This report evaluates major developments in American education and federal education policy for the year 1994-95. Part 1 focuses on efforts to improve student achievement. It examines National Assessment of Educational Progress (NAEP) data and assigns the national public schools the grade of C+ in mathematics achievement and a D in reading achievement. Part 2 explains why the American education system receives a C+ for its progress toward developing national standards, with a focus on Goals 2000 and the efforts of state and communities to set their own educational standards. The third part examines progress toward the reinvention of education, as distinguished from systemic reform. The growing popularity of charter schools, school choice, contract management of public schools, and changes in governance merit the education system a B, despite continued obstruction by teachers' unions. Part 4 argues that legislation in the form of Goals 2000 and the "Improving America's Schools Act" (HR 6) has given increased power to the federal government. The nation therefore receives the grade of "incomplete" for progress made toward reforming the federal role. Federal policy shows signs of change, but no conclusive action has occurred on the following four fronts: (1) efforts to repeal some of the perceived excesses of recent legislation; (2) bills to abolish the Education Department or merge it with other agencies; (3) proposals to devolve control of education decision-making; and (4) budget wars. (LMI)
EDUCATION REFORM 1994–1995

By Chester E. Finn, Jr. and Diane Ravitch

A REPORT FROM THE EDUCATIONAL EXCELLENCE NETWORK TO ITS EDUCATION POLICY COMMITTEE AND THE AMERICAN PEOPLE
Report Card on American Education

Name: U.S. Education Reform
School Year: 1994–1995

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Overall Average: C

Graded by: Educational Excellence Network

Grading Scale:
- A: Outstanding Performance
- B: Good Work
- C: Limping Along
- D: Really Weak
- F: Abysmal
- Incomplete: More work needed before credit can be given
EDUCATION REFORM
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and
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August 1995
Hudson Institute is a private, not-for-profit research organization founded in 1961 by the late Herman Kahn. Hudson analyzes and makes recommendations about public policy for business and government executives and for the public at large. It does not advocate an express ideology or political position. However, more than thirty years of work on the most important issues of the day has forged a viewpoint that embodies skepticism about the conventional wisdom, optimism about solving problems, a commitment to free institutions and individual responsibility, an appreciation of the crucial role of technology in achieving progress, and an abiding respect for the importance of values, culture, and religion in human affairs.

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Dedicated to the memory of

James S. Coleman
1926–1995
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Introduction

The past year was certainly eventful in the domains of politics and policy, but it was less than encouraging in the actual attainment of better schools and stronger student achievement. An earthquake may have hit American politics, yet only mild tremors have been felt in education. As we see it, the average grade earned by U.S. education this year was a "C".

Indeed, 1994-95 witnessed more setbacks than gains in the quest to build high academic standards into our children’s schooling, and efforts to “reinvent” U.S. education, while numerous and sometimes strenuous, encountered strong resistance nearly everywhere. (Several important initiatives — notably, new voucher legislation in Wisconsin and Ohio, and the spread of charter school laws — succeeded despite that resistance.) Student achievement, meanwhile, scarcely changed in the core subjects of math and reading.

In this Report Card, our purpose is to evaluate major developments on these fronts, which have always been primary concerns of the Educational Excellence Network. We also comment on developments in Washington (and in the political parties) with respect to elementary and secondary education. That we give federal policy an “incomplete” grade, however, suggests how unresolved these issues remain.

We wrote this report with considerable help from Hudson Institute Senior Fellow Bruno V. Manno. We have designed it as a report to the Network’s Educational Policy Committee (EPC) and the public, and we are pleased to include comments by some EPC members. Except for these “signed” comments, however, the views expressed herein belong to the co-authors and do not necessarily reflect the opinions of every member of the EPC.

We are grateful, however, to all of them. They are busy people with weighty responsibilities — and organizational interests that do not always square perfectly with
our views. We are also pleased to note that the EPC's ranks were enhanced this year by the additions of E.D. Hirsch and Peter M. Flanigan. We wish to thank former Network staff members Carol D'Amico, Mike Garber, and Robin Polin for their exemplary stewardship of this project, and current Hudson staff members Mary McCullough, Gregg Vanourek, Peter Pitts, Sam Karnick, Neil Pickett, Hilda Maness, and Pat Hasselblad. Hudson president Les Lenkowsky was, as we have come to expect, both insightful as to content and keen as to presentation.


Chester E. Finn, Jr.          Diane Ravitch
Part I: Achievement

Still Not Learning Much

Recent reports from the National Assessment of Educational Progress (NAEP) indicate that U.S. students remain very much at risk. The grades we have assigned to pupil achievement — "C+" in math, "D" in reading — are based primarily on NAEP data. The latest mathematics assessment (administered in 1992, results released in mid-1994) reported small improvements at each grade level. Yet the percentage of students who tested "below basic" remains appallingly high: 39 percent of fourth-graders, 37 percent of eighth-graders, and 36 percent of twelfth-graders. And those meeting the "proficiency" standard set by the National Assessment Governing Board and the National Education Goals Panel remain lamentably few: 18 percent of fourth graders, one quarter of those in eighth grade, and just 16 percent of high school seniors.

The 1994 reading assessment (preliminary results of which were released in mid-1995) yielded glum news indeed. Since 1992, reading proficiency at fourth and eighth grade held steady, but it dropped significantly for twelfth-graders. That decline was true for students who are white, black, and Hispanic, both male and female. Scores dropped in both public and private schools. The percentage of high school seniors who are "proficient" readers fell from 37 to 34, and the percentage "below
Education Reform 1994–1995

basic” rose from 25 to 30. There were also declines in reading performance among fourth-grade Hispanic students. NAEP reports generally get a lot of media attention; however, for the first time in memory the Secretary of Education skipped the press briefing on the 1994 reading results, which contradicted the administration’s assertion that America has “turned the corner” on the problem of poor achievement, as well as apologists’ claims that U.S. schools are “better than ever.”

Those were never very plausible conclusions, in light of persistent reports from colleges and employers about the weak preparation of high school graduates crossing their thresholds, and they’ve recently been contradicted by the Paris-based Organization for Economic Cooperation and Development, whose 1994 survey of the U.S. economy devoted an entire chapter to education and concluded that “the effectiveness of the primary and secondary education system, while highly variable, can broadly be characterized as mediocre at best.” The OECD analysts went on to observe, “While it is true that American schools do a particularly poor job of educating blacks and Hispanics, one should not conclude that white students in middle-class suburbs are uniformly well served. In mathematics and science, the nation’s top high school students rank far behind much less elite samples of students in other countries.”

Although the nation has a compelling interest in accurate reporting of student achievement, our own National Assessment is limping. Its independent governing board was purposely weakened by Congress in 1994 and ever-larger chunks of its modest appropriation are being diverted into politically correct areas such as separate Spanish language tests and dubious “evaluation” projects rather than the systematic gathering of national and state student-achievement data.

Meanwhile, the College Board’s decision to “recenter” the SAT scores has considerably reduced the utility of those scores as a national barometer of the educational performance of college-bound students. For some two decades, the SAT has served this function, largely because of its stable scale. The recentering, however, magically restored the average score on both verbal and mathematical tests to 500 and gives the impression that the nation’s educational deficit has been eliminated. (If only we could wipe out our federal budget deficit so easily!) The College Board says that recentering will enable it to improve its accuracy in reporting individual scores. We have an honest
disagreement on this with our friend and EPC member, College Board president Don Stewart.

The recentering also yielded a big increase in the number of students who receive "perfect" SAT scores of 1600 — from approximately 25 each year to 500 or so. Unfortunately, one need no longer answer every question correctly to receive a perfect score. A student can get as many as four questions wrong and still receive 1600. It is wonderful to achieve a perfect score, but disconcerting to discover that "almost perfect" is now the same as "perfect." Whatever the technical reasons for recentering, we believe it sends the wrong message to students, parents, and teachers. We would prefer to see the average score return to 500 as a result of students learning more, not merely because of a statistical adjustment made for technical reasons.

The SAT is not a national school report card; it serves to predict individual student performance, to help students, families, and institutions. And it does this well. Recentering improves its ability to predict. Unfortunately, some would simplify "standards" into a three-digit box score of educational progress across 15,000 school districts in 50 states.

Donald M. Stewart.
Part II: Standards

In Trouble

In mid-year, Education Week published a special section called “Struggling for Standards.” The title was apt: Districts, cities, states, and the nation are indeed struggling to figure out what standards are and how to implement them. If ever proof were needed of the absence of standards, the mass confusion, irresolution, and conflict that currently envelop this topic should provide ample evidence. (For an extended discussion of these matters, see National Standards in American Education: A Citizen’s Guide, by Diane Ravitch, Brookings Institution, 1995.)

