

DOCUMENT RESUME

ED 254 898

EA 017 540

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 TITLE Educational Quality and Family Choice: Toward a
 Statewide Public School Voucher Plan.
 SPONS AGENCY National Inst. of Education (ED), Washington, DC.
 PUB DATE 15 Nov 83
 NOTE 29p.
 PUB TYPE Viewpoints (120)

EDRS PRICE MF01/PC02 Plus Postage.
 DESCRIPTORS Access to Education; Admission Criteria;
 Disadvantaged Youth; *Educational Change; Educational
 Finance; *Educational Vouchers; Elementary Secondary
 Education; Eligibility; *Full State Funding;
 *Government School Relationship; *Models; *School
 Choice; School Organization; State Standards

ABSTRACT

A model is proposed for enhancing family choice in public education; unlike many previous voucher plans, it would build on current trends in educational administration. Following an introduction that reviews these trends--highlighting recent developments in California school finance--two central assumptions are stated: that regulated competition will provide better education than centralized bureaucracy; and that with the current reform movement focusing on the state level, local school boards are becoming obsolete intermediaries. The voucher plan presented in accord with these assumptions includes the following components: (1) weighted vouchers to encourage schools to accept disadvantaged students; (2) parent-elected, state-regulated boards of trustees to govern schools; (3) standardized formats for school publicity; (4) voluntary purchasing from regional service centers; (5) participation open to all schools conforming to state regulations; (6) freedom (within constitutional limits) for each school to set academic and disciplinary standards; (7) transportation vouchers; (8) some public boarding schools; and (9) community option to retain a traditional school district. Brief observations on the model's implications for tax allocation, collective bargaining, and the teaching profession complete the paper. (MCG)

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Educational Quality and Family Choice:
Toward a Statewide Public School Voucher Plan

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November 15, 1983

The preparation of this paper was supported by the National Institute of Education. The results do not, however, necessarily reflect the views of the N.I.E. or those of the institutions with which the co-authors are affiliated.

EA 017 540
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INTRODUCTION This paper develops one possible model for enhancing family choice in public education; though bold, it is based on an extrapolation of linear trends rather than creating a wholly new system of education, as a number of earlier proposals called for (see, for example, Family Choice in Education, by Coons and Sugarman, or Education Vouchers by Christopher Jencks et al). Building on existing trends is more than an exercise; it introduces a measure of reality. To do so, however, it is necessary first to recall briefly the history of the structure, organization and financing of American public education to see why choice was not an integral part of the system.

The public education system that we take for granted today grew to meet the needs of an emerging nation. Local school districts, governed by locally elected or appointed trustees and financed chiefly by local taxes on real property, were at once an expression of the democratic impulse and a natural response to objective conditions. In small towns, in burgeoning cities and on the frontier, education was a local concern, locally managed. It developed to match the diverse interests and resources of the communities it served. Organizing schools by geographic area, governing them through community control, and financing them with locally-generated revenues were as natural in the American context as the highly centralized schools of France were in their setting.

Vestiges of the oldest form of American public education remain--where they first appeared--in New England. In New Hampshire, for example, one of the nation's most rural states, ninety-four percent of public school funds (exclusive of the modest federal contribution) are raised locally. The six percent state contribution is itself a commentary on the extent to which New Hampshireites are committed to local control (and to minimal state taxation!).

At the other end of the scale is Hawaii--the only jurisdiction in the nation with a statewide school system. The reasons for that are obvious as

well. In this island state, sparsely populated except in its single urban center, the administrative advantages of centralization were self-evident and thereby justified themselves.

While the past helps illumine the present, Americans interested in the future have a remarkable opportunity to peek into a crystal ball because in one state--California--the educational future nearly always arrives early. And it does so in important ways--school finance reform, early childhood education, parent participation, the world's greatest and most extensive system of public higher education, and, of course, "Proposition Thirteen". Today in California, there is a set of interaction effects emerging between "Proposition Thirteen" and the "Serrano" decision of the State Supreme Court that are only beginning to be understood.

First, the "Serrano" ruling. To oversimplify only slightly, it requires comprehensive, statewide school expenditure equalization. Thus, spending must be targeted to children on the basis of educationally defensible objectives. This means that spending may be adjusted on the basis of educational attributes--bilingualism, handicapping condition, age, or other special need--but not on the basis of the wealth of the community. This doctrine is truly revolutionary in the American public education context, for it strips away meaningful local control. (It is possible to marshal arguments that local control of education does not require local control of education financing but in an American setting these are not very convincing; in almost all aspects of our public life, budget is policy and money is power.)

