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THE ECONOMIC LITERACY AMONG THE CHINESE HIGH SCHOOL STUDENTS (PART 1)

In today's society, mankind is at a turning point in the context of the fourth industrial revolution and changes in new technologies and production models, which is raising a higher requirement for future labour. In this article, we look at the economic facets of basic education in China, since the mindset of young people is vital to developing a prosperous and better future civilization for mankind. The main topic of our paper is to analyze the economic literary level of the average high school students to assume how they can react and make a contribution to the coming fourth industrial revolution and the future civilization. The research relies on the materials of Chinese high school students' actual textbooks related to the Fourth Industrial Revolution and Economics, and the book *The Future of Humanity: Global Civilization and China's Rejuvenation* by Professor Jin Zhouying. During the process of research, we found that, on the one hand, basic economics knowledge during the middle school period is helpful to students' daily life. On the other hand, some of the economics knowledge learned by middle school students cannot catch up with the trends and the texts are scattered in different subject textbooks. Therefore, due to innovative knowledge of youth, the relevant high school economics textbooks should be more keeping up with the times and provide more systematic and professional economic knowledge.

INTRODUCTION

Over the centuries, the industrial revolution has made an unparalleled contribution to the progress of human civilization. However, it has been neglected that soft technologies are the force that will ultimately drive the industrial revolution and "the engine of human social progress" [Jin Zhouying, 2016]. In today's society, humanity is at a turning point in the context of the Fourth Industrial Revolution and the transformation of new technologies and production models. Following the previous three Industrial Revolutions, we realized that it is not enough to simply improve the growth of industries; we desperately need a great society in order to progress sustainably in the future and to bring forward the best way to turn our civilization to a greater position, on the level of human

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civilization, and even on global civilization. Taking China as an example, the country has now surpassed the global level in technological growth and is a fast-developing country. As the representative of Eastern civilization, it offers a moral philosophy thinking that can be used to guide future civilization. The most profound change in society is dependent on people's ideas and practices because if we try to change the emergence of a civilized social environment, develop people's civilized minds and spirits, or take a set of acts conducive to the future civilization, it all comes down to people. In this article, we will look at the economic facets of basic education in China, since the mindset of young people is vital to developing a prosperous and better future civilization for mankind. By taking a closer look at the current state of basic education, we need to come up with a unique model of basic education for them and prepare them to become more creative potential in the context of the Fourth Industrial Revolution.

The main topic of our paper is to analyze the economic literary level of the average high school students to assume how they can react and make a contribution to the coming fourth industrial revolution and the future civilization. What is more, now we are at the turning point of making our way to the future civilization for both China and the global world. A connected global, sustainable and creative civilization is prospective and education is a primary factor of promoting that great civilization be achieved, thus, we need to dig into the economic life of the high school students who are the main labourers and future makers in the fourth industrial revolution period. Generally speaking, for young people, knowledge of economics is the main reason for classrooms in schools. Therefore, the economic teaching part of China's basic education is extremely important to our research. In China's basic education system, elementary schools account for six years, and junior high and high schools account for three years. On average, Chinese teenagers enter the high school from the age of fifteen. The two compulsory subjects of Politics and History contain a lot of enlightenment knowledge in economics (the rest of other compulsory subjects in high school are Mandarin Verbal, Mathematics, English or Japanese depending on the language the students choose for the college entrance examination, Geography, Physics, Chemistry and Biology). Due to the unified national college entrance examination, although the textbook versions are not completely the same in various regions in China, the overall knowledge system and framework tend to be consistent. In this paper, we will take the high school students in China as an example to analyze their economic literacy to see if they will behave well in the coming turning point of the fourth industrial revolution and the sustainable future civilization.

In this article, we have used the textbooks of Chinese high school students studying history and politics as a basis, combined with the book *The Future of Humanity: Global Civilization and China's Rejuvenation* by Professor Jin

Zhouying, and searched for relevant data, news reports, and literature. Through the study, we found and demonstrated that the current literacy level of high school students, as future workers in China, about the economy and the Fourth Industrial Revolution, in order to infer the future role of this group in promoting China's sustainable development, the Fourth Industrial Revolution, and the future global civilization. In addition, we envision the future of global civilization and call on people to achieve a great civilization through education, persuasion and other means.