During the 1994-95 school year, national education standards became a subject of wide controversy. They were much in the news, but usually for reasons that pushed them farther out of reach. Hence our grade of “C-” for progress on this front.

Ups and downs of Goals 2000

The past year saw almost every state agree to participate in Goals 2000, the Clinton administration’s major education reform initiative, which was designed to promote development of state and national standards. By midsummer 1995, only Virginia and New Hampshire had declined to request their share of the money (and Montana was pulling out). Federal officials strove to draw them all in, both by offering funds and by promising to keep the regulatory burden to a minimum. (Many states also had sundry special requests speedily approved.) Meanwhile, federal pressure on states to establish interrelated standards and assessments was amplified by the 1994 reauthorization of the Elementary and Secondary Education Act, which requires their use for all children receiving Title I services.

But Goals 2000 has hit some rocky shoals. In the words of a June Education Week headline, “Goals 2000 fails to gain firm foothold.” Indeed, as the reporter went on to
explain, "[T]he program at the heart of the Administration’s education agenda has become a battleground in the war over the federal role in education."

This battle was intensified by the Republican Congressional sweep in 1994. A central feature of the Goals 2000 legislation as enacted only a few months earlier was the creation of a new “National Education Standards and Improvement Council” (NESIC), which was supposed to review and certify state and national standards. GOP complaints that NESIC resembled a national school board went unheeded by the 103rd Congress, as did the concerns of critics who charged that this feature of the legislation portended federal control of curriculum and standards. The former Democratic majority has since paid dearly for its partisanship, as failure to develop a broader consensus for so momentous a change in the nation’s educational arrangements helped sow the seeds of the current anger.

More than a few freshmen in the 104th Congress came to Washington determined to eliminate NESIC — which would be composed largely of interest group representatives — and a number of Congressional veterans (including key committee chairs Bill Goodling on the House side and Nancy Landon Kassebaum in the Senate) joined them in this project. By summer’s end, it was all but certain that NESIC would be erased. (Its members were never actually appointed, though a Rube Goldberg-style nomination process lasted for months.) Most likely, the National Education Goals Panel, whose bipartisan membership is dominated by governors and state legislators, will take responsibility for reviewing and commenting on (but not certifying or disapproving) proposed state and national standards that are voluntarily placed before it. If this happens, states will be able to obtain informed opinions about how their draft standards compare to those of other states and countries. And there will be a sounding board to comment upon the quality and rigor of proposed national standards. This would be a welcome development, because proposals for standards should be reviewed by some publicly accountable agency rather than being accepted and used without any such scrutiny. But the Goals Panel’s own existence and the rest of the Goals 2000 program are now in considerable jeopardy, both from budget cutters and from proposals to scrap them along with the entire Education Department (as discussed later in this report).
How viable is the Goals 2000 approach? To the extent that states and communities are motivated by modest additional resources, are truly permitted the freedom to do as they think best, and enjoy the symbolism of participation in a high-visibility national endeavor, it could help promote higher standards. But Goals 2000 is unfortunately prescriptive in a variety of ways that undermine the ability of states and districts to set such standards. For example, it prescribes the membership of state committees that are supposed to develop the state reform plans. And it includes extensive prohibitions on the uses of testing, which means that students will know that their test scores do not count for anything. Perhaps these are decisions that should have been left to individual states rather than pre-empted by Congress.

Although almost every state welcomes new federal resources, no state or district really needed a new federal program to develop educational standards and accountability (that is, after all, the essence of their job), nor did they need the stimulus of relatively small amounts of new cash to pay serious attention to the national education goals. Neither does participation in Goals 2000 guarantee that states will make progress toward those goals. Indeed, insofar as the program serves either to constrain what states and communities can do about their schools, or to make them more dependent on the federal government, it will prove detrimental to educational excellence. As longtime proponents of education standards and accountability, we welcome the support for the idea of standards and accountability that Goals 2000 injects into a field that so often seems averse to both. But we regret that the legislation regulates the process of developing standards and bars any real test-based accountability.

Mixed reception for national subject standards

Perhaps the biggest surprise of the year was the storm that broke out over proposed national standards for the teaching of U.S. and world history. These were prepared by the National Center for History in the Schools at UCLA, with funding supplied by the

We are not just treading water. We are going under for the second or third time. This is alarming news, yet real reform (as opposed to the fake reform being sponsored by the Clinton administration) is barely limping along.

Wade F. Horn

One of the major “small state” problems is acquiring funding for assessment efforts. No help there from Goals 2000.

Joan Grady
National Endowment for the Humanities and the U.S. Department of Education during the Bush administration. In October 1994, days before official release of the standards, former NEH chairman Lynne V. Cheney excoriated them in the Wall Street Journal, for political correctness and bias against white males. During the next few months, editorial columns denounced or—less often—praised the proposed standards. Then in January, the U.S. Senate voted 99-1 to express its disapproval of the history standards and to urge federal agencies not to provide any further funding to the National Center for History in the Schools. (The Council for Basic Education has recently launched an effort to revise and salvage the history standards.)

The aversion to centralized standards is especially strong in local-control states, particularly in the upper Midwest, where even state standards are only suggested or where local education agencies can create their own standards of “equal rigor.”

Joan Grady

Some of the other national standards projects—in civics, geography, the arts, and foreign languages—had a friendlier reception. Although their products are generally far too long, much too detailed, somewhat too ambitious, and almost completely bereft of the “performance” standards that would give them real traction, few have objected to their content. The civics standards, in particular, are notable for both intellectual rigor and ideological clarity; their centrist and unapologetic description of the American national identity stands in sharp contrast to the relentless multiculturalism of the history standards. Drafts of the science standards, on the other hand, suggest that the effort has become bogged down by the conflicting demands of scientists, science educators, and pedagogues, who want to say not only what students should learn but also how teachers should teach and how testing should be carried out. In their prolixity, the proposed science standards often lose sight of the straightforward goal of defining what American students most need to know and be able to do to be scientifically literate. The English standards, which were defunded by the U.S. Department of Education for lack of progress, are probably heading for big trouble; early drafts indicate that they will not provide useful guidance to those who want to help American students read and write the English language and understand its great literature.

Meanwhile, the very idea of national standards, which seemed both alluring and feasible a few years ago, is now in trouble. Democrats have been implacably hostile to any attempt to link national standards to testing, and Republicans are just as hostile to anything that resembles a national school board. In the absence of meaningful performance standards and tests, moreover, it is doubtful that national content standards can have much influence. Nor are they likely to be taken seriously without “stakes” con-
nected to student performance. As matters now stand, the proposed national standards function as moderately helpful suggestions, which can be used or disregarded by states and local districts.

The tests students take will continue to be most important in determining what they study, and the uses to which test results are put have a lot to do with how hard they work. If students know that their schoolwork has no bearing on their ability to graduate from high school, get into college, and get a job, they will not care how they perform in school. (Exceptions are pretty much limited to the small fraction of high school students seeking admission to competitive colleges and universities.) And so long as students make little effort in school, real achievement will remain low, no matter how elegant the documents produced by national organizations and government agencies.

Until national content standards are clearly linked to student achievement via performance examinations, such standards will neither have real standing in the academic community nor result in educational excellence.

State, local and private efforts

States and communities are not waiting for national standards. According to the American Federation of Teachers, 49 states are engaged in something akin to standard-setting, either on their own or in consortia such as the privately funded New Standards Project. A number of communities are doing much the same. Some “break-the-mold” school design teams supported by the New American Schools Development Corporation, notably Hudson Institute's Modern Red Schoolhouse, have devised their own standards for content and student performance, as has the private-sector Edison Project.

Virtually all such efforts, however, are still characterized by what last year’s report card termed “schizophrenia,” induced in large part by the continuing backlash against “outcomes-based education” and the desire to avoid pouring gasoline onto...
that blaze. Activists in some districts and states have turned against all standards for fear that they might be “outcome-based,” not recognizing that there is a world of difference between vague, attitudinal outcomes (which are not measurable) and rigorous academic standards (which are). Their opposition even to academic standards serves to maintain the status quo and to stymie efforts to devise any accountability for performance.

Some jurisdictions have managed to overcome this schizophrenia. Virginia is a case in point. Shortly before the 1993 election, former governor Douglas Wilder rescinded draft standards that the state education department had produced, on grounds that they were squishy, politically correct, and largely irrelevant to basic skills and knowledge. New governor George Allen launched a process to develop a better set of standards for the schools of the Old Dominion, and in March 1995 his team released a 179 page draft. This document produced howls from many educators on precisely the opposite grounds: too ambitious, too conservative, and too concerned with memorized information rather than thinking skills.

