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Public schooling is not a public good

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Teachers are walking out of public schools around the country. Texas teachers aren't yet walking out, perhaps because Texas spends \$60 billion — over half of its entire budget — on education alone. Some observers claim such large expenditures are justified because the taxpayers are simply investing in a critical public good. But public schooling is unquestionably not a public good. Here's why.

In his famous 1955 essay, free-market economist Milton Friedman claimed that government may have a role in funding schooling because of the social benefits of education. Friedman's claim sounded great in theory over 60 years ago. But now we have plenty of evidence showing that government schools in Texas do not produce highly educated residents in practice. And the subpar results come at a high price.

For example, taxpayers in San Antonio spend over \$12,000 per child each year — or over \$156,000 for each student's K-12 education. And what do the citizens get in return? Well, if we look at the state level, the most recent National Assessment of Educational Progress (NAEP) shows that 2 out of 3 eighth-graders in Texas were not proficient in reading or math.

And then there's the question of what constitutes a public good—if you go by the strict definition, schooling is not a public good. This is simply because public goods are those that cannot avoid the economic free-rider problem, in which it's impossible to exclude those who have not paid for a service. Schools can do this, if they choose, and that's precisely why private schools already function effectively today without government operation or funding.

As teachers in Arizona and other states across the country strike against low pay and reduced public school funding, a quieter battle brews in the Twin Cities metro with teachers in ISD 191 working almost a full year without a contract. The school di

In a forthcoming study, I make the first attempt to calculate the net effects of government schools on U.S. society overall. I calculate these effects by comparing the results produced by government schools to those produced by a feasible policy alternative: private schools. In order to make apples-to-apples comparisons, I use the most rigorous private school choice evidence available on academic outcomes, criminal activity, and taxpayer costs.

Unfortunately, I find that government schooling has huge negative effects on society overall. The preponderance of evidence suggests that government schooling — relative to private schools— reduces student learning and increases crime rates at a higher cost to the taxpayer. The most conservative model finds that government schooling produces a net negative effect on society of over \$1.3 trillion.

But why? Because of residential school assignments, government schools currently have a significant amount of monopoly power in the education market. And as with any other industry, monopoly power — and lack of consumer choice — leads to a lower quality product at higher costs. Government schools are also strapped with heavy regulations such as teacher certification requirements, standardized testing mandates, the prohibition of admissions criteria, and severely limited principal autonomy.

The large negative effects of government schools are astonishing. The schools clearly aren't producing the educational results that parents want for their children. Because of this, Texas should instead fund education directly — rather than schooling — through a universal Education Savings Account program. An ESA allows families to opt out of their failing government schools and take their education dollars to the private schools that work best for their children. The ESA also empowers families to customize their children's education by allowing them to use the dollars for other resources such as tutoring, textbooks, online classes, and even special needs therapy. Texas could have done this a year ago when the Senate passed SB3; however, House lawmakers voted against the idea.

And we all need to stop calling public schooling a public good. It simply isn't true, especially when the government often runs schools like they run the DMV.

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