

Texas

Why should we invest in public education?

Measuring the economic and social returns on incremental State investments in public education

Every *single additional dollar* the state invests in public education yields

+\$56.76

in social and public returns

+\$17.24 direct private sector benefits from student productivity and earnings

+\$31.38 multiplier effects from direct production

+\$6.99 government revenues (direct from earners & indirect)

+\$1.15 reduced social costs to government (health care, crime-related & welfare)

Meanwhile, the economic return on a dollar spent in a typical **private sector initiative** is on average **\$2.79**, or just **4.9%** of what public education investments offer.

Largest return of **any** private sector industry is just \$17.81, which is **less than one-third** of the benefits that investing in public education offers.

\$1.00 investment = \$26.21 in gross product & \$16.12 in personal income

This return in public education also **dwarfs any other public investment**. While education investments have a return of **+\$56.76**, transportation infrastructure investments only return **+\$8.01**.

In addition to the explicit economic effects stated here, investing in public education also promotes both **civic participation** and **volunteerism**, which themselves provide numerous positive economic benefits.