Several months later, a compromise was reached; it includes even the hot-button fields of English (no longer called language arts!) and social studies. It may be fully satisfactory to no faction, but neither does it outrage large numbers of people. And its content looks good to us.

Almost always, we focus disproportionately in education policy debates on manipulating policy rather than fully grasping the broad and deep familial and cultural impediments to learning. I just don’t see how American education can get significantly better as long as approximately 40 percent of all American kids will go to sleep tonight in homes where their fathers do not live.

Do standards have a future? Their prospects may well be brighter outside Washington than at the national level, but the process may require each jurisdiction to endure some wrenching and compromising akin to Virginia’s long ordeal. Nonetheless, we think that the benefits of persistence on this front will outweigh the costs. Only when one can state with precision what students ought to be learning and schools achieving can one hold them accountable for their performance — and free them from a regimen of uniform inputs managed by regulations and requiring vast documen-
tation of compliance. Appalled as we are by the silliness perpetrated in the name of "outcomes-based education," we are at least equally troubled by the prospect that serious standards — and a reform strategy based on results — will vanish down the drain with the OBE bath water.

Besides striking that balance, the big uncertainty ahead is whether educators, parents, and public officials will have both the determination to set high standards and the fortitude to test whether students are meeting them and then ensure that school performance is connected to real consequences. The evidence to date suggests that, although most people pay lip service to content standards, few are prepared to follow through by creating precise performance standards and high-quality tests and then making them count for promotion, graduation, college entry, and employment.

There will be no educational reform until there is a connection between how well the children do and the incentives which drive the educational establishment.

William J. Hume
EPC member Ramon Cortines announced his resignation as Chancellor of
the New York City public schools in June 1995, effective no later than October.
For almost the entire two years of his tenure, Cortines was under fire from
Mayor Rudolph Giuliani, who pressed his own agenda and — because of the
city's undeniable budget woes — imposed huge cuts on the Board of Education.
With the mayor snapping at his heels, Cortines oversaw the biggest staff reduc-
tion at central headquarters in anyone's memory.

More importantly, Cortines established an enviable education record in a
relatively brief time. With unflagging intensity, he focused on "teaching and
learning" as the centerpiece of his program for the schools. He insisted that stan-
dards be high and the same for all students, and he mobilized a committee to
draft curriculum frameworks for all subjects. He managed to defuse the many
social issues that tend to capture public concern, and he kept attention trained on
teaching and learning as the measures by which he should be judged.

In the days before he announced his resignation, the results of some of these
initiatives began to arrive, demonstrating clearly that Ray Cortines was moving
the system in the right direction.

He had mandated college-preparatory classes in mathematics and science
for almost all incoming high school students, and he eliminated many watered-
down, "bonehead" courses in which disproportionate numbers of black and
Hispanic students had been enrolling for years.

The results of the first year became available in May 1995. Although course
failure rates rose, there was a huge increase in the number of students taking and
passing the more rigorous courses. These gains were especially large for minority
students. In science, the failure rate increased from 13 percent in 1993 to 25
percent in 1994; in mathematics, the failure rate increased from 37 percent to 42
percent. Yet black enrollments in college-preparatory science rose by 129 per-
cent, and Hispanic enrollments by 265 percent; 35 percent more black students
took college-level mathematics, as did 65 percent more Hispanic students. The
total number of students passing college-level math courses increased from
23,000 to 29,000; the number passing college-level science courses doubled from
18,000 to 36,000, including many students who would never before have thought
of themselves as college-prep students.
Despite the criticisms of naysayers who had warned that students were not ready for the challenge, that the middle schools had not prepared them adequately, and that high schools lacked the necessary resources, Cortines pushed ahead, saying, “You have to start from where you are and work with what you have.”

In June 1995, Cortines reported that reading and mathematics scores in grades 3 through 8 had increased in all the city’s local school districts, for the first time since 1989. In reading, nearly two-thirds of the schools improved; in mathematics, nearly 70 percent.

A week later, Cortines resigned. It was obvious that the mayor wanted to nail his scalp to the wall. In addition to what appeared to be personal animosity, the mayor had been seeking a larger role in making education policy, and nothing Cortines did appeared to satisfy him. We regret that Mayor Giuliani and the chancellor never reached an understanding, because it is our sense that their educational values are similar. Moreover, we think that education reforms cannot succeed without vigorous mayoral involvement. (Perhaps the anomaly in New York City is that the mayor has so little influence on educational decision making, having power to appoint only two members of a seven-member Board of Education, a situation certainly to frustrate an activist public official.)

No one believed that Ray Cortines could accomplish what he achieved in New York City. He shifted public discussion to what really counts: whether students are learning. And he did so in a way that convinced hard-boiled New Yorkers that he really cared about the children and believed that every one of them deserved a good education. He put his greatest stress on standards and accountability. We do not doubt that, with more time, he would have undertaken a thorough reinvention of the nation’s largest school system.

Ray Cortines deserves a medal for the courage, intelligence, and just plain hard work that allowed him to persevere and succeed, and for doing so while displaying enormous personal dignity. Good work, Ray!
Part III: Reinventing Education

Welcome Progress

Two distinct ways of conceiving education reform — two "paradigms," some would say — have emerged in the U.S. in recent years, and the differences between them are growing sharper (actually a bit too sharp for us). One, commonly termed "systemic reform," operates on the assumption that reform efforts should be led by government and imposed from the top down. Its advocates believe that state (or federal) authorities must set standards not only for student learning, but also for much else, including teacher training, assessment, textbooks, school resources, and "best practices." Though undertaken in pursuit of higher standards and better results, "systemic reform" relies on uniform strategies to ensure that inputs everywhere are equal and all schools undertake similar activities. Its mechanism for making this happen, of course, is government resources and bureaucratic regulation. Much of Goals 2000 embodies this paradigm.

The second education reform paradigm welcomes decentralized control, entrepreneurial management and grass-roots initiatives, within a framework of publicly-defined standards and accountability. Under this approach, public officials establish standards and make assessments and hold schools accountable for meeting performance goals, but do not themselves run the schools. Public officials also retain the power to cancel charters and school-management contracts on grounds of persistently poor performance, but they do not directly supervise or control the means by which schools pursue those ends. We think of this as "reinventing" public education because in this approach schools may be run by diverse
providers, not just by government agencies, although all providers must continue to be accountable to the public for their performance as long as public funds are involved.

In this paradigm, education may be delivered through charter schools (chartered by public authorities such as a state, city, or local school district); “opt out” schools (as they say in England) that secede from their local education agencies and run themselves with what amounts to a “block grant” of funds; “contract schools” (in which a performance contract is negotiated between educational managers and a public agency); and choice programs (in which students use scholarships or vouchers to attend the schools of their choice). In all such situations, the continuing responsibility of public authorities is to establish standards for educational and fiscal performance and monitor progress in relation to those standards. (Those who reject this degree of public accountability may, of course, turn to wholly private schools or home schooling.)

The “reinvention” paradigm welcomes diverse strategies and dissimilar schools organized and run by various entities such as teacher cooperatives, parent associations, private corporations, religious organizations and community-based organizations. It takes for granted that students and families differ and should be free to match themselves to the schools that suit them best. It requires little bureaucracy and few regulations because it rejects the proposition that schools must be centrally managed according to a single formula.

We strongly favor the “reinvention” paradigm, provided that it contains one key element borrowed from the “systemic” approach: standards and accountability. It is our conviction that only with clear, high standards for performance is there a real prospect for accountability, both through the marketplace (i.e., the ability of families to make informed choices among schools) and to whatever public body authorizes the
schools to operate. These standards need not be national, they need not be highly
detailed, they should not prescribe pedagogy or resource use, and they need not cover
the entire curriculum. (Indeed, schools' ability to add their own features to the "core"
described in the standards is part of what will make them different from one another.)
But only when such standards are in place — and accompanied by good tests and a
steady flow of performance information — can parents make informed choices among
schools and can public authorities determine which schools deserve to retain their
"charters" (or contracts, accreditations, or whatever).

These two approaches are now competing with each other, not only
in Washington but also in the states.
"Systemic" reform remains the favored strategy of the Clinton administration
and of some educators (especially in state departments of education and
teacher unions), but the "reinvention" alternative is preferred in many other quarters — including many elected
officials, business leaders, and parents, as well as teachers and principals who
welcome the possibility of breaking free from the stifling grip of central office bureaucracy. The reinvention impulse has even reached Capitol Hill, where the past year saw stirrings of the first major push in memory to "devolve" previously-centralized activities
from Washington to states, communities, and families and to lift restrictions from the use
of federal aid dollars. This impulse arises partly from the quest for better education, but
even more from reactions against the regulatory burden of federal regulations and
unfunded mandates. (For more on this subject, see Part IV of this report.)

