

# Transforming and Improving American Education

## *A Memo to President-elect Obama*

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CHANGE  
We  
BELIEVE IN

### EDUCATION

Return authority to the states and empower parents with opportunity to choose a safe and effective school.



*This product is part of the Education Initiative, one of 10 transformational initiatives in our Leadership for America campaign.*

*We need a new vision for a 21st century education—one where we aren't just supporting existing schools, but spurring innovation; where we're not just investing more money, but demanding more reform; where parents take responsibility for their children's success; where our schools and government are accountable for results; where we're recruiting, retaining, and rewarding an army of new teachers, and students are excited to learn because they're attending schools of the future; and where we expect all our children not only to graduate high school, but to graduate college and get a good paying job.*

—Barack Obama,  
Dayton, Ohio, September 9, 2008<sup>1</sup>

*We cannot be satisfied until every child in America—I mean every child—has the same chance for a good education that we want for our own children.*

—Barack Obama,  
Flint, Michigan, June 16, 2008<sup>2</sup>

**PRESIDENT-ELECT OBAMA,** your comments during the campaign show that you recognize the urgent need to transform and improve American education for the 21st century. American students' reading scores have remained relatively flat since 1970.<sup>3</sup> In 2007, 33 percent of fourth graders and 26 percent of eighth graders scored "below basic" in reading.<sup>4</sup> Millions of children are not receiving a quality education in American schools. In many of the nation's largest cities, less than half of all children are graduating high school.<sup>5</sup> Nationally, on both test scores and graduation rates, an achievement gap still separates disadvantaged



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and ethnic minority children from their affluent and non-minority peers.<sup>6</sup>

The pervasive failure in American education imposes personal and societal costs. Children who do not receive a quality education are less able to lead happy and productive lives and realize their potential. As a nation, this poor performance imposes costs on our society and even threatens our future economic prosperity and national security.<sup>7</sup>

Moreover, the crisis in American education persists despite decades of increasing federal intervention and taxpayer funding. Since 1985, combined federal spending on K–12 education has increased by 138 percent (adjusted for inflation).<sup>8</sup> Nationally, American taxpayers spend roughly \$9,300 annually on each child enrolled in public school—double what was spent in 1970 after adjusting for inflation.<sup>9</sup>

1. Remarks of Senator Barack Obama, “A New Vision for a 21st Century Education,” Dayton, Ohio, September 9, 2008, at <http://my.barackobama.com/page/community/post/amandascott/gG5pB4> (December 5, 2008).

2. Remarks of Senator Barack Obama, “Renewing American Competitiveness,” Flint, Michigan, June 16, 2008, at [http://www.barackobama.com/2008/06/16/remarks\\_of\\_senator\\_barack\\_obam\\_79.php](http://www.barackobama.com/2008/06/16/remarks_of_senator_barack_obam_79.php) (December 5, 2008).

3. U.S. Department of Education, National Center for Education Statistics, National Assessment of Educational Progress, “Trends in Average Reading Scale Scores for Students Ages 9, 13, and 17: 1971–2004,” at <http://nces.ed.gov/nationsreportcard/ltr/results2004/nat-reading-scalescore.asp> (December 3, 2008).

4. U.S. Department of Education, National Center for Education Statistics, National Assessment of Educational Progress, “2007 NAEP Reading Report Card,” at [http://nationsreportcard.gov/reading\\_2007/r0001.asp](http://nationsreportcard.gov/reading_2007/r0001.asp) (December 3, 2008).

5. Christopher B. Swanson, “Cities in Crisis: A Special Analytic Report on High School Graduation,” Education Research Center, April 1, 2008.

6. See U.S. Department of Education, National Center for Education Statistics, National Assessment of Educational Progress, “The Nation’s Report Card,” at <http://nces.ed.gov/nationsreportcard/> (December 3, 2008).

