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## Consolidate Districts, Not Schools

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**The Arkansas legislature**, in its 2003–4 special session, passed the Public School Reorganization Act, which required the consolidation of the fifty-seven (of the state’s 308) school districts with fewer than 350 students. But, in a spirit of compromise that responded to concerns expressed by lawmakers from rural areas of the state, the legislature did not require that individual schools be closed or consolidated. As a result, only about a dozen schools have been closed since the legislation was enacted.

Political compromises often blend the worst of both worlds. But, in Arkansas, the legislative compromise may be nothing less than a Goldilocks solution—a middle way better than either extreme, one that should be sustained and encouraged, despite its defiance of precedents set elsewhere. By consolidating districts but keeping its small schools, Arkansas may have found a way of introducing administrative efficiencies without endangering the quality of the educational experience that can be realized in an intimate setting surrounded by a supportive community. The Public School Reorganization Act was passed in the aftermath of the

2002 *Lake View v. Huckabee* decision, handed down by the Arkansas supreme court, which found the state's funding system for education to be both "inequitable and inadequate" under the state constitution. Despite the passage of new legislation intended to correct these deficiencies, the court, in 2005, re-opened the case for further review. As a result, the question of district and school consolidation has remained on the state's legislative and judicial agendas.

Given average district size in Arkansas, one can certainly understand the push for further consolidation in Arkansas. In the school year ending in 2003, the average district in Arkansas had but 1,421 students as compared to the national average of 3,333 in 2000, the last year for which such information is available.<sup>1</sup> Similarly, Arkansas' public schools are smaller than the national norm. In the school year ending in 2003, there were just 410 students in the average Arkansas school, as compared to 521 students per school in the nation as a whole. At the high school level, the numbers for Arkansas and the United States were 401 students and 785 students, respectively. In other words, Arkansas schools overall were roughly three-fourth the size, and high schools were about half the size, of their counterparts nationwide.

Smaller districts and schools in Arkansas are—predictably—concentrated in rural areas, which often have higher than average poverty rates. Many have declining enrollments, access to limited local resources, and a widely recognized need for capital investment. The Arkansas situation is hardly unique. Exactly the same problems were identified by school reformers decades earlier.

The standard solution to the rural-school problem has been consolidation, both by reducing the number of school districts, and by combining small schools together into larger ones. The

1. All nationwide information included in this paper is for the 1999–2000 school year.

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two steps have almost always been taken simultaneously. In Arkansas, the case for both types of consolidation can appear compelling, especially given court orders to achieve greater equity and adequacy in school finance as well as the governor's expressed desire for greater efficiency in the delivery of school services. Larger units make it easier for states to assume a greater and more uniform role in school finance. Larger units are also expected to be more efficient.

However, all may not be quite as traditional wisdom would have it. In recent years, researchers have found evidence that the educational impact of district consolidation is quite different from that of school consolidation. The first step is probably laudable, if not taken too far, while the second appears not to be.

**The Traditional Wisdom—and Recent Findings—for District Consolidation**

School reformers have long been committed to district consolidation. With bigger districts, one can justify larger salaries for higher quality, professional administrators. The search for better qualified teachers can be cast more widely and undertaken in a more systematic manner, and their recruitment is less likely to be influenced by parochial attachments. Curricular materials and other supplies can be purchased both more efficiently and with greater attention to product quality. Special facilities can be created for those with particular needs, and school desegregation is more easily accomplished.

Early reformers, most notably, Ellwood P. Cubberley, head of the Stanford School of Education, perceived certain political advantages from district consolidation as long ago as 1922: "To have a fully organized school board in every little school district in a county," Cubberly wrote, "a board endowed by law with important financial and educational powers, is wholly unnecessary

from any business or educational point of view, and is more likely to prevent progressive action than to secure it.”

Under the leadership of Cubberley and other school reformers, the consolidation of school districts moved forward rapidly, especially during the period between 1930 and 1980. During those fifty years, the number of U.S. public-school districts declined from nearly 120,000 to around 15,000, about where it currently stands.

The case for district consolidation holds up pretty well under modern-day scholarly scrutiny. Admittedly, not every observer has found larger districts to be more effective. On the contrary, specific studies of individual states have yielded inconsistent results. In New Jersey and Texas, student performance was found to be higher in smaller districts, while in Alabama and California, it was observed to be higher in larger ones. But inasmuch as these studies did not study consolidation per se—districts can be larger or smaller for many reasons—for example, variation in population density alone can affect the number of students living within a district—their findings cannot be accepted as necessarily applicable to the question at hand. Nor do they give an overall picture of the impact of the consolidation movement nationwide.

