



Caplan, B. (2018). *The case against education: Why the education system is a waste of time and money*. Princeton University Press.

Tan Shannon

Research Intern, Kaplan Higher Education Singapore; Associate Editor, Journal of Applied Learning & Teaching

DOI: <https://doi.org/10.37074/jalt.2020.3.1.13>

Are we wasting too much time and money on education? There have been ongoing debates about the necessity of formal education. It has been argued that education does not prepare individuals for their future career of choice. If this is indeed true, should governments still encourage students to pursue higher education? This controversial and counter-intuitive book by Caplan, *The case against education*, certainly provides much food for thought for reflecting on this important issue.

The book's argument draws on research on economics, psychology, and sociology. Caplan discusses a very important issue, as most people would acknowledge, yet it is under-discussed due to its controversial nature. His arguments are mostly presented around two concepts, human capital and signalling. The former demonstrates that investments in education enable increased work quality and production, whereas the latter contradicts such a notion.

Bryan Douglas Caplan is an American economist and an author of several books, namely *Selfish reasons to have more kids*, *The myth of the rational voter*, and *Open borders*. He is a professor of economics at George Mason University, and the bulk of Caplan's academic work is in behavioural economics and public economics, especially public choice theory (Caplan, 2019). This book review focuses on his book *The case against education*.

The book's central argument is that the purpose of education is not to enhance a student's skills but to signal their qualities to be a good employee. It consists of a preface, an introduction, ten chapters and a conclusion. Caplan addresses the provocative book title by explaining that the book does not discourage individuals from having an education, but illustrates defects in the education system and argues that there is too much education. Most skills learned in school are not applied in the workplace, for instance: geometry, advanced math, history, literature, or foreign languages. Despite knowing the logic of the redundancy in education, individuals would still strive to take up as many modules as possible, with only one purpose: a better future career. Caplan proposes the use of the concept of 'signalling' and suggests that "a significant

fraction of education is signalling" (4).

In chapter 1, Caplan discusses the 'magic' of education whereby one single signal overshadows every other quality of an individual: our education. The chapter illustrates the cruel truth of society – if you do not have an expected level of education, you are perceived to exhibit negative qualities such as being lazy, unconscientious, unintelligent, an outcast. Without the desired level of education, an individual may not even be given a chance in an interview, let alone the opportunity to perform. Education signalling is crucial in employment as it signals desirable qualities of intelligence, conscientiousness, and conformity. It is assumed that if an individual is able to persevere throughout the long journey of education, they would have qualities of self-discipline, commitment, and work ethics. Education also signals conformity, such as being able to conform to societal rules. The chapter establishes how education achievements are viewed upon as well as the discriminatory factors of not achieving it.

Chapter 2 is focused on the usefulness and application of learning in future workplace contexts. Caplan provides ample statistics which seem to show that the content of the current curricula has minimal applications and usefulness in the workplace environment. This phenomenon could be due to the manner students are being wired from young in their journey of education: "When students challenge the relevance of their lessons, the teachers often reply, 'I teach you how to think not what to think'" (50). This statement led me to reflect on my education journey, realising the large extent to which students were reliant on their teachers in K-12 education. Information was widely provided, and there were always answers to the problems. However, in higher education, students are required to gather their own data, think critically, and form substantiated arguments without much help. Since we were wired to rely on others in the K-12 learning process, we became 'lazy' in our thinking processes, eventually decreasing our ability to transfer learning into the real world. Yet, such findings do not imply that education is useless. Interestingly, education builds discipline and social skills of individuals by training them to show up on time for class and to cooperate with their peers.

Despite learning that education provides us with few benefits in enhancing our performance and capabilities, individuals are still being rewarded handsomely if they possess higher education qualifications. Chapter 3 attempts to explain why society perceives that an education premium equals ability. The author provides a unique and robust argument by disagreeing with such perceptions through the use of a term, IQ laundering. He explains the observation why a four-year degree signals ability rather than a three-hour IQ test. He states that "employers reasonably fear high-IQ, low education applicants' low conscientiousness, and conformity" (88). An IQ test is not sufficient when hiring college-quality workers; employers are not only looking for intelligent workers, but also for individuals who would listen and follow instructions. This implies that the labour market will reward not only college diplomas but also college admissions. The fundamental flaw here is that credentials are not what is regarded as necessary, but the duration committed. As long as you apply for a school and make it through it, you are deemed as a qualified worker with a good character, whereas skipping college signals an undesirable character.

