From teaching economics as a subject to entrepreneurial competencies in the Post-Soviet countries

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Abstract
Transition from the Soviet type of economy to a new market system showed the necessity in reforms at the secondary school level. Based on a literature review, this paper aims to reveal how the thinking about teaching economics has changed over the past three decades (1991-2021), and how this has affected teaching economics as a school subject in the Post-Soviet countries. The article illustrates these with the cases of Russia and Kazakhstan. For this paper, a narrative literature review methodology was adopted and scanned studies included only those published in English and Russian.

Keywords: teaching economics, entrepreneurial competencies, Post-Soviet countries

1. Introduction and context
Following the collapse of the Soviet Union, parallel to the establishment of the capitalist economy, education shifted from teaching economics to some interested students to developing entrepreneurial competencies of all students.

The education system and, in particular, economic education in the countries of the former Soviet Union was “designed to provide specialists for the planned economy” (Osipian, 2004, p.3). An extensive system of secondary schools for vocation and technical education and training operated in the country (Zajda, 1979). These schools provided knowledge and skills accordingly to the logic and requirements of the Soviet labour market, the main goal of which was to prepare human resources for the planned economy – a large number of workers with incomplete professional skills and mid-level technical staff for numerous industrial and agricultural enterprises (Faudel, 2006). Moreover, in the Soviet Union, almost the entire population did not possess private property, there were no individual entrepreneurs, people worked only for the state through hired labour, and it was not possible, and even necessary to imagine other ways of earning money.

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(Altunina, 2019). Schools following the state political ideology prepared “good Soviet citizens” educating in students such values as “loyalty, hard work and respect for learning” whereas such competencies as “critical thinking and decision making” were not developed (Elder, 1998, par. 2). The economic education of young people was also limited by realization of the state interests in the field of industrial and agricultural production. As stated in Elder (1998), “Economically literate” students were those who understood and accepted the economic roles of citizens and state as decreed by communist ideology” (par. 2).

The changes in the political-economic system resulted in the reinterpretation of values, as well as the appearance of new competencies (including knowledge, skills and attitudes). The population of former Soviet countries had a different attitude to private finances and private ownership that was different from one of the Western capitalist countries (Kozhabergerova & Kopp, 2021). The leading role in teaching economic theory in Soviet times was played by the Marxist political economy. Socialist society strived to establish communism, which is characterized by communal ownership of goods, no competition, and no private property (Marx & Engels, 2004), and excluded commodity money relations and the possibility of personal enrichment by appropriating someone else’s unpaid labour (Atsyukovskiy, 2014). These features contradict to conditions of the market economy based on private ownership, private property, privately owned capital, private initiative, and competitiveness (Samuelson, & Nordhaus, 2010). The transition from the Soviet type of economy to a new system showed the necessity in reforms at the school level (Faudel, 2006) and “change in economic instruction from Marxist political economy to Western economics” (Osipian, 2004, p.3).

This is also supported by studies revealing that the gap in the level of economic and financial literacy between advanced capitalist countries and former Soviet countries is still noticeable. According to the 2014 Standard & Poor’s Global Financial Literacy Survey (Klapper, Lusardi, and Van Oudheusden, 2015), the number of financially literate adults aged 15 and above in the Post-Soviet countries (e.g., Kazakhstan – 40%, Russia – 38%) was almost twice less than in the countries with developed and advanced economies, such as Denmark, Norway, and Sweden with 71% of the financially literate population.

Based on a literature review, in this paper we aim to reveal how the thinking about teaching economics has changed over the past three decades (1991-2021) and how this has affected teaching economics as a school subject in Post-Soviet countries. We illustrate these with the cases of Russia and Kazakhstan.

There are several types of literature reviews and different approaches to their implementation. For the paper, we used a narrative literature review methodology and scanned studies, including only those published in English and Russian.

