

NEW
Updated Edition

RHETORIC Versus REALITY

**What We Know and
What We Need to Know
About Vouchers and
Charter Schools**

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FAMILY CHOICE AND THE COMMON SCHOOL

How can the education of the nation's children be improved? Although experts disagree about whether the average performance of American public schools has improved or declined over time, it is clear that their range of effectiveness varies greatly, from excellent to disgraceful. Public dissatisfaction is widespread: Only one-fourth of Americans believe the nation's public schools deserve A or B grades.¹ Americans are eager to reform their schools. The passage of the federal No Child Left Behind (NCLB) Act—the most ambitious federal intervention in K–12 education in American history—is perhaps the strongest evidence of public desire to improve school performance.

In this context, various reforms have been proposed to improve educational outcomes. One of the most controversial of these is to provide parents with a financial grant, or “voucher,” for use at any public or private school.² Proponents argue that students using vouchers would be able to attend more-effective and more-efficient schools; that the diversity of choices available would promote paren-

¹Rose and Gallup, 2004; Gallup Organization, 2000. It should be noted, however, that poll respondents gave the schools in their own communities and those attended by their eldest children substantially higher grades than they gave schools across the country (Rose and Gallup, 2004).

²*Voucher* has become a politically loaded word. It has a negative connotation in some circles and is often associated specifically with the conservative/libertarian ideas of Milton Friedman, perhaps the first to use it in the context of public subsidies for private-school tuition (see Friedman, 1955, 1962/1982). Some supporters of vouchers have sought to abandon the word, instead describing their proposals as “scholarship” or “school choice” programs. We chose to use *voucher* throughout this book because it is commonly recognized. Descriptively, it is the best word available; we intend no normative connotation in using it.

tal liberty and, if properly designed, would benefit poor and minority students; and that the competitive threat to public schools would induce them to improve. Everyone would then be better off. In what has become a fiercely contentious and highly political debate, opponents claim that vouchers would destroy public schools, exacerbate inequities in student outcomes, increase school segregation, breach the constitutional wall between church and state, and undermine the fabric of democracy by promoting narrow, particularistic forms of schooling.

Another proposal for educational reform, somewhat less controversial among policymakers and the public, is to establish “charter” schools—i.e., schools that are funded by public money but that are self-governing (rather than operating within the traditional system of public-school governance) and operate under a quasi-contract, or “charter,” issued by a governmental agency such as a school district or a state education authority. Charter schools have achieved considerable popularity across the political spectrum, although they are often the subject of debates about their funding and public oversight. The supporters of charter schools argue that they will serve as laboratories for pedagogical innovation, provide havens for students who have been poorly served by traditional public schools, promote parental involvement and satisfaction, improve academic achievement, and save public education. Those opposing charter schools have expressed concerns about their possibly leading to stratification in student placement and balkanization in curriculum. Recently, charter-school supporters have been put on the defensive, in the wake of a few widely publicized scandals and new questions about achievement results.

Taken together, vouchers and charters raise fundamental questions about the provision of public education in the United States. Although they are often perceived as opposing alternatives, we believe that they pose a similar challenge to the conventional system of public education—for better or for worse. We therefore believe it is appropriate to place them side by side in considering the effects they may produce on student outcomes.

This book has four aims. First, we identify and articulate the range of empirical questions that ought to be answered to fully assess the wisdom of policies promoting vouchers or charter schools, thereby

establishing a theoretical framework that accounts for the multiple purposes of public education. Second, we examine the existing empirical evidence on these questions, providing a broad assessment of what is currently known about the effects of vouchers and charter schools in terms of academic achievement and otherwise. Third, we discuss the important empirical questions that are as yet unresolved and consider the prospects for answering them in the future. Fourth, we explore the design details of voucher and charter policies, concluding with recommendations for policymakers considering their enactment.

The second edition of this book (summer 2007) includes new versions of this introductory chapter and Chapter Three, which addresses student-achievement impacts of vouchers and charter schools. The other chapters may be updated in the future.

THE MOVEMENT FOR CHOICE IN EDUCATION

Interest in both vouchers and charters is motivated by frustration with the existing system. Many strategies have tried to improve and reform the system from within. Back-to-basics curricula, teacher professional development, class-size reduction, raised graduation requirements, comprehensive school reform, standards development and high-stakes testing, abolition of social promotion, site-based management, and innumerable reading and math programs—these are only a few examples of strategies implemented in public schools since *A Nation at Risk* sounded the alarm about the quality of the American education system a quarter-century ago.³

But some observers of America's schools doubt that these strategies add up to enduring and comprehensive improvement. Those who support vouchers and charters have lost patience with traditional avenues of reform. In their view, policymakers have tried one school reform after another, for decades on end, without notable success.⁴ Vouchers and charter schools differ from other reform strategies because they are not programmatic. Rather than establishing a new

³National Commission on Excellence in Education, 1983.

⁴On the difficulty of changing actual teaching practice in schools, see, e.g., Cuban, 1993; Berman and McLaughlin, 1978.

program, imposing a new mandate, or injecting new resources into the existing public schools, vouchers and charters aim to induce reform by changing the fundamental organization of the school system. They share a belief in decentralization and accountability to parents; they reject a “one size fits all” approach to schooling. These characteristics are consistent with those of other forms of educational choice increasingly popular within the existing structure of the public system, including open enrollment and interdistrict enrollment policies, magnet schools, theme schools, and schools-within-schools. Vouchers and charters, however, go well beyond other forms of choice in the extent to which they inject market forces into a policy arena traditionally governed by political and bureaucratic forces.

The belief that tinkering with the system is fruitless has garnered support from some academics. Nearly two decades ago, John Chubb and Terry Moe, for example, applying public-choice theory, argued that reform is impossible in the existing system of public schools. In their view, direct democratic (and bureaucratic) governance turns schools into incoherent institutions dominated by interest groups rather than by a shared sense of educational mission and public purpose.⁵ Chubb and Moe proposed a regulated voucher system as an alternative. More recently, Paul Hill, Lawrence Pierce, and James Guthrie agreed that the existing system is too heavily bureaucratized and unresponsive to the needs of students and parents.⁶ They proposed that all public schools be autonomous institutions operated by independent organizations under contracts issued by school boards, rather than being directly operated by school districts.

Economic theorists, notably Milton Friedman, have long argued that more choice in education will lead to improved outcomes by permitting students to transfer to better schools, by introducing competitive pressure for schools to improve, and by permitting a better match between the needs of the individual student and the program offered by the school. Friedman initiated the American debate over

⁵Chubb and Moe, 1990.

