Examining Public School Funding in Cities as a Product of Local-State Relations

Carina Lim-Huang, Class of 2025

This summer, I had initially proposed to conduct a comparative analysis of three major U.S. cities (Los Angeles, New York City, and Detroit) in an effort to better understand how urban policies affect lived outcomes. As I analyzed more literature, I came to understand that my research scope was too broad for several reasons. Researchers generally agree that it is impossible to pinpoint exactly what makes a city "succeed" or "fail," and in addition, I needed to reconsider my metrics for success. While I had initially planned to measure success through migration patterns to and from cities alongside demographic changes, my readings suggested that this "voting with your feet" theory lacks sufficient nuance and support.

Given that my initial interest was on lived outcomes, I narrowed my idea of success to be of social mobility, and from then on public education seemed like the most obvious metric. Not only is data on education spending and outcomes easy to attain on all levels (local, state, federal), but Raj Chetty's social mobility index provides a comprehensive set of data to cross-reference against. My new focus hinges on local-state interactions: by examining taxation data (which is also easily accessible) and budgets to infer factors that impact education spending in cities. To sum up, my research now aims to answer these two key questions. (1)To what extent do state-local power relations affect investment in public education in cities? And, if I have the time to examine this further, (2)To what extent does investment in public education in cities influence social mobility outcomes?

I first examined sources of public school funding, which are a mix of local, state, and federal funds. As of the present, state and local governments contribute somewhat even shares while the federal government provides a negligible amount (less than 10%). The extent to which states are progressive mirrors the extent to which their funding targets districts that serve disadvantaged populations. However, local funding is often regressive (the wealthier get more funding), which is expected as local funding is sourced from property taxes. Interestingly, states with the most regressive local expenditures usually have the most progressive state government spending, which can be seen as a result of court orders for more equity. While policy decisions certainly influence whether states are progressive, it is interesting that more progressive states also tend to be the most economically segregated. It has been theorized that this is so because economic segregation allows for states to more easily target disadvantaged students, especially because they are grouped together spatially.

As I continue this research into my senior year honors thesis, I want to expand on what I have researched by using statistical tools to determine the factors that affect whether states and localities are regressive or progressive. The variables that I will consider are median state income, median years of schooling, property ownership rates, age, party affiliation, race, gender, and any other variables that may seem relevant.

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