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## THE STATES TEACH A LESSON IN OFFERING CHOICE IN EDUCATION

### INTRODUCTION

America's schoolchildren today may have more curricular offerings than the schoolchildren of early 20th century America. They may have better buildings and more formally trained teachers. Yet who in America would say that the quality of today's education is not far worse than at the start of the century? The 1983 report *A Nation At Risk* made this fact depressingly clear. Since then, report after report from institutions dotting the political and ideological spectrums has played some variation on the original theme: standards are too low, teachers are too poorly prepared, too little time is spent on academic tasks, school leadership is weak, homework is rarely assigned.

The sheer volume of the complaints and their repetition have brought some welcome reforms, but it is not clear that these will reverse what *A Nation at Risk* described as the "rising tide of mediocrity." True, high school graduation requirements have been reinstated and toughened; student and even teacher competency testing has recommenced; alternative routes to teacher certification are being tried; and more homework is being assigned.

**New Consensus.** Yet student performance has improved only marginally. After a modest rise in Scholastic Aptitude Test Scores in the early 1980s (which actually occurred before the "official" reform movement began), they have flattened at a level low by 1960s standards. Black students are making significant academic progress, but from a painfully low level, while whites are either standing still or sliding backwards. America's 17-year-olds know little about their literary and historical heritage,<sup>1</sup> and college students are neither prepared to receive nor are they receiving a true higher education.<sup>2</sup>

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1. Diane Ravitch and Chester E. Finn, Jr., *What Do Our 17-Year-Olds Know?* (New York: Harper & Row, 1987).

2. Allan Bloom, *The Closing of the American Mind* (New York: Simon & Schuster, 1987).

Just as the consensus formed in 1983 was that American education was in a crisis, today a consensus is emerging that the crisis cannot be overcome without a fundamental educational system overhaul that includes deregulation and educational choice. The Reagan Administration long has supported giving parents, the consumers of education, greater choice in the elementary and secondary schools their children attend. And at least since 1981, so have many of the American people. For the past seven years, the Gallup Poll of the Public's Attitudes toward the Public Schools has registered that 44 percent of the American public supports a voucher system that would allow parents to choose among public, parochial, or private schools. This year an astounding 71 percent of the respondents supported choice among public schools.<sup>3</sup>

**Parents Wanting Choice.** For six years, opposition by the entrenched educational establishment and Congress has thwarted efforts to enact legislation giving parents the choice in education that they apparently want. Now the tide seems to be turning.

**Example:** The powerful and bipartisan National Governors' Association recommended choice in its seminal 1986 report, *Time for Results*. Says the report: "If we first implement choice, true choice among public schools, we unlock the values of competition in the educational marketplace. Schools that compete for students, teachers, and dollars will, by virtue of the environment, make those changes that allow them to succeed....Choice in the public schools is the deregulatory move needed to make schools more responsive."<sup>4</sup>

**Example:** Businessmen who comprise the mainstream Committee for Economic Development state: "Accountability and responsiveness in public education cannot be legislated, regulated, or achieved by fiat or good intentions alone. They require both incentives and disincentives. The system that best meets these objectives fairly, efficiently, and rapidly is a market system."<sup>5</sup>

**Example:** American Federation of Teachers President Albert Shanker notes that "Attendance is much higher and dropout rates are much lower in those public schools--vocational and option[al] academic high schools--that students themselves have chosen to go to."<sup>6</sup>

Despite this chorus of respectability praising choice, the U.S. Congress remains deaf. Although the Senate Labor and Human Resources Committee set aside funds for pilot choice projects in its omnibus education bill passed in October,<sup>7</sup> both

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3. Alec M. Gallup and David L. Clark, "The 19th Annual Gallup Poll of the Public's Attitudes toward the Public Schools," *Phi Delta Kappan*, September 1987, pp. 17-30.

4. National Governors' Association, *Time for Results: The Governors' 1991 Report on Education* [so-called because it is a five-year plan], Hall of the States, Washington, D.C., 1986, p. 84.

5. The Committee for Economic Development, Research and Policy Committee, "Investing in Our Children: Business and the Public Schools," Washington, D.C., 1985, p. 28.

6. Speaking to the National Governor's Association, *Time for Results*, p. 70.

7. The Robert T. Stafford Elementary and Secondary Improvement Act.

houses of Congress rejected the limited Administration proposal giving school districts the option of allowing parents of low achieving students to choose where their children receive compensatory services.