⁶Hill, Pierce, and Guthrie, 1997.

vouchers in 1955 when he proposed replacing the existing system of educational finance and governance with a voucher system.⁷

Legal scholars such as John Coons and Stephen Sugarman, meanwhile, have supported vouchers as a matter of justice for the poor. In their view, educational choice is a basic parental right that the existing system grants only to those who can afford private-school tuition or a home in the suburbs. A voucher system, they argue, would be a step toward equal access to educational choices.⁸ Similarly, 35 years ago, Christopher Jencks and colleagues, responding to the revelations of educational inequality in the Coleman Report,⁹ proposed replacing the existing system of public education with a highly regulated voucher system specifically designed to favor low-income families and their children.¹⁰

The evolution of vouchers and charters also builds on a generation of experience with policies expanding the degrees of choice within public education: alternative schools, magnet schools, theme and examination schools, districtwide and interdistrict choice, and, since the 2002 passage of NCLB, choice for students in low-performing schools. These varieties of “public-school choice” have accustomed the public, policymakers, and educators to the idea that widespread choice is an important and possibly beneficial policy option. Meanwhile, the number of families choosing the most decentralized and parent-directed educational option—home schooling—has grown rapidly.

Many educators themselves, moreover, have long believed that choice programs offer opportunity on the supply side to create innovative instructional programs of a kind that traditional public systems would rarely countenance. Prominent educators involved in creating the most-ambitious public-school choice programs in the 1970s—such as Anthony Alvarado and Deborah Meier in New York—

⁷Friedman, 1955; see also Friedman, 1962/1982. Friedman was certainly not the first to propose a voucher-like system; much earlier proposals can be found in the writings of Adam Smith, John Stuart Mill, and Thomas Paine.

⁸Coons and Sugarman, 1978, 1999.

⁹Coleman, 1966.

¹⁰Center for the Study of Public Policy, 1970. This proposal is commonly identified by the name of its first author, Christopher Jencks.

clearly held this view.¹¹ Later proponents of even more-ambitious public-school choice programs (Hill, Pierce, and Guthrie, for example) agree.¹² Many of the founders and staff of charter schools are simply the most recent cohort of persons seeing and seizing this opportunity to create distinctive educational programs under public auspices, with the hope of enabling educators to act as more-creative professionals.¹³

In recent years, support for vouchers and charter schools has grown among some African-American educators, parents, and political leaders, such as Anthony Williams, the former mayor of Washington DC, who supported the recent establishment by Congress of a voucher program for low-income families in the District of Columbia. Their support for choice is based primarily on a conviction that schools responsive to parents will serve their children better than conventional public schools do. This is thought to be especially true in inner cities, where public schools have not lived up to the hopes engendered by desegregation and antipoverty policies, even half a century after *Brown v. Board of Education* and 40 years after federal programs for the education of disadvantaged students were created.¹⁴

In sum, public frustration and academic theory have together produced a situation in which alternatives to the conventional system of public education are under serious consideration. Conceptually, public funding for schooling does not require public operation of schools. The American standard—in which public funding is limited to government-operated schools—is neither logically necessary nor universally followed. In many countries (Australia, Canada, France,

¹¹See, e.g., Meier, 1995.

¹²See Hill, Pierce, and Guthrie, 1997.

¹³See, e.g., Meier, 1995; Hill, Foster, and Gendler, 1990; Finn, Manno, and Vanourek, 2000; Kolderie, 1990.

¹⁴On the opinion of minority parents, see Rose and Gallup (2000), which we discuss in more depth in Chapter Four. African-American leaders who support school choice, including some varieties of vouchers, include Polly Williams, a Wisconsin state legislator who was largely responsible for Milwaukee's voucher program; Floyd Flake, a former congressman who is now senior pastor of the Allen African Methodist Episcopal Church in Queens and an official of Edison Schools, Inc.; and Howard Fuller, a former superintendent in Milwaukee who founded an organization called the Black Alliance for Educational Options (BAEO).

the Netherlands, and Chile, to mention a prominent few), public funding is provided to nongovernment schools. In the United States, the federal government operates a voucher system in higher education: Government-subsidized grants and loans are used by students at public and private institutions alike—including church-affiliated colleges and universities. Even at the K–12 level, school districts sometimes pay specialized private providers (generally selected or approved by parents) to provide educational services to students with serious disabilities. Moreover, NCLB now requires large numbers of school districts around the country to subsidize a market in “supplemental educational services” (primarily tutoring) selected by parents from among a range of public and private providers.

In addition, some of the historic political and legal barriers to public funding of private K–12 schools seem to be weakening. During the 1990s, Wisconsin and Ohio established voucher programs for low-income students in Milwaukee and Cleveland. Arizona, Pennsylvania, Iowa, Rhode Island, and Florida have created programs to support vouchers indirectly with income-tax credits for charitable contributions to privately operated voucher programs. In addition to its tax-credit program supporting vouchers, Florida has created two other voucher programs: one for students in low-performing public schools (the Opportunity Scholarship Program) and another for students with disabilities (the John M. McKay Scholarships for Students with Disabilities Program). In 2002, in *Zelman v. Harris*, the U.S. Supreme Court upheld the constitutionality of the publicly funded voucher program in Cleveland, ruling that the establishment clause of the U.S. Constitution permits vouchers to be used at religious schools, as long as individual families make the decision about where to send their children and their voucher funds.

In the wake of the Supreme Court ruling, several states have seen legislative activity related to vouchers. Colorado passed legislation establishing a new voucher program, but it was invalidated by the state’s courts. Congress passed legislation creating a voucher program for low-income students in the District of Columbia which began operation in the fall of 2004. In 2006, Ohio expanded its voucher program, making it statewide, and Utah created a new, statewide voucher program in early 2007, which, pending court review and a possible statewide voter referendum, will soon begin operating. Meanwhile, Florida’s state courts invalidated its voucher program,

which provided scholarships to students in chronically low-achieving public schools, in 2006.

Opinion polls indicate considerable public support for providing public funds for private-school tuition, as well as for charter schools (although the extent of support and opposition depends on how the question is asked).¹⁵ An organization called the Black Alliance for Educational Options disseminates information about vouchers and other forms of school choice to African-American parents, inspired by the opinion polls suggesting that African-American parents are among the strongest supporters of vouchers.

Meanwhile, the political significance of charter schools—which represent another kind of market-based approach—is unquestionable. They represent one of the most popular reform strategies in education today. They have been celebrated by policymakers from all points on the political spectrum. Charter-school legislation has passed in 40 states and the District of Columbia. Although the first charter schools in the nation opened their doors only as recently as 1992, nearly 4,000 charter schools were operating in the 2006–07 school year, enrolling more than 1.1 million students.¹⁶

The political barriers to voucher and charter programs in K–12 education are being reduced within a broader policy environment that is favorable to programs promoting consumer choice and market-based accountability. Outside of education, voucher-like programs that use markets to achieve public-policy goals have become increasingly common—child-care and food-stamp programs, Section 8 housing subsidies, health-care financing, and even the tradable pollution credits of the Clean Air Act. Policymakers look with increasing favor on programs that use private, charitable—and even religious—organizations to deliver public services.¹⁷ Within education, some school districts have begun contracting with profit-making firms to operate public schools. NCLB promotes the contracting of school management as one of the sanctions for chronically low-

¹⁵See Rose and Gallup, 2000; Moe, 2001.