This is the motive behind recent congressional activity concerning "block grants" in fields from welfare
and school lunches to job training
and education aid. To be sure, turning
categorical programs into block
grants and devolving control to states
and communities will not automati-
cally foster reform via reinvention. Indeed, it is possible that recipients

Fundamental to educational reform is that student learning outcomes be connected to the incentives that motivate the individuals responsible for such learning. I am talking about consequences for student success and consequences for student failure. Until there are consequences, there will be no necessity for the institution to change.

William J. Hume

The most important weapon against centralization — whether driven by federal or state
government or by special interests — is the level of informed activism among local citizens.

Leslye A. Arsh
Because the federal government retains the potential for being the political football of too many special interest groups, it can never guarantee an educational system free from the lavish waste of resources and the whims of educational bureaucrats. 

Samuel Brunelli

The federal government is so hamstrung by special interest groups that getting it out of the way of change-minded states and communities may be the most that can be expected from Washington on the “reinvention” front. Certainly all efforts by Uncle Sam to foster such reforms directly have proven halfhearted at best and fraudulent at worst. The so-called “Improving America’s Schools Act” of 1994, for example, banned any use of federal dollars for privately managed public schools and created a school “choice” program so laden with preconditions and constraints that it must be termed phony, enabling members of Congress to say they “voted for school choice” while ensuring that there would not actually be any. Even serious test-based accountability was discouraged by explicit prohibitions in the Goals 2000 legislation on the use of federal funds for this purpose. Those who believe that such alternatives to the status quo are the main hope for serious educational improvement are learning that Washington is the wrong place to look for anything but their palest versions. Indeed, both the reinvention strategy and the standards and accountability strategy were seriously undermined by the 103rd Congress. But much is happening elsewhere in the nation under the “reinvention” banner. That is why we have given this area an overall “B” grade for 1994-95 — the highest mark on this year’s report card.

I would add another category to the report card: efficiency. Here the U.S. public education system deserves an “F.” At $6010, we are first among the OECD countries in expenditures for educational services per student, yet often are the worst achiever.

Herbert J. Walberg
**Progress — and resistance — on the charter front**

The charter school idea is going great guns, as are variants (such as “home rule” school districts in Texas and a flock of new, miniature high schools in New York City) that are not called charters but share many of their characteristics. Those qualities include a large measure of operational independence from headquarters in return for a promise to achieve certain results over a stated period of time. (New York City’s quasi-charter schools, however, have not agreed to any educational performance goals, and their quasi-independence relies on waivers by the local teachers’ union, waivers that do not even apply to the schools’ many other employees.) By summer 1995, nineteen states had enacted explicit “charter” school laws, including eight during the most recent legislative session (Louisiana, Arkansas, New Hampshire, Texas, Alaska, Wyoming, Delaware, and Rhode Island). Several hundred such schools were scheduled to be open in September 1995. Charter schools are no panacea not in a country with 85,000 public schools — but this movement is the second-most exciting development on the education reform front. (And it is one we will monitor closely. We are especially pleased that the Educational Excellence Network, with support from The Pew Charitable Trusts, is embarking on a two-year look at solutions to the start-up problems encountered by charter schools.)

Not all charter laws are created equal, however, and several enacted in recent months are so weak that they are unlikely to do much good. We think of them as “Potemkin-style” charter programs, featuring an impressive facade but no real substance. Some of these laws were supported by people who actually oppose charter schools on principle and had decided that the best way to defuse support for the idea was to promote a bill that pretended to create them. (This is visible right now in New Jersey, where the state teachers’ union is supporting a weak charter bill in the state Assembly, although a stronger, competing bill supported by Commissioner Klagholz, Governor Whitman, and the state Senate may yet prevail.)

Weak charter laws generally suffer from at least one of three prominent failings:

- They require the prior assent of too many “stakeholders,” such as a majority of teachers currently teaching in the affected schools, and contain no mecha-
nism for creating brand-new charter schools that do not already possess such stakeholders. Of course, it would be wonderful if existing schools converted to charter status with the support of a majority of teachers and parents working together, and that is sure to happen in some places. But there are also situations in which parents and community leaders want to start a new school, and they should be allowed to do so — with the staff they want to teach in it. (Currently, California’s charter law requires the approval of a majority of teachers, as do those in Georgia, Hawaii, and New Mexico.)

- They place the local school board in sole charge of granting charters. (Wyoming, Louisiana, and Texas have recently enacted such laws.) Though such a limitation is invariably a key political goal of school board lobbyists, it can be fatal for charter schools, because the uniform policies of a benighted local board and risk-averse superintendent are usually what charter-seekers are keenest to escape. That is why strong charter laws either lodge the charter-issuing decision with a different entity (such as a state superintendent or state board) or — better yet — create multiple windows or appeals mechanism so that no single entity has the absolute power to deny a charter application. In Michigan and Minnesota, state universities have authority to issue charters. In Arizona, besides vesting this authority in both local and state school boards, the legislature created a new “charter school” board exclusively for this purpose.

- They neglect to exempt charter schools from enough of the statutes, regulations, and contractual provisions that burden conventional schools. Thus the charter school is not truly free to chart its own course. The whole point of such a school, after all, is to gain autonomy of action in return for accountability for results. (For a good discussion of this swap, see Marc Dean Millet, What Are Charter Schools? RAND Corporation, 1995.) The only regulations that charter schools should be expected to comply with are those governing health and safety and protections against racial discrimination. But many states leave numerous other rules in place. If a state still requires that U.S. history be taught in eleventh grade, a school’s pupil-teacher ratio cannot exceed 25, forty minutes a day must be spent on math, certain textbooks must be purchased, and there is no respite from seniority rules, salary schedules, or tenure requirements, we see little point in calling an entity so regulated a “charter school.” Such a charter is unlikely to be worth the paper it is printed on — and few will go to the bother of seeking such a document.
Why have so many states created these Potemkin charter programs? The explanation, of course, has to do with power and politics, catalyzed by the education establishment's fierce resistance to changes that threaten its monopoly. Though many teachers and principals crave opportunities to “opt out” of the system and run their own schools without the incessant oversight, time-wasting regulations, and innumerable mandates of the bureaucracy, their professional organizations seldom see it this way. Thus teachers' unions, school board associations, and superintendents, if they cannot defeat the charter bill altogether, generally do their utmost to keep it weak. So do other advocacy groups (special education, for example) whose stock-in-trade is rule-bound uniformity rather than diversity. In fact, the Southwest Regional Laboratory recently leveled a novel criticism: that charter schools — precisely because many of them demand a high degree of parent involvement — are unfair to children with bad parents!

Like baby turtles that manage to hatch from their nests despite the plundering of predators, obtaining a charter does not end the hazards that await these schools. Most also encounter practical problems and start-up difficulties as they try to launch. One ubiquitous challenge is finding a place in which to operate a charter school. To our knowledge, no state provides charter operators with buildings or capital financing. Though this is no huge burden for existing schools that convert to charter status, it poses a great obstacle to the creation of new charter schools. Another problem is that many charter school founders and managers have little prior experience in matters such as financial management, purchasing, and marketing.

Our hunch, however, is that these are birth and growing pains associated with a feisty, infant reform strategy that will, in time, turn into a strapping youth. We doubt that opponents will be able to halt its growth. In England, where “grant-maintained” schools have been in place for several years — and where...
almost a fifth of all secondary schools have “opted out” into this independent status — even the Labor Party is having to come to terms with their continued existence. Indeed, party leader Tony Blair now sends his own child to a grant-maintained school.

Gains for school choice

There was major progress on the choice front in 1994-95, centering on Milwaukee and Cleveland. In Wisconsin, Governor Tommy Thompson succeeded in persuading the legislature to pass his proposal to expand Milwaukee’s voucher experiment — one could now safely call it a “program” — to include many more children and to permit attendance at church-affiliated schools. As revised, up to 15,000 low-income Milwaukee children (nearly all of them minority) will be able to attend any school within the city limits.

In Ohio, the legislature agreed to a proposal by Governor George Voinovich to initiate a voucher “pilot” in 1996 for children in Cleveland, a city with a catastrophically bad school system that — under a federal court order — was “taken over” by the state in early 1995. Here, too, church-affiliated schools will be eligible recipients of voucher-bearing youngsters — up to two thousand of them. And here, too, the primary beneficiaries of this reform will be low-income minority youngsters.

Court battles lie ahead, and we do not doubt that choice’s foes, having lost two significant political battles, will now throw vast resources into the effort to get vouchers thrown out as a violation of the “establishment clause.” (They, of course, are trying to shore up their own “establishment.”) But the governors and legislators of Wisconsin and Ohio deserve hearty applause from those who believe, as we do, that no child should be forced to attend a bad public school against his and his parents’ will when a better school, pub-
lic, private, or hybrid, is available not far away. Because the families of poor children often lack the wherewithal to exercise such a choice on their own, it is the obligation of elected officials to make it possible for them, as has been the case in higher education. That this will now happen in two major U.S. cities — and Milwaukee is no longer a unique case — is a development of immense significance to American education.