METHODOLOGY:

The research materials in this article are Chinese high school students and economics, actual textbooks related to the Fourth Industrial Revolution, the book *The Future of Humanity: Global Civilization and China's Rejuvenation* by Professor Jin Zhouying, and graph information related to China's economic development. The research objects of this article are mainly ordinary high school students in China. Through the knowledge of economic knowledge and the degree of preparation for the fourth industrial revolution by ordinary high school students in China, we can speculate on China's future labour in the fourth industrial revolution and future civilization Response and contribution. The research process of this paper is to evaluate the economic literacy of students by collecting the actual learning situation of students. Through the combination of Jin Zhouying's book and the challenges in China's economic development, achievements and future plans, he speculates on China's attitude and blueprints for great civilization and future civilization. At the same time, future civilization is also inseparable from globalization. We will analyze the content of *The Future of Humanity: Global Civilization and China's Rejuvenation* and related data to analyze the indispensable efforts we should use to achieve that great civilization and do well in the coming fourth industrial civilization.

BASIC INFORMATION ON CHINESE ECONOMICS LEARNING IN HIGH SCHOOL

Basic education in China is mainly composed of six-year elementary schools, three-year junior high schools and three-year high schools (divided into general high schools and vocational high schools). Among them, elementary and junior high schools belong to the nine-year compulsory education system. In 2020, the gross enrollment rate of high school in China was 91.2%, which was an increase of 4.2% compared with that rate in 2015. The main learning subjects of ordinary high schools are: Chinese, mathematics, English, physics, chemistry, biology, politics, history, geography, information technology, general technology, music, art, and physical education. At the same time, in the second year of high school, students

can choose to major in liberal arts or science. The main learning subjects of ordinary high schools are: Chinese, Mathematics, foreign language, Physics, Chemistry, Biology, Politics, History, Geography, Information Technology, General Technology², Music, Art, and Physical Education. At the same time, in the second year of high school, students can choose to major in Liberal Arts or Science. Among all the study subjects, the subjects closely related to economics are mainly Politics and History subjects. Politics and History subjects are the subjects that students are exposed to from junior high school. In high school, Politics and History have more space-related to economic studies. A case in point, in Political subjects, a quarter of the learning content is economics knowledge, and students also have a textbook dedicated to economics. The main learning materials are official textbooks, teacher's slides, related documentaries and recommended extracurricular books, such as *The Economic Naturalist & Microeconomics and Behaviors* (7th.) by Robert H Frank. The educational purpose of the basic knowledge of economics in the subject is to provide students with basic knowledge about the market operation and provide a reference for value judgment. For example, let students understand the reasons behind price fluctuations and the choice of investment and financial management of stock funds.

² High school general technology (GT for short) refers to a technology other than information technology, which is relatively broad, reflects basic and versatility, and is different from professional technology. It is widely used in daily life and has a broad transfer value for the development of students. Technology. For example, using simple tools to make a simple design of building structure, or a learning platform based on computer technology, organic combination of mechanical transmission and the application of a single-chip computer to make a simple robot.

Table 1 : Course schedule for high school students in a regular high school³

Weekly schedule					
session	Monday	Tuesday	Wednesday	Thursday	Friday
Morning self-study time					
Class 1	Politics	Physics	Chinese	Chemistry	Mathematics
Class 2	Chemistry	Mathematics	Mathematics	Physics	Chinese
Class 3	P.E.	foreign language	Information Technology	Politics	foreign language
Class 4	Chinese	History	General Technology	foreign language	Geography
Class 5	Mathematics	Chinese	Mental health (optional)	Biology	Physics
Noon break					
Class 6	Physics	Chemistry	foreign language	Mathematics	Biology
Class 7	foreign language	Biology	Music	Mathematics	Chemistry
Class 8	Geography	Research learning	Physics	History	Politics
Class 9	P.E.	Research learning	Individual-elective	Chinese	History
Class 10	Class meeting	P.E.	P.E.	P.E.	Class meeting

Data source: <http://www.sdzx.net/>

At present, there are four versions of the history textbooks reviewed and approved by the Ministry of Education in Chinese high schools: 1. People's Education Press; 2. People's version; 3. Yuelu edition; and 4. Da Xiang Publishing version. Among them, the most widely applicable version is the People's version. As for the political textbook in Chinese high school, except for Shanghai, where the Shanghai Education Press is used for high school politics textbooks, all high school students in the rest of China use the People's Education Press.

