



Choosing to Succeed

Edited by Lindsey M. Burke

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Choosing to Succeed

Edited by Lindsey M. Burke

In his enduring 1964 convention speech “A Time for Choosing,” Ronald Reagan remarked that “outside of its legitimate functions, government does nothing as well or as economically as the private sector of the economy.” If we believe as Reagan did that markets are superior to monopolies in every aspect of our lives, why then do we consign something as important as education to government-run institutions?

The results of our prevalent assignment-by-zip code, public-education system over the past half century show that we shouldn’t. Graduation rates have remained stagnant since the 1970s, with roughly three-quarters of students graduating. In some of America’s largest cities, fewer than half of all students complete high school.

Reading and math achievement on the National Assessment of Educational Progress (NAEP)—often referred to as the nation’s “report card”—is lackluster. Across the country, just one-third of fourth-grade students are proficient in reading; just 40 percent are on grade level in math. American students rank in the middle of the pack on international

assessments of science and math comprehension, and an achievement gap between white students and their black and Hispanic peers persists, as does the gap between poor children and their more affluent counterparts.

Even in what are traditionally thought of as the higher performing suburban schools, academic achievement is woefully lacking. Researchers Jay Greene and Josh McGee found that, “out of the nearly 14,000 public school districts in the U.S., only 6 percent have average student math achievement that would place them in the upper third of global performance.” *Six percent.*

School choice provides hope. It provides hope in the form of Rocketship Academy, a hybrid online learning charter school network. It provides hope in the form of Empowerment Scholarship Accounts, the pioneering Arizona initiative that allows parents to customize their child’s educational experience with control over education funding. It provides hope in the form of a voucher for a low-income child in Washington, D.C., now able to fulfill her potential at a private school of choice.

Whether through education savings accounts, tax credit scholarship programs, vouchers, online learning, charter schools, or homeschooling, school choice allows access to quality education options that best match individual children’s learning needs.

The pages that follow explain how school choice:

- Leads to improved academic outcomes;
- Significantly increases graduation rates;
- Increases student safety;
- Improves parental satisfaction with their child’s academic and social development and satisfaction with their child’s school overall;
- Introduces competitive pressure on the public education system that lifts all boats, improving outcomes for students who exercise school choice as well as students who remain in public schools; and most importantly,

“Choice represents a return to some of our most basic notions about education. In particular, programs emphasizing choice reflect the simple truth that the keys to educational success are schools and teachers that teach, and parents who insist that their children learn. They must work in concert, respecting each other’s particular concerns and needs, not second-guessing each other.

“And choice in education is the wave of the future because it represents a return to some of our most basic American values. Choice in education is no mere abstraction. Like its economic cousin, free enterprise, and its political cousin, democracy, it affords hope and opportunity.”

—President Ronald Reagan,
“Remarks at a Briefing for the
White House Work-shop on Choice
in Education,” January 10, 1989

- Allows parents to access educational options that meet their child’s unique learning needs.

Some people say choice is no silver bullet for improving the American education system. That may be true. But choice creates the conditions necessary to spur schools to implement reforms and strategies that work—or risk losing students and their money. Reforms like performance pay for teachers and the elimination of “social promotion” have positive impacts on student learning. The best schools will embrace initiatives that work in order to provide the best education possible to their students.

There are a host of other reform measures that schools across the country can and should pursue. Without the competition presented by choice, they have little incentive to do so. Choice is the catalyst for the systemic reform that is so desperately needed.

Americans have indeed arrived at “A Time for Choosing.” Parents

should choose where their children attend school. They should make that choice, and should have the freedom to finance those options with their share of education funding, in a flexible manner that allows customization of education.

State and local policymakers can begin by re-imagining what “public education” means. By thinking in terms of educating the public, not in terms of government-run schools. Next, they can reconfigure education funding formulas to provide children—not institutions—with money, following the children to the school or education of their parents’ choice.

Over the past century, Americans have been the beneficiaries of countless advances in technology, industry, and their general quality of life. American education however, has proven largely impervious to innovation, and the benefits thereof.

That can and must change. It all begins with school choice. 🐘

The Urgency of Choice

Education Reform Can't Wait

Jennifer A. Marshall

November 6, 2010

"Each morning, wanting to believe in our schools, we take a leap of faith," filmmaker Davis Guggenheim says in *Waiting for Superman*.

His much-acclaimed documentary then gives us every reason to doubt. By framing this account of the public school system's failure in terms of trust, *Waiting for Superman* manages to do something far more subversive than merely record union-induced systemic dysfunction. The documentary does nothing less than cast doubt on this core belief of America's civil religion: our faith in the public school system as the mediator of our national ideals and the gateway to opportunity for all children.

From Guggenheim's own admission that he's "betraying the ideals" he thought he espoused (driving his children past three public schools to a private school he's chosen) to deplorable facts (for example, six in 10 students in East Los Angeles do not graduate from high school), the film breeds skepticism about a popular national myth.

This is a myth of long standing. It was called the "myth of the common school" by Boston University professor Charles Glenn in a book by that title originally published in 1988.

