Education Review
Reseñas Educativas
Resenhas Educativas

August 5, 2026 ISSN 1094-5296

**Di Carlo, M., & Baker, B. D. (2026).** ***Segregation and school funding: How states reinforce inequality and what to do about it.*** **Harvard Education Press.**

**280 pp.** **ISBN 979-8-89557-054-8**

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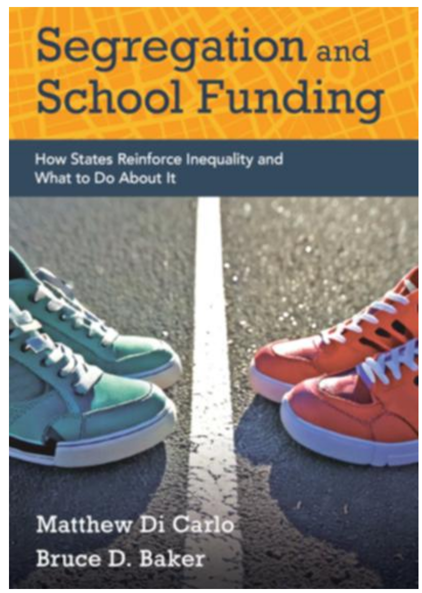


Have you ever wondered why, despite legal and other efforts to desegregate schools, there continues to be unacceptable differences in educational outcomes among students across U.S. school districts? In this book, **Matthew DiCarlo** and **Bruce Baker**, two scholars who have studied this issue extensively (Baker, 2018; Baker et al., 2022) address this question. They make a case for inequitable school financing as a root cause of these discrepancies. They also examine how racial and economic segregation in U.S. public schools is tied directly to the way schools are funded. The authors intersperse discussion of historical milestones toward equity and their marginal effectiveness with illustrative case studies of school districts in seven metropolitan areas. They also discuss some little-known history that underpins the persistent problem of inequitable education in the United States metropolitan areas.

The authors trace a history of an interdependent relationship between residential segregation and K-12 school funding inequity. From an understanding of this history, the authors lay out a set of recommendations for upsetting this relationship and the unequal educational opportunity that it perpetuates, focusing on state level education policy reforms. School segregation and inequitable funding are firmly entrenched among suburban districts and are fueled by racial/ethnic and economic inequality and residential segregation.

School funding is largely dependent on property values, which are the fuel for property taxes. The higher the property values, the higher the tax revenue, and the lower the burden of covering the cost of education, regardless of the educational needs of students. The authors outline how well-funded schools are

Szecsy, E. (2026, August 5). Review of *Segregation and school funding: How states reinforce inequality and what to do about it*, by M. Di Carlo & B. D. Baker. *Education Review, 33*. https://doi.org/10.14507/er.v33.4649

generally in communities with high property values, and these communities generally attract White residents. Furthermore, by way of several strategies aimed at containing and controlling Black and Hispanic people (e.g., racial covenants, redlining, blockbusting, lending discrimination, steering, and district gerrymandering), predominantly Black and Hispanic communities have lower property values and a high burden to educate their children. The authors argue these schools need *more* resources to achieve equal outcomes because of greater educational and social challenges. In short, school segregation and funding inequality reinforce each other, and local property-tax funding creates disparities because affluent communities can raise more money for schools than poorer communities, resulting in unequal facilities, staffing, class sizes, and educational opportunities.

The authors argue that though the 1954 *Brown v. Board of Education* decision addressed segregation between schools within districts, subsequent court decisions did little to address segregation between school districts in metropolitan areas. The authors cited two key cases that blocked efforts to address between-school-district segregation: (1) *Milliken v. Bradley* (1974), which ruled that suburban districts were not subject to desegregation orders because there was insufficient evidence that they were responsible for having created that segregation, and (2) *San Antonio Independent School District v. Rodríguez* (1973), which allowed school funding to vary across districts by basing that funding primarily on local property taxes. Even where legal segregation ended, housing patterns, district boundaries, and school zoning continued to separate students by race and income. The authors describe this as a "self-reinforcing cycle" (p. 9) where educational inequality contributes to broader social inequality across generations. Consequently, segregation was suburbanized, leaving many metropolitan school systems unequal because funding systems still favored wealthier and whiter districts.

Another factor to consider is metropolitan school district fragmentation, i.e. setting school district boundaries so that there are many school districts. A plus to fragmentation is efficiency, since property values may have greater incentive to be efficient, as property values will be more responsive to school quality than would be the case in larger school districts. However, there is a downside to district fragmentation. The ability to sort into school districts based on preferences is not equal. During much of the twentieth century (and one might argue, for all of U.S. history [reviewer's comment]), Black residents' mobility was limited as a matter of policy.