Regarding the history textbook, there is a total of eight chapters to illustrate the history of economics: the basic structure and characteristics of the ancient Chinese economy, the tortuous development of modern Chinese capitalism, exploration of China's Socialist construction road, changes in the life of modern Chinese historical society, Capitalist market going to the world, Roosevelt's New

³ In general, high schools in China, it usually runs from 7:30 in the morning to 6:30 in the evening, with a two-hour lunch break at noon and 45 hours at school. There are also most high schools that will add two to three classes of evening self-study after 7 pm on weekdays, or increase the time for supplementary lessons on Saturdays, but these arrangements are not mandatory by the Ministry of Education, and schools have the right to arrange additional supplementary lessons. (Generally speaking, students and parents will agree to the school's reasonable supplementary lesson requirements).

Deal and contemporary Capitalism, experiences and lessons of Soviet Socialist construction, the globalization trend of today's world economy; and here we focus on the world of economic globalization regards to Chapter 8. As for the contents in globalization part, we learned the establishment of the Bretton Woods system, the establishment of the direct link between the US dollar and gold, the General Agreement on Tariffs and Trade, the International Monetary Fund and the World Bank constitute the three pillars of the adjustment of the world economy, and trade and finance. Also, it takes the European Union, the North American Free Trade Area and the Asia-Pacific Economic Cooperation Organization as examples to let us understand the development trend of the global economic regional grouping, the origin and development of the World Trade Organization (WTO), and recognize its role in the globalization of the world economy.

As mentioned earlier, Chinese high school students learn economics mainly from political textbook. Here, we will briefly describe what Chinese high school students can learn about economics in the political textbook. This political textbook can be divided into four chapters. In the first chapter, money and consumption, students understand the concepts of money and consumption, value and use-value, commodities, the supply and demand theory, and the individual household budget. For the money part, new types of payment are mentioned such as scan to pay, unmanned supermarket, and so on. It's one of the characteristics of the hard technological part. And for the theoretical technology part, the public is encouraged to form a correct consumption view. Students likewise learn about price theory, price elasticity and the theory of complementary goods and substitution, and bring economic theory into context by examining how changes in prices affect the production and operation of firms. In this chapter, the types of consumption and the structure of consumption are also studied. The main topics in Chapter 2 are the relationship between production and consumption, social reproduction, China's basic economic system, the meaning of enterprise, enterprise mergers and bankruptcies, labour and employment, proper career choice and workers' rights, savings and deposits and commercial banks, and financial investment methods (stocks, bonds, insurance). Here students learn some material about the development of personal financial culture, investment targets and risks, some basic entrepreneurial knowledge related to the economy. The third chapter teaches students about China's distribution methods, the relationship between efficiency and equity, fiscal policy, taxation theory, and financial budget. Chapter 4 deals with China's socialist market economy and more importantly this chapter lead to economic globalization, international economic competition and cooperation (e.g., WTO).

MONEY AND CONSUMPTION

In the money and consumption part, some basic economic knowledge related to money, the supply and demand theory, consumption are introduced.

Firstly, high school students learned that the essence of money is its generic equivalent. Money is a product of the development of commodity exchange to a certain stage, expressing the value of all other commodities, acting as a medium of commodity exchange. Functions of money can be a measure of value and a means of circulation, as well as a means of storage, a world currency. With the sale of commodities on credit, money is then used to pay debts, such as the payment of land rent, interest, taxes, wages, etc. Also, the amount of paper money issued must be limited to the amount of money needed in circulation; if the amount of paper money issued exceeds this limit, it will cause prices to rise and may lead to inflation; if the amount of paper money issued falls below this limit, it will make it difficult to sell goods and impede their circulation, which may lead to deflation.

The equation of money required amount in circulation is:

$$\text{the amount of money required in circulation} = \frac{\text{the total price of the commodity}}{\text{the rate of circulation of money}}$$

Through the knowledge about counterfeit prevention, students learned that the manufacture of counterfeit money is severely punished by law, that they should not use counterfeit money and even not write on banknotes or destroy them. And with the rapid development of information technology in China, it has become possible to use the electronic computer systems of banks to complete activities through electronic money, and various electronic payment methods such as scanning to pay, WeChat payment and other kinds of mobile phone payment are used in everyday life, and the construction of an unmanned supermarket, adding to the convenience. Students also learned about credit instruments and foreign exchange, such as understanding the functions of credit cards, types of cheques, and the stability of world finance and economy by the exchange rate between foreign exchange and RMB.

