

Public Policy Analysis and School Choice

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I. Introduction

Americans have recently witnessed an acrimonious conflagration in the level of public rancor over educational policy, particularly regarding the issue of school choice. More than half of the country's families, the overwhelming majority of whom send their children to public schools, feel a deep concern and dissatisfaction with the general state of K through 12 education¹. The considerable amount of attention the media has given to violent outbursts like the one that took place at Columbine High School has only served to exacerbate the already tense relationship that many citizens have with their local representatives and school board members. Everyone is voraciously clamoring for change, but nobody besides the extremist ideologues on both the left and right seems to have anything more than a fuzzy notion of exactly what that entails. Thus the policy analyst has his work cut out for him.

First, one must discern exactly what the problem is—a task easier said than done. Then, a means to examine the scope, causes, and possible remedies of that problem must be examined and assessed according to some established criteria. Finally, after all the relevant data is thoroughly evaluated, one must ascertain some method whereby the proposed policy solution (if there is one) can be both implemented and monitored. The first step is often the most precarious because it is the foundation upon which the rest of the analysis is built. With the exception of the few remaining die-hard positivists, almost all experts will concede that ultimately any policy formulation will rest upon a normative judgment. Though the dispassionate analyst will not want any political predispositions to

get in the way of the service he does for the public, he cannot ever act in a moral vacuum. Thorny ethical questions invariably rear their ugly head. Often the best thing to do is to carefully examine the history of the subject and the events and ideas that have shaped the current debate in order to identify the unsatisfied want or misperception that lies at the heart of what are commonly and awkwardly referred to as “issues”—for doing this will allow you to zero in on that which you are chiefly concerned with: the problem.

II. Historical Background

The tendency in America, as well as in most modern industrialized nations, has been to increasingly give more and more power and responsibility to governmental authorities pertaining to the education of the youthⁱⁱ. Whether or not this drift towards greater state control of pedagogic institutions is in keeping with the original intentions of the founding fathers is unclear. It would probably be safe to say that the Anti-Federalists, with their Jeffersonian conception of an agrarian, rural, independent populous, would have wanted families to have as much control over their children’s upbringing as possibleⁱⁱⁱ. Conversely, Federalists such as Madison and Hamilton would have most likely been supporters of the expansive reforms put forth by such progressives as Horace Mann and James Gordon Carter, which were remarkably effective in extending education to even the poor and neglected areas of rural America and that in later years served as the primary means by which whole generations of immigrants from all across Europe would be assimilated into American Culture^{iv}.

Of course, it is not only political philosophy that has contributed to the policy debate as it has formed over the centuries; economic theory, as well, has had a major role in shaping American attitudes. For instance, most educated men at the beginning of the

nineteenth century were familiar with the works of Adam Smith, who in his seminal work, The Wealth of Nations, laid the foundations of most early economic theory as well as called for government establishment of “charity schools” and advocated that they be made available to the poor through a voucher system (although he didn’t come up with the idea himself; it was modeled after programs he had witnessed in Scotland)^v.

But the most influential economist in the area of education and elsewhere of the twentieth century must be Milton Friedman. His 1955 book, Capitalism and Freedom, had a chapter devoted to “The Role of Government in Education” in which he lambasted the social practice of government-funded education for the majority of citizens, as it had by then become the norm among developed countries^{vi}. Being a staunch free-market advocate, Friedman made a very broad argument based on the cost-effectiveness of competition and free enterprise as compared with bureaucratic wastefulness. In practical terms, while he still thought that government ought to require education for everyone, he called for the abolition of most public schools save for those in extremely poor communities. And rather than fund them directly through property taxes he favored a voucher system in which parents would be paid with direct subsidies to be used toward educational purposes. The efforts of Friedman and others like him eventually led the political right to adopt “school choice,” i.e. competition between schools for students, and usually with private schools, as one of its pet issues.

This early embracing of the choice movement by conservatives was a primary determinant of the current coalitions arrayed for and against choice and voucher reform. Typically, the groups that one would expect to support the Democratic Party, such as teacher’s unions, most school board members, and liberal policy think tanks, are

opponents of school choice whereas big business, free-market theorists, and many religious organizations—traditional Republican patrons—are aligned on the opposite side of the fence. Religious organizations, the most predominant being the Catholic Church, and teacher’s unions^{vii} are probably the two of these groups that contribute the most to the contemporary debate because each has a very substantial stake in educational policy. Catholics have long touted the superiority of their educational institutions to public schools (with many academics in agreement) and would certainly rejoice at the large increases in enrollment that would result from a voucher system being instituted nationwide. Teacher’s unions such as the NEA, however, believe that most voucher initiatives will serve only to siphon off money from already poorly performing public schools and in the process contribute detrimentally to the professional educators whom they represent.

