No Child Left Behind as an Anti-Poverty Measure

By Jean Anyon & Kiersten Greene

Listen, the No Child Left Behind Act is really a jobs act when you think about it.
—President George W. Bush, Oct. 13, 2004, Third Presidential Debate

This article argues that, although No Child Left Behind is not presented as a jobs policy (Bush's slip during a Presidential Debate being the only place it is given such a moniker), the Act does function as a substitute for the creation of decently paying jobs for those who need them. Aimed particularly at the minority poor like its 1965 predecessor, the Elementary and Secondary Education Act, NCLB acts as an anti-poverty program because it is based on an implicit assumption that increased educational achievement is the route out of poverty for low-income families and individuals. NCLB stands in the place of policies like job creation and significant raises in the minimum wage which—although considerably more expensive than standardized testing—would significantly decrease poverty in the United States.

We demonstrate that there are significant economic realities, and existing public policies, that severely curtail the power of education to function as a route out of poverty for poor people. The weakened role of education in upward mobil-

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ity, of course, vitiates any premise that better scores on achievement tests, and increased education, will secure for low-income folks the jobs and income they need. Let us make our case.

Education and the Economy

For more education to lead to better jobs, there have to be jobs available. However, there are not now, nor have there been for more than two decades, nearly enough jobs for those who need them. Labor economist Gordon Lafer demonstrated that over the period 1984 to 1996—at the height of an alleged labor shortage—the number of people in need of work exceeded the total number of job openings by an average of five to one. In 1996, for example, the country would have needed 14.4 million jobs in order for all low-income people to work their way out of poverty. However, there were at most 2.4 million job openings available to meet this need; of these, only one million were in full-time, non-managerial positions (2002).

Furthermore, the jobs the U.S. economy now produces are primarily poverty-wage jobs—and only a relative few highly paid ones—making it increasingly less certain that education will assure that work pays well (Anyon, 2005). Seventy-seven percent of new and projected jobs in the next decade will be low-paying. Only a quarter of these are expected to pay over $26,000 a year (in 2002 dollars). A mere 12.6% will require a college degree, while most will require on-the-job training only. Of the 20 occupations expected to grow the fastest, only six require college degrees—these are in computer systems and computer information technology fields, and there are relatively few of these jobs overall (Department of Labor, 2002).

Gender discrimination can work to reverse—or even eliminate—wage gains that accrue to individuals with more education. Female high school graduates earn *less* than male high school *dropouts*. And women with post-bachelor's degrees earn less than men who have just a bachelor's (Lafer, 2002; Mishel, Bernstein, & Boushey, 2003; Wolff, 2003). If you are female, more education does not necessarily mean higher wages.

Race as well can cut into the benefits of further education. A study of entry-level workers in California, for example, discovered that Black and Latino youth had improved significantly on every measure of skill in absolute terms and relative to White workers. Yet their wages were falling further behind those of Whites. In this example, the deleterious effects of racism outweighed the benefits of education, with minority workers at every level of education losing ground to similarly-prepared Whites (Lafer, 2002).

Various other economic realities—such as lack of unionization, multiple free trade agreements which outsource jobs, and increasing use of part-time workers—cut across the college-wage benefit, lowering it significantly for large numbers of people, most of whom are minorities and women.

Even a college degree no longer guarantees a decent job. One of six college graduates is in a job paying *less* than the average salary of high school graduates (Anyon, 2005). Between 8.8% and 11% of people with a bachelor's degree make around the minimum wage. This means that an increasing number of college graduates—about one in ten—is employed at *poverty wages* (ibid.). Even the education levels of welfare recipients are high. The share of welfare recipients who have high school degrees has increased from 42% in 1979 to more than two-thirds (70%) in 1999 (U.S. General Accounting Office, 2001).

These realities suggest that the promise of good jobs and better pay underlying NCLB is a false one for many people—especially low-income minority students and women—because for them educational achievement brings no guarantee of economic success.

Consider, finally, that the vast majority of low-income students who do attend college do not have the funds or other supports to complete their bachelor's degree. The majority of low-income students who attend college are forced to withdraw, and only 7 percent of very low-income people attain a bachelor's by age 26 (Ed. Trust, 2004b).

In addition to these economic realities, there are federal policies that contradict the implicit premise of NCLB that higher educational achievement leads to good jobs. Minimum wage policy and job training policy are two examples.

Minimum Wage Policy

The minimum wage in 2006 was $5.15, which produces a yearly income of $10,712. This sum means that full-time, year-round, minimum-wage work will not raise people out of poverty (Mishel, Bernstein, & Boushey, 2003). An analysis in 2004 found that minimum-wage standards directly affect the wages of 9% of the workforce (9.9 million workers). When we include those making just one dollar more an hour than the minimum wage ($6.15 an hour or $12,792 annually), this legislation affects the wages of as much as 18% of the workforce (17.8 million workers)(Economic Policy Institute July, 2004).