Secondly, many factors cause the price to change and fluctuate, such as climate, geography and production conditions, which influence the price of commodities by changing the supply and demand for them. Specifically, when demand exceeds supply, there is a shortage of commodities, sellers raise prices and buyers have to accept higher prices to meet their own needs, this is a phenomenon of things being scarce, i.e., a seller's market; when there is an oversupply, there is a surplus of commodities and sellers have to deal with buyers at low prices, there is a phenomenon of goods being worthless, i.e., a buyer's market. In addition, they learn that the value of a commodity determines the price, that value is determined

by socially necessary labour time, and that the producer of a commodity will be in a favourable position if his labour time is lower than socially necessary labour time, and in a disadvantageous position if it is higher than socially necessary labour time. This motivates commodity producers to strive to reduce the individual labour time used to produce goods and to increase the efficiency of production.

Thirdly, for the consumption part, students learned about factors that affecting consumption level, different consumption types, consumption structure, and the cultivation of correct consumption view. Consumption levels are influenced by many factors, the most important are the income of the population and the general level of prices. Other things being equal, the more disposable income people currently have, the greater their consumption of various goods and services, so that in periods of higher income growth, consumption also grows faster, and vice versa. Students thus understand that in order to raise the standard of living of the population, it is necessary to maintain steady economic growth and increase the income of residents.

Consumption types can be divided into direct consumption, loan consumption and rental consumption. Specifically, direct consumption means that “no pay no goods”, while loan consumption refers to spending in anticipation of future income, such as mortgages and car purchase loans. Rental consumption is where the consumer acquires the right to use the goods for a certain period of time without changing ownership of the goods through a short-term lease.

The consumption structure reflects the share of people's various types of consumption expenditure in their total consumption expenditure, and it changes constantly in line with economic development and changes in income. The concept of Engel's coefficient is inserted here, and students through calculating the Engel's coefficient to deduce the standard of living of households, i.e., a large Engel's coefficient will inevitably affect other consumption expenditures, especially the increase of development and enjoyment materials, and limit the improvement of consumption level and quality; a decreasing Engel's coefficient indicates a higher standard of living of people and an improved consumption structure.

And for the consumption view, the public is encouraged to form the correct consumption view under the direction of green consumption theory.

In recent years, the continuous progress of information technology has led to the emergence of digital currency. From the perspective of playing a monetary means of payment, digital currencies facilitate daily economic payment behavior through electronic payment systems, enhance users' mobile payment experience, and augment merchants' operational efficiency. However, digital currencies perform immaturely in performing other functions of money in the traditional sense.

At present, China's mobile payment market is huge, with new payment methods and products pushing forward and the level of payment services constantly improving. Biometric technologies are applied to mobile payment, such as fingerprint recognition payment and face-scan payment. As a result, electronic payment has attracted a wide range of Chinese users. We think biotechnology, an important element of the fourth industrial revolution, plays an important role here. Bio payment is the use of human biological characteristics, such as fingerprint, face, iris, voice and other biological characteristics instead of the traditional password input payment mode, to achieve the application in the payment scenario.

Conducting research on digital currencies is not the prerogative of China; in fact, several countries have made substantial progress in researching digital currency development, including the European Union, South Korea, Japan, Saudi Arabia, Turkey and others. The Federal Reserve has been cautious about digital currencies: Federal Reserve Chairman Jerome Hayden Powell said at an IMF-sponsored panel discussion on digital payments on October 19, 2020, that for the U.S. version of digital currencies "To get it right than be first". This shows that while seeing the opportunities of digital currencies, it is also important to see the potential dangers, including legal risk, speculative risk, and credit risk.

For the type of consumption, we can see that today people are able to use different methods such as credit cards, huabei - a loan consumption method by the company Alipay, now there are almost 900 million Alipay app users of which 300 million are using huabei loans for consumption. And now people are more inclined to enjoy material consumption, which means that the demand for products and services other than necessities is so strong that it can be the driving force of the fourth industrial revolution.

