Fast facts

Economic and revenue growth

Improving educational outcomes and narrowing educational achievement gaps would significantly increase economic growth and raise government revenues.

Bronze

Scenario 1: If the U.S. matches the OECD average math and science achievement score

	2050	2075
GDP would be	1.7% higher	5.8% higher
The cumulative increase in present value GDP would be	$2.5 trillion	$14 trillion
The cumulative increase in present value government revenues would be	$902 billion	$5.2 trillion

Silver

Scenario 2: If the U.S. matches the Canadian average math and science achievement score

	2050	2075
GDP would be	6.7% higher	24.5% higher
The cumulative increase in present value GDP would be	$10 trillion	$57.4 trillion
The cumulative increase in present value government revenues would be	$3.6 trillion	$21.5 trillion

Gold

Scenario 3: If the U.S. matches the average math and science achievement score of the most advantaged quarter of U.S. students

	2050	2075
GDP would be	10% higher	37.7% higher
The cumulative increase in present value GDP would be	$14.7 trillion	$86.5 trillion
The cumulative increase in present value government revenues would be	$5.3 trillion	$32.4 trillion

The consequences: annual economic and revenue growth

The average annual increases in present value GDP and government revenue indicate the size of public investments that would pay for themselves in the form of GDP growth or tax revenues over the next 35 (by 2050) and 60 years (by 2075).

Size of additional annual public investments in education that would pay for themselves in the form of

	GDP growth per year		Government revenues per year	
	Over 35 years	**Over 60 years**	**Over 35 years**	**Over 60 years**
🥉	$72 billion	$234 billion	$26 billion	$87 billion
🥈	$285 billion	$956 billion	$102 billion	$358 billion
🥇	$420 billion	$1.4 trillion	$150 billion	$540 billion

For example if investments were made that raised U.S. math and science achievement scores up to the OECD average (Bronze scenario) , then the U.S. would experience $72 billion more in GDP growth each and every year for the next 35 years. Thus, we should be willing to invest up to $72 billion per year for the next 35 years to raise U.S. achievement scores up to the OECD average.

Economic inequality reductions

Raising academic achievement and narrowing educational achievement gaps would also reduce income inequality by raising the lifetime earnings of the poorest 75 percent of children more than they raise the lifetime earnings of the richest 25 percent of children.

Increases in lifetime earnings for children once reforms are fully phased in.

	Poorest 4th	**Second poorest 4th**	**Third poorest 4th**	**Richest 4th**
🥉	4.3%	4.3%	4.3%	0.0%
🥈	10.9%	11.5%	8.5%	6.4%
🥇	22.0%	17.0%	9.3%	0.0%

Note: Under the bronze and gold scenarios, the model assumes that the richest quarter of children experience no improvement in educational outcomes and therefore no improvement in lifetime earnings. But in fact, reforms that raise the educational outcomes of the bottom three quaters will also raise the academic outcomes and lifetime earnings of the top quarter of children. Thus the model understates increases in lifetime earnings.