

# Do Schools Really Need More Money?

A common chorus of if/then statements dominates most contemporary discussions of education reform: If schools had more money, then they would do better at educating kids. If teachers were paid more money, then they would do better at educating kids. If there were more taxpayer support for traditional public schools, then we would have better education outcomes.

But is more money really the answer? Or is the problem with the structure of forced schooling itself?

An [article](#) last week in *The Atlantic* echoes the refrain that more dollars equal better education. The article highlights recent remarks by Harvard University professor and filmmaker Henry Louis Gates Jr., who states that more money for poor school districts and more money for teachers in those school districts will lead to better education outcomes, particularly for disadvantaged youth.

Gates says: “We have to have a massive revolution in public education in the United States.” He suggests: “Bus the dollars from the rich school districts to the poor districts. We need to allocate the same amount of money per student per school.”

But does more money for poorer schools actually work?

A U.S. Department of Education (DOE) [report](#) issued two days before President Obama left office raises question marks about the correlation between money and education outcomes. The report highlights the results of the School Improvement Grants, a program in place since President George W. Bush’s administration but that President Obama resuscitated and expanded in an effort to help the country’s under-performing schools.

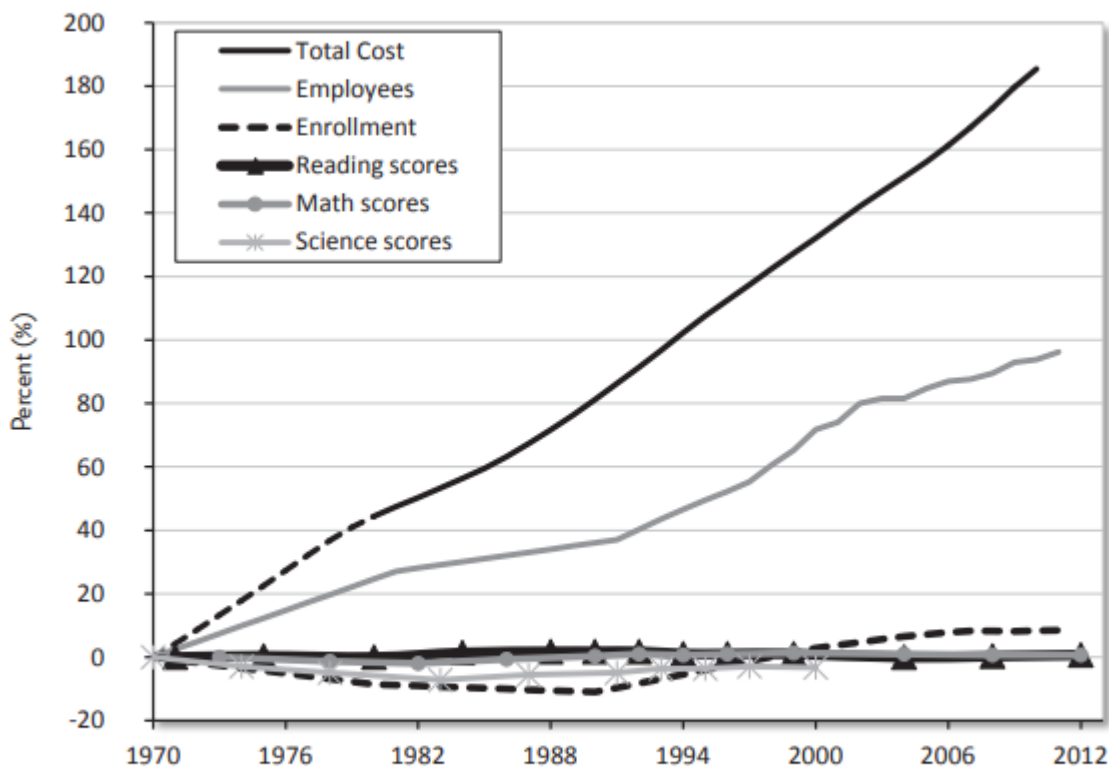
According to [The Washington Post](#), this block grant program was “the largest federal investment ever targeted to failing schools,” sending \$7 billion of taxpayer money into the

program between 2010 and 2015.

The DOE report found that despite this infusion of federal dollars into the nation's worst schools, there was no difference in test scores, graduation rates, or college enrollment between the schools that received the grants and those that did not.

The failure of the heavily funded School Improvement Grant experiment to lead to meaningful education improvement for under-performing schools mirrors broader national data showing no link between school spending and student achievement. A comprehensive 2014 [report](#) by the CATO Institute reviewed 40 years of data on per pupil student expenditure and academic outcomes. It found that while spending has skyrocketed, education outcomes remain poor:

**Figure 1**  
**Trends in American Public Schooling Since 1970**



Sources: U.S. Department of Education, "Digest of Education Statistics"; and NAEP tests, "Long Term Trends, 17-Year-Olds."

Note: "Total cost" is the full amount spent on the K-12 education of a student graduating in the given year, adjusted for inflation. In 1970, the amount was \$56,903; in 2010, the amount was \$164,426.

Source: CATO Institute

I agree with Professor Gates that we need a "massive revolution in public education in the United States"; but I

disagree that allocating more money for forced schooling is the answer. Empowering parents and expanding education choices for all young people could be just the education revolution we need.

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