These various interests have waged a number of heated battles on local levels across the United States starting in the early seventies and continuing to today. Educational reforms enacted in district 4 of East Harlem in 1974, Alum Rock, California, in 1978, and most recently Milwaukee in the 1990’s, represent some noted victories, if we may use the term, that proponents of school choice have enjoyed^{viii}. With school choice now receiving a great deal of national attention and the President being a noted advocate on behalf of vouchers, the battles have grown ever larger in scope and in invective quality.

Academia has made notable attempts to analyze and assess the merits of the arguments made by both sides, but the plethora of information available to the analyst answers some questions only to raise others. Often several different analysts have

examined the same data only to yield different if not downright contradictory conclusions. These discrepancies in findings all have their roots in methodological differences between the analysts that a cynical person might be inclined to believe were politically motivated. In observing this one might say that the problem now becomes definable: parents perceive a deficiency in public education, but ideological differences that have their roots in our nation's founding preclude reasoned analysis of how to best go about improving the institutions that have been established for the instruction of the young.

III. Towards and Analytical Framework

The general arguments most often levied on behalf of vouchers can be distilled into two basic propositions that also represent different wings within conservative philosophy^{ix}: (1) Voucher programs will insert competition into the education market and this in turn will inevitably lead to higher quality education all around because schools will no longer be able to exist if they cannot offer a viable learning environment. (2) Most of societies problems are based on a decline in religious and family values that will be remedied if lower income families are given the opportunity to send their children to religious institutions that will instill them with moral character. The former contention is based mostly on economic theorizing and does not necessarily imply that school choice reform must involve public funds going either directly or indirectly toward religious parochial schools; the latter assertion is a reflection of the more socially and religiously conservative precepts that are widely prevalent within the school choice movement. Many programs and experiments have been labeled as victories for school choice that

have involved only the ability of parents who may be unhappy with the performance of their local public school to be able to bus their children to other public schools within their district or even outside it. (Not all school choice proposals entail such relatively major changes of the current system as complete replacement by a universal voucher system, though the majority of those in favor of school choice would most likely support a large-scale overhaul that would allow parents to choose between private and public schools^x.)

In response to school choice proponents critics have a number of contentions of their own. Increased segregation, they claim, would be one of the many socially deleterious effects of a voucher system. Since private schools are not likely to loosen their enrollment criteria to accept the “at-risk,” poor, inner city, most-often-black, child, it is likely that vouchers will only serve to enhance the already enormously destructive social phenomena of “white flight^{xi}.” Also, they would argue, the only reason that private schools are perceived as better is because they have the ability to selectively choose their students whereas public schools must essentially deal with everyone. Private schools could not possibly fare any better than the public ones if, on the off chance that enough would actually spring up in response to increased demand, they tried to educate the majority of students. But the most central argument posited by the opponents of school choice is the allegation that a voucher system would lead to the complete ruination of public schooling because it would divert funds from where they are most needed and instead use public money to increase the coffers of private, often religious, institutions.

It is the analyst’s job to construct a method whereby one can evaluate the merits of the claims made on both sides. Here one finds a major roadblock in the literature. For

starters, no one really agrees on how to measure the “effectiveness” of education. Does one quantify standardized test scores, graduation rates, the percentage of students who go on to college, per pupil student expenditure, student satisfaction, etc? Another major impediment the experts run into when trying to make relevant headway with objective analysis is the dearth of data. So sparse and erratic have major school choice policy experiments been that it is very difficult to make general conclusions about anything. However, the biggest problem the independent researcher finds when investigating the matter is that the same study can be interpreted in radically disparate ways. The principal explanation for this is that most studies seek to measure one school’s performance relative to another’s, but there is no universally agreed upon way to do this because even the expert statisticians disagree on what constitutes an appropriate control group. Indeed, according to some it is almost impossible to be able to positively say that one school can prepare students better than another, in terms of how they would perform on standardized tests, because simply wanting to go to a private school may be an indication that a student possesses qualitatively different traits than another student demographically alike in every other way^{xii}. Thus, the mathematical argument goes, it is extremely difficult to control for such variables in your analysis because the fact that one student attends a different school than another renders comparison of the two untenable in any sound study.

