the business situations which exist in their respective communities. Selection of material should be based on its immediate value to the students as well as its probable future value. The greatest value, in all probability, will be found in the use of materials which the students are able to organize, interpret, and evaluate, and from which they may draw conclusions, determine and recommend plans for improvement, and try out these plans insofar as possible. This list of topics and subjects is merely suggestive and should be supplemented and organized to meet the needs of the students in each respective community.

Suggested Units

- I. The Role of Business in the Life of the Individual and of the Nation
 - A. Business in the home, the school and the local community
 - B. Business in the nation as a whole
- II. Using and Improving Buying and Selling Services
 - A. Interpreting advertising and choosing wisely
 - B. Paying for purchases
 - C. Participating courteously and fairly in buying and selling
- III. Using Money and Improving Banking and Loan Services*
 - A. Saving, investing, and borrowing money
 - B. Services rendered by banks
- IV. Using and Improving Travel and Transportation Services
 - A. Using maps, time tables, travel guides, hotel directories, and travelers' checks
 - B. Shipping goods and mailing packages
- V. Using and Improving Communication Services
 - A. Writing effective letters and using postal services economically
 - B. Courtesy and efficiency in using telephone and telegraph services
- VI. Using Insurance Services
- VII. Finding Useful Business Information and Keeping Records
 - A. Using newspapers, magazines, directories, reference books, and pamphlets
 - B. Budgeting and recording money received and spent
 - C. Filing
- VIII. Surveying Business Occupations and Community Opportunities for Part-Time Jobs
- IX. Planning an Educational Future
 - A. Understanding and appreciating how education increases financial returns and opportunities for enjoyment of life
 - B. Making a tentative decision concerning high school education and planning accordingly

* This unit was chosen for fuller development and follows this outline.

DETAILED OUTLINE FOR UNIT ON MONEY AND BANKING SERVICES

(Estimated Time—4 to 6 weeks)

This outline is given as an example of the detailed student-teacher activities which might be carried on in a particular unit of work. It is hoped that this outline will be helpful in organizing and working out similar units.

Objectives

1. To understand the meaning and the use of money and the methods of handling money.
2. To understand that the use of the bank check as a convenient substitute for money is made possible through banking facilities, and to learn how to use this substitute.
3. To learn that under certain conditions checks may be passed from person to person. The inconvenience and danger involved in carrying large sums of money may be thus avoided.
4. To understand and appreciate the bank account as a basis for obtaining the services that banks render to customers.
5. To understand the safe methods of transmitting payments to distant points and the manner of using these methods.

Content

- I. The Need for Money
- II. The Development of Money
 - A. Barter
 - B. Coins
 - C. Paper Money
- III. Handling and Counting Money
 - A. Counterfeit Money
 - B. Making Change
 1. Cash Register
 2. Change Making Machine
 3. Counting and Wrapping Machine
- IV. Opening a Checking and Savings Account
 - A. Introduction
 - B. Signature cards
 - C. Deposit slips
 - D. Bank book
 - E. Bank Statement
 - F. Check book
 - G. Reconciliation of Bank Statement
 - H. Service Charge
 - I. State Tax
- V. Writing Checks
- VI. Transferring Checks
 - A. Between Individuals
 - B. Between Banks
- VII. Kinds of Banks
 - A. Commercial
 - B. Savings
 - C. Trust Companies
 - D. Federal Reserve
- VIII. Other Services
 - A. Safe Deposit Box
 - B. Deposit Insurance

- C. Night Depository
 - D. Loans
 - E. Collections
 - F. Trustee of Funds
 - G. Educational Services
 - H. Government Bonds
 - I. Financial Advice
 - J. Credit Reference
- IX. Ways of Making Payment
- A. Money Orders
 - 1. Postal
 - 2. Bank
 - 3. Express
 - 4. Telegraph
 - B. Checks
 - 1. Voucher
 - 2. Certified
 - 3. Cashier's
 - 4. Travelers'
 - 5. Counter
 - 6. Ordinary
 - C. Notes
 - D. Drafts

Launching the Unit

One week before the unit is to be studied, the teacher sets the stage for the unit by displaying interesting material on the bulletin board.

Suggestive display may include:

- Pamphlet "Know Your Money"
- Clippings from current newspapers and magazines
- Forms from local banks
- Other pamphlets pertaining to the subject

On the first day of this project, the teacher will ask "Do you want to get rich?" After the question is answered in the affirmative, he will explain how they can get rich in the following weeks. He will tell them that they will be given opportunities to earn money by answering questions throughout the unit. (This money can be ordered from Ginn and Co., 70 Fifth Avenue, New York—\$1.64 per 1,500 bills.) To start off they will have a game that very day in which they can earn \$15. Later on in the unit they will have a D Day or Dollar Day in which they will have another opportunity to gain money. Naturally, the size of their bank account will help determine their grade.

First, in order to determine how much the students already know about money and banking, the teacher will pass out banking forms (such as checks, deposit slips, passbooks, signature cards, bank statements) asking the students to answer questions designed to bring out the individual and group weaknesses. In addition to answering questions, the students should be asked to send a check for \$5.65 to the person with whom they would like to attend the football game. (This

will aid the teacher in developing a sociogram.) The checks, after they have been written, will be brought to the teacher's desk. The students will examine them, discuss them, and select the correct ones. The students will receive \$2 for a correctly written check and \$1 for each correctly answered question. After the questions are discussed and the papers are checked, a cashier will be appointed by the group to pay each student his earnings for the day. The students will be told to keep the money as they will deposit it later.

Through the use of the pretest the students and teacher will decide what needs to be discussed in the unit. As the students name the subjects to be studied, the teacher will write them on the board and will ask leading questions to be sure all topics in the unit are mentioned.

The list will be grouped under main headings. Such as :

- Money
- Bank Accounts
- Check Writing and Transferring
- Ways of Making Payment
- Banking Services

The teacher will explain that each person would have quite a time finding the answers to all the questions on the list. He will then proceed to explain how they can save time by dividing their work. The class can be divided into committees, each committee can study a different section, and then committees can pool their information.

If the class approves, committees will be formed. Each person will be allowed to work with the committee of his or her choice. If there are too many on one committee, it is the teacher's duty to interest some of the students in another committee.

The students are asked to give the unit a snappy and an alert title. (Example: "Dollars and Sense") The student with the winning title will earn \$1. The students are then instructed to join the members of their group and to elect a chairman.

In order to help the committees get started, the teacher will discuss some of the ways the committees should plan their research work, the various ways they should go about gathering data, and how they can present the material to the class. Student activities are listed on the following pages. The teacher can suggest these to the students if they need help. When the committees outline their projects, they should keep in mind the questions the class will want answered.

After the second committee meeting, the class can meet, the chairmen will give a brief progress report, and the class members may ask questions. Later the teacher will move from group to group, meeting with the chairmen and any groups that need help. Each chairman

will leave a brief report on the teacher's desk at the end of each day. The chairman must also obtain permission when the group wishes to leave the classroom to do research.

When the committees have decided on how much time each group should be given for research, a schedule for presentation will be set up by the chairmen. It is recommended that the topics be discussed in the order named but this is not too important. The teacher and committee should decide this. Perhaps some group will finish earlier; if so, that group should report first.

The teacher wants the committees to plan their own procedure by using their own initiative, but at the same time he doesn't want them to be in the dark about what is going on. The success of the unit depends to a large extent upon the careful planning of the teacher. Some very helpful suggestions of things that the teacher should do are:

1. Guide the group during the planning period to develop plans which are so definite and so clear that all know what to do and how to do it.
2. Check with individuals and committees before they disperse for work to see that the more detailed plans are definite and clear.
3. Anticipate difficulties in carrying out plans as made and be ready to call group conferences when the difficulty occurs, and before discouragement and work stoppage can result in disorder.
4. Guide during the planning period so that sufficient work is outlined to keep all individuals and groups busy over a reasonably long period of time. Replanning may be necessary.
5. Call for replanning conferences as work develops unevenly. Workers may be reassigned and activities redistributed.
6. Keep in touch with the varied activities by moving from group to group, by participating, by asking questions, by making suggestions, thus exercising both guidance and control.
7. Foresee certain common opportunities for disorder and forestall them by developing with the pupils regular routine:
 - a. For having all materials, tools, supplies ready when need arises.
 - b. For distributing materials, tools, supplies, etc., in an orderly manner.
 - c. For using reference materials, particularly when students wish to consult an inadequate number.
 - d. For holding conferences with individual children who ask for help.
 - e. For using as helpers any individuals who may for any reason be unoccupied for a time.
 - f. For moving about and observing as groups, without crowding or jostling.
8. Introduce new activities to small groups directly concerned so that tryout will be without the confusion.
9. Give direct and indirect training in the conventions and routines of group work: taking turns, not interrupting, turning to some other aspects of one's work instead of standing around waiting for tools or materials in use elsewhere.

10. Develop with the pupils flexible plans for their own activities, budgeting time, scheduling group conferences, announcing times for individual conference.
11. Develop at all times directly and indirectly, the understanding that freedom carries responsibilities, and that self control and cooperation are advantageous to the pupils themselves and not something required by the school.¹

No one set of procedures can be said to be best for all groups of students. The activities which have been listed are suggestive and should serve to stimulate the teacher and students to find those procedures that are best suited to their own situation. Many other pupil activities may be found to supplement the ones listed, and in some cases to replace them. Certain activities may be desirable at one time, and entirely different ones may be desirable at other times.

The following outlines for the work of individual committees are offered as suggestions of desirable activities which may be carried on and as patterns for the work of similar committees which the class may have organized.

Committee on Money

Suggested Topics

- I. The Need for Money
- II. The Development of Money
 - A. Barter
 - B. Coins
 - C. Paper Money
- III. Handling and Counting Money
 - A. Counterfeit Money
 - B. Making Change
 1. Cash Register
 2. Change Making Machine
 3. Counting and Wrapping Machine

Suggested Student Activities

1. Exhibit samples of money of different countries or of rare United States money. Money collections can often be borrowed from collectors, or visits to banks and to museums to study collections may be made. If foreign money is brought the committee member should be able to tell the country and should be able to state its value in United States money.
2. If possible, samples of counterfeit money should be secured and demonstrations made of the differences between the counterfeit and the genuine. The film "Know Your Money" is a good one to show in this connection. A Secret Service Agent will bring the film and give a talk. (Write to Frank J. Wilson, Chief, United States Secret Service, Washington, D. C., or to district office.)
3. Demonstrate the use of the cash register, how coins are wrapped in coin wrappers, and how paper money is sorted and counted. A speaker from a local bank may be obtained if desired.
4. Set up some way in which students will earn the correct way of counting change. Provide a box of coins for imaginary sales.

¹ Barton, William H., *The Guidance of Learning Activities*, New York: D. Appleton-Century Co., 1944. pp. 292-293.

5. "The Romance of Coins"—Thirty-minute radio script published by the Educational Radio Script Exchange of the United States Office of Education, Washington, D. C. (The history of money.)
6. Movies can be shown such as "What is Money?", "The Mint", "The Story of Money", "The U. S. Treasury", and "Making Money".
7. Talk or dramatization emphasizing need for exchange of goods, need for medium of exchange, ways in which money fills this need, the different things that have been used for money and the reasons for their use.

Problem Solving

1. If you receive a counterfeit bill, what should you do? What is the best way to detect a counterfeit bill?
2. The manager of a department store insisted that his salespeople write on the sales ticket the amount of money received from each customer. He devised a scheme for improving the speed and accuracy of his sales force in making change. He asked them questions such as these:
 - a. If a customer handed you a \$1 bill for each purchase, what denominations would you give him for the following purchases? 35 cents, 43 cents, 19 cents, 34 cents, 39 cents, 67 cents, 6 cents, 76 cents, 86 cents, and 54 cents.
 - b. If a customer handed you a \$5 bill, how much change would be given in each of the following purchases? \$1.02, 72 cents, 98 cents, \$2.64, \$3.29, \$1.52, \$3.19, 8 cents and \$3.67.
 - c. You are told to give each customer his change in the fewest possible coins. In the following transactions, how many cents, nickels, dimes, quarters, fifty-cent pieces, dollar bills or silver dollars would be given in change to each customer?
 Received from customer: \$.25; \$.50; \$.75; \$1.00; \$2.00; \$3.00
 Amount of purchase: .06; .28; .53; .61; 1.23; 2.06
3. List units of measure of money in five countries. What is now the value of each in United States money?
4. How much of a bill is necessary to present before the government will exchange it for a new bill of the same value? Will a bank redeem it for you?

The above problems are examples which might help the committee to make up problems of their own to see that the unit has been taught thoroughly. If the teacher wishes he can use these problems to give as a test or to add to the problems the students submit to him for D Day.

Committee on Bank Account

Suggested Topics

- I. Opening a checking and saving account
 - A. Introduction
 - B. Signature Cards
 - C. Deposit Slips
 1. Listing checks
 2. Endorsements
 3. Deposit on stub of check
 - D. Bank Book
 - E. Check Book
 - F. Bank Statement
 - G. Reconciliation of Bank Statement
 - H. Service Charge
 - I. State Tax

Suggested Student Activities

1. Exhibit materials collected from a local bank, including bankbooks, check books, signature cards, deposit slips, withdrawal slips, bank statements, etc.

2. Members of the committee should take different topics and explain the preparation of each.
3. Discussion or dramatization on opening an account and difference in checking and saving accounts.
4. Plan visit to a bank. One of the committee members should make the arrangements. Appointments must be made with school authorities and with the authorities at the bank. Committee should present outline to each member of the class showing specific things to look for so that he will have a thorough understanding of the purpose for which the excursion is made and what is to be observed. A discussion should follow the visit to clarify the students on all points.
5. A review of the visit could be given by writing script on the visit. William Scanlan, "Unit on Banking", *Minnesota Journal of Education*, October, 1938, pp. 66-68, will be helpful.
6. Set up a bank in the classroom.
 - a. A bank cage made in one corner of room—windows and all.
 - b. Forms may be obtained from banks or typewriting class can prepare them.
 - c. This bank may be used for demonstration purposes and for evaluation later.

Problem-Solving

1. Your checkbook shows a balance of \$92.67. Your bank statement on the same day shows a balance of \$98.42. Checks for \$1.25 and \$5.50 are outstanding. Since the bank requires a minimum balance of \$100, a debit slip for a service charge of \$1 is included with the returned checks. Reconcile the balance.
2. Explain how you would open an account in a bank with which you were not acquainted.
3. You are the treasurer of the Student Association in this high school. Prepare a deposit ticket using the following information.
 Second National Bank of Louisville, \$125
 Central Trust of Lexington, \$65.25
 First National, this city, \$3.50
 John Doe's check in your bank, \$5.00
 Three \$5 bills, eight \$1 bills, 17 half-dollars, 75 dimes, 86 nickels, and 210 pennies
 Postal money order for \$10
 Cashier's check for \$75
4. Prepare a signature card for the following:
 - a. Joint account
 - b. Treasurer of a club at school
 - c. Personal account
5. You lost your savings bankbook. How should you proceed in order to withdraw money from your savings account? How does the regular method of withdrawing money from a savings account differ from the method of withdrawing money from a checking account?

Committee on Writing and Transferring Checks

Suggested Topics

- I. Writing a check
- II. Transferring Checks
 - A. Between individuals
 - B. Between banks

Suggested Student Activities

1. Collection and discussion of:
 - a. Cancelled checks
 - (1) Large or small amounts
 - (2) Old checks
 - (3) Types of endorsements

- (4) Illegible signature
- (5) Incorrectly written
- (6) Written with check protector

b. Forms of checks

- 2. Demonstrate the correct ways to write checks and stubs.
- 3. A discussion of the size, the form, and the need for uniformity of checks in everyday business. This discussion could also include special features on a check.
- 4. Demonstrate the various endorsements and when each is used.
- 5. Trace check from time it is written until it returns to writer. Forms can be used showing the route or different students can represent writer, receiver, bank, and clearing house.
- 6. Find out about protection against fraud and forgery. This should include identification of the drawer and endorser, the time of cashing checks, and stopping payment.

Problem-Solving

- 1. If you were sending your young brother to the bank to deposit a check to your account, how would you endorse it? Give the reasons for your answer.
- 2. If you were the owner of a store and a customer offered to endorse a check to you, what kind of endorsement would be the best for you? Give reasons.
- 3. While working at a camp during the summer you receive a check for \$15 payable to yourself. You want to send it home so that your father can deposit it for you in your bank account. What is the best method of endorsing the check in this case?
- 4. Show how you would write the following checks and fill in check stubs:
 - a. A check for \$755 written by you for the A. B. Carter Co., of which you are the vice president.
 - b. A check for \$75.50 written by you as Treasurer of the Commercial Club of the local high school.
 - c. A check for \$7.55 written by you for cash.
 - d. A check for \$.75 written for lunch to school cafeteria.
- 5. If some one else signs a depositor's name on a check and the bank pays the check, does the depositor suffer a loss?
- 6. You are the treasurer of the Commercial Club. You have collected dues in the form of checks. You take these checks to the bank to deposit them. Name and illustrate the most convenient kind of endorsement you might use. If you were unable to go to the bank and had to send the checks through the mail, how would you endorse them?
- 7. Discuss the route of a check.

Committee on Ways of Making Payment

Suggested Topics

- I. Money Orders
 - A. Postal (Postal Notes can also be discussed here)
 - B. Bank
 - C. Express
 - D. Telegraph
- II. Checks
 - A. Voucher
 - B. Certified
 - C. Cashier's
 - D. Travelers'
 - E. Letter of credit
 - F. Counter
 - G. Ordinary
- III. Notes

IV. Drafts

- A. Bank
- B. Commercial

Suggested Student Activities

1. Make a collection of different forms used in making payment.
2. Compare rates for these services and explain the method of obtaining these forms.
3. Learn how local merchants use drafts and trade acceptances.
4. Discuss the best method of payment—when and why you should use this method.
5. Use delinescope to show payments if specimen cannot be obtained.

Problem-Solving

1. Make a list of at least 12 goods and services used in the average American home which are often paid for by checks or money order.
2. What are the best methods of making payment in the following instances?
 - a. Mrs. Carson, a wealthy woman living in your vicinity, owes \$29.50 to a large department store in your nearest large city.
 - b. A Chicago mail-order house wishes to send a refund of \$5.98 for a dress returned by Mary Wilson, who lives on a rural route.
 - c. You wish to send \$1 to pay for a stamp album which you are ordering from the Acme Stamp Co., 240 W. 42 St., New York City.
3. You owe the Literary Book Co., Garden City, N. Y., \$2.14 for a book. Make out an application for a domestic money order. What is the fee?
4. During basketball season you went to state basketball tournament and lost your bill fold. You wired your father and asked him to send you \$25. He used the special form put out by the telegraph company. Fill this form out.
5. Make out a receipt for something you have sold for cash recently.
6. You are planning to take a vacation for three weeks and don't want to take a chance of losing your money. You estimate that you need about \$150 in cash. What is the best and safest way of taking this money? How much will this cost you?
7. Many problems related to arithmetic can be given by this committee.
8. You have a bank account under the ten-cents-a-check plan. You have ten small bills to pay this month, three of them under \$2.50 and the others under \$5. How much cheaper or more expensive would it be to pay these bills by postal money order?

Committee on Bank Services

Suggested Topics

- I. Kinds of Banks
 - A. Commercial
 - B. Savings
 - C. Trust Companies
 - D. Federal Reserve
- II. Other Services
 - A. Safe Deposit Box
 - B. Night Depository
 - C. Deposit Insurance
 - D. Loans
 - E. Collections
 - F. Trustee of funds
 - G. Educational Services
 - H. Sale and Purchase of Government Bonds
 - I. Financial Advice
 - J. Credit Reference
 - K. Christmas Club

Suggested Student Activities

1. Plan with the Bank Account Committee the visit to the bank.
2. Invite a banker to speak about services offered by different kinds of banks and the job opportunities in banking.
3. Discussion of the various services the local bank renders to the community. (Each committee member can explain a different service.)
4. Collection of pamphlets and clippings pertaining to bank services which will be used in the discussions.
5. Discussion of the school's use of bank services. Such questions that may be discussed are: Does our school make use of banking services in the handling of student funds? Are those who make collection responsible to the school authorities? By whom are deposits made and who authorizes payments and drawing of checks?

Problem-Solving

1. What services may a bank perform for the following individuals?
 - a. A dealer who needs money to take advantage of the discount on his bills and has A. S. Brown's note for \$600.
 - b. A widow who does not know where to keep bonds and stocks left her by her husband.
 - c. A young woman wage-earner who wants to lay aside a small sum each week for her next vacation.
2. List some of the ways in which the modern bank may serve the home.
3. How much would a merchant gain by paying a bill of \$2400 in ten days if brought on terms of 2/10, n/60, although to do it he would have to borrow \$2400 less 2% at a bank for 50 days 6 per cent?
4. What is the advantage of depositing one's money in a bank that belongs to the FDIC? Do all banks belong? To what extent are deposits of individuals protected?
5. Make a list of the names and addresses of your local banks. Also secure the following information about each:
 - a. What is its main function—commercial? Savings?
 - b. Is it a state or national bank?
 - c. Does it belong to the Federal Reserve System?
 - d. Is it a member of the FDIC?
6. A trustee holds money or other property in trust for another person. In what ways might a trust company be of real service to a feeble old person who has considerable property?

Correlation

In most cases this unit will be the first unit after an introduction to business. It is the foundation of the other units in the general business course.

The unit can be related to other subjects in the following manner:

- A. Arithmetic
 1. Related arithmetic problems shall be given by each committee.
- B. English
 1. Letters to:
 - a. Speakers
 - b. Companies demonstrating the various machines
 - c. Banks
 2. Writing script for a play
 3. Reports in manuscript or letter form
 4. Enlarging business vocabulary
- C. Art
 1. Making posters, exhibits, and slides.

D. Social Science

1. Location of:
 - a. Federal Reserve Districts
 - b. U. S. Mints
 - c. Foreign countries in discussion of rates of exchange
2. History of money
3. History of banking

E. Government

1. Regulation on banks
2. Government bonds

F. Accounting

1. Keeping records in the bank
2. Sending statements to students owing money
3. Knowledge of banking forms relating to this subject

G. Typewriting

1. Reports and letters
2. Forms used in the bank
 - a. Signature Cards
 - b. Deposit slips
 - c. Bank statements
 - d. Overdraft slip
 - e. Service charge slip
 - f. Bills (discussed in evaluation)

Basic Knowledge to be Learned

1. To gain a general knowledge of banking so they can use the banking facilities intelligently.
 - a. How to write checks and stubs correctly.
 - b. How to endorse checks properly.
 - c. How to open a bank account and how to "keep it right."
 - d. What services a bank offers and how to use these services.
2. The best way to send payment under different circumstances.
3. How to make change correctly.

Evaluation

After sufficient time has elapsed for group research, each committee will present its report. The teacher and chairmen will work out a schedule for the presentations. The presentations may be in the form of dramatizations, motion pictures, field trips, posters, exhibits, discussions, demonstrations, etc. Of course, every presentation must meet with the approval of the teacher. Each member of the group will report on the activity he studied. It is his job to see that he teaches it so thoroughly that the students will be able to answer any questions that might be on his topic on D Day. D Day is Dollar Day. When the committees finish their oral reports, D Day follows. Each committee member will submit two questions to the teacher. (Some examples of questions are listed in the Student Problem-Solving.) The teacher will make out the test and he can use as many of the questions submitted as he sees fit. Maybe he will use all of some student's questions, none of some other student's, and add some of his own questions to the test. This way questions cannot be passed from student to student before the exam. The test will be a written one and it will be given to every member of the class. This means that every

committee member will be tested on every phase of the unit—even his own. A certain amount of money will be given by the cashier to each student answering questions correctly. The students can vote on the amount.

Each student will then go to the bank, open his account and deposit the money he has received up to this time. Any student may open a savings account. Students should take advantage of all the services rendered by the bank—and they should get extra money for doing so. Members of each committee will work in shifts at the windows in order that everyone will get training in banking. Other students, working in committees, will post checks and deposits to the bank statements. At the end of the unit, students will ask for their bank statement and reconcile it. The balance on his statement will help determine his grade for the unit.

In addition to using the experience test as an evaluating device, attention will be given to pupil presentations, class discussions, group work, and pupil self-evaluation.

Pupil self-evaluation requires that the students review each stage of development of the unit. The following questions could be asked:

1. Did you achieve the purpose you had in mind when you first started the unit?
2. Did you gain enough to be worth the time and effort put into the unit? If so, list some of the things you learned.
3. In what ways are you working together better than you did at the beginning of the unit?
4. In what ways would you do your work differently if you were to do it again?

Visual Aids

Motion Pictures

Fred Meets a Bank—10 minutes—produced by Coronet Instructional Film, Glenview, Illinois

Shows bank deposit, how banks lend money, safe deposit vaults, and endorsing checks.

Know Your Money—2 reels—U. K.

Six ways in which counterfeit coins may be detected, and ways to compare counterfeit bills with real money are explained.

The Mint—1 reel—\$1.50—U. K.

