



Vivek Ramaswamy: Some Teachers Are Underpaid

Compensation based on merit could help the U.S. close the international gap in student outcomes.

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A 19-year-old woman in Connecticut grabbed headlines last week for graduating from her public high school with honors—even though she can’t read. She is suing the school board for negligence.

She isn’t alone in her experience. U.S. reading scores are at an all-time low. Nearly 40% of eighth graders can’t do basic division. The failure of our education system puts at risk the survival of our country in a competitive global economy. Fifteen- and 16-year-old Chinese students outperform Americans in math by more than four full academic years. Singaporeans outperform Americans by more than five years. A generation of illiterate, innumerate graduates is a geopolitical death sentence.

Policymakers in both parties deserve blame for this bleak reality. Democrats’ emphasis on educational “equity” has diluted their focus on improving achievement, while the GOP’s focus on combating left-wing cultural overreach—while correct on the merits—has eclipsed its efforts to improve outcomes in math, reading and writing. Both camps have ignored a key underlying cause of the educational achievement crisis: Compensation for public school teachers rewards mediocrity over merit.

Teacher quality is the No. 1 school-related factor affecting student progress. A 1992 study of low-income black students in Gary, Ind., public schools found that the least effective teachers imparted a half year’s worth of learning in a year, while the most effective teachers taught 1½ year’s worth. Over time, these gains compound. According to a 2013 National Bureau of Economic Research estimate, eliminating the bottom 5% of teachers—as judged by their ability to improve students’ test scores—and replacing them with average teachers increases students’ lifetime earnings by \$250,000 per classroom. Replacing them with great teachers would be even better.

The solution is to tie teacher pay directly to students’ learning outcomes, rather than seniority or credentials. In 2009, District of Columbia schools revamped teacher pay to award the highest-performing teachers bonuses of up to \$25,000 while letting low

performers go. Data from 2017-19 showed that the district retained more than 93% of its best teachers, most “ineffective” teachers were dismissed, and about half of “minimally effective” teachers were fired or voluntarily left. Math and reading test scores soared, far outpacing those of every other large urban district that researchers tracked. Even after the pandemic, the district’s scores remained higher than they were at the start of the program, while most cities fell further behind.

Dallas implemented a similarly successful program, with a twist: Its merit-pay system applied only in its neediest schools. In 2016, top-performing teachers in these schools got \$12,000 bonuses, and above-average teachers received between \$8,000 and \$10,000. The bonuses created an incentive for highly rated teachers to move to disadvantaged schools, and within two years students were performing at close to the city’s average level.

These aren’t isolated examples. A 2021 analysis in the American Educational Research Journal found that merit pay has a statistically significant positive effect on student test scores. A 2017 study from Vanderbilt University quantified students’ gains when their teachers were compensated based on merit to be equal to approximately a month of additional learning each year. Research also shows that tying administrators’ pay to performance is correlated with better student outcomes.

Merit pay for teachers and administrators could close the international gap in educational outcomes. Countries that pay teachers based on performance score about one-quarter of a standard deviation better in math and reading than countries that don’t, even after controlling for cultural expectations and other factors.

In South Korea, teachers receive annual bonuses and earn promotions based on student performance, and top university graduates are more likely to pursue careers in education than their counterparts in the U.S. Teachers in China compete fiercely for promotions and incentive pay, which are tied to student learning outcomes. Apparently even the Chinese Communist Party understands that competition breeds success.

Critics argue that performance-based measures encourage “teaching to the test.” This is a risk, but it must be weighed against the status quo. Many American middle-school students can’t do basic arithmetic. A growing number of U.S. high-school graduates can’t read. We won’t fix that problem without reaffirming academic excellence as the main goal of our education system—and doing away with critical race theory, gender ideology, emotional therapy sessions and designated times for students to play videogames during school hours.

Further, if tests are so simplistic that they can be gamed through rote memorization, that argues for better tests. Merit-based frameworks should also incorporate relevant factors beyond test scores—including parental assessments of teacher performance, which

encourage teacher-parent collaboration, and internal peer reviews of teachers and administrators.

Teachers unions claim that performance-based pay breeds resentment and stifles cooperation. Data suggest otherwise. A 2017 study commissioned by the Education Department found that three years after schools implemented merit pay, school morale and teacher cooperation were better than in schools without merit pay. The most effective teachers tend to favor performance-based pay, suggesting that educators' attitudes toward the program are more diverse than their union leaders admit.

Some argue that economic and family-related factors have a more important effect on student performance than do teachers. That may be true, but it isn't an excuse to ignore teacher quality. Merit should be defined in terms of the improvement that teachers deliver to their students over the course of a school year. This framing controls for other variables affecting student performance and ensures that teachers in wealthy school districts aren't rewarded because their students come in with an advantage.

Unlike other countries that have adopted merit-based reforms, education in the U.S. is administered locally. This means states must lead the way. School choice is a strong solution to hold public schools accountable, but Americans should want their public schools to be well-positioned to compete against private alternatives. Governors should remember that our best K-12 educators aren't paid enough, while the worst ones are overpaid. Thankfully, there's an unusually easy fix—straightforward, proven and just—if we can muster the courage to implement it.

Mr. Ramaswamy, a Republican, is a candidate for governor of Ohio.