America's educational failings

By Fareed Zakaria, E-mail the writer

It is now well known that Thomas Piketty — the French economist and author of the 700-page bestseller "Capital in the Twenty-First Century" — argues that the free market tends to produce inequalities of wealth that become dynastic and anti-meritocratic. The solution that everyone is talking about is taxing the rich. But in reading the book, it's clear that Piketty recognizes that, "over a long period of time, the main force in favor of greater equality has been the diffusion of knowledge and skills."

After all, countries such as India and Brazil had extremely high tax rates in the 1970s and 1980s without creating broadly shared growth. East Asian countries, by contrast, with high literacy rates and an increasingly skilled workforce, managed to achieve both growth and relative equity. This is not an argument against higher taxes but rather one emphasizing that, for the best long-term results, education remains crucial. Alas, it is an area in which the United States is failing.

If reading Piketty reminds us of the troubling inequalities of wealth, the recent report by the Organization for Economic Co-operation and Development (OECD) on adult skills in rich countries provides an equally grim picture of the inequalities of knowledge — one that for the United States is terrifying. Thirty-six million American adults have low skills. And these are not just older workers. In two of the three categories tested, numeracy and technological proficiency, young Americans who are on the cusp of entering the workforce — ages 16 to 24 — rank last.

This is the first-ever comprehensive survey of the skills adults need to work in today's world — in literacy, numeracy and technology. As with the Programme for International Student Assessment tests that the OECD conducts for fourth- and eighth-grade children, this survey is designed to test problem-solving and not rote memorization. Scoring well on these tests turns out to be directly related to jobs, rising wages and productivity, good health, and even civic participation and political engagement. Inequality of skills is closely correlated to inequality of income.

The tests demonstrate that people everywhere develop skills at a young age, peak in proficiency at age 30 and then begin to decline. So, if people start out with bad education and low skills, those disadvantages are likely to persist and grow throughout their lives.

The picture of the United States is deeply troubling. Despite having the second-highest per capita GDP, the country does poorly along almost every dimension. It is below average in literacy and technological proficiency, and it's third from the bottom in numeracy for 16- to 65-year-olds. Interestingly, France, Piketty's country, also fares poorly in most categories.

Inequalities of skills are also becoming generational and entrenched. The United States had a wide gap between its best performers and worst performers — though it had a smaller percentage in the top range compared with countries such as Japan, Finland and the Netherlands. And it had the widest gap in scores between people with rich, educated parents and poor, undereducated parents.

The United States has high levels of education and a large percentage of its workers in adult learning and training programs, and it spends lots of money on all these activities. And yet, it does worse than many countries with few advantages and resources. (And no, it isn't just because of immigrants. About half of the OECD countries now have a larger percentage of foreign-born adults than does the United States)

What we learn from this study is really just an extension of what we have discovered in the PISA results. The biggest force behind falling American rankings is not that the United States is doing things much worse but that other countries have caught up and are doing better. The U.S. system of education and training is inadequate in the new global environment.

And things show no signs of improving. The bipartisan backlash against the Common Core — a set of national standards agreed to by governors — is a tragic example. Parents raised on a culture of low standards and high self-esteem are outraged that the tests show that many American schools are not teaching their children enough. (The tests must be at fault because they know that their kids are brilliant!) Some liberals and teacher groups are upset with the emphasis on testing (though Randi Weingarten, the head of the American Federation of Teachers, has endorsed the Common Core). And Republicans now oppose it — despite having championed it only a few years ago — largely because the Obama administration also backs the project.

"The principal force for convergence [of wealth] — the diffusion of knowledge — is only partly natural and spontaneous. It also depends in large part on educational policies," writes Piketty. In other words, if we really want to reduce inequality, we need to reform the system, spend money where needed — such as early education — and get to work at it now.

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