The inside story of the San Francisco mint shows coinage from the initial artist's design through lettering on the original clay model; making plaster model by hand; reproduction of the finished bronze replica, transferring it to the small die which strikes off coins. The whole mechanical process of mixing metals, stamping, and annealing coins, polishing, checking for defects, counting and depositing in banks is shown.

A Money-Making Industry (Canadian Mint).

Y. M. C. A. Motion Picture Bureau, New York City. Free except for transportation charges.

The Story of Money—16 minutes—Sound B & W, \$37.50; rental \$2.00 per day I F B.

In this film the evolution of modern currency, from barter to banking

is fully explained in detail, and in its simplest possible terms. This difficult subject is treated with remarkable clarity.

The United States Treasury—1 reel—\$1.50—U. K.

Making of paper money in the Bureau of Engraving and Printing is shown from the artist's design to the making and engraving of the plate, the automatic engraving lathe, and finally the press work. The money is inspected, numbered and stacked in vaults until needed. Old money is returned to Bureau, counted and destroyed. Methods of identifying counterfeit money are presented.

Using the Bank—10 minutes—Sale \$45. Encyclopedia Britannica Films.

Film shows the place the community bank plays in our society. Services it renders: safe keeping of savings and valuables, loaning money to small businesses, making change for businessmen and managing check-writing service are shown in behind-the-scene shots. The Federal Reserve Banks' clearing house function is also explained.

Making Money—a 16 mm. sound motion picture that requires nine minutes. (Write to Frank J. Wilson, Chief, United States Secret Service, Washington, D. C.)

Selling Your Bank
Checking Check Crime
A B C Protected Pay Day } Sound Slide Films

Todd Company, Rochester, N. Y. or through local offices of the company. A company representative shows these pictures and furnishes projector, screen, records and films.

Opaque Projector

(if one is available)

Directions for Making Homemade Slides:

The forms and pictures may be traced on cellophane with black india ink and colored with transparent water colors. When the cellophane has been inserted between two pieces of glass and bound with gummed tape, it is ready for projection upon black-board, wall, or screen. The typewritten slide is made by placing a piece of cellophane inside a piece of folded carbon paper and typing on the carbon paper. These homemade slides, made by the students, will be used to flash bank statements, checks, diagrams, etc.

Delineascope

(if one is available)

Traveler's check, Federal Reserve Districts, Stop payment notice, Telegraph money order, Bank Draft, Cashier's Check, Certified Check, Certificate of deposit.

Student References

Books:

- Brewer, John, Hurlbut, Floyd, Caseman, Juvenilia, *Introductory Business Training*. Boston: Ginn and Company, 1944.
- Crabbe, Ernest H. and Salsgiver, Paul L., *General Business*. Cincinnati: South-Western Publishing Company, 1946.
- Graham, Jessie and Lloyd L. Jones, *The Consumer's Economic Life*. New York: The Gregg Publishing Company, 1946.
- Jones, Lloyd L., *Our Business Life*. New York: The Gregg Publishing Company, 1944.
- Polishook, William N., Clyde Beighey, and Howard E. Wheland, *Elements of General Business*. Boston: Ginn and Company, 1945.
- Reed, Clinton A., and Morgan, v. James, *Introduction to Business*. Boston: Allyn and Bacon, 1948.

Magazines and Pamphlets

- Bettman, O., "The Story of Banking," *Business Education World*, 19:895-6 (June, 1939).
- Dvorschak, V., "How to Cash a Check," *American Magazine*, 141:124 (April, 1946).
- Jones, L. L., "Checks for Less Than One Dollar Are Illegal." *Business Education World*. 25:191-192 (December, 1944).
- Opsahl, J. M., "Some Facts About Money," *American Childhood*. 31:9-10 (November, 1945).
- Seanlan, W., "Unit on Banking." *Minnesota Journal of Education*. 19:66-68. (October, 1938) Radio script on visit to bank.
- The Money of the World*—booklet.
National Cash Register Company, Dayton, Ohio. Free.
- Know Your Money*—booklet.
United States Secret Service Department, Washington, D. C. Free.
- Checks Are Money*—pamphlet.
Todd Company, 1150 University Avenue, Rochester, New York. Free.
- American Express Company Money Orders*—circular.
Offices of the American Express Company supply free description.
- Travelers' Checks and Letters of Credit*—circular.
The American Express Company or local bank.
- The Federal Reserve System*—booklet.
Federal Reserve Bank, New York City. Free.
- American Bankers Association, 12 East 36 Street, New York 16, N. Y.
Banks—What Do They Do?
Using the Bank
The Origin of Banking
The Story of Money and Credit
Your Banks and What They Mean to You
A Bank's Contribution to Business
Our Federal Reserve System
Investing Money
Banking as a Vocation
Vocational Prospects in Banking
Banking Is a Business
Our Banks—How Do They Measure Up?
It's Up to You!
Safe Deposit Service
When the Banker Knows His Customers Personally.

Teacher References

- Dean, L. M. (Mrs.), "High School Students Learn Banking," *The Balance Sheet*. 24:300 (March, 1943).
- Kane, Frederick, "A Lesson Plan on Writing a Check," *Modern Methods of Teaching Business Subjects*. Eastern Commercial Teachers' Association, Fifth Yearbook, 1932, pp. 269-275.
- Lloyd, Alan C., "The Q-SAGO Pattern for Teaching Elementary Business Training," *Business Education World*. 28:96-101 (October, 1947).
- Merring, Mary Ellen, "Teaching Techniques For a Unit on Banking," *Unit Planning in Business Education*. Eastern Commercial Teachers' Association, Fifteenth Yearbook, 1942, pp. 260-266.
- , "New Kinds of Checking Service," *Business Education World*. 27:570 (June, 1947).
- Rivlin, Harry N., "The Unit Plan of Teaching" and "Planning to Conduct Lesson," Chapters 5 and 6, *Teaching Adolescents in Secondary Schools*. New York: Appleton-Century-Crofts, Inc., 1948, pp. 108-189.
- Sister, M. Virginia, "Studying Money Can Be Fun," *Business Education World*. 27:571-572 (June, 1947).
- Smith, M. C., "Teaching of Banking Services," *Journal of Business Education*. 18:15-16 (April, 1943).

Suggested Teaching-Learning Procedures

The procedures suggested here are intended to represent democratic teaching methods involving cooperative student-teacher planning, execution, and evaluation of activities with greatest emphasis upon student self-direction toward worthy, useful goals. By analyzing every-day business situations, the students and teacher will be able to add to this list many procedures employed daily by citizens in learning about business and solving business problems. It will then be necessary to select those which appear to be the best in solving the problems at hand.

Before a unit of work can be successfully undertaken, the teacher should do quite a bit of advance preparation in order that he may be of maximum service to the students when they begin work on their projects, problems, and other learning activities. This advance teacher preparation should include such activities as (1) gaining background information, (2) making tentative general plans and preparations for the work of the unit, and (3) planning teaching methods which will be of most value.

To gain background information, the teacher should read widely concerning the subject unit from newspapers, magazines, pamphlets, and books. He should visit business establishments in the community and interview business employees and employers concerning the subject unit. In addition to these immediate preparations for the unit at hand, the teacher will find that working in business and traveling will contribute greatly to his general background information and understanding.

To make general, tentative unit plans and preparations, the teacher should consider probable objectives, good learning procedures, suitable evaluation techniques, length of time required, and placement of this unit in relation to other work. He should collect materials, such as business papers, charts, maps, directories, samples, articles from publications, and books to supplement those collected by the students. (This is a very valuable learning activity for them.) After anticipating the probable objectives, activities, problems, and materials for the unit, the teacher should prepare a comprehensive pretest, helpful guide sheets, and a suitable bibliography. He should prepare and arrange for outside speakers, field trips, and worthwhile films and slides. It would be profitable experience to have students to make some of the arrangements.

In planning teaching methods, the teacher is urged to consider the following suggestions:

- a. Demonstrations
- b. Guiding group conferences (small groups)

- c. Directing group discussions (large groups)
- d. Encouraging student reports, explanations, and research studies
- e. Encouraging individual and group reading on topics in which they show interest
- f. Revealing wider horizons through skillful questioning
- g. Directing group field trips
- h. Assisting in plans for panel discussions
- i. Suggesting sources of information
- j. Arranging for a wealth of attractive displays and exhibits
- k. Detecting evidence of weakness in skills, muddled thinking, and faculty or limited conclusions, and providing remedial work to correct these situations

After this period of teacher preparation, the specific plans for the unit should be cooperatively made by the students and teacher. Together they should determine their objectives, select ways and procedures to accomplish these objectives, analyze the results of the pre-test plan methods of attacking their problems, and determine ways to evaluate the results of their work.

The students should then be ready to carry out their plans with the teacher serving as an assistant, consultant, and guiding influence. The following list is recommended as representative of valuable learning activities for students.

- a. Committee work
- b. Individual project
- c. Listening to speakers and asking questions
- d. Reading books, magazines, pamphlets
- e. Writing and giving reports
- f. Analyzing and preparing charts and graphs
- g. Collecting materials and arranging bulletin board displays and exhibits
- h. Observing and presenting demonstrations
- i. Dramatizing business situations and procedures
- j. Making useful and meaningful notebooks
- k. Making and interpreting community surveys
- l. Checking on reading, writing, speaking, and mathematical skills
- m. Writing business letters and ordering material
- n. Keeping individual progress records and taking personal inventories
- o. Contracting and interviewing business representatives
- p. Using school and community services for personal benefit (such as school bank, community bank, telephones, directories, and schedules)
- q. Analyzing, interpreting, and evaluating present business practices
- r. Determining, suggesting, and carrying out business improvements

As the final step in completing the work of the unit, the students and teacher should use a variety of techniques for checking on the results of their work. The best techniques will probably be those which require the application of learned information and skills in solving personal business problems. Retaking the pretest, analyzing

the results, clearing up misunderstandings, and engaging in remedial work to correct deficiencies in information and skills will be found valuable in bringing the unit to a satisfactory close. Another profitable technique is evaluation of work in the unit by the students in order to determine where and how the work of the unit could be improved if they were again undertaking this unit and how the work of similar future units can be made more effective.

Equipment

The classroom for General Business should be large since it is recommended that all students enroll in this course and there should be ample room for demonstration, display, and storage. Movable tables, approximately 2 x 8 feet seating 3 or 4 students along one side, offer a flexible means for arranging students in a semi-circle, "U," or complete circle for group discussion; in small groups for committee work, as well as in a formal arrangement facing one end of the room for demonstrations, films, and other visual aids. Ordinary straight backed chairs should be adequate.

Other minimum equipment, which may be provided at small cost, should include a large blackboard across the front of the room, a large bulletin board along one entire side of the room, an ample storage cabinet, a book case (preferably built into the wall) and a magazine rack.

In addition to these bare minimum essentials, the following list of desirable materials and equipment is offered for consideration:

1. A large world globe
2. A complete set of physical or economic geography maps
3. A modern opaque projector (large size) and a large size projection screen
4. A glass display case with adjustable glass shelves
5. A special movable projection table 40-48 inches in height
6. Special electric outlets and facilities for special lighting of displays
7. A modern motion picture projector

Suggested References

Student References:

- Brewer, John M., Hurlbut, Floyd, and Caseman, Juvenilia. *Introductory Business Training*. Boston: Ginn and Company, 1944.
- Crabbe, Ernest H. and Salsgiver, Paul L., *General Business* (Fifth Edition). South-Western Publishing Company, 1946.
- Jones, Lloyd L., *Our Business Life* (Fourth Edition). New York: The Gregg Publishing Company, 1948.
- Margolius, Sidney, *How to Buy More for Your Money*. New York: Doubleday and Company, 1947.
- Nichols, Frederick G., *Junior Business Training for Economic Living*. Boston: American Book Company, 1941.
- Polishook, William M., Beighey, Clyde, and Wheland, Howard E., *Elements of General Business*. Boston: Ginn and Company, 1945.

Reed, Clinton A., and Morgan, V. James. *Introduction to Business*. Boston: Allyn and Bacon, 1948.

Smith, Augustus, Bahr, Gladys, and Wilhelms, Fred T., *Your Personal Economics*. New York: McGraw-Hill Book Company, Inc., 1949.

Bread and Butter

News Week

Business Week

Reader's Digest

Current Events

The Nation

Hygeia

Time

National Scholastic

Weekly News Review

Teacher References:

Each year the March issue of the *UBEA Forum* (monthly publication of the United Business Education Association) is devoted to Basic Business. Beginning in October, 1947, each issue of the *Business Education World* contains a unit on some phase of business activity, such as telephone service, shipping services, and advertising. These units are entitled Q-SAGO units since they are outlined under five headings—Questions, Subject Reference, Activities, Goals, and Objectives.

Bahr, Gladys, "Suggested Classroom Teaching Methods and Techniques in Basic Business Education," *Improved Methods of Teaching the Business Subjects*, Monograph 63. Cincinnati: South-Western Publishing Company, 1945.

Buckley, Harold B., "Vitalizing the Teaching of Junior Business Training," *Business Education for Tomorrow*. Fourteenth Yearbook. Eastern Commercial Teachers Association, 1941.

Decker, Lowell A. and others, "The Correlating of Business Subjects," *Appraising Business Education*, The American Business Education Yearbook, Vol. 3, The National Business Teachers Association and the Eastern Business Teachers Association, 1946.

Douglas, Lloyd V., Skar, Robert O., and Price, Ray G., *Modern Business*. New York: McGraw-Hill Book Company, 1948.

Endicott, Frank S., *The Guidance and Counseling of Business Education Students* (Fifth Annual Delta Pi Epsilon Lecture). Cincinnati: South-Western Publishing Company, December, 1946.

Fancher, Charles, "Tomorrow's Lessons in Business," *Business Education for Tomorrow*. Fourteenth Yearbook, Eastern Commercial Teachers Association, 1941.

General Business Education, The American Business Education Yearbook, Vol. 6, The National Business Teachers Association and the Eastern Business Teachers Association, 1949.

Gibson, E. Dana, "Course of Study in Business Training," *The Changing Business Education Curriculum*, The American Business Education Yearbook, Vol. 4, The National Business Teachers Association and the Eastern Business Teachers Association, 1947.

Haynes, Benjamin R., "The Teaching of Everyday Business," *The Business Curriculum*. Sixth Yearbook. National Commercial Teachers Federation, 1940.

How to Select, Organize, and Manage a Small Business, Business Education Office. Washington, D. C.: U. S. Office of Education.

Kane, Frederick, "Methods of Teaching Junior Business Training," *The Changing Business Education Curriculum*, The American Business Education Yearbook, Vol. 4. The Eastern Business Teachers Association and the National Business Teachers Association, 1947.

Market Analysis Aid to Business. Washington, D. C.: U. S. Department of Commerce.

Muse, Paul, "A Suggested Program for Basic Business Education in the Public Secondary School," *Improved Methods of Teaching the Business Subjects*, Monograph 63. Cincinnati: South-Western Publishing Company, 1945.

- Muse, Paul, "Principles of Curriculum Construction in General Business Education," *The Changing Business Education Curriculum*. The American Business Education Yearbook, Vol. 4, The National Business Teachers Association and the Eastern Business Teachers Association, 1947.
- Pendery, John A., *Record Keeping for Small Business*. Cincinnati: South-Western Publishing Company.
- Petersen, Elmore, and Plowman, E. Grosvenor, *Business Organization and Management*. Chicago: Richard D. Irwin, Inc., 1948.
- Price, R. G., "What is Basic Business Competency?" *Appraising Business Education*, The American Business Education Yearbook, Vol. 3, The National Business Teachers Association and the Eastern Business Teachers Association, 1946.
- Shields, Harold G., "Problems and Issues with Reference to Curriculum Practices: The Basic Business Subjects," *Problems and Issues in Business Education. Seventh Yearbook*, National Business Teachers Association, 1941.
- Shields, Harold G., "Some Curriculum Techniques in Basic Business Subjects," *Improved Methods of Teaching the Business Subjects*, Monograph 63. Cincinnati: South-Western Publishing Company, 1945.
- Thompson, James M., "Problems and Issues with Reference to Teaching Procedures in Everyday Business," *Problems and Issues in Business Education. Seventh Yearbook*, National Business Teachers Association, 1941.
- Wessels, Richard, *Small Business as a Career*. New York: Syracuse University Press.

Films

- Check and Double Check*, Aetna Casualty and Surety Company, Safety Education Department, Hartford, Connecticut. Free.
- Choosing Your Vocation*, College Film Center, 84 East Randolph Street, Chicago 1, Illinois.
- Distributing America's Goods*, University of Kentucky Bureau. No. 3101.
- Finding Your Life Work*, University of Kentucky Bureau. No. 683.
- Fred Meets a Bank*, Coronet Instructional Films, 65 East South Water Street, Chicago 1, Illinois.
- Know Your Money—Making Money*, University of Kentucky Bureau, No. 3206.
- Managing the Family Income*, University of Kentucky Bureau. No. 6359.
- Spelling is Easy*, University of Kentucky Bureau. No. 5212.
- Telephone Courtesy*, University of Kentucky Bureau. No. 3246.
- The Mint*, University of Kentucky Bureau. No. 3110.
- The Sign of Dependable Credit*, University of Kentucky Bureau. No. 3069.
- The United States Treasury*, University of Kentucky Bureau. No. 3111.
- What is Business?* Coronet Instructional Films, Coronet Building, Chicago 1, Illinois.
- What is Money?* BEVA, 104 West 61st Street, New York 23, New York.

the h
becom
for t
writi
as se
pract
taria
shoul
for c
perso
be al
are m

shou
of m
class
fecti
teach
can
boar
gram
the

any
tiona
Boar
the
func
men
be d

Chapter III

TYPEWRITING

Typewriting has become the most important business subject in the high school. It is being studied not only by those who want to become typists and stenographers but by pupils who realize its value for their own personal use regardless of their occupational choices.

Typewriting should be a one year course. Training in typewriting beyond one year should be fused with other knowledge such as second year shorthand, business English, clerical practice, office practice, and secretarial practice. (See the section dealing with Secretarial Practice for a more detailed explanation). One unit of credit should be given for the course. Pupils should be permitted to enroll for only one semester in order to acquire enough skill for their own personal use. Pupils in the high school who know how to type should be allowed to use the machines for their own personal use when there are no classes in session in the typewriting room.

In most of the high schools the number of classes in typewriting should be reduced. This can be accomplished by increasing the number of machines so that a larger number of pupils may enroll in each class. A teacher can instruct thirty pupils in typewriting just as effectively as he can twelve or fifteen. It is uneconomical to have a teacher spend four periods a day teaching sixty students when this can be done just as effectively in two periods. Administrators and boards of education should realize that a much better business program can be offered by purchasing more typewriters, thus enabling the business teacher to offer a broader program of studies.

The practice of charging fees for typewriting cannot be justified any more than the charging of fees for any other course such as vocational agriculture, home economics, chemistry, or auto mechanics. Boards of education should appropriate the money needed to equip the business department in the same manner that they appropriate funds for equipment for these other courses. It is strongly recommended that the practice of charging fees for the study of typewriting be discontinued.

Objectives

1. To help the pupils acquire skill in the operation of the typewriter.
2. To develop an understanding of the many uses of the typewriter in social, personal, and business affairs.
3. To be able to apply this skill in actual usage with a high degree of accuracy and speed.

What Should be Taught in First Year Typewriting?

- A. *Basic Fundamental Skills.* Posture, height of typewriter and chair, use and manipulation of machine parts (to be introduced as the need for their use arises), insertion of paper, carriage return, correct stroking, keyboard, punctuation and capitalization, spacing, tabulation for indention of paragraphs, division of words at end of line.
- B. *Problems in Personal Typewriting.* Personal typewriting problems are not much different from office typewriting problems so far as writing them on the typewriter is concerned, but such problems may be of immediate use to the pupil. The pupil's personal material should be used as the basis for much of the practice in this unit. The exercises suggested below may be used to provide an understanding of correct forms used in typewriting various personal problems. The pupil should supplement these exercises by typewriting his own school or business papers. They could include: addressing envelopes, folding and inserting letters into envelopes, making carbon copies, use of tabulator in making different forms of outlines, manuscripts—headings and titles, preparing cover sheet and table of contents, proofreading and correcting errors, footnotes, tables of figures, bibliography.
- C. *Writing Business Letters.* Parts of a business letter, punctuation, letter styles, placement, use of carbon paper, use of eraser, composing letters at the machine, columnar tabulation, duplicating.

SECOND SEMESTER

- D. *Problems in Arranging Various Types of Material in Attractive Form.* Use of half sheets, full-size sheets, minutes of organization meetings, outlines, poems-songs-booklets, bibliographies, financial reports for organizations, constitutions and by-laws of clubs.
- E. *Office Typewriting Problems.* Typewriting office forms such as: telegrams, index cards, form letters, invoices, bills of lading, checks, memoranda.
- F. *Special Problems in Writing Business Letters.* Materials—paper, second sheets, envelopes, eraser, letter styles, letters containing inverted paragraphs and statistical material, letters containing

a postscript, two page letters, inter-office letters without salutation or complimentary close, letters containing quoted material and mailing references, machine dictation.

- G. *Problems in Manuscript Typewriting.* Title page and table of contents, heading and placement of manuscript on page, references and quotations, bibliography, cover sheets and border designs, bound and unbound manuscripts, proofreading and editorial procedures.

Teaching Procedures

It is recommended that the whole method of presenting the keyboard be used; in this way it is possible to get control of all the letters of the alphabet in a period of four to ten days. The teacher should demonstrate correct procedure and technique with a demonstration stand before the class. Wall charts should be used as a supplement to, and to aid in, explanations and demonstrations by the teacher. For best results the teacher should be constantly directing, suggesting, or observing the class. During the first few weeks technique in stroking, posture at the machine, machine operation, minimum arm and hand movement, carriage return, and keeping eyes on the copy should be emphasized. Teacher dictation of letters, syllables, and words to be typed is an excellent practice.¹ It is also advisable to have the students say aloud the letters and words as they type them, during the first ten days of instruction.

Ways in which to motivate pupils' interest should be planned in order to keep them writing at their highest abilities. Glass charts showing the speed of each pupil are used by many teachers. It would probably be better to use individual charts and allow each pupil to keep his own. Regardless of the motivating devices used in class, they should be intrinsically interesting to the students. It would be better for a pupil to compete with his own record instead of the record of some other member of the class.

If the teacher will spend more time in directing the class in proper stroking technique, and less time in checking and marking papers, she will find the job of teaching pupils to typewrite much easier.

Business English Fused With Typewriting

In many schools typewriting teachers have had good success with fusing the content of Business English and typewriting into one class. Some of them feel that this not only motivates the teaching of typewriting but this procedure enables them to teach English usage better than they do in formal Business English classes. An example of how

¹Richards, William A., "Functional Method Typewriting," *The Journal of Business Education*, Vol. 17 or 17:26. (November, 1941).

this is done is shown hereby including an outline of what is now being done in one of our central Kentucky high schools.

Textbooks:

Lessenberry, D. D., *20th Century Typewriting*, Fourth Edition, South-Western Publishing Company, Cincinnati, Ohio, 1942.

Parkhurst, Charles Chandler, *English for Business*, Prentice-Hall, Inc., New York, 1944.

Procedure:

Typewriting is offered for two semesters with one half unit of credit being given each semester. Pupils who expect to use the skill for vocational purposes should take both semesters. The first semester should be sufficient for pupils who desire to develop skill for personal use.

The major emphasis of the first semester is upon the development of good patterns of typing skill. Applications are made through the use of the essential principles of business English. Correlated with typewriting, business English tends to awaken keen interest in many a pupil inclined to be apathetic toward the study of English composition. The main objectives are:

1. To develop the ability to operate and care for the typewriter and to develop an understanding of the importance of typewriting, both in business and personal affairs.
2. To extend and make meaningful the pupil's knowledge of English, including spelling, punctuation, capitalization, paragraphing, and grammatical construction.