¹⁶ These figures are taken from the website of the Center for Education Reform (www.edreform.com), an advocacy organization that supports school choice.

¹⁷See Urban Institute, Brookings Institution, and Committee for Economic Development, 1998.

achieving schools and districts. Meanwhile, privately funded voucher programs have grown exponentially in recent years: At least 65 such programs are in place or starting up around the country.¹⁸ The largest program, the nationwide Children's Scholarship Fund (CSF), distributed over 60,000 scholarships in a five-year period.¹⁹

In short, both charters and vouchers are now prominent educational reform proposals. Policymakers need empirical information on their likely effects in order to assess their merits. Although both sides of the debate about vouchers and charters occasionally attempt to bolster their claims with research evidence, the debate is too often conducted without a sound empirical underpinning. Our intention is to illuminate the empirical evidence relevant to the debate. We believe (and argue later in this chapter) that, unlike other reform proposals, charters and vouchers pose fundamental challenges to America's existing system of K–12 schooling. In consequence, a thorough and objective empirical assessment of their likely effects is even more important—indeed, essential—for determining whether they will make good public policy.

COMMON FEATURES OF VOUCHER AND CHARTER SCHOOLS

Voucher and charter schools are not always recognized as comparable in terms of the fundamental issues of public values that they raise, so it is important to begin by explaining why we address them together. They are not, of course, identical. The first notable difference is the charter itself: Charter schools require the approval of a public body to begin operation,²⁰ whereas voucher schools are often existing private schools that require no explicit government endorsement to operate. This distinction leads to a second difference: Charter schools are not permitted to promote religion, whereas voucher schools often have a sectarian affiliation. Third, charter schools are subject to state and federal test-based accountability re-

¹⁸See the list compiled by the Center for Education Reform, available on its website at edreform.com/research/pspchart.htm.

¹⁹See the fund's website at www.scholarshipfund.org.

²⁰Ohio also permits nonprofit organizations to authorize charter schools, but only with the approval of the State Department of Education.

gimes such as NCLB, while voucher schools usually are not—although policymakers in some states are moving in this direction: Wisconsin recently amended the Milwaukee voucher program to require voucher students to be tested; Florida has likewise amended its tax-credit voucher program to require testing. We discuss the policy significance of these and other differences between vouchers and charters in Chapter Two.

As a political matter, vouchers are more controversial than charters are. Because charter schools receive government approval and are nonsectarian, they have come to be regarded as a species of “public-school choice”—a concept that has great popular appeal. Vouchers, by contrast, are often regarded as a threat to the very existence of public education. This dichotomy, however, obscures important common elements underlying the two. Both share three essential characteristics that distinguish them from conventional public schools:

1. *Admission by choice:* Students or their parents are permitted a choice of schools; no student is assigned to attend a voucher or charter school.²¹
2. *Market accountability:* The choice is partially or completely subsidized by public funds tied directly to student enrollment; funds reach the schools only as a result of a family’s decision to enroll a child.
3. *Nongovernment operation:* The choice includes schools not operated by local school districts or other government agencies. The schools involved have substantial freedom from public oversight, relative to conventional public schools, to control their curriculum, instructional methods, and staffing.²²

²¹See, e.g., Kolderie, 1990, 1993; Hassel, 1999; Finn, Manno, and Vanourek, 2000. Admittedly, charter schools that have been converted from conventional public schools add a complication. At the time of conversion, it is generally assumed that students previously assigned to the school will remain. Nevertheless, they are permitted to opt out (Finn, Manno, and Vanourek, 2000, p. 15).

²²To be sure, the extent of autonomy varies. Some charter schools that were formerly conventional public schools may remain to some extent under the direction of a local school district. Moreover, Catholic schools typically operate within bureaucracies of

Not all of these characteristics are entirely unique to voucher and charter schools. Admission by choice, for example, is also a feature of magnet public schools. But vouchers and charters push choice beyond the options available in magnet and alternative schools, introduce a level of market accountability that is unparalleled in K–12 public education, and take the novel step of providing direct public support for schools operated by nongovernment organizations outside the direct control of local school boards. We discuss each of these characteristics in turn.

Admission by Choice

The first characteristic that distinguishes charter and voucher schools from conventional public schools is that students/parents choose them rather than accepting assignment based on place of residence. Voucher students, like their tuition-paying classmates, must *actively* choose (or their parents must choose) the school they attend. Similarly, charter-school proponents universally agree that charter-school enrollment should be based on active family choice.

Whether the school has a choice in admitting students is another matter, one that depends on the details of the law authorizing the vouchers or charters. In some cases, attendance at a charter or voucher school may depend on the school's choice as well as the family's. Charter laws in a number of states permit schools to establish enrollment criteria consistent with their educational missions.²³ A national survey conducted for the U.S. Department of Education found that 59 percent of charter schools report that they have primary control over their student admissions policies.²⁴ Voucher

their own; although they are largely independent of government authority, some oversight is exercised at a higher level of the religious organization than the school itself.

²³Ted Kolderie, one of the founders of the charter-school movement, says that an essential characteristic of charter schools is that they do not practice selective admissions (Kolderie, 1990, 1993). In fact, however, some states permit charter schools to set admissions standards. States in which charter schools are permitted to establish enrollment criteria consistent with their particular educational focus include Connecticut, Delaware, New Hampshire, New Jersey, Pennsylvania, Rhode Island, and Virginia. Charter legislation in various other states does not specify whether admissions requirements may be established but does not specifically preclude them (RPP International, 1999). We return to this issue in Chapters Two, Four, and Five.

²⁴RPP International, 2000, p. 46.

students, meanwhile, often enroll in existing private schools that may practice selective admission of their tuition-paying students, favoring or disfavoring applicants on the basis of behavior, academic performance, religious identity, sex, or ability to pay. But most of the publicly funded voucher programs currently in place (in Milwaukee, Cleveland, and Florida) require participating schools to admit voucher students without regard to race, religion, grades, or test scores (though critics have complained that some schools may be violating the open-admission requirement). A number of charter laws likewise require open admissions in participating schools.²⁵ In sum, the specifics of the enabling laws determine whether schools are permitted to select students: Both voucher and charter programs can be designed either to permit selective admission or to require open access. This policy decision may have important implications for the empirical effects of a choice program; we discuss these implications in the concluding chapter.

While admission by choice distinguishes voucher and charter schools from the conventional public school in which enrollment is determined solely by a student's home address, this characteristic is not unique to voucher and charter schools: Magnet and alternative schools and intradistrict and interdistrict choice plans also permit parents to choose. Vouchers and charters, however, increase the range of choice beyond that contemplated by these public-school choice programs in that they expressly include schools not initiated and operated by local school districts.

