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Press_Office@finance-rep.senate.gov

Statement of Senator Chuck Grassley
Hearing, “Realizing a Competitive Education: Identifying Needs, Partnerships and Resources”
Tuesday, March 20, 2007

Mr. Chairman, I compliment you on tackling a large but vitally important topic. With his 2006 State of the Union Speech, President Bush highlighted the urgency of aligning education in our country with the skills Americans will need to remain economically competitive on a global scale. The President has proposed a series of actions to improve education in the fields of science and technology, which he calls the American Competitiveness Initiative. This has sparked a nationwide discussion. I know that I have heard from the colleges and universities in Iowa as well as industries that rely on a technologically skilled workforce. And they agree with the President that this ought to be a priority.

It is now up to Congress to respond to the President’s call to action and our committee can play a part. Of course, one complication anytime you talk about trying to affect education policy on a national basis is that we have a federal system and states and local governments have the primary responsibility for education because they know best the needs of their particular communities.

Taken together, the United States as a whole spends the second most per-student on education in the industrialized world, according to the OECD. That’s \$12,023 per student annually, second only to Switzerland at \$12,071. In fact, spending on education institutions in the United States as a percentage of GDP is 7.5%, second only to Israel and tied with Korea. Spending on education has been increasing faster than GDP. Still, we rank among the bottom of the OECD countries in math proficiency. In fact, we are 24th out of 29.

The problem clearly isn’t spending, but achievement. We have a tangled web of education initiatives at the federal level to address perceived needs, including many tax incentives under the jurisdiction of this committee. We need to look at whether these are effective, or whether they duplicate or contradict other federal efforts. In my view, the simplest and most effective way to reform education programs is to give decision making back to states and local governments, and better yet, to parents and students. We can try our best to incentivize this behavior or that, but if you give students and parents the means, they will make the right decisions both for themselves and by extension the nation.