7. For a discussion of these costs, see Dan Lips, “A Nation Still at Risk: The Case for Federalism and School Choice,” Heritage Foundation *Background* No. 2125, April 21, 2008, at <http://www.heritage.org/Research/Education/bg2125.cfm>.

8. *Ibid.*

9. U.S. Department of Education, National Center for Education Statistics, “Digest of Education Statistics 2007,” Table 174, at [http://www.nces.ed.gov/programs/digest/d07/tables/dt07\\_a174.asp](http://www.nces.ed.gov/programs/digest/d07/tables/dt07_a174.asp) (December 2, 2008).

## Doubled spending hasn’t boosted reading scores

Higher spending on education hasn’t translated into higher achievement for American children. From the time a child enters first grade in public school till he graduates, taxpayers will invest more than \$110,000 to educate him. That’s more than twice the cost in the 1970s, with no significant jump in average reading scores.

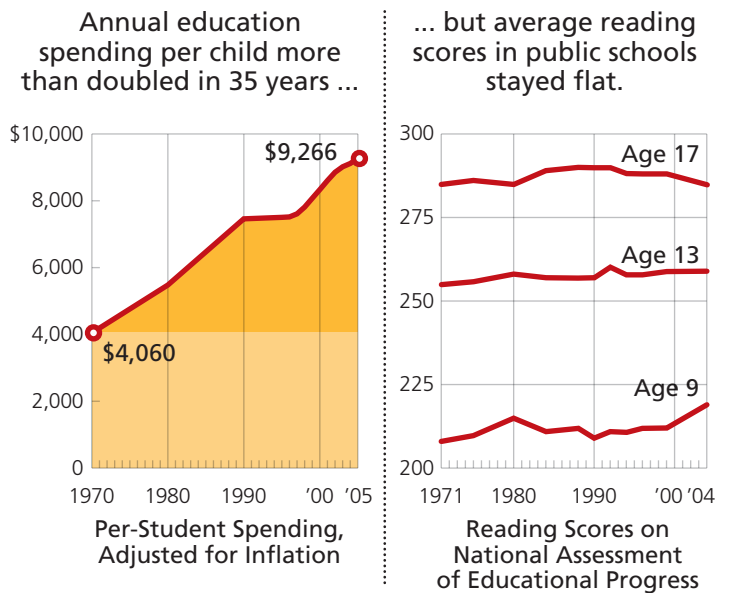


Chart 1 heritage.org

Regrettably, the federal government’s current system for funding and regulating elementary and secondary education is not designed to spur the transformation that is needed to improve American schools. The Department of Education’s budgets include dozens of ineffective or unnecessary programs. Major federal initiatives like No Child Left Behind (NCLB)—similar to previous versions of the Elementary and Secondary Education Act (ESEA)—have demonstrated the limits and potential dangers that are inherent in the overextension of federal policymaking authority.

In other areas, federal programs have failed to accomplish their intended policy goals. For postsecondary education, years of ever-increasing federal subsidies for higher education have failed to make college more affordable, since colleges continue to increase costs. In early childhood education, federal programs in operation since

the 1960s such as Head Start have failed to deliver lasting benefits for participating low-income children.

Many in Congress are now proposing that the federal government intervene to address a range of problems in education by creating new programs and federal subsidies, including public school infrastructure and construction, funding for runaway college tuition costs, and the costs of early childhood education. Rather than repeating the mistakes of the past, you can exercise leadership and deliver on your campaign promises by embracing a new approach for federal policy to improve American education.