A number of other states stepped up to the choice plate in 1995 but struck out. Texas, Pennsylvania, Connecticut, Illinois, and Arizona are among the places where variations on the voucher theme failed to pass in early 1995, and New Jersey delayed consideration of Mayor Bret Schundler’s Jersey City plan until at least autumn. The original Ohio choice bill, far broader than Cleveland, was chopped down by the legislature. Another setback was the ruling by Puerto Rico’s supreme court that the voucher program in operation there violated the Commonwealth’s constitution.

Nothing, of course, elicits tougher opposition from defenders of the public school status quo than voucher schemes (and similar ventures that go by different names), even when such plans are aimed precisely at those disadvantaged children who are most likely to drop out of public school. But the idea is not going away. Meanwhile, privately-funded voucher projects also continue to multiply, from New York’s Student/Sponsor Partnership to the Golden Rule program launched in Indianapolis in 1991, to 23 programs that today reach more than 10,000 students.

We believe that it is just a matter of time until children from needy families in most parts of the country will be able to carry their vouchers (or scholarships or whatever they may be called) to any accredited school. We understand that some private schools, fearing government regulation, may decline to participate; we recognize that public aid should be targeted toward those students in greatest need (as is now the case in higher education); and we acknowledge that the Supreme Court will have to sort through the constitutional questions posed by inclusion of parochial schools. (Recent decisions in this domain have encouraged voucher supporters.) Still, it must be noted that primary and secondary schooling is becoming increasingly anomalous as vouchers come to prevail in most other domains of U.S. domestic policy. Even President Clinton has endorsed vouchers for job training and as an alternative to public housing. Moreover, much of the rest of the world — from Australia to Chile to the Netherlands — treats publicly-subsidized private school attendance as routine and normal.
Contract management of public schools

Paul Hill's superb new book sets forth a comprehensive vision of how this approach could work in the future — and why it is apt to work better than direct operation of all schools by the school system's central office. (See Paul T. Hill, Reinventing Public Education, RAND Corporation, 1995.) Meanwhile, Educational Alternatives, Inc. (EAI) continues to manage a number of schools in Baltimore and recently added Hartford, Connecticut, to its portfolio. The Superintendent of Schools in the District of Columbia has tried to revive his plan to engage EAI to run some of D.C.'s troubled schools. A private management firm is functioning as "superintendent of schools" in Minneapolis. The Edison Project will open its first four schools in 1995, with others in line to follow if these succeed. And at least two other companies are already active in this field in the United States: Sabis, an international group that has been running a school in Minnesota and recently added a second (charter) school in Springfield, Massachusetts, and Nashville-based Alternative Public School Strategies, which has reached an agreement with little Wilkinsburg, Pennsylvania, to run one of three elementary schools in that community — a school in which 78 percent of students receive free or reduced-price lunches. (The future of this contract, however, is shadowed by ambiguity in the laws of Pennsylvania as to the legality of such an arrangement.)

More companies and communities will surely follow, probably including big corporate guns such as Disney, which is creating a school in Florida that many view as a prototype.

Unfortunately, not all the blossoms in this garden are healthy. EAI's relationship with a school in Dade County, Florida, has ended. Baltimore Mayor Kurt Schmoke — whose strong support is the main reason EAI has been able to withstand intense establishment pressure in that city — has voiced dissatisfaction with student performance in the EAI-run schools after three years and has suggested that the arrangement may need to be rethought. And EAI's bold plan to alter budget priorities in Hartford kicked up such a storm from vested interests (imagine shifting funds from surplus staff to areas such as technology!) that the company and school board have decided to scale back most of the changes, at least for now, from the entire district to six schools that have "volunteered" for the full treatment.

The difficulties of EAI in Baltimore and Hartford suggest that contracting will probably work best with new schools and with existing schools that are receptive. It seems to us that there is an inherent difficulty in trying to graft a new management program onto a school whose staff is determined to defeat the new managers, and that a plan for private management is set up for failure when the outside firm tries to manage
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an entire school system with all of its inherent political tensions. Perhaps private management should begin with a single school or manageable number of schools that want to be changed. Otherwise, the new managers will be forced to maintain all the elements of a system that currently does not work for children. And if they do, they will be doomed to fail.

As for Edison, there is incredible pressure on its first four schools to be nearly perfect — educationally, organizationally, and budgetarily — the day they open their doors. The venture's future hinges on how well it meets these immense expectations. Every education journalist and researcher in the Western world will camp on the Edison schools' doorsteps, probing for defects or missteps. No conventionally-run public school in America is likely to be subjected to the same degree of scrutiny or held to the same standards of perfection.

In our view, contract management of public schools holds considerable promise, and these trials should be encouraged. We should also expect bumps along the road as these schools get their bearings; some may even fail. It is well to bear in mind, however, that we currently keep failing public schools open and indeed reward them when we should be closing them down. Therefore, when a poorly run contract school or charter school is terminated, we should see such an action as a victory rather than a setback for the reinvention strategy. If and when that happens, it will prove that school authorities are serious about accountability for results. As with charter schools, the fact that a school is managed by a private company does not guarantee that its students will learn more. Only if they do will the promise of this innovative arrangement be fulfilled. (And only then will the companies involved have a real chance of earning returns on their investments.)

Meanwhile, beware of the word "privatization," which is widely used by supporters of the current system to block all movement toward contract management. True "privatization" means selling or otherwise transferring a public asset to private owners who henceforth bear sole responsibility for its existence and are accountable to no one save their shareholders.

That is what is happening to certain big, state-run factories in eastern Europe, for example, but it is not what firms such as EAI and Edison are doing with the U.S.
schools they manage under contract. Those schools remain public in every sense that a student, parent, taxpayer or voter could think important: they are open to the public, financed by the public, and, especially, educationally and fiscally accountable to public authorities for their continued existence (and for the retention or termination of their private managers). Here is a sure test of whether an organization has been privatized: If public authorities can cancel the contract or withdraw the charter, the transaction is not privatization. It is a management contract on behalf of the public, not a transfer of public goods to private ownership.

**Governance changes**

The century-old governance structure of American public education is showing signs of change. As a March *Education Week* headline put it, “Fervor spreads to overhaul state agencies.”

This year, it appears, thirty states carried out or at least considered reorganization or reduction of their education departments, mirroring the popular political trends of reducing government, pushing authority to local officials, and giving power to the elected officials whom the voters are apt to hold responsible at the polls for the effective use of vast sums of tax dollars. (Education spending is the largest or second-largest budget item in every state.)

Texas — now the second most populous state — offers a dramatic example. In a state long known to have perhaps the most highly regulated school system in the country, with an immensely detailed education code and an all-powerful state education agency, in early 1995 the legislature agreed with Governor George W. Bush that significant changes were needed. In effect, they repealed the entire education code and started afresh. The authority of the Texas Education Agency has been limited to six basic functions (including recommending education goals, granting campus charters, managing school funds, and administering federal programs). Several new categories of schools and school systems have been authorized, including “home rule” districts that are freed from most state mandates, and charter schools that may be organized by individuals or groups out-
side the existing school system. (Unfortunately, as we noted earlier, any Texas charter must be issued by the local school board, and these boards are not likely to welcome dissenting approaches.) Texas also created a new network of alternative schools and made it easier to remove disruptive students from regular classrooms. And it created a powerful new state board for educator certification, to be named by the governor.

Other states have taken different approaches. Minnesota abolished its Department of Education and merged these functions into a new Department of Children, Families, and Learning. Wisconsin took virtually all duties and powers away from its independently-elected state school superintendent, an office that was widely perceived as a captive of the education establishment, and turned them over to a new agency answerable to the governor. New Jersey's governor "froze" the regulatory process and directed Commissioner Klagholz and his colleagues to propose a comprehensive overhaul. And in North Carolina — another highly centralized, heavily regulated state — they are shrinking the Department of Education by half and rewriting laws and regulations to give local districts far greater flexibility, with annual performance standards for the state's almost 2,000 public schools based on "reasonable progress" in reading, writing, and math, with various interventions, sanctions (including suspension of principals and teachers), and rewards for success or failure to meet those standards. In other words, the state is moving from a regulatory compliance strategy to one based on standards and results.