Daily outside assignments are made in the textbook *English for Business*. In the class, the problems and word studies at the end of each chapter are used for problem typewriting. After the pupil has learned the keyboard and is able to make all of the reaches freely and easily, roughly the time schedule for each classperiod of sixty minutes is as follows:

- | | |
|------------|---|
| 5 minutes | <i>Conditioning Practice:</i> This provides a warm-up drill that is particularly designed to assist pupils in preparing for the work of the rest of the lesson. No checking or grading is done of this work. |
| 5 minutes | <i>Direct Dictation:</i> Through the use of this device, pupils can be stimulated to a readier response, word recognition can be developed easily and typing power can be achieved quickly. Word studies from <i>English for Business</i> are used for this dictation drill. |
| 20 minutes | <i>Timed Sentence and Paragraph Writing:</i> The function of this practice is to increase the stroking rate. The best results are usually obtained when each pupil is given a specific goal that he is to try to achieve at the end of a specified time. Then pupils are to type at a rate that is slow enough for them to write with complete confidence, they should increase this rate gradually. |
| 20 minutes | <i>Problem Typing:</i> This procedure is fundamentally a test-teach situation although the test is self administered. Many different forms of problems are used. There is the sentence emphasizing some fundamental technique of English that must be typed in correct form; the unarranged business letter; the "scrambled" address or second-page heading; the "correct it as you type" problem with, at first, some obvious errors that put the pupil on guard against copying without correcting whatever appears in print. These problems are found at the end of each chapter in <i>English for Business</i> and in each instructional block of the typewriting textbook. These problems are turned in to the teacher for checking. |
| 10 minutes | Assignment and discussion of typewriting difficulties and demonstrations by the teacher. |

The assignments from the two textbooks, during the first semester, are correlated as follows:

		Typewriting Text	Business English Text
Lessons	Development of Key-Board Control	Instructional Block I, sections 1 and 2	Chapter 1 and sections 9 and 10 of Chapter 4 "The Importance of Word Study to the Letter Writer" and "Punctuation and Capitalization for Letter Writing"
Lessons 11-20	Figures and Symbols and the Improvement of Typing Power	Section 3, and sections 1 and 2 of Instructional Block II	Chapter III, sections 7, 8
Lessons 21-40	Improvement of Fundamental Typing Habits	Instructional Block III, sections 1, 2 and 3	Chapter IV, section 11 "The Importance of Word Study to Letter Writing"
Lessons 41-60	Problems in Personal Typing	Instructional Blocks IV and IX	Chapter XIV—"The Letter of Introduction . . ." and Chapter XV—"Special Types of Business Letters"
Lessons 61-85	Introduction to Business Letter	Instructional Blocks V and VI	Chapter II—"The Form of the Business Letter" and VI "The Essential Qualities Underlying Effective Letter Writing"
Lessons 86-90	Manuscript Typewriting	Instructional Block X	Chapter V, sections 12-14 "The Grammar of the Business Letter"

The second semester of the typewriting emphasizes office typewriting problems:

Lessons 91-135	Business Letters	Instructional Blocks VII and XIII	Chapters VII-XII
Lessons 136-175	Business Reports	Instructional Blocks XI, XIV, XVIII	Chapter XVI
Lessons	Applying for a Position	Instructional Block XXIII	Chapter XIII, sections 31, 32

Equipment

The teacher demonstration stand should be of the correct height for the teacher. It is also very important that typewriting equipment be adjusted properly for each pupil. Chairs should vary from 16½ to 18½ inches and tables should be from 26 to 31 inches high; most of the tables should be 27, 28, and 29 inches in height. While a very short pupil may need a table 26 inches, a tall pupil may require a table which is 31 inches high. If tables are not of the correct height they can be adjusted by one of the following ways:

1. Attach extension feet to typewriters. These can be purchased from typewriter companies in sets.
2. Set the tables on blocks or planks.
3. Have a carpenter extend the table legs by means of an extension on the lower end of each leg.
4. By the use of lift boxes in three sizes—2 inches, 3 inches and 4 inches in height.

Typewriting should be open to students in grades ten to twelve. Those in the tenth grade should be encouraged to take typewriting in order to allow more time for other business subjects in their last two years. Also, so that those who are taking it for personal use can use it while still in school.

Separate classes for personal-use and vocational-use typewriting are not recommended as the same teaching procedures for both purposes are required.

Teacher References for Typewriting

1. *American Business Education Yearbook*, issued by the Eastern Commercial Teachers Association and The National Business Teachers Association. (Membership in either organization entitles you to the yearbook and to the magazine "American Business Education.")
2. Blackstone, E. G.; and S. L. Smith. *Improvement of Instruction in Typewriting*. New York: Prentice-Hall, Inc., 1936.
3. Dvorak, August; Nellie L. Merrick; William L. Dealey; and Gertrude C. Ford. *Typewriting Behavior*. New York: American Book Company, 1936.
4. Lamb, Marion M., *Your First Year of Typewriting*. Cincinnati: South-Western Publishing Company, 1947.
5. Odell, William R.; and Esta Ross Stuart. *Principles and Techniques for Directing the Learning of Typewriting*. New York: D. C. Heath and Co., 1945.
6. Smith, Harold H. *Gregg Typing, Third Edition, Teacher's Handbook*. New York: The Gregg Publishing Company, 1943.
7. *UBEA Forum*, issued by the United Business Education Association, November issue of each year.

Films for Typewriting

Bureau of Audio-Visual Materials, Department of University Extension, University of Kentucky.

Order Number	Rental Fee	Title
6375	\$1.50	Ready to Type
136	3.50	Maintenance of Office Machines
6137	3.00	Basic Typing Methods
6138	3.00	Basic Typing Machine Operations
6139	3.00	Advanced Typing Shortcuts

Typing Tips, 16 mm., sound, 21 minutes. Available from the Underwood Company without charge. Contact your local Underwood dealer.

Chapter IV

BUSINESS ENGLISH

Few courses in the high school have greater potential value than a business English course which stresses both personal and vocational preparation. From the personal point of view, it is probable that every individual in the course of daily living makes use of the principles of business writing and business speech.

Business English can be taught in several ways, depending upon the size of the school and its resources. Many small schools cannot offer business English as a separate subject in the curriculum. It is recommended that these schools fuse business English with the typewriting and shorthand courses. (Such an integration is discussed in the typewriting and secretarial office practice sections of this bulletin.)

Business English should be offered before the student begins transcription in shorthand, so as to provide a foundation upon which he can build vocational competency. The eleventh and twelfth grades will probably be the best levels in most schools. Business English should be offered for one semester; however, some schools may find it desirable to offer two semesters. This, of course, will depend entirely upon each individual school and its requirements.

School administrators and faculties would find it profitable to consider having business majors study business English as one of the required courses in English.

Suggested Objectives

1. To aid the student in the development of the ability to speak and write correctly.
2. To familiarize each student with the business terminology that will be helpful in solving personal and business problems.
3. To develop the student's ability to write effective letters in business and personal affairs.
4. To train the student to use dictionaries, manuals of reference, directories, and encyclopedias in the application of problem solving techniques and procedures.
5. To help students develop desirable habits and traits which are necessary for success in business.

Suggested Content

Because of the many variable elements in teaching, the outline of units in this section is merely suggestive. The teacher will find it

both desirable and profitable to supplement and to substitute entire units that will better meet the needs of his class members. The units are not arranged to coincide with those of any textbook, and the sequence should be arranged to meet one's individual needs. The application of sound teaching depends on the teacher, whose major considerations are the students, their needs, their interests, and their abilities.

Suggested Units

- I. The Function of English in Business
 1. Types of business communications
 2. English in business
- II. The Grammar of the Business Letter
 1. Parts of speech as applied to business writing
 2. Punctuation and capitalization
 3. Syllabication—word division
- III. The Business Letter*
- IV. Simple Routine Business Letters
- V. The Sales Letter
- VI. The Credit Letter
- VII. The Collection Letter
- VIII. The Adjustment Letter
- IX. The Form Letter
- X. Special Types of Business Letters
- XI. Business Reports and Manuscripts
- XII. The Letter of Application
- XIII. Ethics in Business Correspondence
 1. External Structure
Letterhead, placement, appearance, principal parts of the letter
 2. Styles of letters
Block, modified block, indented, inverted, Noma Simplified Letter
 3. Forms of punctuation
Open, close, mixed
 4. Miscellaneous
Second page heading of the two-page letter, carbon copies, and envelopes

* The unit on the business letter has been expanded to illustrate how each of the other units may be and should be enlarged by the individual teacher to meet the needs of his students. It follows at the end of this outline.

5. The Message

Planning the letter, adapting the message to the situation, the characteristics of a good letter

6. Letter Structure

Planning, outlining, development of sentences and paragraphs, application of rules of unity, coherence, and emphasis

Teaching Procedures

1. Business English may be taught by either the grammar approach or the letter writing approach. The first presents a formal review of the basic principles of composition. The latter approach provides for a review of grammar through the writing of simple letters. The letters are analyzed and provide a means of remedial work for overcoming the individual weaknesses of each student.
2. It is desirable to have beginning letters based on situations with which the student is familiar and gradually work into the more intricate letters.
3. Letters requesting free or low cost material may be written by the class. Students may also be permitted to select advertisements and write sales letters based on the selling points used in the advertisement.
4. Students may be asked to bring their own letter collections to class. These provide an excellent opportunity for illustrating good and poor letters.
5. The teacher should capitalize on the mastery of rules of punctuation through the application of the principles in writing.
6. Provision for individual differences may be made by assigning additional references and letter writing problems.
7. It is suggested that ample time be allotted to the development of the students' oral expression. This may be accomplished by several different methods, depending upon the needs and interests of the students. Reports giving business information and business and social behavior are usually interesting to the students and provide an excellent opportunity for oral expression.

Student and Teacher References

- Aurner, Robert R., *Effective Business English*. Cincinnati: South-Western Publishing Company, 1949.
- Butterfield, William H., *The Business Letter in Modern Form*. New York: Prentice-Hall, Inc., 1938.
- Duddy, Edward A., Freeman, Martin J., *Written Communications in Business*. New York: American Book Company, 1936.
- Frailey, Lester E., *Smooth Sailing Letters*. New York: Prentice-Hall, Inc., 1939.

- Hagar, Hubert A., Stewart, Marie, and Hutchinson, E. Lillian, *The English of Business*. New York: The Gregg Publishing Company, 1948.
- Hotchkiss, George Burton, Kilduff, Edward Jones, Janis, J. Harold, *Handbook of Business English*. New York: Harper and Brothers, 1945.
- Hutchinson, Lois Irene, *Standard Handbook for Secretaries*. New York: McGraw-Hill Book Company, Inc., 1936.
- Monroe, Kate M., *English for Secretaries*. New York: McGraw-Hill Book Company, Inc., 1944.
- Parkhurst, Charles Chandler, *English for Business*. New York: Prentice-Hall, Inc., 1944.
- Reigner, Charles C., *English for Business Use*. Chicago: The H. M. Rowe Company, 1945.
- Taintor, Sarah Augusta and Monroe, Kate M., *The Secretary's Handbook*. New York: The Macmillan Company, 1930.
- Tressler, J. C. and Lipman, Maurice C., *Business English in Action*. Boston: D. C. Heath and Company, 1949.
- Turner, Bernice C., *The Private Secretary's Manual*. New York: Prentice-Hall, Inc., 1941.
- Walters, R. G., *Word Studies*. Cincinnati: South-Western Publishing Company, 1949.
- Young, Virginia, *You'll Like to Write Letters*. New York: The Gregg Publishing Company, 1939.

matic
encou
perfe
Prob
Elvin
that
durin
grade
schoo
(5) s
habit
dence
Deper
dustr
Cour
and C
to hel
a stud

E
who a
writin
in tra
do po
cause
fore,
Test,
Lang
Educa
Assoc
scores
writin
hand

1 E
Busine

The English
1948.

rold, Hand-
s, 1945.

New York:

y-Hill Book

: Prentice-

H. M. Rowe

Handbook.

in Action.

: Prentice-

Publishing

Gregg Pub-

Chapter V

SHORTHAND

Students desiring to enroll for shorthand should be given information and guidance; only those who are likely to succeed should be encouraged to study shorthand. No reliable prognostic test has been perfected for determining beforehand who can learn shorthand. Probably the most significant work done in this area was that of Elvin Eyster and his associates in Fort Wayne, Indiana. They found that by considering "(1) mental rating; (2) average English grade during the time the pupil had been in high school; (3) average of all grades, excluding English, during the time the pupil had been in high school; (4) score on 'Hoke's Prognostic Test of Stenographic Ability'; (5) subjective personal trait rating; (a) composite average on work-habit traits—Accuracy and Neatness, and Initiative and Self-confidence; (b) composite average on character traits—Responsibleness, Dependability, Trustworthiness and Honesty, and Interest and Industriousness; and (c) the composite average on personality traits—Courteousness and Refinement, Tact and Graciousness, Pleasantness and Cheerfulness, and, Appearance and Grooming,"¹ they were able to help students in determining whether or not they should undertake a study of shorthand.

However, the faculties of several schools have found that students who are weak in spelling, word meaning, English usage, and type-writing skill, though they may learn shorthand as such, do not succeed in transcription. They have concluded that students who are likely to do poorly in transcription cannot justify the study of shorthand because it is of little value unless it can be transcribed accurately. Therefore, these schools give English usage tests such as Language Usage Test, Progressive Achievement, California Test Bureau, Cooperative Language Use Test, Cooperative Test Bureau, American Council on Education, Exam in Business—High School Level, Science Research Association to those students who desire to study shorthand. Student scores on these tests when considered along with their skill in type-writing have proved to be of value in guidance of prospective shorthand students.

¹Eyster, Elvin S., "Prognosis of Scholastic Success in Shorthand," *National Business Education Quarterly*, December, 1938, p. 31.

There have been many schools in which the mortality rate (drop-outs and failure at the end of the semester) was as high as 40 percent; mortality rates of 20 to 30 percent are quite common. This would indicate that some system of guidance for prospective shorthand students must be employed. It is recommended that students who rate low on English usage tests and who are poor in typewriting skill be advised to enter some other area of study.

Skill in writing shorthand may be acquired in a relatively short period of time, but supplementary knowledge necessary to produce a competent secretary requires additional time. It is recommended that shorthand as such be offered for one year and that a second-year course be given in which shorthand, transcription, business English, typewriting, filing and office behavior are integrated. This material should be organized around office problem situations. This course should be called Secretarial Office Practice, which is more fully discussed elsewhere in this bulletin. Shorthand and typewriting skill must be brought together and developed into a practical skill through such an integrated course.

Shorthand knowledge and skill, like many other knowledges and skills, is perishable if unused for relatively long periods of time. Therefore, shorthand instruction should be given as nearly as possible just prior to the time it will be used by the learners. For most of our secondary school youth this is probably the eleventh and twelfth grades, though some students should postpone its study until the thirteenth and fourteenth years.

The student should strive to acquire a skill which will serve the purpose for which he expects to use it. This speed will vary with purpose and no rigid standards can be set; however, a speed of at least 100 words a minute is required for most stenographic positions.

Gregg Shorthand

The latest revision of the Gregg shorthand system was published in 1949 and is called "Gregg Shorthand Simplified." The authors claim that by eliminating many of the brief forms and abbreviated words (reduced from approximately 600 to 200) and analogical word beginnings and endings (66 omitted) the learning load of the student has been decreased by approximately 50 percent, yet no more than 10 percent of the shorthand outlines used in business dictation have been changed.

The Gregg Shorthand Manual is now completed in one semester or one-half of the time formerly required. Thus, the extra time is freed for dictation, enabling the learner to develop more speed in less time. The authors of the "Simplified Materials" state that the learner

writes more easily and more fluently than those who study the Anniversary Edition Materials as he does not hesitate trying to recall some seldom-used and half-forgotten word beginning or ending.

Students who have completed one year of study using the Anniversary Edition materials should continue with instruction based on those materials. However, teachers of beginning Gregg classes would do well to consider the adoption of the Simplified Series of teaching materials. Both the Functional Method and the so-called "Manual Method" are recommended. The choice of teaching methods should be left to each individual teacher.

It is recommended that the teacher follow the Gregg Shorthand Textbook, the course of study, and the teacher's manual which has been prepared for the textbook being used in his classes.

Thomas Natural Shorthand

Thomas Shorthand is built around a Standard Writing Pattern (so the writer always knows which sounds in a word are to be expressed in the shorthand outline), and other one-way writing practices. There are few rules, twelve word signs, one abbreviating principle, and only those word beginnings and word endings which are of high frequency in business dictation.

At the high-school level the Thomas theory is covered in from ten to twelve weeks, making the rest of the year available for dictation practice. It has been used successfully in one-year shorthand courses for seniors; in some schools, too, it is given in the junior year, and used as a tool in Secretarial Practice courses in the senior year.

Objectives

1. To contribute to the student's general education—his knowledge of facts and the development of desirable attitudes and personal qualities.
2. To aid the student in his development of the ability to write shorthand and to transcribe his notes accurately and rapidly.
3. To provide opportunities for the students to apply their knowledge of spelling, punctuation, capitalization, and syllabication in the solution of business problems which require a mastery of shorthand and transcription.
4. To train the student to evaluate his work in terms of that expected in modern business.
5. To aid the student in developing a skill in shorthand to the point of vocational competency.

Student References

- Carney, Marie L., *Etiquette in Business*, McGraw-Hill Book Company, Inc. New York, 1948.
- Faunce, Frances Avery, Nichols, Frederick G., *Secretarial Efficiency*, McGraw-Hill, 1948.
- Hutchinson, Lois, *Standard Handbook for Secretaries*, McGraw-Hill Book Company. New York, 1939.
- MacGibbon, Elizabeth Gregg, *Fitting Yourself for Business*, McGraw-Hill Book Company. New York, 1947.

- Taintor, Sarah Augusta and Monroe, Kate M., *The Secretary's Handbook*. The Macmillan Company. New York, 1930.
- Turner, Bernice C., *The Private Secretary's Manual*, Prentice-Hall, Inc., 1940.

Teacher References

For Gregg Shorthand

- Gregg, John Robert, *Applied Secretarial Practice*, The Gregg Publishing Company. New York, 1941.
- Gregg, John Robert, *Gregg Speed Building*, The Gregg Publishing Company. New York, 1940.
- Gregg, John Robert, Leslie, Louis A., and Zoubek, Charles E., *Most-Used Shorthand Words and Phrases*. Gregg Publishing Co. New York, 1949. (Simplified)
- Gregg, John Robert, Leslie, Louis A., and Zoubek, Charles E., *Phrases of Gregg Shorthand*. Gregg Publishing Co. New York, 1949. (Simplified)
- Gregg, John Robert, Leslie, Louis A., and Zoubek, Charles E., *Word List of Gregg Shorthand Simplified*, Gregg Publishing Co. New York, 1949. (New Dictionary)
- Leslie, Louis A., and Zoubek, Charles E., *Dictation for Mailable Transcripts*, Gregg Publishing Co. New York, 1949.
- Leslie, Louis A., *Methods of Teaching Transcription*. Gregg Publishing Company. New York, 1949.
- Loso, Foster W., Agnew, Peter L., *Secretarial Office Practice*. South-Western Publishing Co. Cincinnati, 1949.
- Zoubek, Charles E., *Dictation at In-Between Speeds*, Gregg Publishing Company. New York, 1942.
- Zoubek, Charles E., *Dictation for Transcription*, Gregg Publishing Company. New York, —.

For Thomas Shorthand

- Bisbee, Edith V., and Thomas, Charles A., *Correlated Dictation Studies*. New York, Prentice-Hall, Inc.
- Fox, Frederick, and Thomas, Charles A., *Transcription Studies*. New York, Prentice-Hall, Inc.
- Frick, Minnie D., Vietti, Edward, and Thomas, Charles A., *Talk and Take*, Second Edition. New York, Prentice-Hall, Inc.
- Thomas, Charles A., *Basic Vocabulary for Secretaries*. New York, Prentice-Hall, Inc.
- Thomas, Charles A., *Business Dictation*. New York, Prentice-Hall, Inc.

Films

- Take a Letter, Please*. Sound. De Vry Films and Laboratories, 1111 Armitage Avenue, Chicago 14, Illinois. Rental, \$2.50.
- The Champions Write*. Gregg Publishing Company, 6 North Michigan Avenue, Chicago 2, Illinois. Rental, \$2.00.
- The Secretary's Day*. Sound. Coronet Instructional Films, 65 East South Water Street, Chicago 1, Illinois.
- The Secretary Takes Dictation*. Sound. Coronet Instructional Films, 65 East South Water Street, Chicago 1, Illinois.
- The Secretary Transcribes*. Sound. Coronet Instructional Films, 65 East South Water Street, Chicago 1, Illinois.

Chapter VI

SECRETARIAL OFFICE PRACTICE OR GENERAL CLERICAL OFFICE PRACTICE

When first introduced office practice was thought of as a finishing course for stenographers. Since its beginning much has been added, and today office practice is primarily a course which provides an opportunity for the pupil to apply his knowledge and skills to situations similar to those in an office. Today schools offer this course under different titles, such as "general clerical practice," "secretarial office practice," "office practice," and "office machines."

Many schools are not equipped to teach a course such as "secretarial office practice" or "office machines." Nevertheless some course should be offered where pupils may bring together their skills and knowledges and apply them to office situations. The common office machines, such as typewriters, adding machines, mimeograph, ditto, and telephone, are found in most secondary schools. Larger schools are usually equipped with calculators, electric typewriters, comptometers, billing, and addressing machines.

Purpose of Guide, Placement, Length, and Prerequisites

This guide is intended to serve both small and large secondary schools. An effort is made to present a guide which can be used in either a secretarial office practice or a general clerical office practice course. One or the other should be offered in the 12th grade, meeting one period a day for two semesters. Prerequisites for the secretarial office practice should be one year of typewriting and a year of shorthand. It is recommended that pupils have one year of bookkeeping. Secretarial office practice should be available to those pupils desiring to become secretaries. The standards of typewriting and shorthand required for secretarial office practice should be established by the teacher.

It is suggested that schools not offering one year of shorthand should offer the general clerical office practice course. One year of typewriting should be the only prerequisite. However, one year of bookkeeping and business arithmetic would be very important in this course. General clerical office practice is for those students training to become office clerks.

Suggested Types of Teaching Methods

It is advisable to have two classrooms for office practice, one for class discussion and the other for use as a laboratory. Class discussion, laboratory work, outside speakers, and cooperative work seem to be the most desirable methods of teaching. Few schools are equipped well enough for all pupils to be working on the same thing at one time. Where equipment is scarce a rotation or battery plan may be used. The unit plan of instruction may be used satisfactorily.

Cooperative Work Plan and "Sample" Office Plan

Every community usually has some business people interested in giving secondary school youth opportunities to practice those things which they have learned in school. Two plans are suggested; the most popular is the cooperative plan, many variations of which have been used with success.

The cooperative plan requires a pupil to attend school a specified time and work in a business office a reasonable period. Some schools have pupils attend classes in the morning and work in the afternoons and Saturdays, others require pupils to attend classes for a semester and work a semester. A thorough understanding of the needs of the pupils and the community, as well as the cooperation of the business people, is necessary if this plan is to be successful.

If the cooperative plan cannot be used another plan may be placed in any school. A "sample" office may be organized in the school and the students assume the duties of regular office employees; such as file clerks, receptionists, clerks, secretaries, typists, etc. Every student should spend a certain amount of time in each position. Under the supervision of the teacher the students do work for other teachers, for the principals, and for business people.

Teacher Prerequisites

It is strongly urged that a teacher of office practice have a good command of English, some office experience, a well-balanced college training, and knowledge of guidance procedures. Guidance of students in choosing their fields of specialization, applying for and securing a position and guidance after employment are becoming "musts" in present-day education.

Objectives

1. To bridge the gap between the high school and business.
2. To acquaint pupils with the most common office machines.
3. To develop desirable skills and personal qualities which are essential in present day business.
4. To provide instruction and training in secretarial and general office duties and procedures.
5. To serve as a means of educational and vocational guidance.

Suggested Units of Subject Matter

Since office practice is a culmination of the development of secretarial or clerical training, the following units may be used as a guide. All units may be adapted to secretarial training, but the teacher of clerical training may wish to omit some units. The list of subject matter is not to be considered as a required pattern but merely as a guide in organizing a course in secretarial or clerical training.

- Unit 1. Review of Dictation and Transcription
- Unit 2. Advance Dictation and Transcription
- Unit 3. Personal Evaluation and Development
- Unit 4. Business Organization
- Unit 5. Drill in Spelling, Arithmetic, and Penmanship
- Unit 6. Office Duties and Procedures
- Unit 7. English Usage
- Unit 8. Advanced Typewriting Problems
- Unit 9. Common Office Machines
- Unit 10. Advanced Office Machines
- Unit 11. Principles of Filing*
- Unit 12. Sources of Information
- Unit 13. Duplicating
- Unit 14. Securing a Position
- Unit 15. Guidance
- Unit 16. Supervised Business Experience
- Unit 11. Principles of Filing (Developed in detail)
 - A. Introduction to filing
 - 1. Purposes of filing
 - 2. Types of files
 - a. Vertical
 - b. Horizontal
 - c. Visible
 - 3. Filing terminology
 - a. Folder
 - b. Guide
 - c. File card
 - d. Followers
 - e. Desk trays
 - f. File shelf
 - g. Position
 - h. Tabs
 - i. Folder cuts

* Unit 11—Principles of Filing was selected for a more detailed development and is given following the listing of Unit 16.

