Financing Education: How Can We Build Effective Systems?

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Today, the US has two Achievement Gaps

• The gap between white and more affluent students in the U.S. and students of color and those in poverty

• The gap between U.S. students and those in other high-achieving nations that have made more thoughtful – and more equitable - investments in education over the last 30 years.
Despite years of high stakes testing, US declined on international tests, 2000-2015

In 2015, US was ranked
23rd in reading
25th in science
39th in math
US Child Poverty Rates are the Highest in the Industrialized World

Source, OECD, 2015
And many states have ...

• Deeply inequitable funding of schools
• Testing + curriculum focused on lower level skills
• Uneven training for teachers and leaders
• Lack of access to early education
• “Popcorn” reforms: innovations that come and go
School Funding is Unequal Across States

Baker et al., Is School Funding Fair? 2015
Spending is Also Unequal Within States

Expenditures by NY district
- Minimum: $8,542
- 95th Percentile: $20,763

Expenditures by CA district
- Minimum: $6,032
- 95th Percentile: $18,025

NY adjusted expenditures
- Minimum: $10,416
- 95th Percentile: $22,677

CA adjusted expenditures
- Minimum: $6,183
- 95th Percentile: $23,541
Funding Levels have Fallen

24 states are spending less than in 2007; 19 states cut more in 2016-17

Schools serving low-income children have been hardest hit, while more of these families have also experienced homelessness, food insecurity, and lack of health care.
The Effects of Inequality
The Anatomy of Inequality

- Dysfunctional schools
- Unequal access to curriculum
- Inequitable distribution of well-qualified educators
- Unequal school funding
- Poverty and segregation
What are the highest-achieving nations doing differently?
Policies in High-Performing Nations

- Equitable resources to schools
- Equitable access to a rich, thinking curriculum
- Major investments in educator preparation and ongoing support
- Schools designed to support teacher and student learning
- Supports for children’s welfare, including health care, income security, and preschool
High Performers Combine Quality with Equity
Does Money Make a Difference?

Over 40 years, low-income students who experienced the benefits of school finance reforms for all of K-12 (with 20% greater funding):

• Had graduation rates 23 points higher
• Added a year of educational attainment
• Had family incomes 52% higher
• Eliminated the poverty gap with more affluent classmates

Jackson, Johnson, & Persico (2016)
Some US States Achieve at International Levels

8th Grade Reading (NAEP, 2017)

<table>
<thead>
<tr>
<th>State</th>
<th>Score</th>
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<tbody>
<tr>
<td>MA</td>
<td>278</td>
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<tr>
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<td>247</td>
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North Carolina Achievement Trends (NAEP 8th Grade Mathematics Scores)

California is Now on a New Path

• New, more equitable funding plan
• New, local control approach to governance
• New standards and assessments more focused on higher order thinking skills
• New accountability strategy focused on support to districts aimed at the needs of the whole child
Outcomes are Turning the Corner

- California’s 4 year graduation rate, at 84%, is the highest in history.
- Student achievement has grown rapidly, related to funding reform.
- 8th grade students went from 48th in reading and 47th in math on NAEP to near national average in reading and 1/2 way there in math.
- College-going rates are turning upward
MA & CT Reforms Leading to High Achievement in the 1990s

• Equalized school funding
• Invested in preschool and health care statewide
• Raised standards for teaching and teacher education
• Established student standards with high-quality, open-ended assessments
• Fostered school redesign
• Pursued steady policies for > 15 years
The New Jersey Story: Robinson v. Cahill & Abbott v. Burke

• 30 years of litigation, starting in 1968
• 9 separate court decisions called for funding equalization
• Poor, largely black districts spent ~ ½ of what wealthy white districts spent
“Urban children, even after years of remediation, will not be able to perform in school as well as their suburban counterparts …. We are just being honest.”

-- New Jersey State Education Commissioner Fred Burke, Star Ledger, April 2, 1976.
What Did New Jersey Do?

• Created “parity” funding in 1998
• Invested in teacher & leader learning
• Ensured high-quality preschool for all 3 and 4 year olds
• Focused curriculum & assessments on thinking skills
• Required whole school reform models that personalize and support instruction (e.g. Comer model)
• Introduced strong bilingual education
Achievement Grew While Gaps Narrowed

NAEP 4th Grade Math

- White, 236, 239, 248, 255
- Hispanic, 204, 224, 234
- Black, 198, 204, 217, 232
- CA, 230
New Jersey Today

A “majority-minority” state: 53% students of color

2nd in Graduation Rate (2016): 90% (right behind Iowa) compared to 84% nationally

1st in 8th grade writing (most recent NAEP writing test, 2007)

2nd in 8th grade reading (2017)

4th in 8th grade math (2017)
The Anatomy of Equity

- Supports for Children: Food, Housing, Health Care, Preschool + Academic Supports
- Equitable school resources
- Well-prepared and well-supported educators
- 21st Century Curriculum & Assessment
- Innovative & Effective Schools
The Costs of Inequality and the Benefits of Equity

If Hispanic and African American student performance grew to be comparable to white performance and remained there over the next 80 years, the ... impact would be staggering—adding some $50 trillion (in present value terms) to our economy -- more than three times the size of our current GDP. (This) represents the income that we forgo by not ensuring equity for all of our students.

Who Benefits?

Closing the educational achievement gap would result in a $20 trillion increase in US GDP by 2050 (> $550 billion per year.) With no tax hikes, federal, state, and local government tax revenues would go up by $109 billion annually.

-- Lynch & Oakley, 2014

This would support the health care, social security, education, housing, defense, and community needs of all Americans, making us a richer and stronger nation in every respect.
“What the best and wisest parent wants for his or her child, that must the community want for all of its children. Any other goal is narrow and unlovely. Acted upon, it destroys our democracy... Only by being true to the full growth of all the individuals who make it up, can society by any chance be true to itself.”

-- John Dewey