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Yes, it is possible to spend too much on education

By John LaPlante

Education is perhaps the most popular use of taxpayer dollars, but the recent court-ordered increases of \$290 million in state funding may not be the last. Some observers expect the Kansas Supreme Court to require the Legislature to add another \$568 million next year to a state aid budget that now tops \$3 billion. But is it possible to spend not too little, but too much on education?

MORE IS NOT ENOUGH

When economic decisions made on the other side of the world have an affect on families in Kansas, the need to spend more on education appears at first glance to be self-evident. After all, education is an oft-cited key to attracting high-paying jobs to a community. Further, it does cost money to run a school, so why not spend it. No wonder, then, that the attorney representing the school districts who sued the state said that they "should be congratulated" for their success.

Before the rest of us accept this self-congratulatory announcement, we need to recall that what counts is not the total amount spent, but how it is spent.

It's the rare human being who would not like to have more: a bigger house, a better car, and nicer furnishings. Most of us would have more, if only we could afford it.

While our wants may be unlimited, our ability to pay for them is not. So we compromise. We buy a basic car to have more money available for a nicer house. We may spend a little extra to add some features to that base model but still refrain from buying the top of the line.

Citizens who construct public budgets face the same problem. They, too, will find that increased spending is desirable, but only to a point. Even if you think that teachers are underpaid, for example, you are still unlikely to call for a minimum teaching wage of \$1 million a year. At some point, the extra benefit of increased spending is not commensurate with its cost.

COMPETITION IS THE KEY TO MAXIMIZING FAMILY, TAXPAYER SATISFACTION

How can lawmakers make the best use of public dollars? How can our society reach the point where we spend the right amount of money on education? Through increased reliance on competition.

When companies compete with each other, consumers benefit. Think of the increased power (and price declines) in personal computers over the last 20 years. Or consider that the U.S. Postal Service has improved ever since it has been forced to compete with FedEx and e-mail. Competition brings out the best of organizations. They innovate, find ways to deliver a superior service or product, and keep price increases limited.

Do we have competition in K-12 education? Only in a weak sense. By default, the money collected for each student's education is earmarked for only one school district. While there are 300 school districts in Kansas for families to choose from, moving a child from one district to another usually means that the family must move to a new district, which is an expensive and disruptive task.

Right now, the consumers of education, which include not only students and families, but taxpayers and businesses, are not receiving the full benefits of competition: lower costs and better student performance.

When they return to Topeka in January, lawmakers should implement ways of bringing the benefits of competition to one of our most popular and important use of taxpayer dollars, education. If they do, taxpayers, families, students, and communities will reap the benefit.

John R. LaPlante is education policy fellow with the Flint Hills Center for Public Policy.