**State Experiments.** While the federal government remains in gridlock over the issue of choice, states and localities have been speeding ahead, experimenting with choice and assessing how it improves the quality of teaching and learning. So far, choice at state and local levels has been restricted primarily to public education, in large part because the public education establishment, the general public, and even to some degree the private schools themselves resist including private schools. Public educators see allowing greater choice of private schools as a threat to their monopoly, but they are also beginning to view public school choice as a way to entice private school students back into the public schools. Notes Ellen Hoffman:

- "[Public school choice] very substantially reduces the argument for giving money to parents to send their children to private schools. We could turn to
- a parent and say: 'You've got a huge number of choices in the public sector; why not take them?'"<sup>8</sup>

Many private schools, too, are reluctant to participate in a publicly funded voucher plan. They fear that government funding of vouchers will mean government regulation of the institutions that accept them. Private schools rightly prize their independence in such key aspects as teacher certification requirements, curriculum, hiring and firing practices, pay and fringe benefits, and faculty-student ratios. In fact, court battles are now being fought over the right of private schools to set their own policies in these areas.

**Learning from the States.** Despite these roadblocks to a universal voucher system that embraces public and private schools, choice is occurring in America and producing some encouraging results. Choice is being used to desegregate schools, reduce the dropout rate, help at-risk students, stimulate competition and excellence, and educate rural students from towns that have no public schools.

Washington policymakers and those concerned about the health of the nation's education have much to learn from the states. Almost anywhere they look, they will find examples of states experimenting with choice.

### **EXAMPLE #1: HOW CHOICE AIDS DESEGREGATION—NEW YORK AND MASSACHUSETTS**

About half of the current choice programs are believed to have been started to promote desegregation. To date, the most popular kind of desegregation school has been the magnet school, in which the entire school or school-within-a-school is organized around a particular theme, such as the arts or mathematics and science.<sup>9</sup> In some cases, several magnet schools exist in a single district; students choose

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8. Ellen Hoffman, "Education Choice Debate," *National Journal*, October 19, 1985.

9. The federal government currently is funding 37 magnet schools.

from these and the regular neighborhood schools. The hope is that the academic tenor of the schools will be improved, thus attracting the white students who have left the district. To varying degrees, this has occurred in a number of localities.

**Powerful Magnets.** A prominent example is East Harlem Community School District #4. In 1974, the district ranked 32nd out of 32 New York City districts in reading scores, suffered from a skyrocketing dropout rate and rampant crime, and had lost most of its white students. Several teachers approached then district superintendent Anthony Alvarado with the suggestion that the district apply for federal funds available for the establishment of magnet programs in minority neighborhoods. Alvarado agreed. Neighborhood attendance lines were abolished, and experimental magnet schools were established with a total of just 90 students. Each school began small and increased only with the demand for its services. Principals and teachers designed unique educational programs around specific themes, such as the performing arts, mathematics and science, and sports. Innovative brochures were published to advertise their schools.

Today, in addition to the neighborhood schools, 21 school buildings are divided into 48 separate magnet junior high schools serving over 4,000 students. Sixty-four percent of the district's students are reading at or above grade level, and last year District #4 placed 16th in citywide reading scores. Suspensions are down, attendance rates are among the best in the city, and some 2,000 white students have returned to the district.

**Desegregating with Choice.** Another successful effort has been the Cambridge, Massachusetts, "controlled choice" program to achieve desegregation. Since 1981, Cambridge residents have been able to choose among the city's dozen elementary schools, but assignments are made so that the racial composition of every school and classroom reflects within 5 percentage points the racial composition of the city (which is 40 percent minority). All beginning or new students register at the Parents' Information Center (PIC), where an assignment office makes the assignments on a first-come, first-served basis after parents have chosen three schools and ranked them in order of preference. Some 90 percent of the applicants go to a school that is one of their choices, normally their first, says Dorothy Jones, PIC's supervisor.

Reports Jones: "Although the schools are competing, they all know there are enough kids to go around. We don't get complaints, and we are attracting and holding a large percentage of people who could afford to move elsewhere." In fact, from 1979 to 1986, the share of eligible elementary pupils attending Cambridge public schools rose from 78 percent to 88 percent. Some non-Cambridge parents even were sneaking their children across the district border and claiming Cambridge residency; this practice has now been banned.