Taken alone, the "Serrano" decision was remarkable, but in conjunction with "Proposition Thirteen" it was truly momentous. "Prop Thirteen", it must be remembered, was touted as a measure to restore local control by

dramatically reducing local property taxes through citizens' initiative, in reaction to the legislature's failure to provide tax relief. But by placing constitutional ceilings on the property tax, the initiative had a startling and apparently unanticipated consequence: it turned California into what is very nearly a statewide school system. That this would happen was not immediately apparent, either in anticipation of the referendum or just after its passage. It was not until Governor Brown initiated a statewide teachers' salary freeze as his first official action in response to "Thirteen" that it became apparent that the governance of California public education was being transformed. The state rapidly assumed nearly eighty percent of the responsibility for financing California's public elementary and secondary schools. Before "Thirteen", less than half the costs of public education had been borne by the state of California, while more than half were the responsibility of local school boards. (There were, to be sure, enormous disparities among communities, which had been the reason for the "Serrano" suit in the first place.)

The state, then, became not just the senior partner in the education relationship, but the overwhelmingly dominant partner. The pressure to equalize school spending for all California children that had begun with "Serrano" was intensified by "Thirteen". It hardly needs noting, but no school finance scholar had supported "Thirteen", nor had any well-known advocates of education equity. To the contrary, they had opposed the referendum in spite of the fact that most scholars in the field agreed that the only way to achieve equity in school finance was to move away from dependence on local property taxes to heavy reliance on broadly-based statewide taxes on sales and income. It simply never occurred to them that

"Thirteen" was a way to achieve their school finance reform objectives. As it happens, a miscellaneous collection of "hold harmless" and "grandfather" clauses has delayed complete achievement of statewide equalization, but it is only a matter of time before full equalization occurs.

This rather extended discussion has a point: in California there is no longer any rational reason for the continuation of local school boards and school districts as they currently exist. They have nothing important left to do. The simultaneous movements toward equalization and statewide assumption of education funding make school districts an antiquated governmental relic of the past. Divorced from local control of financing, the old doctrine of geographic boundaries around school districts and student assignments no longer makes sense, either. Nor does the continued organization of school districts by geographic areas make any durable administrative sense. This unanticipated and little understood confluence of events now makes it possible--indeed makes it necessary--to think about other ways to organize and operate schools. We might, for example, think about organizing schools around a set of pedagogical principles rather than accidents of geography.

In the California of the near-future, then, the state will pay essentially all the costs of public education, and the local school district will be an anachronism. Though perhaps more remote, a similar future awaits many, if not all, other states, too. In the decade from 1972-3 to 1982-3, the average state share of education spending rose from 40.6 percent to 50.3 percent, as the local share diminished from 51.5 percent to 42.3 percent. (The remainder, supplied by the federal government, dwindled slightly from 7.9 to 7.4 percent.) Though California had the most dramatic increase in the state share, Idaho (from 39.4 percent to 62.5 percent) and Oklahoma (from 42.9



percent to 60.2 percent) were not far behind. Already, seven states furnish more than two-thirds of total public school spending within their borders, and five provide more than three-quarters. Only two--New Hampshire and South Dakota--supply less than one third. Moreover, state tax increases recently approved in some states--Mississippi and Florida come to mind--and under active consideration in other jurisdictions, such as Tennessee and Texas, will almost surely accelerate the trend, as will adoption of diverse costly education policy reforms that are being undertaken at the state level in many parts of the country.

Public Policy by Design

As a constitutional matter, public education has long been a state responsibility. Changes already underway across the nation suggest that the fiscal arrangements are beginning to catch up with the constitutional provisions, and that this is being done in the interests of both equity and improved educational quality. It happens, as well, that the assumption of greater statewide responsibility and the provision of greater uniformity are appropriate to an era of population mobility, of instant communications, and of easy transportation. As the recipient of public education, a youngster will no longer be a citizen of Beverly Hills, of Memphis, or of Trenton, but of California, Tennessee or New Jersey.

Instead of stumbling into a future of anachronistic local school districts, frustrated local boards of education, and superfluous local school bureaucracies struggling to justify their continued existence, we should begin to think constructively about how to shape that future in a purposeful way that will derive the most good from changes that are beginning to happen anyway, that will enhance educational quality and that will get the most bang

from the educational dollar. One possibility is to devise a deliberate, well-planned statewide education "voucher" system. Any such plan will require thorough attention to such matters as transportation, the differing conditions of youngsters in rural and metropolitan areas, the potential impact of vouchers on racial and social integration, the opportunity to forge alternative pedagogical styles and to differentiate schools according to valid educational philosophies, the need for additional support for children needing special services, opportunities for teachers to assume greater responsibility for educational content and school working conditions, and the future role--if any--of local and county education offices. In addition, developing such a plan creates some fresh possibilities not often considered in contemporary education: boarding schools for certain situations and types of children; the creation of specialty schools, the enhancement of parental choice and the opportunity to create more educational diversity without sacrificing equality.