Market Accountability

The second common characteristic distinguishing voucher and charter schools from conventional public schools is that they receive public funding only if parents decide to enroll their children. Funding follows students. For conventional public schools, including most other forms of choice schools, budgets are determined by the administrative and political decisions of district officials and school

²⁵RPP International, 1999.

board members.²⁶ Although public taxes provide funding for charter and voucher schools, the market mechanism of parental choice directs the public funds to particular schools. Charter and voucher schools cannot survive unless parents choose to send their children to them. A primary avenue of accountability for charter and voucher schools therefore runs directly to parents, whereas the primary avenue of accountability for conventional public schools is the school district's direct governance.

Nongovernment Operation

The feature of voucher and charter schools that is perhaps most distinctive—as compared with both conventional public schools and “choice-based” public schools (e.g., magnets)—is the fact that they are publicly funded but operated outside the direct control of a government agency. First, consider vouchers. Although voucher programs may include conventional public schools among the choice set, their distinguishing feature is the inclusion of schools operated by nongovernment organizations. Voucher programs include existing private schools, in which the majority of students may be paying tuition rather than receiving public subsidies. In Milwaukee and Cleveland, voucher programs have led to the opening of new schools designed primarily to serve voucher students. In both cases, however, these schools would typically be described as “private” because they are not operated by the school district or any other government agency. In practice, most of the voucher schools in Milwaukee and Cleveland are operated by religious organizations. Neighborhood organizations, other nonprofits, and profit-making firms may also operate voucher schools.

Like voucher schools, most charter schools are not directly operated by school districts, which traditionally have operated all public schools within their geographic boundaries.²⁷ As a book by three prominent charter-school advocates notes, charter schools resemble

²⁶To be sure, a part of the funding for public schools—from state and federal sources—is tied to enrollment. But the local revenues that typically provide a large portion of school-district funding are insensitive to enrollment.

²⁷Local school districts are often responsible for authorizing charters and occasionally choose to operate charter schools themselves.

private schools in that they are “independent . . . self-governing institutions.”²⁸ Like voucher schools, they can be established and operated by groups of teachers, groups of parents, nonprofit organizations, and (in many states) for-profit companies. Indeed, as is also true for most voucher schools, their reason for existence is to offer an alternative to the district-run public school.

Partly because they are not operated directly by government agencies, voucher and charter schools are able to offer education programs different from those offered in the public schools and to employ and deploy staff with more flexibility and fewer constraints. Charter schools are intended to have “wide-ranging control over their own curriculum, instruction, staffing, budget, internal organization, calendar, schedule, and much more.”²⁹ This is also true for voucher schools. Charter schools are typically exempt from some of the procedural regulations that constrain conventional public schools, and they are not subject to the day-to-day political direction of a local school district. This freedom attracts support from many educators, both inside and outside the public schools. It is intended to allow more imaginative, innovative curricula, more tailoring of programs to specific students, and less rigid application of bureaucratic norms and procedures (including collective bargaining rules)—in short, greater opportunity for professional education decisionmaking. The actual extent and effect of such opportunities are, of course, key empirical questions.

Charter and voucher schools differ substantially from more-limited forms of public-school choice. Magnet schools, alternative schools, and interdistrict choice have significantly expanded the range of public-school options available in various places around the country over the last quarter-century. In some communities, these different public-school choices permit families to select schools with programs similar to those that may be offered in charter schools. But unlike voucher and charter schools, all schools available under such plans are operated by conventional school districts. They permit choice only among a range of options determined and supplied by the school board. Charters and vouchers, by contrast, create oppor-

²⁸Finn, Manno, and Vanourek, 2000, p. 15.

²⁹Finn, Manno, and Vanourek, 2000, p. 15.

tunities for parents, teachers, nonprofit organizations, and private businesses to operate publicly funded schools outside the direct control of the local school district and board. Still, the historical record of older forms of school choice can inform an understanding of the likely effects of vouchers and charter schools, and we address evidence on these kinds of school choices where relevant in various later chapters.

Finally, it should be noted that, despite basic similarities, there is considerable variation among voucher and charter policies. The specific details of such policies vary widely on a raft of dimensions related to the financing and regulation of voucher and charter schools. We discuss these policy variations in depth in Chapter Two, and we discuss throughout the book, especially in the concluding chapter, how differences in voucher and charter policies are likely to produce different empirical outcomes.³⁰

PUBLIC POLICY AND PRIVATE CHOICE: A NOTE ON THE SCOPE OF OUR INQUIRY

In this book, we are concerned with public policies that promote parental choice among privately operated schools. Many families exercise school choice in the absence of government intervention, either by choosing a school district or attendance zone in which to live or by paying private-school tuition. We take for granted that the U.S. Constitution places these kinds of choices beyond the realm of government regulation.³¹ Voucher and charter programs, our focus, are public policies with the specific purpose of increasing the range of educational choices available.

Scholarship programs that are privately funded presently operate under the auspices of charitable organizations in many cities across the United States. These programs, sometimes described as “private

³⁰ The importance of the specific details of school-choice policies was a key message of the Brookings Institution’s National Working Commission on Choice in K–12 Education (2003).

³¹ Citizens’ freedom to reside where they wish and their freedom to send their children to private school are clearly settled in constitutional jurisprudence. This is in marked contrast to the Supreme Court’s stance on the extent of permissible public funding for religiously affiliated schools, which is rapidly evolving and not yet clear.

voucher” programs, provide important empirical evidence about the likely effects of publicly funded programs. In addition, a few states (including Arizona, Florida, Rhode Island, Iowa, and Pennsylvania) have passed new tax laws specifically designed to subsidize such programs, blurring the line between public and private funding by allowing taxpayers to be reimbursed for charitable contributions made to private voucher programs.³² As a result of the Arizona tax credit, funding for private voucher programs in the state increased exponentially, from \$2 million in donations in the first year the law was in effect (1998) to \$13 million in the subsequent year.³³ Although these tax-credit voucher programs are privately operated and nominally privately funded, in economic terms the tax credits create an implicit transfer from the state’s coffers to the voucher programs. In this respect, the tax credits in Arizona, Florida, and Pennsylvania are functionally equivalent to publicly funded voucher programs.

Other tax-system initiatives create tax benefits in the form of deductions, credits, or tax-free earnings that directly subsidize parental payments for private-school tuition (rather than subsidizing contributions to privately operated voucher programs).³⁴ These include, for example, the federal government’s Coverdell Education Savings Accounts, which permit families to earn tax-free income that can be used to pay tuition in K–12 private schools as well as college tuition; and state income-tax deductions or credits for private-school tuition costs in Illinois, Iowa, and Minnesota. We label these programs “education tax subsidies.”

Tuition subsidy programs that operate through the income-tax system (by subsidizing either private vouchers or tuition payments) may be the wave of the future, for legal and political reasons. Although the Supreme Court has settled the permissibility of vouchers under the U.S. Constitution, the constitutions of some states may be more restrictive, as suggested by recent rulings of state courts in Colorado and Florida invalidating voucher programs in those states. Programs

³²The Arizona credit is available to individual taxpayers and is 100 percent of the amount contributed, up to a maximum of \$500 per taxpayer. The Pennsylvania credit is available only to businesses and is a maximum of 90 percent of the amount contributed, up to a maximum of \$100,000 per business.