- j. File units
- k. Indexing
- l. Coding
- m. Sorting
- n. Inspection
- o. Releasing
- p. Cross-reference
- 4. Filing Systems
 - a. Alphabetic
 - b. Numeric
 - c. Geographic
 - d. Subject
 - e. Miscellaneous
 - (1) Dewey Decimal
 - (2) Soundex
- B. Alphabetic Filing System
 - 1. Rules of indexing
 - 2. Practice
 - a. Inspecting, indexing, coding, and sorting
 - b. Filing
 - c. Checking for accuracy in filing
- C. Numeric Filing System
 - 1. Rules of indexing
 - 2. Practice
 - a. Inspecting, indexing, coding, and sorting
 - b. Filing
 - c. Checking for accuracy in filing
- D. Geographic Filing System
 - 1. Rules of indexing
 - 2. Practice
 - a. Inspecting, indexing, coding, and sorting
 - b. Filing
 - c. Checking for accuracy in filing
- E. Subject Filing System
 - 1. Rules of indexing
 - 2. Practice
 - a. Inspecting, indexing, coding, and sorting
 - b. Filing
 - c. Checking for accuracy in filing
- F. Miscellaneous Systems
 - 1. Dewey Decimal
 - a. Rules of indexing

- b. Some practice
 - 2. Soundex System
 - a. Rules of indexing
 - b. Some practice
- G. Charge, Follow-up, and Transfer Methods
 - 1. Methods of charging out correspondence
 - 2. Purpose and methods of follow-up
 - 3. Purpose and methods of transferring correspondence

Teaching Suggestions

Office practice may be taught by a regular discussion procedure or in a laboratory manner. Many methods of stimulating pupil interest may be employed. The following suggestions are offered to the teacher who is interested in preparing a pupil for higher education or employment.

Dictation, Discussion, or Lecture

Dictation—Material for dictation should be carefully selected. Material should be consistent and the dictation periods should be regular.

Discussion—Student-teacher discussion of new topics is very desirable.

Lecture—Occasionally the lecture method may be best in introducing new topics. It is recommended that lecturing be used as sparingly as possible on the secondary level.

Laboratory Method—It is recommended that a laboratory room be provided where pupils may practice:

1. Typewriting
2. Transcription
3. Filing
4. Operating office machines
5. Dramatization—where pupils may practice executing a business contact, an interview, or any vocal encounter which may occur in business.

Visual Aids

Blackboard—Probably the blackboard is the most useful visual aid. The teacher may use the blackboard for illustrations of business letters and forms, business English, shorthand, bookkeeping, etc.

Textbook illustrations—A majority of modern textbooks include a large number of authentic illustrations.

Class trips—Visits to offices and business concerns of varying sizes will always stimulate interest of pupils.

Films and slides—Office practice offers an opportunity to use films concerning the different phases of office duties, skills, and conduct. Films and slides may be purchased, rented, or borrowed from manufacturers using them as advertisement. Films on many subjects may be secured by contacting the Extension Service of the University of Kentucky. A catalog is furnished to teachers upon request.

Models and specimens—Pupils collect samples of business forms and letters in notebook style, for posters, or to be used for individual display on bulletin boards.

Charts and graphs—Manufacturers, state and national agencies, and chambers of commerce prepares charts and graphs which may be used in this course. Pupils should be encouraged to analyze and construct charts and graphs.

Work Experiences

Principal or other teacher—Serves the school and pupil. This may be the only experience pupils receive prior to employment. Each pupil should be assigned to a teacher or principal for a definite period, then rotate throughout the year so that he may receive a varied work experience.

"Sample" office—This method can serve the school and pupil. A method of organizing is explained in the introduction of this course. Teachers or principal may send work to the "sample" office.

Cooperative work—Organization of this plan is in the introduction of this course.

Guidance

Individual differences—Individual differences should be determined and solved as readily as possible. This may be accomplished through conferences with pupils, parents, principal, other teachers, and other pupils. Observation of pupil and his record usually offer much valuable information.

Educational guidance—Individual interests, abilities, and intelligence should be the determining factors in educational guidance. Economic status should be considered but not as a determining factor.

Vocational and employment guidance—Pupil interests and abilities must be learned before desired field of business can be determined. A thorough knowledge of job requirements is essential in this type of guidance.

Follow-up guidance—It is recommended that guidance continues from one to two years after employment. Not only will the new employee appreciate the interest shown, but the teacher will learn of needed changes in the program.

Outside speakers—A guidance program should include speakers who are experienced in the business field as a source of valuable information in counseling.

Equipment

Typewriting equipment is listed under the guide titled Typewriting. Other equipment for secretarial office practice and general clerical office practice is listed below:

Wide carriage typewriter	Stapling machine
Voice recording machine	Bulletin board
Electric typewriter	Copy holder
Calculators	Perforators
Mimeograph	Letter guides
Check protector	Time stamp clock
Paper cutter	Telephone
Adding machine	Billing machine
Bookkeeping machine	Mail scales
Mimeoscope	Desk trays
Filing cabinets	File boxes or sets
Styli	Supply cabinets
Addressograph	

Pupil References

- Bassett, E. D. and Agnew, Peter L., *Business Filing*, Cincinnati: South-Western Publishing Company, 1943.
- Carney, Marie L., *Etiquette in Business*, New York: McGraw-Hill Book Company, 1948.
- Faunce, Francis Avery and Nichols, Frederick G., *Secretarial Efficiency*, New York: McGraw-Hill Book Company, 1948.
- Gregg, John R., *Applied Secretarial Practice*, 2nd Edition, New York: The Gregg Publishing Company, 1941.
- Gregg, John R., *The Private Secretary*, New York: The Gregg Publishing Company, 1944.
- Hutchinson, Lois Irene, *Standard Handbook for Secretaries*, New York: The Gregg Publishing Company, 1947.
- Kirk, John G., Mumford, George E. and Quay, Mark H., *General Clerical Procedures*, New York: Prentice-Hall, Inc., 1945.
- Loso, Foster W. and Agnew L., *Secretarial Office Practice*, 4th Edition, Cincinnati: South-Western Publishing Company, 1949.
- MacGibbon, Elizabeth, *Fitting Yourself for Business*, New York: McGraw-Hill Book Company, 1947.
- Walters, R. G., *How to Find and Apply for a Job*, Cincinnati: South-Western Publishing Company, 1947.
- Walters, R. G., *Word Studies*, Cincinnati: South-Western Publishing Company, 1949.

Teacher References

- Bowman, Wallace B., *Shorthand Dictation Studies*, 2nd Edition, Cincinnati: South-Western Publishing Company, 1947.
- Cornell, W. B. and MacDonald, J. H., *Business Organization and Practice*, New York: American Book Company, 1936.
- Fisher, Myron C. and Pendery, John A., *Secretarial Practice for Colleges*, Cincinnati: South-Western Publishing Company, 1943.
- Forkner, Hamden L., Osborne, Agnes E., and O'Brien, James E., *Correlated Dictation and Transcription*, Boston: D. C. Heath and Company, 1940.
- Forrester, Gertrude, *Occupations* (A selected list of pamphlets), New York: The H. W. Wilson Company, 1946.
- Reigner, Edgar C., *College Secretarial Practice*, Baltimore: H. M. Rowe Company, 1942.
- Wikdall, Edgar C. and Thompson, Clyde O., *The Training of a Secretary*, New York: American Book Company, 1938.
- South-Western Publishing Company Monographs.
- Monograph No. 55—The Business Curriculum
 - Monograph No. 58—The Community Survey
 - Monograph No. 63—Improved Methods of Teaching Business Subjects
 - Monograph No. 67—Personality Development for Business Girls
 - Monograph No. 68—The Organization and Operation of a Clerical Practice Laboratory
 - Monograph No. 69—A Handbook for Business Education in the Small High School
 - Monograph No. 70—Vocational Office Training
 - Monograph No. 72—Trends of Thought in Business Education

Visual Aids

Bureau of Audio-Visual Materials, Department of University Extension, University of Kentucky, Lexington, Kentucky.

Number	Rental Fee	Title
3246	\$.50	Telephone Courtesy
5222	2.50	Body Care and Grooming
6378	2.50	The Secretary Transcribes
683	2.50	Finding Your Life Work
6136	3.50	Maintenance of Office Machines
6138	3.00	Basic Typing Machine Operations
6139	3.00	Advanced Typing Shortcuts
6140	3.00	Advanced Typing, Duplicating and Manuscript
6141	2.50	Take a Letter, Please
6343	3.00	Duties of a Secretary

Coronet Instructional Films, Coronet Building, Chicago 1, Ill.

Number	Title
128	The Secretary Takes Dictation
143	The Secretary's Day
212	Building Typing Speed
44-45	I Want to be a Secretary

Chapter VII

BUSINESS ARITHMETIC

Business arithmetic (or business mathematics as it is called in some schools) should provide opportunities to apply the principles of mathematics to the solution of business problems and develop facility in computations which are essential in various business occupations. This course is basic to many of the business subjects; in accounting and sales work, arithmetic is fundamental and just as essential as correct accounting procedures and effective sales techniques. It may be necessary for students to review the fundamental processes through the use of business problems, but a minimum of time should be devoted to teaching them as such in the form of drills. Rather, applications of arithmetic processes should be adapted to business problems.

In the small school with one business teacher, it may be impossible to offer a separate course in arithmetic. In such cases, it may be integrated with the courses in general business and bookkeeping. Many educators feel that greater learning takes place when it is taught in this manner; however, experimentation indicates that there is not sufficient time in general business and bookkeeping classes to develop the skill needed in the mathematical processes. Although arithmetic must be used, and should be taught, in such classes as general business and bookkeeping, there seems to be sufficient evidence to justify a separate course in business arithmetic. The solution to proper motivation for the arithmetic class seems to lie in the problem method of teaching and the use of classroom teaching procedures which apply arithmetic processes to the solution of current business problems.

It is recommended that business arithmetic be offered for one semester and carry one-half unit of credit. It should precede the specialized courses, with probable placement in the tenth grade. Suggested objectives for the business arithmetic course:

1. To enable students to develop an understanding of the importance of accuracy and speed in the computation of business problems.
2. To help students provide a background of training in mathematics which will serve as a useful tool in such courses as accounting and merchandise which will be studied later.

3. To provide students with opportunities to acquire the necessary information and skill which will contribute toward making them intelligent consumers.
4. To aid students in the development of the ability to manage personal business affairs which involve mathematics.

Content

- A. Problems of the Consumer
- B. How to handle statistics
 1. How data can be arranged and presented to show their meaning
 2. The use of averages in adding meaning to data
 3. Guides to follow in drawing conclusions from data
- C. Improving computation ability in the fundamentals
 1. Addition, subtraction, multiplication, and division
- D. Better Buymanship
 1. How to save money on food, clothing, and shelter
- E. Common units of measure
- F. Common fractions
 1. Changing the form of a fraction, addition, subtraction, multiplication, and division of fractions
- G. Using Consumer Credit
 1. Borrowing on collateral, interest rates, figuring interest, kinds of credit, installment buying, small loans, banks, credit unions, loan sharks
- H. Travel and Transportation
 1. Auto, bus, airplane, boat, parcel post, express, and freight
- I. Things one should know how to do at home and on the job
 1. Make budgets, keep expense accounts, check cost of utilities, check bank statements, make out sales slips, make change, make out bills, compute profit and loss, and compute commissions
- J. Investments
 1. Characteristics of good investments, buying and selling of stocks and bonds, computing interest, reading and interpreting financial news, stock market, tables and graphs, and stock market trends
- K. Greater Security
 1. Insurance, social security law provisions, unemployment insurance, public assistance to the needy, and health and welfare services
- L. Taxation
 1. Direct and indirect, fixed or progressive rates, sources of taxes, income taxes, withholding taxes, sales taxes, property taxes, auto taxes, gasoline taxes, and customs duties
- M. Review or computation workshop—How to use percent and practice in addition, subtraction, multiplication and division.

Teaching Suggestions

In order to motivate learning and stimulate interest in the mechanics of arithmetic, practical problems and situations should be introduced into the course. It is believed that the teacher of business arithmetic may find some or all of the following suggestions of value.

Class Bank—Establish a class bank, receive deposits and pay out money for checks drawn. Have students verify bank balance against their own personal balance.

Payroll—Get actual payroll data dealing with hourly rates and overtime from an unidentified company and have students figure salaries. Include the amounts withheld for income tax and social security.

Family Bills—Teach reading of gas and electric meters and have students check family bills for accuracy.

Graphs and Charts—Use newspapers and current publications for studying graphs and charts.

Taxes—Read the state property tax law and compute property tax on personal possessions, such as a car.

Stocks and Insurance—Bring stock certificates and insurance forms to class. Study forms and compute insurance on property.

Postage—Have students visit the local postoffice, get postage rates and regulations and report on them in class. Another student may do the same thing with postal money orders.

Discounts—Make a survey of local businesses that give discounts and figure cost of articles that might be bought for the school.

Notes—Bring some notes to class, discuss the form, learn the rate of interest at the local bank for loans and figure the cost of borrowing the money for a specific purchase.

Installment Buying—Compare the cost of buying an article of clothing for cash and on the installment plan. Include the interest charged if bought by the month and by the week.

Car Operation—Compute the cost of buying and operating a car for a specified length of time.

Weights and Measures—Have students take measurements of classroom, compute space per pupil and compare with amount recommended. Find the amount of light in watts and compare with the desirable amount for a room of that size.

Transportation—Get time schedules and rates for travel by plane, train and bus and compute the cost of a trip by each means of travel. Compute the cost of a trip by car with more than one person and each sharing equally in the cost.

Home Ownership—Find the cost of owning a home of definite value for one year. It may be assumed that the home is with or without a loan or mortgage.

Equipment and Supplies

The classroom unit for academic purposes is usually about 24'x30' and W. S. Barnhart in the AMERICAN EDUCATION YEARBOOK, Volume V, 1948, Chapter IV, Section 2, is of the opinion that this size room would be appropriate for business arithmetic. It is generally accepted that the furniture should be movable and the lighting adequate; otherwise, if ample blackboard space is provided, no particular physical equipment is necessary for this course. Or the bookkeeping room, if it is available at the time might very well be used for business arithmetic.

Certain supplies, selected with some consideration, are required in all business education courses and these, together with some items peculiarly fitted to this course, will help the teacher and students to attain their objectives.

Supplies

Pencils
Erasers
Blotters
Chalk
Blackboard erasers
Blackboard compass
Wall calendar
Pencil sharpener
Dictionary
Rulers
Desk calendar

Stapler and extra staples
Thumb tacks
Paper punch
Scratch pads
Arithmetic paper
Telephone directory
Sales directory
Mail order catalogs
Business forms (checks, invoices,
credit memos, bills of lading,
telegrams, statements, etc.)

Student References

- Barnhart, W. S., and Maxwell, L. B., *Social Business Arithmetic*. New York: Mentzer Bush & Company, 1937.
- Clark, J. R., Lankford, F. G., and Schorling, R., *Mathematics for the Consumer*. Yonkers: The World Book Company, 1947.
- Curry, P. E. and Piper, *Applied Business Arithmetic*, 5th Edition, Cincinnati: South-Western Publishing Company, 19.....
- Erwin, S. H., *Arithmetic for Business*, 2nd Edition, Baltimore: The H. M. Rowe Company, 1946.
- Rosenberg, R. R., *Essentials of Business Arithmetic*, 4th Edition, New York: The Gregg Publishing Company, 1940.
- Smithline, H. and Thompson, C. O., *Business Arithmetic*, New York: Prentice-Hall, Inc., 1941.

Teacher References

- Beighey, Clyde, and Spanabel, Elmer E., *First Studies in Business With Correlated Arithmetic*, Boston: Ginn and Company, 1936.
- Cowan, Anne L., *Consumer Mathematics*, Harrisburg, Pennsylvania: Stackpole Sons, 1939.
- Hillborn, C. E., *Mathematics for Use in Business*, New York: Houghton-Mifflin Company, 1948.
- Kinney, Lucien B., *Business Mathematics*, New York: Henry Holt and Company, 1937.
- Kanzer, E. M. and Schaaf, W. R., *Essentials of Business Arithmetic*, Boston: D. C. Heath and Company, 1943.
- Rosenberg, R. Robert, *Business Mathematics, Exercises, Problems, and Tests*. College Course. New York: The Gregg Publishing Company, 1947.
- Smail, Lloyd L., *Preparatory Business Mathematics*, New York: The Ronald Press Company, 1947.
- Snyder, L. R., *Essential Business Mathematics*, McGraw-Hill Book Company, 1947.
- Van Tuyl, George, *Business Arithmetic*, American Book Company, 1947.
- Vun Voorhis, W. R. and Topp, C. W., *Fundamentals of Business Mathematics*, Prentice-Hall, Inc., 1948.

Films

- Meaning of Percentage*, University of Kentucky Bureau, Lexington, Kentucky. No. 5229. Rental, \$1.50.
- Check and Double Check*, Aetna Casualty and Surety Company, Safety Education Department, Hartford, Connecticut. Free.
- Fred Meets a Bank*, Coronet Instructional Films, 65 East South Water Street, Chicago 1, Illinois.

Chapter VIII

BOOKKEEPING

Bookkeeping is one of the original business subjects taught in the secondary school; it is a vocational subject designed to teach skill in analyzing and recording business transactions. The fundamental principles learned can be applied to the keeping of records for an individual or a social group, as well as a business. Bookkeeping also adds to the knowledge of the way business is carried on in a way that is helpful to the student as an individual and as a worthwhile member of society. It helps him understand business organizations and practices and their relationship to himself and to society.

An increasing demand for people trained in bookkeeping assures the course of a place in the business education curriculum. Within recent years, legislation pertaining to federal and state taxes, unemployment insurance, and social security practices has required more record keeping for the individual and for the government than was the case a few years ago. A position as a bookkeeper has long been considered as a means of entry into the business world and further training in the field provides a good background for advancement. Some of the purposes the teacher should consider in developing this course may very well be:

1. To develop in the student a realization of the value, use and necessity of systematic records as a guide to intelligent personal, social, and business management.
2. To help the student to get a better understanding of business agencies, services, methods, practices, and organizations and the relationship of business to himself and to society.
3. To enable the student to master those fundamental principles of bookkeeping and business practices that will enable him to keep satisfactory personal, social, and business records.
4. To contribute to student development of desirable personality traits.

Content—First Year Bookkeeping

- I. The Bookkeeping Cycle in its Simplest Form:
 - A. First step in bookkeeping—the fundamental bookkeeping equation
 - B. Recording the beginning balance sheet

- C. Posting the opening entry
 - D. Effect of transactions on records
 - E. Recording sales and expenses
 - F. Proving the accuracy of posting
 - G. Interpreting the records
 - H. Adjusting and closing the ledger
- II. Time-Saving and Labor-Saving Procedures
- A. Recording the buying of merchandise on account
 - B. Recording the selling of merchandise on account
 - C. Cash receipts and bank deposits—petty cash
 - D. Cash payments and bank services
 - E. The general journal and the ledgers
 - F. Financial reports
 - G. Adjusting and closing entries
- III. Small Business Bookkeeping
- A. The combined cash journal
 - B. Special problems in recording transactions
 - C. Taxes and payroll deductions
 - D. Bad debts and accounts receivable
 - E. Depreciation of fixed assets
 - F. Use of the cash register
- IV. Adapting Bookkeeping Methods to the Needs of the Business
- A. Columnar special journals
 - B. Notes and interest
 - C. Accrued expenses
 - D. Cooperatives
 - E. Partnerships and corporations
- V. Useful Applications of Principles Studied
- A. Bookkeeping and budgeting for an individual
 - B. Bookkeeping and budgeting for the family
 - C. Bookkeeping and budgeting for social organizations
 - D. Bookkeeping for a professional man
 - E. Bookkeeping for a farmer

Teaching Suggestions

In a course like bookkeeping where the classroom work is largely of a laboratory nature, supplemented by explanations, and demonstrations by the teacher, some of the following suggestions may be of value to the teacher for use as motivating approaches:

- Personal Balance Sheet**—Have student prepare a personal balance sheet.
- Forms**—Have students collect ledger forms and business forms from businesses or stationery stores.
- Class Bank**—Members of class may operate a class bank and receive small deposits and pay out money by drawing checks.
- Speakers**—Have an official from a bank speak to class on bank services.
- Personal Bookkeeping**—Bring social security cards to class.
- School Records**—Teacher can direct a study of school's financial records.
- Card Files**—When studying accounts payable, get cheap file and keep accounts payable records on cards in the file. The same procedure may be used for accounts receivable.
- Cash-Register Tape**—Get several cash-register tapes and interpret them in class. May have a demonstration to accompany this explanation.
- Notes**—Bring cancelled notes to class and have class study them for form.
- Audio-Visual Aids**—Make use of films available.
- Bulletin Board Displays**—Have planned displays for bulletin board display. Machines' companies will usually furnish free literature that may be used for this purpose.

Merchandise Inventory—Pupils may ask local merchants with whom they are personally acquainted how they handle merchandise inventory records.

Practical Problems—Encourage students to bring in practical problems pertaining to the clubs in the community.

One-Period Project—Introduce a bookkeeping problem that can be completed in one period. This will give practice in both speed and accuracy.

Practice Sets—Introduce practice sets for special vocations such as farming, retail selling, and Christmas projects. The student should complete at least one practice set each semester and one set in the course should include business papers.

Equipment

The furniture of the bookkeeping classroom can be of several types. The selection must be based upon the individual requirements of the school as well as upon its financial resources.

There are many types of desks on the market from which a selection can be made. These are discussed in *The American Business Education Yearbook for 1948*.¹ The desk must provide adequate working space for the student; it is desirable to have at least a 24 x 30 inch working surface. The height should range between 28 and 30 inches. The chairs should be of several different heights to allow for individual differences in the students; it is recommended that the chairs be of a type that will permit comfort and good posture.

Other desirable equipment for the bookkeeping classroom include (a) a storage cabinet for supplies, (b) a book shelf for reference materials, (c) a filing cabinet for teaching materials, (d) a blackboard which is an indispensable teaching tool in bookkeeping, (e) a bulletin board which can be used to advantage to display interesting and stimulating materials, (f) and an adding machine which can be used to advantage if the financial resources of the school are adequate.

Student References

Bowman, C. E., Percy, A. L., *Business and Bookkeeping Procedure*, New York: The American Book Company, 1941.

Breidenbaugh, V. E., Elwell, F., and Lins, A. G., *Bookkeeping and Accounting*, Boston: Ginn and Company, 1949.

Carlson, P. A., Forkner, H. L., and Prickett, A. L., *20th Century Bookkeeping and Accounting*, 19th Edition, Cincinnati: South-Western Publishing Company, 1947.

Freeman, M. H., Goodfellow, R. C., and Hanna, J. M., *Practical Bookkeeping*, New York: The Gregg Publishing Company, 1943.

Hunter, J. L., Theiss, E. L., *Practical Accounting*, New York: McGraw-Hill Book Co., Inc., 1942.

Leidner, W. E., Zelliott, E. A., *Bookkeeping*, New York: Prentice-Hall, Inc., 1947.

¹Freeman, Herbert M., Editor, *The American Business Education Yearbook*, Vol. V, p. 168.

Teacher References

- Andruss, H. A., *Ways to Teach Bookkeeping and Accounting*. Cincinnati: South-Western Publishing Co., 1935.
- Finney, H. A., *Principles of Accounting—Introduction*. New York: Prentice-Hall, Inc., 1946.
- Kennedy, Donald D., *Introductory Accounting*. New York: Ronald Press Company, 1942.
- Kirk, John G., Scott, Wesley E., and Lurie, Jacques A., *Clerical Practice and Record-Keeping*. Baltimore: H. M. Rowe Co., 1945.
- Milroy, Robert R. and Carmichael, Geoffrey L., *Introduction to Accounting*. Boston: Houghton-Mifflin Company, 1949.
- Noble, Howard S., *Principles of Accounting*. Fifth Edition. Cincinnati: South-Western Publishing Company, 1949.
- Paton, William H., *Essentials of Accounting*. New York: The Macmillan Company, 1949.
- Rittenhouse, C. F. and Smith, H. J., *Secretarial Accounting*. New York: McGraw-Hill Book Co., 1936.
- Specific Teaching Methods for Bookkeeping and Accounting*. Monograph 62, South-Western Publishing Co., 1945.
- The Business Curriculum*, Monograph 55, South-Western Publishing Co., 1942.
- The UBEA Forum* (publication of United Business Education Association) The December issue each year is devoted to a discussion of Bookkeeping and Accounting.

Films

- Bookkeeping and Accounting*, University of Kentucky Bureau, Lexington, Kentucky. No. 6276. Rental, \$1.50.
- Bookkeeping and You*, University of Kentucky Bureau, Lexington, Kentucky. No. 6374. Rental, \$1.50.

Either of the films listed above may be used in the first week of the bookkeeping course, but only one should be used.

Business Education Visual Aids: Dr. Clifford Ettinger, director, has a set of 35 mm. silent filmstrips which are complete lessons on film. Sale \$5.00 each. Preview with a view to purchase: Free. No rental. Preview filmstrips not returned one week after receipt will be billed.

Introduction to Accounting

The Accounting Cycle—Direct ledger entry, routine each month

How to Balance Accounts

The Journal—First lesson

Posting—One journal, one ledger

Controlling Accounts

The Accounting Cycle—Direct ledger entry, year end closing

Chapter IX

SELLING

General Selling—First Semester

Retail Selling—Second Semester

Value to All Students

More than 8 million workers, or about 13 percent of our nation's total working force of 60 million workers, find employment in wholesale and retail trade. "Salesmen and saleswomen constitute the largest group of employees in trade . . ." ¹ "More people are engaged in retail sales work in Kentucky than in secretarial and accounting work combined . . ." ² These statements, as well as others, indicate the prominent place of selling in our daily life. In order to understand, appreciate, and participate intelligently as a citizen in daily business relationships, most of which involve buying and selling, every student should study the field of selling.