In the balance of this paper, we begin to explore these and other issues and to discuss them in light of the dangers and opportunities they present. We do not claim to have developed a comprehensive or detailed plan, merely to be framing some of the more important issues and highlighting some of the more prominent possibilities.

The Educational Rationale

Though fiscal and intergovernmental considerations have influenced our thinking, it is important to stipulate that a statewide public school voucher plan has immense potential for improved educational quality as well. We would not suggest it if we thought otherwise. This potential rests on two assumptions, both of them controversial.

The first--historically very controversial--is the proposition that higher quality education is more apt to result from a "decentralized" system in which parents select the schools they want for their children and in which schools actively seek to attract students, than from a centralized bureaucracy that prides itself on uniformity and impersonality. So long as a public agency sets minimum standards to which all participating schools must conform, and insists on "full disclosure" of information according to categories and criteria by which schools can be compared, we are confident that competition need not produce charlatans, deceptive advertising or chronic instability. We do not hope to persuade those whose foremost educational values are organizational stability and uniformity or whose own careers depend on the bureaucratic machinations of large local school systems. The public, however, is persuaded, as many recent opinion polls (most conspicuously the 1983 Gallup education survey) make clear.

Our second assumption is that the current wave of public concern with educational quality, which has already produced more state-level school policy reform in a few months than anyone can recall over many decades, is going to continue for a while, and that the wave is going to continue cresting at the state level. In matters of curricular content, achievement standards, teacher competency, graduation requirements, the credentials and training of principals, changes in the teaching career and salary structure, and many other of the most visible and consequential educational policy reforms of the current era, the state is going to play a more and more dominant--and prescriptive and intrusive--role. Policy dominance is going to shift from locality to state (it already has in New York and California) and governors, legislatures, state boards of education, and statewide task forces and

commissions are going to continue leading the "excellence movement". That being so, it makes sense to reconstruct the governance structure to eliminate an unnecessary middleman and to put the state directly in touch with the service-delivery unit that must do its bidding, namely the individual school.

VOUCHER VALUE In the aftermath of numerous court decisions calling for equalization of per pupil spending and the simultaneous movement toward greater state assumption of school funding, the value of the voucher must of necessity be the same for all similarly-situated children. Variations based on legitimate differences among categories of children are acceptable, however, and argue for a "weighted" voucher value for those categories the legislature finds appropriate. Thus, a hypothetical "average" child is identified and a weight of "1" established: every other category of child is given additional weighting.

By way of example, the following scheme is offered: a healthy fourth grader of normal intelligence from an English speaking, middle class home is given a weight of "one". A disadvantaged or non-English dominant child might be given a weight of "1.2", a handicapped child with a mild learning disability might be given a weight of "1.4", a severely handicapped child with an acute hearing loss might be given a weight of "2", an orthopedically handicapped child who is also retarded might be given a weight of "3" and so on. Additional weighting can also be provided to meet certain pedagogical objectives that the legislature deems worthwhile: a weight of "1.2" might be given to all children aged 4 to 7 to permit an enriched student-faculty ratio in the early years. All juniors and seniors in high school might be weighted at "1.4" to permit significant reductions in class size and for the provision of specialized courses and advanced study as they prepare for college or the

workplace. (Weights for children who fell into two categories would be compounded; that is, a handicapped high school senior would benefit by virtue of membership in both categories.)

Such a weighting system serves two purposes. It places the responsibility for detailed school finance decisions squarely where it belongs, on the group of policy makers with whom "the buck stops", namely state legislators, and it also acknowledges that such decisions are ultimately political in nature, i.e. they are value laden. In the final analysis, there is no "technical" way to decide whether kindergarten students "deserve" a heavier or lighter weight than fourth graders. That is fundamentally a judgment call and those making it must respond to a set of educational and political priorities. Their judgment can and should be informed by research and analysis--as it will surely be "informed" by the assertions and claims of interest groups--but the final decision should be made by the elected representatives whose responsibility it is to oversee the system, raise the money, and account to the public for the uses to which tax dollars are put.