Recently, however, University of Chicago professor Christopher Berry and Harvard researcher Martin West undertook a nationwide study of the long-term impact of the greater state role in educational finance, district consolidation, and school consolidation. Instead of looking simply at test scores, they examined the impact of these reforms on such real-life outcomes as high-school graduation rates, college attendance rates, and average weekly earnings.<sup>2</sup>

2. New computer technology and advanced statistical techniques allow them to make use of individual-level information about the K–12 educational experiences as well as the subsequent careers of millions of white males, as made available for the 1980 census by the U. S. Bureau of the Census. Specifically,

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For district consolidation, Berry and West provide solid support for the claims of Cubberley and other early school reformers. Their analysis found, for the period between 1930 and 1980, significant positive effects of district consolidation. All things being equal, high school drop-out rates are lower and college graduation rates are higher, if students went to a school within a larger district. The effects on earnings were significant, if not dramatic. They found, after adjusting for the many other factors affecting a high school graduate's earnings later in life, an increase, on average, of over 2 percent in earnings for every increase in district size of 1,000 students. The paucity of very large districts in their study precludes extrapolating their finding to the largest school districts, however.<sup>3</sup>

**The Traditional Wisdom—and Recent Findings—for School Consolidation**

Throughout most of the twentieth century, bigger schools were also thought to be inherently superior. A broader range of courses could be offered, more specialized teachers could be hired, students could be sorted according to their ability, the college-going could be isolated from the vocationally inclined, administrative staff and other per pupil costs could be cut, desegregation could

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they looked at white men who, as adults, were working in similar locations, but who were born (and presumably lived) in states at various stages of district and school consolidation. Because labor market opportunities for women and minorities were more restricted during the decades prior to 1980, they were excluded from the analysis.

3. The study also shows that the gains from district consolidation are fully offset, if consolidation results in a greater share of the financing of education by the state. For every 10 percent increase in the state share of school funding, the weekly earnings later in life of high school graduates declines by 2 percent. Apparently, when localities do not have a significant financial stake in their schools, they are less attentive to the quality of the education that students receive.

be more easily accomplished, and special arrangements could be made for those with particular needs.

So compelling were these arguments that, of all the twentieth century school reforms, few have been more successful, in numerical terms, than the school consolidation movement. Despite the rapid population growth throughout the century, the number of schools plunged. Between 1931 and 1999, the number of U.S. public schools fell from over 225,000 to under 100,000 with most of the increase in school size occurring by 1980. Necessarily, the typical school became much larger. Whereas there were fewer than ninety students per average school in 1930, that number had risen almost to 500 pupils by the end of the century. The one-room school house had gone the way of the mattress swatter and the buggy whip.

School reformers such as Harvard president James B. Conant insisted that only through school consolidation could educational achievement be ratcheted upward. “How much of our academic talent can we afford to waste?” he asked in 1959, the very heyday of the consolidation movement. “If the answer is ‘none,’ then . . . the elimination of the small high school through district reorganization and consolidation should have top priority.”

Unfortunately, the traditional enthusiasm for larger schools is not well supported by empirical evidence that they are more effective. According to a University of Arkansas research team, there is no strong correlation between the number of students attending an Arkansas high school and the performance of tenth graders on the Stanford 9 achievement test, after controlling for poverty. Other studies also find little systematic evidence that larger schools are more effective. On the contrary, small schools were found to be more educationally beneficial—or, at least, no less—by all but one of seven of the higher-quality econometric studies reviewed by Matthew Andrews and his colleagues in 2002. Two studies indicate that the benefits of small schools are the

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greatest for disadvantaged students, and, most especially, African Americans.<sup>4</sup>

Still, school size can vary for many reasons other than purposeful consolidation, and so these studies do not provide a direct test of the impact of the nationwide school consolidation movement that occurred during the middle decades of the twentieth century. However, the Berry-West consolidation study confirms the results of most other high-quality small-school scholarship. After adjusting for other factors, they find that an increase in the size of a school by about 150 students reduces the subsequent weekly earnings of high school graduates by an average of 9 percent. In other words, the *negative* effect of the typical school consolidation is more than four times the *positive* effect of the typical district consolidation.