In the students' textbooks and life practice, they felt that mobile payment, unmanned supermarket, face-scan payment, virtual currency, financial technology, etc. are all hard technology innovations in the economic field. These are all signs of progress towards the Fourth Industrial Revolution and future civilization. At the same time, we need to match the soft technology with the hard technology. When these new technologies are not ready, the relevant educational textbooks are gradually improving and keeping pace with the times. This is one of the manifestations of the improvement of related soft technologies. At the same time, human civilization has experienced millions of years of development and evolved into an industrial civilization for nearly 300 years. The industrial revolution is a great leap in human history, creating an unprecedented rich material world, highly developed science and technology, and earth-shaking changes have taken place in the economic, political, cultural, and social structure of human society. Most countries and regions in the world have entered a modern

society of industrial civilization. However, the industrial civilization based on material supremacy and the omnipotence of science and technology has caused the world to pay an irreversible price for this: the natural environment and ecology on which mankind depends for survival have been destroyed, and natural resources are fully polluted and facing exhaustion; the population is the human progress driven by the crazy growth of the values of industrial civilization is unsustainable, and the transformation of civilization is imminent. Correspondingly, in the learning content of high school students related to this unit, we can see the formation of a scientific concept of consumption, and rational consumption and green consumption are one of the key learning contents of students. This is consistent with our concept of sustainable development.

PRODUCTION AND LABOUR

Production and economic system are an important part of students' economic study. What is the relationship between consumption and production, how can we increase our productivity, and what are the types of enterprises (state-owned enterprises, collective enterprises, private enterprises and enterprises with mixed ownership) and the role of enterprises in market economic activities? These are what students need to understand before entering society. Human beings are the most decisive force in productivity, and we must accelerate the overall improvement of the quality of workers (ideological and moral quality, scientific and cultural education and physical health). At the same time, students also learned the importance of increasing productivity, which requires us to promote technological progress and independent innovation. In addition, through the course content, we understand the nature of different types of enterprises, the importance of contract law, and the related rights and obligations of workers. Students can also be empowered to use relevant laws to protect their legal rights in their future working life. At the same time, economic study materials will also show students the importance of labour and labour equality, and cultivate students' concept of professional equality and multiple ways of employment. The problem of NEET and unemployment, to a certain extent, can be optimized through education. The learning materials will be updated in real-time to provide students with the latest encouragement policies for innovation and entrepreneurship and related entrepreneurial success and failure cases and provide students with experience and lessons, which is in accordance with the

slogan of “Mass entrepreneurship and innovation”⁴ and the concept of professor Jin Zhouying’s book. According to the “Implementation Opinions on Building Mass Entrepreneurship and Innovation Demonstration Bases”, first, we need universities and research institutes demonstration bases to fully tap human and technical resources, promote talent advantages, accelerate the transformation of scientific and technological achievements, and build a support system for college students’ entrepreneurship. Second, enterprise demonstration bases should play the core role of leading enterprises with outstanding innovation capabilities, strong entrepreneurial atmosphere, and strong resource integration capabilities, and improve the configuration of related business incubation parks. In addition to incubators and education support, related financial support policies are also helping everyone to innovate. Take Hubei Province as an example, vigorously develop secured loans for entrepreneurship, and expand the target of loans to all types of urban and rural labourers who set up individual industrial and commercial households in Hubei according to law, independently, in partnership, and start small and micro enterprises, the loan amount is up to 100,000 yuan for individuals and 500,000 yuan for partnerships, and full financial discounts are given within the loan period. To encourage college students to innovate and start businesses in Hubei. College students who start a business within 3 years of graduation can apply for a one-time business subsidy of 5,000 yuan at the place of business. Within 5 years of graduation and undergraduates who start a business in an accredited business incubation base, they can enjoy an annual subsidy of up to 18,000 yuan for water and electricity fees. There are also contents of investment and financial management choices: savings deposit and commercial bank, stocks, bonds and insurance. Students thus can find it appropriate to become rational investors. Via the learning roles of commercial banks, they understand daily economic behaviours and shape an economic-related thought on financial matters. By understanding the central bank’s functions, they know the various types of considerations of the government as it faces both domestic and foreign economic conditions. The young also learn different bonds, shares and other financial instruments to help them become more rational about money management.

