

Trabants, Wartburgs, and Model T's

By Malkin Dare

In Ontario, most parents have no choice but to send their children to the neighbourhood school that has been assigned by their school board. To understand the implications of this fact, it is useful to reflect on the situation in East and West Germany between the years 1945 and 1989.

Both countries started off at essentially the same economic level after World War II, which (thanks to Allied bombers) was literally ground level. In 1945, at the end of the war, the country of Germany was divided into two parts, with the eastern half being controlled by the Communists, and the western half enjoying a democratic government and a capitalist economy. In 1961, a wall was built between the two countries and, from then on, East Germans literally could not travel into the West, and vice versa.

The differences between the two countries became more and more obvious during the 44 years that the division existed. West Germany quickly developed a booming economy and great prosperity, while East Germany remained poor, dirty, and stagnant. It is instructive to compare East and West German cars as a kind of a metaphor for the differences between the two economies.

During the Communist era in East Germany, one of the few cars available to East Germans was a car called a Trabant, which was built by a government-run monopoly. The Trabant was a car so dirty and dangerous it achieved cult status before disappearing from East German roads soon after the wall came down in 1989. Trabants were powered by an anemic and smoky two-stroke engine, and it took 21 seconds to go from 0 to 100 kilometres per hour. Even so, East Germans were considered lucky if they could get their hands on a Trabant.



In contrast to East Germany, the West German car industry was characterized by fierce competition among numerous German and other European car companies. Unlike the Trabant, a West German BMW was one of the most advanced and well-made cars in the world. Even the lowliest car made in West Germany, for example an Opel or a German Ford, had excellent comfort, performance, and reliability.

Ontario's government-run school system is the educational equivalent of the East German car industry.

It's a funny thing. Most people understand that competition is a good thing when it comes to businesses, and even quasi-governmental institutions like the post office or the LCBO. Everyone knows that monopolies are unresponsive, inefficient, and expensive. We like the competition among grocery stores, car dealerships, dentists, manufacturers, and so forth, because it means we get excellent service in these sectors.

However, for some reason, most people think that, even though it's bad to have a monopoly if you're providing groceries or banking services, it's okay to have a monopoly if you're providing education services. But there isn't really any reason to think that the education sector is exempt from the forces that apply to the other sectors of the economy.

An education monopoly behaves just like any other monopoly. In an education monopoly, public schools have a guaranteed stream of students and the funding that they generate. It doesn't matter whether a school is doing a good job or a poor job – all schools receive the same amount of funding regardless of their level of service. Even schools that are doing a horrible job can and do continue to shortchange their students indefinitely. They can do this because they have a monopoly.

However, things can change dramatically when competition is introduced to the education sector. Other countries, like the Netherlands and Sweden, have more competition than Ontario, and their student achievement is better. Even within Canada, there are differences in the amount of educational competition.

Back in the late eighties and then again in the mid-nineties, the province of Alberta introduced legislation designed to increase the amount of education competition. At first, the Calgary school board chose to turn its back on the changed educational landscape and tried to carry on with business as usual. As a result, Calgary parents started withdrawing their children from the public schools and sending them to the various alternatives that had now become available. In spite of the fact that the city of Calgary was growing, the Calgary school board began to hemorrhage students and was forced to close one school after the other.

Finally, things got so bad that the Calgary school board did a complete about-face and introduced dramatic improvements, creating new schools to compete with the rival schools. Not surprisingly, many of

its newly-created schools resembled the competition. For example, to compete with a rival all-girls school, the Calgary public board started up an all-girls school of its own. The board also started a special science school similar to one that was siphoning off a lot of its students and fully five schools that used the very popular traditional approach used at the competing Foundations for the Future Charter School. These days, no surprise, the Calgary board is boasting that its enrolment is climbing.

In Alberta, the school boards' monopoly was diminished by the introduction of competing schools. The power of competition is so obvious that we actually use the word "competitive" to mean "better" or "superior", as in "Our hotel is proud to offer a competitive service".

Alberta students outperform the rest of Canada by a wide margin on comparisons of student achievement. BC and Quebec don't have as much educational competition as Alberta, but they do have more than the remaining provinces – and their students tend to come second and third after Alberta. The Atlantic provinces have the least amount of educational competition in Canada, and their students tend to do worst.

It is important to note, however, that even in Alberta, there are still severe limitations and restrictions on the extent of the competition. Alberta has by no means a wide-open market for schools. In fact, no wide-open market system of education exists anywhere in the world today. Even in countries with relatively more educational competition, like Sweden and Chile and New Zealand and Denmark, the government still plays a very prominent role.

The problems with East Germany's Trabant were obvious because of the contrast with West German cars. But the problems with Canadian education are not as obvious, because there is no modern country with a wide-open competitive approach to schooling that we can contrast with Canadian schools. Of course, jurisdictions with more consumer choice among schools tend to get slightly better educational results. But the differences are relatively slight. It's like saying that the East German Wartburg was a better car than the East German Trabant. This may be true; however, neither was very good.

Education has not improved because it has been sheltered under the protective wings of a monopoly for many years. Henry Ford, too, had a monopoly of a sort, and so for a while he was able to get away with offering Model-T Fords in any colour people wanted, as long as it was black. But before long, competition caught up with Henry, and now consumers can have a lilac-tinted convertible BMW if they want. Education is much more important than cars, and we have put up with "all-black Model-T" schools for far too long. It's high time we exposed schools to the dynamic forces of competition and found out what the educational equivalent of a BMW is.