Since Cambridge's controlled choice program began, no public school has resegregated, and test scores are up, especially those of minorities. According to Michael Alves of the Massachusetts Education Department's Office of Desegregation, Cambridge public schools "have achieved more voluntary desegregation than any

other school system in Massachusetts history and perhaps even more than any other school system in the United States."<sup>10</sup>

"Choice has made schools compete," says Jones. "People have had to get their act together and recognize that parents are important people. They've had to put their best foot forward. It puts the schools on their mettle."

The Cambridge plan has been adopted by several cities. Fall River, Massachusetts, for example, is using the model to integrate linguistic minorities, and Little Rock, Arkansas, is applying the model to a much larger community.

### **EXAMPLE #2: REDUCING DROPOUT RATES THROUGH CHOICE-- WASHINGTON STATE**

Since 1978, Washington State's Office of the Superintendent of Public Instruction has contracted with so-called educational clinics to provide short-term educational intervention services to hard-core dropouts--students out of school for at least 30 days who often have personal, family, or legal problems. Individual clinic programs vary widely, but all address the behavioral and academic needs of their students. There are now twelve such state-sponsored clinics. All but one are run by private, nonprofit corporations (one is for profit), and most are located in the state's major cities such as Seattle, Tacoma, and Spokane. Any organization can initiate a dropout program, and if it meets state requirements, it can become a state-approved clinic and eligible for funding.

**Encouraging Small Classes.** The state certifies and reimburses the clinics for diagnostic testing and, in a sliding scale, for student instructional hours. Clinics that provide a one-on-one student-teacher ratio receive \$16.00 per student per hour (per student hour), a ratio of two to five students to one teacher draws \$10.00 per student hour; while six or more students to one teacher receives \$5.00 per student hour. This formula encourages small classes, since research has shown that smaller classes are a critical factor in successful dropout prevention programs, according to Jerry Thornton of Washington's State Department of Education.

In the 1986-1987 academic year, the clinics served 1,700 students, aged 13 to 19. Most of the participants heard about the clinics through advertising, the media, or word of mouth, reports Barbara Mertens, Director of Private Education and currently in charge of the clinics. Participants apply to a clinic in their area or to one with a program that appeals to them. There are no residency requirements. The goals of the clinics are to have the dropouts reenter regular school, pass the General Educational Developmental Test or the high school equivalency exam, or obtain employment.

The clinics have been quite successful. They have grown in number from four in 1980 to twelve in 1987, and in funding from less than \$1 million per year from

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10. Michael J. Alves, "Maximizing Parental Choice and Effective Desegregation Outcomes: The Cambridge Plan," in *Family Choice and Public Schools: A Report to the State Board of Education*, Massachusetts Department of Education, January 1986, p. 48.

1978 through the early 1980s to \$3.2 million for the current annual budget. In the 1983-1984 academic year, 64 percent of the graduating students had achieved a mean gain of 4.6 on the Peabody Individual Achievement Test. A five-year longitudinal study completed in November 1984, moreover, found 70 percent of the clinic graduates engaging in a "constructive activity," such as employment, schooling, or the military.<sup>11</sup>

Despite its apparent success, the program has never been popular with the public education establishment. In fact, says Ron Perry, a staff member for Washington's Legislative Budget Committee, at first the clinics were ignored by the State Superintendent and left out of the budget. "In spite of that powerful education bloc," said Thornton, "the education clinics have still managed to get funded," in large part, adds Mertens, because they are popular with the legislators.

### **EXAMPLE #3: PROMOTING EXCELLENCE THROUGH CHOICE—MINNESOTA**

Minnesota for many years has pioneered educational choice, offering tax incentives to increase educational options. Since 1955, for instance, Minnesota has allowed a tax deduction to help parents cover tuition and transportation costs at either a public or nonpublic school. Minnesota is the model for efforts in such other states as Utah, where taxpayers are attempting to place a tuition tax credit on the ballot.

More important is the 1987 Postsecondary Enrollment Options Act. This enables 11th and 12th grade public high school students to enroll free of charge in postsecondary institutions and take college courses for high school credit, which upon graduation becomes college credit. Thus, it is possible for these Minnesota students to complete two full years of college free of charge by the time they are 18 years of age. Admissions decisions are made by the postsecondary schools and state general education funds are given to them to finance the courses. Although the high school loses money if students choose to attend a postsecondary institution, it still receives its standard aid allotment (which is money in excess of per pupil school costs). If the college tuition costs are below the amount normally spent by the school on educating a student, the school also receives the difference.

