

Pricelessness in Action: Teacher Labor Markets

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In, "[Colleges Over-Producing Elementary Level Teachers](#)," Stephanie Sawchuk notes that teacher training programs are credentialing teachers faster than school districts (mostly) are hiring them. But Ms. Sawchuk also notes, without explanation, that some places struggle to hire enough of specific kinds of teachers. In, "[Is STEM Education in Permanent Crisis](#)," author Michael Marder notes that, 22 years after the first '[Nation at Risk](#)' report (after [five more](#) comparable non-partisan findings):

"Rising Above the Gathering Storm," a report from the National Academy of Sciences, leveled a similar charge: "[O]ur overall public school system—or more accurately 14,000 systems—has shown little sign of improvement, particularly in mathematics and science." How can education in science and mathematics be in such crisis for so long? If fixing the crisis has the urgency of responding to foreign attack, how can it be that after 33 years of warnings, we are still stuck?

Professor Marder notes that:

Our country's single biggest obstacle is a perpetual STEM teacher shortage. In surveys of school districts, openings in physics, chemistry, and math are regularly near the top of the list of positions hardest to fill. As a result, a large percentage of high school STEM teachers have neither a college major nor minor in their main assignment, or they lack full certification. Forty percent of math teachers fall into one of these categories. In physics, chemistry, and earth science, the number is over 60 percent.

But, sadly, Marder makes no mention of the single salary schedule. He uses the economic lingo ("teacher shortage"), but does not cite the standard diagnosis – price control - that the single salary schedule is a price control prevents markets from establishing a price that will cause the amount available to match demand.

The overall surplus alongside the subject field shortages and place-specific shortages is 'pricelessness' in action, but unlike in the MasterCard commercial that made that term famously

synonymous with bliss, pricelessness in teacher labor markets is a disaster for a lot of schoolchildren, teachers, and our country.

Even in open-shop states – where union membership is not an allowable condition of employment – the political process nearly always causes school districts to adopt a ‘single salary’ schedule, and many states specify a minimum starting salary. Neither the minimums, nor the schedule, allow for differences according to classroom effectiveness or teacher specialty area. The schedule recognizes experience and advanced credentials like Master’s Degrees. At least officially, even though it may be easy to hire history and English teachers, for example, and difficult to hire or retain math and science teachers, they are paid the same. When it is too costly to pay all teachers at the level needed for hard-to-fill specialty areas, the result is ‘out-of-field’ teaching as noted by Marder, above; for example, people trained to teach history teaching math. ‘Out-of-field’ teaching is common, and I argue that it is one of the [roots of the persistent low performance](#) problem; something the reform frenzy has not adequately addressed, despite the NCLB demand for a highly qualified teacher in every classroom by 2014, the problem persists.

Should a “highly qualified teacher” demand (NCLB) ban out-of-field teaching? If it does, states and school districts will face a choice between abandoning the ‘single salary’ schedule and offering every teacher the salary needed to hire and retain the highest cost teacher; probably the science and math teachers with [competing offers from non-school businesses](#). Unions will assertively pursue the latter, but pushing the ‘single salary’ to such heights will be costly. It will necessitate tax increases - likely large ones – and create huge surpluses for most kinds of teachers. It will also delay much-needed retirement and career changes for the least effective teachers.

Single salary schedules and collective bargaining are a source of major labor market distortions. Without a level playing field between public and private schools through school choice expansion, and price decontrol for schooling, many regional teacher labor markets will not be very

competitive (*Merrifield, John. "Monopsony Power in the Market for Teachers," Journal of Labor Research* 20, no. 3). That is a reason that teachers should support school system reforms that create competitive schooling and teacher labor markets. We need to make that case to teachers by whatever means we can devise. We can't deliver the message through their unions. Union leadership does not gain from increasing competition; indeed, for any union, quite the opposite. The teaching profession, but not teacher union leadership or all current teachers, has nearly as much to gain as schoolchildren from moving from public school system public finance monopoly – frequent labor market monopsony - to competitive schooling and teacher labor markets.