There is another reason that weighting systems are prudent: they alter the conventional dynamics of school finance politics. Any change in the voucher weight for one category necessarily changes the amount of money available for every other category of children unless there is a concurrent increase in overall funding. For example, an increase in the weight for kindergarten to "1.8" will inevitably reduce all the other weights if the total school appropriation is constant. One effect of a weighting system, then, is to buttress the inherent stability of the system and either neutralize or reduce interest group conflict; once the weights are established, it is in everyone's interest to work together. If any single

interest group wants the value of its weighting increased, it will have to convince the other stakeholders. The effect is either a larger overall appropriation or no change.

Administratively, the concept of a weighted per pupil voucher is not impossible to execute. Florida has had a weighted pupil aid system in place for a number of years, and it presents no grave administrative difficulties. In addition, a weighted voucher directly addresses the question of how best to handle the needs of special categories of children, such as the handicapped and the gifted. They need additional resources which the weighted voucher can provide. For truly exceptional cases, such as children with multiple severe handicaps, a procedure of "management by special exception" can be established and the value of the voucher could be separately calculated.

Finally, the weighted voucher takes into account the experience of a program like Chapter I and builds on it. A special weight for the disadvantaged provides extra resources for them and has the additional effect of making them more "attractive" to the receiving school. As we know from the one public school voucher system already tried (the OEO Alum Rock experiment), poor children who hold special value vouchers are treated as special children by teachers. In Alum Rock, teachers actually went out and beat the bushes for children with "extra value vouchers". Historically, of course, poor children have not been attractive to teachers and principals precisely because many of them did need additional attention but arrived in school without the extra resources they required.

While we do not attempt in this paper to examine the implications for federal policy of a statewide voucher system, it is self-evident that federal programs that take the form of additional resources for children with specific

characteristics could easily "piggy-back" on the voucher scheme. The state may "weight" the handicapped or disadvantaged child at 1.6 or 1.2, but the addition of federal aid could transform these weights to 1.8 or 1.5 at no further cost to the state yet with obvious added attraction to "receiving" schools.

School Building Governance

In a statewide school system in which children rather than buildings are funded and system-wide open enrollment is not simply an option but the norm, how are individual schools to be governed? Much the most sensible and responsible form of building governance is the board of trustees, the precise arrangement of the common school of the past and the private school of the present.

Such a board must be accountable to the public, but which public? We suggest that it be accountable both to the segment of the public that sends its children to the particular school, and to the statewide "public" as a whole. That implies that the board should ordinarily be elected by the parents of its students, but under rules and procedures established by the state and, further, that the board can be dismissed or preempted by the state for gross infractions or improprieties.

The selection and jurisdiction of trustees need not be confined to single buildings, although that arrangement has much to recommend it, particularly if one believes in a serious effort to provide curricular and pedagogical differentiation among schools. It also provides for administrative and managerial consistency and accountability not possible in larger, more bureaucratic systems. It does, however, raise the possibility of a proliferation of an unnecessary number of "independent" schools, each with its

own board of trustees. Hence one alternative is to have schools organized on a K-12 pattern, in which the high school would be the central organizing unit and its feeder junior high and elementary schools would be under the control of the same board of trustees.

INFORMATION The standard definition of perfect competition in classical economics serves the public school voucher model well: perfect competition occurs when no single buyer or seller can influence price, and all buyers and sellers have access to perfect information. Neither objective is attainable in pure form, but the closer one approximates both of them the more successful the system. In education, access to timely and accurate information is especially important. Hence each school that participates must be required to report about itself on a common format about matters of general interest. This should include such important things as a statement of the school's philosophy, its pedagogical objectives, the standards it expects teachers and students to meet, how those standards are set and their attainment measured, and the consequences of failing to meet the standards. Each school would also be expected to report on its income and expenditures on an annual basis, letting prospective and actual parents know with some degree of detail about key budget priorities. Every school should also report on the qualifications of its faculty, the courses it offers, which of them are required for graduation and which are elective, and its standards of student behavior, including such things as honor codes and dress codes. In short, each school should be required to sit down, as it were, and think through what it is all about, in precisely the way selective public schools and many private schools now do as a matter of routine.

All such information should be available by every school to interested parents and compilations of the responses from many schools should also be available in libraries and from offices of the state education department. The state will both prescribe the basic format, so that interested parents can compare schools along similar dimensions, and engage in "spot checks" in order to discourage schools from inflating or falsifying their claims for purposes of "advertising". One can also predict that commercial enterprises and non-profit citizens groups will produce various kinds of school ratings, guides and critiques.

Regional and perhaps statewide "directories" should be prepared, giving abbreviated descriptions of a number of schools. (In many metropolitan areas, such directories already exist for private schools.) There is no conceptual or administrative barrier to preparing such material in the public sector, and some examples may already be found among selective public schools. Boston Latin, Central High School in Philadelphia, Bronx Science, Lowell High in San Francisco, and the North Carolina School of Science and Mathematics all have comprehensive guide books that explain their purpose, history and standards.