In fact, an almost universally ignored reality is that nearly half of the workforce earns what some economists call "poverty-zone wages" (and what Anyon defines as up to and including 125 percent of the official poverty level) (Anyon, 2005). Anyon's analysis demonstrated that in 1999, during a very strong economy, almost half of all people at work in the U.S. (41.3%) earned poverty-zone wages—$10.24/hour ($21,299/year) or less, working full-time, year-round (Mishel, Bernstein & Schmitt, 2001, Table 2.10, p. 130). Two years later, in 2001, 38.4% earned poverty-zone wages working full-time, year-round (in 2001, 125% of the poverty threshold was a $10.88 hourly wage) (Mishel, Bernstein, & Boushey, 2003). This suggests that the federal minimum-wage policy is an important determinant of poverty for many millions of U.S. families.

Thus, it seems to us that realistic anti-poverty policies would include significant raises in the minimum wage. Indeed, during the decades following World War II, when working-class Americans prospered, the minimum wage was indexed to the wages of well-paid, unionized, industrial workers: when their wages increased, so did the wages of the un-unionized (Galbraith, 1998).

We would note that education did not *create* the problem of wide-spread poverty wages, and education will not *solve* the problem. No Child Left Behind will not raise wages for the millions who work at poverty jobs. Only employers and governments can raise wages.

Job Training Policy

A second policy that weakens the assumption that increased education is a route to economic advancement for the poor is federal job training legislation.

In 1982 President Ronald Reagan cut the Comprehensive Employment and Training Administration (CETA) program, which had created more than two million full-time jobs for the unemployed. Since the early 1980s, the federal government has depended on job *training* instead of job creation as the main method by which people are to move from poverty and unemployment to solvency. (Although the federal government does fund job creation for high-tech, high end positions.)

Analyses have consistently demonstrated that job-training programs cannot succeed for more than a few low-income trainees because there are not enough jobs to be had. Moreover, the jobs these programs prepare people for are almost always low-wage employment (such as janitorial work, or truck-driving) (Lafer, 2002; Pigeon & Wray, 1999).

Realistic anti-poverty policy would have to include job creation across the board. Job creation for the unemployed was in fact a long-term federal policy begun in the 1930s during the Great Depression—until it was eliminated by Reagan. If we expect students who achieve at high levels to obtain better jobs, we need to begin creating those jobs.

The Social Costs of NCLB

NCLB is often criticized for the ways in which it attempts to privatize a publicly controlled function by moving to a capitalistic market model in which educational service creates profits for private business.

Schools that fail to raise test scores, for example, give way ultimately to vouchers in the market model, but first to a variety of expensive, pre-packaged curricula, testing, and tutoring programs. As a result, companies have already accrued billions of dollars of profit (Bracey, 2005). Among the largest beneficiaries of these newly expanded markets are long-term business friends of President George Bush—e.g., the McGraw family of test-makers CBT-McGraw Hill, powerful lobbyist Sandy Kress, and the developers and publishers of Reading First, a billion-dollar-a-year, federally funded primary reading program for which districts must compete (ibid.). The privatization built into NCLB accelerates the 20th century trend toward shaping public education in the interests of corporate concerns. Our concluding argument builds on this point.

We have alleged that NCLB is a federal legislative substitute for policies that would actually lower poverty—legislation that would create jobs with decent wages for those who do not have them. Our critique has been that an assumption underlying NCLB, that increased educational achievement will ultimately reduce poverty, does not prove valid for large segments of the population. We want to make a further point here.

If businesses were mandated by law to create jobs for those who need them—and if business had to pay decent wages and benefits—the costs to business owners would be enormous. As we know, neither small nor large corporations pay such costs now. Instead, the costs of the poverty produced by insufficient and poorly paid employment are passed on to the tax-paying public in the form of programs to compensate: public tax dollars pay for welfare, food stamps, and Medicaid—among other publicly-funded programs that attempt to ameliorate the individual and social pain of unemployment and underemployment.

When the federal government and the business communities rely on education to reduce poverty, the social costs of the failure of such an approach are enormous, and taxpayers shoulder the burden.

Political economists have pointed out that in the last half century taxpayers have paid for an increasing number of supports that make private business—especially large corporate conglomerates—profitable. Economist James O'Connor noted in 1973 that taxpayers increasingly paid for more infrastructure, research and development, and education:

> Capitalist production has become more interdependent—more dependent on science and technology, labor functions more specialized, and the division of labor more extensive. Consequently, the monopoly sector [energy conglomerates, concentrated banking and finance, giant information technology firms, and manufacturing] . . . requires increasing numbers of technical and administrative workers. It also requires increasing amounts of infrastructure (physical overhead capital)—transportation, communication, R&D, education, and other facilities. In short, the monopoly sector requires more and more *social* investment in relation to private capital.... The costs of social investment . . . are not borne by monopoly capital but rather are socialized and fall on the state [i.e., upon tax payers]. (O'Connor 1973, 24)

That is, public funds subsidize the research and development, technology, and education that the corporate community says it needs.

We want to extend O'Connor's argument to include the social costs of the *poverty* produced when jobs are lacking and pay is low. When businesses and large corporations pay poverty-range wages to 41% of the people at work in America, the costs of supporting people's needs are socialized to the tax-paying public, just as the technological and other costs of doing business have been. The private sector is not liable for the social costs of the poverty its actions produce.

NCLB is part of this process of socializing the costs of poverty. When the Act assumes—even implicitly—that poverty is a result of low scores on standardized tests, rather than on the fact that there are not enough decently paying jobs, it lets the business community off the hook. It saddles the poor with unrealistic expectations and the rest of us with unwitting support of corporate irresponsibility.

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