

Insight

Some children will be left behind

DOUGLAS HOLTZ-EAKIN | SEPTEMBER 20, 2011

President Obama is demanding the Congress pass the American Jobs Act (AJA) to jumpstart the economy. At the same time, Education Secretary Arne Duncan is arguing that the AJA is critical to ensuring that every child has the opportunity for a "world-class education." Unfortunately, the same adherence to targeted and temporary policies that will fail to produce pro-growth economic benefits will also yield unacceptable education inequities and few lasting accomplishments.

The President is committed to \$60 billion in education-related spending: \$30 billion to repair approximately 35,000 schools (\$25 billion for K-12 schools and \$5 billion for community colleges) and \$30 billion for states to pay teachers' salaries and benefits. The White House claims the latter would prevent 280,000 teachers from being laid-off and Secretary Duncan argues that "modernizing and rebuilding our schools is a classic win-win solution. It benefits everyone—children, communities, and the construction workers back on the job."

Not so fast. In reality, it's not a win for everyone. Buried in the details of the AJA is the hard truth that it would deny funding to private K-12 schools and religious institutions, in particular. This marks an important departure from the bipartisan No Child Left Behind (NCLB) approach, which provided equitable participation of K-12 private schools in NCLB programs. Under the AJA, private school aid will be "means-tested" and provided only if schools have a child poverty rate of 40 percent or more. Similarly, in higher education, access to funding is denied to facilities with any religious use, such as sectarian instruction, religious worship, a school or department of divinity, or even when a substantial function of the facility has a "religious mission."

The President believes better school environments will lead to better student outcomes. Studies do find that student achievement is affected by inadequate facilities, although there is no hard evidence proving that student performance rises when facilities improve. Nevermind, the President's checkbook is open, except for those not among his favored constituencies. Some children will be left behind.

But they will have their teachers for company – President Obama's payoff to states also excludes private school teachers. In 2009, 269,000 teachers left public schools (admittedly not all got laid off; some retired or were fired). In the same year over 487,000 teachers left private K-12 schools, nearly double the loss of public school teachers. Tough luck for Obama's elite private school alma mater Punahou and Sasha and Malia's Sidley. The President's plan will exclude these teachers' jobs. If he wants to out-educate the rest of the world, does this not include educating students who are at private as well as public schools?

"Targeting" (the euphemism for political discrimination) would make sense if it were based on merit. Unfortunately, not a word of the commitment to shell out \$30 billion for teacher salaries describes how the funding will be used to compensate teachers. Will teachers be compensated based on their performance? Or is this a way to prop up the same old outmoded salary schedules?

Roughly \$7 billion of infrastructure dollars are supposed to be distributed according to competitive applications. Unfortunately, it is more likely to be a competition of promises than a race among results. Consider the evolution of the President's "Race to the Top" education plan, in which districts have begun to

simply renege on promises in their initial applications. The 12 state winners are backpedaling on their original plans, and some are even delaying implementation. And states are facing many more challenges as the Department of Education attempts to administer the then-largest competitive grant program in its history. If \$4.35 billion was unmanageable, what will happen with the AJA?

The nation needs jobs. The nation needs education reform. The nation needs quality infrastructure. But the nation does not need to waste \$60 billion on proposals that are not built on merit and quality. And it is unfair to use every taxpayer's scarce dollars for programs that are denied to the politically disfavored.

This article was written by Doug Holtz-Eakin and Annie Hsiao. It originally appeared in The HIII on 9/20/11.