


# ENDANGERING PROSPERITY

Two yellow pencils are positioned to form a triangle. The top vertex of the triangle is a broken pencil tip, with the two pencils meeting at the break. The bottom-left vertex is the eraser end of the left pencil, and the bottom-right vertex is the sharp pencil tip of the right pencil. The background is white.

A  
Global  
View of the  
American School

Eric Hanushek, Paul E. Peterson, and Ludger Woessmann

Brookings Press 2013

# Commitment to Achievement Growth



George H. W. Bush and all Governors (1989) bring U. S. achievement up to top of world by 2000

# Commitment to Achievement Growth



“All Americans can reach international competitive standards.”

Bill Clinton: Goals 2000

# Commitment to Achievement Growth



No Child Left Behind

George W. Bush

# Commitment to Achievement Growth



“We know what it takes to compete for the jobs and industries of our time. We need to out-innovate, out-educate, and out-build the rest of the world.”

Barack Obama

# Frozen Schools

Percent of **U.S.** students proficient in math is **32**, placing it in **32<sup>nd</sup>** place among 65 countries



## % Proficient Students in Math

- Korea (58%)
- Finland (56%)
- Taiwan (56%)
- Switzerland (53%)
- Japan (51%)
- Canada (49%)
- Netherlands (49%)
- Belgium (47%)
- New Zealand (47%)
- Germany (45%)
- Australia (44%)
- United States (32%)





# Highest Performing Students

7 % of U.S. students are at the advanced level, putting it in 30<sup>th</sup> place

## % Advanced Students

- Taiwan (23%)
- Korea (20%)
- Switzerland (19%)
- Belgium (16%)
- Finland (16%)
- Japan (16%)
- Netherlands (14%)
- New Zealand (14%)
- Canada (14%)
- Australia (12%)
- Germany (13%)
- United States (7%)



# FINALS

THIS IS HOW WE DO IT

# Achievement Growth: Is the United States Catching Up?

Annual gains by U. S. between 1995 and  
2009 are middling

24 countries do better

24 countries do worse

# Some Countries with Roughly Twice as Rapid Achievement Growth

- Latvia
- Chile
- Brazil
- Portugal
- Hong Kong
- Germany
- Poland
- Slovenia
- **USA**

# The Price We Pay

“Many people I talk to are surprised to learn that jobs by the hundreds of thousands remain vacant. The reason for that is clear: American employers do not have enough applicants with adequate skills. As I work with business leaders from every sector of the American economy, I can attest your high school math teacher was right: Algebra matters.”