Illinois also made a radical change, though it affects only the city of Chicago, whose troubled and deficit-plagued schools have been the object of innumerable reform efforts in recent years. The legislature conferred unprecedented control on the mayor, who has appointed (and can remove) all members of a small, new, corporate-style "board of trustees" and management team, including a chief operating officer and fiscal, purchasing, and educational officers. The new law also places school principals in charge of all school employees (previously they had no authority over custodians) and authorizes them to set their own school hours and staff schedules. The Chicago Teachers Union is barred from bargaining over many non-salary issues such as class size, staff assignments, academic calendar, hours and places of instruction, pupil assessment policies, privatizing services, and decisions over charter schools. It is also forbidden to strike for the next eighteen months.
Teachers' unions: will they get with the program?

Chicago is not the only place where the teachers' unions have run afoul of public authorities. Largely because of their efforts to block state and local reforms, the unions are coming under more intense scrutiny and challenge. School boards, legislatures, and governors are promulgating policies and proposing legislation to abolish tenure, redefine collective bargaining rights, repeal “fair-share” agreements, and otherwise change laws and practices that sustain union interests and undergird their power.

In Indiana, for example, the “fair share” law has been repealed. This law had authorized unions to extract fees from nonunion members in return for “services” performed for them by the unions, regardless of whether the individuals wanted those services. (An obvious example is a wage increase that affects all teachers in the district.) By repealing this law, the legislature made it illegal for unions to negotiate such arrangements with school districts. In another, more localized, blow to the Indiana State Teachers Association, the legislature passed a reform bill for the Indianapolis schools which limits collective bargaining to wages only in that city.

In neighboring Michigan, the state also erased the collective bargaining of certain non-salary issues, empowered school boards to put teachers' health insurance out for competitive bidding (rather than compelling purchase of this benefit from the Michigan Education Association’s insurance subsidiary), instituted steep fines against teachers who go on strike, and forbade the union to deduct political contributions from teachers’ paychecks without explicit, written permission.

Such developments are apt to continue as long as unions throw sand in the reform gears. When education is reshaped around standards and performance rather than inputs and processes (as Albert Shanker of the American Federation of Teachers has so eloquently advocated for years), just about every established routine will be affected, including personnel practices. No aspect of a school’s management is more crucial to its effectiveness than how it handles staffing — and nothing is more surely fatal to performance-based innovation than attempts to preserve staffing rules that disregard performance.

In New York City, for example, the contract with the United Federation of Teachers allows a school, if 75 percent of the staff agrees, to be included in the “school-based option transfer plan,” which lets it (among other union rule waivers) select its own teachers rather than having staff assigned on the basis of seniority. Sixty schools, including most of the struggling new, small high schools, have opted to be included in the program. In the city’s one-thousand other public schools, however (which enroll 99 percent of the children in the system), transfers to vacancies continued to be based strictly
on seniority. Junior teachers are subject to the “bumping rights” of more senior teachers from other schools, no matter how much a school may want the junior teacher or how little it wants the more senior teacher. Such practices, of course, make it impossible for a school’s staff to develop its own ethos, which is essential to the staff’s effectiveness and its ability to work together as a team with shared goals.

The Educational Excellence Network has had a long history of successful association on important projects with the American Federation of Teachers at the national level, and the authors of this report admire Al Shanker’s defense of high standards and high stakes, his international work on behalf of democracy, and his good sense about the curriculum. His staff has also produced some terrific products, and several AFT locals have pioneered (or at least tolerated) some promising reform strategies. However, at the state and local levels, far more often than not, the AFT and NEA are the most potent protectors of education’s status quo. In principle, they could change, abandoning their tired old industrial model of unionism and turning to the flexible, responsibility- and accountability-seeking, participatory, professional approach to organizational behavior that modern organizations need, and that many other organizations are getting. We do not know whether, if only for self-preservation, they will prove willing and able to take such a step. We certainly hope they will.
We were both right and wrong last year when we predicted "more meddling" by the federal government. That we were right is evident from passage of H.R. 6 — the aforementioned "Improving America's Schools Act" — which may be the most meddlesome federal education law ever enacted. But we were wrong, too, because we did not anticipate the political sea change of 1994, the implications of which (for educational structures, programs, power, and spending) are still being explored and the outcomes of which are anything but clear. That is why we give Washington an "incomplete" for its performance during the past year.

How great a political realignment?

From the mid-sixties until the mid-eighties, American education in general and federal policy in particular were characterized by a loose bipartisan consensus about what was wrong and what needed to happen. Simply stated, the consensus was that resources and services should be expanded, and poor and minority (and handicapped and non-English speaking) children should be given greater access to those services. "Equity" was the main goal, shortage and denial were the perceived problems, and additional resources — usually channeled through federal categorical programs — were the prescribed cure. There was no great difference between Democrats and Republicans.
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over these assumptions, and, as a result, education seldom loomed large as a partisan issue in state and national elections.

In the 1980s, this “consensus” began to be displaced by another one. (*A Nation at Risk* had much to do with this change, as did the initiatives of education-minded governors — and we also take some pride in the contribution of the Educational Excellence Network to altering the terms of debate.) The new consensus held that weak achievement and poor quality were the central problems of U.S. elementary/secondary education, that reform strategies should focus on student performance, that such reforms would entail overturning a number of hoary assumptions and long-established practices, and that, although some of these reforms might require additional resources, the country was not in general getting its money’s worth from the investment already being made in education and certainly should not channel additional sums into “more of the same.” (For an excellent recent discussion of ideas for boosting productivity and efficiency in education, see *Making Schools Work: Improving Performance and Controlling Costs*, by Eric A. Hanushek and a panel of distinguished economists, Brookings Institution, 1994.)

This new consensus was also bipartisan, at least outside Washington. Several prominent Democratic governors — notably including Bill Clinton, Richard Riley, and Roy Romer — played important roles in developing it. Its high-water mark at the national level was the Charlottesville “summit” held by President Bush and the governors in 1989, the six national education goals set shortly thereafter, and the “America 2000” strategy developed by former U.S. Education Secretary Lamar Alexander to move the country closer to those goals.

Congress, however, never really joined in this new consensus. Cheered on by the education establishment, it rejected “America 2000” as Alexander had conceived it and instead enacted measures such as Goals 2000 and H.R. 6. “Equity,” “inputs,” “services,” and uniform, top-down, regulatory approaches seemed to be coming back into vogue in Washington, the work of a Democratic Congressional majority that showed scant interest in what so many governors, civic activists, and business leaders thought.

**America 2000 vs. Goals 2000**

There has been more than a little purposeful obfuscation between America 2000 and Goals 2000. A former Congressional aide who helped shape Goals 2000 even termed it “the child of Mr. Bush’s America 2000 plan.” He is quite wrong. This is a matter in which both the authors of this report were involved and
about which we can state unequivocally: when Goals 2000 emerged from Congress, it bore scant resemblance to America 2000. Only a detailed DNA analysis would detect any common ancestors. The two measures did not even espouse the same goals. Other key differences involved the role of testing; the inclusion of “opportunity to learn” standards; the existence of a National Education Standards and Improvement Council (NESIC); the place of choice, charter schools, and contract management in education reform; the degree of federal supervision of state and local reform plans; and the relative emphasis on categorical federal spending programs versus locally-initiated reform strategies. (For more on this topic, see Diane Ravitch, National Standards in American Education, especially pages 138-160.)

Then came the 1994 election, and today, in Washington at least, party differences are sharper with respect to education than at any time since the mid-sixties. This split already shows signs of intensifying as we head toward the 1996 elections. President Clinton is proud of his record of getting massive education bills through Congress, and his administration seems committed to maintaining its present course. That includes continued reliance on “systemic” reform by way of ever-more federal programs, outlays, mandates, and regulations, and more of the dubious claims that U.S. education is finally “turning the corner” on quality and that nobody was serious about this issue until the current administration arrived in Washington.

Many Congressional Republicans and presidential aspirants, meanwhile, are taking a very different tack, embracing the second paradigm for education reform and pressing Washington to butt out. There is serious talk of abolishing the federal Education Department, repealing or defunding Goals 2000, the National Education Goals Panel, and H.R. 6, and turning categorical aid programs into “block grants” to states and communities or vouchers for parents. Nor does the GOP effort to balance the budget exempt education, although President Clinton says that it should.

Little of this is unique to education, of course. Much the same thing is occurring in other domains of domestic policy, where change involves approaches such as downsizing, devolving, block-granting, reducing expenditures, cutting bureaucracy, and abolishing federal agencies.
As for public opinion, Americans seem to be of two minds about the federal role in education. Survey data indicate that most people favor aid for education but nobody likes federal control or bureaucratic tangles. Poll results tend to hinge on how questions are phrased. If, for example, abolishing the Department of Education is posed as a money-saving strategy, most people would advocate holding onto the agency. If, on the other hand, it is presented as a way to slash bureaucracy, red tape, and federal control, the results are very different.