The Fourth Industrial Revolution is a progressive revolution, and the era of great emancipation of the workforce that it has brought about is beneficial to the goal of achieving equality for all and distribution according to need. Although it

⁴ “Mass entrepreneurship and innovation” comes from the speech of Premier Li Keqiang at the Summer Davos Forum in September 2014. Li Keqiang proposed that a new wave of “mass entrepreneurship” should be set off on a land of 9.6 million square kilometers to form “Millions of Innovations” and the new trend of “everyone’s innovation”.

can have a significant impact on the workforce in the areas replaced by artificial intelligence, the high level of development in technology, industrial and agricultural production, education, medicine and transport is intended to enable people to stop relying on manual labour to support themselves and contribute to the society, it can safeguard people's lives more comprehensively, safeguard human health, and serve the progress of society and humanity. Therefore, even though the Fourth Industrial Revolution may bring temporary and widespread employment difficulties, it is only a transitional phase in this regard. Furthermore, in order to respond to the Fourth Industrial Revolution's growth and needs, we must strengthen our own abilities to keep ourselves in employment or in education, as well as lay the groundwork for a more advanced civilization for the Fourth Industrial Revolution's development, which is why education is key to the Fourth Industrial Revolution's development. We need to change the behaviour and mindset of young people through education and indoctrination, to develop them into a new type of talent for the development of the Fourth Industrial Revolution, and to use this invisible means to develop elites that will gradually influence the consensus of the general public. In this view, it is important to learn self-management, the practical economical and financial knowledge, to make a financial budget for the future of our talented startup company. For example, a qualified engineering graduate is trained through many courses to acquire enough knowledge to design his or her startup company's financial plan. It is in accordance with the trend since engineers become central to the development of the 4th Industrial Revolution. And improve professional skills, learn economic and financial knowledge, acquire the ability of innovation and entrepreneurship, can contribute to sustainable development and play an important role in the 4th Industrial Revolution.

To be competitive in the Fourth Industrial Revolution, technology is the most important factor to focus on. The Fourth Industrial Revolution enables companies to leverage the Industrial Internet of Things, digital technology and automation to enhance operations, marketing, product development, and create innovative business solutions. The way to achieve industrial structure optimization and upgrading is through technological innovation. The innovation of the fourth industrial revolution has brought many new technologies, whether they are hard technologies such as 3D/4D technologies, intelligent robots, new energy sources, or soft technologies such as new solutions to problems (transportation solutions, e-commerce, new business organizations, new financial technologies, etc.) that are changing or even disrupting the shape of industries and forming new business models [Zhouying Jin, 2016], thus enhancing China's international competitiveness and reshape the global economy of the future. In addition, business alliances, also known as "mega-mergers", are certainly a great way to

improve a company's competitiveness. In the context of the fourth industrial revolution, companies can use the convenience of technology, especially digital analytics, to match data from different companies and find the right partners or upstream and downstream companies. Self-employment can not only bring profit to yourself but also create more jobs to bring to more people. China has introduced a series of preferential and supportive policies to support graduates to start their own businesses. For example, in 2021, the government of Guizhou, China, plans to support 5,000 college graduates to start their own businesses. Preferential policies include: tax incentives, business start-up subsidies, and business training [Xinhua News Agency, 2021]. China not only supports university graduates to start their own businesses, in 2014, Premier Li Keqiang proposed "mass entrepreneurship and innovation" to release more space for market players with the reform of simplifying and decentralizing the government. For example, in August 2015, the Hubei Provincial Government published the document "Opinions on the Implementation of Employment and Entrepreneurship in the New Situation", which mentioned that the support targets not only include college students, but also scientific researchers, rural workers, unemployed people, low-income family members and other groups. Self-employment also requires an innovative spirit and the ability to innovate on one's own, and to be able to steer flexibly in the context of the rapidly changing fourth industrial revolution.

INCOME AND DISTRIBUTION

Today, China's innovation culture still needs a lot of improvement. In fact, in developed countries, R&D investment is already the key to innovation. Just as the film *Kung Fu Panda* caused a similar reflection in China, the American producer's use of a panda learning Chinese kung fu to convey an element of humour at the same time caused many similar reflections on whether there was something wrong with China's soft environment⁵ or whether the Chinese were quite lacking in a sense of innovation. It is necessary to create an innovative country with a culture of innovation, the root of which is to build a soft environment conducive to creativity and innovation. Therefore, to promote a soft environment for innovation and to stimulate and encourage more innovative talents, an effective work-based incentive mechanism is particularly important.