2. Teaching economics and entrepreneurial competencies
This chapter shortly presents the situation and changes in teaching economics and entrepreneurial competencies in general in the world.
There is a significant number of studies focusing on the historical perspectives of teaching economics as a subject: they have revealed that the appearance and development of economics as a subject is related to the development of the market economy (Szreter, 1961). Since the market economy did not develop in the Soviet Union, economics as a subject also did not appear in their curriculum.

According to Szreter (1961), economics as a subject was introduced in schools earlier than in universities. In 1805 political economy was taught to the cadets at Haileybury College, whereas Oxford, Cambridge and the University of London “established chairs in the subject” only in the 1820s (Szreter, 1961, p. 21). As stated by Parrish (1967), in USA colleges and universities, the political economy started being taught as a separate subject after the 1870s. Whereas, in Russia (that included Kazakhstan in those times), economic education for schoolchildren was introduced into the school curriculum during the Soviet period in the 1920s as a part of labour education, which in turn was a part of the communist education (Garmanova, 2013).

Some studies focus on the teaching of economics as a subject in the curriculum of secondary and high schools: as separate disciplines “Economics” and “Business economics”, both compulsory and optional, in the USA (Walstad & Watts, 2011); economics and business studies as an options for the students aged 14-18 in the UK (Ofsted, 2011); “Civics” and “Home-economics” (Grades 7-9), “Contemporary society”, “Politics and Economics” and “Commerce” (Grades 10-12) in Japan (Yoshino, Morgan, & Wignaraja, 2015); as part of the social studies course in the elementary and middle school and as a separate elective course in Korea (Jang, Hahn, & Park, 2014). According to the literature, in the Post-Soviet countries, school economic education is presented mostly as optional “Economics” subject in curriculum of secondary and high school. This is going to be elaborated on in Chapter 3.

As noted in the literature, entrepreneurship is recognized as a strong driver of sustainable economic growth, innovation, and competitiveness, an important component of contemporary economy and economic development in every country (Harper, 2003; Acs et al., 2008; Illés, Dunay & Jelonek, 2015). Entrepreneurial competencies are commonly considered as special skills that are necessary for effective entrepreneurship, for instance, as noted in Mitchelmore and Rowley (2010), entrepreneurial competencies are “a specific group of competencies relevant to the exercise of successful entrepreneurship” (p. 93). Some authors distinguish risk-taking as significant competency for a successful entrepreneur (Wagener et al., 2010; Makhbul, 2011; Estay et al., 2013). In the opinion of Schneider and Albornoz (2018), the development of entrepreneurial competencies refers not only to skills and knowledge but also to “change of the ego, motives and traits, characteristic adaptations and identity” (p. 15). However, there is no comprehensive unified list of entrepreneurial competencies agreed upon by the world education society (Mitchelmore & Rowley, 2010; Glackin et al., 2017). Besides, there is no consensus on “whether entrepreneurs are born... or entrepreneurial skills can be taught” (Henry et al., 2005; Kirby, 2004; Glackin et al., 2017). However, as cited in
Kyndt & Baert (2015), according to some authors such as Volery et al. (2015), and Wagener et al. (2010), entrepreneurial competencies are associated with the competencies that are “changeable, learnable and attainable through experience, training or coaching” (p. 14). Hence, the idea that entrepreneurial competencies can be taught is supposed in the works of different authors (Kuratko, 2005; Dickson et al., 2008; Bartulović & Novosel, 2014; Glackin et al., 2017). According to Leffler (2009), in schools, entrepreneurship education is mainly regarded and designed as additional or extracurricular activities and realized in form of students’ projects.

3. Teaching economics and development of entrepreneurial competencies in the Post-Soviet Russia and Kazakhstan

This chapter presents teaching economics and development of entrepreneurial competencies at secondary schools on the example of the two biggest Post-Soviet countries (regarding territory) – Russia and Kazakhstan.