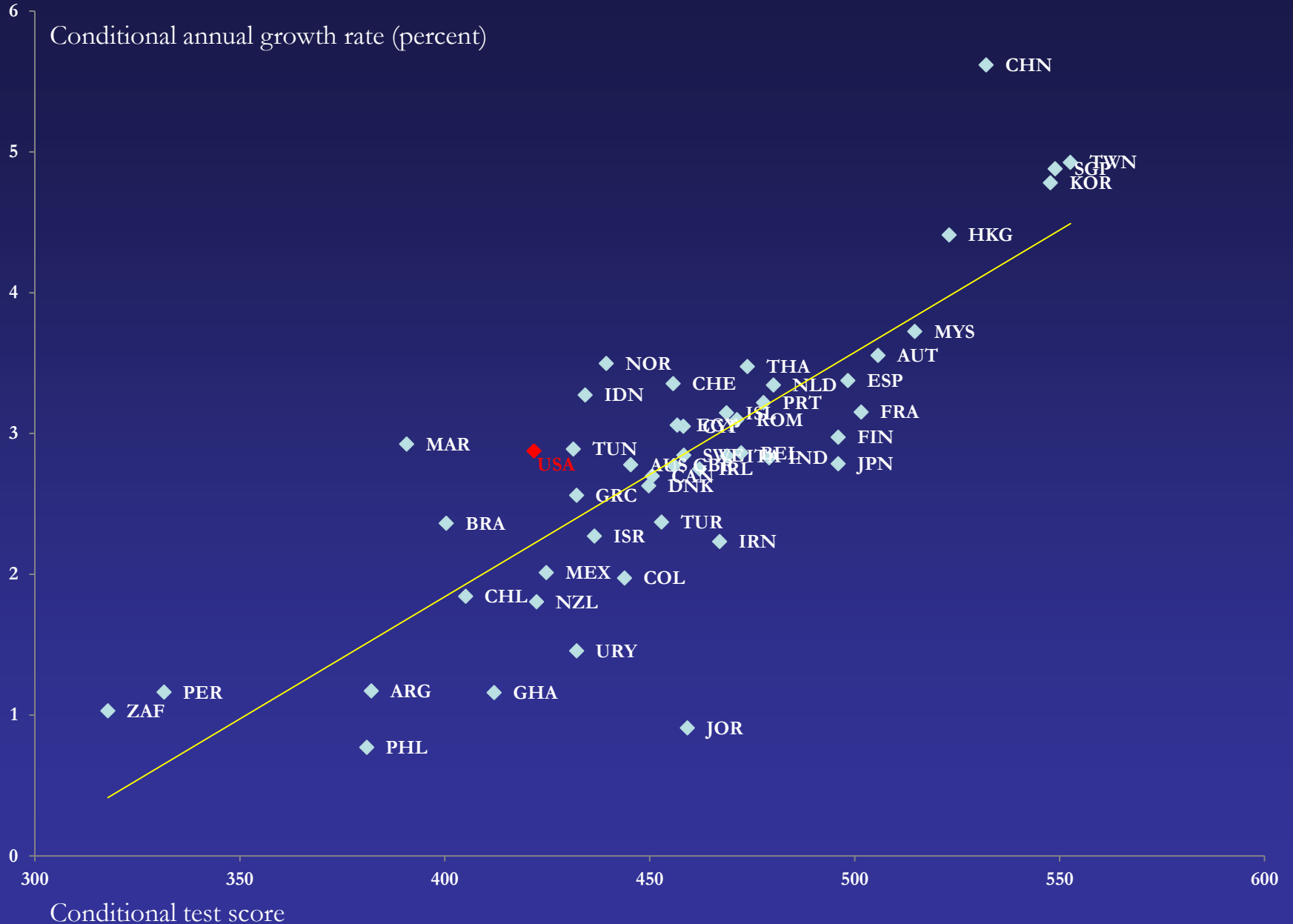
Rex Tillerson, CEO, Exxon

Chair of Business Roundtable's Education Committee September 6, 2013

# Data for High School Graduating Class of 2011

- 1) National Assessment of Educational Progress (NAEP), 2007, 8<sup>th</sup> graders
- 2) Program for International Student Assessment (PISA), 2009, 15 year-olds (10<sup>th</sup> grade)