Chapter 4 tries to convince us further of the signs of education signalling and its logic in four approaches: the Sheepskin effect; malemployment and credential inflation; the speed of employer learning; and the education premium. Caplan compares these approaches using two models: the pure human capital model and the signalling model. Results show that the advantages of education were indeed more predictive of the signalling model. Interestingly, the Sheepskin effect provides evidence that graduation is especially lucrative only because the individual has conformed to social norms, according to the signalling model. The Sheepskin effect refers to a higher education premium being positively correlated to an increased salary. It is assumed that one's ability to graduate is due to one's intelligence, conformity, and work ethics, which adds valuable details to a person's character. Contrary to this assumption, the human capital model states that graduating is less lucrative and having skills is more crucial. The case in point is that the human capital model states that education raises income by imparting useful skills, whereas signalling says education raises income without imparting valuable skills.

Chapters 5 and 6 concentrate on the burning question of "Will my education pay?". Caplan explores two perspectives, individual and social, in an attempt to answer the return on investment of education. In analysing the personal viewpoint of the profits of education, he categorises the student population into three categories: Excellent, Fair, and Poor students. Overall, he advises that dropping out of school is imprudent as even the Poor students who loathe school may expect a foreseeable positive return on their investment. The students with Fair performances could consider other routes such as proceeding to the workforce, unless they love school, and lastly, the Excellent students should definitely consider higher education. Hence, despite the possibilities of incurring wasted time and effort, higher education should be considered.

From the perspective of social returns of education, individuals need to examine their own productivity. It is assumed that workers on average earn what they are worth. In the signalling model, one's credentials are matched to one's remuneration package without much attention to one's actual ability. If your credentials are weak for someone of your ability, you earn less than you produce. In contrast, if your credentials are stronger as compared to your ability, you receive more than you produce. In the calculation of education's social returns, several components are considered: job satisfaction, status, health, crime rates, workforce participation, politics, and behavioural genetics. In evaluating these components, it was found that social returns are low as a whole. Despite education being able to boost worker productivity, workforce participation, as well as decrease unemployment and crime rates, the value of the combinatory benefits are low. In examining these arguments, perhaps too many expectations were placed on the influence of education over the power of social transformation.

The following chapter (7) argues that society needs much less education and should rather ponder constructive ways to boost education completion probabilities. Caplan argues that education is largely wasteful signalling and highlights two forms of educational austerity: cutting fat from the curriculum and cutting subsidies for tuition. The former states that excessive education that should be cut are these subjects: history, art, music, foreign languages, and social studies. Caplan's rationale is that students hardly retain any knowledge of these subjects, and their applicability is minute. Making these subjects optional would also compel students to work harder in actual classes, in turn improving overall performance in literacy and numeracy. Cutting subsidies for tuition works similarly to supply and demand. The scarcer resources are, the pricier they get, which increases the premium on education. Students are required to put in more effort to graduate. Eventually, this leads to higher completion rates. However, such actions could also incur undesirable effects – inequality and social injustice. Then why do we still not proceed to cut spending on education? Social desirability bias is probably the answer. Humans do not like ugly truths; we dislike saying 'no' to people regardless of our true feelings because we wish to be emotionally appealing. Likewise, we appeal to education as "the most important investment we make in our children's future, we have to ensure everyone who might benefit from college attends" (223). Caplan argues that with such enduring fallacies being reinforced over generations, society continues to waste resources and promote counterproductive policies.

Chapter 8 discusses vocational education as a promising alternative that has been neglected. It is known as "career and technical education" (226), which teaches specific job skills via learning-by-doing. Vocational education stands out as it helps students by building their skills in typical jobs which in turn leads to increased productivity in society. Another theme, child labour, was also mentioned in the context of internships. Some reasons that children are discouraged from getting jobs are due to concerns of 'exploitation' and distraction from academic success. A critical premise is that the educational path is so superior that it should be prioritised over work. But this is utterly untrue. Modern schools today

are preparing students for careers which are rare: authors, mathematicians, musicians, historians, etc. Schools devote minimal time to general skills which are much more critical in the general workplace, leading to students leaving school with unrealistic expectations and unclear routes.

