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A Checklist on Vital National Issues

## *Politics, Markets And America's Schools*

A Summary

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*By Jeanne Allen*



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# ***POLITICS, MARKETS AND AMERICA'S SCHOOLS:*** **A Summary**

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## **INTRODUCTION**

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*A recently published book by the Washington, D.C.-based Brookings Institution dramatically has changed the education debate. Politics, Markets and America's Schools by Brookings senior fellow John E. Chubb and Stanford University Professor of Political Science Terry M. Moe calls for a radical overhaul of American public education. The book is a "must read" for policy makers and opinion leaders. This summary provides an overview of its major findings and recommendations.<sup>1</sup>*

This major study published this summer by the Brookings Institution finds that the organizational structure of the public school system is the major roadblock to improving American education. As such, the Chubb-Moe study offers a powerful endorsement of the educational choice movement. Their data are exhaustive and unprecedented: a ten-year study of 500 schools and 20,000 principals, teachers, and students. From this the authors conclude that reform efforts that have relied on government solutions have failed because government itself is the problem. The authors conclude that true market competition, with parents choosing among both private and public schools, is essential to success.

Classifying schools as either "effective" or "ineffective," the study finds that effective schools are characterized by greater principal control over personnel decisions, clear goals, strong leadership, high teacher professionalism, and ambitious academic programs. Student ability, school organization, and family background respectively are the most significant causes of student achievement. A student in an effectively organized school can expect to gain more than a year of achievement over the normal four-year high school experience.

Chubb's and Moe's research confirms earlier effective schools research by James S. Coleman, Professor of Sociology and Education at the University of Chicago, University of Illinois Professor of Education Herbert Walberg, and Eric Hanushek, Professor of Economics at Rochester University. Unlike the earlier research, however, the Brookings study actually measures the influence of school organization and other factors on student achievement.

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<sup>1</sup> John E. Chubb and Terry M. Moe, *Politics, Markets and America's Schools* (Washington, D.C.: The Brookings Institution, 1990). Available from the Brookings Institution, 1775 Massachusetts Avenue, N.W., Washington, D.C. 20036. Phone: (202) 797-6000. Hardcover, \$28.95; paper, \$10.95.



The study finds little correlation between quality education and teacher salaries, per-pupil spending, and student-teacher ratios. Example: annual teacher salaries in effective schools average less than \$1,000 more than salaries in ineffective schools. Per-pupil spending in effective schools is approximately only \$150 more than in ineffective schools. Student-teacher ratios at effective schools average only two students less than at ineffective schools.



In ineffective schools, principals' management of staff typically is restrained by tenure laws, certification requirements, and other "civil-service-like" regulations while principals in effective schools tend to have greater flexibility in employee selection and retention. Goals in effective schools tend to be clear and academically oriented while those in ineffective schools tend to place less emphasis on academics. While nearly 30 percent of all high performance schools rate academic excellence as their top priority, only 12 percent of low performance schools do so. Because of the significant impact high expectations can have on student achievement, this is a significant distinction.



Effective schools tend to be led by principals who take a greater interest in education and give greater respect to and autonomy to individual teachers while ineffective schools more often are governed by principals who seek "advancement in the administrative hierarchy."



The on-job performance of teachers and principals tends to be more centralized with respect to curriculum and teaching methods in ineffective schools than in effective schools. This centralization burdens the schools with excessive bureaucracy, while stifling creativity, achievement, and effective organization.

Many of the Chubb-Moe conclusions, like the key role of the principal, have been understood for some time. What has been missing, however, are the mounds of data which Chubb and Moe have compiled confirming the conclusions. Then the authors pose the central question: "If the key to quality education is principals who give greater autonomy to teachers, what kind of system nurtures such principals?" Chubb and Moe answer: "A highly competitive school system in which competent principals are rewarded by growing enrollments, while incompetent principals are punished by falling enrollment." In sum, good principals create the kinds of schools that would succeed in responding to market demands.

Chubb and Moe also find a wide variation in the overall school environment between effective and ineffective schools. Example: nearly 64 percent of students in effective schools are enrolled in an academic track while only 28 percent in ineffective schools are. Example: among teachers in effective schools, teacher professionalism was rated above average in 59 percent of the schools; in ineffective schools professionalism was rated above average in only 28 percent. Example: principals' motivation is above average in 62 percent of effective schools and only in 19 percent of ineffective schools.

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## DEREGULATING EDUCATION

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To produce an environment conducive to effective schools, Chubb and Moe advocate a radical restructuring of public education. Their proposal relies on deregulating both the supply and demand for education through competitive markets and parental choice.