The reformation of the federal role will be complete when it is obliterated (perhaps with the exception of providing voluntary standards and assessments). — Herbert J. Walberg

The signs of political realignment — and widening party differences — are less than comprehensive, however, and not wholly desirable. Though both authors of this report have served in Republican administrations and favor the school reform paradigm that today is more commonly associated with GOP policies, we note that defections by Republican legislators and governors contributed to the defeat or deferral of many promising “reinvention” initiatives at the state level this past year. (Important examples occurred in New Jersey, Pennsylvania, Ohio, Montana, Texas, Arizona, and Illinois.) Sometimes such defections are caused by a reluctance to offend educators, sometimes by nervousness about the “anti-OBE” crowd. In Washington, on the other hand, Republican anti-governmentalism occasionally becomes overwrought. In their proposal to abolish the Education Department, for example, House freshmen also proposed to obliterate the National Center for Education Statistics (NCES), which carries out the federal responsibility, dating back to 1867, for gathering and disseminating education data. That bill would also wipe out the National Assessment of Educational Progress (NAEP), the country’s best source of information on student achievement and school performance — and one whose data are cited at least as often by Republicans as by Democrats. We hope that wiser heads will prevail and that NCES, NAEP, and its governing board will be preserved.

Insufficient boldness marks other GOP proposals at the national and state levels. Bills to revamp the Goals 2000 program, for example, have been largely confined to abolishing NESIC and have not even tried to rectify the other failings of that program. And in several states, Republican governors have introduced education reform packages that could be termed trivial.

It should also be noted that a number of Democrats at both the state and national levels are steadfast supporters of bolder “reinvention” strategies. The most prominent
voucher bill before the Senate, for example, is the joint work of Connecticut’s Joe Lieberman, a Democrat, and Indiana’s Dan Coats, a Republican. New Mexico Senator Jeff Bingaman, another Democrat, is perhaps Congress’s most sophisticated advocate of standards-based reform, and was the staunchest defender of NAEP during battles — with House Democrats — over its future in the 103rd Congress. Colorado governor Roy Romer is one of the nation’s foremost champions of charter schools — and he leads a state with one of the best charter programs.

We continue to hope for a bipartisan consensus supporting an approach that merges reinvention strategies with standards and accountability.

**Hyper-centralization through H.R. 6.**

Goals 2000 is not the only example of overreaching by Congress in pursuit of “paradigm one” — or of the prescriptive, Washington-knows-best, partisan attitude that fed the electoral revolution of 1994. Just weeks before that election, the 103rd Congress put the finishing touches on H.R. 6, the Elementary and Secondary Education Act (ESEA), a $65 billion measure that was inaccurately named the “Improving America’s Schools Act.” Running more than a thousand pages in length, the law did next to nothing to foster the reinvention of American education (and did not do much for standards-based reform, either).

Under this measure, federal requirements now cover intimate matters such as how schools discipline students, the topics teachers and parents must discuss with one another, the content of sex education courses, and the gender of textbook authors. Political correctness pervades many sections of the bill, which is laced with new “gender equity” rules and conflates school reform with health care, violence prevention, and other nonacademic concerns. Perhaps even more worrying is the restoration of resources and services as gauges of educational quality. This law tends to accept the routine assertion of the education establishment: if we are not happy with what the schools are doing, more money and regulations will improve them.

Most troubling of all is the bill’s hypocrisy with respect to reform strategies such as charter schools and parental choice. While allowing members of Congress to claim that they voted for them, H.R. 6 actually immobilizes them with rules and conditions. What good, for example, is a school choice program that lets the “sending school” veto a child’s departure?
Policies in flux

As we write, federal education policy shows signs of change — but no conclusive action — on four fronts.

First, efforts are underway to repeal some of the perceived excesses of recent legislation, notably Goals 2000 and H.R. 6. Our own preference would be not only the elimination of NESIC but the removal of any federal opportunity-to-learn standards, the removal of any limits on state testing and uses of test results, and the deletion of any language telling states who should write their reform plans. To date, however, scrapping NESIC is the only change that appears certain. Although there is talk — especially among House GOP freshmen — about repealing the entire Goals 2000 program, in neither chamber do key committee chairmen favor such a move, and President Clinton would surely veto it. But much the same result may be achieved by zeroing out the budget for Goals 2000, as the House Appropriations Committee recently voted to do in fiscal 1996.

Second, several bills have been introduced to abolish the Education Department or merge it with other agencies. This fifteen-year old Cabinet agency often behaves like, well, a fifteen-year-old. It was born out of old-fashioned political deal-making — the reward that Jimmy Carter promised the National Education Association in return for that union’s support of his presidential candidacy in 1976 — and was opposed at the time by thoughtful individuals such as Al Shanker, James Coleman, David Riesman, and Daniel P. Moynihan.

Both authors of this report worked at the Department of Education during the intervening years, and we conclude that the agency and many of its programs — micromanaged at every turn by Congressional subcommittees and staffers — are the captives of Washington-based education lobbies and special interests. The country would be better off without it: the department does little to improve education while imposing countless unnecessary burdens. But the symbolic politics of whether the United States does or does not have a Cabinet-level education department are less important than the functions and duties that the federal government does or does not shoulder in the field of education. Most of today’s federal programs and activities predate the department’s creation and could well survive its elimination. Some of these long-lived programs are wasteful and mischievous. A few, however, are important national functions. These include the protection...
of individual civil rights from discrimination, gathering statistics, assessment of educational progress, certain forms of worthy research, aid for handicapped children and needy college students, Head Start (which, incidentally, has never been housed at the education department), and the "bully pulpit" role of an education-minded president and other national leaders. It is possible for the federal government to play a useful role in support of these limited but important national functions without a Department of Education. Conversely, it is possible to have an education department that does more harm than good. We want to trade in the latter for the former.

Third, numerous efforts are underway to devolve control of education decision-making to states, communities, and parents, in part by melding categorical programs into "block grants" that would enable federal dollars to be used more flexibly and with far less oversight by federal bureaucracies. This impulse is not confined to education, of course. The argument over welfare reform, for example (which still rages on Capitol Hill as we write), is over much the same issue: what to prescribe in Washington for the entire country and what to trust states and communities to figure out for themselves. As of midsummer 1995, it appeared that Congress would turn vocational education and training into block grants, but the fate of the main elementary/secondary programs remained murky. (In the case of Title I, regardless of whether it ends up in a block grant or is maintained as a formula grant, we believe its funds should be targeted to the neediest children.)

Fourth and finally, education is caught up in the budget wars. The Clinton administration has dug in its heels on this, insisting that education (and other such "investments") must be spared from budget-balancing efforts. Many in Congress feel that education must bear its share of the cuts. (Some also see this as a way of shrinking the federal role and restoring local control.) The recent joint Congressional budget resolution — designed to yield a balanced budget in seven years — anticipates sizable reductions in education spending, and the Education Department's fiscal 1996 budget was slashed by the House Appropriations Committee, though the Senate is expected to be more merciful. We are agnostic here: we support federal funds that actually reach schools and students, but we oppose spending programs that serve primarily to strengthen federal, state, and local education bureaucracies or enrich interest groups and satrapies. Educational excellence for American children seems to us a worthier use...
Let's just not talk about more money at the federal level regardless of which agency, entity, department, or whatever administers an educational activity. Until 50,000 charter schools are established, federal money runs the risk of being captured (or recaptured) by educationists and will produce more harm than good.

Jim Bencivenga

School desegregation

School "reinvention" efforts are often rendered more difficult by the need to comply with court orders imposed years ago in the name of racial desegregation. For example, allowing parents to choose their child's school can be nearly impossible if a racial balance formula must also be maintained and a judge's consent obtained. Creating a specialized charter school is problematic if students who do not want to attend it are obliged to do so as part of a district-wide busing scheme developed to implement desegregation. It should also be noted that old-style desegregation plans are a lot less appealing to black parents and minority leaders at a time when de jure segregation is a distant memory, when many urban school systems are "majority minority," and when the quality of a child's instruction (and safety) looms larger in many minds than does the skin color of the child at the next desk.

In Minnesota, the relevant court order expired years ago, but change has been stymied by key state and local policies that evolved directly out of that original court order.

Mitchell B. Pearlstein

That is pretty much what they then tried to do for nearly two decades, as federal judges obliged Missouri to pour vast sums of money into the Kansas City schools,
ostensibly to raise their quality, boost students’ test scores, and make the schools more attractive to suburban and white youngsters.