Any new efforts should recognize the limits of federal intervention and empower those who are able to make a difference in children's education, especially parents. Specifically, your Administration should pursue the following actions:

- **Reform federal K–12 education programs to encourage state and local reform and facilitate greater parental choice.** Major federal education programs like No Child Left Behind should be reformed to give states greater autonomy to end ineffective programs and reallocate resources for state priorities while maintaining academic accountability and transparency.<sup>10</sup> After seven years, experience has shown that NCLB, like previous versions of ESEA, has failed to spur meaningful improvement. Instead, NCLB has increased the administrative burden on states and localities and created perverse incentives for states to weaken academic standards.<sup>11</sup>

NCLB should be reformed to give states the opportunity to opt out of federal regulations and receive funding in a block grant if certain requirements,

including maintaining academic transparency through state-level testing and public reporting, are met. This approach would allow state policymakers—with greater input from parents and other stakeholders—to take responsibility for strengthening public education in local communities. This flexibility would also offer states that are facing a difficult fiscal climate greater freedom to prioritize funding allocation.

In addition, federal education programs should be reformed to permit greater parental choice. For example, the Title I program—which provides funding to schools that serve high-poverty students—should be reformed to allow states to let federal dollars follow participating students to a school of their parents' choice.<sup>12</sup> Likewise, the Individuals with Disabilities Education Act should be amended to give states the flexibility to use federal funding to offer parents of students with special needs the opportunity to attend a school of choice.

- **End ineffective, wasteful, or duplicative education programs.** The Department of Education's budget includes many programs that are ineffective, unnecessary, or duplicative. For example, the federal government's Program Assessment Rating Tool process identified 47 programs for elimination.<sup>13</sup> The projected budget savings from terminating these programs was approximately \$3.3 billion.<sup>14</sup> Moreover, the Office of Management and Budget reports that the 2008 Department of Education budget included 758 congressional earmarks totaling \$327 million in appropriations.<sup>15</sup> Earmarks and other ineffective, wasteful, or duplicative education programs should be terminated.

10. For more information, see Dan Lips, "Reforming No Child Left Behind by Allowing States to Opt Out: An A-PLUS for Federalism," Heritage Foundation *Background* No. 2044, June 19, 2007, at <http://www.heritage.org/Research/Education/bg2044.cfm>.

11. For more information, see Dan Lips and Evan Feinberg, "The Administrative Burden of No Child Left Behind," Heritage Foundation *WebMemo* No. 1406, March 23, 2007, at <http://www.heritage.org/Research/Education/wm1406.cfm>, and Eugene Hickok and Matthew Ladner, "Reauthorization of No Child Left Behind: Federal Management or Citizen Ownership of K–12 Education," Heritage Foundation *Background* No. 2047, June 27, 2007, at <http://www.heritage.org/Research/Education/bg2047.cfm>.

12. For more information, see Susan L. Aud, "A Closer Look at Title I: Making Education for the Disadvantaged More Student-Centered," Heritage Foundation *Special Report* No. 15, June 28, 2007, at <http://www.heritage.org/Research/Education/sr15.cfm>.

13. U.S. Department of Education, *Fiscal Year 2009 Budget Summary—February 4, 2008*, "Section III. Programs Proposed for Elimination," at <http://www.ed.gov/about/overview/budget/budget09/summary/edlite-section3.html> (December 3, 2008).

14. *Ibid.*

15. Office of Management and Budget, "List of Bureaus for the Department of Education," at [http://earmarks.omb.gov/2008-appropriations-by-agency/agency\\_title/\[018\]\\_summary.html](http://earmarks.omb.gov/2008-appropriations-by-agency/agency_title/[018]_summary.html) (December 3, 2008).

- **Protect and expand school choice in Washington, D.C.** The federal government provides considerable funding assistance to the D.C. government, which has long had one of the most troubled public school systems in the country.<sup>16</sup> The District spends \$14,400 annually on each child in public school, but test scores show that children in the nation's capital are far behind their peers elsewhere around the country. In addition, D.C. public schools are often violent and dangerous places for children who are trying to learn.

In 2004, Congress created the D.C. Opportunity Scholarship program to give low-income children in the District the opportunity to attend a school of their parents' choice. That program, which had bipartisan support in Congress and the backing of then-D.C. Mayor Anthony Williams, is currently helping 1,900 disadvantaged children attend private schools in the District. Surveys have shown that participating parents are more satisfied with their children's education, and a testing evaluation has reported that participating students scored higher than children who remained in public school.<sup>17</sup>

The D.C. Opportunity Scholarship program should be maintained and expanded to give all children in the District the opportunity to attend a safe and effective school of their parents' choice.