³³Wilson, 2000; Bland, 2000.

³⁴On programs that operate through the tax system, see James and Levin, 1983.

in which funding does not come directly from the public treasury are less likely to be found unconstitutional.³⁵ Income-tax subsidies may be more politically viable than direct vouchers as well.³⁶ Pennsylvania's income-tax credit for businesses' contributions to privately operated voucher programs passed the state legislature in 2001 without difficulty, despite the legislature's repeated rejection of a state-operated voucher program.

These constitutional and political issues are beyond the scope of this book, which focuses on the empirical effects of voucher and charter policies. Although education tax subsidies may differ from vouchers in political and constitutional terms, they raise the same public-policy questions as voucher programs that operate through explicitly publicly funded scholarships. They are therefore included in the scope of our study. Unfortunately, however, almost no evidence is available on their effects because it is difficult to track the students who benefit from such programs. In consequence, they appear in the empirical record less often than their policy importance merits.

CHALLENGING THE COMMON SCHOOL MODEL

The Common School Model

A public responsibility to provide education for all children is a deeply held American value, with roots going back to the founding of the nation.³⁷ In economic terms, public support for education makes sense because education is (in part) a "public good": It benefits not only those who are students, but society as a whole, which

³⁵See *Mueller v. Allen*, 463 U.S. 388, 1983. Arizona's tax-credit voucher program has been upheld by the state's highest court (*Kotterman v. Killian*, 972 P.2d 606, 1999)).

³⁶A paper from the Cato Institute, a libertarian think tank, endorses the Arizona model of tax credits as the best way to promote educational choice (Olsen and Brouillette, 2000). Politically, income-tax subsidies usually generate more support and less opposition than vouchers do. For the differences in terms of public opinion, see Rose and Gallup, 1999.

³⁷Thomas Jefferson, for example, was a prominent early advocate of public support for education (see Gilreath, 1999). A national public commitment to education was made explicit in the Northwest Ordinance of 1787.

stands to gain from having a well-educated population.³⁸ In principle, government might support education through a variety of mechanisms that do not necessitate government operation of public schools. In practice, the public responsibility to support education has been executed for most of the nation's history through a system built on the model of the "common school." As this model has developed over the last two centuries, it has come to mean an institution operated by the government, under the democratic auspices of the local school board, which aims to serve all students in the locality with a common curriculum (permitting some variation in content at the secondary level).³⁹ This model implies that both the financing of education and the direct operation of the schools are government functions.

Historically, under this model, American public and private schools have operated in almost entirely separate worlds. American policymakers have often been suspicious of private schools. Legislative hostility toward private schools peaked early in the 20th century, when strong nativist sentiments brought forth efforts in a few states to require all children to attend public schools. (The Supreme Court preserved the private-school option in 1923 with *Pierce v. Society of Sisters*, which invalidated the state of Oregon's attempt to abolish private schools.) In the 1940s and 1950s, early efforts to establish federal funding for schools repeatedly foundered when advocates, motivated by concerns about the establishment of religion, refused to include funding for religious (mostly Catholic) schools. From the 1950s through the 1970s, the Supreme Court solidified the separation between public and private schooling. When state legislatures tried to provide direct aid to private religious schools, the Supreme Court invalidated the programs as violative of the First Amendment's prohibition on government establishment of religion. The result of this history is a compromise: Parents can spend their own money, but not public money, to send their children to private school. When it comes to publicly funded education, local school districts have maintained the exclusive franchise that the common school model has entailed.

³⁸Even libertarian-leaning neoclassical economists such as Milton Friedman assume that education is a public good that merits government support (Friedman, 1955).

³⁹See Tyack, 1974; Cremin, 1961.

In pre-industrial America, one factor favoring the common school model was efficiency. Population was distributed widely, and few communities were large enough to support multiple schools. Setting up a single public school was an ambitious undertaking that stimulated the tradition of local control still persisting today. Now, however, most Americans live in suburbs and cities that have sufficient population density to support a wide variety of schooling.

Other rationales for providing education via common schools are more relevant to 21st century America. The common school model is intended to promote not only academic achievement, but also several public purposes: equal access, social integration, and civic socialization. Ideally, the common school provides access to high-quality education for all children in the community—poor as well as rich, African-American as well as white, and students with disabilities as well as those with unusual talents. Ideally, the common school involves a healthy social mixing of children from all races and classes. Ideally, the common school educates children in the virtues of democratic citizenship. Those three purposes, it has been argued, require a local public-school system that is under the control of democratic institutions such as school boards.⁴⁰

Whether the common school model in fact serves its avowed purposes is an empirical question. Champions of the common school celebrate it as a uniquely democratic and American institution. They point to its service in offering opportunity to immigrants (in successive waves), minorities, and disabled children; in serving as the cockpit of social policy surrounding issues of race, class, and gender; in helping to produce the world's most productive, creative, and entrepreneurial economy; and in sustaining the world's oldest democracy. To other observers, however, the historical and contemporary realities mock the stated ideals of the common school. Allegedly "common" schools have often segregated and tracked children by race and class; and despite a generation of integration efforts, many urban systems remain highly stratified, and levels of racial integra-

⁴⁰On the democratic purposes of public schools, see, e.g., Guttman, 1987; McDonnell, Timpane, and Benjamin, 2000.

tion may actually be declining across America.⁴¹ Historically, public-school efforts at socialization have often been more doctrinaire than tolerant. Early public-school advocates sought to use the public schools to “Americanize” children who might otherwise be excessively influenced (in the reformers’ view) by their immigrant (often Catholic or Jewish) parents—i.e., “Americanization” meant that 19th century public schools espoused a generic, least-common-denominator Protestantism.⁴² More recently, the public-school perspective has become nonsectarian, indeed nonreligious; but it is now criticized by those who believe schools have abandoned the imparting of specific virtues and values in favor of relativistic, therapeutic perspectives.⁴³

The Challenge

In sum, the record of the common school in meeting its own ideals is ambiguous. Despite its shortcomings, however, the common school has provided the standard model for American public education since the mid-19th century. In this context, voucher programs—which would provide public funding for nongovernment schools, including those with sectarian religious affiliations—represent a significant departure for American public policy. Charter schools are less frequently recognized as a departure because they avoid the most politically volatile aspect of private schooling: affiliation with a religious sect. But in key respects—by embracing parental choice, pluralism in curriculum and pedagogy, and nongovernment operation—charters represent as much of a challenge to the system as vouchers do. Implicitly or explicitly, the supporters of vouchers and charters assume that these privately operated schools of choice will be more effective than conventional public schools—perhaps even in advancing the public goals that the common school model is specifically intended to promote.

⁴¹Orfield and Yun, 1999; Orfield and Eaton, 1996. For longer-term critical perspectives on sorting and stratification in public schools, see Bowles and Gintis, 1976; Spring, 1976.

