

## Should State and Local Governments Be Funding a ‘Brain Drain’?

Americans are often on the move. Sixty-three percent of adults have moved to a new community at least once in their lives and 43% of adults have moved to another state.<sup>1</sup> The well-educated seem particularly mobile. Seventy-seven percent of college graduates have changed communities at least once compared to 56% of those with a high school diploma or less.<sup>2</sup> Rural areas as well as areas with declining economies tied to manufacturing often lose a significant portion of their high school and college graduates to places with better jobs, higher earnings, and more attractive lifestyles.

This “brain drain” presents a problem to local communities and states because they may lose the future earnings and entrepreneurial spirit of those whose educations they have paid for. Taxpayers may believe they are paying for an education system that contributes to youth moving away from the community or the state. Public support for adequately funding students in K–12 schools and higher education institutions may erode.

The K–16 education system is one of a community’s most precious assets. Underfunding the system because of a perceived “brain drain” would cause devastating and irreversible economic damage to the state and its local communities. There are a number of reasons why schools in regions suffering population loss should be adequately funded.

- Many graduates don’t migrate, and for them better schools mean better economic outcomes.** Although high school and college graduates do migrate to other areas, many remain. Rural counties with higher educational levels saw more rapid earnings and income growth over the past two decades than counties with lower educational levels.<sup>3</sup> Higher educational levels contribute to local economic growth because a well-educated workforce facilitates the adoption of more productive ways to make products and provide services among local businesses. Also, a well-educated local labor force is a prime criterion for employers looking to locate new establishments.
- Cutbacks in education spending will accelerate economic decline.** A prosperous education sector contributes to a community’s economic health.<sup>4</sup> Less money spent on education will result in layoffs of educational personnel. People who spend a large part of their paychecks in the local community will move elsewhere in search of jobs. Local businesses will experience less demand and will have to lay off some of their own employees and ultimately close their businesses.
- Underfunding education will not save taxpayers money.** When education funding is cut back the “brain drain” may abate somewhat, but those who do not migrate will be more apt to drop out of school or suffer declines in student achievement. This ultimately results in greater social costs to the state and local community. Lower educational attainment will result in more crime, a greater incidence of poor health, and more citizens on the welfare rolls. Any tax savings from reducing education spending will be wiped out.
- Local economies are inter-related.** In many regions, the city is a powerful magnet for young educated adults for both economic and social reasons. It is a falsehood that “brain drain” communities who invest in their youth’s education receive very little return on that investment. The cities and, increasingly the suburbs are the engines of economic growth for the entire country, as they provide a breeding ground for innovation, entrepreneurship, and productivity enhancement.<sup>5</sup> Similarly, a city or suburb may be the economic engine for a local region. As communities invest in their youth they may lose them to more vibrant economic locales, but in return their own economies do benefit. Urban areas produce goods, provide services, and find new uses for technology, strengthening economic opportunities for everyone no matter where they live.

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- **People will return.** Although areas may lose a significant share of their college educated youth, the long-term loss is often substantially less than the initial outflow. Studies in Minnesota<sup>6</sup> and Nebraska<sup>7</sup> confirm that people in their prime earning years with children age 10–18 are moving from metropolitan areas to rural areas. Rural regions that have been experiencing a “brain drain” do look alluring to families in search of a simpler pace of life, greater safety, and lower housing costs. The accelerating growth of telecommuting as a viable option also makes rural living much more feasible. Nonetheless, if regions are going to attract highly educated people, they must maintain or improve the quality of their schools because the quality of education is one of the most – if not *the* most – important quality-of-life indicators.
- **It’s the morally and legally responsible thing to do.** Under state and federal laws, all children, no matter where they live in the United States, should have access to an equal and adequate education. Even when a child is educated in the K–12 schools of one community but might possibly move to another community or state upon graduation, that child should not be denied the quality education needed to compete effectively in further formal education or gainful employment in contemporary society.

### Sources

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