Value to Students as a Vocation

Our nation's youth finds its greatest opportunity for immediate employment in office or sales work. ³ Gone are the days when sales work required no pre-employment training. "The size of merchandising establishments, their complexity, and the variety of duties make it necessary for the public high school to prepare pupils for this important type of work." ⁴ The recent trend toward viewing the salesperson as an adviser or buying consultant places even greater emphasis upon the importance of thoroughly trained, well-informed salespeople. In view of these facts, many students should study selling as a vocation.

Length of Course, Grade Placement, and Objectives

In small schools this course may well be a one-year course in the 11th or 12th grade designed to provide opportunity (1) for all students to study the broad field of selling during the first semester; and

¹ *Occupational Outlook Handbook*, Bulletin No. 940. U. S. Department of Labor, Bureau of Labor Statistics, 1948, p. 23.

² *Business Education for Kentucky High Schools*, Bulletin No. 8, Vol. 9 (October, 1941). Kentucky State Department of Education, p. 424.

³ Ward, Douglas S., and Selberg, Edith M., *Youth and Jobs*, Unit Studies in American Problems, North Central Association of Colleges and Secondary Schools. Boston: Ginn and Company, 1942. p. 19.

⁴ *Business Education for Kentucky High Schools*, Bulletin No. 8, Vol. 9, (October, 1941). Kentucky State Department of Education, p. 432.

(2) for many students to study retail selling as a vocation during the second semester. Some desirable objectives for such a course are to provide secondary school youth opportunities to:

1. Understand and appreciate the selling side of business and of personal life.
2. Develop an understanding of how selling is carried on and how it may be improved.
3. Appreciate, cultivate and practice of business-like, ethical attitudes in the selling situations of everyday life.
4. Gain knowledge of job opportunities, and requirements for success in the field of selling.
5. Master specific information and procedures needed by the efficient retail salesperson and their application to actual selling situations.

In order to be effective, this course must be much more than a textbook course. It must be based upon actual student participation and experience.

Where possible, it would be very desirable to work out a part-time cooperative retail selling program during the second semester. If the school finds it impossible to devote two semesters to the study of selling, a one-semester course emphasizing retail selling is recommended.

In larger schools it may be desirable to provide for a full year of training in retail selling with a cooperative training program carried on independently or under the provisions of the George-Barden Act. Very large schools probably should offer an even more comprehensive program including some prevocational training courses in the 10th and 11th grades selected from such subjects as General Selling, Retail Selling, Advertising, Store Operation and Management, Marketing, Business Ethics or Personality Development; then the entire 12th year of training could be devoted to a thorough on-the-job experience-study program.

In Kentucky high schools there are about twenty-one distributive education programs operating under the provisions of the George-Barden Act. They have proved very valuable and give excellent training to those students who are fortunate enough to be privileged to participate in such programs. However, under the present Kentucky budget, the available funds for this type of program are now being used with little likelihood that appropriations will be greatly increased in the near future. Therefore, schools should not wait for governmental assistance but should endeavor to work out their own cooperative training programs.

Content

First Semester:

- A. Nature of Selling
 1. Origin and development of selling

2. Complexity of modern selling
 3. Everybody sells
- B. How Selling is Carried On
1. Types of selling
 2. Store organization
 3. Need for improvement in service policies and for ethical treatment of salespeople, customers, competitors, and employers
- C. Advertising*
1. Through newspapers, magazines, letters, radio, television, movies, signs, and displays
 2. Cost, benefits, and harmful effects
 3. Need for critical, questioning attitude toward advertising
- D. Opportunities and requirements for success in selling
1. Survey of selling positions in the local community and in the nation
 2. Personal qualities, knowledge, and skills needed for success in selling
 3. The salesperson's rewards and problems
 4. Possibilities of advancing in another's business or of investing in a business of your own

Second Semester:

- E. Retail selling as an occupation
1. Survey of retail selling positions in local and nearby communities
 2. Securing, holding, and advancing in retail selling positions
 3. Handling the sales transaction efficiently and courteously
 - a. Obtaining and meeting customers, and learning their wants
 - b. Presenting the merchandise, considering customer's objections, and helping the customer decide
 - c. In case of dissatisfaction, suggesting where customer may find suitable merchandise
 - d. Anticipating customer's additional needs and closing the sales transaction
 4. Displaying and caring for merchandise
 - a. Protecting merchandise from dust, dampness, and careless handling
 - b. Replenishing and displaying counter merchandise
 - c. Marking and arranging merchandise for convenience in locating and determining price
 - d. Keeping stock records
 5. Handling money, wrapping merchandise and keeping records
 - a. Making out sales slips
 - b. Wrapping merchandise
 - c. Operating the cash register, making change, and giving it to the customer
 - d. Keeping cumulative sales records

Suggested Outline for Unit on Advertising in the Selling Course

This rather detailed outline of a unit on advertising is meant to indicate ways in which the unit for a particular group may be developed. The pupils and teacher will want to plan their learning activities in accordance with their particular advertising problems. These ideas are offered as suggestions; the procedures and activities mentioned here may also be used in developing the units of work suggested in the content section.

* This Unit was selected for more detailed development and follows at the end of this outline.

Suggested Outline for Unit on Advertising

- I. Suggested Objectives—to provide opportunities for the student to:
 - a. Understand the prominent part advertising plays in daily business life.
 - b. Understand the mediums through which advertising is carried on and who pays the cost.
 - c. Develop a critical, questioning attitude toward advertising and the ability to distinguish between sensible and sensational advertising.
 - d. Use his knowledge of advertising methods and practices to guide him in making personal purchases.

- II. Suggested Items for the Pretest
 - a. Examine a collection of advertisements and rate them good, fair, or poor without comment.
 - b. Test yourself to see how much you have been conditioned or prejudiced by advertising. (See sample tests at end of unit.)
 - c. What is advertising?
 - d. Name various ways in which products are advertised.
 - e. Name some items that you buy which have little or no advertising, and some which are widely advertised.
 - f. Guess what percent of the price of a widely advertised article goes to pay for advertising it.
 - g. What does advertising do to help you? the seller? the manufacturer?
 - h. Give an example of a sensational, misleading advertisement and of a sensible, fact-stating advertisement.
 - i. How can one distinguish between good and misleading advertising?
 - j. Prices being approximately equal, would you prefer advertised or nonadvertised brands? Why?
 - k. Do you believe that advertised brands are generally more expensive than nonadvertised brands?
 - l. If you were buying a bicycle and were reading advertisements, would you be influenced more by advertisements describing the mechanical details or by those describing beauty of appearance?

- III. Things to be Investigated. An analysis of the results of the pretest will probably indicate a need for study in determining the answer to questions such as these:
 - a. What is advertising?
 - b. What are its functions?
 - c. What are the principles for using advertising?
 - d. What are its benefits? its harmful effects?
 - e. Why is it important to the businessman and how does he use it?
 - f. What does it cost and who pays for it?
 - g. What are the characteristics of a good advertisement?
 1. Is it truthful, factual, informative and educational?
 2. Does it help the consumer buy more intelligently?
 3. Does it respect the rights of competitors?
 4. Is it in good taste?
 - h. What are the characteristics of undesirable advertisements.
 1. Is it false, deceitful, defrauding, vulgar, ridiculous or immoral?
 2. Does it "knock" competitors?

3. Does it violate U. S. laws prohibiting lotteries and illustrations of money or postage stamps?
 4. Does it fail to reveal harmful effects of the product or misinterpret the product?
- i. What is being done or proposed to improve advertising?

IV. Suggested Student Activities:

a. Individual Projects.

1. List all the products in your home which advertising influenced your parents or you to buy.
2. Make a collection of advertisements underling factual statements with one color and trade "puffs" with another color. Summarize your findings indicating what proportion of the whole advertisements was an appeal to reason and what proportion was directed toward appeal to the emotions.
3. Select three nationally advertised products and list all the ways in which each is advertised. Analyze your finds and prepare a report indicating which type of advertising was of most benefit to the consumer, which was most sensational, which was most reasonable, whether the material overlapped, and how you believe each type could be improved.
4. Make a list of trade terms such as "sanforized," "Sterling," and describe what is meant by each.
5. Prepare material and evidence to support or refute one of the following topics.
 - (a) Advertising leads to extravagant expenditures which many cannot afford.
 - (b) Prices of nationally advertised goods are higher because of the cost of extensive advertising.
 - (c) Billboard advertising is more effective than magazine advertising.
6. Read books, magazines, and pamphlets for information on advertising.
7. Measure the amount of local newspaper and school paper space that is given to advertising.
8. Compose "commercials" for a local radio program.
9. Sketch an attractive layout and write good copy for some local product.

b. Committee Projects and Activities

1. Make a survey of advertising in the community and report results
2. Make a survey of advertising in the school and report results
3. Interview merchants concerning their beliefs about and experiences with advertising. Pool, consider, summarize, and report this information.
4. Interview citizens concerning the influence of advertising on their purchases. Pool, consider, summarize, and report this information.
5. Present a panel discussion on what is being done at present by various agencies to improve advertising.
6. Collect advertising letters, select the best ones and the poorest ones, and arrange an attractive, effective display.
7. Test products to determine whether they "live up" to claims.
8. Present a radio skit patterned after a popular radio program such as "Can You Top This" in which students try to tell about the greatest swindles they have encountered.

c. Group Activities

1. Visit stores, newspaper offices, advertising agencies in the community noting advertising.

2. Develop and assist in conducting an advertising campaign for some school activity.
3. Conduct a survey of the influence of advertising on student purchasing.
4. Discuss the findings of individuals and committees as reported to the group.
5. Develop a code of ethics for advertisers.
6. Develop a set of guiding principles for judging the worth of advertising.
7. Selling advertising space for the school paper or annual.

V. Suggested Evaluation Procedures

- a. Retake pretest and clear up misunderstandings.
- b. Check to make sure each student has in mind a set of guiding principles to judge advertising.
- c. Provide an opportunity for the student to apply these principles in (1) making a choice of product, and in (2) preparing a good advertisement.
- d. Provide an opportunity for student to report on how he analyzed advertising before making some personal purchase.
- e. Provide an opportunity for students to analyze the work of this unit and determine ways and means for improving the effectiveness of similar future units.

Brand Identification

DIRECTIONS: As you read each item, write down the brand, trade name, or manufacturer that first comes to your mind. Do not spend too much time on any one article. If no particular name or brand comes to your mind, omit that number and move on to the next article.

- | | |
|------------------------------|-------------------------|
| 1. Baby Food | 31. First Aid Equipment |
| 2. Baby Powder | 32. Chewing Gum |
| 3. Batteries (auto) | 33. Guns (hunting) |
| 4. Batteries (flashlight) | 34. Hats (men's) |
| 5. Bicycles | 35. Hose (women's) |
| 6. Bird Seed | 36. Home Insulation |
| 7. Cameras | 37. Light Bulbs |
| 8. Canned Goods | 38. Lipstick |
| 9. Cereals | 39. Locks |
| 10. Cigarettes | 40. Magazines |
| 11. Cigars | 41. Metal Mender |
| 12. Cleanser (household) | 42. Mattresses |
| 13. Coffee | 43. Mustard |
| 14. Coaster Brakes (bicycle) | 44. Overalls (men's) |
| 15. Face Cream | 45. Overshoes (men's) |
| 16. House Paint | 46. Silverware |
| 17. Pencils | 47. Toilet Soap |
| 18. Pipes (smoking) | 48. Soft Drinks |
| 19. Pipe Tobacco | 49. Stoves (kitchen) |
| 20. Radios | 50. Spark Plugs |
| 21. Refrigerators | 51. Sugar |
| 22. Face Rouge | 52. Sweepers (electric) |
| 23. Rugs | 53. Tires (auto) |
| 24. Table Salt | 54. Tooth Paste |
| 25. Sewing Machines | 55. Bath Towels |
| 26. Shampoo | 56. Farm Tractors |
| 27. Shaving Cream | 57. Typewriters |
| 28. Bed Sheets | 58. Washing Machines |
| 29. Shotgun Shells | 59. Watches |
| 30. Shoes (men's) | 60. Office Duplicators |

Answers

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. Clapps 2. Johnson & Johnson 3. Willard; Exide 4. Eveready 5. Elgin 6. French's 7. Kodak 8. Heinz 9. Kellogs; Wheaties 10. Lucky Strike; Chesterfield; Camels; Old Golds; Phillip Morris 11. King Edward; White Owl 12. Old Dutch 13. Eight O'clock; Maxwell House; Chase & Sanborn 14. New Departure 15. Ponds 16. Sherwin-Williams 17. Eberhard-Faber; Velvet 18. Kaywoodie 19. Velvet; Prince Albert; Half & Half 20. Philco 21. General Electric 22. Tangee 23. Olson 24. Morton's 25. Singer 26. Fitch 27. Barbasol; Colgates; Mennen 28. Cannon 29. Winchester | <ol style="list-style-type: none"> 30. Florsheim 31. Johnson & Johnson 32. Beechnut; Wrigleys 33. Winchester 34. Adams 35. Phoenix 36. Johns-Manville 37. Mazda 38. Tangee; Max Factor 39. Yale 40. Life; Esquire 41. Kesten 42. Simmons 43. French's 44. Pay Day 45. Red Ball 46. Rogers 1847 47. Lux; Camay; Ivory 48. Coca Cola 49. Kalamazoo 50. Champion 51. Franklin 52. Hoover 53. McCreary* 54. Ipana; Colgates; Listerine; Pepsodent 55. Cannon 56. Farmall 57. Remington 58. Maytag 59. Elgin 60. Mimeograph |
|--|---|

* McCreary tires are manufactured locally.

Advertising Slogans

DIRECTIONS: This list is designed to test your knowledge of the various slogans used by advertisers of well-known products. In the blank to the left of the statement place either the correct word or words necessary to complete the statement or the name of the product advertised by the slogan.

- | | |
|---|---|
| <ol style="list-style-type: none"> _____ 1. Alkalize with (?) _____ 2. Fixed Flavor _____ 3. White Flash _____ 4. Avoid athletes foot _____ 5. No brush no lather _____ 6. Refreshing after meals _____ 7. Get a good night's rest _____ 8. Hasn't scratched yet _____ 9. When better cars are built, (?) will build them _____ 10. The time keeper of the air waves _____ 11. I'd walk a mile for a (?) _____ 12. They satisfy _____ 13. The lovier way to avoid offending _____ 14. The pause that refreshes _____ 15. Friendship in a cup _____ 16. Takes your breath away _____ 17. Children cry for it _____ 18. Get white clothes whiter _____ 19. No dishwasher hands | <ol style="list-style-type: none"> _____ 20. Cleans your breath while it cleans your teeth _____ 21. From contented cows _____ 22. Floating shift _____ 23. Gives more heat per ton _____ 24. When a feller needs a friend _____ 25. Eye it, try it, buy it _____ 26. Soap of beautiful women _____ 27. Chases dirt _____ 28. Look for the shaker girls _____ 29. Clean your teeth the dentist's way _____ 30. The talk of the town _____ 31. Happy motoring _____ 32. It's tradition _____ 33. The magazine for men _____ 34. Time to re-tire _____ 35. One stop service _____ 36. Watch the (?) go by! _____ 37. At the sign of the orange disc _____ 38. It's chuck full of cheer _____ 39. Tattle tale gray |
|---|---|

-) 40. 57 Varieties
 -----) 41. No bite, no bite, still no bite
 -----) 42. Watch of railroad accuracy
 -----) 43. It beats as it sweeps as it cleans
 -----) 44. Pink tooth brush
 -----) 45. Better light for better sight
 -----) 46. It floats
 -----) 47. Sleep like a kitten
 -----) 48. Treat yourself to the best
 -----) 49. Keep that schoolgirl complexion
 -----) 50. Does not bite the tongue
 -----) 51. Prevents B. O.
 -----) 52. No squint, no squat, no stoop
 -----) 53. The smile of health
 -----) 54. Motorists wise, (?)
 -----) 55. (?) for the tummy
 -----) 56. The breakfast of champions
 -----) 57. For the skin you love to touch
 -----) 58. A treat for babies
 -----) 59. 2000 Mile Oil
 -----) 60. Even your best friend won't tell you
 -----) 61. It's toasted
 -----) 62. Did you say ten cents?
 -----) 63. Aids digestion
 -----) 64. It's better to have it and not need it than to need it and not have it
 -----) 65. Good to the last drop
 -----) 66. Nation's Station
 -----) 67. Costs more, worth it
 -----) 68. Coffee nerves
 -----) 69. Strength of Gibraltar
 -----) 70. Modern design makes the difference
 -----) 71. It's tested
 -----) 72. Crack, Snap, Pop
 -----) 73. Every drop brings relief
 -----) 74. Best oil in any case
 -----) 75. Mellowed 80 million years
 -----) 76. Don't give your lips a painted look
 -----) 77. Filtered tips
 -----) 78. His master's voice
 -----) 79. Aids digestion
 -----) 80. Germ free
 -----) 81. Reduce the (?) way
 -----) 82. Thirsty? Just (?)
 -----) 83. Spark plugs need cleaning too
 -----) 84. For health's sake eat three cakes a day
 -----) 85. At the sign of the flying red horse
 -----) 86. Pst, unpleasant breath
 -----) 87. The beauty bath
 -----) 88. When you crave a good candy
 -----) 89. Stop sleepless nights
 -----) 90. Bulls-eye package
 -----) 91. To prevent colds and coughs due to colds
 -----) 92. Only one grade
 -----) 93. Make your bake days easier
 -----) 94. Pan-Cake Make-Up
 -----) 95. For permanent fit look for the (?) label
 -----) 96. With men who know tobacco best, it's (?) 2 to 1
 -----) 97. Made with real Root Juices
 -----) 98. Brushless shave
 -----) 99. Real coffee—97% caffeine-free
 -----)100. All-purpose . . . for all skin types
 -----)101. Two full glasses; best by taste test
 -----)102. Walk away your corns
 -----)103. Eternally yours
 -----)104. The baby-gentle floating soap that's a sudsin' whiz
 -----)105. Save wear with (?)
 -----)106. Kitchen-tested
 -----)107. She's engaged! She's lovely! She uses (?)
 -----)108. Opens clogged drains
 -----)109. Real mayonaise
 -----)110. Keep your best face forward
 -----)111. The world's largest selling nail polish
 -----)112. Satin-finish
 -----)113. "Pop-up-box"
 -----)114. For soft, adorable hands
 -----)115. Use the new, improved (?)
 -----)116. Use the new, velvet-suds (?)
 -----)117. America's largest-selling bar laundry soap
 -----)118. The fragrance of romance
 -----)119. Avoid that dulling film left by soaps and soap shampoos
 -----)120. When it rains, it pours
 -----)121. "The first thought" in burns
 -----)122. Something new has been added
 -----)123. How's your "Pep Appeal"?
 -----)124. Sound your Z
 -----)125. You like it, it likes you
 -----)126. I got it with a (?)
 -----)127. The support of a nation
 -----)128. Give your neck a break!
 -----)129. Say it again?
 -----)130. Just grin and spread it thin
 -----)131. The heart of the lunch kit
 -----)132. For better "See-Ability"
 -----)133. Soothingly Yours
 -----)134. "The Champagne of Ginger Ales"

1.
 2.
 3.
 4.
 5.
 6.
 7.
 8.
 9.
 10.
 11.
 12.
 13.
 14.
 15.
 16.
 17.
 18.
 19.
 20.
 21.
 22.
 23.
 24.
 25.
 26.
 27.
 28.
 29.
 30.
 31.
 32.
 33.
 34.
 35.
 36.
 37.
 38.
 39.
 40.
 41.
 42.
 43.
 44.
 45.
 46.
 47.
 48.
 49.
 50.
 51.
 52.
 53.
 54.
 55.
 56.
 57.
 58.
 59.
 60.
 61.
 62.
 63.
 64.
 65.
 66.
 67.

Answers to Advertising Slogans

1. Alka Selzer
2. Armour's
3. White Flash
4. Absorbine Jr.
5. Barbasol
6. Beechnut Gum
7. Beauty Rest
8. Bon Ami
9. Buick
10. Bulova
11. Camel
12. Chesterfield
13. Cashmere Bouquet
14. Coca-Cola
15. Chase & Sanborn
16. Clove Gum
17. Castoria
18. Clorox
19. Chipso
20. Colgate's
21. Carnation Milk
22. Corona
23. Champion Coal
24. Briggs Pipe Mixture
25. Chevrolet
26. Camay
27. Old Duch
28. Morton's Salt
29. Dr. Lyons
30. Duquesne
31. Esso
32. Elgin
33. Esquire
34. Fisk
35. Firestone Tires
36. Fords
37. Gulf Gasoline
38. Granger
39. Fels-Naptha
40. Heinz
41. Half and Half
42. Hamilton
43. Hoover Sweeper
44. Ipana
45. I. E. S.
46. Ivory
47. Chesapeake & Ohio Railroad
48. Mail Pouch
49. Palmolive
50. Prince Albert
51. Life Buoy
52. Philco
53. Sal-Hepatica
54. Simonize
55. Tums
56. Wheaties
57. Woodbury's Soap
58. Johnsons Baby Powder
59. Kendall
60. Listerine
61. Lucky Strike
62. Model Tobacco
63. Juicy Fruit Gum
64. Metropolitan Insurance
65. Maxwell House Coffee
66. WLW Crosley
67. Occident Flour
68. Postum
69. Prudential Insurance
70. Pall Mall Cigarette
71. Pillsbury Best Flour
72. Kellogg's Rice Krispies
73. Rubine
74. Sterling
75. Sinclair Opaline Oil
76. Tangee
77. Viceroy
78. Victor Records
79. Wrigley's Gum
80. Woodbury's Powder
81. Welsh (grapejuice)
82. Whistle
83. Champion
84. Fleischmann's Yeast
85. Mobile Gasoline
86. Life Savers
87. Linit
88. Mars Candy Bar
89. Ovaltine
90. Oxydol
91. Pinex
92. Blue Sonoco
93. Spry
94. Max Factor
95. Sanforized
96. Lukies
97. Hire's Root Beer
98. Palmolive
99. Sanka
100. Jergens Face Cream
101. Royal Crown
102. Blue Jay
103. Roger Brothers Silverware
104. Swan
105. Sinclair
106. Gold Medal Flour
107. Ponds
108. Draino
109. Helmann's
110. Yardley's
111. Cutex
112. Tangee
113. Kleenex
114. Jergen's Lotion
115. Rinso
116. Ivory
117. P & G
118. Evening in Paris
119. Drene
120. Morton's Salt
121. Unguentine
122. Old Gold
123. Kelloggs
124. Penzoil Gasoline
125. 7 Up
126. Kodak
127. Paris Belts
128. Van Heusen Shirts
129. Virginia Dare Wines
130. Underwood Deviled Ham
131. Thermos Bottles
132. Mazda Lamps
133. Smith Bros. Cough Drops
134. Canada Dry

Student References

- Advertising Case Histories*, reported and distributed by Educational Services, *The Saturday Evening Post*. The Curtis Publishing Co.
- Brewster, Arthur J., Palmer, Herbert H., and Ingraham, Robert G., *Introduction to Advertising*. New York: McGraw-Hill Book Co., 1947.
- Clark, Blake, *The Advertising Smoke Screen*. New York: Harper & Bros., 1945.
- Facts Booklets*, a series of booklets published by the National Better Business Bureaus, Inc., New York, and distributed through local Better Business Bureaus.
- **Learning to Use Advertising*, Consumer Education Study, Unit. No. 2, The Consumer Education Series, National Association of Secondary-School Principals. Washington, D. C.: National Education Association, 1945.
- Rivers, Don, *Your Career in Advertising*. New York: E. P. Dutton and Company, Inc., 1947.
- Current magazines, newspapers, and leaflets.

Teacher References

- Borden, Neil H., *The Economic Effects of Advertising*. Chicago: Richard D. Irwin, Inc., 1944.
- Bridge, H. P., *Practical Advertising*. New York: Farrar & Rinehart, Inc., 1949.
- Directory of Advertising and Marketing Education in the United States*. New York: Advertising Federation of America, Bureau of Research and Education, 1945.
- Frey, Albert W., *Advertising*. New York: The Ronald Press, 1947.
- Glim Aesop, *How Advertising is Written—and Why*. New York: McGraw-Hill Book Company, Inc., 1945.
- Hepner, Harry W., *Effective Advertising* (Second Edition). New York: McGraw-Hill Book Company, Inc., 1949.
- Kleppner, Otto, *Advertising Procedure*. New York: Prentice-Hall, Inc., 1950.

Teaching Suggestions

The suggestions given below are possible approaches or aids to motivation that can be used in presenting the units in Salesmanship. The teacher may want to use some or all of these ideas together with plans of his own. It is possible to use some of these suggestions in other courses as well.