THE INTERMEDIATE UNIT One supposed advantage of large bureaucratic school systems is economy of scale, in both the financial and administrative sense. Just as large units may save money via bulk ordering of goods and services, they can afford to employ the specialized personnel necessary to run a modern school district, both from a managerial and pedagogical standpoint. The large unit is better able to hire a skillful and experienced business manager, psychological counselors and teachers of exotic subjects. Thoughtful analysts are becoming increasingly skeptical about some of these alleged economies of scale, however, and evidence continues to mount that highly

centralized systems with large bureaucracies are relatively inefficient. Without attempting to settle that argument, a statewide voucher system offers a unique opportunity to finesse it.

With highly decentralized schools as the essential characteristic of a public education voucher system, the old bureaucratic system of purchasing and delivering goods and services from a centralized source disappears; with what should it be replaced? An obvious candidate is the regional service center, from which schools would buy goods and services as they need them. The relationship would be voluntary and fiduciary--goods and services provided for money. The intermediate unit would have no administrative or legal control over the schools it serves, and schools would be free to deal with any, all or no intermediate unit as they saw fit.

SCHOOL ELIGIBILITY Any school in the public sector that satisfied the state's compulsory attendance laws would be eligible to participate in the program. This would include all public schools currently in existence, and any new schools that might be created in response to the opportunities inherent in the program. These may include teacher-sponsored schools, or other institutions duly constituted by public authority and under public auspices. (For purposes of this paper, we do not develop the obvious argument that "public is as public does"; that is, an interstate commerce definition of "public" could be employed, one that treats any institution serving the public as a public institution. In this sense, "public accommodations" are not government-owned hotels but facilities that are "open" to the public even though privately-owned. By this standard, most Catholic parochial schools are "public", as are numerous "private" alternative and independent schools. We note the issue not to belabor it but to remind the reader that there is more

than one way to think about the concept of "publicness" than simple ownership. The New York Public Library, it may be recalled, is governed by a private board of trustees.)

What, exactly, do we then mean by "public auspices"? We have already suggested that school governance should be the responsibility of a "board of trustees" accountable both to the school community and to the state. The fact that attendance at the school must also satisfy the compulsory attendance law further empowers the state to prescribe minimum standards, core curricula, and various other criteria. Though we very much hope that the state will not over-specify--inasmuch as diversity among schools is the hallmark of the scheme--it has no business channeling public funds into the coffers of institutions that will not be accountable to the public. This does not, however, mean that the schools need to be agencies of government, run in the bureaucratic mold of the highway department or the welfare department. Rather, like many public colleges and universities, museums, libraries and cultural organizations, orphanages, hospitals and social service agencies, the schools would be organizational hybrids: funded by the public and ultimately accountable to its elected officials, but administered by their own boards, invited to differ from one another in important respects, and allowed to compete with one another on the basis of those differences.

One dimension along which participating schools could not compete, however, is price. The school may not charge a student more than his voucher, nor can it charge less (and offer a rebate). Parents may not buy or sell vouchers, either. The voucher represents the sum that the public will pay for the education of a particular child, and for a "public voucher" program to succeed, all participating institutions must agree to educate their students on that basis.

ADMISSIONS The single most important issue in an education voucher system--or any choice system for that matter--is the question of admissions. Who gets to attend which school for what set of reasons? The issue already exists in the public sector among the relatively small collection of selective public schools, but there the resolution is fairly straightforward. Test scores on a school examination are virtually the only criteria for admission. Consider the nation's most selective public school, the Hunter College Campus School in Manhattan. Prospective seventh graders not only take Hunter's own test; they must also be four years ahead of grade level in math and verbal achievement. The median IQ at Hunter College Campus Kindergarten in 1982 was 158. It comes as no surprise to discover that Hunter High has the highest proportion of Merit Scholars in its graduating class of any high school in the nation, public or private. (Equally, it is worth noting that no major private school in the nation would permit itself to select students on the basis of such strict adherence to merit. They strive for balance and distribution, as well as academic potential.)

Hunter's policy of intellectual selectivity does not mean there is no variation by race, ethnic group, or social class: the pool of eligible students in New York City is so large that Hunter is racially integrated, has many ethnic groups represented, and boasts a wide range of family incomes and social classes as well. But the question of selectivity remains. What of the children not admitted? To repeat, that is the issue that lies at the heart of "choice" plans.