To create a competitive market, Chubb and Moe propose a system where parents receive “scholarships” equal to the amount of money that the state and local school districts have allocated for each pupil. With the “scholarships” the parents are given the power to choose their child’s school. Individual schools, in turn, would control organizational operations such as curriculum development, hiring and retention policy, and budgeting.



The new system of public education would allow new schools to open and would create a new educational marketplace. The state’s accrediting authority would be limited to the establishment of minimal graduation standards, enforcement of health and safety standards, and teacher certification. Schools which met these requirements would be eligible to receive scholarships. Competition for scholarships would force schools to provide a quality education or go out of business. Only a consumer-driven system which relies on market principles such as choice and competition, say Chubb and Moe, can improve American education.



Just as market forces improve the quality of consumer goods, competition between schools would improve the quality of American education. The “scholarship” would transform parents into consumers with purchasing power for which schools would compete. Money no longer would flow into schools without accountability. Instead, schools would receive state money based on the parents’ choice.



The role of the state education bureaucracy would be limited to the establishment of a Choice Office in each district to keep accurate school records, to keep track of funding levels and to establish a Parent Information Center (PIC). The PIC would collect information on schools and assist parents in deciding their child’s school. Beyond this, each school would plan budgets, set curriculum, adopt hiring policies and administer its own testing and accountability procedures. The ultimate accountability for whether schools survive would rest with the consumers, as it does with any other enterprise in America. Good schools would keep their students; poor schools would lose students.

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## CHOICE SUCCESS STORIES

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While Chubb and Moe were researching the data on school organization, several localities began trying to restore to their communities the kind of local control that Chubb and Moe conclude is the key to a good school. Typical have been the Milwaukee, Wisconsin voucher plan, spearheaded by State Representative Polly Williams (a Democrat), and an unprecedented statewide tax credit initiative in Oregon. Although the Oregon initiative was defeated on November 6, nearly 40 percent of the voters supported it.

There are many other choice success stories. Examples:



The earliest evidence of choice working came from New York's East Harlem school district. In 1974, the school district gave teachers the ability to plan curriculum and gave parents the right to choose among diverse programs the teachers had created. The resulting competition increased education quality. Graduation rates shot up to more than 90 percent from less than 50 percent; the district, which ranked last of New York City's 32 districts, climbed to 16th in basic skills testing; community morale soared as the choice program brought parents and teachers together to work on behalf of their children. Before the program, it was widely assumed that East Harlem's parents, largely single mothers on welfare, were little concerned about their children; this apparently was absolutely untrue. When given a chance to do something directly to improve their children's education, parents responded overwhelmingly. The children are strong choice proponents, and say it gives them a sense of ownership and pride in their schools that they did not have before. Administrators, too, hailed the program. Says Sy Fliegel, former East Harlem administrator, "It's an old capitalist idea, that people just treat what they own much better than things they don't own."



In Minnesota, boasting America's first statewide open-enrollment plan, the pressures of competition prompted several high schools to increase the number of advanced placement courses offered to their students. In 1987, the program's first year, over 2,000 dropouts returned to school through the new choice plan.



Dropout clinics in Washington State long have educated the at-risk child; students choose to attend the program, which prepares them to return to the classroom or complete a General Equivalency Degree (GED). Students receive basic skills instruction and are required to adhere to a code of ethics requiring honesty, responsibility, and courtesy. Since the program's inception in 1977, participants completing the program are 70 percent less likely to be jailed and 50 percent less likely to be receiving welfare benefits than before entering the program.



Magnet schools, federally-funded programs designed to assist districts that are undergoing court-ordered desegregation, are also schools of choice. Magnets in Prince Georges County, Maryland, New Haven, Connecticut, and other cities nationwide are operated as schools of choice; parents vie for slots in these schools by lottery or on a first-come, first-served basis. Parents stand in line for days to sign up for academically challenging programs. Because magnet schools must compete for students, their educational quality is usually better than the public schools. They have also succeeded in creating racial balances through voluntary desegregation.



Richmond, California began its choice program in 1987 to deal with longstanding troubles such as poor attendance, a high rate of suspensions and low student achievement. Since the program began, student test scores in English, reading, and math have risen, and unexcused absences and expulsions have dropped. The district draws from heavily minority and ethnic communities, and choice is credited with improving the education for the most at-risk students.

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## CONCLUSION

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For the first time in years, the education establishment and defenders of the status quo are being challenged by the intellectual merits of educational choice. Scores of community activists welcomed the Chubb and Moe study's contribution's to their efforts on behalf of educational equity. *Politics, Markets and America's Schools* has changed the course of the educational reform debate in the United States, and promises hope to parents who are demanding change. As the authors conclude, choice is a panacea — one that lawmakers should embrace as the answer to the failure of American education.