⁴²This stance, it should be noted, led directly to the establishment of Catholic parochial-school systems (Tyack and Hansot, 1982, pp. 74–83).

⁴³See, e.g., Grant, 1988; Bellah et al., 1985; Bloom, 1987; Glenn, 2001a.

Supporters of both vouchers and charters propose that families should be able to choose the educational program they want for their children without having to move to a different school district or pay private-school tuition. These supporters assume that public schooling might exist in diverse forms: Charter schools are often organized to serve particular educational visions that may be in opposition to the educational philosophy of the local public-school district; voucher schools often include a sectarian religious focus unavailable in government-operated schools. And supporters of vouchers and charters suggest that the provision of education using public funds need not be the sole province of the local school district. Moreover, many of these supporters believe that these changes can promote both academic achievement and parental choice without serious harm (and perhaps with substantial benefit) to the public goals associated with the common school, including equal access, integration, and the socialization of effective citizens.⁴⁴ *In sum, both charters and vouchers challenge the model of the common school—in which all students are educated together with a common curriculum in a government-run school—in favor of the model of family choice—in which individual families are permitted to select non-government schools that reflect their needs and values.*

To be sure, not all voucher and charter schools are innovative or unique. Indeed, most of the educational programs and philosophies adopted by charter schools can be found in conventional public schools somewhere in the country. But in an individual community, charters and vouchers can create more choices than those presently available solely in conventional public schools. Charters and vouchers aim to give families the option of choosing schools that the local school district might not create on its own.

It should be noted that market accountability does not necessarily involve the abandonment of public oversight. Charter schools are subject to public accountability through the charter-granting process. Moreover, both charter and voucher schools may be subject to varying degrees of government regulation in all sorts of areas, includ-

⁴⁴John Coons, a long-time supporter of vouchers as a means of fairness to the poor, notes that the appropriate task is “to ask whether school choice, properly designed, can serve a range of democratic and human values—including efficiency—in a manner superior to the traditional school monopoly” (Coons, 2000).

ing admissions, facilities, finances, testing, teacher credentials, and even curriculum. In the European countries that provide public funding to private schools, the private schools are typically highly regulated. In Chapter Two, we explore how these regulations may vary in different voucher and charter policies.

But even when voucher and charter schools are regulated, market accountability and nongovernment operation are key characteristics representing a significant departure from the traditional American system of public education. Vouchers and charters are unique in creating publicly funded alternatives to the offerings of the local school district. Under the traditional framework, government accepts responsibility not only for subsidizing education, but also for providing the schools (through the local school district). Both vouchers and charters separate the function of subsidizing education from the function of operating schools—they seek to eliminate the local district's exclusive franchise in publicly funded schooling.⁴⁵ Voucher and charter laws assume that government remains responsible for subsidizing education but need not be responsible for running schools (though government-run schools may be included among the choices).⁴⁶ Governance and accountability are fundamentally different in voucher and charter schools than in conventional public schools. While conventional public schools are operated by local districts through political and bureaucratic channels, voucher and charter policies reduce political and bureaucratic governance in favor of self-governing autonomy and direct market accountability to parents.⁴⁷ (Charter schools, however, are subject to

⁴⁵The public-school establishment clearly recognizes the challenge. Teachers' unions and other public-school interest groups have overwhelmingly expressed strong public opposition to vouchers, and their view of charters is often one of suspicion, occasionally leaning to qualified support when they perceive their own interests and those of public education to be sufficiently safeguarded. (See Finn, Manno, and Vanourek, 2000, pp. 170–186.)

⁴⁶From an economics perspective, education's status as a public good implies the necessity for government subsidy, but not necessarily government operation, of schools (Lamdin and Mintrom, 1997). Some theorists have argued that government should get out of the business of operating schools (see, e.g., Mill, 1859/1978; Friedman, 1955; Hill, Pierce, and Guthrie, 1997).

⁴⁷The terms *political* and *bureaucratic* are intended to be descriptive rather than evaluative. The fact that public schools operate under political and bureaucratic accountability rather than market accountability does not mean that they are necessar-

the test-based accountability systems, such as NCLB, that apply to conventional public schools.)

This book systematically examines contemporary empirical evidence to determine the effects of this difference in governance and accountability in terms of basic goals of the education system. Opponents of vouchers and charters fear that privatizing the governance and operation of schools will undermine their public purposes; supporters believe that the public purposes of the education system will be served even though voucher and charter schools are not owned and operated by government. Policymakers need empirical information on the effects of vouchers and charters in order to assess their merits and resolve this dispute.

“Private” or “Public”?

Advocates of charter schools often distinguish them from voucher schools by declaring that charter schools are “public” and voucher schools are “private.” Unfortunately—apart from the issue of religious affiliation—this distinction obscures more than it illuminates. Indeed, charters and vouchers demand a reconsideration of what makes a school public.

Americans have traditionally defined public schools as those owned and operated by government. If operation by an agency of government is the critical characteristic of a public school, then neither charter schools nor voucher schools qualify as public. Charter schools nevertheless reasonably claim to be public because they do not charge tuition and (usually) are required to admit all applicants (if space is available). But voucher schools such as those in Milwaukee might make the same claim, because the regulations of their voucher program forbid them to charge tuition to voucher students (above the level of the voucher) and require them to admit all applicants (if space is available). Thus, if open access is the critical characteristic, some charter schools and some voucher schools qualify as

ily less flexible than voucher, charter, or private schools. In some instances, political and bureaucratic institutions may be more responsive than market institutions.

public, whereas others (and, indeed, some district-operated public schools) fail to qualify because they impose admissions standards.⁴⁸

In sum, vouchers and charters blur traditional distinctions between public and private schools because they are hybrids including both public and private elements. Indeed, they help to point out that conventional public schools also have both public and private elements, in terms of purposes, funding, and access. Conventional public schools simultaneously serve the private purpose of teaching marketable skills and the public purpose of promoting citizenship. Many conventional public schools benefit from supplemental private funding through local education foundations. And most public schools permit access only to those who live in their district—which frequently excludes low-income urban students from attending suburban public schools.

Given these ambiguities, there are reasonable grounds for disagreeing about whether charter and voucher schools are public or private. In our view, the distinction is a semantic distraction. The key issue is not the language used to describe the programs, but their empirical effects. Vouchers and charters have enough features in common that policymakers will need to assess some of the same empirical questions.