Between-district segregation is higher in more fragmented metro areas. First, it is difficult to figure out why this relationship occurs, because causality between fragmentation and segregation goes both ways. Second, in less fragmented areas, there are fewer districts; racial compositional preferences are achieved by choosing certain schools or neighborhoods within districts rather than switching districts, which would increase within-district segregation. Third, some forms of housing discrimination, such as exclusionary zoning or racial steering, might reinforce between-district segregation in fragmented metro areas. Hence, educational opportunities are most unequal in more fragmented metropolitan areas.

The authors then discuss school district secession and more recent school choice efforts that emulate district secession, such as charter schools, private schools, and private school vouchers as strategies that result in a quasi-fragmentation, though it is difficult to assess exactly how that happens. The authors recommend that states limit segregative district secessions and consider district mergers and other integrative boundary-related policies aimed to reduce between-district segregation. The authors also acknowledge that consolidation can be very difficult and risky. Integrative consolidations can be perceived as a threat by those who paid a premium to live in a good school district. This threat can be mitigated by the state taking an active role in incentivizing, facilitating, and supporting integrative consolidations, especially if the resulting school district is greater than the sum of their parts. That said, district consolidation is not the only option. Districts can also share students and resources across their boundaries without changing their boundaries.

The sixth chapter begins:

> School funding inequity in the United States can be boiled down to a negative association: Where local costs are relatively high, the ability to meet those costs tends to be low, and vice-versa. Racial/ethnic and economic segregation are largely responsible for these gaps, but modern school finance systems, in theory, are designed to close them. They just need to get it right in practice. (p. 161)

Further:

> Inadequate, inequitable K-12 funding are multiracial problems that can thrive regardless of what students look like or where their ancestors came from. Equal educational opportunity means what it says, and the road that takes us there begins and ends in the statehouses. (p. 161)

The authors spend the remainder of the sixth chapter outlining how state-led school finance reform might aim for universal adequacy and lead to equitable K-12 funding. This would be a gradual and intentional process that includes audits of existing school finance policy arrangements to identify and correct anti-equity policies and perhaps direct state aid to districts that need it and freeze that aid in super-wealthy districts. The authors characterize the current norm that permits wealthy, normally White districts to receive significant amounts of state aid, despite their capacity to meet their students' needs with local revenue as a "suboptimal allocation of finite resources" (p. 187). Other districts have been suffering from underinvestment for a long time, and the states are responsible for this situation, but they are not alone. In the seventh and final chapter the authors outline ways in which the federal government can foster long-term investment in K-12 education. There are no shortcuts to equitable school finance and K-12 education. A long view will be required as it will take a long time to achieve equitable funding that will make truly equitable education possible and perhaps even encourage racial and ethnic integration.

This well-reasoned and well-documented book is an important contribution to the larger, longstanding, and continuously evolving conversation about civil rights, educational equity, housing segregation, tax policy and public-school reform. It is also a wonderful companion to the work of such scholars as Matthew Kelly (2024), Tracy Steffes (2024), Tim Keough (2023), Deborah Stone (2012), and William Kellar (1999). Matthew DiCarlo and Bruce Baker combine historical analysis with modern descriptive statistical analysis and policy recommendations, which together offer new perspectives on the far too longstanding problem of inequity in school finance and concomitant unequal educational outcomes across districts in U.S. metropolitan areas. This engaging and thought-provoking book promises to help educators, historians, policy advocates, and readers interested in social justice and public education (1) learn how, and over how much time, school finance came to be where it is today; (2) discover and correct for contributing patterns to inequity that in many cases may be rooted further back in our nation's history than the Civil Rights era, and (3) clarify what will be required over the long haul to ensure equitably financed schools moving forward. Problems in how schools have been funded have existed for a long time; it will take a while to resolve them, and this book offers sound recommendations on how to begin.

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## About the Reviewer

**Elsie Szecsy** is emerita research professional at Arizona State University, where her research interests were on intersections among teaching, learning, and leadership, with institutional, organizational, and instructional arrangements in linguistically and culturally diverse education settings. She was involved in several documentation research projects in metro New York and metro Phoenix, Arizona, that aimed to improve Latino representation among high school and college graduates and among faculty and administrators in K-12 and higher education. Her research interests have since expanded to include humanities-based approaches to discover racial and other injustices in schools and other educational settings. Elsie holds an Ed.D. in educational administration from Teachers College, Columbia University.

## About the Authors

**Matthew Di Carlo** is a senior research fellow at the non-profit Albert Shanker Institute in Washington, D.C. His research focuses on school finance, segregation, and school and teacher accountability. He has a B.A. from Fordham University and a Ph.D. in sociology from Cornell University.

**Bruce D. Baker** is program director and professor in the Department of Teaching and Learning, University of Miami and fellow of the National Education Policy Center and Learning Policy Institute. He is widely recognized as the nation's leading scholar on the financing of public elementary and secondary education systems. His research focuses on public education finance and policy, post-secondary education finance and policy, teacher and administrator labor markets, and education law. He is also co-principal investigator on the creation of the School Finance Indicators Database, a resource used nationally by researchers, advocates and policymakers.