In the chapter on distribution and taxation, Chinese high school students will learn that China is dominated by the distribution of labour and that multiple

⁵ Soft environment is a concept which is opposed to the "hard environment" such as geography, resources, infrastructure and basic conditions. For example, in economic development, soft environment can be as ideology, worldview, cultural atmosphere, institutional mechanisms, policies and regulations, as well as the level of government administrative capacity and attitude, etc.

forms of distribution co-exist, and that it is important to deal with distribution and social justice and the relationship between efficiency and fairness. Also, students will understand the role of state finances, as well as the significance of collecting taxes and paying taxes as a civic duty according to the law.

Firstly, one of the main statements in the book is that production determines distribution, and ownership of the means of production determines the mode of distribution. Distribution according to work is the basic principle for the distribution of personal consumer goods in a socialist public economy. It requires that in a public economy, after all, necessary deductions have been made from the total product of society, personal consumer goods are distributed according to the measure of the labour provided by workers to society, with more work being paid for more and less work being paid for less, where “work” means the result of personal working, including productive work as well as innovative work. We think it is fair because this system of income distribution directly links the time and quality of one's labour to one's income, and is conducive to the full mobilization of workers' motivation and creativity. Embodied in the fourth industrial revolution, it can be a way to strengthen enterprises to encourage innovation, stimulate innovative talents and create a relaxed soft environment. In key technological areas, it is necessary to emphasize original technological innovation, so workers are required to improve their labour skills and enhance the results of scientific research, which, together with corresponding incentives, can promote the development of social production.

Secondly, dealing with the relationship between fairness and efficiency is also one of the main statements in the book. Generally, people may think that fairness and efficiency are in conflict, but in fact, efficiency and fairness have consistency. On the one hand, efficiency is the material prerequisite for equity because the gradual realization of social equity is only possible on the basis of developing productive forces, improving economic efficiency and increasing social wealth. On the other hand, fairness is a guarantee for improving economic efficiency. This is because only a fair distribution can safeguard the rights and interests of workers and stimulate their motivation to develop production and improve economic efficiency. The relationship between efficiency and fairness should be dealt with in a way that opposes egalitarianism while preventing the disparity in income; the policy of distribution should be implemented while promoting the spirit of contribution.

Moreover, by learning about state finance, students are able to understand the role of state finance in facilitating the rational allocation of resources. The market cannot fully allocate resources, and state financial support is needed to enable industries to function and develop comprehensively, contributing to a rational allocation of resources. In times of stagnant economic growth, the government

can adopt an expansionary fiscal policy to stimulate aggregate demand growth, reduce unemployment and boost economic growth by increasing spending on economic construction and reducing taxes, and vice versa.

Taxation is an important source of national financial revenue. Where there is a country, there is taxation, and the state organizes its revenue through taxation; where there is taxation, there is law, and taxation law is the legal basis and legal guarantee for taxation. Taxes are compulsory and fixed. If a taxpayer commits tax evasion, he or she will be held criminally liable by the judicial authorities. In reality, it seems to me that tax evasion or compliance with tax laws is a very interesting issue in China. The central SOEs⁶ do not go out of their way to avoid tax evasion and these large companies have a special legal regulatory framework that will push them to pay their taxes on time. However, for more small businesses, the profit margin may be smaller. Tax avoidance may be a reasonable possibility, so there may be collusion with tax officials or some kind of bribery to avoid tax. However, based on the existence of tax laws, with strict monitoring by the relevant authorities and the implementation of the electronic tax filing system, such practices are now gradually reduced.

The distribution system refers to the general term of how labour products are divided and rationed in the main body of society. There are distribution systems in which distribution according to work, distribution according to capital, distribution according to needs, and multiple distribution methods coexist. China's distribution system is a system in which distribution according to work is the main body and multiple distribution methods coexist. Combining distribution according to work and distribution according to production factors can mobilize the enthusiasm of all parties, promote economic efficiency, and promote the development of productivity. These related systems are the basis for the construction of civilization. The income distribution system is a long-term and stable basic system of a country, which is related to the health of the national economy and the sustainable development of the society. The establishment of a fair and reasonable income distribution system is not only a concern of the people but also an important foundation for the country's long-term stability, prosperity and stability.