Undersubscribed schools will have no problems; they can be expected to accept all voucher-bearing applicants. But what of schools that propose to set standards? They may be of two kinds, and it is useful to distinguish

between them. First are entry standards, barriers over which students must jump before getting in the door. These may include test scores, previous grades in other schools, letters of recommendation, legacy status, or special qualities or attributes the school is looking for, such as football-passing ability or skill at the chess board. Bronx Science, Baltimore Poly and Lane Tech are present-day examples of public schools with such entry standards. (It is noteworthy that not all such schools are exclusively "college prep" institutions. A number are technical and vocational.)

A second set of standards are performance norms for students in the school. Anyone (or virtually anyone) may be eligible to enroll, but only those who satisfy the performance standards of the institution may remain. The land grant college model is the example "par excellence" of this system within education's public sector. At the elementary and secondary level, a recent example is the school created by Anthony Alvarado when he was District Superintendent for Spanish Harlem. The old Benjamin Franklin High School had become an unmanageable educational disaster area. He closed the school for a year, cleared it up, and renamed and reconfigured it. It is now the Manhattan School for Science and Mathematics and serves youngsters from kindergarten through twelfth grade. It draws on the whole borough of Manhattan and is meant to be an alternative for children who are highly motivated but did not pass the entry examination for Bronx Science, Peter Stuyvesant and Brooklyn Tech. The one academic criterion for entry is that a student must be at grade level in reading and math at the time of enrollment--no mean feat for many inner city children. But the student who fails to continue meeting the school's performance standards may not remain there.

A statewide voucher system must allow participating schools both to establish academic standards for entrance and to maintain academic and behavioral standards for enrolled students. Otherwise, schools will not be able to develop the distinctive educational characters that comprise the essential rationale for allowing students to choose among them rather than being arbitrarily assigned to more-or-less identical institutions. At the same time, the state has an obligation to ensure that students not find themselves in situations where no geographically accessible schools will have them.

These competing desiderata are not apt to pose problems in metropolitan areas, for the voucher system itself creates a "market" in which demand for schooling--here in the form of students who have vouchers but no schools to attend--will create a supply, just as the presence of enough Food Stamp holders in a community will cause someone to open a food store, and as the presence of Medicaid card holders will induce the creation of a clinic to serve them. The fact that disadvantaged and handicapped youngsters will carry "extra value vouchers" will make them that much more attractive to the schools.

But a dual problem may arise in rural areas. There may not be enough potential students to support more than one school--meaning that the principle of "choice" is eroded--and if that school imposes academic standards it is possible that some youngsters within reach of it will find themselves with no school at all to attend. There are three possible ways of solving these problems. One is to give "extra value" vouchers to rural youngsters in order to make it economically feasible for educators to operate mini-schools or, more likely, "branch campuses" of larger schools. Another is through the

mechanisms of transportation vouchers and boarding schools, discussed below. A third is simply to require any participating school located in an area of low population density to accept all youngsters living in its area who wish to attend it.

New England public academies offer an interesting insight into how this might work. Privately owned, operated, and managed, the public academies for well over a century have simultaneously provided "private" and "public" education. Open to any fee-paying student, they also make space available for all local children who want to enroll; the local public school committee simply executes a contract with the public academy to serve local children. To this day, one-third of Vermont's school committees do not run their own schools; they pay tuition for their students to attend other schools, public and private.

It should go without saying--but we will state for the record--that no participating school may use invidious racial or ethnic criteria in selecting students for admission or for retention. Such criteria as race, ethnicity and religion are unconstitutional.

Yet this is also the place to observe that no educational plan that emphasizes family choice will be acceptable to those who demand uniform racial and ethnic integration in the sense of prescribed ratios among subpopulations, which ratios are essentially the same in every school throughout a system. Only a mandatory assignment scheme can effect the complete achievement of fixed ratios. What a voucher plan can achieve--as a well-developed "magnet school" plan already does--is the natural integration that follows when all families are encouraged to select the schools that meet their children's educational needs, and when schools vary precisely because those needs differ (and sometimes change).

The effects of "no choice" in the public system are dramatic but too often ignored. In Washington, D.C., for example, 15,244 children attended public high schools in 1982; 383 of them were white. (Unfortunately, reliable data on enrollment by socio-economic status are not available. If it were, we would probably see that the black-white enrollment data obscure a very important fact: The D.C. schools are as segregated by income and social class as by race.)

The student population of D.C. high schools, then, is 99.7% black, while the population of D.C. as a whole is only 70% black. Where have all the whites gone? To the suburbs and to private schools. But so too have middle- and lower-middle-class blacks; 66% of the Catholic school enrollment in D.C. are black youngsters, fewer than half of whom are Catholic. If choice is not available in the public sector, families with a preference for "quality" education will buy it in the private sector. In contrast, consider New York City's selective public schools: Bronx Science proudly reports that 40% of its--racially and ethnically mixed--student body is drawn from private schools. In this rarefied world, at least, choice works for the public as well as for the private sector.