**Unhappy in High School.** In 1985-1986, the Minnesota Department of Education randomly surveyed 1,000 of the 3,668 students participating in the Postsecondary Enrollment Program. Only 1 percent of the participating students had opted to enroll in a postsecondary institution full time. Most were just taking one or two courses. The few full-timers were usually those students who had been unhappy in high school or who had taken all of their required high school courses and were not involved in extracurricular activities. About 6 percent of the participating students had been high school dropouts. According to Postsecondary

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11. "Report on Educational Clinics Program Years 1982-1984," Report No. 85-7, State of Washington Legislature, Budget Committee, Olympia, Washington, 1985.

Enrollment Options Director Jesse Montano, they have performed well at the college level.

About one-half of the students surveyed were attending community colleges, 17 percent were enrolled in the University of Minnesota, and 17 percent were attending other state universities. Ten percent were at vocational technical institutes, and 6 percent were taking courses from private colleges. Although the surveyed students reported that the college courses were more difficult than those offered by their high schools, Montano reports that, in over 50 percent of these courses, the students received grades of A or B.

The Postsecondary Enrollment Options Program may have an unexpected benefit: high schools may begin to improve their course offerings. One St. Paul high school, said St. Paul's Superintendent of Schools David Bennett, has worked with University of Minnesota professors to start American literature classes within the high school. The course is taught jointly by university and high school staff, and the students receive college credit. "The students responded very well," said Bennett. The school "had a full class right off the bat." Although the program is expensive for the high school (the aid for the students for that portion of the day goes to the university), it is so popular that there are plans to expand it to other high schools in the district.

In January 1987, the Minnesota legislature took another pro-choice step by passing a bill establishing the Enrollment Options Program. Under the program, kindergarten to grade 12 students can transfer to public schools in other participating districts; state aid will be provided to the school of their choice. The participating districts may set aside court-ordered racial quotas, and they may disapprove an application because of lack of space. Otherwise they must accept all students who apply. As of July, 95 out of Minnesota's 435 school districts had agreed to participate in this program.

#### **EXAMPLE #4: CHOICE ENSURES QUALITY EDUCATION FOR RURAL STUDENTS--VERMONT**

Most advocates of education vouchers believe that vouchers are a new idea. In fact, Vermont has had a "tuition system," based on a form of voucher, since the 19th century. The program was established by a 1894 amendment to a 1880 statute:

"When no...public high schools exist in [a] town, then such pupils shall be provided for in the...academies or seminaries of the town, and if no such schools exist in said town, said board may provide such instruction for such pupils in those of some other town...within or without the state."<sup>12</sup>

**Payments to Approved Schools.** Legislation in the past century permitted the "tuitioning out" of elementary students to public elementary schools, and it made sectarian private high schools ineligible to participate in the tuitioning out system.

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12. Act 97 of 1880. In John McClaughry, *Educational Choice in Vermont* (Concord, Vermont: Institute for Liberty and Community, 1987).

Currently, 95 of Vermont's 246 towns neither have a public high school nor belong to any of the state's 26 "union" high school districts where two or more towns jointly have formed a high school. Some 33 Vermont towns have no public elementary school.<sup>13</sup> For students in these towns, payments are made to any approved high school or elementary school, in or out of the state, equal to the average per pupil cost of education, which currently is over \$3,000. If the tuition at the chosen school exceeds that amount, the parents make up the difference.

In school year 1984-1985, roughly 25 percent (7,633) of Vermont's high school students were "tuitioned out" to public and private schools under the program. Of these, 57 percent (4,312) attended Vermont public schools; 7.3 percent (560) attended public schools in adjacent states, and 36 percent (2,761) attended private schools and academies in Vermont and eight other states.<sup>14</sup>

**Unions Blocking Choice.** In 1985, legislation was introduced to allow eligible towns to "tuition out" elementary students to approved private elementary schools. This bill was "buried" in the Vermont House Education Committee because of strong opposition from the teacher's union (an affiliate of the National Education Association). Last year, the education establishment tried to push the legislature to prohibit "tuitioning out" to out-of-state private schools and to require school boards in the towns to contract with independent regional high schools designated by the State Board of Education. There was no action on these measures in the 1986 session.

The Vermont teacher's union is adamantly opposed to the current choice system, says Vermont's choice expert John McClaughry, because the union fears the small towns with public schools will close them and simply contract with private schools. Indeed, he says, the town of Plainfield was considering doing just that earlier this year. Other towns, he said, are assessing their options to remaining in a union high school district.

Although religious schools are excluded, elementary students can attend only public schools, and adverse weather conditions limit the free movement needed for strong competition between schools, the Vermont system seems to work quite well.

