EDUCATING KIDS WELL SAVES TAXPAYER DOLLARS & STRENGTHENS THE ECONOMY

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The achievement gap has serious social and economic consequences. It limits college, career, and life choices of many African American, Latino, Native American, Southeast Asian, and Pacific Islander students, and of the poor. It fosters racial divisions inside and outside of schools. It weakens the economy and exacerbates the state’s poverty- and crime-related problems in California’s high-tech economy, in which jobs paying a living wage and requiring only a high school diploma are all but nonexistent. Finally, it limits access to the most selective public universities, where enrollment of underrepresented minorities has nose-dived by 45% at UCLA and by 42% at UC Berkeley since the UC Regents’ 1995 ban on the use of race and ethnicity in admissions criteria, and since the 1997 passage of Proposition 209.¹

We pay a high price for failing to educate all of California’s diverse children and prepare them for college and well paying jobs. California taxpayers not only pay for public K-12 and higher education, but for social services ranging from health care to welfare to prisons. The lifetime cost of services to a high school dropout goes well beyond lost revenues to the young person’s high school and district. An estimated 82% of California’s 1.4 million federal and state prison inmates dropped out of high school. Many are marginally literate or illiterate. Between 70-87% of incarcerated youth suffer from learning or emotional disabilities that interfere with their education. “A sound education is essential in diverting youth from a life of crime and delinquency.”²

The average spent on a year in prison is $22,000 per adult inmate, and $32,000 to house a youth in the California Youth Authority system,³ versus $5,923 spent per pupil for K-12 education—a difference of $26,027! It makes more sense to invest in children at the front side of life by educating them well, including the option of attending college, than to pay a steep and unnecessary price at the backside in the form of prisons and public assistance.⁴

Moreover, losing students before graduation from high school translates into a loss to California’s economy in the form of taxpayers and productivity. Especially in hard economic times, we should not lose sight of the value and importance of providing a high quality public K-16 education for all of California’s children.

Business and education leaders agree on the importance of educating all children well.

*The education of all Americans benefits the national economy. The Educational Testing Service estimates that “if Hispanics and African-Americans had the same education and commensurate earnings as whites,” there would be “an upsurge in national wealth” of $113 billion annually for African-Americans and $118 billion for Hispanics.*

¹ California voters passed Proposition 209 in November 1997, legally barring the state government and public agencies—including state universities—from using race or gender preferences in hiring, contracting, or college admissions.
² Data and quote from the Coalition for Juvenile Justice
⁴ Paraphrased from speeches by the Reverend Jesse L. Jackson
— Business-Higher Education Forum (2001)⁵

Until many more underrepresented minority students from disadvantaged, middle class, and upper middle class circumstances are successful educationally, it will be virtually impossible to integrate our society’s institutions completely, especially at leadership levels. Without such progress, the United States will also continue to be unable to draw on the full range of talents of our population in an era when the value of an educated citizenry has never been greater. (From Reaching the Top, p. 2)

— The College Board (1999)

And finally, Carly Fiorina, CEO of Hewlett-Packard and a member of Governor Schwarzenegger’s transition team, highlighted the importance diversity and one of the UC Outreach programs to Silicon Valley high tech companies. She told the story of an HP Scholar, Oscar Banuelos.

Oscar—now in his first year at Santa Clara University—was president of MESA (Mathematics Engineering Science Achievement) while in high school. He received a number of academic accolades, including awards from Stanford and the Silicon Valley Mathematics Association. But Oscar is most proud of the contribution he made to the employees of Monterey Mushrooms. His parents work for this company and like many of the other employees, English isn’t their native language. When it came time to negotiate a new contract between the employees and the company, Oscar gave his time, his energy, his translation skills to finalize an agreement that improved the labor standards for hundreds of workers.

Now, Oscar truly believes being Hispanic in America is great, but there are times when he’s been made to feel differently. Like the time he walked into an advanced math class ready to learn-ready to be challenged on the first day of school—and the teacher assumed he was in the wrong class.

Now I mention that story because it happens to be the same reaction you get every time an under-served community starts to create jobs and create businesses when it is given even the slightest chance to succeed. …(I)n every community in America, there is a hidden power just waiting to be tapped, waiting to be unleashed…waiting to be discovered. And if we can tap into that power, if we can help provide that opportunity, we will take any community and we will take this country to places it has never been before.

If we have learned anything in this economy, we have learned that opportunity is not just good economic policy, it is good business. Inclusion isn’t just good social policy, it is good business. Diversity isn’t just good community policy, it is increasingly not only good business, but it is what separates winners from losers in the marketplace.⁶

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⁵ As quoted in Increasing access and promoting excellence: Diversity in California public higher education, a report by the California State Senate Select Committee on College and University Admissions and Outreach (2002), p. 1.