# Skills and Long-Run Economic Growth, 1960-2009

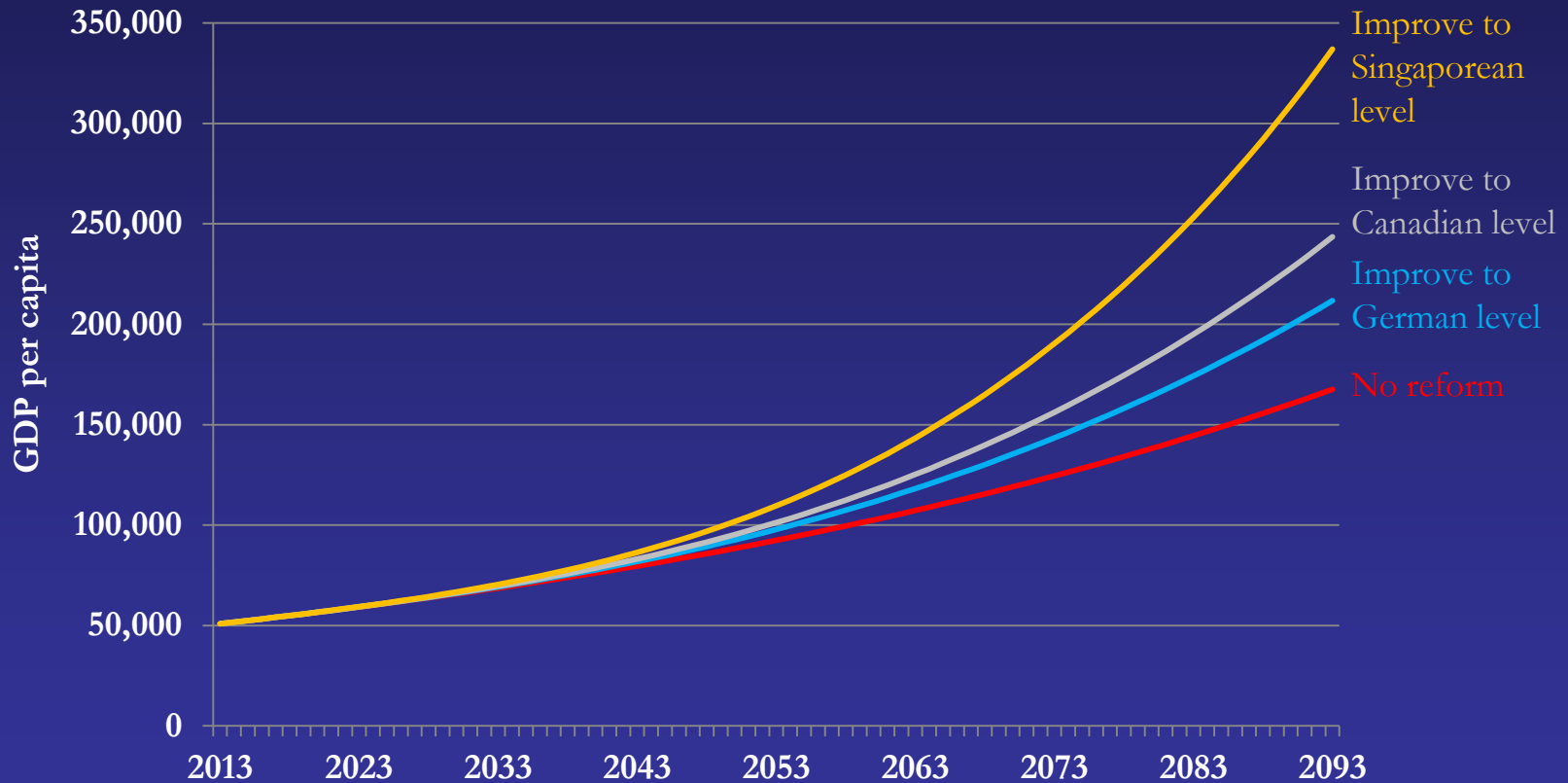




# Years of Schooling and Long-Run Economic Growth after Adjustment for Test Scores, 1960-2009



# GDP per Capita Growth if Achievement Improved



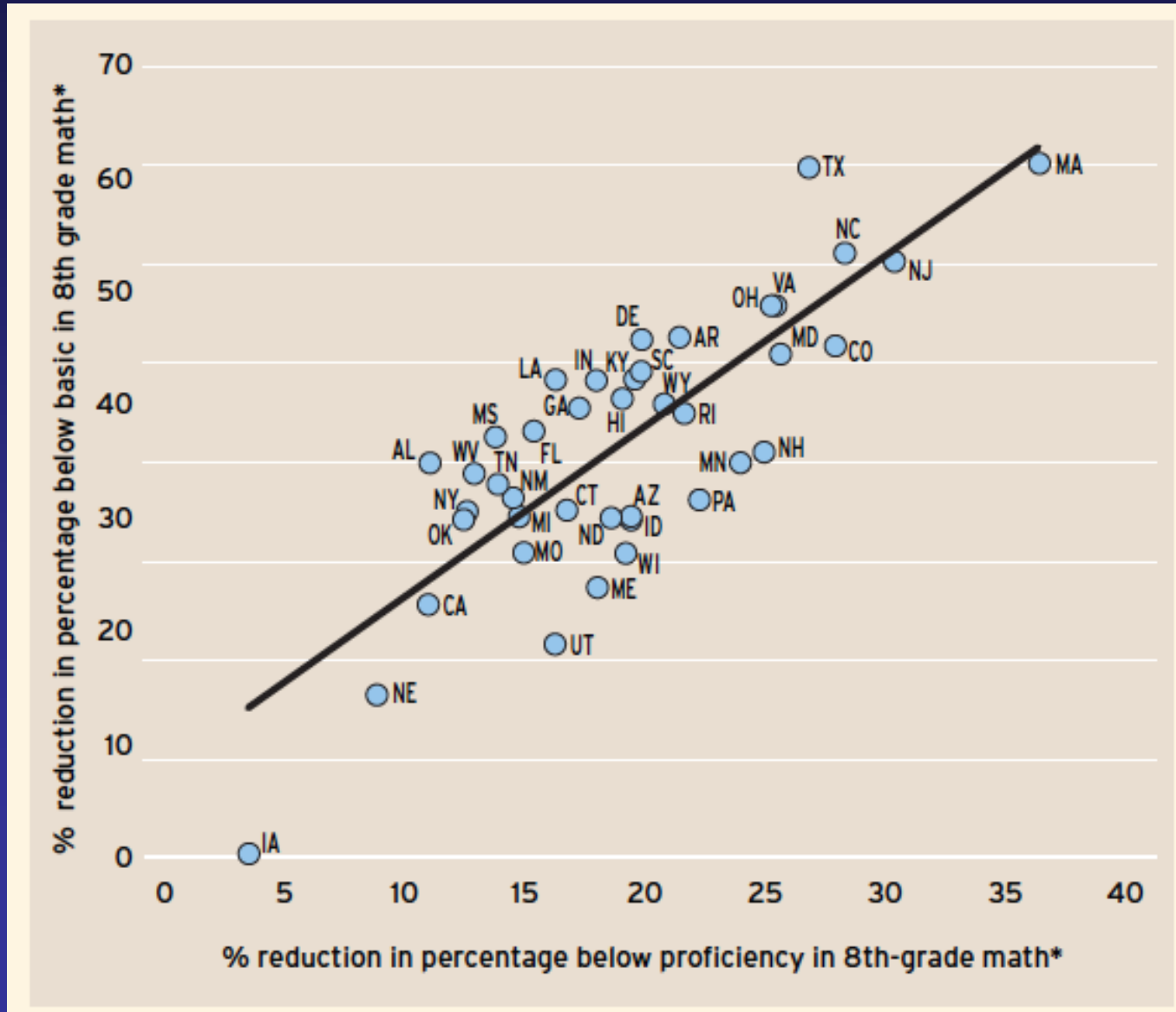
# Reaching Canadian Level Means

- 20% average increase in income to every worker every year for the next 80 years
- Total value = \$77 trillion
  - Today's GDP is about \$16 trillion
  - Cost of recent recession estimated at \$4 trillion

# Concerns and Obstacles

- Tests don't mean anything
- Society, not schools, must change
- U.S. growth independent of achievement
- The solution is money
- The problem is intractable