The English politician, writer and utopian socialist Thomas Moore completed a controversial but great work in 1516- *Utopia*, which describes the imaginary island based on the travels of a fictional navigator Raphael. The political system of Utopia in China introduced an ideal society. Moore points out that it is private ownership that has caused all kinds of social evils. He firmly believes that the social basis of

⁶ SOE: an abbreviation of state-owned enterprises, where the state has ownership or control of their capital.

utopia (ideal society) is public ownership of property. Private ownership is eliminated, everything belongs to the society, and the principle of distribution on demand is implemented. Italian thinker and writer Campanella described an ideal social system in his publication *The City of the Sun*, where there is no private property, no exploitation, everyone's labour, production and consumption are organized and arranged by a unified society, and products are distributed according to the needs of citizens. According to Campanella, his ideal state of life is described as: "I work four hours a day, and the rest of the time is spent on researching interesting academic issues, holding seminars, reading books, telling stories, writing letters, walking, and doing sports that are beneficial to the body and mind". The theory of utopian communism he put forward was the embryonic form of many utopian socialist systems that were followed. It is a precious heritage in the history of human thought and has left precious spiritual wealth in the history of socialism. Datong is an ancient Chinese thought. It refers to the ideal world that mankind can finally reach and represent mankind's beautiful vision for the future society. The basic characteristics are that everyone loves and helps each other, every family life and works in peace and contentment, there is no difference, no war. This state is called "the world of great harmony", and this kind of world is also called "the world of great harmony". Modern times have joined the idea of the fusion of politics, economy, technology, and culture on a global scale. Although Datong thought is a Chinese thought, Western utopias, modern communism, and the global village are also very similar to Datong in many places.

From these representative ideal appeal works, we can conclude that there is a commonality, that people have a fair appeal for the income distribution system. In order to achieve relative fairness, we should first ensure efficiency. Efficiency and fairness emphasize different aspects, and there is indeed a contradiction between the two. But the gradual realization of social justice is only possible based on developing productivity, improving economic efficiency, and increasing social wealth. Fairness without efficiency as the premise and foundation can only lead to egalitarianism and general poverty. On the other hand, fairness is a guarantee for improving economic efficiency. Only fair distribution can safeguard the rights and interests of workers and stimulate the enthusiasm of workers to develop production and improve economic efficiency. National finance plays a role in promoting the rational allocation of resources, and tax revenue are one of the main channels of fiscal revenue. State finance plays a huge role in social and economic life. The promotion of the fourth industrial revolution and the improvement of the renewable development system are inseparable from the economic construction expenditure of financial funds and the expenditure support of science, education, and culture.

SUMMARY

The two compulsory subjects of Politics and History contain a lot of enlightenment knowledge in economics. In this Part 1, the main topics of the textbooks concerning economics are "money and consumption", "production and labour", as well as "income and distribution". Overall, the goal of our research is to investigate how we can make preparations or changes to apply to the Fourth Industrial Revolution based on an analysis of economic literacy among Chinese high school students, so let's take things a step further by making each chapter in accordance with our goal.

Firstly, by analyzing the first part of the related Politics textbook money and consumption, we found that we could apply green consumption culture. Since it is also an indicator of soft technology, to advocate the youth to form a right consumption view. In addition, credit card payment, mobile payment, face-scan payment and even unmanned supermarkets and other payment methods and shopping methods using technology have made us feel the wide application of hard technology in payment and consumption.

Furthermore, we analyzed the production, labour and management, and came to those different social problems that could occur in the development of the 4th Industrial Revolution, such as the NEET problem, technologies replacing labour problems, and so on. We found that a good labour structure, an equal labour theory and some technological innovations are especially important in the future. What is more, in the analysis of the income and distribution system, we concluded that we need more innovative talents and innovation progress to promote the growth of the soft environment.

Through our process of research, we found that, on the one hand, Chinese students did learn basic economics knowledge during the middle school period, and to a certain extent it intersects with students' daily life. On the other hand, the economics knowledge learned by middle school students tends to be fragmented, and economics knowledge is scattered in different subject textbooks, which is not enough to form a complete thinking about the economic system and in the textbook the proportions of the innovation for the Fourth Industrial Revolution is relatively small. Therefore, due to innovative knowledge of youth, the relevant high school economics textbooks should be more keeping up with the times and provide more systematic and professional economic knowledge.

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