

School Choice for Dummies

The vast majority of studies give the edge to market-based education.

By Andrew Coulson

During a recent round of visits with print journalists, I spoke to a newspaper editor who told me that she receives between five and ten times as many press releases attacking school choice as she receives in support of it. In particular, she is regularly apprised of studies published or funded by teachers' unions but was largely unaware of any research that might reflect favourably on parental choice and competition among schools.

In reality, the vast majority of sound empirical studies comparing competitive education markets to state-run school monopolies give the edge to markets. A few find no significant differences, and only the tiniest percentage find any sort of advantage to the state-run schools. The consensus of the valid empirical research is clear: Competitive markets of minimally regulated non-government schools regularly outperform state school monopolies. They do this, moreover, both at the level of individual student effects and broader social outcomes.

What follows is a short list of studies introducing that empirical literature. Wherever possible, research summaries are cited in order to save the reader time. The material is organized by topic, and links are provided for studies (or summaries thereof) available on the Internet.

Relative Academic Performance of Market vs. Monopoly Schooling

There are three basic sources of data on this issue: the few existing small-scale school choice programs in the United States; the vast array of large-scale education markets that exist in other nations; and the wide range of different school systems that have existed historically.

The Domestic Evidence

Title: "School Choice and School Competition: Evidence from the United States"

<http://post.economics.harvard.edu/faculty/hoxby/papers/sweden.pdf>

Author/Source: Caroline Minter-Hoxby, working paper (Harvard University, 2004)

Findings: In a literature review of a wide variety of well-regarded studies, Minter-Hoxby finds: "Students' achievement generally does rise when they attend voucher or charter schools. ... Public schools do respond constructively to competition (from independent and charter schools), by raising their achievement and productivity.... Not only do currently enacted voucher and charter school programs not cream-skim, they disproportionately attract students who were performing badly in their regular public schools."

The International Evidence

Study: "How Markets Affect Quality: Testing a Theory of Market Education Against the International Evidence"

www.schoolchoices.org/roo/How_Markets_Affect_Quality.pdf

Author/Source: Andrew J. Coulson, chapter in *Educational Freedom in Urban America* (Cato Institute, 2004)

Findings: Competitive markets of minimally regulated independent schools, particularly those funded at least in part directly by parents, are usually more academically effective, more efficient, better physically maintained, and more responsive in their curricula than are conventional state school monopolies. Of the 27 comparisons of academic achievement in independent and public schools that are reviewed, 20 findings showed a private sector advantage, five showed no statistically-significant difference and only two showed a public-sector advantage.

Of those two contrary findings, one was methodologically flawed (it ignored the fact that the tested public schools were academically-selective, whereas the independent schools were not), and the other finding applied to only two newly-established independent schools within its independent-sector sample (the rest of the independent schools in the sample outperformed the public schools).

Forthcoming: Groundbreaking new research to be released later this year by University of Newcastle professor James Tooley, comparing market and government schools serving the poor in Africa, India and China.

www.ncl.ac.uk/egwest/research/private-schools.html

The Historical Evidence

Title: *Market Education: The Unknown History*

Author/Source: Andrew J. Coulson

Findings: Based on numerous case studies from ancient Greece to 19th and 20th century America, this book finds that markets of competing schools have been more responsive to parental demands than have state school monopolies. It also finds that free education markets have generally had more positive social effects. Some of the early research for this book was presented in the journal *Education Policy Analysis Archives*.

<http://epaa.asu.edu/epaa/v4n9.html>

Racial Achievement Differences in Government and Independent Schools

Study: *The Education Gap*

Author/Source: William G. Howell and Paul E. Peterson (The Brookings Institution, 2002)

Findings: "*The Education Gap* is the first book to gather a significant body of data on vouchers in multiple locations, and it reveals startling new evidence that voucher programs benefit African-American students more than participants from other ethnic groups." Participation in publicly and privately funded voucher programs significantly reduced the Black-White achievement gap by improving the scores of African-American students. A brief summary of the book is available on the Brookings Web site.

www.brook.edu/press/books/education_gap.htm

Study: "How Ideology Perpetuates the Achievement Gap"

www.mackinac.org/article.asp?ID=6974

Author: Andrew J. Coulson, research report (The Mackinac Center for Public Policy, 2005)

Findings: In independent schools, the Black-White achievement gap is nearly 30% smaller at the end of high school than it is in grade 4. Public schools seem to have no net effect on the achievement gap — it is as big in grade 12 as it is in grade 4 (in some subjects it is smaller, but in others it is larger). This reduction in the independent school achievement gap is made all the more impressive when one considers that independent schools also retain far more African-American students through to graduation (see below). This evidence is generally ignored by the organizations that claim to be most strongly committed to reducing the racial achievement gap.

