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NEW YORK POST

Why More Cash Won't Help The Kids

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by Henry Olsen

YESTERDAY'S Court of Appeals ruling that the state's education-finance system is unconstitutional, lauded by many as a pathbreaking new step, is in fact a ratification of the failed assumption that has driven U.S. urban education policy for over three decades. Call it the "Field of Dreams" approach to reform: Spend it, and they (higher test scores) will come.

Unfortunately, two decades of experience shows this to be wishful thinking.

Plaintiffs in the case, Campaign for Fiscal Equity v. State of New York, argued that the state's educational funding formula was tilted against large cities like New York, and that the city's children get an unconstitutionally inadequate education as a result. By agreeing, the court raises the prospect that the state will have to raise education spending by billions of dollars a year.

But if money were the answer, these past 30 years would have been a Golden Era in American education: As the Manhattan Institute's Jay Greene has shown, education spending after inflation has doubled in that time. Yet test scores on the National Assessment of Educational Progress (NAEP) have remained flat.

The same performance for twice the price would get executives fired in private industry.

Nor is New York City immune to these trends. City school spending has grown dramatically over the same period, 48 percent after inflation between 1970 and 2000. And it has skyrocketed recently. The majority opinion cites figures from the 1996-97 school year of per-capita operating expenditures at \$8,171. As of 2002-03, that figure had topped \$11,000 - more than a 33 percent hike in just six years. Total spending rose even more, from \$8.1 billion to \$12.4 billion.

Did the city see a 30 percent increase in test scores? Not even close. Four- and six-year graduation rates have barely budged, and reading and math test scores are essentially unchanged.

What did the city get for its huge spending jump? More employees at higher salaries, that's what. The school system has more than 13,000 employees in that time, and last year's teacher-contract settlement boosted the teacher salaries by 16 percent to 22 percent.

No, what's really to blame for New York's inadequate education is a system that has too long rewarded those who work in the system at the expense of the children it is supposed to benefit.

As documented by Sol Stern in his recent book, "Breaking Free," the city operates under a teacher's union contract that prevents well-meaning principals from creating a quality school. It prohibits principals from requiring teachers from working one minute more than about 6 1/2 hours a day. It gives teachers tenure, making it virtually impossible to fire an incompetent or underperformer. It gives raises based solely on the number of years a teacher has taught and the number of degrees he or she has obtained: It doesn't matter what their pupils learn.

Finally, and perhaps most egregiously, this is a contract that allows teachers to select which schools they want to teach in on the basis of seniority. And more-senior teachers tend to choose slots in the city's higher-income (and whiter) schools, so minority and poorer students get less experienced, and less credentialed, teachers.

If credentials and experience equals excellence, as the teachers' union would have us believe, this policy robs those most at need of those most qualified.

The city can't control whether the Legislature complies with the court's order and actually sends hundreds of millions of dollars more each year for its schools. But it can change how it manages whatever funds it has. Mayor Bloomberg and Chancellor Joel Klein are negotiating a new contract with the union. To get serious improvement in our city's education, they'll have to take as tough a line on these non-monetary contract provisions as they're said to be taking on the monetary ones.

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