Now, however, the Supreme Court has ruled that the judge exceeded his authority when he mandated such steps, and that remedies for desegregation must be tailored to proven discrimination within a district. This decision should make it easier for other school districts and states to get out from under federal court supervision in old desegregation cases. (The Court’s 1995 affirmative action decisions further indicate movement away from race-based policies.) The Kansas City decision is also consistent with the Court’s apparent desire to restore the authority of state and local governments in many matters. Chief Justice Rehnquist, speaking for the majority, wrote, “The District Court must bear in mind that its end purpose is not only to remedy the violation to the extent practicable, but also to restore state and local authorities to the control of a school system that is operating in compliance with the Constitution.”

In a fascinating separate opinion, the Court’s only black member, Justice Clarence Thomas, attacked one of the main pillars of the past four decades of school desegregation jurisprudence: the so-called “harm and benefits” thesis, which holds that attending an all or mostly minority school is harmful to black children and that integrating the pupil population is beneficial to the educational and social outcomes of schooling. The “harm and benefits” theory is perhaps the most important continuing rationale for activist integration strategies—the more so as state-imposed segregation fades into history—and is also one of the main arguments of school choice opponents. (For an excellent discussion of this thesis and its role in school desegregation, see David Armor’s fine new book, Forced Justice, Oxford University Press, 1995.)

Here is some of what Justice Thomas had to say on the matter:

It never ceases to amaze me that the courts are so willing to assume that anything that is predominantly black must be inferior.... [T]he [District] court has read our cases to support the theory that black students suffer an unspecified psychological harm from segregation that retards their mental and educational development. This approach not only relies upon questionable social science research rather than constitutional principle, but it also rests on an assumption of black inferiority.... [T]he [District] court found that racial imbalances constituted an ongoing constitutional violation that continued to inflict harm on black students. This position appears to rest upon the idea that any school that is black is inferior, and that blacks cannot succeed without the benefit of the company of whites.... Given that desegregation has not produced the predicted leaps forward in black educational achievement, there is no reason to think that black students cannot
learn as well when surrounded by members of their own race as when they are in an integrated environment. After all, if separation itself is a harm, and if integration therefore is the only way that blacks can receive a proper education, then there must be something inferior about blacks.

**The District of Columbia**

If Speaker Newt Gingrich and some of his colleagues have their way, the District of Columbia’s troubled schools will be “reinvented” by Congressional mandate. The District’s fiscal meltdown has thrown the entire municipal government into a kind of receivership, with a financial control board (created by Congress and appointed by the president) given sweeping powers, and with a hefty price tag to be paid by Uncle Sam for the needed bailout. In return, members of Congress are insisting that “business as usual” in the District be replaced through a program of fundamental changes. With respect to education, this may not yield a “takeover” along the lines of what has happened in Cleveland, Jersey City, Paterson, and Newark, but could turn out to be even farther-reaching.

Nowhere is such a fate more necessary than in the nation’s capital. Nowhere is the mediocrity of U.S. education — and the futility of incremental reform — more visible. The school system spends more than $9,000 per pupil per year, but pupil achievement is so low that the District blocked public release of its students’ 1994 fourth grade NAEP reading scores. Despite this wretched performance, all but a few D.C. teachers are rated “satisfactory” (or better) every year. School board members are the highest-paid in the land (at almost $30,000 each), yet school buildings are in such dismal shape that fire code violations delayed the opening of the entire system in 1994.

Superintendent Franklin Smith has tried to change most of these things but has been rebuffed on almost every front by both the school board and teachers’ union.

Sweeping changes may now be at hand. The District’s city council has proposed to abolish the school board and give the mayor authority to appoint the superintendent. Mayor Marion Barry has, albeit reluctantly, said that he could accept a small voucher experiment. Senator James Jeffords (who chairs the Senate Education Subcommittee) wants to create a commission — akin to the financial control board — to take charge of the school system. And Speaker Gingrich has appointed Representative Steve Gunderson to lead a task force to devise
thorough changes in D.C. public education. By midsummer 1995, that task force was weighing bold steps such as vouchers, charters, and contract management.

The combination of bad schools, a large federal financial role, and proximity to federal policymakers has long fed a temptation to treat education in the District as a sort of national "laboratory" for reform. But it has never happened before. Now the mix of fiscal desperation, widening popular outrage (perhaps most visible within the D.C. business community and the editorial page of the Washington Post), and the new congressional majority may produce very interesting developments in the nation's capital.
Epilogue

Thinking Ahead

Our crystal ball is cloudy, as enormously promising reforms (and big political changes) bump up against the inertia, complacency, and deep-set “stakeholder interests” of American education. Therefore, we shall refrain from predictions. But a word of advice may be in order. It is easy to get so caught up in adult policy battles as to lose track of why we have an education system in the first place — and for whose benefit it must operate. Schools do not exist primarily to employ grown-ups or give them things to argue about with one another. We have schools so that children can learn what they need to know in order to become successful adults themselves.

Some of today’s debates seem awfully remote from the educational needs of those children. Whether they come from comfortable suburbs and functional families or from acute poverty and disrupted households, what they require from formal education is remarkably similar and straightforward — yet often absent from the schools they attend. Above all, they need high standards and caring, competent adults who can help them make solid progress toward those standards. They need safe schools populated by people — children and adults — who want to be
there, schools that nurture sound character and demonstrate good values. They need interesting things to read and do and engaging lessons taught by people who know the material and present it effectively. (Too many classrooms today are profoundly boring.) They need a curriculum that imparts essential skills and important knowledge. And they need to know that the “real world” values and rewards good education.

The solution is really very simple. But it remains rare. Our advice then, is for the nation’s adults to keep their eye on that ball as they go running around the field. It little avails our children — or the cause of educational excellence — if grownups become so preoccupied with winning and losing that they forget why the game is being played.
The Educational Excellence Network

The Educational Excellence Network’s origins date to 1981, nearly two years before the nation was declared "at risk" by the National Commission on Excellence in Education, when Diane Ravitch and Chester Finn realized that something was sorely amiss in American education and, with a number of like-minded colleagues, resolved to do something about it.

They observed that most youngsters were not learning nearly enough; that many of those entering college and the workforce were ill-prepared; that key achievement indicators (such as SAT scores and National Assessment results) had been declining for at least a decade; that the stunning economic success of other countries usually had much to do with the rigor of their education systems; and that quality and standards were sorely lacking through most of American K-12 schooling.

What to do? First, get the ideas right and put timely information into the hands of those who need it. The Network’s founders agreed on a clear, strong statement of principles to guide the renewal of American education. They began a monthly publication called Network News & Views, which today has more than 1500 subscribers. Over the years, the Network also undertook a number of special projects and studies, yielding half a dozen books and reports. In addition to News & Views and these annual report cards, current Network projects include a major study of obstacles to implementation of charter schools in seven states.

The Education Policy Committee

The Educational Excellence Network’s 48-member Education Policy Committee advises Network leadership, staff and the parent Hudson Institute on priorities for Network activities. Perhaps more importantly, it brings together distinguished crusaders for educational excellence who are important allies and major assets in the quest for bold reforms of the kind indicated by the Network’s principles.

The EPC was established in 1994 to rebut antiquated ideas, advance the Network’s precepts, and carry the banner for educational excellence. It is not a political force — it does not endorse candidates or lobby for bills — so much as a battalion in the war of ideas. Consisting of visible, vocal, respected reformers — including two former U.S. secretaries of education, state-level pioneers, professional educators, and distinguished scholars, critics, and advocates — the EPC and its members, individually and collectively, seek to advance a reasoned, forceful case for true education reform.
Education Policy Committee

Chester E. Finn, Jr. & Diane Ravitch, Co-Chairs

Joseph Adelson, Professor of Psychology, University of Michigan

Lamar Alexander, Former U.S. Secretary of Education; Senior Fellow, Hudson Institute

Jeanne Allen, President, Center for Education Reform

Leslye A. Arsh, President, The Coalition for Goals 2000

James K. Baker, Chairman of the Board, Arvin Industries, Inc.

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Jim Bencivenga, Book Editor, Christian Science Monitor

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Clint Bolick, Vice President and Director of Litigation, Institute for Justice

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Diane Ravitch is Senior Research Scholar at New York University and a non-resident Senior Fellow at Brookings Institution. From 1991 to 1994 she served as assistant secretary of education. She is the author of numerous books, including The Great School Wars, The Troubled Crusade, and National Standards in American Education.
“1994–95 witnessed more setbacks than gains in the quest to build high academic standards into our children’s schooling, and efforts to ‘reinvent’ U.S. education, while numerous and sometimes strenuous, encountered strong resistance nearly everywhere. (Several important initiatives — notably, new voucher legislation in Wisconsin and Ohio, and the spread of charter school laws — succeeded despite that resistance.) Student achievement, meanwhile, scarcely changed in the core subjects of math and reading.”

—from Education Reform 1994–1995

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