During the Soviet period introduction of economic education in Kazakhstani schools had similar path as that of Soviet Russia, since there was a centralized educational policy coordinated by Moscow (Pak, 2010). According to Garmanova (2013), the school economic education in Russia may be presented by two big periods – the Soviet period and the modern time. During the Soviet period (the 1920s-1980s, during which period Kazakhstan was part of the country) school economic education for students in Russia was presented as: 1) topics in the cycle of Social studies such as “History”, “Economic Geography”, “Basics of Soviet State and Law”; 2) separate economics-related subjects – optional/extracurricular courses such as Basics of economics of socialist industry, and Basics of socialist agriculture; 3) communist labour education that contained topics about economy and production organization (Garmanova, 2013). Besides mentioned subjects, school economic education was implemented through the discipline “Obschestvoznanie” (science of society). This course combined topics dedicated to history, law and economics (Mikheeva, 2010).

In the modern period (from the 1990s), similar paths of development of school economic education in Russia and Kazakhstan began gradually diverge.

Russia

In Russia, from the 1990s, school economic education was manifested in: 1) teaching the basics of economics in secondary school subjects such as “Economic Geography”, “Obschestvoznanie” (“Social Studies”), “History”, “Economics”, and extracurricular economics courses; 2) economic education as a part of labour education; 3) courses in the organizations of additional education (Alekseeva, 2003).

According to the literature, the course “Economics” as a separate subject was introduced in secondary schools at the beginning of the 1990s (Mikheeva, 2010; Moskvina and Snurnitsyna, 2018). In their study, Moskvina and Snurnitsyna (2018) attribute this to the start of work of various organizations, in particular, such as the Interregional Public Organization "Junior Achievement Russia", which began its work in...
1991 and introduced various courses in the areas of "economics and management". At present, the organization's main aim is the education of economically literate young people who are ready for active and successful work in various sectors of the economy. Along with this, in the 1990s, another non-profit organization "International Centre for Economic and Business Education" started its work in Russia. This organization issued new educational and methodological complexes and trained teaching staff in the field of financial and economic education. According to Mikheeva and Zhurkina (2019), in 1994-2008, a project “Teaching economic and business disciplines in secondary schools, technical and general universities” was coordinated and implemented by Russian Higher School of Economics (HSE). The directions of this project included training and retraining of economics teachers, development of teaching aids and textbooks, and creation of regional professional organizations of teachers of economic disciplines. The work of these organizations led to the creation of several textbooks: Lipsits “Economy without secrets” (1993); Lyubimov, Ranneva “Basic of Economic Knowledge” (1997); Avtonomov “Introduction to Economics” (1998); Ivanov “Basic of Economic Theory” (1999) (Kuznetsova, 2006; Mikheeva, 2010; Moskvina and Snurnitsyna, 2018).

Today, economic education in Russia is mostly represented by the course “Economics” in high school that is taught as a separate subject at the basic and profile levels, but it is not a compulsory discipline (Kuznetsova, 2006; Romanova, 2015). As noted in Egorov, Subbotin and Sizova (2015), in Russian education economic training at school level can be implemented throughout all the years of study in accordance with the following steps:

1. Primary economic education – acquaintance with economics on a preparatory level, elementary concepts in Grades 1-6.
2. General economic education – implementation in basic curriculum of all schools including those with economic and financial profiles in Grades 5-11;
3. Third stage economic education – optional implementation in comprehensive secondary schools in Grades 10-11 and compulsory implementation in secondary specialized schools such as lyceums, colleges, etc. (Egorov, Subbotin & Sizova, 2015).

Meanwhile, as noted in the literature, there were several attempts and experience in teaching the basics of business and entrepreneurship but such work was not always systematic more often there was a single successful experience (Kalinina & Topeshkina, 2007), and mainly at the higher level of education in the pre-professional and professional training: for instance, elective course programmes “Basics of Business and entrepreneurship” by Lipsits and “Basics of entrepreneurship” by Simonenko (Trusova, 2012).

