Right Now

Blackboard Brain Drain

HEN children return to classrooms this fall, they're less likely than ever to find a very smart teacher standing at the front of the class. Researchers say that since the 1960s, "high-aptitude" women-those in the top 15 percent of college graduates-have increasingly eschewed teaching. (Women account for about three-quarters of teachers aged 25 to 34 years, as they have since the 1960s.) One reason seems obvious: careers that were once restricted almost exclusively to men have become far more open to women. As the number of female doctors, accountants, technicians, and lawyers has grown, the teaching profession has suffered.

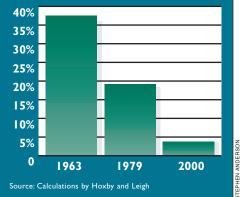
But other factors may be driving bright women out of classrooms. Professor of economics Caroline Hoxby says another common hypothesis holds that teachers' unions are discouraging well-qualified teachers by compressing wages: "If you were to look at a typical school's pay schedule, you would find that everyone who has a baccalaureate degree and the same years of experience in the school would be paid pretty much the exact same amount." This stands in stark contrast to pay practices in other fields, she points out: "If I choose law, and I'm the best lawyer at the firm, I can be paid more than the worst lawyer in the firm."

Working with Andrew Leigh, Ph.D. '04, then a doctoral student at the Kennedy School of Government, Hoxby set out to understand the troubling decline in the numbers of high-performing teachers. Is it that top women are shunning the profession due to the "pull" of better pay in alternative fields, or does the meager pay for top teachers "push" them out of the classroom?

For their study, published in May in the *American Economics Review*, Hoxby and Leigh used federal data from surveys of recent college graduates, which included information about 21,600 public-school teachers from 1961 to 1997. Because those data lacked ideal information on teachers' academic aptitude, the researchers settled on the teachers' Scholastic Aptitude Test (SAT) or American College Testing Assessment (ACT) scores, and the college they attended, as proxies for aptitude. Their calculations revealed that pay com-

YOUNG TEACHER WAGE SQUEEZE

Earnings differentials between teachers of highest and lowest college aptitude



pression accounted for an amazing 80 percent of the drop in teacher aptitude, compared with 9 percent due to greater career opportunities, and a mere 1 percent because of an overall decline in teacher wages. "People often think that teacher pay has fallen a lot relative to other professions," but that's not an accurate assumption, Hoxby says. Although teachers' paychecks are smaller than those of doctors or other high-skill professionals, teacher pay has kept pace with average earnings in this country.

Before the 1960s, she explains, publicsector teachers' unions were not legal in the United States. That changed when a teachers' strike in New York City led the state to legalize teachers' unions. Other states followed suit. Today, although some small and rural school districts in the United States still operate without teachers' unions, "most teachers are on contracts that look like union contracts,"



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Hoxby says. One of the findings that most surprised her was just how widely teacher salaries varied before unionization. She and Leigh found large pay differentials between the best and worst teachers, "on the order of nearly 40 percent," Hoxby says.

Still, pay compression alone doesn't deserve all the blame. The reality is that pay compression and increased job opportunities interacted. "That was really a bad combination," Hoxby says. "Pay compression was squeezing women out while at the same time there was the siren call from all of these other occupations." Competing with those new career options requires rethinking pay structures. Hoxby suggests that policymakers leave current levels of pay where they are, but grant increases to the best teachers, those whose students perform well, "so that 10 years from now teaching is an occupation with more rewards for high-aptitude people of both sexes."

Hoxby hopes her study leaves readers

with "a real sense of anxiety" about teacher ability in the United States. It's unclear how a lack of truly bright teachers is affecting American children. "But I think a lot of people have a feeling in

their gut that it's probably not a good idea," she notes. "Shouldn't there be someone around the high school who's really good at education?"

She doesn't think bright people are opposed to teaching. They're interested, but turn away because it's tough work and, compared with other professions open to high-aptitude people, like law or medicine, "the rewards aren't that great,"

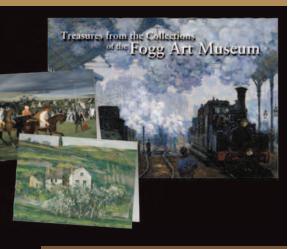


Hoxby says. "While other occupations were making more and more opportunities available to women, teaching was actually shutting down opportunities for women," she adds. "[Education] can't just sit there like a backwater and expect no impact." ~ ENN O'DONNELL

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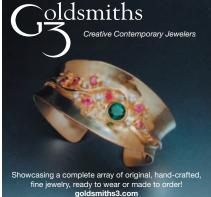
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