

An Assessment by
Hoover Institution's
Koret Task Force
on K-12 Education

American Education in 2030



School Choice

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Where we came from

Back in 2010, some 30 percent of U.S. children did *not* attend the district-operated public school in their neighborhood. Instead, they and their parents exercised the right to attend schools of their choice: public, private, and many a hybrid and variant.

In truth, the fraction of youngsters benefiting from some form of school choice was closer to half, as it properly included millions more—24 percent of all K-12 families, reported a federal survey—who attended a neighborhood school but whose parents had moved into that neighborhood *because* of its schools. In other words, they chose the school first, the neighborhood second—and had the means to affect that choice.

Americans had largely embraced the principle that society's obligation is to ensure that all children get a good education, not simply for government to operate a network of public schools and slot youngsters into them. By now, most of the political and policy battles that roiled the land when it came to education choice concerned which varieties of schooling would qualify for public funding, the terms and amounts by which that support would be provided, and the conditions that would accompany it.

School choice had come to span a spectrum of education providers and arrangements, from plain-vanilla district and private schools to the exotic tang of homeschooling. In between were at least the following ten additional flavors:

- **Magnet schools.** Usually district based—Houston alone had more than a hundred by 2008—these are specialty schools with distinctive themes: music and art, science and technology, Hispanic cultures, and so on. Racial integration has long been an important objective of many such programs.
- **Alternative schools.** Developed primarily for hard-to-educate and troublesome youngsters and former dropouts, these are not so much programs that parents seek as they are schools that districts offer to young people who don't fit comfortably into conventional classrooms.
- **Intradistrict choice.** A growing number of districts permitted families to select their schools from among multiple offerings, though such options were often circumscribed by court orders and desegregation formulas, as well as by classroom-capacity constraints.
- **Interdistrict choice.** By 2010, more than twenty states had followed Minnesota's lead and enacted some form of open enrollment or interdistrict transfer policy. The most generous permitted youngsters to, in effect, enroll anywhere in the state. Others were restricted to contiguous districts, and some required the assent of the "sending" or "receiving" district or both.

- **Charter schools.** These ranged from back-to-basics models to Montessori to “expeditionary learning” to schools for disabled youngsters, with numerous variants along the way. Some five thousand charters were run by a remarkable array of civic, education, parent and business groups, a handful of them even by a teachers’ union.
- **Schools-within-schools.** That a building can house more than one education program inspired the pioneering public school choice program in East Harlem’s District 4 in the 1970s. It later inspired a sizable though flawed effort by the Gates Foundation to divide large dysfunctional schools into several small ones, but it holds promise for rural areas with few school buildings.
- **Minischools.** Encouraged by philanthropists and reformers convinced that, when it comes to education, small size matters, minischools—usually high schools—sprang up in the early twenty-first century, many again supported by Gates and cast in an “early college” mold that also seeks to palliate student ennui by providing college-level courses to those ready to attempt them.
- **Tech-prep schools.** In many cities, community colleges joined with high schools to blend the last two years of K-12 education with the first two years of college, often leading to an associate degree as well as a high school diploma. This arrangement is particularly suited to young people keener on jobs than on further academics. More academically inclined students could enter “dual-enrollment” programs that enable high school pupils to take university courses before graduating. (Burgeoning Advanced Placement and International Baccalaureate courses serve a similar purpose.)
- **Virtual schooling.** Why should kids come to school if it can come to them? By 2010, technology was facilitating this on a modest but growing scale. Via Internet and e-mail, students could interact with teachers (and with lessons, homework assignments, and so on) without leaving home. In an influential book, scholars John Chubb and Terry Moe reported that (as of 2008) more than half the states were operating state-level virtual schools and that about 190 “cyber charters” in twenty-five states had enrolled some 100,000 students.
- **Hybrids.** Some youngsters attended school—perhaps a charter school—part-time and did the rest of their studying at home. Several states required districts to allow homeschooled (and private school) children to participate in any part of the public school program, from physics class to the soccer team. A handful of charter schools specialized in such arrangements.

Yet despite all these options, that half of U.S. students exercised school choice in 2010 also meant that half did not and, predictably, that many of the latter were poor and minority youngsters trapped in ill-functioning urban schools without viable means

of escape. Although some states targeted their charter schools (and a few voucher programs) to low-income children and neighborhoods, the American K-12 education system, taken as a whole, was far better at conferring choice on the fortunate than on the needy.

The other big cloud over school choice in 2010 was its mixed academic results. Rival studies came to different conclusions about whether youngsters in charter schools and voucher programs fared better than those who remained in district schools, and information was sparse regarding the effectiveness of other forms of school choice.