In 2008 by the initiative of several Russian universities Russian Association of Entrepreneurship Education was created, and its major goal was development of educational materials for teaching entrepreneurship at secondary vocational education, undergraduate, graduate and postgraduate programmes (Pesotsky, Grigorieva, & Chistova, 2021). However, according to Pesotsky, Grigorieva, and Chistova (2021), this
initiative was not successful since only “few universities of the country implement the model of “entrepreneurial university”’” (p. 967). As stated in Ponyavina (2018), today, entrepreneurial education for secondary school children is implemented by private specialized business schools and organizations such as Kinder MBA, Matrix career, Kidburg, Kidzania, etc. However, entrepreneurship education at a secondary and high school level in Russia is still developed without the participation of the state (Ponyavina, 2018).

**Kazakhstan**

In Kazakhstan economics as a separate subject in schools began appearing only during the period of independence after 1991. In 1994, the Public Fund "Junior Achievement Kazakhstan" was established (USAID, 2005). The main purpose of this program was to develop entrepreneurial spirit and business skills among young people. Since 1996, general education schools had been developing and implementing programmes of the Public Fund “Junior Achievement Kazakhstan” on economic and business education for schoolchildren through partnerships between educational institutions and business structures. The programmes were focused on seven key areas: economics, entrepreneurship, business, ethics, financial literacy and career development skills. In addition to providing educational programmes and materials, the Public Fund “Junior Achievement Kazakhstan” conducted workshops and seminars for economics teacher educators and economics teachers, organized school fairs, economics Olympiads for schoolchildren and conferences for economics teachers (USAID, 2005; Shestel, 2017).

According to Shestel (2013), in 2010-2011, the optional course “Basics of economics and financial literacy” was introduced in secondary schools for Grades 4-11. The programme of this course was developed in 5 versions:

1) short 17-hour course in Grades 4-6 (half a year, 1 hour/week)
2) short 17-hour course in Grades 7-9 (half a year, 1 hour/week)
3) 34-hour course in Grades 5-9 during (1 year, 1 hour/week)
4) 34-hour course in Grades 10-11 (1 year, 1 hour/week)
5) professionally oriented 68-hour course in Grades 10-11 (1 year, 2 hours/week) (Shestel, 2013)

Along with this, according to the address of the first President to the people of Kazakhstan “Third Modernization of Kazakhstan: Global Competitiveness” (2017), one of the priority directions of the country’s development was effective employment and growth of business activity with improvement and expansion of business environment. In order to implement these objectives new school subject “Basics of entrepreneurship and business” was introduced in Grades 10 and 11 in 2019 (GOSO, 2018). This course consists of 68 lessons during 1 school year including 30% of theory and 70% of practice. The programme of the course includes theoretical lessons, practical tasks in the form of a game, analysis of business cases, and business games (NCE RK, 2019).
Conclusion
Conducted analysis of the literature allows us to conclude that teaching economics continues to develop in schools in the Post-Soviet countries. For the last three decades, in particular, economics has been introduced as a separate school subject, and methodological discussions are underway on approaches to teaching this subject in schools. In the course of the discussion among researchers, there are more and more supporters of a professionally oriented practical approach instead of the theoretical one. As a result, there is an understanding of the need to develop entrepreneurial competencies in the course of teaching economics.

In conclusion, summarizing the main features of teaching economics as a subject in Post-Soviet countries:

- Russia and Kazakhstan have followed two separate paths when it comes to teaching economics: according to the literature, in the case of Russia the practice is more colourful, while in Kazakhstan it is more homogeneous.
- An important difference between the two countries is that entrepreneurial competence development concept appears in the Kazakhstani educational policy documents whilst in Russia according to the literature the state does not participate in school entrepreneurial education and it is implemented through private business schools and organizations.
- In both countries the teaching of economics has changed significantly after the communist times, they tried to give response to the new challenges.

However, the literature analysis showed that majority of studies were focused on experience of one country, therefore it would be valuable to conduct further research in a comparative aspect.

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