The Arkansas research team provides an excellent summary of the reasons why one might expect negative educational consequences from school consolidations. In their words, larger schools may suffer from “greater discipline problems, greater personnel problems, greater feelings of alienation . . . , greater teacher union political power, greater confusion in management coordination, fewer students participating in extracurricular activities . . . , decreased responsibility for students, and decreased student, staff and parental motivation.”

Of course, there are many excellent large schools where students take full advantage of the range of course offerings and extra-curricular opportunities, often led by highly skilled teachers that are only available in a large, sophisticated school complex.

4. One study, by V. E. Lee and J. B. Smith, attempts to estimate optimum high school size. The study clearly shows that schools that number only a few hundred students are superior to schools larger in size. However, their attempt to estimate an optimum size is flawed by the fact that they dropped most small schools from the analysis on the grounds that the sampling data available to them provided an insufficient number of observations, if a school was below a certain size.

But there are also the large, shopping-mall high schools that give students lots of curricular choice but little direction or nourishment. Perhaps it was a Dixieland band leader, who, after giving up his Big Band assignment, put it best: “Small bands, small problems. Big bands, big problems.”

Evidence from the private sector is consistent with the research findings that small is, if not beautiful, then, at least warm and supportive. When schools operate in the marketplace, they can be expected to search for the appropriate size for producing educational services that satisfy their clientele. If the larger schools provided higher quality educational services for the same cost, as Conant and other school reformers argued, then one would expect private schools to be as large as today’s public schools. In fact, on average, in 1999–2000 private elementary schools averaged 210 students, about two-fifth’s the size of public elementary schools nationwide—and about half the size of the average Arkansas school. Apparently, private schools find that smaller schools can be as efficient and effective as larger ones—and that their clientele appears to favor them.

Of course, small size alone is not enough to create a good school. But as *one* small school supporter, Deborah Meier, has put it: “Large schools neither nourish the spirit nor educate the mind. . . . What big schools do is remind most of us that we don’t count for a lot.”

### **Are Big Schools the Best Way to Address the Problems in Rural Education?**

Whatever the evidence from the past, should not the schools of the future be large enough to provide the advanced education that is now required for high-level performance in the post-industrial economy? Should not high school graduates have a host of



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options that will challenge them to the higher levels of accomplishment that society now needs and expects?

Certainly, not every school, no matter how tiny, should be preserved at all cost. Bad small schools no more deserve perpetuation than bad big schools do. Nor can we state with confidence the optimum size of a school. Indeed, the right size undoubtedly varies from one student to the next. Some may require the intimacy and support more typically found in a small school, while others need the variety that comes with a bigger one.

But neither is there evidence that school enlargement should be a major policy objective. Indeed, school consolidation seems a rather indirect means of addressing the largest problems plaguing rural education: the lack of qualified teachers in certain subject areas, the limited administrative expertise, the need for access to specialized subjects on the part of some high school students, the limited amount of school choice available to rural Americans, and the lack of adequate, up-to-date facilities, where local resources are limited.

Other solutions to these problems are a good deal more direct and promising than school consolidation is. Even in the absence of school consolidation, district consolidation can still facilitate the recruitment of higher-quality and more specialized administrative staff. Qualified teachers in specific subjects can be recruited and retained if the state helps districts move away from the standardized salary schedule toward one that gives extra incentives for teaching in rural areas, especially if one is teaching in a field, such as math, science, and computer education, where the shortage of qualified teachers is severe. Also, the Internet is now giving students access to advanced courses in specialized subjects, regardless of where they live. Rural schools can remain small but still give their students access, if this new, comparatively inexpensive, technology is properly exploited.

Weak schools are ripe for closure, whatever their size. But

one must do more than count bodies to determine which schools to shut. Any savings that come from the construction of fewer large schools may not be worth the price in community and intimacy that often translate into higher levels of educational productivity.

### *Recommendations*

1. Given the benefits small schools provide in some contexts, district consolidation should be monitored so as not to encourage consolidations that sacrifice high-performing small schools that are successfully delivering all the necessary coursework and required academic units to their students.
2. Arkansas should deploy multiple strategies for addressing the challenges of high-quality rural education, including the delivery of instruction (and options) via technology and incentive pay for teachers and principals.

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