- Study of Attitudes**—Select the most ideal attitudes toward life and encourage the class to discuss them. Class might read biographies of people who have contributed much to the welfare of the world.
- Special Marketing in the Local Area**—Study the products grown in the local area and the ways of selling them.
- Audio-Visual Aids**—Make use of the films available both from the department of education and private businesses.
- Window Trimming**—Have contest among merchants for most attractive windows with students doing the judging. Students may also trim windows for merchants or citizens.
- Cash Register Operation**—Borrow cash register if school does not have one, demonstrate use of actual money, let students use actual money and clear and account for day's receipts. Students may get practice in handling money without cash register at ball games, plays, etc.
- Outside Speakers**—Have people from business, such as merchant or advertising man, come in to speak.

* This pamphlet is highly recommended as a valuable, inexpensive, well-written source of advertising information for high school students.

Consumer Research—Let students survey student population—amount spent last year and types of articles they plan to buy this year. Students can also plan questionnaire and tabulate results. This information can be used to plan advertising in school paper.

Store Layout—Have each student assigned to draw the layout of a store and comment on its good and bad features.

Sale of Advertising—Students in salesmanship class on the advertising staff of school paper may sell advertising space to the local merchants.

Film Strip Sales Presentation—Students operate projector to show movie of sales presentation.

Visits to Stores—Have planned and organized visits to stores in neighborhood. This should be used sparingly after preparation of student and owner of store.

Sales Campaign Presentation—Have each student prepare a complete selling campaign: information on article, location of prospects, method of sale, and sales talk.

Practice in Actual Selling—Campaign managers with a staff may sell tickets for various school activities. May do the same for magazine sales.

Part-Time Employment—Encourage student to get part-time employment. If school has a distributive education department, the student would probably work under that.

Equipment and Supplies

The decision as to what equipment and supplies are necessary for adequate instruction in retail training must be determined by two things: first, what material is and can be made available; and, second, what is the nature of the training program in the special school? Training in one community may differ from that in another. However, in most cases training will be for a variety of occupations and the equipment necessary should be of a general nature. In the AMERICAN BUSINESS EDUCATION YEARBOOK, Volume V, 1948, Chapter V, Section VIII, Kenneth B. Haas suggests the following list of physical equipment to which he says the resourceful teacher will add other items:

Furniture

Filing Cabinets
Shelves
Counters
Display Cases
Desks
Work Tables
Movable Chairs
Clock
Waste Baskets
Mirrors
Magazine Racks
Extension Telephone
Show Windows
Display Windows
Floor Displays
Bookcases
Supply Case

Visual Aid Equipment

Blackboards
Bulletin Boards
Opaque Projectors
Slide Film Projector
Slide Projectors
Movie Projector
Models
Exhibits
Actual Merchandise
Posters
Charts

Machines

Cash Register
Measuring Devices
Price Ticket Marker
Adding Machine
Bookkeeping Machine
Charge-Plate Machine
Typewriter
Paper Cutter

Reference Materials

Sales Manuals
Manufacturers Manuals
Manufacturers Samples
Manufacturers Displays
Trade Magazines
Fashion Magazines
Mail Order Catalogs
Dictionary

Forms

Application Forms
Sales Checks
Inventory Forms
Stock Forms
Miscellaneous

Supplies

Wrapping Paper
Twine
Bags
Tape (Gummed)
Swatches
Folders and Guides
Workbooks
Charts
Pickglasses
Acids and Chemicals
Show Card Paper
Lettering Brushes and Paints
Maps
City Directory
Telephone Directory
Mail Order Catalogs

A successful salesmanship course is vitalized by adequate supplies for the students to use in effectively attaining their vocational objectives.

In Chapter VI, Section II, Elsie G. Garlow suggests the following student supplies. It is a long list, but the cost is slight and most of the material can be obtained from local merchants.

2" to 2½" paint brush	Tissue paper
White casein powdered paint	Bags (various sizes)
Water color paint	Boxes (various sizes)
Paint mixing tins	Merchandise from cooperating stores
Crayons (assorted colors)	Dummy merchandise
Assorted colored chalk	Manila folders
Poster paper (white)	Note book covers
Poster paper (assorted colors)	Note book paper
Water color paper (18×24)	Price tickets (pin, string, etc.)
Showcard ink (ink)	White string
Showcard ink (assorted colors)	Cord
Lettering pens	Tape and machine
Scissors	Fashion magazines, Trade journals
Thumb tacks	Letterhead paper (8½×11)
Crepe paper (assorted colors)	Plain envelopes
Background display paper (white, cream, blue, and gray)	Arithmetic paper
Inexpensive paper border ribbon (pastel colors)	Swatches (various types and weaves)
3c stamped envelopes	Acetone
Postal cards	Picks
Color wheels	Pick glasses
Compasses	Business forms (checks, invoices, credit memos, bills of lading, telegrams, statements, etc.)
Salesbook fillers	
Salesbook covers	
Tally sheets	
Wrapping paper (various sizes)	

Student References

- Aspley, J. C., *Strategy in Selling*. Chicago: The Dartnell Corporation, 1947.
- Beckley, Donald K., and Logan, William B., *The Retail Salesperson at Work*. New York: McGraw-Hill Book Company, Inc., 1948.
- Brisco, Norris A., Griffith, Grace, and Robinson, O. Preston, *Store Salesmanship* (Third Edition). New York: Prentice-Hall, Inc., 1947.

- Chloris, Shade (Editor), *The Grocery Store* (Second Edition Revised). Chicago: Morgan-Dillon & Co., 1940.
- If You Are Considering Retailing, Vocational Guidance Series. Rochester, New York: Rochester Institute of Technology, 1944.
- Ivey, Paul, *Successful Salesmanship*. New York: Prentice-Hall, Inc., 1947.
- Keliher, Alice V. (Editor), *Retail Sales Workers*, Picture Fact Books, Group III. New York: Johnson Publishing Company, 1946.
- Retail Store Occupations*, Your Future Series. Baltimore: Baltimore Department of Education, Division of Vocational Education, Vocational Guidance, 1941.
- Richert, G. Henry, *Retailing Principles and Practices* (Second Edition). New York: The Gregg Publishing Company, 1947.
- Shoppers' Special—Way of Life in a Department Store*, The Way of Life Series. Evanston, Illinois: Row, Peterson and Company, 1941.
- Walters, R. G., and Wingate, John W., *Fundamentals of Selling* (Fifth Edition). Cincinnati: South-Western Publishing Co., 1948.
- Whiting, Percy H., *The Five Great Rules of Selling*. New York: McGraw-Hill Book Company, Inc., 1947.

Teacher References

- Converse, Paul D. and Huegy, Harvey W., *Elements of Marketing*, 1947. Prentice-Hall, Inc.
- Dame, J. Frank and Patrick, Arthur S., *Exploratory Course in Business Training*, The Gregg Publishing Co., 1948.
- Haas, Kenneth B., and Robinson, A. Preston, *How to Establish and Operate a Retail Store*, Prentice-Hall, 1946.
- Hegarty, Edward J., *Building a Sales Training Plan*, McGraw-Hill Book Co., 1945.
- Nystrom, Paul H., *Elements of Retail Selling*, The Ronald Press Co., 1936.
- Poliak, Saul, *Rebuilding the Sales Staff*, McGraw-Hill Book Co., 1947.
- Shartle, Carroll L., *Occupational Information: Its Development and Application*, Prentice-Hall, Inc., 1946.
- Walters, R. G., Wingate, John W., and Rowse, Edward J., *Retail Merchandising*, The South-Western Publishing Company, 1943.
- Wingate, John W., and Brisco, Norris A., *Buying for Retail Stores*, Prentice-Hall, Inc., 1946.

Films and Filmstrips

- Case Against Shrinkage* (Filmstrip), Syndicate Store Merchandiser, Inc., 79 Madison Avenue, New York, New York.
- Cash Registering Made Easy* (Filmstrip), Syndicate Store Merchandiser, Incorporated, 79 Madison Ave., New York, New York.
- Distributing America's Goods*, Encyclopedia Britannica Films, Inc., 20 North Wacker Drive, Chicago 6, Illinois.
- It's the Little Things That Count*, Bates Manufacturing Company, 30 Vesey Street, New York, New York. Free.
- Modern Retail Salesmanship* (Filmstrip), Dartnell Corporation, Ravenswood and Leland Avenues, Chicago 40, Illinois.
- Retail Merchandising As a Career* (Filmstrip), Society for Visual Education, 100 East Ohio Street, Chicago 11, Illinois.
- Telephone Courtesy*, University of Kentucky Bureau No. 3246.
- What It Takes*, (Filmstrip), Merchandiser, Inc., 79 Madison Avenue, New York, New York.

non
cess
por
yea
edu
econ

scie
soon
acti
been
area
dec
gro
fo
indu
thos

in s
teac
nom
teac
sibil
teac
teac
scho
phas
be a

who

Chapter X

CONSUMER ECONOMICS

Growth and Importance of Consumer Economics

One of the youngest "Social-business subjects," consumer economics has made great strides during the past fifteen years. The recession of the 30's and the war years 1941-45 accentuated the importance of developing consumer competency. Within a span of fifteen years consumer economics has risen from a minor objective in business education to a major one; many leading educators believe consumer economics should be taught to all secondary pupils.

Pioneer work in consumer economics appeared in home economics, science, agriculture, and the social sciences. Interest in the field was soon expanded beyond these areas, growing to include the business activities. By the end of World War II the need for such a subject had been definitely established. However, the question as to which subject area consumer economics should be placed in has not been so definitely decided. Lack of properly trained teachers partially retarded the growth of consumer economics. Home economics teachers emphasized food and clothing buying, while buying of furniture was taught by industrial arts teachers. Business education teachers were active in those phases which pertain to business activities.

Lack of Properly Trained Teachers

Few teachers are adequately trained to teach a subject so broad in scope as consumer economics. Perhaps the most ideal method of teaching is that where several teachers (for example: the home economics, the industrial arts, and the business teacher) work together in teaching the course. One of these teachers could be given the responsibility of serving as coordinator (this could very well be the business teacher). Where this type of organization is impossible the business teacher should try to discharge his responsibility to give the secondary school youth that training which falls in his area. There are certain phases he is best qualified to teach and there are some which should be assigned to other teachers.

Purpose of Guide and Methods of Teaching

This guide has been prepared to aid the business education teacher who will teach consumer economics; it can best be taught by using

many teaching methods. Class discussion, projects by individuals and groups, reports, experiments, personal experiences, demonstrations, excursions, and outside speakers seem to be some of the most valuable methods. It is strongly recommended that during the first week, the teacher learn the interests of the pupils as well as the needs of the community. This can be accomplished through personal interviews with pupils and parents, questionnaires, and conferences with school administrators and business men. Consumer economics should be constructed around pupils interests; the pupils can and should help immeasurably* in planning the course.

Length and Placement

Consumer economics should be a requirement for business majors and an elective for other pupils. It is recommended that it be offered in either the 11th or 12th grades, preferably the 12th, meeting one period a day for one semester.

Objectives

1. To acquaint the pupil with the functions and organization of business.
2. To help the pupil become a more intelligent consumer through knowledge and application of the basic principles of buying goods and services.
3. To develop in the pupil an understanding of the principles involved in areas such as banking, credit, and insurance.
4. To develop basic concepts relating to home ownership, taxation and the role of the individual in society.
5. To guide the pupil into further study in the desired field or fields of business in which he has interest and talent.

Suggested Units of Subject Matter

The teacher of consumer economics should know the needs of his pupils and community much better than one unfamiliar with the community. It is rather difficult to prepare a list of units which could be used in every school. Therefore, the following units of subject matter are presented as a guide, and are not to be considered as a definite pattern in adapting a course of consumer economics to a particular school.

- Unit 1. Meaning of Business
- Unit 2. Sources of Business Information
- Unit 3. Functions and Organization of Business
- Unit 4. Business Ethics
- Unit 5. The Consumer and the Marketing System
- Unit 6. Principles of Buying Goods and Services
- Unit 7. Cooperatives
- Unit 8. Banking Systems

- Unit 9. Credit (A detailed teaching unit follows as a part of teaching suggestions)
- Unit 10. Government and Business
- Unit 11. Insurance—Social Security
- Unit 12. Taxes—Functions and Methods of Collection
- Unit 13. Applying for a Job
- Unit 14. Vocational Guidance

Teaching Suggestions

There are many motivation devices which may be used in teaching. However, a majority of them can be classified in four categories: Class Discussion or Lecture, Individual Differences, Audio-Visual, and Using Community Resources. The following suggestions are offered as an aid to the teacher of consumer economics in organizing the course.

Class Discussion or Lecture

Pupil participation in formulating course—It is desirable to secure pupil participation in organizing topics to be included in the course. Natural interest of pupils will greatly aid in obtaining established objectives.

Textbook presentation—The lecturing method may be used in introducing new material or in summarizing previously studied material, or the teacher-pupil discussion method may be used.

Personal problems and experiences—Pupils should be encouraged to present personal problems and experiences concerning the topics being discussed.

Individual Differences

Projects—Individual interests and abilities become evident whenever the project method is used.

Notebooks—If properly motivated, notebooks can be very interesting. It is recommended that notebooks include **notes from class**, **special reports**, and **readings and clippings** from current issues of magazines, newspapers, as well as **readings from books**.

Panel discussion or debates—Certain topics may best be presented by pupils participating in a panel discussion.

Committee Work—The division of pupils into committee groups offers opportunities for pupils to learn to plan and work together.

Audio-Visual

Samples—Samples of products and business forms may be displayed.

Posters—Pupil may prepare posters and manufacturers offer posters to schools as advertisement.

Charts, graphs, and maps—These may be prepared by pupils, or secured from manufacturers, government, or chambers of commerce.

Bulletin board—A necessary piece of equipment in every classroom but especially in this course where much individual work can be displayed.

Films and slides—May be secured from manufacturers of films or from other manufacturers offering films and slides as advertisement.

Films may be secured from the Extension Service of the University of Kentucky concerning the subject. A catalog is furnished to teachers upon request.

Laboratory demonstrations and experiments—Pupil, as well as teacher, demonstrations and experiments during class periods are valuable in stimulating interest.

Using Community Resources

Speakers—Clerks, salesmen, insurance agents, managers, professional men will stimulate pupil interest if properly planned, organized, and directed.

Demonstration—Have businessmen demonstrate their products or method of operation.

Field trips—Pupils are always interested in visiting offices, stores, banks, and factories.

Interviews and business contacts—A pre-arranged plan with businessmen whereby pupils may apply for interviews and business contacts will greatly eliminate the fear of applying for a job.

As an example of how this material might be taught by the unit or project method, Unit 9, *Credit*, has been developed in greater detail. First, the outline of Unit 9 is given. This is followed by a detailed teaching plan. Then Part VII of the outline is developed in detail as an indication of how the other parts of the unit might be handled by the teacher in his preparation for teaching the unit.

Unit 9—Credit

- I. Cash vs. Credit
 - A. Advantages of Cash
 1. Added Shopping Opportunities
 2. Feeling of Independence
 3. Ease of Resisting Overbuying
 4. No Danger of Abusing Credit
 5. No Worries Over Debts
 - B. Advantages of Credit
 1. Convenience
 2. Better Service
 3. Enjoy It While You Pay for It
 4. Advantages of Good Credit Rating
 5. Avoiding Danger of Carrying Large Sums of Money When Shopping
- II. Open Account Credit
 - A. What Is Open Account Credit?
 - B. Why Do Merchants Sell for Credit?
 - C. Why do Consumers Buy with Credit?
 - D. How Can Open Account Credit be Obtained?
 - E. Importance of Establishing and Protecting Good Credit Rating
 - F. Development of Open Account Credit in the United States
 - G. Three C's of Credit
 1. Capital
 2. Capacity
 3. Character
- III. Cost of Credit
 - A. Computing Dollar Cost of Credit
 - B. Computing Annual Cost Rates
 - C. Discount
 - D. Sixty-Day Six per Cent Method
- IV. Installment Buying
 - A. What Is Installment Buying?

- B. How Does Installment Credit Differ from Ordinary Open Account Credit?
 - C. How Widely is Installment Buying Used?
 - D. Importance of Knowing the Cost of Installment Buying
 - E. Examination of Installment Contracts
- V. The Law of Contracts
- A. What is a Contract?
 - B. Essential Elements of a Contract
 - 1. Mutual Assent
 - a. Offeror and Offeree
 - b. Offer and Acceptance
 - c. Communication of Offer and Acceptance
 - 2. Competent Parties
 - a. Infants
 - b. Married Women
 - c. Insane Persons
 - d. Corporations
 - 3. Legality
 - 4. Consideration
 - C. Statute of Frauds Requirements Relating to Written Contracts
 - D. Legal Interest Rates
- VI. Borrowing Money—Personal Decisions in Borrowing
- A. Is It the Sensible Thing to Do?
 - B. Are Your Plans Realistic?
 - C. Is the Cost Reasonable?
- VII. Where May Loans be Obtained? (Shop Around Before You Borrow.)
- A. Banks
 - B. Small Loan Companies
 - C. Building and Loan Companies
 - D. Insurance Companies
 - E. Credit Unions
 - F. Pawnbrokers
 - G. Unlicensed Lenders

DETAILS OF THE LESSON PLAN

Introducing the Unit

It is recommended that one class period be spent in orienting the students in the study of credit. Pupils should be encouraged to enter freely into group discussion relating to their ideas of what credit means; their experiences in credit dealings, if they are inclined to volunteer the information; what part they feel credit should play in our economy; and what they feel should be the greatest contributions that a unit of study of credit should make to them.

Taking the initiative in aiding the pupils to get their bearings, the teacher may desire to lead the students into considering the shifting of attitudes toward credit. All twelfth grade students are familiar with the writings of Longfellow, Shakespeare, Franklin, and other authors whose works reflect attitudes typical of the time in which they live. However, in all probability students have never realized that these writers, whose works they have probably studied only from the

point of view of literature, wrote about credit. Calling attention to the familiar lines of Longfellow, where he wrote

"His brow is wet with honest sweat,
He earns what'er he can,
And looks the whole world in the face
For he owes not any man."

and again, where he wrote

"Into each life some rain must fall,
Some days must be dark and dreary."

will make Longfellow more than a poet whose writings are found in literature books.

Pupils are likely to think of Shakespeare as little more than a great English playwright whose passages are difficult sometimes to memorize for a literature assignment. But they should see that credit is more than something to be studied in a general business course; in fact, that it is more than a twentieth century problem, that it was so much a problem to the English as early as 1603 that Shakespeare had Polonius, when giving advice to his son, Laertes, before he sailed for France, say

"Neither a borrower nor a lender be; for loan oft loses both
itself and friend . . . This above all; to thine own self be true and it
must follow as the night the day. Thou can'st not then be false to
any man." (Hamlet. Act I, Scene 3.)

The American philosophical sage, Benjamin Franklin, had this advice regarding the use of credit:

"He that goes a-borrowing, goes a-sorrowing."

Students will realize from their own experiences and that of their friends and families that these concepts of credit are not held and practiced by many people today. After such a discussion they should be ready to seek an explanation for the changing concept and to learn how they can use credit profitably and wisely and under what conditions they should steer clear of credit transactions. They should be prepared to launch into the unit studying the advantages of cash and the advantages of credit.

Plans for Student Participation

The class should be permitted to organize itself into committees for the purpose of studying phases of credit which have been chosen as important enough to the class to warrant special study.

It is suggested that committee work be conducted along these lines. A suggested procedure is as follows:

One committee might visit a selected small loan company in the community for the purpose of securing information of the following nature:

- a. Average number and amount of loans on monthly rates.
- b. Small loan company patrons.
- c. Interest rates charged.
- d. Annual loss from bad debts.
- e. Security required.
- f. Customary forms used.

One committee might visit a selected small loans department of a commercial bank and secure similar information. These two committees can compare and contrast their information in class report.

One committee might visit the credit manager of a local department store and secure information regarding :

- a. Requirements for opening a charge account.
- b. What the credit manager considers the most significant questions on the credit blank.
- c. What per cent of business is cash and what per cent is credit?
- d. What consideration do cash customers receive that corresponds to the consideration given credit customers?
- e. What contact does the store manager have with cash customers?
- f. How can a customer who has lost his credit standing re-establish that standing?
- g. What is considered an A-1 credit customer?
- h. Are new credit customers desired?
- i. Annual loss from bad debts.

One committee might visit a store that sells for cash only and seek information concerning :

- a. Why do they sell for cash only?
- b. What contact, except through sales clerks, do they have with their customers?
- c. How do they know whether or not they have regular customers?
- d. Do they know that they have satisfied customers, or are the only customers they know about the dissatisfied ones who bring goods back?
- e. Where do they get their mailing lists for advertising purposes?

One committee might visit the local credit rating bureau for the purpose of inviting the manager to speak to the class along the following lines—

- a. How to establish a good credit rating.
- b. How to maintain good credit rating.
- c. Advantages of credit rating bureaus to both customers and merchants.
- d. Transfer of credit rating from one city to another.
- e. Reestablishing a lost credit rating.

This talk should be scheduled at a time when it will immediately precede a class study of the operation of credit rating bureaus.

One committee might choose to survey loan companies in the community in order to obtain the following information :

- a. Number of loan companies.
- b. Location.
- c. Locally owned or chain operated.

- d. Average age of loan companies in the community.
- e. State regulations for small loan companies.

The teacher should work individually with each committee in order to assure maximum benefit from the activities. Oral reports should be given in class. These reports should be presented at the time that the class is entering a study of the various phases of credit with which the committee work is concerned.

Students should have an active part in maintaining a class bulletin board. They should be encouraged to bring newspaper and magazine clippings and cartoons which are of illustrative value in the teaching-learning process. It is vitally important that this bulletin board be kept current and interesting.

Student Goals to be Accomplished

To develop within each student recognition of the fact that efficient money management demands knowledge and skill in using credit to gain its advantages and avoid its dangers.

To recognize the importance of establishing and protecting a credit rating.

To create an inquiring attitude before borrowing.

To understand that interest paid for the use of money is just and fair, so long as the amount of that interest is reasonable.

To appreciate the points of view of the merchant and the lender.

To understand and appreciate the importance of credit in our economy.

Basic Knowledge to be Learned

The meaning of credit and bases for its use.

Some dangers involved in the over-use of credit.

How to compute the cost of credit and the significance of the dollar cost of credit; the annual cost rate; bank discount; and annual cost rates for installment credit.

Legal significance of contractual relationships.

Essentials of a contract.

Agencies from which loans may be obtained and some outstanding characteristics peculiar to the various sources.

Visual Aids

It is recommended that two 16 mm sound film strips be used in presenting material on the essentials of contracts and the contractual relationship. Films recommended are "Buying A Used Car," two reels, showing ways to determine the soundness and safety of a used car and exposing some ruses of unscrupulous salesmen; and "What Is A Contract?" one reel. The latter film centers around the require-

ments for a contract, and stresses the importance of contracts. The film pictures high school boys and their experience in enforcing an oral contract.

The classroom bulletin board, discussed under plans for student participation supra, together with blackboard illustrations, should be given attention for their visual aid value. Illustrations used throughout this unit have been developed for classroom and bulletin board use as visual aids.

Illustrative specimen of credit instruments are included in this unit for visual examination. It probably will prove desirable to have students bring in similar instruments of credit. It is especially recommended that any executed instruments which students may be able to supply be used for instructional purposes.

Motivation Devices

All motivation devices should be planned to conform with the Law of Motivation, which states that we learn in proportion to the interest we have in what we are doing.

Activities outlined earlier in this unit were planned to serve as motivation devices for the students. This is particularly true of student committee work, student class reports, films, bulletin board displays, and the speaker from the local credit rating bureau.

Student Assignments

Specific textbook assignments for day-to-day activities are probably unwise for this unit. As the class proceeds from one unit to another, or from one phase of a unit to another, they should, however, be encouraged to be of a suggestive nature with special emphasis being attached to committee work carried out in close cooperation between the teacher and committee members. Emphasis should be placed on knowledge acquired and not on perusal of any specific textbook. The denamical nature of the subject matter lends itself favorably to activities beyond any single source. It is recommended that students be given the opportunity to study some of the many pamphlets available and report interesting articles in class. Several such pamphlets have been secured and attached to this unit.

Plans for Review

An effort has been made to organize the subject matter in this unit in such a way to provide continual review of basic principles as the unit progresses. For this reason it is not deemed necessary to provide a special review as the unit draws to a conclusion.

Evaluation Techniques

Due to the large amount of student participation throughout the unit it is recommended that only at the conclusion of the unit a written test be given. In evaluating the students' work, it is recommended that the following factors be weighed and given consideration:

Participation in committee and class work.
Contributions to class discussions.
Interest shown in group and individual activities
Attitude.
Test Score.

Days to Spend on Unit

It is recommended that this unit be presented in twelve days.