The statewide program we have sketched would, however, achieve one goal dear to the hearts of school integrators, which is to dissolve the boundaries between city and suburb, such that all the youngsters in a given metropolitan area would have access to the same educational alternatives. No longer would dozens of separate "school systems" with geographic barriers among them be found within the same county. Rather, hundreds of schools, none with geographic boundaries (other than the state line) would be available.

In metropolitan areas where state lines converge, one would hope to see metropolitan public schools appear, precisely as metropolitan private schools now do. Again, Washington, D.C. is a case in point. The metropolitan area public school systems are rigidly divided, while the private schools serve the whole area. Thus, Walt Whitman High in Montgomery County, Maryland, arguably among the best comprehensive public high schools in the nation, has a student and staff profile that few private schools would permit themselves to have. That is, the school is wealthy, white, and exclusive. To buy the house that is the admission ticket to the school is vastly more expensive than private school: \$50,000 down and \$1500 a month.

It is, of course, entirely possible that some families will gravitate toward ethnically or racially homogeneous schools. (Some already gravitate toward such school systems.) The best antidote, however, is not barriers or compulsion. It is an array of schools with such strong curricula, distinctive pedagogies, competent teachers and laudable pupil performance records that educational considerations will transcend group consciousness. (We must repeat, too, that giving extra-weight vouchers to disadvantaged children, many of whom belong to minority groups, will make them that much more valuable to the schools that they choose to attend.)

After admitting students comes the question of what standards to apply to their retention. We are aware of only one legitimate reason for other than academic criteria to be part of standards for student retention. It concerns the chronically disruptive student who interferes with the education of other youngsters. We do not propose to resolve this problem here, for it is not caused by the voucher system. It already exists in schools to which pupils are assigned. Our general view is that the state's obligation to provide

everyone with a free public education does not mean that individual public schools must retain youngsters whose presence is educationally harmful to the vast majority of other pupils. If a child's disruptiveness can plausibly be traced to a handicapping condition, he would, under our scheme, be entitled to an extra-value voucher, and most likely some school will be willing to try to educate him. But if his problem is that he does not want to learn, and sets out instead to disrupt the learning of others, no school--under any system--can reasonably be expected to retain him in its regular classrooms.

Transportation

A basic dilemma in any "choice" scheme (as in pupil assignment schemes that seek various kinds of student "balance") is how much transportation to provide and at whose expense. A voucher does not do a youngster much good if it isn't practical to get to and from the school he wants to attend.

We suggest that every child in the state also receive a transportation voucher. Transportation vouchers already exist in many jurisdictions, at least in attenuated form. In the District of Columbia, for example, public school buses are not used (except for handicapped children). Rather, children who take the bus to school are permitted to purchase discounted "Metro" fares for either the public bus or subway. A similar system is employed in New York City and other cities as well.

For many years, a highly unusual transportation voucher was used in some of California's remote mountain counties. Children were given the option of "cashing out" the transportation voucher and using the proceeds for five day a week room and board "in the valley". They would then be transported home on Friday afternoon and back to school Monday morning.

As with the educational voucher, our proposed transportation voucher would be "weighted" according to several factors. A handicapped or disadvantaged child should receive a larger amount in order to make it easier for him to reach a suitable school. A rural child should receive a larger transportation voucher than a child in a densely populated area, as he has farther to travel. A high school student should probably receive a larger voucher than a second grader, because he is more likely to have to--or want to--travel across town to reach the school he prefers. Additionally, we suggest, any family that can make a persuasive case for the educational benefit of attending a distant school should be able to claim a larger voucher (though it may be appropriate to impose a "means test" in these instances and provide additional public aid only to those who cannot reasonably pay the additional costs for themselves).

The transportation voucher might be used in a variety of ways. It could be used to buy public bus or subway tokens. It could be used to pay private drivers, van operators, even taxis. It could be turned over to a school that undertakes to transport its own students to and fro. It could also be used to reimburse parents--or the high school students themselves--for the fuel and depreciation costs of using their own cars (motorcycles, roller skates, etc). We expect that schools in many areas will enter into joint transportation schemes, whereby youngsters from a particular neighborhood may be taken on the same bus to any of several schools--or to a common meeting place at which the schools' own buses will pick them up.