Chapter 9 asks the question "Is education good for the soul?", and several perspectives are explored in analysing education's effect on values. Economists push for education as they think it leads to high social returns, and not because of intrinsic benefits. To understand how education influences society, these aspects were studied: politics, family size, leadership, peer effects, culture, religion, marriage and divorce, and fertility. An abundance of research suggests that education raises moral values and support for capitalism, free markets, and globalisation. Likewise, education also leads to a positive correlation between peer effects and politics. However, Caplan cautions the results of the studies may be subjective, and the significance of the variable mix remains unclear. Caplan profoundly argues that for education to benefit and be intrinsically valuable, students need to be eager and motivated in order to become increasingly knowledgeable through their learning.

Chapter 10 encompasses five dialogues on education and enlightenment, with the arguments inspired by three decades of debates about education: the definition of signalling, its role in education and society, challenges in accepting transitions of traditional education to alternative education (online education), evaluating educational investments, and the importance of students' attitudes for education.

In conclusion, Caplan stated that education is grossly overrated and education mostly creates credential inflation rather than societal prosperity. To make changes to the education system, people must stand up against social desirability bias.

Overall, the main argument of this book is that education beyond mastery of basic literacy and arithmetic is a waste of time and money, as it neither promotes individual productivity in the workplace nor encourages economic growth. Instead of wasting resources on education that produces no benefits, the focus should be placed on increasing social skills or job-specific skills.

I agree with the argument of credential inflation inasmuch as education provides credentials that signal to potential employers the qualities (intelligence, conformity, and conscientiousness) job seekers might possess to perform in the workplace. However, I disagree that cultural education and humanities should be made optional in school. If these subjects are made optional in K-12 education, what are the odds of students taking the initiative to take up additional courses? When these subjects are made optional, students might fear additional stress and not opt for them, and these students might never know if they will be interested in subjects such as literature, history, etc., and pursue them as a future career. Therefore, I feel that these humanities

should still be taken as compulsory subjects, and only once students are of a certain age, they could have them as options.

Other critiques that can be directed at the author's arguments are the validity of the sample (the book is rather U.S.-centric and does not consider the global situation sufficiently), the illusion of cause and effect, and the perpetuation of education inequalities. As this book is from the perspective of a single author, his perception of education is based on his background and experiences. It is quite a sweeping statement to say that everyone else would share the same perception and experience. The signalling theory discussed in the book also seemed to portray an illusionary cause and effect relationship between signalling and investment of education. Whether the investment made is poor or good is subjective, and saying that money spent on education is a poor investment is too quick a conclusion to make.

Caplan also says that bad educational experiences are due to too much investment in education. I beg to differ; bad educational experiences are due to insufficient investments in improving the learning experience. With the increasing diversity of students, there have been attempts to enhance the learning experience by providing faculty with training and re-investing in better classroom facilities and equipment to encourage a more active learning experience. It is due to insufficient investments that attempts to improve the facilitation of better learning have encountered many challenges in catering to a wide range of students. Therefore, too little investment in the right areas appears to have been the main problem.

Finally, Caplan also suggests for government to cut back on subsidies for education. This could lead to dire consequences of even further educational inequality. By cutting back on tuition, the poor would face more difficulties achieving higher education, contributing to a further widening of the gap between the rich and the poor. Other consequences, such as decreased global competitiveness, weakened democracy, and discriminations may also arise (Berliner, 2013).

The case against education raises important questions about the role of educational signalling in society. It also provides the opportunity to discuss provocative arguments on education. On the whole, I recommend reading this book with an open mind, while reflecting critically on its controversial approach to higher education.

Additional references

Berliner, D. C. (2013). Effects of inequality and poverty vs. teachers and schooling on America's youth. *Teachers College Record*, 115(12), 1-17.

Caplan, B. (2019). *Bryan Caplan*. <http://www.bcaplan.com/>

Copyright: © 2020 Shannon Tan. This is an open-access article distributed under the terms of the Creative Commons Attribution License (CC BY). The use, distribution or reproduction in other forums is permitted, provided the original author(s) and the copyright owner(s) are credited and that the original publication in this journal is cited, in accordance with accepted academic practice. No use, distribution or reproduction is permitted which does not comply with these terms.