Student Bibliography

- Roger W. Babson, *Twenty Ways to Save Money*. Frederick A. Stokes Company, New York (1940). Chapter XIV, The Folly of Debt and Paying Interest. Chapter XVII, Cash-Payment Policy.
- Ernest H. Crabbe and Paul L. Salsgiver, *General Business*. South-Western Publishing Company, Cincinnati (1944). Unit IV, Spending Money Wisely:
Part 3. Use of Credit in Buying
Part 4. Borrowing in Order to Buy
Part 5. Cost of Borrowing
Part 6. Cost of Small Loans
Part 7. Buying on Installments
Part 8. Paying for Credit Purchases
- James Harvey Dodd, *Applied Economics*. South-Western Publishing Company, Cincinnati (1945). Chapter 17, Credit and Commercial Banks. Chapter 18, Savings and Investment Institutions.
- Oliver R. Floyd and Lucien B. Kinney, *Using Dollars and Sense*. Newson and Company, New York (1942). Chapter VII, Consumer Credit.
- Jessie Graham and Lloyd L. Jones, *The Consumer's Economic Life*. Gregg Publishing Company, Chicago (1946). Chapter XXVI, Credit or Buying on Time.
- Lloyd L. Jones, *Our Business Life*. Gregg Publishing Company, Chicago (1948), Chapter V, Financing: Borrowing and Lending.
- G. Henry Richert, *Retailing Principles and Practices*. Gregg Publishing Company, Chicago (1947). Chapter XVII, Credits and Collections.
- Edwin M. Robinson, *Business Organization and Practice*. McGraw-Hill Book Company, Inc., New York (1945). Chapter XIV, Organization for Credit Management.
- Augustus H. Smith, *Economics*. McGraw-Hill Book Company, Inc., New York (1943). Chapter XIX, Credit and Credit Instruments.
- Augustus H. Smith and S. Howard Patterson, *Economics for Our Times*. McGraw-Hill Book Company, Inc., New York (1945). Part III, Chapter XIV, Credit and How It Is Used.
- A. B. ZuTavern and A. E. Bullock, *Business Principles Everyone Should Know*. The H. M. Rowe Company, Chicago (1933). Chapter VI, Borrowing and Lending.
- A. B. ZuTavern and A. E. Bullock, *The Consumer Investigates*. The H. M. Rowe Company, Chicago (1938). Chapter V, Consumers' Personal Loans. Chapter IX, Agencies Aiding the Consumer.

Teacher Bibliography

- Jessie Graham, A Q-SAGO Unit on "Consumer Credit." *Business Education World*, February, 1948, pp. 363-365.
- Marion E. Naughton, "Meaningful Consumer Credit," *Journal of Business Education*, November, 1948, pp. 15-16.
- Paul L. Salsgiver, *Sources of Supplementary Materials for Courses in Consumer Education*, Monograph 50. South-Western Publishing Company, Cincinnati (1940).
- Herbert A. Tonne, *Consumer Education in the Schools*. Prentice-Hall, Inc., New York (1941). Chapter 3, Consumer Spending. Chapter 4, The Role of the Consumer in Economic Life.
- Howard A. Zacur, "Discounting Promissory Notes." *Business Education World*, October, 1947, pp. 113-114.

Part VII

Where May Loans be Obtained?

Loans may be obtained from a number of sources, such as:

Banks,
Small-loan companies
Building and loan companies
Insurance companies, and
Credit unions.

All of these organizations make a business of lending money. They welcome the chance to make loans to those who wish to borrow and who can give satisfactory evidence that they will repay the amount borrowed, plus interest. The rates charged are not always the same. Before one borrows, he should shop around among various loan companies to find where he can obtain the lowest rate of interest.

Banks have been called the heart of the nation's credit system. In recent years banks have become the major type of lender in cases of small personal credit needs. They always have been the major source of credit for business men. Making personal loans differs in many respects from business loans, and to meet the need for small loans, two changes have been made in our banking system. A new type of bank—the industrial bank—has come into prominence and old commercial type banks have added personal loan departments.

These industrial banks are the ones referred to earlier as having been started by Arthur J. Morris Plan Banks. Since the establishment of the first Morris Plan Bank in Norfolk, Virginia in 1910, they have passed through a series of changes, until today they function very much like any other commercial bank regarding services rendered and rates charged. In most cases loans are repaid by regular installment payments to apply on the principal of the loan. They discount loans like all other commercial banks. Because these banks were established for the express purpose of serving workers in industry, it

sometimes is possible to obtain a loan from such a bank with smaller security to offer.

It is surprising how rapidly commercial banks have organized small-loan departments during the last several years. The oldest small-loan department in a commercial bank in the United States was established in 1924. By 1934, seventy-one large banks had these departments; by 1944, the number exceeded seven thousand, with thousands of others preparing to open such departments. At the end of 1945, commercial banks had personal loans totaling 471 million dollars outstanding, being paid on an installment plan.

Commercial banks have several advantages as lenders. It is well to consider some of these advantages in a study of agencies lending money.

1. Investigation is sometimes easier or unnecessary, because often their borrowers are their own depositors whom they already know.
2. They are not subject to the \$300 limitation which most state laws place upon small loan companies.
3. They are lending their depositor's funds, which causes them to have a low money cost on the funds they lend. Small loan companies must lend their own capital or borrow funds.
4. Most of the overhead expenses of a bank are covered by its commercial operations. Its small loan department requires little space, equipment, or personnel which the bank would not otherwise have to employ.

Commercial banks and industrial banks generally provide for the same kinds of loans and similar terms. Both grant some loans on a purely character basis; some require cosigners; and others require that the loan be secured by a chattel mortgage or by insurance policies. One plan, which is not commonly used, operates through a Savings Loan Department. The borrower becomes a savings account depositor, and accumulates funds in this way to pay off the note.

An *insurance company* is often a convenient source of credit at a moderate rate for persons who have an insurance policy with an accumulated loan value. Most life insurance policies, except term policies, have such a provision. After a policy has run for two or three years, and the loan value has accumulated, the policy-holder may borrow part or all of this amount whenever he chooses. The rate is specified in the contract, and generally is around 6 percent per year. (This will be considered in more detail in a unit on insurance.)

Individuals who are members of *credit units* may secure funds from this source. The Credit Union National Association defines such a union as a cooperative society organized under a state or Federal law (and the supervision of a state or Federal department) within a specific group of people, for the two-fold purpose of supplying the members of the group with a plan of systematic saving and of making

it possible thereby for them to take care of their own credit problems at a legitimate rate.

Credit unions have come to occupy an important place in the United States. By 1945 there were almost twelve thousand such unions scattered throughout the United States and Hawaii, with over three million members. At the end of 1945 they had loans outstanding amounting to 228 million dollars.

In 1934 a Federal Credit Union Act was passed and an amendment appeared in 1941. It originally was administered under the Farm Credit Administration, but is now administered by the Federal Deposit Insurance Corporation. The Credit Union National Association gives advice and assistance to state credit unions and the Federal Credit Union Act provides that the FDIC shall give advice and assistance to the federal unions.

One can join a credit union by buying a share for \$5.00, often at terms of 25 cents down and 25 cents a week. Once one becomes a member, two kinds of services are available: Savings or thrifty and loan service.

The average savings account of the members of credit unions has amounted in the past to \$90. Seldom is interest paid on deposits; but one can use spare funds to purchase shares, on which dividends are paid. This dividend commonly ranges from 4 to 6 per cent per year; the Federal Credit Union Act does not allow more than 6 per cent.

After one has become a stockholder, he is permitted to borrow. Many credit union loans are small—often only \$3.00, \$5.00, or \$10. In 1936, the average loan was \$67, and in 1942, it was \$109. One can borrow at least \$50 without any security; in federal credit unions, character loans may go as high as \$100.

Credit unions can lend money to its members at low cost for several reasons. Some of the more important reasons are:

1. Investigation is reduced to a minimum, because the members are known to the credit committee.
2. It is not necessary to employ high-salaried credit men or keep elaborate records to determine whether the loans which are to be made are going to be safe ones.
3. The quarters are generally donated by the business firm within which the union is organized or by the credit union association.
4. Generally, all the officers work without pay. Sometimes the treasurer may receive a small salary.
5. Advertising costs are small, because members are solicited from the members of the group.

One wouldn't be too far wrong if he said that a *pawnbroker* discovered America. It may be recalled that Queen Isabella pledged her jewels to raise the money to finance Columbus's passage to the land

of spices and tea. In fact, pawnbrokers played an important role in European financial history.

Pawnbrokers do not play nearly so important a role in the United States today as they once did. The organization of small loan companies, small loan departments in commercial banks, industrial banks, and credit unions has taken much of the business away from pawnbrokers. However, it is still important that one knows what a pawnbroker is and how they operate. To borrow money from a pawnbroker one must have some article to use as a pledge or pawn. This may be anything that has resale value and is not too hard to store, but it commonly is jewels, watches, musical instruments, and other personal articles.

Whatever one chooses to pawn, he takes it to the pawnbroker who appraises it in terms of the price he can expect to get for it. He then offers enough less than this amount to give him a margin of safety and of profit if forced to sell the article to collect his money.

If his offer is accepted, he gives the customer the amount of the loan in money and a pawn ticket to identify the article when the customer comes to reclaim it and pay off the loan, with interest. If the article is left longer than the specified time, the pawnbroker may sell it and keep the proceeds for himself.

Two classes of people today make up the group most frequently patronizing pawnbrokers. One group includes gamblers, race track followers, or others whose fortunes fluctuate violently from "flush" to "dead broke." However, the more typical patron of the pawnbroker is the person who has never accumulated much and who lives from hand-to-mouth, but at some time did manage to buy a diamond ring or watch or some other article which a pawnbroker will accept. He finds himself in need of immediate cash and pawns his property.

Pawnbrokers today are rigidly regulated by law, but they have not always been. Before the passage of regulations many pawnbrokers were unjust and took unfair advantage of their customers. Today in most states, pawnbrokers must obtain a license from the state in order to operate, and regulations set certain fixed hours for making loans, and require that a record be kept of all loans made, the name of the borrower, the date, and the payment. These regulations are enforced by state officers and are for the protection of the pawnbroker, as well as the customer. The pawnbroker needed protection because of the frequent use of the pawnshop as a place to dispose of stolen goods. Without supervision a dishonest pawnbroker could easily serve as a "fence" for thieves—and this was not uncommon. But even the honest pawnbroker might unknowingly accumulate quite a lot of stolen goods.

A certain amount of borrowing and lending always goes on outside the regular credit agencies without any legal supervision. In its simplest form this is often purely a matter between relatives or friends, not involving any security, any legal formalities, or any interest. Usually there is no great harm done in this way, but often other members of the family or friends shudder to see the constant borrower coming.

The real danger in borrowing from *unlicensed lenders*, comes when one accepts a loan from what is commonly called the "loan shark." These lenders are found most frequently in states having lax laws regulating small loan companies. Seldom do these lenders have the customary business office and seldom do they have a permanent address. Some loan sharks operate their loan business as a sideline. Many have been known to keep a small stock of jewelry and advertise "Money to Lend." Then the borrower was forced to buy a ring, which the lender retained until all obligations were met. These loan sharks are often referred to as the "240 per-center," that is, 20 per cent a month or 240 per cent a year; or he is referred to as one of the "six for five" boys. He will lend you five dollars at the beginning of the week and require you to pay back six dollars at the end of the week—pay day. This is a rate of 20 per cent per week; if you are forced to borrow every week, the rate becomes 1040 per cent per year. These lenders often claim to make "confidential" loans, so that one's family or friends will not know of his financial distress. But as soon as the borrower is unable to repay the loan on time, he is threatened with having his family, friends, or employer learn of his embarrassment.

The soundest advice that can be given one is never to have any dealings with such lenders. But if one is unfortunate enough to become involved with a loan shark, the wisest course of action is to get the affair in the open. This is probably the very thing the lender will threaten you not to do, because his illegal operations cannot continue when they are publicized. There are several sources of help to which one can turn. It is important to know what these agencies are. The Better Business Bureaus are constantly on the watch for illegal lenders. If there is a local bureau, the difficulty should be reported to them. The local District Attorney can be notified. Rendering such aid to citizens is one of his duties. Most lawyers will help, if called upon. If one can't afford to pay a lawyer's fee, most cities provide a Legal Aid Society which will give help and advice for fifty cents or a dollar. Whichever of these sources of help you choose, the most important thing to remember is *take action*.

References

Pupils

- Clark, Harold F., *Economics*, American Book Company, New York, 1948.
- Consumer Education Study of the National Association of Secondary School Principals, Washington, D. C.
- No. 1—*The Modern American Consumer*
 - No. 2—*Learning to Use Advertising*
 - No. 3—*Time on Your Hands*
 - No. 4—*Investing in Yourself*
 - No. 5—*The Consumer and the Law*
 - No. 6—*Using Standards and Labels*
 - No. 7—*Managing Your Money*
 - No. 8—*Buying Insurance*
 - No. 9—*Using Consumer Credit*
 - No. 10—*Investing in Your Health*
- Graham, Jessie and Jones, Lloyd, *The Consumer's Economic Life*, Gregg Publishing Company, New York, 1946.
- Hughes, R. D., *Fundamentals of Economics*, Allyn and Bacon, New York, 1943.
- Shields, H. G. and Wilson, W. Harmon, *Consumer Economic Problems*, South-Western Publishing Company, Cincinnati, Ohio, 1945.
- Smith, Augustus H., *Economics*, 6th Edition, McGraw-Hill Book Company, New York, 1943.
- Smith, Augustus H., Bahr, Gladys and Wilhelm, Fred T., *Your Personal Economics*, McGraw-Hill Book Company, New York, 1949.
- Whitbeck, R. H., Durand, Jr., Loyal, and Whitaker, J. R., *The Working World*, American Book Company, New York, 1947.
- ZuTavern, A. B. and Bullock, A. E., *The Consumer Investigates*, H. M. Rowe Company, Baltimore, Md., 1938.

Teacher—Books

- Gemmell, James, *Business Organization and Management*, Gregg Publishing Company, New York, 1949.
- Glos, Raymond E. and Baker, Harold A., *Introduction to Business*, South-Western Publishing Company, Cincinnati, Ohio, 1947.
- Smith, Augustus H. and Patterson, S. Howard, *Economics for Our Times*, McGraw-Hill Book Company, New York, 1945.
- Spengler, Edwin H. and Klein, Jacob, *Introduction to Business*, McGraw-Hill Book Company, New York, 1948.

Monographs, Newspapers, and Magazines

- South-Western Publishing Company, Cincinnati, Ohio.
- Monograph No. 18—*The Measurement of Business Education*
 - Monograph No. 50—*Sources of Supplementary Materials for Courses in Consumer Education*
 - Monograph No. 55—*The Business Curriculum*
 - Monograph No. 63—*Improved Methods of Teaching the Business Subjects*
 - Monograph No. 64—*Methods of Teaching Consumer Education*
 - Monograph No. 67—*Personality Development for Business Girls*
 - Monograph No. 69—*A Handbook for Business Education in the Small High School*
 - Monograph No. 72—*Trends of Thought in Business Education*
- New York Times
- Family Dollars
- Consumers' Digest
- Business Week
- Better Homes and Gardens

Good Housekeeping
Time
Vocational Trends

York, 1948.
Secondary

Visual-Aids: 16 mm films may be secured from:

Bureau of Audio-Visual Materials, Department of University
Extension, University of Kentucky, Lexington, Kentucky

Number	Rental Fee	Title
3069	\$.50	The Sign of Dependable Credit
3108	1.50	Property Taxation
3206	1.50	Know Your Money—Making Money
6359	1.50	Managing the Family Income
3101	1.50	Distributing America's Goods

Coronet Instructional Films, Coronet Building, Chicago 1, Ill.

What is Business
Banks and Credit
Consumer Protection

Life, Gregg

New York,

Problems,

Company,

ur Personal

Working

ates, H. M.

gg Publish-

ess, South-

Our Times,

, McGraw-

on
or Courses

e Business

tion
Girls
the Small

on

bu
pu
no
as
of
ea
vi
m
fa
en
so

(1
no
fir
tio
pa
hig
eco
he
aff
lev

is
gra

A.

Chapter XI

ECONOMICS

The subject of economics is, or should be, a core subject in all business curricula. It makes four major contributions to high school pupils: (1) provides a foundation for the understanding of the economic system of any business in which the pupil may later work, either as an employee or as the owner; (2) develops the power of analysis of economic problems encountered in life situations whether as a wage earner, consumer, or citizen in a democracy; (3) enables the individual to participate in cooperative enterprises whether of a community, state, or national scope; (4) gives an appreciation of the factors of production, distribution, and consumption all of which enable the pupil to have an appreciation of the value of living in a society committed to the free enterprise system.

Economics may be taught from one of three points of view: (1) theoretical, to the point of abstraction; (2) applied with little or no emphasis upon economic principles; (3) a combination of the first two—by which principles are taught and applied to life situations with which the pupil is familiar or will be upon assuming active participation in business. The last approach is recommended for the high school. If life situations provide the basis for understanding economic principles, the subject becomes meaningful to the pupil and he acquires a skill in the interpretation of current business and public affairs, a skill which many teachers think impossible at this learning level.

Economics should be offered during the senior year. One semester is adequate in most high schools and one-half unit of credit should be granted.

Objectives

A. General

1. To develop an understanding of economic principles which apply to the obligations of citizenship
2. To create an appreciation of the value of living under a system of private property and free enterprise
3. To develop the power of analysis which makes the individual aware of propaganda and immune to economic nostrums
4. To contribute the eradication of economic illiteracy in the broadest sense
5. To provide an understanding of economic laws and principles which operate in personal and business affairs
6. To make the pupil aware of the services of business and to detect fraud and misrepresentation in securing such services

7. To provide an understanding of the relationship of government to business; of government to the individual; and of business to the individual under government control.
8. To lay the foundation for a sound business career as an employer or as an owner of a business

B. Specific

1. To provide an understanding of the factors of production and the principles which govern the contribution of each of the factors
2. To develop an understanding of the problem of distribution of the returns of production
3. To develop an understanding of the various types of private enterprises and the relation of the problem of public control to each of the types
4. To provide a basis of judgment in making investments in securities and safeguards provided for such investments
5. To give an understanding of the factors which determine value, the relation of value to price, the media of exchange used in determining value
6. To make clear the problems of large-scale production and how such production affects the individual and group standards of living as well as employment conditions
7. To present facts concerning the problems of labor and labor legislation which are necessary for a proper understanding of the relationships of employers and employees
8. To create an appreciation of the part which organized markets play in determining price, in the distribution of commodities, and in the equilibrium of the economic system
9. To develop an understanding of the part which competition plays in business and the problems associated with monopolistic control of production and distribution
10. To provide an understanding of public finance both in the matter of revenues and of expenditures and how they affect the individual and the government unit
11. To develop an appreciation of the problems of agriculture as a basic industry in all production, and to create an understanding of the inter-dependence of agriculture and economic well-being of all the people
12. To provide a knowledge of the history of transportation and the part which it has played and is playing in the development of the nation
13. To develop an understanding of the function and kinds of money, the functions and kinds of financial institutions, and the mechanics of international trade
14. To provide a basis for judgment in forming opinions with respect to controversial issues which involve economic principles and to act wisely in casting votes on such issues, in serving in public offices, and in participation in other individual and community affairs

Content Outline

- | | | | |
|------|--|------------|---|
| Unit | | I. | Foundation of the Science of Economics |
| | | A. | Human Wants |
| | | | 1. Number and variety |
| | | | 2. Food, clothing, and shelter |
| | | | 3. Other wants |
| | | | 4. Intermediate goods |
| | | B. | Economics |
| | | | 1. Definition |
| | | | 2. Economics as a science |
| Unit | | II. | Wealth, Income, and Property |
| | | A. | Wealth |
| | | | 1. Definition |

2. Are human beings wealth?
3. How to identify wealth
4. Utility
 - a. Form
 - b. Place
 - c. Time
 - d. Possession
- B. Income
 1. General
 2. Costs
 3. Net income
- C. Property
 1. Definition
 2. Division of property
 3. Property in free persons
 4. Wealth and property
 5. Documents in evidence of property

Unit III. **Value**

1. A common denominator
2. Transfer and exchange
3. Barter and money exchange
4. Definition of value
5. Definition of price
6. Value and price
7. The unit of value

Unit IV. **The Factors of Production**

- A. Production
- B. The partnership
- C. Capital
 - (1) Holding companies
 - (2) Merger
 - (3) Trust
 - (4) Amalgamation
 - (5) Agreements
 - (6) Trade associations
 - (7) Anti-trust laws
 - (8) Recent legislation

Unit VI. **Large Scale Production**

- A. The growth of large scale production
- B. Conditions necessary for large scale production
- C. Economics of large scale production
 - (1) Power and machinery
 - (2) By-products
 - (3) Technical experiment and research
 - (4) Economy in administration
- D. The field of large scale production and its limits

Unit VII. **The Division of Labor and Control of Production**

- A. Cooperation
- B. Division of labor
- C. Economic effect of division of labor
- D. Division of labor and the extent of the market
- E. Territorial division of labor
- F. Division of labor a form of cooperation
- G. The control of production
 - (1) Conscious and unconscious control
 - (2) Laissez faire
 - (a) Reaction from government control
 - (b) Economic freedom
 - (c) Motive of production effort
 - (d) Rule of price

Unit VIII. **Demand**

- A. Individual demand
 - (1) Marginal utility and demand
 - (2) Significance of this analysis
 - (3) How both parties to a trade can gain
- B. Total demand
 - (1) Definition of demand
 - (2) Time and place of the demand schedule
 - (3) Demand and desire
- C. The law of demand
 - (1) General statement
 - (2) Special cases
- D. Elasticity of demand
 - (1) General statement
 - (2) Limits of elasticity

Unit IX. **Competition and the market**

- A. The market
 - (1) Definition
 - (2) Free market
 - (3) Setting the price
- B. Competition
 - (1) Definition
 - (2) Competition and monopoly
 - (3) Degrees of competition
- C. Pure Competition
 - (1) Market condition. Definition
 - (2) The individual seller meets perfect elasticity of demand
 - (3) The seller has no price problem
 - (4) The determination of price
 - (5) The cost of production and supply
- D. Imperfect Competition
 - (1) Inertia and ignorance
 - (2) Individuality of products
 - (3) Trade marks and special services
 - (4) Small number of sellers
 - (5) Limitations upon the seller's liberty
 - (6) Cost of production and the seller's liberty
 - (7) Determination of price

Unit X. **The Distribution of Wealth and Income**

- A. Economic rent—the income of land owners
- B. Interest—the income of owners of capital
- C. Wages—the income of labor
- D. Profits—the income of the risk bearers
- E. Personal distribution of income
 - (1) Distribution of wealth in America
 - (2) Effect of inheritance
 - (3) The problem of poverty
 - (a) Conditions
 - (b) The family unit
 - (c) The standard of living
 - (d) The family income
 - (e) Causes of poverty and the remedy
 - (4) The problem of inequality

Unit XI. **Agriculture**

- A. The magnitude of agriculture
- B. Individualism in agriculture
- C. Distinction between subsistence and cash crop farming
- D. Appreciation of how farm crops and farm prices fluctuate
- E. Understanding of the rigidity of farm costs and living expenses

- F. Understanding of how indebtedness endangers farm security
- G. Economic and governmental policies affecting agriculture
 - (1) Tenacy
 - (2) Cooperative farm organization
 - (3) Diversification of crops
 - (4) Soil conservation and resettlement
 - (5) Tariff implications
 - (6) Price fixing and production control
 - (7) Meeting problems of farm finance
 - (8) Control of natural forces

Unit XII. Transportation and Communication

- A. Early development of transportation in America
- B. Effects of early development of travel on the economic conditions of the country
- C. Inventions and developments contributing to the rapid growth of transportation
 - (1) Steam engine
 - (2) Boat
 - (3) Railroad
 - (4) Telephone and telegraph
 - (5) Automobile
 - (6) Aeroplane
 - (7) Radio and television
- D. Types of transportation
 - (1) Land
 - (2) Water
 - (3) Air
 - (4) Pipe line
- E. Economic and government policies affecting transportation
 - (1) Interstate Commerce Commission
 - (2) Railway rates
 - (3) Operation
 - (4) Competition and elimination of water

Unit XIII. Principles of Money

- A. Nature of Money
- B. Functions of money
- C. Government control of money
- D. Varieties of money and monetary systems
- E. Monetary policy of the New Deal

Unit XIV. How Our Financial System Serves Us

- A. Principles of banking
 - (1) Nature of credit
 - (2) Lending
 - (3) Typical bank statement
 - (4) Paying loans
 - (5) Notes
- B. The American banking system—its functions and services
- C. Services of organized financial markets
- D. Banking legislation of the New Deal

Unit XV. Elements of Public Finance

- A. Financial support of the functions of government
- B. Government income
- C. Principle forms of revenue
- D. Distribution of the tax burden
- E. Classes of taxes
- F. Public borrowing
- G. Budgets and budgetary control
- H. Progressive increases in cost of government
- I. American financial policy under the New Deal

Unit XVI. Labor

- A. Labor Problems
 - (1) Unemployment
 - (a) Nature and extent
 - (b) Types
 - (c) Remedies for unemployment
 - (2) Child and woman labor
 - (3) Industrial accidents
 - (4) Hours of work
- B. Industrial Strife
 - (1) The strike
 - (a) Types
 - (b) Violence in strikes
 - (c) Legality of strikes
 - (2) Public intervention in strikes
- C. Labor Legislation
 - (1) Workmen's compensation laws
 - (2) Minimum wage laws
 - (3) Legal regulations of child labor and adult women
 - (4) Unemployment insurance
 - (5) Security for the aged
- D. Labor Organizations in America
 - (1) Types of American unions
 - (2) Strength of unionism in America
 - (3) National Labor Relations Act
 - (4) The union program
 - (5) Political activity of American unions

Unit XVII. Political Systems and Their Implications

- A. Socialism
 - (1) Racial movements
 - (2) Definition
 - (3) Indictment of capitalism
 - (4) Social analysis of capitalism
 - (5) Socialist program
 - (6) Tactics
 - (7) Political action
- B. Communism
 - (1) Doctrine and program
 - (2) Organization
 - (3) Planned economy
 - (4) Economic organization
 - (5) Growth
 - (6) Labor and wages
 - (7) Method of finance
- C. Capitalism
 - (1) Development
 - (a) Separation of the laborer from his tools
 - (b) Gradual accumulation of power by capitalists
 - (2) Advantages
 - (a) Incentive to greater economic progress
 - (b) Basis of modern methods of production
 - (3) Disadvantages
 - (a) Exploitation
 - (b) Pressure groups

Suggested References for the Teacher

1. Moore, J. H., and Hock, M. I., *Readings in Modern Economics*, Thomas Nelson & Son, New York, 1941.
2. Moore, J. H., Steiner, W. H., and Others, *Modern Economics, Its Principles and Practices*, Thomas Nelson & Sons, New York, 1940.