If, even after controlling for all other demographic variables, it is still methodologically flawed to compare two groups of students in different schools, then there is no realistic possibility of being able to confidently demonstrate that either public or private schools generally are better or worse. It is the opinion of this paper that such a

position is unsound and defies the accepted precepts of the statistical sciences. Besides, the great flurry of academic vituperation over the true imputative content present in this or that study to a large extent misses a very salient point regarding the problem we are dealing with. According to democratic ideals, if students or parents want their children to attend a different school, and that school can be shown to exhibit measurable positive differences in academic quality, without regard to whether or not it *caused* them, shouldn't students have the option of attending, be they public or private? In this simple question we find a key to establishing the method with which to execute our analysis: if the schools that children will be able to attend should they have expanded opportunities are substantially better than the public ones according to any common, reasonable measure of quality, and if no special or unique factors indicate that negative spillover costs would be incurred on society, then it seems logical to recommend for expanded school choice. This framework may seem at first to be bent toward a pro-school choice position, but this is not really the case. If one finds that competition among schools would overtly increase racial stratification, cause public schools to sink further into mediocrity, or do any of a number of things that opponents allege, then some other solution to the problem must be sought.

IV What the Experts Can Tell Us

There have been many studies of various choice programs of widely diverse structure implemented around the country and virtually all of the hundreds of analysts that have gathered and reviewed the data agree one thing--nothing^{xiii}. The wars between the policy elites are fought with variance equations and disputes over sampling distributions. It's an every-man-for-himself type of conflict. One expert examines a body

of evidence and comes to one conclusion and then another reevaluates the same data and claims that it indicates the exact opposite. Then, after a year or so, two more people will take another look and decide that the first two were both wrong. The basic explanation for this disagreement in the literature is not, as one might suppose, political bias. Rather, though many small, tinkering experiments with choice have taken place, there has been no large-scale experiment done anywhere that would serve to give reliable answers to the questions that are most relevant to policy makers. Limited programs yield limited conclusions, and until we have a major policy implementation, many questions will be answerable only by speculation.

The case of the Milwaukee choice program is a fine example. Since the early 1990's roughly 9,200 students in the City of Milwaukee Public School District (MPS) have taken advantage of the Choice program, which allows students who apply the option of receiving a voucher that would subsidize their tuition at a private school within the district^{xiv}. As well, state law grants school boards both in the MPS district and in other districts the option of allowing students who express the desire to transfer to other schools^{xv}. The number of students, though, who are permitted to actually utilize their inter/intradistrict transfer options is quite small. In 1995 Milwaukee made even more national news when it expanded the program to allow a very small number of severely disadvantaged students to use their vouchers on private religious schools. Being the most comprehensive program to date in America, one would think that Milwaukee would shed a great deal of light on the truthfulness of claims made on both sides of the debate, but one would be wrong.

In 1998 John Witte of UW-Madison used standardized test scores to perform an evaluation of the first four years of the Milwaukee choice program and concluded that there were no testable differences in academic achievement between students who were enrolled in the Choice program and the average MPS student^{xvi}. However, a year later J.P. Greene did another analysis of the exact same data but used a different control group than Witte and found that there were substantial statistical gains in both reading and math^{xvii}. His justification for these incongruent findings was his observation that in order to be enrolled in the program a family must be extremely poor (with an annual income not exceeding 175% of the U.S. poverty level) and so rather than compare voucher students to the average MPS pupil, one must use a group that statistically is likewise disadvantaged. But the complications do not end here; in 1996 the data was revisited by another analyst, Rouse, and, in attempting to settle this controversy once and for all, his evaluation used several different control groups such as parents who had applied for and not been able to obtain a voucher for one reason or another as well as a randomly chosen sample of MPS students. His results were yet more perplexing; he found that while voucher pupils did make small, though significant, gains in mathematics (1.5 to 2.3 deviation points), there were no observed gains in reading or language arts performance^{xviii}. Three studies with three different results does not speak well of the policy analyst's ability to supply the public with useful information.

There is perhaps only one important conclusion to draw from the Milwaukee Choice program at this point: for concrete answers to be found, it must be expanded. The jury is still out on whether vouchers help or hinder education partly because the Milwaukee sample group is so small that it becomes exceedingly difficult to draw any

statistical conclusions that are not subject to criticism based on selectivity bias. If vouchers were made available to the average (random) student, analysts could likely draw some authoritative conclusions.