- **Fix ineffective federal early childhood education programs rather than adding new ones.** Since 1965, the federal government has sought to improve school readiness for disadvantaged children through the Head Start program. In all, taxpayers have spent nearly \$100 billion on this program. For 2008, Congress appropriated \$6.9 billion for Head Start.<sup>18</sup> The total annual cost per student served was approximately \$7,500.<sup>19</sup>

16. For more information, see Dan Lips and Evan Feinberg, "Improving Education in the Nation's Capital: Expanding School Choice," Heritage Foundation *Backgrounder* No. 2137, May 14, 2008, at <http://www.heritage.org/Research/Education/bg2137.cfm>.

17. Shanea Watkins, "Safer Kids, Better Test Scores: The D.C. Voucher Program Works," Heritage Foundation *WebMemo* No. 1965, June 20, 2008, at <http://www.heritage.org/Research/Education/wm1965.cfm>.

18. U.S. Department of Health and Human Services, Administration for Children and Families, "Head Start Program Fact Sheet: 2007 Fiscal Year," at <http://www.acf.hhs.gov/programs/ohs/about/fy2008.html>.

19. Authors' calculations.

But more than 40 years after Head Start was created, the school readiness gap between low-income children and their peers remains. Taxpayers' considerable investment in the Head Start program has failed to demonstrate meaningful long-term results for participating children. Moreover, Head Start has been plagued with internal problems, including financial mismanagement.

Despite the failure of Head Start, many lawmakers on Capitol Hill are proposing the creation of new federal early childhood programs, including plans that would provide access to middle-income and upper-income children. Rather than creating new federal programs, policymakers should reform Head Start by giving state policymakers greater flexibility to integrate Head Start into state early childhood education programs and develop new strategies to improve education and care for young children. In addition, Head Start should be reformed to allow states to give families the ability to select an early childhood provider of choice.

- **Call attention to the real engines of reform: the power of parents and successful reform models at the state and local levels.** After years of federal intervention in education that has failed to yield meaningful improvement, the President has an opportunity to use the bully pulpit to encourage a greater commitment to education and support state and local reform lessons. The historic nature of the 2008 election will give you a unique opportunity to communicate to the American people.

*First*, your family can serve as a model for parental engagement in children's education. Your own example as a husband and father committed to his marriage and involved in his children's lives sends a powerful message, as does your weighing their individual education needs in the selection of their school. You have the opportunity to challenge American parents to become more involved in their children's education.

Academic literature suggests that family stability and parental involvement in a child's schooling are

correlated with a student's academic achievement.<sup>20</sup> Since the most direct way to increase parental involvement in education is to give parents the ability to choose their children's school, your voice could join a growing number of leaders from the Democratic Party by declaring support for school choice and parental control in education.

*Second*, you can highlight and applaud pioneering reform efforts at the state and local levels and declare opposition to special-interest groups that resist systemic reform of the current public education system. The path to transforming and improving American education is

at the state, local, and school levels with the leadership of state lawmakers, principals, teachers, and parents. It is important for the President to recognize the limits of federal intervention and use the bully pulpit to support systemic reform efforts.

## Conclusion

You were right to say during your campaign that “we cannot be satisfied until every child in America...has the same chance for a good education that we want for our own children.” But four decades of experience with increasing federal involvement has shown that Washington cannot deliver on that promise. Instead of further expanding federal authority in education, your Administration should empower those who have more power to make a difference in children's education, especially parents.

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20. Christine Kim, “Academic Success Begins at Home: How Children Can Succeed in School,” Heritage Foundation Backgrounder No. 2185, September 22, 2008, at <http://www.heritage.org/Research/Education/bg2185.cfm>.

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This paper is also available online at:  
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