DEFINING THE RELEVANT EMPIRICAL ISSUES

This book seeks to define the full range of questions that policymakers should ask about the empirical effects of school choice. Defining those questions and assessing the wisdom of a voucher or charter law requires a complete understanding of the varied goals that a system of schooling should promote. The goals that are explicit or implicit in the arguments of both supporters and opponents of educational choice, and more generally in the philosophical positions of

⁴⁸These ambiguities already exist in higher education, where “private” universities enroll students supported by government-funded financial aid, and many “public” universities charge tuition, receive substantial amounts of private funding, and impose selective admissions standards.

those who have supported a public role in education over the last two centuries, can be divided into five broad outcome dimensions:⁴⁹

- Academic achievement
- Choice
- Access
- Integration
- Civic socialization

As should be clear from the preceding pages, these outcome dimensions are derived from the various goals that provide motivation for the advocates of the traditional common school and the advocates of vouchers and charters. We regard all five as legitimate ends of public policy. We recognize that these goals are sometimes in tension with each other, and that individuals will differ in prioritizing them; we do not attempt to resolve such philosophical disputes. Nevertheless, performance on all five can be empirically evaluated, and empirical evidence can help to clarify the debate.

We have used these five categories to structure this book. Following Chapter Two, which sets out key policy variables and provides basic descriptive data on voucher and charter schools, each of the next five chapters is devoted to empirical evidence concerning one of the outcome dimensions.

This second edition is being launched in the summer of 2007 with an update to the lengthy chapter on academic achievement—the area that has seen the largest number of new studies since the first edition of the book was published.

⁴⁹Henry Levin has proposed an evaluative framework similar to ours, with minor organizational differences (Levin, 2000). He posits four criteria on which vouchers should be evaluated: productive efficiency, freedom of choice, equity, and social cohesion. Productive efficiency addresses the same questions we discuss regarding academic outcomes and includes a concern for the costs of the system. (We address costs only briefly, in the concluding chapter.) Levin's freedom-to-choose category is addressed by our chapter on choice. We discuss equity in Chapters Five and Six, where we address the equitable distribution of choice and concerns about segregation, respectively. Finally, Levin's social cohesion seems to be similar to our civic socialization.

Academic Achievement

Academic achievement—which includes not only the skills and knowledge measured by standardized tests, but also long-term educational attainment (measured as advancement in school, graduation, and later participation in higher education)—is the appropriate outcome measure with which to begin an assessment of voucher and charter programs. This is the subject of the first chapter to be updated. The research literature now includes a number of studies that examine how voucher programs and charter schools operating in various locations around the United States have affected the test scores of participating students. Our discussion of academic achievement in Chapter Three begins with the relevant studies of achievement in publicly and privately funded voucher programs, then examines the evidence on achievement in charter schools—evidence that remains incomplete but has increased substantially since the completion of the first edition of this book in 2001. And we provide an overview of the literature on achievement in private schools, which may provide suggestive, if not definitive, evidence on the effects of vouchers and charters over the long term. This is particularly important with respect to outcomes such as high school graduation and college attendance, which have not yet been measured directly for the new voucher and charter programs. Finally, we address evidence from school-choice programs operating in other countries. Using all of the available evidence, we examine the academic effects on both participating students (those who attend voucher and charter schools) and nonparticipating students (those who remain in conventional public schools).

Choice

Family choice is not merely the mechanism that supports the operation of voucher and charter schools, it is also a valued outcome in its own right. Indeed, for many advocates of vouchers and charters, their primary virtue is that they give parents the opportunity to choose a school for their children. Supporters often assume that expanded parental liberty follows automatically from the establishment of charter or voucher programs. In fact, however, the schooling options created by voucher and charter programs, the number of families who have access to those options, and the subjective bene-

fits that parents derive from choice are all empirical issues. In Chapter Four, we address a range of empirical questions related to the choices made available to families by vouchers and charters. This involves first examining empirical evidence about the demand for voucher and charter schools and the supply of schools that vouchers and charters make available. To determine whether the new choices are meaningful to parents, we then explore evidence of the satisfaction levels of parents whose children attend voucher and charter schools.

Access

Chapter Five addresses the distribution of choice: Will vouchers and charters create additional choices solely for the middle and upper classes, or will they open up options to those who presently have the fewest choices? This question is hotly debated by the polemicists on both sides. Proponents argue that vouchers and charters are necessary if low-income (and minority) parents are to have the choices now available to upper-income (and white) families; opponents claim that voucher and charter schools will largely benefit upper-income families. Fortunately, considerable empirical evidence is available to address this dispute. We examine data on the income, race/ethnicity, parental education level, and disability status of students who attend voucher and charter schools.

Integration

The question of whether voucher and charter programs provide access to disadvantaged students is distinct from the question of how those students are sorted to individual schools. The common school model (in its ideal) aims not only to provide educational access to all students, but also to mix students from different racial and socioeconomic backgrounds in the same schools. In Chapter Six, we examine the empirical evidence about the sorting effects likely to be produced by school choice. We seek to understand whether vouchers and charters will lead to increased or decreased integration in terms of

race/ethnicity (and, to a lesser extent, socioeconomic status).⁵⁰ Theoretically, it is possible that school choice could lead to either outcome, so an empirical examination is critical. Some evidence on integration is available from existing voucher and charter programs, as well as from other school-choice programs in the United States and other countries.

Civic Socialization

Vouchers and charters involve a substantial decentralization of the education system, and they contemplate the creation of a wide variety of schools, each with its own curriculum, pedagogical style, and values. Opponents fear that voucher and charter schools will be dominated by private purposes and parental desires, neglecting the public function of schools to socialize students into good citizens. This concern is especially prominent among those who oppose voucher programs that include religious schools. Some supporters of vouchers and charters, by contrast, argue that privately operated schools are likely to be more effective than conventional public schools at the task of civic socialization.⁵¹ In Chapter Seven, we ask what is known about whether vouchers and charters are likely to promote or detract from the inculcation of the civic values necessary for the functioning of a healthy democracy. The evidence on civic socialization has increased since the publication of the first edition of this book, but it remains limited and largely indirect. We examine the available evidence, most of which is from comparative studies of public and private schools, and from studies of publicly funded private schools in other countries.

⁵⁰The extent to which vouchers and charters promote or reduce stratification by academic ability is another key empirical question. Because it directly relates to academic performance (via peer effects), we address it in Chapter Three rather than Chapter Six.

⁵¹See, e.g., Coons, 1998.

VALUES AND KNOWLEDGE IN THE SCHOOL-CHOICE DEBATE

The challenge to the common school model that is implicit in vouchers and charters ultimately relates to the basic values that the education system is intended to serve. Admittedly, American society lacks a universal consensus on these values. Americans argue about the relative importance of music and social studies, God and Darwin, multiculturalism and patriotism, vocational training and college preparation—as well as about the priority of values such as academic achievement, choice, access, integration, and civic socialization. In the debate over vouchers and charters, the tension between family choice and common schooling is especially striking. Some advocates of school choice believe that parents have a paramount right to direct their children's education. Some opponents believe that the common school should not be compromised under any circumstances, and that a key purpose of public education is to expose children to a broader range of ideas and values than that espoused by their parents. To the extent that Americans disagree about the basic priority of values such as these, our attempt to assess empirical issues is irrelevant. Resolving such fundamental disputes is a matter for philosophers and politicians, not researchers.

