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## What Politicians Mean When They Ask for More Education Spending

Per-student spending on K-12 education has risen steadily over the last two decades, but student test scores, and teacher salaries, are stagnant. Why hasn't this massive increase in investment produced better teachers and better opportunity for students? The short-answer, according to a new Manhattan Institute report by Josh McGee: State and local governments have catastrophically mismanaged their teacher pension systems. The cash infusion to K-12 has been used largely to pay for irresponsible pension promises politicians made to teachers' unions and justified to the public with shoddy accounting. From the [executive summary](#):

Per-pupil spending on equipment, facilities, and property fell by 26% between 2000 and 2013, likely resulting in a growing backlog of expensive repairs and replacements that will need to be made sometime down the road. Spending on instructional supplies (e.g., textbooks) declined by 10% per pupil. More than half of states (29) spent less per pupil on instructional supplies in 2013 than in 2000. [...]

The vast majority of taxpayer contributions into teachers' pension plans are now used to pay down pension debt owed for past service rather than to pay for new benefits earned by today's teachers. As the value of this debt has increased, most current teachers have experienced stagnant salaries and reduced retirement benefits, while spending on classroom supplies, equipment, and building upkeep has declined relatively or even absolutely.

In other words, to cover benefits for retirees, states need to dig into education funds that might otherwise be used to attract and retain good teachers or buy better textbooks and build new facilities. So long as state governments are unwilling to reform the blue model pension-for-life civil service system, and so long as teachers unions continue to wield outsized influence in so many state legislatures, this pattern seems likely to continue indefinitely.

Campaigns to increase spending on schools are always popular, and understandably so: Education ought to be a great equalizing force in our society and, in theory, an efficient way to invest in the future. The problem is that in many states, new "K-12 spending" isn't really an investment so much as a transfer payment to retired employees of the public schools who have been promised untenable lifetime pension benefits.

There is definitely room for smart new investment in K-12. But responsible reformers should make such investment conditional on a total overhaul of the public sector pension and collective bargaining system. Otherwise, the public will keep paying more and more and getting nothing in return.

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