One thing that the literature does reveal with relative consistency and is also germane to the question at hand is that Catholic schools have higher graduation rates and produce students who on average score higher on standardized tests than public schools^{xix}. This is a far cry from saying that religious schools are generally better than public schools. Institutions that can be more selective ought to be expected to display a higher degree of academic quality. However, the question arises why parents who would rather send their children to private schools should have to send them to public institutions. The way in which this is phrased may on its face seem unfair; after all, shouldn't schooling be viewed as a service rather than an obligation. But remember that in defining the problem we perceive that as long as a school produces better results than another, there is no justification, if it can be demonstrated that no negative side-effects would result, for making students attend the inferior one whether it is public or private. Alas, this is as far as the literature will allow us to go in finding the solution because not enough data is available for anything more substantive.

V. Conclusion

Saying that some municipality should experiment with a major voucher program just so policy analysts can determine if they work or not is a ludicrous proposition, though it appears that until such a thing happens there will be no way to show that such programs would be beneficial or detrimental. Even if they were shown to have some marginal benefit, there are multitudes of options that policy makers must consider before

deciding on anything so radical as state or nationwide vouchers. As well, a number of studies have indicated that most voucher programs are accompanied by a slight increase in racial stratification^{xx}, and this must be weighed against the possible benefits of reform. The problem stands defined and a framework has been established for evaluation. All that is needed now is more available information and an objective analyst to carry out a comprehensive study.

ⁱ *What Americans think of Educational issues*, 1999. A survey by the Gallup News Service.

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ⁱⁱ Noguera, Pedro A. "More Democracy Not Less: Confronting the Challenge of Privatization in Public Education." *Journal of Negro Education* Volume 63, Issue 2 (Spring, 1992), 237-250.

ⁱⁱⁱ Levy, Williams. *Jefferson and Civil Liberties: The Darker Side*. New York: Quadrangle/The New York Times Book Co, 1973.

^{iv} Cremin, Arthur. *American Education*. New York: Harper and Rowe, 1970.

^v Smith, Adam. *An Inquiry Into The Nature and Causes of The Wealth of Nations*. New York: Random House, 1937

^{vi} Friedman, Milton. *The Wealth of Nations*. Chicago and London: The University of Chicago Press, 1962.

^{vii} Koszczuk, Jackie. "Teachers' Union Learns Harsh Lesson On Mixing Dues With Politics."

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^{viii} Powers, Jeanne and Cookson, Peter. "The Politics of School Choice Research: Fact, fiction, and statistics." *Educational Policy*, Jan/Mar 1999.

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^{x x} Powers, Jeanne and Cookson, Peter. "The Politics of School Choice Research: Fact, fiction, and statistics." *Educational Policy*, Jan/Mar 1999.

^{xi} Noguera, Pedro A. "More Democracy Not Less: Confronting the Challenge of Privatization in Public Education." *Journal of Negro Education* Volume 63, Issue 2 (Spring, 1992), 237-250.

^{xii} Rouse, Cecilia. "Private School Vouchers and Student Achievement: an Evaluation of the Milwaukee Parental Choice Program." *Quarterly Journal of Economics*, volume 113 May 1998.

^{xiii} Stevans, Lonnie and Sessions, David. "Private?Public School Choice and Student Performance Revisited" *Education Economics*, Aug 2000.

^{xiv} Legislative Reference Bureau. *Wisconsin Briefs*. Madison: State of Wisconsin, 2001.

^{xv} Legislative Reference Bureau *School Choice in Wisconsin*. Madison: State of Wisconsin, 1995.

^{xvi} Witte, John and Thorn, Christopher and Pritchard, Kim. "Private and Public Education in Wisconsin: Implications for the Choice Debate." University of Wisconsin Madison, December 1995.

^{xvii} Greene Jay P. and Peterson, Paul and Du, Jiangtao. "The Effectiveness of School Choice: The Milwaukee Experiment." Harvard University, March 1997.

^{xviii} Rouse, Cecilia. "Private School Vouchers and Student Achievement: an Evaluation of the Milwaukee Parental Choice Program." *Quarterly Journal of Economics*, volume 113 May 1998.

^{xix} Evans, William and Schwab, Rober “Finishing Hish School and starting College: Do Catholic Schools Make a Difference?” *Quarterly Journal of Economics*, volume 110 Nov 1995.

^{xx} McEwan, Patrick. “The Potential Impact of Large-Scale Voucher Programs.” *Review of Educational Research* volume 70 2000.