Fortunately for us, however, Americans in general are not especially ideological. Most Americans respect both parental liberty and the values associated with the common school—as well as the more mundane value of academic achievement. Indeed, many of those who support increased choice in schooling do so largely for pragmatic rather than ideological reasons. We believe that there is enough consensus on basic goals that a clarification of the empirical evidence will substantially advance the debate.⁵² Many of the arguments about vouchers and charters—regardless of whether they appeal to the values of achievement, choice, access, integration, or civic socialization—involve direct disputes about empirical effects.

This book aims to be nonideological, driven by the assumption that the empirical questions about vouchers and charters are critical. The

⁵² Levin and Belfield (2004) use a framework similar to ours for evaluating vouchers, but they have a more pessimistic perspective on the extent to which empirical evidence can resolve the debate, arguing that ideology is ultimately more important.

debate over school choice has produced two streams, each problematic for its own reasons: (1) an advocacy literature—both pro and con—that is uninterested in empirical evidence except when it can be used as ammunition on the rhetorical battlefield, and (2) an empirical literature that is focused too narrowly on a limited range of questions. We hope to broaden the empirical debate to include the full range of questions that must be addressed if wise public policy is to be made regarding vouchers and charters.

We do not introduce new empirical evidence. Indeed, we rely heavily on prior empirical efforts. The research literature evaluating voucher experiments has grown rapidly in recent years; in some cases, the same data have been analyzed and reanalyzed by several groups of researchers. Systematic evaluations of charter schools have also begun to appear at a rapid pace, especially since first edition of this book was published. We examine these evaluations in the chapters that follow, but we also use empirical evidence from other literatures—including comparisons of public and private schools and studies of school choice in other countries—to assess a broader range of questions than have typically been addressed in the direct evaluations of vouchers and charters.

The first limitation of the empirical debate is that it concentrates largely on achievement-test scores, often ignoring the other key outcome dimensions. As Laura Hamilton and Brian Stecher have pointed out, the use of test scores in basic skills is not a very rich way to evaluate schools that are explicitly intended to provide alternatives to the conventional public system.⁵³ A few researchers have addressed an additional issue related to access, asking whether vouchers and charters are serving disadvantaged students. But these measures reflect only a few of the many outcomes that may be affected, positively or negatively, by vouchers and charters. In particular, the structural shift from a model of common schooling to a model of family choice is not merely a matter of ideological preference; it raises a number of serious empirical issues. Although vouchers and charters appeal to the ideal of family choice, the extent to which they create real alternatives, the quality of those alternatives, and the availability of those alternatives to a wide range of families

⁵³ Hamilton and Stecher, 2006.

are all empirical questions. Although vouchers and charters challenge the model of the common school, the extent to which they impact the underlying values associated with that ideal—social integration and civic socialization—is an empirical question. All of these empirical questions are important to public policy independent of their effects on academic achievement *per se*.

A second problem with the existing debate is that evaluations of voucher and charter programs focus largely on students attending voucher and charter schools and neglect students who remain in conventional public schools (except as those peers form a comparison group). Because vouchers and charters potentially represent a transformation of the entire system for distributing schooling, evaluations of empirical evidence must consider that effects may be felt by nonparticipating as well as participating students. If the supporters of school choice are correct, nonparticipants will benefit from the competition created, which will induce improvement in the public schools. If the opponents of school choice are correct, nonparticipants will be harmed by the removal of voucher and charter students from the conventional public schools. In either case, the effects of school choice will not be limited solely to students who switch to voucher or charter schools.

SUMMARY: KEY POLICY QUESTIONS IN BRIEF

In sum, policymakers should answer a series of questions in assessing the wisdom of vouchers and charters:

- *Academic achievement:* Will voucher and charter schools promote the academic skills, knowledge, and attainment of their students? How will they affect the achievement of those who remain in assigned public schools?
- *Choice:* What is the parental demand for voucher and charter schools? Will it induce a supply response that makes a variety of desirable school options available? What do voucher/charter parents think of their children's schools?
- *Access:* Will voucher/charter programs be available to those who presently lack educational options, notably low-income (fre-

quently nonwhite) residents of inner cities? Will they provide any options for students with special needs?

- *Integration:* Will voucher and charter schools increase or reduce the integration of students across and within schools by race/ethnicity and socioeconomic status?
- *Civic socialization:* Will voucher and charter schools contribute to the socialization of responsible, tolerant, democratically active citizens, or will they promote intolerance and balkanization?

One voucher/charter policy may have radically different effects than another in terms of achievement, choice, access, integration, and civic socialization. Throughout our explication of these empirical issues, we consider important differences between and among voucher and charter policies. In Chapter Two, prior to addressing the empirical questions in depth, we discuss in detail the wide range of variation among voucher and charter programs on dimensions such as the level of public subsidy, regulation of admissions and curriculum in participating schools, and targeting of programs to at-risk populations. Our concluding chapter (Chapter Eight) explicitly considers how these policy variations should be expected to influence the outcomes resulting from voucher and charter programs.

Ultimately, whether charters or vouchers are good public policy depends not only on the outcomes on the five dimensions discussed, but also on the costs incurred by adopting such reforms. Tallying the direct fiscal costs of vouchers and charters may be relatively straightforward, but an accurate assessment requires a full accounting of all economic costs, which may include costs (or cost reductions) borne by existing public schools and by private parties. As yet, very few researchers have systematically addressed the costs of voucher and charter programs.⁵⁴ We do not address costs in depth, but we do discuss them briefly in Chapter Eight.

Compared with other educational reforms, voucher and charter programs are more challenging to evaluate because they are not programmatic; their purpose is to create a wide variety of distinguishable schools rather than to implement a singular, consistent

⁵⁴One early attempt can be found in Levin and Driver (1997).

program. As will become clear in the chapters that follow, the evidence on most of the policy questions is less than definitive. Nevertheless, direct evidence on some of the questions is accumulating rapidly, and various kinds of indirect evidence are available to inform the debate. Suggestive evidence can be found in studies of privately funded voucher programs, the international experience with public funding of private schools, and research comparing private and public schools. We focus first of all on evidence from evaluations of existing voucher and charter programs. Where these evaluations leave important questions unanswered, we consider whether further research on existing programs might be beneficial.

Further research on existing programs, however, is not likely to answer several of the most important empirical questions about vouchers and charters. We therefore consider in Chapter Eight the possible utility of a new choice experiment and the design elements that such an experiment would need in order to permit researchers to answer further questions.

Some of the empirical questions may be unanswerable in the absence of large-scale implementation of voucher or charter programs. Policymakers, however, are often required to make decisions with incomplete information. In the interest of ensuring that decisions are made with the best information available—even if it is incomplete—we conclude Chapter Eight by exploring the relationship between the details of policy design and outcome measures. Our aim in doing so is to provide policymakers with a guide to designing programs able to produce the greatest benefit (or least harm) in terms of their desired outcomes in the dimensions of achievement, choice, access, integration, and civic socialization.