Graduation Rates in Independent vs. Government Schools

Study: "The Effects of Catholic Secondary Schooling on Educational Attainment"

Author/Source: Derek Neal, *The Journal of Labor Economics* (1997)

Findings: After controlling for differences in family characteristics, this study of U.S. schools finds that African-American students in urban Catholic schools were nearly one-and-a-half times as likely to complete high school as similar students attending urban public schools. Neal also finds that the Catholic school students were far more likely to attend college and to complete college than their public school peers (again, after controlling for family characteristics). A version of this study was also published in the journal *Public Interest*.

www.findarticles.com/p/articles/mi_m0377/is_n127/ai_19416359

Study: "Graduation Rates for Choice and Public School Students in Milwaukee"

www.schoolchoiceinfo.org/data/research/grad_rate.pdf

Author/Source: Jay P. Greene, research report (School Choice Wisconsin, 2004)

Findings: This study compares Milwaukee public school graduation rates with those of low-income participants in the city's independent school voucher program. Greene finds that the voucher students were more than one-and-a-half-times as likely to graduate as the public school students (echoing Neal's findings above, except not limited to minority students). More remarkable still, Greene finds this graduation rate advantage existed even when the voucher students were compared to those attending Milwaukee's elite group of academically-selective public schools.

Integration in Government and Independent Schools

Generally, the research suggests that public schools may have more racially-diverse student compositions in the earliest grades (particularly kindergarten), but independent schools appear to be more racially diverse by the end of high school. This variation by grade level could be explained by two factors.

First, in the absence of school choice programs, minority students are somewhat under-represented in independent schools because, on average, they come from lower-income families (they can't afford the tuition fees).

Second, independent schools are better integrated by the end of high school because they retain far more minority students through to graduation than do public schools (see above). With public school minority students dropping out at such a high rate, public school diversity falls below that of independent schools.

This explanation suggests that, under choice programs that reduce or eliminate the integration-damping effect of wealth disparities, independent schools may be as well as- or better-integrated than public schools, even in the early grades. This conclusion is consistent with the first study cited below. The second study calls into question the way that integration is conventionally measured, comes up with a much more meaningful measurement, and applies it in a public-versus private-sector comparison.

Study: "The Impact of School Choice on Racial Integration in Milwaukee Private Schools"

www.schoolchoiceinfo.org/data/research/integ0802.pdf

Author/Source: Howard L. Fuller and Deborah Greiveldinger, research report (American Education Reform Council, 2002)

Findings: "Religious schools joined the Milwaukee Parental Choice Program (the city's voucher program) in the 1998-1999 school year. Opponents predicted that this would increase racial segregation. In fact, four years after joining the MPCP, religious schools are more racially integrated than schools in the Milwaukee Public Schools district.... When enrollment at both religious and non-religious (private voucher) schools is considered, (they) remain slightly more integrated than (the city's public) schools."

Study: "Integration Where it Counts: A Study of Racial Integration in Public and Private School Lunchrooms"

www.educationreview.homestead.com/Integration.html

Author/Source: Jay P. Greene and Nicole Mellow, conference paper (annual meeting of the American Political Science Association, 1998)

Findings: "Unlike previous studies of integration in schools, our data are drawn from a setting in which racial mixing has greater meaning: the lunchroom." By measuring the frequency with which students voluntarily chose to sit with members of different racial groups, Greene and Mellow provide the most meaningful measure of integration ever offered by researchers.

It has been pointed out that simply counting minority and White students on a school level is a poor measure of integration because students of different races may still form their own racially-homogenous cliques. The authors' measure of voluntary lunchroom association is thus arguably far superior. Using that measure, they find that independent schools were significantly better-integrated than public schools.

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