



Perspectives on Economics and Education



Jim Rounds
President
Rounds Consulting Group

The Morrison Institute poll of public policy factors includes many valuable observations. When reviewing such findings, one must not only look at the response to a specific question, but also cross-reference questions to see if additional findings or conclusions can be found. I will focus on the economic related topics in this brief summary.

The survey identifies that public education is the #2 most important policy issue among respondents and the economy is #4. However, education issues directly impact economic well-being. In fact, many things impact the economy, from tax policy, to regulations, to P-20 performance, etc. The key is to not just identify if a policy topic is supported by the public, but to also provide the proper context. This less relates to how a poll is designed, but is very important in how it is used.

In this case, 76% of respondents identified they are better off today versus last year or are at least as well off. This is consistent with the overall economic story being told by the data. Poll results need to be compared with broader economic indicators and placed in the proper context. Fortunately, the Morrison Institute is equipped to handle these added complexities and uses polls in combination with other research and not as fully stand-alone products.

Now, let's move on to some of the data interpretation. Regarding job opportunities for young people entering the workforce, 41% of respondents believe the state is well positioned, while 34% believe opportunities are scarce. This is in contrast with the state being a top five performer in job growth, as well as population, income, and GDP growth. This is consistent, however, with the state's need to move into higher value-added job creation. This will eventually lift our income comparisons with other economic competitors into more acceptable territory. The conclusion:

We have opportunities, but the work is never truly done and more needs to be done. This conclusion can only be formed by combining polling with data, and with understanding how everything works.

There are other economic topics that are worth noting. More than two-thirds of respondents believe trade with Mexico is important to the economy. The economic numbers back this up. While education matters are tabulated in a different category, as previously noted, workforce quality and economic health go hand in hand. 60% of respondents believe that Arizona's high school graduates are either similarly or better prepared to succeed after graduation than high school graduates in the rest of the nation. This is very different than what one typically hears. The conclusion: It is possible that perceptions do not fully match reality when it comes to education topics.

An interesting education question relates to tax increases. The poll identifies that 45% of respondents would be willing to be taxed another \$200 if it would improve the system as a whole. But this means that 55% said no. On the other hand, nearly 50% of respondents think the government needs to raise revenue, as compared to 32% that believe there is adequate funding already.

Furthermore, most respondents said they want more school safety, more vocational training options, more counselors, more building improvements, additional teacher pay, among many other things. The conclusion: In general, the public wants better education performance and more opportunities for their kids to succeed, but are still thrifty with their income. This could imply a government trust issue exists. In terms of the specific results, 54% of those polled indicated they do not have confidence in the government.

In the aggregate, my key takeaway is that there is an occasional disconnect between what the public wants, what people are willing to spend and, from my own personal observations, how policymakers interpret public preferences on these topics. If we want to further our economy, we need to communicate and coordinate better, and spend more time researching what differentiates good public policy from bad policy. After all, math doesn't follow a political party.