3. Seay, Maurice F., & Clark, Harold F., *The School Curriculum and Economic Improvement*, Bureau of School Service, University of Kentucky, Lexington, Kentucky, 1940.
4. Patterson, Little, and Burch, *American Economic Problems*, Macmillian, Chicago, 1941.
5. Janzen and Stephen, *Every Day Economics*, Silver Burdett, Chicago, 1941.
6. Smith, Augustus, S., *Economics for Our Times*, McGraw-Hill, New York, 1945.
7. Klein and Calvin, *Economic Problems of Today*, Lyons and Carnahan, Chicago, 1947.
8. Dodd, J. H., *Applied Economics*, South-Western Publishing Co., Cincinnati, 1945.
9. Lutz, Foote, Stanton, *Getting A Living*, Row Peterson and Company, 1945.
10. Brown, Cecil Kenneth, *Introduction to Economics*, American Book Company, New York, 1941.
11. Dodd, J. H., *Introductory Economics*, South-Western Publishing Co., Cincinnati, Ohio, 1940.
12. Fairchild, F. R., Furniss E. S., & Buck, N. S., *Economics* (Revised Edition), The Macmillan Company, New York, 1938.
13. Shields, H. G., & Wilson, W. H., *Consumer Economic Problems*, South-Western Publishing Company, Cincinnati, Ohio, 1940.

un
no
of
far
loc
sta
sho
ma

cu

gra
gra
hal

A.

B.

Chapter XII

ECONOMIC GEOGRAPHY

Economic geography is primarily concerned with developing an understanding of the geographical factors which influence the economic life of a people and provides an appreciation of the importance of natural resources in the various regions of the earth for the welfare and happiness of all peoples. The course should begin with the local environment with which the pupil is familiar and expand into state, regional, national, continental, and world areas. The entire study should contribute to a world-mindedness in an economic sense, and make the individual a more intelligent participant in national life.

The subject serves as a background for all pupils in business curricula and should be open to others as an elective.

Economic geography may be offered in any year above the ninth grade, but with a crowded curriculum in the eleventh and twelfth grades it is recommended that it be placed for one semester with one-half unit credit in the tenth grade.

Objectives

A. General

1. To develop a knowledge of the world as an industrial community through the contributions of science, inventions, commerce, and the art of language.
2. To develop an understanding of how interdependence of peoples and world trade grow out of differences in natural environment, and out of different ways of utilizing similar environments.
3. To provide an understanding of how the economic contributions of various peoples are related to their natural environment.
4. To provide information which will make the individual an intelligent participant in the production and consumption of economic goods of the various regions and areas of the world.

B. Specific

1. To increase the knowledge of the pupil regarding place geography, physical features of the earth, and hemispheric divisions.
2. To provide information about the physical factors of the environments of various peoples such as rainfall, temperature, natural resources, and trade barriers which affect the level of development of peoples.
3. To develop an understanding of the problems of conservation of both human and natural resources and their influence on technological development.
4. To create an understanding of the various methods by which products are extracted from the earth and made available to manufacturers and consumers.

5. To develop an appreciation of the value of a study of economic geography in a business occupation.
6. To create interest in reading current literature on economic geography for the purpose of understanding events of significance around the world.
7. To develop the ability to read maps, graphs, and charts.

Course Content

- A. **Introduction**
 1. The field of economic geography
 2. The human factor in economic geography
- B. **Food products—their production and distribution**
 1. Cereals, plant products, animals, beverages, sugar
 - a. Types and quantities
 - b. Regions of production
 - c. Exports and imports
- C. **Natural resources and industrial production**
 1. The occupation of farming
 - a. Agricultural lands, utilization of agricultural lands, climate factors in agriculture, resettlement programs, agricultural advancement
 - b. Types of agriculture, agricultural regions, nomadic herding, livestock ranching, grain farming, dairy farming, etc.
 - c. Commercial fiber culture: cotton farming, silk culture, jute farming, manila-hemp farming
 2. Forest and forest industries
 - a. Forests: the northern coniferous forests, southern pine
 - b. Forest industries: lumbering, principal centers of forest exploitation, world lumber trade, wood pulp, furs
 3. The occupation of mining
 - a. Non-metallic mineral building material
 - b. Precious metals and stones
 - c. Minerals
 - d. Coal, petroleum, gas
 4. Manufacturing
 - a. Types and distribution of factories
 - b. Iron and steel industries
 - c. Ship building, agricultural implements, furniture
 - d. Automobile and aircraft industries
 - e. Textile industries
 - f. Meat packing and flour milling
 5. The occupation of fishing
 - a. Importance, types, and location of fisheries
 - b. Commercial fresh water and coastal fisheries
 - c. Oyster cultivation
 - d. Fish canning and fish products
 6. Transportation facilities and trade
 - a. The trade of the local community with nearby and distant points
 - b. Trade relations of the United States with South America
 - c. Silk trade with Japan
 - d. Trade and commerce with Europe
 - e. Trade and commerce with Canada
- D. **Man-made factors of the environment**
 1. Living standards changed by industry or the machine age
 2. Chief sources of electrical power—its production and distribution
 3. Effects of electrification of farm areas upon standards of living
 4. Soil conservation
 5. Forest preservation and game preserves

Important Considerations

A. Field Trips

1. Field trips should be of two kinds: (1) those dealing with physical features of the land, and (2) those dealing with economic activities. Too much time should not be spent in making field trips.
2. Field trips should supplement and reinforce classroom experiences; therefore, they should immediately follow the study under consideration.
3. Thorough planning should precede and a careful check-up should follow the field trip.
4. Field trips should provide new experiences and help the pupil to fix classroom study firmly in his mind.

B. Visual Aids

1. Films

The following suggested films may be rented from the University of Kentucky, Bureau of Audio-Visual Materials, Department of University Extension, Lexington 29, Kentucky:

- a. Conservation of Natural Resources, \$1.50
- b. Our Earth, \$1.50
- c. The Development of Transportation, \$1.50
- d. Rain for the Earth, 50 cents
- e. Alaska—Reservoir of Resources, \$1.50
- f. A Heritage We Guard, \$1
- g. The Grain That Built a Hemisphere, 50 cents
- h. The Amazon Awakens, \$1.50
- i. Oil from the Earth, 50 cents
- j. Lifeline of the Nation, \$1

2. Graphs

Important statistical data can be understood much more easily when presented in graphic form. For example, a comparison of the world wheat production can be illustrated by the "pie chart." Pupils should be encouraged to keep note-books in which graphs, pictures, and other materials are filed.

3. Outline maps

Use these maps to show location of important mineral deposits, industrial centers, farming areas, shipping ports, etc.

4. Exhibits

Exhibits of industrial and commercial products provide ideal devices for teaching economic geography. These include collections of raw materials and in many cases all processes of manufacturing are shown.

5. Globes

Globes at least fifteen inches in diameter will provide visual aid that reveals many facts and relationships.

C. Tests

The types of tests that may be used in economic geography are objective, essay, and problem. Essay tests require complete answers in statement form. Knowledge of facts, determination of learning progress, and development of skill can best be measured by objective tests. Sample tests may be secured from companies publishing economic geography textbooks and workbooks.

Laboratory Materials

Economic geography needs a large amount of supplementary class-room materials. Charts, trade pamphlets, maps, atlases, and globes are available for use in the course. Some of the materials may

be obtained free of charge from the Superintendent of Documents, Government Printing Office, Washington, D. C.

Community Resources

The local community will provide a valuable source of materials and aids. Local merchants and alumnae can often secure samples of various products, and they will co-operate with the class by lending their advertising materials, such as exhibits and charts. Many times other faculty members are able to donate materials. Each pupil, when aroused to enthusiasm, is the best source of supplies. Much valuable information concerning local and state industries can be secured from a representative or senator. Kiwanis, Rotary, or other civic organizations can give information and aid by suggesting possible sources of materials. Local residents who have been on tours may have pictures, souvenirs, and bulletins which they will lend the class for temporary exhibits.

Evaluation

1. The pupil may make a scrapbook which will serve as a means of determining his initiative in assimilating current data. This gives an insight into his interests and measures his attitude with regard to certain phases of the course.
2. A report that the pupil made in class will show his ability to choose material and his use of grammar.
3. By use of a workbook the progress of the pupil and his ability in the interpretation of subject matter can be determined.
4. By the administration of objective and achievement tests a measurement of the factual knowledge of the pupil can be determined.
5. By means of demonstration the pupil can construct maps, graphs, and charts to illustrate economic facts and their relation to trends and other current data.

B. Teachers Manual

Teachers' manuals may be secured from publishers of textbooks.

C. Workbooks

Workbooks in economic geography may be secured from the following:

1. Allyn & Bacon, New York
2. American Book Company, New York
3. Gregg Publishing Company, New York
4. Henry Holt & Company, New York
5. Iroquois Publishing Company, Syracuse
6. The J. B. Lippincott Company, Philadelphia
7. South-Western Publishing Company, Cincinnati

The National Geographic Society publishes thirty weekly issues of *Geographic School Bulletins* containing articles and illustrations for school use.

Suggested Reference Bibliography

A. Pupils

Abrams, W. W., and Thurston, E. L., *World Geography*, Iroquois Publishing Company, Syracuse, New York, 1937.

Case, E. E., and Bergemark, D. R., *Modern World Geography, Economic and Social*, The J. B. Lippincott Company, Philadelphia, 1938

- Colby, Charles S., and Foster, Alice, *Economic Geography*, Ginn and Company, Atlanta, 1940
- Martin, M. D., and Cooper, E. C., *The United States at Work*, The D. C. Heath Company, New York, 1938
- Packard, L. O., Sinnott, C. P., and Overton, Bruce, *The Nations at Work, An Industrial and Commercial Geography*. The MacMillan Company, New York, 1939
- Ridgley, Douglas, C., and Ekblaw, Sidney E., *Influence of Geography On Our Economic Life*, The Gregg Publishing Company, New York, 1943
- Smith, J. Russell, *Men and Resources, North America and Its Place In World Geography*, Harcourt, Brace, and Company, New York, 1939

B. Teacher

1. Books

- Beals, Carleton, *America South*, J. B. Lippincott Company, Philadelphia, 1937
- Beals, Carleton, *Banana Gold*, J. B. Lippincott Company, Philadelphia, 1932
- Burrill, Meredith F., "The Teaching of Economic Geography," National Commercial Teachers Federation, Sixth Yearbook, (1940)
- Lane, David J., and Wolff, David, *Reviewing Economic Geography*, Amsco School Publications Company, 373 Fourth Avenue, New York, 1939
- Tomlinson, Edward, *New Road to Riches in the Other Americas*, Charles Scribner's Sons, New York, 1939
- Van Cleef, Eugene, *Trade Centers and Trade Routes*, D. Appleton Century Company, Inc., New York, 1937

2. Periodicals

- Geographical Review*, The American Geographical Society of New York, Broadway at 156th Street, New York
- National Geographic Magazine*, the National Geographic Society, Washington, D. C.
- Economic Geography*, Clark University, 44 Portland St., Worcester, Mass.
- Journal of Geography*, A. J. Nystrom and Company, 333 Elston Avenue, Chicago
- Minerals Yearbook*, Bureau of Mines, United States Department of the Interior, Washington, D. C.

3. Magazine articles

- Boynton, Paul M., "Suggested Course of Study in Economic Geography," *Journal of Business Education*, Vol. XXI, No. 1, (September, 1945)
- Boynton, Paul M., "Supplementary Materials for War and Postwar Geography and Economics," *Balance Sheet*, Vol. XXVI, (January, 1945)
- Engelhardt, N. L., Jr., and Smith, Frances Avers, "A Revolution in Transportation," *Business Education World*, Oct., 1943
- Hume, Sara R., "What Is Happening to Geography?" *Balance Sheet*, Vol. XXV, February, 1944
- Mansley, Walter E., "The Teaching of Commercial Geography and Its Social Implications," *American Business Education*, Vol. II, December, 1945
- McBurney, R. H., "Making Economic Geography Interesting," *Balance Sheet*, Vol. XXVII, November, 1945

bas
wh
tio
sal
rig
sti
log

bus

A.

B.

Chapter XIII

BUSINESS LAW

Every pupil who follows a business curriculum should have a basic knowledge of the principles of law, whether he intends to enter what is usually termed a business career or to choose some other vocation. Everyone encounters such phases of business as insurance, notes, sales, and ownership of property; therefore, he needs to know the rights, duties, and obligations involved. Business law serves as a stimulus to mental growth by developing the power of analysis and logical reasoning.

In order best to meet the needs of the pupils, it is suggested that business law be offered for one semester in the twelfth grade.

Objectives

A. General

1. To create an understanding of the processes by which law comes into being and the necessity for a constantly evolving system of laws under a democratic system of government.
2. To develop a sense of justice in business dealings as well as in personal relationships and a willingness to accord others the same rights which are desired for ourselves.
3. To contribute to a high ethical standard of business conduct in which the operation of law plays little part, except to protect the individual against the transgressions of others.
4. To create an appreciation of law as an instrument of protection of the weak against the strong and of the necessity for law enforcement in this protection.
5. To contribute to a better understanding of the meaning of legal words and phrases and other business terms which the pupil will encounter either in business or personal affairs.
6. To develop the ability to recognize business problems which require the services of a lawyer and those which the individual can solve without such assistance.
7. To create a sense of caution which makes the pupil aware of the danger of signing business papers without careful analysis and understanding.
8. To make a contribution to good citizenship through an understanding of current affairs which have legal implications.

B. Specific

1. To provide an understanding of the place, function, and purpose of law as an instrument of public control.
2. To develop an understanding of the procedures of constitutional and statutory law, how they came into being, and the limitations of such laws by customs and ideals of a people.
3. To create the ability to recognize situations in which laws are involved and to act in such manner as to protect the individual's interests.

4. To develop an understanding of the principal elements in a valid contract as well as how it is created and terminated.
5. To provide a knowledge of the laws of the state which are of primary interest to business people.
6. To develop a knowledge of rights and laws relative to the sale and acquisition of real and personal property, the method of transfer and the obligations involved in such transfer.
7. To provide an understanding of the various types of business enterprises and the laws which govern their formation, operation, and dissolution.
8. To teach the pupil to recognize situations which involve the law of bailments, the care which must be exercised in the various types, and the liabilities when such care is not exercised.
9. To develop an understanding of laws governing the various types of insurance, property, life, and liability; and also the ability to read insurance policies with sufficient understanding to be able to protect the rights of the policyholder.
10. To develop an understanding of the relationship of principal and agent, as well as when the relationship begins and ends.
11. To provide information about negotiable instruments which will enable the parties to such instruments to recognize their rights and obligations.
12. To develop the ability to distinguish between those situations which involve a legal obligation and those which involve a moral obligation and the ability to act in accordance with sound ethical principles.
13. To teach the pupil the nature and responsibility of guaranty and suretyship.

Content

- | | |
|------|--|
| Unit | I. Introduction <ol style="list-style-type: none"> A. Meaning and development B. Importance of law |
| Unit | II. Contracts <ol style="list-style-type: none"> A. Definition B. Classes of contracts in terms of: <ol style="list-style-type: none"> 1. Form 2. Formation 3. Performance 4. Validity C. Essential elements of a contract <ol style="list-style-type: none"> 1. Agreement <ol style="list-style-type: none"> a. Offer b. Acceptance 2. Consideration 3. Competent parties 4. Legality of object 5. Reality of assent 6. Formation of contracts D. Forms of agreement <ol style="list-style-type: none"> 1. Statute of frauds 2. Agreements required to be in writing E. Operations of contracts <ol style="list-style-type: none"> 1. Rights and obligations of the parties 2. Assignment F. Remedies for breach of contract G. Termination of contracts <ol style="list-style-type: none"> 1. Agreement 2. Performance 3. Operation of a law |

- 4. Impossibility
- 5. Breach

- Unit III. Negotiable Instruments
 - A. Essentials and forms of negotiable instruments
 - B. Liabilities of the parties
 - C. Negotiation
 - D. Holder in due course
 - E. Presentment and demand for payment
 - F. Dishonor and protest
 - G. Rights of the parties
- Unit IV. Guaranty
 - A. The relation of principal and surety
 - B. The relation of principal and guarantor
 - C. Rights, duties, and liabilities of the surety and the guarantor
- Unit V. Agency
 - A. Creation and termination of an agency
 - B. Kinds
 - C. Relation of principal and agent
 - D. Relation of principal, agent, and third party
- Unit VI. Personal Property
 - A. Characteristics of personal property
 - B. Sales
 - 1. Essentials of a sale
 - 2. Forms of sales
 - 3. Warranties
 - 4. Rights and duties of the buyer and seller
 - 5. Transfer of title of specific goods
 - 6. Transfer of title of unascertained goods
 - 7. Conditional sales and chattel mortgages
 - 8. Rights and duties of buyer and seller
 - C. Bailments
 - 1. Characteristic of bailments
 - 2. Types of bailments
 - 3. Rights and duties of bailor and bailee
 - 4. Innkeepers and bailees
 - 5. Carriers as bailees
- Unit VII. Real Property
 - A. Characteristics
 - B. Title to real property
 - C. Acquisition and disposition of real property
 - D. Relation of mortgagor and mortgagee
 - E. Limitations upon ownership
- Unit VIII. Employment
 - A. Relation of employer and employee
 - B. Creating and terminating the relation
 - C. Rights, duties, and liabilities of the employer
 - D. Rights, duties, and liabilities of the employee
 - E. Laws governing employer-employee relationships
- Unit IX. Business Organizations
 - A. Partnership
 - 1. Formation of a partnership
 - 2. The rights, duties, and liabilities of partners
 - 3. Dissolution of a partnership
 - B. Corporations
 - 1. Formation of a corporation
 - 2. Powers and management of a corporation

3. Capital stock
4. Rights, duties, powers, and liabilities of stockholders
5. Dissolution of a corporation

Unit X. Torts

- A. Definition
- B. Non-contractual obligations
 1. Assault
 2. Trespass
 3. Conversion
 4. Inducing the breach of a contract
 5. Slander
 6. Libel
 7. Unfair competition
- C. Negligence

Unit XI. Public Offenses

- A. Definition
- B. Classes
- C. Parties to crimes
- D. Responsibilities of parties
- E. Punishment
- F. Business crimes
 1. Arson
 2. Extortion
 3. Larceny
 4. Embezzlement
 5. Conspiracy
 6. Monopolies
 7. Swindles
 8. Forgery

Unit XII. Administration of the Law

- A. Systems and forms of law
- B. Tribunals for administering justice
- C. Procedures for administering justice

Teaching Procedures

It is suggested that business law be taught by a combination of the lecture, discussion, and case methods. The principles of business law should be presented through lecture and through discussion in which every member of the class is encouraged to participate. Many illustrations should be given and pointed questions should be directed to the members of the class who are slow to express their views or to take part in class discussions.

Case problems may be used effectively if pupils are asked to read them and give a discussion supported by the points of law involved. A mere answer of "yes" or "no" to a case problem should be discouraged. No decision in business law should be rendered until the pupils have studied thoroughly the principles of law involved and are able to justify their answer by stating them.

In the study of various documents, it is recommended that the students examine the actual papers for form, content, the legal implications.

stockholders

If a workbook is used to supplement the text, it is suggested that the pupils be permitted to employ it as a study guide in preparing daily assignments.

Evaluation

By the administration of objective achievement tests a measurement of the factual knowledge of the pupil can be determined.

A case problem in which the pupil is required to justify his answers affords an excellent means of measuring the pupil's ability to apply the principles of law to real situations.

It is also recommended that brief unannounced quizzes covering daily assignments be given at frequent intervals.

References

A. Teacher

- Bays, A. W., *Cases and Materials on Business Law*, Callaghan and Company, Chicago, 1927.
- Ballantine, H. W., *On Corporations*, Callaghan and Company, Chicago, 1930.
- Brown, R. A., *Treatise on the Law of Personal Property*, Callaghan and Company, Chicago, 1936.
- Haynes, Benjamin R., Broom, M. E., and Hardaway, Mathilde, *Tests and Measurement in Business Education*, South-Western Publishing Company, Cincinnati, 1940.
- Herbert, A. P., *The Uncommon Law*, Doubleday, Doran and Company, Inc., Garden City, New York, 1938.
- Spencer, William H., *A Textbook of Law and Business*, McGraw-Hill Book Company, New York, 1938.

B. Pupil

- Brannan, J. D., *Negotiable Instruments Law*, W. H. Anderson and Company, Cincinnati, 1932.
- Chapin, H. G., *Handbook of the Law of Torts*, West Publishing Co., St. Paul, 1917.
- Clark, W. L., *Handbook of the Law of Contracts*, West Publishing Co., St. Paul, 1916.
- Elliott, C. B., *On Bailments*, Callaghan and Co., Chicago, 1936.
- Fredbourg, A. W., and Stein, David G., *Judge for Yourself*, The Vanguard Press, New York, 1935.
- Hyman, D., *It's the Law*, Doubleday, Doran and Company, Inc., Garden City, New York, 1936.
- Spencer, William H., *A Textbook on Law and Business*, McGraw-Hill Book Company, New York, 1938.
- Sterns, A. A., *Law of Suretyship*, The W. H. Anderson Company, Cincinnati, 1934.
- Vold, Lawrence, *Handbook of the Laws of Sales*, West Publishing Company, St. Paul, 1931.
- Zane, J. M., *The Story of Law*, Garden City Publishing Company, Garden City, New York, 1935.

Magazines

- Freeman, M. Herbert, Lloyd, Alan C., Leslie, Louis A., and Rosenberg, R. Robert, "Join the Jury," *Business Education World*, XXVII (January, 1947), pp. 280-83.

- Garcia, Elbert E., "Today's Students Are Future Property Buyers," *Balance Sheet*, XXIX (October, 1947), pp. 56-57.
- Miller, A. A., "The Need and Value of the Study of Commercial Law," *Balance Sheet*, XXVIII (March, 1947), p. 292.
- Roberts, Julian and Gould, Sidney C., "A Business Law Assembly Program," *Journal of Business Education*, XXII (April, 1947), pp. 21-22.
- Rosenberg, R. Robert, "Multiple-choice Questions in Business Law Tests," *Business Education World*, XXVIII (September, 1947), pp. 39-41.
- , "A Final Exam in Business Law," *Business Education World*, XXVII (June, 1947), pp. 596-98.
- , "Single-answer Questions in Business Law Tests," *Business Education World*, XXVIII (November, 1947), pp. 160-61.
- Simon, Sidney I., "A Term Project in Commercial Law," *Balance Sheet*, XXVIII (January, 1947), pp. 206-07.
- Slaughter, Robert E., "Courses of Study in Social Business Education," *American Business Education Yearbook*, IV (1947), pp. 257-78.
- Smith, Ethel Beatty, "Teaching Aids: Picture Stories," *Business Education World*, XXVIII (December, 1947), pp. 212-13.

erty Buyers,"

ercial Law,"

w Assembly
il, 1947), pp.

usiness Law
r, 1947), pp.

ation World,

s," *Business*
61.

w," *Balance*

Education,"
pp. 257-78.

usiness Edu-

PERRY PUBLISHING COMPANY
FRANKFORT, KENTUCKY
PRINTERS TO THE COMMONWEALTH OF KENTUCKY

LIBRARY
UNIVERSITY
E
V
378
419
1541