President Obama and His Legacy on Education

As Barack Obama’s presidency draws to a close, it is worthwhile to reflect back on some of his accomplishments in the area of education. The president was able to promote a number of ambitious educational policies. Those achievements are all the more remarkable given Republican control of one or both houses of Congress during most of his presidency and the presence of critics from the left, right and center who excoriated his policy prescriptions. While President Obama’s achievements should not be understated, it remains to be seen in light of his critics whether his overall legacy will benefit students.

Case Digest Summary

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To his credit, President Obama has understood the connection between quality schooling, individual success and national prosperity. According to a legion of research, education directly correlates with life opportunities. The U.S. Department of Labor reported that in comparison to just having a high school diploma, some college experience corresponds with a 11.5 percent increase in pay, an associate’s degree with about a 20 percent increase in pay, and a bachelor’s degree with a 63.5 percent increase in pay. Scholarship also correlates education with better health, greater life expectancies and increased satisfaction. Regarding his own circumstances, President Obama reflected, “Michelle and I were able to succeed not because of who our parents were, not because we came from a lot of wealth, or because we had a lot of connections … Because we ended up getting into good schools, and we worked hard and we did well.” Thus, from both a personal and political perspective, President Obama comprehends the value of education.

While space limitations constrain a more elaborate discussion of everything President Obama did in this domain, his most notable accomplishments arguably lay in the following three areas: preserving/creating school-related jobs, curtailing rising college costs through federal loan restructuring and tax credits, and promoting standards and teacher accountability.
School Jobs

When President Obama took office in 2009, the economy was in free fall and the nation was teetering on financial collapse. In 2009, President Obama orchestrated—and Congress passed—the 2009 American Recovery and Reinvestment Act (ARRA), colloquially known as the stimulus. One purpose of the stimulus was to infuse public money into the economy to increase demand, to prevent additional economic disintegration, and to save jobs. Another aim was to invest in areas most impacted by the crash, such as education, whose costs historically and disproportionately burdened state and local governments. As part of the stimulus package, Congress earmarked approximately $100 billion to states and municipalities for education. For the 2009-10 and 2010-11 school years, the School District of Philadelphia alone received close to $600 million dollars in stimulus money. In 2010, Congress passed legislation that created the Education Jobs Fund, which secured an additional $10 billion in education-related funding. It has been reported that these two federal measures saved or created close to a half million education-related jobs during the great recession.

Federal Loans and Tax Credits

President Obama also signed several laws to address the rising costs of higher education by changing conditions around federal student loan debt and providing tax breaks to students. Because the federal government directly or indirectly subsidizes about 75 percent of student aid, federal policy can dramatically impact college costs.

First, on March 30, 2010, President Obama signed the Health Care and Education Reconciliation Act. This act assigned the U.S. Department of Education to directly administer loan repayment for federal loans and removed the banking institutions that had previously served as an intermediary in that process. The money saved from the restructuring was allocated toward additional Pell grants worth approximately $5,500 for students in need of financial aid. The act also decreased the maximum monthly loan repayments from 15 to 10 percent of a graduate’s disposable income and mandated automatic loan forgiveness for remaining loan amounts after 20 years. For students who opted for certain careers in public service, loan forgiveness would take place after 10 years. The Congressional Budget Office estimated that, on balance, the act would reduce the federal deficit by $19 billion.

Second, on Aug. 9, 2013, President Obama signed into law the Bipartisan Student Loan Certainty Act which retroactively prevented the interest rates on federal undergraduate loans from doubling from 3.4 to 6.8 percent, benefitting millions of students. The law also capped loan rates at 8.25 percent for undergraduate and 9.5 percent for graduate students.

Finally, Obama signed into law the American Opportunity Tax Credit. The law provides a credit of up to $2,500 each year for qualified tuition expenses; the credit is phased out with rising income. The tax credit, which can have a value of up to $10,000 over four years of college, will benefit almost 10 million students each year.

Education Standards and Teacher Accountability
Perhaps most controversially, early in his presidency, President Obama signaled his commitment to national standards, testing and teacher accountability metrics that had been initiated by his predecessor President George W. Bush and to a lesser extent, President Bill Clinton.

Using $4 billion in stimulus money, the Obama administration created the “Race to the Top” grant initiative. To be eligible, states were required to submit plans that were designed to implement administrative priorities such as improving the rigor of state standards and student assessments, developing longitudinal data systems to track student progress, enhancing teacher training, evaluations, and retention policies, expanding charter schools, and creating other innovative strategies to improve student performance. It has been reported that the administration’s policy was innovative by conditioning grant money on satisfying federal objectives while in the past, federal funds had traditionally been distributed to states through needs-based formulas. Due to the budget shortfalls that states faced during the great recession, 46 states applied for grants. The evidence has shown that the grant program was effective in meeting a number of its professed goals as states passed laws to fulfill commitments made in their grant applications. Political scientist William Howell remarked that “with a relatively small amount of money, little formal constitutional authority in education, and without the power to unilaterally impose his will on state governments, President Obama managed to jump start policy processes that had languished for years in state governments around the country.”

Additionally, because Congress failed to reauthorize No Child Left Behind (NCLB), President Obama was in a position to craft education policy through the NCLB waiver program. As readers may recall, NCLB was the signature education law signed by President Bush. NCLB required schools to meet certain student proficiency goals. If schools failed to meet those goals, corrective intervention was required to reach those goals within a stated timeframe. The NCLB also included a provision that permitted the Secretary of the Department of Education to waive these requirements. The Obama administration conditioned waivers on state adoption of policies that also advanced the administration’s educational priorities, namely: developing practices to foster school improvement; adopting college and career readiness standards (such as common core); developing turn-around plans for the worst performing schools; and creating teacher and principal evaluation procedures that are based, in part, on student test outcomes. Forty-three states received waivers under the Obama administration, consistent with these priorities.

Critics on the right saw these executive actions as federal overreach and encroachment on domains that they believed should be left to states and local governments to decide. Critics on the left regarded these actions as punitive to teachers and empirically unvalidated. In part, due to this backlash, in 2015, Congress and the president compromised on a replacement for NCLB in the form of Every Student Succeeds Act (ESSA). While ESSA bars the Department of Education from conditioning waivers and limits federal oversight, it prescribes many of the same policies contained in NCLB, including testing, teacher evaluations and standards.

The above accomplishments notwithstanding, it is premature to suggest that President Obama has had as much impact on educational policy as some of his predecessors. After all, Lyndon Johnson, a former school teacher, devised the Head Start program, which has impacted more than 22 million children since its creation. President Johnson also signed the Elementary and Secondary Education Act into law as part of his war on poverty which provided, among other action, Title I funding to low-performing schools, as well as the Child Nutrition Act which expanded the availability of school lunches to low-income children. President Dwight Eisenhower invested a significant amount of federal money into education through the National Defense Education Act of 1958.
President Eisenhower also created a cabinet position to address education through the Department of Health, Education and Welfare and took federal action to integrate schools. Other presidents have also left their imprint through signature laws such as the Equal Education Opportunities Act, the Individuals with Disabilities Education Act and so on. Nonetheless, despite a divided government and critics from various political persuasions, it is clear that President Obama’s administration, through vision, inventive action, and compromise will have had a significant impact, for good or bad, on the foreseeable future of American education.

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