

# **PUBLIC SCHOOLS AND INCOME INEQUALITY**

By Nick Gier, President, Idaho Federation of Teachers, AFT/AFL-CIO

Read Gier's article "Why Do Finnish Students Do So Well?"  
at [www.idaho-aft.org/FinlandEd.pdf](http://www.idaho-aft.org/FinlandEd.pdf)

*As the children of the rich do better in school, and those  
who do better in school are more likely to become rich, we risk  
producing an even more unequal and economically polarized society.*

~Sean F. Reardon, Stanford University

*We have a school named for Dr. King.  
The school is full of sewer water  
and the doors are locked with chains.  
Every student in our school is black.  
It's a terrible joke on history.*

~a 14-year-old student

*Among the new objects that attracted my attention  
during my stay in the United States, none struck me  
with greater force than the equality of conditions.*

~Alexis de Tocqueville, *Democracy in America*

In each election cycle politicians make promises what they will reduce crime and prison populations, decrease teen pregnancy, ameliorate polarization and lack of trust, eliminate drug abuse, address mental and physical health issues, and improve student achievement. The candidates argue endlessly and disagree about the causes of and best solutions to these problems. Just as there is a great need for "evidence-based" health care, so is there an equally great demand for "evidence-based" politics.

Richard Wilkinson, professor emeritus at the University of Nottingham Medical School, has been researching the issues above for over 30 years. Kate Pickett, an epidemiologist at the York University, has joined Wilkinson in writing *The Spirit Level: Why Greater Equality Makes Societies Stronger*. The authors studied levels of trust, mental illness, life expectancy, infant mortality, child well being, educational achievement, teen births, homicides, and incarceration rates in a selection of rich countries. They found that the US performed the worst on all nine issues, and that the

most consistent predictor of these problems is economic inequality. The authors found the same strong correlations among less equal and more equal American states. For more on *The Spirit Level* see [www.NickGier.com/SpiritLevel.pdf](http://www.NickGier.com/SpiritLevel.pdf).

In this column I want to focus on income inequality as it pertains to educational achievement and child well being. I will not argue that people have the right to have the same income as their neighbors, because I believe that people should be rewarded for their talents and their hard work. But I will argue that every child has a right to quality education and health care.

A standard way of measuring income inequality is the Gini Index, where 100 is complete inequality and 1 is complete equality. From 1967 to 2009 the U.S. number rose dramatically from 34 to 47. The average number for the 27 countries in the European Union is 31. Finland, whose students came in second in science and third math behind China and South Korea, stands at 27. Norway and Sweden are the most equal at 25 and 23 respectively.

The authors of *The Spirit Level* stress the fact that it is not always the richest countries that do well on the nine social and health issues; rather, it is those countries that are more equal in national income. For example, Greece's per capita income half that of the U.S., but its Gini number is 33. Although the Greeks spend half as much on health care, they live 1.2 years longer than Americans, and an American baby, as Wilkinson and Pickett point out, "has a 40 percent higher risk of dying in the first year after birth than a Greek baby."

In an article in *The Nation* (6/14/10) Linda Darling Hammond at Stanford University notes that in the 60s and 70s, after the Great Society programs went into effect and child poverty was cut almost in half, student achievement gaps between ethnic groups were reduced and blacks and Hispanics attended college at a rate equal to whites. Earlier, between 1952 and 1963, when Americans were far more equal in income, SAT scores improved dramatically across all ethnic boundaries. As income inequality increased, SAT scores—particularly verbal scores above 600—gradually dropped for all students regardless of race. (Source: E. D. Hirsh, *NY Review of Books*, 2/11/10, p. 45.) The average SAT reading score for the class of 2011 was 497, the lowest number since 1972. More and more students are taking the SAT and ACT but even the white students are doing less well.

Dropout rates are progressively higher in states that have more income inequality. In some inner cities 50 percent of students leave before they graduate. Significantly, American teacher retention is 50% higher in wealthy schools than poorer ones. From 1995 to 2005 the U.S. has dropped from second among rich countries in high school graduation rates to 16<sup>th</sup>. Greece, Germany, and Finland are now at the top. Each of the countries that are now ahead of us has much higher income equality than

the U.S. Only Israel and Japan with Gini numbers of 39 and 38 respectively are even close to the U.S. at 45.

Robert Frank, Economics Professor at Columbia University, has come up with what he calls the “Toil Index.” With it he calculates “the number of hours median income employees must work each month to rent a house in a school district that offers an average quality education.” From 1950 to 1970—during a period of relative income equality—the number of hours dropped from 42.5 hours to 41.5. But from 1970 to 2000, when income inequity rose, the toil index rose from 41.5 hours to 67.4 hours. Only the most determined lower income parents with the utmost fiscal discipline can now move to districts where their children get a better education.

The framework fact for the Toil Index is the strong correlation between local housing prices and American school quality. The U.S. has the lowest rate of taxation in all areas except property taxes, where we rank fourth in the world. The heavy reliance on property taxes not only leads to disparities in school funding and student achievement, but sometimes it also has the perverse effect of raising the taxes on the poor. For example, in rust belt counties in Pennsylvania where businesses have fled to rich urban counties, property tax rates in the former are as much as six times higher than the latter.

School funds raised from property tax have now fallen to 34 percent as state and federal funds have made up for the difference. Obama’s stimulus bill gave \$100 billion to education at all levels and tens of thousands of teachers’ jobs were saved. For many years judges have ordered that funding be equalized across school districts in their jurisdiction, but student achievement does not always improve.

Conservatives are right to a certain extent: increasing school funding without addressing the deeper issue of income inequity does not always improve student test scores. A local school may have good teachers and a wonderful learning environment, but as long as poor kids in the neighborhood come to school hungry and sick they will not succeed. The American Federation of Teachers reports that two thirds of their school staff report that hunger among their students is a major problem. The U.S. ranks last among all rich nations in terms of child well being, and income inequality is the most constant indicator of the most important factor in any nation’s success.

Thirty years ago it was race and parental education/involvement that were the main factors in student achievement gap, but Sean F. Reardon of Stanford University has discovered that income disparity is playing a much larger role. Commenting on Reardon’s research, Claude Fischer states: “The rich-poor gap is now one-and-a-half times larger than the race gap; 50 years ago it was just about the reverse” (“Buying a Head Start,” 4/12/11).

Fischer supports Reardon's observation that rich parents are more inclined to invest in tutors and educational aids for their children in their pre-school years on through to high school. Tutors and afterschool classes are also keys to Asian student success. As Fischer states: "What seems to have happened is that money is buying more and more cognitive development." Studies show that poor children are already at least one year behind their richer cohorts.

Compared to countries with higher education achievement, most of our working parents do not have paid leave to take care of their infants, and they do not have comprehensive health coverage for their children. Parents who are working two or three jobs need subsidized day care and pre-school. The fact that my own state of Idaho does not have compulsory kindergartens is a disgrace.

Millions of American children are already lost before they begin school.

- As long as too many American families remain dysfunctional and unsafe; as long as far too many do not truly value education;
- As long as these homes are where books are not read and do not provide for a good learning environment;
- As long the teaching profession and their unions are vilified;
- And as long as income inequality is at a Third World level;

America's children will lag farther behind and never catch up with their peers in other nations.

Nick Gier taught philosophy at the University of Idaho for 31 years. Read all of his columns on higher education at [www.idaho-aft.org/HighEdColumns.htm](http://www.idaho-aft.org/HighEdColumns.htm).