Boarding schools

There are several reasons for permitting vouchers to be used to attend public boarding schools, at least at the secondary level. (We are not opposed

in principle to their use in the elementary grades, but doubt that many parents would find this attractive--we certainly would not for our own children--save perhaps for youngsters with grave handicaps or highly unusual needs.) A residential school can serve youngsters from a far larger geographic area than can a day school, enabling the creation of much more specialized curricula and the concentration of faculty resources. This is especially true in relatively rural states; the North Carolina School of Science and Mathematics is one good example. The similar school in Louisiana is another. Access to residential schools also creates more genuine educational choice for youngsters who live in thinly populated areas. And residential schools can often achieve greater racial and socio-economic integration in their student populations than can the day schools within reach of youngsters who live either in vast urban ghettos or in huge tracts of middle class suburbia.

Accordingly, we suggest that a statewide public education voucher system permit youngsters to attend public residential schools and that, under certain circumstances, the state should furnish voucher supplements to offset the additional cost. Without developing this scheme in detail, we suggest two considerations to guide the award of such supplements. First, the student (or his family) must be able to make a persuasive case for the educational value of a particular boarding school in his particular situation. Second, the amount of the voucher supplement should definitely be means-tested, such that a family able to pay some or all of the additional cost from private resources would do so. For its part, a participating school must agree not to charge more than the amount of the basic voucher plus the maximum voucher supplement. (The maximum supplement may vary, however, under certain circumstances, such

as a multiply-handicapped child, but that is already the de facto situation in those states and localities that pay very large sums for some handicapped children to attend private residential schools.)

Voluntarism

The changes we have sketched are drastic, and we do not claim to have anticipated every complication or to have answered every question. The foregoing is only a conceptual framework. We do not presume that all local school systems will cheerfully "go out of business" or transform themselves into competitors for students. Nor should they be obliged to. We suggest that any community that prefers to retain "its own" public school system in its current form should be exempted from the voucher scheme and allowed to continue claiming whatever state funds it already receives under present terms and procedures. Two points should, however, be borne in mind. First, the residents of such a community would not be entitled to claim vouchers from the state. Second, the state would not assume the full costs of educational financing in such a community.

A Fiscal Note

We assume that state taxes would have to increase in order to pay for a statewide education voucher system, but we also assume that the portion of local taxes that is currently devoted to public education would be "freed up", either for other local uses or for tax relief. Since most states still have discrepancies among communities in per-pupil education spending, we understand that the net effect of this reform will be to reduce tax burdens and per student outlays for some families while increasing them for others. This, we believe, is more equitable than the current arrangement and--to return to our initial observation--is what the future holds for most students and most

states even without a voucher plan. The wealthy suburban enclave that is presently the main beneficiary of local school financing may opt out of the statewide system under our proposal. Individual families may also opt out--as they may today--and into the private sector. But we submit that the educational choices made available under this plan will in time lead to greater satisfaction than most families currently glean from the educational system, and that that satisfaction will in most cases be an honest result of higher quality schooling.

A Word on Collective Bargaining

The teacher unions have historically opposed all manner of "voucher" schemes at the elementary and secondary level (though they already welcome the functional equivalent of vouchers in the operation of state colleges and universities, and in various postsecondary student aid programs) because such plans are thought to erode the individual teacher's job security and the ability of the union to bargain collectively. Under our proposal, there is no reason why a participating school could not bargain collectively with its teachers, or why it could not award them "tenure". Of course, it must be borne in mind that anything that makes a school less attractive to prospective students--be it a lousy physical plant, a tyrannical principal, slipshod curriculum, or an unsatisfactory teaching force--will not in the end redound to the benefit of those employed by the school. A "choice" model operating through a voucher system will accelerate that process, but it is a process that already operates today and one that, in our view, is fundamentally sound.

A Final Word on Teaching

The lion's share of this paper has been devoted to describing an all public voucher system and its benefits for the consumers of education. Our

near-silence on teaching and teachers has been motivated not by lack of interest but lack of space. The matter deserves a paper of its own. Let us here simply assert that an all-public voucher system has as much to offer teachers as children and their families.

The essence of the professional relationship in other central areas of our lives is a voluntary coming together of provider and client. This is true in medicine, law, accountancy, and religion. It is true in higher education as well. The relationship works so long as it is mutually satisfactory. So long as both parties are free agents and fully informed, they are willing collaborators, a relationship more certain to be successful than any other we can imagine. It is also worth remembering that most professional relationships, once established, have a very high degree of holding power. Most people do not idly change doctors or churches or dentists; similarly, today's private school families do not bounce from school to school. We would expect no less loyalty in a public school voucher system. Once a school is selected, by both teacher and student, they become bound to each other in a sense of mutual reciprocity and shared expectations. Indeed, this may be the most compelling reason to adopt an all public voucher system.

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November, 1983