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Dace Blaskovitz: Welcome back to Money and Politics in Delaware. His once-a-month visit has turned to twice this month because we got something special today. Welcome back, Dr. John Stapleford.

Dr. Stapleford: Always a pleasure, Dace, and appreciate what you do with your radio show.

Dace Blaskovitz: Well, thank you my friend. Thank you for the recognition. Although you're a regular to the regular listeners, we do get first-timers, so for somebody that just tuned in for the first time or listening to the podcast for the first time, 30 seconds about you and 30 seconds about what you do?

Dr. Stapleford: I have PhD in urban and regional economics from the University of Delaware. My last full-time paid gig was with Moody's Analytics, and currently I'm the Chair of the Caesar Rodney Institute Board. The Caesar Rodney Institute is a nonprofit think tank that produces data-based analysis on issues in Delaware where we're proponents of free markets and limited government.

Dace Blaskovitz: And on your side is the following statement correct or mostly correct, and that is in every slash virtually every court in the state of Delaware, you are recognized as an expert financial witness?

Dr. Stapleford: Yeah, that's correct. Expert economist.

Dace Blaskovitz: Economist.

Dr. Stapleford: That's correct.

Dace Blaskovitz: Very good.

Dr. Stapleford: Yeah.

Dace Blaskovitz: Let me tease the audience and then I'll tee it up for a question. We have something special for you on the radio. We're going to break the story. News Journal tomorrow. The CRI relationship, the Caesar Rodney Institute relationship with the News Journal continues. Make sure you get a Sunday News Journalist. So we're going to do something to break the story on the radio. Thank you to the sponsors. Read all about it tomorrow in the News Journal, and then we do something with Data Delaware with it on Monday.

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- Dace Blaskovitz: Here you go. I call it Sticking It to the Teachers. And to recap, the numbers suggest the Delaware legislators have turned the first state's public education system into a union job shop. That may be great for political donations, but if the goal and objective is to actually educate Delaware's youth, the teachers, arguably the most important ingredient, are the relative losers.
- Dace Blaskovitz: As John points out, here's your quote. The inflation adjusted average annual salary at Delaware elementary and secondary public school teachers has been going down, dropping from 65-ish thousand in '89, '90 to 60-ish thousand in '17, '18.
- Dace Blaskovitz: Here's another jaw dropper. The number of non-teachers or all other staff increased more than seven times.
- Dace Blaskovitz: Another one. Taxpayers should be aware there is plenty of money. Delaware ranks 14th highest among all the states and expenditures on public education.
- Dace Blaskovitz: And if you're not dropped on the floor yet, here's the knockout punch, so what outcomes does this toxic brew create? And John says, "Two thirds of the eighth graders in the state of Delaware have tested functionally illiterate in reading and math."
- Dace Blaskovitz: Whamma, bamma, whamma. Dr. John Stapleford, I gave the highlights, but it's your story. Tell it again.
- Dr. Stapleford: Well, we start with the last item you mentioned, this performance issue that the public schools have with regards to the most disadvantaged students. For 20 years now, two thirds of the eighth graders in the Delaware public schools have tested below proficient in reading and math, and over 80% of the African-American eighth graders, so this has been going on for 20 years. If you talk to many liberals, they'll say, "Look," like Paul Bombeck our representative, they'll say, "The system needs more money and what we need is a statewide property tax and get rid of referendums for school districts, so they can tap into the property tax."
- Dr. Stapleford: Well, the problem with that is, just as you mentioned, in the last school year, according to the state Office of Management and Budget, the public schools, spending on the public schools was \$2.4 billion. That's total of state, local school district, and the federal government. That amounts to over \$17,500 per pupil, and as you said, we're among the top states in spending per pupil.

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Dr. Stapleford: Now, it reminds me of ... years ago, I had a meeting with Nev Curtis, who was then the CEO of Delmarva Power. Nev was explaining their organizational structure, so he had a pyramid that was inverted. He, as the CEO, was at the tip of the pyramid, but he was on the bottom. At the top of the pyramid were all the people who interfaced with the customers, Delmarva Power customers, and the whole purpose of the pyramid was to support those people who are delivering services to the customers.

Dr. Stapleford: Obviously in education, it's the teachers in the classroom who are delivering the service. It's startling to find, as you pointed out, Dace, that since 1990 the inflation-adjusted salary, average salary of teachers in Delaware public schools, has dropped from \$65,000 to \$60,000. There could be some changes in the age structure of the teachers and so forth, but that's a huge drop. And you say, "So the people who are actually delivering the service are being short-changed. Then how is the short changing occurring?" It's because there's been a surge in staff. Now, some staff as enrollments increased 31%, and there was some, there's growth in staff in Delaware over the last 25 years of 82%, so well above the growth and enrollment, you would expect some staffers, custodians, bus drivers, cafeteria workers to increase at the same pace as student enrollment, but the above average surge in full time equivalent staff has been school district, school staff, of course the state department of education. I went back and looked between 2000 and 2020, the fiscal year we're in. The budget of the state department of education rose 50%.

Dace Blaskovitz: Whoa. Say that last sentence again. What increased 50%?

Dr. Stapleford: The state department of education that has all these people in Dover who were determining policy on this, that, and the other and the local schools, their budget rose over the last 20 years 50%. It's well in excess of inflation. So there's an estimate from an organization called Ed Choice, Education Choice. They did research on this and they looked at Delaware and other States as well, and what they said was, "Look, if staff growth in Delaware had been equal to the growth in enrollment, we have about 2,500 full time equivalent staff that above that number. In other words, the staff has been growing well in excess of enrollment by 2,500 positions. If you value those positions, if you price them at \$60,000 per staff position, then Delaware could have saved \$150 million if in fact we hadn't had this surge, this surge in staffing. That can be put into teacher's salaries. That would be at least \$15,000 available for the classroom."

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- Dr. Stapleford: So the simple logic to it is if we cut back on this staffing surge, can't we then shift those funds back into the classroom? And another part of that, which is Caesar Rodney's position, is don't just shift more of the money back into the classroom, but in fact give the teachers in the local school control over curriculum and finances because the teachers in a local school know the needs of the student and the community far better than a school district or a bureaucrat in Dover. So if the teachers think you need to hire a social worker or they think that the students in their school need a reading specialist, they're the ones who are on the ground at the sort of the bottom of the pyramid in interacting with the customer. They know best.
- Dace Blaskovitz: All right. Let me jump in here. The key paragraph in my opinion, and there are six or eight of them, yet the U.S. Department also reports that the inflation-adjusted average annual salary of Delaware's elementary and secondary public school teachers has been going down, dropping 65,000-ish to 60,000. Wow. Wow, wow, wow.
- Dace Blaskovitz: Again, we broke the story on radio. Thank you to our sponsors. Read all about it in tomorrow's News Journal. Everything we talked about here is in the News Journal. We got another jaw breaker. We will be right back.