The political situation was no walk in the park either. Despite widening acceptance of the principle of choice, traditional stakeholders of public education still strove to contain its spread, working through elections, legislative lobbying, litigation, public relations, collective bargaining, regulation, budgets, and many other ways to limit the emergence of new forms of schooling and children's access to them.

Most of this push-back was self-interested, but some critics, such as E.D. Hirsch, Sol Stern, and Diane Ravitch, also voiced concerns about social and cultural balkanization, curricular chaos, civic fragmentation, resegregation, an ill-functioning marketplace in which too many parents made unwise selections, and so forth.

Vouchers to assist children in attending private schools remained the bloodiest battleground in the school choice wars in 2010. Although supporters had made modest headway—the Supreme Court opened a constitutional pathway with the 2002 *Zelman* decision, and 2005 brought both a lifting of the cap on Milwaukee's program and the expansion of Cleveland's to all of Ohio—they also lost ground. No ballot initiative on behalf of vouchers won in any state; litigation was widespread; courts in Colorado and Florida voided those states' voucher programs; and congressional Democrats (with the assent of the Obama administration) were bent on terminating the District of Columbia program. In other states, constitutional provisions ("Blaine amendments") placed voucher-style programs beyond legislative reach. Although tax credits and similar forms of indirect financing continued to make slow gains, outright vouchers were rebuffed almost everywhere, the main (but still limited) exception being programs confined to disabled youngsters.

Where we got to

By 2030 nearly two-thirds of U.S. children enjoyed some form of school selection. Four more states operated voucher programs focused on disabled pupils or low-income children or both whose public schools were chronic low performers. The brick-and-mortar charter sector now served about 5 percent of all students and harvested major gains in academic performance as states—spurred by federal law—cracked down on bad schools and heedless authorizers.

The greatest expansions of choice occurred in cyberspace, in homeschooling, and in hybrid education delivery systems. Harvard Business School's Clayton Christensen proved prescient in forecasting that half of all U.S. high school courses would be delivered online (though this milestone was reached in 2027, not 2019), but most such learning still occurred within brick-and-mortar schools. Although the teachers' unions deplored this substitution of technology for tenured teachers—and their forceful political efforts certainly slowed its spread—a combination of budgetary pressures, education quality concerns, the profit motive, and the inexorable march of technology meant that—as Moe and Chubb had foreseen—their traditional defense mechanisms were unable to block it altogether.

By 2030, about 6 percent of American pupils studied fulltime at home or other nonschool setting (e.g., parents' workplace, day care centers, Boys and Girls Clubs, college campuses, church Sunday-school classrooms, etc.), and another 3 percent availed themselves of hybrid arrangements that entailed both time in brick-and-mortar schools and time elsewhere. Internet-delivered courses and other electronic assists simplified such blending, as kids could now "take" courses—and do research, participate in supplemental programs and extracurricular activities—via a host of cheap hand-held wireless devices, social networks, and so on, as well as via traditional computers (now costing no more than traditional textbooks and fitted with cameras, microphones, speakers, and other forms of interactivity as well as lightning speed and near-infinite capacity).

Other hybrids also emerged, such as "Catholic charter schools"—former parochial schools that converted into public charter schools that are secular (and taxpayer financed) during the core instructional day but that, early in the morning and late in the afternoon, offer (voluntary, privately financed) religious education classes, worship, and activities on the same premises.

Another high-profile organizational evolution was the spread of national "brand-name" schools, mostly run by sophisticated private firms, both for- and nonprofit. Part entrepreneurial venture and part virtual school system, they figured out how to replicate schools that adhere to specific models, supplying them with financial and human capital, providing essential business and curricular services, developing shared technologies and instructional materials, and affixing names that are gaining national recognition. Whereas Americans once thought of school systems as local and bureaucratic (e.g., the Dayton Public Schools), these new systems are far flung. A child whose family moves from Baltimore to Denver can transit painlessly from one "Gold Star" or "Green Dot" (or Edison, KIPP, High Tech High, etc.) school directly into another. Our education industry, like our hospitality, retailing, and communications industries, is developing recognizable brands that have spread across the nation and overseas, not unlike Holiday Inn, Macy's, and CNN. KIPP, for example, now has fifty-seven schools in India; High Tech High has thirty-two in metropolitan Shanghai alone.

Edison is said to be working on the Portuguese translations that will enable it to tackle Brazil.

From the consumer's standpoint, the K-12 education marketplace in 2030, though far from perfect, is vastly easier to navigate thanks to improved data systems, transparent academic performance and other school-specific information, and a host of user-friendly interfaces, such as those pioneered by GreatSchools.net.

