



If Not Eliminated, Education Department Needs to Shift Focus

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The word infrastructure gets thrown around a lot these days. The word typically refers to basic installations and facilities such as roads; power plants; and transportation and communications systems. The Obama Administration has also used this word to in its argument for more funding to shore up public education. Infrastructure, according to the Administration, also refers to school buildings, and computers and teachers in the classroom.

The Obama Administration obviously uses this version of the infrastructure [definition](#) to ask Congress for \$60 billion to fund buildings on community college campuses; the hiring of more public school teachers; and the renovation and modernization of 35,000 public schools as part of the American Jobs Act.

The Administration is misusing the word, primarily because the premise for the Administration's use of the word is not market based. Infrastructure in a free market economy is used to move commerce; to move goods and services. It's the conduit through which consumers and producers conduct their business. If the Administration were to use this definition, it would probably create a leaner and more service oriented U.S. Department of Education.

In general, most of the items the Administration would like to fund directly are part of what school systems use to produce educational services. Teachers are the greatest cost driver. They are the primary contact for consumers of educational services, namely the students.

School buildings off course house the educational activities. Classrooms, administrative offices, software, and equipment are located in school and school administrative buildings. These buildings also act as the access points or nodes where the consumer of educational services, students, meets directly with the producers. It's in these buildings where the market is actually made on a daily basis for these services.

And therein lays the problem. No matter how much we criticize the quality of American public education, no one makes an argument that the market for educational services has failed such that educational services are not being provided to the students and supportive parents that desire to consume it. Funding the construction of roads connecting merchants with rural customers is one thing, but to subsidize the merchants' refrigerators or cash registers is a cost of production the merchant is expected to recover from the sales she generates.

Besides, even if quality of education is an issue that market failure induced intervention was supposed to solve, the dollars that the federal government spends on public education may not be providing effective results, as the Cato Institute's Neal McCluskey pointed out in a recent [op-ed](#) for The Chattanooga Free Press. The federal government has spent \$8 billion dollars annually on the Head Start with no noticeable benefits to pre-school children, wrote Mr. McCluskey. Mr. McCluskey also cites approximately \$79 billion in K-12 spending in 2011, resulting in stagnant performances for 17-year olds on the National Assessment of Educational Progress.

My review of [math scores in the NAEP](#) for 8th graders found that 12 out of 18 large cities saw no significant changes in math performance between 2009 and 2011. That's not encouraging if we are to excite young people about careers in science, technology, mathematics, and engineering.

In addition, Cato's Andrew Coulson [questions](#) whether we have too many teachers to begin with. Setting aside the joy the GOP would express hearing this conclusion, Mr. Coulson argues that \$210 billion could be saved annually if the U.S. returned to the public school student-to-staff ratio of 1970. According to Mr. Coulson, while student enrollment has increased 8.5% since 1970, the number of teachers has doubled from approximately 3.3 million to 6.4 million. "Scores for black and Hispanic students have improved somewhat, but the scores of white students (still the majority) are flat overall, and large demographic gaps persist. Graduation rates have also stagnated or fallen. So a doubling in staff size and more than a doubling in cost have done little to improve academic outcomes", writes Mr. Coulson.

Should Mitt Romney win the fall election, there may not be much change from the preference for an interventionist strategy. Mr. Romney cites his experience as Massachusetts governor in getting grade school scores up, providing access to high-quality charter schools, and allowing teachers to be innovative in delivering education. In short, he just may leave Department of Education intervention strategies in place.

How can the U.S. Department of education revamp? First it can extricate itself from the education services market. The funding for building projects, and guarantees of student loans, can only introduce inflation into the costs of education and the costs of ancillary services surrounding education.

Second, the Department of Education it can focus on being a provider of technical support to local school systems. Given its concern about global competitiveness, the Department is in a position to be the eyes and ears of state and local education systems, sharing data on global business and jobs trends and advising state and local systems and how to best prepare their students to enter a changing work force.