

Spending has little effect on student performance

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In his book *Education Myths*, University of Arkansas professor Jay Greene pointed out that the myth of inadequately funded schools “is simultaneously the most widely held idea about education in America and the one that is most directly at odds with the available evidence.”

Greene reviewed the available research on the issue and concluded that a lack of resources was “not one of the major problems affecting our schools’ performance.”

More recently, Andrew Coulson of the Cato Institute published “State Education Trends: Academic Performance and Spending over the Past 40 Years,” in which he adjusted education spending for inflation and adjusted state-average SAT scores for participation rates and student demographics. He found that most states had massive increases in public school spending but relatively no change in student outcomes.

North Carolina was no different. Despite doubling our state’s inflation-adjusted per pupil expenditure between 1972 and 2012, there was very little change in North Carolina’s adjusted SAT scores over time.

Given the ample empirical evidence that higher funding does not drive better outcomes, why is the inadequately funded school myth so pervasive?

First, appeals to increase funding often garner broad support because most taxpayers do not realize how much money we spend on public schools. According to the 2013 Education Next poll, the typical respondent estimated that their public schools spent an average of between \$6,000 and \$6,700 dollars per student. In North Carolina, for example, the state’s public schools spent an average of \$8,500 per student last year. Including average spending for buildings and other capital costs, the total per student expenditure in our state exceeds \$9,100.

Similarly, respondents to the Education Next poll, with the exception of teachers, estimated that the average teacher salary was between \$26,000 and \$36,400. In contrast, the N.C. Department of Public Instruction estimated that the average teacher salary was \$45,355 last year, a figure that does not include more than \$14,000 in Social Security, retirement, and health insurance benefits provided to each full-time teacher in the state.

Some believe that is easier to throw money at the problem, rather than confront the complexities of improving our massive and diverse system of public schools. This is an understandable, albeit a counterproductive, response.

U.S. Secretary of Education Arne Duncan correctly observed that the education establishment views educational productivity as a “grinding, eat-your-broccoli exercise.” That is why elected officials, and the citizens electing them, must ensure that public schools use taxpayer money in the most productive way possible.