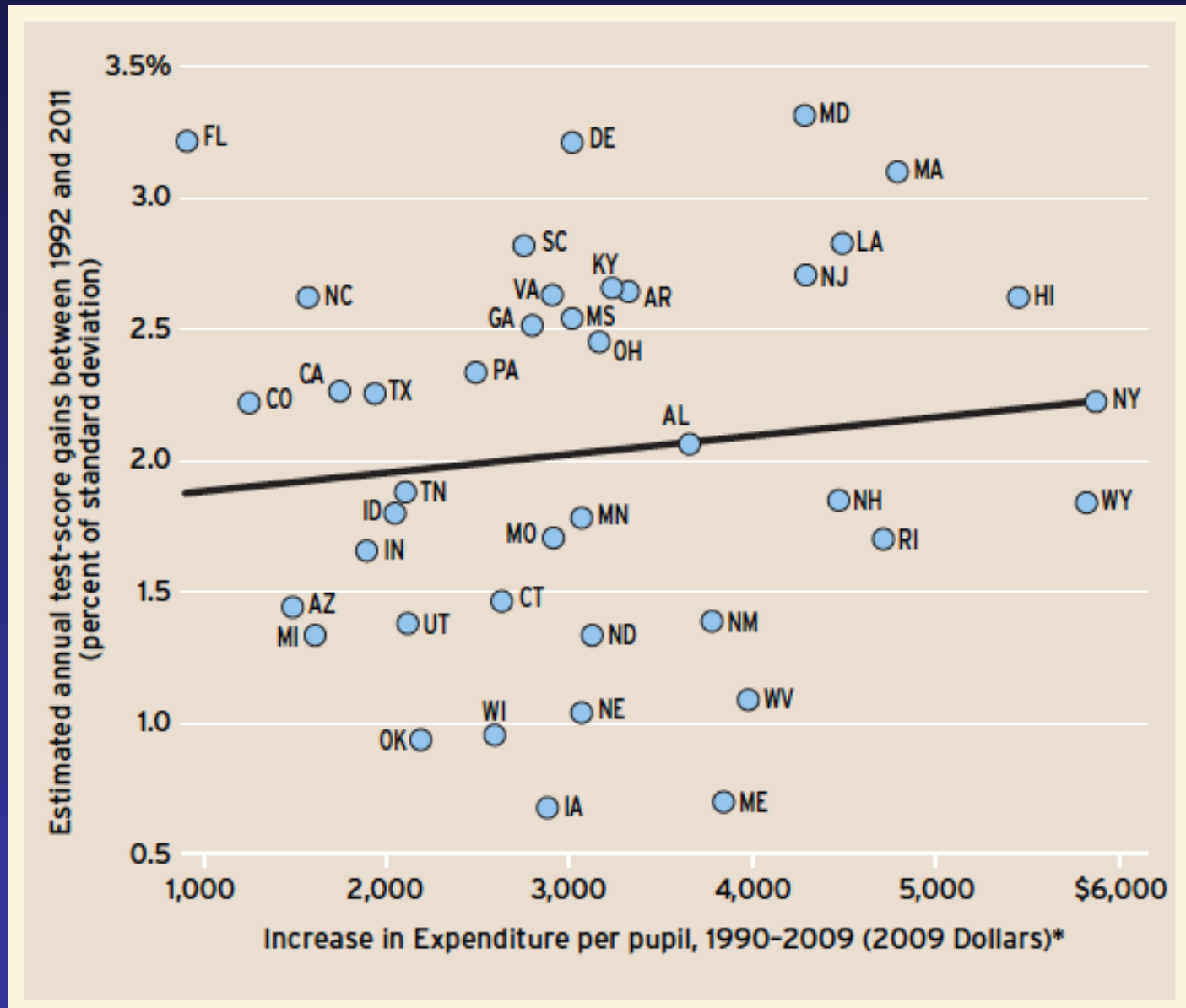
# Do Improving States Treat High Performing and Low Performing Students Equally?



# Disappearing Advantages

- Best economic institutions
- Universal secondary schooling
- World's best universities
- Skilled immigrants

# Do Additional Expenditures Explain Growth?




## How Change Affects Rankings

	Gain	1992	2011
• Maryland	(3.3)	26	5
• Massachusetts	(3.1)	7	1
• Oklahoma	(0.9)	19	32
• Iowa	(0.7)	1	22



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