



Jim Broadway's

Illinois School Policy Updates



Samuel Clemens: 'Figures don't lie, but liars figure.'

By Jim Broadway, Publisher, State School News Service

March 21, 2011 – Back in my lobbying days I was reminded of that [quote from Mark Twain](#) when a state senator demanded that I explain why SAT scores had declined from the 1960s to the 1980s despite “our historic increase in education spending”?

I was caught off guard. I didn't know the answer. I didn't even know where the question came from. It bore no relation the bill under consideration.

In retrospect, I realized the senator was referring to a graph that had been included in the 1983 federal publication called [A Nation At Risk](#). It was a crude graph, just a line sloping gently down to represent ACT score trends during that time period.

It would be 1995 before I learned the true answer. It was clearly explained by Bruce Biddle and David Berliner in [The Manufactured Crisis](#), a scholarly examination of many spurious charges against public education launched in *A Nation At Risk*.

The answer is this: Aggregated SAT scores did decline during those two decades, but when the scores are divided into segments (Berliner and Biddle disaggregated them into quintiles, high to low), average scores *within each segment actually increased*.

How could that be? Here is how. College-bound students take the SAT. In those years there was a great increase in students going to college. A high percentage of them were first-generation college students, minority and less affluent students.

Understandably, these students' scores generally grouped in the lowest-score quintile. Consequently, even though the *average scores in each quintile rose*, the size of the lowest-score quintile soared. That lowered the aggregated average score a bit.

So American educators had two successes – higher SAT scores by each segment of test-takers and an increase in young people prepared and motivated for higher education – but *A Nation at Risk* calculated them into an educational failure.

Out of the blue, *A Nation At Risk* accused public educators of “a rising tide of mediocrity that threatens our very future as a Nation and a people.” Why did they do that? The U.S. economy was then, as now, in a shambles. Someone needed to take the blame.

I no longer lobby. I've been clean since 1998. But I remain wary of raw data.

The trick used by the writers of *A Nation At Risk* is very effective and commonly used by liars who figure. You see it today in the rhetoric of those who profit politically by attacking public sector employees as “overpaid” in comparison with the private sector.

Media accounts are full of arguments that public employees need to “[adjust to economic reality](#)” and to share sacrifices, especially in their retirement programs, as if they were somehow culpable in the fiscal crises created by policymakers in many states.

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A perception is fostered that public sector employees have cushy jobs with golden benefits packages and are oblivious to their neighbors' economic stress. Do public employees earn more than the average private sector worker? Or are public employees underpaid?

When you sift the data for a solid answer, it is "yes" – to both questions.

Just as SAT test-takers, in the aggregate, include definable constituencies whose ratio to the whole must be accounted for in analysis, so do public- and private-sector employees, in the aggregate. In the latter case, the primary difference-maker is – education.

The analysis is mind-numbing – therefore perhaps beyond the average legislator – but research is based on irrefutable data. Last year's [seminal report](#) by the Center for State and Local Government and the National Institute on Retirement Security found:

(1) State and local government employees are twice as likely to require a college or advanced degree for their jobs as private sector employees. But public employees are paid less than private sector employees with "comparable earnings determinants (e.g., education)."

In the 20 years under study, public employees' pay declined relative to that of comparable private sector employees even as, because of the education gap, it remained slightly higher in the aggregate. (If you're reading the report, see Page 7.)

(2) It is true that "benefits (e.g., pensions) comprise a greater share of employee compensation in the public sector," but even taking that into account public employees pay a "penalty" of 6.8% to 7.4% for choosing public rather than private employment.

For those who believe government should be run like a business, the researchers conclude: "If the goal is to compensate state and local sector employees in a manner comparable to those in the private sector, the data do not call for reductions in state and local wages. If anything, they call for increases."

Similar findings and conclusions are reported by the [Economic Policy Institute](#).

There's an argument to be made that the very question of whether public employees are paid too much relative to private sector workers is a red herring. There is a more relevant question: Why did employee incomes stagnate in both sectors since 1980?

[EPI data show](#) that employee wages have been largely flat for two decades, but productivity – a measure of wealth generated in the economy per employee – has soared. Where did all that wealth go? It seems to have flowed, as usual, [to the already wealthy](#).

I've occasionally pointed out trends in wealth distribution, in Illinois and nationally, and effects research says they have on public schools (poverty concentrations, dropout rates, achievement gap). I sometimes hear a concern that I'm fomenting "class warfare."

Close your eyes to it if you wish, but that war began in 1980. The wealthy started it but did not send out a news release. The data has since documented this reverse-Robin Hood wealth redistribution, but data are too boring or complicated to affect public opinion.

Now that the economy has tanked with huge effects on state and local government budgets, those who caused it need a culprit, as they did in 1983 in blaming public educators in *A Nation At Risk*. This time, the culprits are public employees at all levels.

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