### **THE MISSING INGREDIENT IN CHOICE: THE PRIVATE SECTOR**

Choice limited primarily to the public sector may be preferable to no choice at all. It is not preferable to an educational system in which public and private schools compete on equal footing. Only then will competition stimulate excellence.

Private schools have had long experience successfully meeting the needs of their consumers, primarily by offering a superior education at reasonable cost. An analysis of the federal "1981 High School and Beyond Survey" of 1,015 high schools indicates that private and Catholic high schools are more effective than public

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13. *Ibid.*

14. *Ibid.*



schools in improving student's cognitive skills.<sup>15</sup> This finding has been reinforced in a two-year follow-up study by education researchers, professors James Coleman of the University of Chicago and Thomas Hoffer of Northern Illinois University. This study shows, among other things, that students in private and Catholic high schools are more likely to graduate from high school and to enter and stay in college. Catholic schools, moreover, were found to be especially effective in increasing the achievement of disadvantaged students and in retaining potential dropouts.<sup>16</sup>

**Saving Money.** Private schools also appear to be more cost-effective. In the 1985-1986 school year, the total public school expenditure per pupil was \$4,051. That same year, 27.9 percent of all private elementary and secondary schools charged between \$500 and \$1,000 in tuition; 26.4 percent charged between \$1,001 and \$1,500; 14.6 percent between \$1,501 and \$2,500; and 18.2 percent over \$2,500.<sup>17</sup> The larger size of the public schools, moreover, does not warrant the difference in cost. According to Coleman and Hoffer's follow-up study, as public schools exceed 1,000 students, their average per pupil cost rises, while expenditures fall in those few Catholic schools with student populations over 1,000.<sup>18</sup>

Perhaps the greatest strength of private schools is their traditional focus on character development or moral excellence. This is something Americans apparently prize highly. Some 64 percent of the respondents to the 1984 Gallup survey said that they expect schools to teach their children right from wrong.

Drawing private schools into a voucher-type arrangement, however, could prove a two-edged sword. Private schools could be put out of business by a public education establishment seeking to restrict rather than to enhance choice. Alternatively, the prospect of such regulations might prevent private schools from joining a program. This was the case in California's Alum Rock choice experiment in the early 1970s, where a local certification council set regulations regarding teacher certification requirements, pay and fringe benefits, and teacher-student ratios that effectively excluded the private schools.<sup>19</sup>

**Including Private Schools.** Thus regulations attached to government vouchers or other money are a serious stumbling block to the participation of many private schools, particularly fundamentalist Christian schools. The recent Supreme Court decision in *School Board of Nassau County v. Arline*, declaring contagious diseases a handicap protected under federal handicapped laws, has exacerbated their concerns. If private schools are considered direct recipients of government funds via a voucher, they could legally be compelled to comply with government mandates that

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15. James Coleman, Thomas Hoffer, and Sally Kilgore, *High School Achievement* (New York: Basic Books, 1982).

16. James Coleman and Thomas Hoffer, *Public and Private Schools* (New York: Basic Books, 1987).

17. *Digest of Education Statistics 1987*, Office of Educational Research and Improvement, U.S. Department of Education.

18. Coleman and Hoffer, 1987, *op. cit.*, p. 39.

19. Dwight R. Lee, "The Uncertain Prospects for Educational Vouchers," *The Intercollegiate Review*, Spring 1986, pp. 29-38.

violate their code of ethics. Thus any choice legislation that includes private schools should stipulate that money received by a private school does not constitute government funding of that school but, rather, parental funding employed as a result of free choice.

## **CONCLUSION**

Educational choice is an effective way to raise education standards, and it provides parents with an important freedom. The choice models now existing in the public sector show that it helps achieve racial integration, entices dropouts back to school, improves student performance, provides stimulating educational options, and responds to unique situations of limited public facilities. These are lessons that the states experimenting with choice are teaching the rest of the nation.

The federal government should start paying attention to these lessons. In the best of American traditions, Washington should learn from the states, as the states learn from each other.

These lessons should lead to actions. Among them:

- ◆◆ Private sectarian and nonsectarian schools should be included in choice options.
- ◆◆ State and federal governments should refrain from excessive regulation and let the American people set standards and correct deficiencies through the exercise of free choice.
- ◆◆ The U.S. Congress, learning from state efforts, should convert some of the federal education programs into vouchers, as the Reagan Administration has proposed.

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