Besides selecting among *schools*, educational choice assumed additional forms by 2030, with students and parents enjoying new opportunities to pick their courses, delivery systems, teaching styles, even teachers, all of which is facilitated by technology, of course, as are the many education supplements, alternatives, and extras now available to families outside schools. Lots of youngsters learn art, music, and languages, for example, via technology-based programs that parents can purchase for home use or that for- and nonprofit organizations offer in their own settings.

What's wrong with this picture?

School choice in 2030 looks good compared with two decades earlier yet still suffers from five vexing shortcomings.

First, there is not nearly enough venture capital to seed the entrepreneurial initiatives that would give rise to further choices, improve their functionality, and facilitate the development of improved models and delivery systems. Government has again proven inept at catalyzing and supporting such activity—despite the infusion of billions of federal stimulus dollars during the great recession of 2008-11—and neither philanthropy nor private investors have gotten the job done. K-12 education in America is now a \$2 trillion enterprise, yet it still spends a relative pittance on research and development and invests peanuts in ventures that haven't yet proven themselves.

Second, though weakened, "establishment" resistance remains dogged. Because teachers' unions and their allies have lost many direct confrontations, they've opted to shackle, Gulliver-like, the various choice efforts with innumerable regulatory tethers and have striven, with much success, to organize the workforces of charter schools, virtual schools, even private schools. Their particular *bête noire* is for-profit school operators. Unexpectedly assisting them is the tendency of established providers of school choice to discourage further competition from rivals and start-ups.

Third, due in part to choice foes, as well as a host of highly publicized scandals (the much ballyhooed federal "Race to the Top" program of 2010, for example, wound up lining lots of private pockets, and a half-dozen states could not fully account for where the money actually went), the regulatory-and-inspectorate raj remains robust in K-12 education, and for the most part it still focuses on inputs and processes rather than results. Most states still mandate "certified" teachers in schools of choice, for

example, and most still judge schools' adequacy by the number of days or minutes they're in session rather than by the track records of their alumni/ae.

Fourth, the education marketplace remains flawed. Would-be operators have trouble launching. Efforts to replicate good schools often falter. Even among brand-name schools, quality control is uneven and performance varies alarmingly. Would-be consumers have access to more school information than before, but much of it they do not know how to interpret or apply. As a result, millions of parents still select their children's schools chiefly on nonacademic grounds.

Finally, despite three more revisions of the main federal education law (the 65-year-old Elementary and Secondary Education Act, now dubbed the Student Achievement and School Improvement Act, or SASI), the poorest and neediest youngsters in America still have the skimpiest access to decent school options and the least help in wisely exercising the choices they do have.

What might make a difference?

The best thing about predicting the future is that, having glimpsed the likely outcome of continuing current practices and extrapolating current trends, one can consider alternate courses of action that might alter the result. (Else planes would overshoot their destinations, cars would drive off cliffs, and those who have gained a pound or two would end up weighing tons.) In fact, several key changes in education policy between 2010 and 2030 could mitigate the problems noted above and alter the likely scenario. Assuming that our goal is to widen access to quality school choices, strengthen the education marketplace, foster innovation, and boost productivity, the following changes could make a big difference.

Federal and state tax regimes could provide incentives to encourage private venture capital investment in the entrepreneurial side of education, not unlike the inducements given to producers (and consumers) of renewable energy, fuel-efficient vehicles, and businesses that reduce their carbon footprints.

Also in Washington, a radical overhaul of the Elementary and Secondary Education Act could change the formula-bound distribution, which now channels dollars to traditional state and local education agencies, and instead deliver the money directly to individual schools on the basis of the number (and characteristics) of children enrolled in them. A parallel shift in state finance systems toward fully portable "weighted student funding" should be combined with strong performance incentives for schools and pupils alike.

States should also rewrite their compulsory attendance laws to define "school" more flexibly, such that students may satisfy the statute in various settings. (There is

precedent for this in the exemptions already given to homeschoolers.) The state's principal interest should shift from attendance to academic achievement.

As that policy transformation occurs, an authorizing body is needed to approve and monitor schools and other education providers, but this responsibility need not be confined to traditional public school systems. They ought not function as both service providers and regulators of their competitors. Instead, independent sponsorship entities—perhaps operating on a multistate or nationwide basis—should become viable alternatives.

Also needed are independent audit-and-data units responsible for honest reporting on student, school, and district performance across multiple variables: academic, financial, and so on. These, in turn, should be accountable to governors or state auditors rather than education departments; this work, too, might be outsourced to multistate or national bodies.

A spine of national standards, tests, and core curricula is needed to hold all this together, furnishing common goals, metrics, and benchmarks against which the many diverse providers can be tracked and their performance compared across the entire nation and aligned with similar international measures.

The future, in other words, need not result from an extrapolation of present-day trends. It could—and in this realm should—be different and better. But that's not likely to occur spontaneously.

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