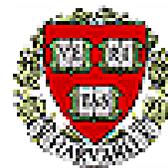




NEWS



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WAGE COMPRESSION DRIVING TOP WOMEN GRADUATES AWAY FROM TEACHING

Harvard based PEPG's *Education Next* presents new research on decline in teacher quality

CAMBRIDGE—New research published in the spring issue of Harvard University based Program on Education Policy and Governance's *Education Next* explains why top women graduates aren't becoming teachers—and it's not the reason you think.

Conventional wisdom has long held that new professional opportunities have drawn the most highly qualified women away from teaching over the past 40 years. Economists Caroline Hoxby of Harvard University and Andrew Leigh of Australian National University, however, say that's not the whole picture. Far more significant is the pay compression that has occurred within teaching since the 1960s—brought about by the introduction of collective bargaining.

In their article “Wage Distortion,” Hoxby and Leigh point out that salary distribution for public school teachers has narrowed so dramatically that those with the highest aptitude can expect to earn no more than those with the lowest. This alone accounts for more than three-quarters of the decline in teacher quality.

Hoxby and Leigh found that salary parity with men has also lured college-educated women away from teaching and into other professions. Union-driven pay compression, however, has had a far greater impact. Whereas other professions have been raising the reward for performance over the past few decades, teaching has given its best candidates no such incentive to sign on.

“We suspect that this trend has exacerbated the degree to which pay compression has pushed high-aptitude people out of teaching,” Hoxby and Leigh write.

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The researchers drew on data from several federal government surveys administered to beginning teachers from the early 1960s through the late 1990s. The surveys contained information on the college, first occupation, and the first three years' earnings of female teachers. From the colleges attended by the teachers, Hoxby and Leigh were able to estimate the teachers' aptitude and get a direct measure of the extent to which teachers were being trained at more- or less-selective colleges.

Hoxby and Leigh offer this bit of advice to those who wish to turn the tide on this trend: "To attract high-aptitude women back into teaching, school districts need to reward teachers in the same way that college graduates are paid in other professions—that is, according to their performance. In all likelihood, that would attract male teachers of higher aptitude as well."

"Wage Distortion" can be read in its entirety in the spring issue of *Education Next* online at www.educationnext.org.

Caroline Hoxby is a professor of economics at Harvard University, a PEPG Faculty Affiliate, a member of the Hoover Institution's Koret Task Force on K-12 Education, and the director of the Economics Program at the National Bureau of Economic Research. Andrew Leigh is an economist in the Research School of Social Sciences at the Australian National University.

Education Next is sponsored by institutions committed to looking at hard facts about school reform including the Harvard Program on Education Policy and Governance, the Hoover Institution, the Thomas B. Fordham Foundation, and the Manhattan Institute for Policy Research. The scholarly journal is published by the Hoover Institution.

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