As Glenn writes: "We have expected that our schools would banish crime and social divisions, that they would make our children better than we have ever been. Horace Mann and others promised us that, and we believed them. It is no wonder that suggestions . . . that our society's secular church be disestablished arouse the deepest anxiety and confusion today."

True to form, education unions are seething about promotion of charter schools in *Waiting for Superman*, and its proposals to end tenure and link pay to performance. "The film demonizes public education," said National Education Association President Dennis Van Roekel.

Guggenheim himself doesn't seem to appreciate the extent of what he has wrought. His inquiry has exposed flaws deeper than the film's modest remedies can fix. The obvious solution is to demythologize the common school, setting parents and teachers free to pursue educational arrangements that work.

We can affirm that education is a common good deserving taxpayer support. But we should question the notion of government as sole provider of schooling, a relic of the common school agenda. Public education should describe a goal (an educated citizenry), not prescribe a means (a government monopoly school system dominated by unions).

"We can affirm that education is a common good deserving taxpayer support. But we should question the notion of government as sole provider of schooling, a relic of the common school agenda. Public education should describe a goal (an educated citizenry), not prescribe a means (a government monopoly school system dominated by unions)."

—Jennifer A. Marshall,
"Education Reform Can't Wait,"
The Boston Herald,
November 6, 2010

Promising alternatives have sprouted up—charter schools, private school choice through vouchers and tax credits, homeschooling, online learning and hybrid forms of these.

Given room to flourish, the possibilities are endless. Intentionally or not, Guggenheim has exposed the myth of the common school. Ultimately, the only solution that will satisfy the American spirit is to disestablish the myth and recover a vision for education worthy of a free people.

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Why the Middle Class Needs School Choice

Dan Lips

October 23, 2007

Imagine you just bought a \$1.3 million home in Santa Barbara, California. Your beautiful new neighborhood is a short drive to the Pacific Ocean. The local public schools must also be great, right?

Guess again. At nearby Santa Barbara High, only 12 percent of high school students meet college preparedness requirements for English and only 51 percent passed the California Standards Test for English. It looks like the thousands of dollars that you'll pay in property taxes each year will secure a lousy education for your children.

Pacific Research Institute scholars Lance Izumi, Vicki Murray, and Rachel Chaney offer this alarming wake-up call for parents in their new book: *Not as Good as You Think: Why the Middle Class Needs School Choice*. The authors tell a troubling story about the quality of public schools in California's middle-class communities:

Too many students at these schools are not grade-level proficient in English. Too many of these students are not grade-level proficient in math. And too many of these students are not ready for college-level work. The supposedly "good" schools that these students attend have produced disturbingly bad results.

The book includes tables of data for parents and a fact-filled tour of California's suburban communities. It even comes with an "Upscale Home Guide" for would-be home buyers to peruse beautiful homes in affluent communities with

low-performing public schools.

The authors highlight a number of factors behind the poor performance of many "middle class" public schools. One is widespread financial mismanagement problems. Also contributing are collective bargaining agreements, school board policies, and administrative regulations that restrict school leaders' authority to create quality learning environments in their schools.

The authors argue that the solution to these problems is to create more competition in public education by expanding parental choice:

In view of the poor and mediocre performance of their children's schools, it is time for the middle class to demand forcefully that they be given the control over their children's education, as is their right. Middle-class parents in Orange County or San Mateo or Modesto have as much need as poor parents in Washington, D.C. or Milwaukee to take their children out of failing public schools and place them in better-performing private or public schools. A wasted education is harmful for children of all income levels, and for society at large.

For many middle-class parents, the news that their children need school choice may come as a surprise. In polls, people consistently give the public schools in their community A's and B's, while grading public schools nationally a C or D. Parents writing checks for steep mortgage payments each month may resist the idea that the local public schools are lousy.

But the facts are compelling. As more middle-class parents recognize the problems in their children's public schools, reform advocates should

be prepared to offer policy solutions that appeal to middle-class families.

Beyond the traditional proposals like vouchers, education tax credits, and charter schools, reform advocates should consider education savings accounts, which help families to save for their children's education expenses. ESAs could win quick support among middle-class families.

Today, more than 30 states already offer tax incentives for contributions into 529 college savings plans, which are ESAs that help families save for their children's college expenses. In 2006, the College Board reported that Americans had invested \$93 billion in 529 college savings plans.

In addition, the federal government offers families tax-free saving for both K-12 and higher education expenses through the Coverdell ESA program. No states provide a tax incentive for contributions made into these accounts.

Offering families the same tax incentives for saving for K-12 education that are currently available for higher education would help more families give their children a quality education. A promising student who isn't doing well in the local public school, for example, might benefit from a transfer into private school or from tutoring, summer school, or home instruction. Expanded ESA incentives would empower more families to try these options.

But beginning to solve the problems in America's middle-class public schools won't be possible until more people recognize that there is a problem. For this reason, *Not as Good as You Think: Why the Middle Class Needs School Choice* should be required reading for parents concerned about their children's future. 📖

School Choice: A Growing Option in American Education

(adapted from *A Parent's Guide to Education Reform*)

As a society, we've agreed to fund public schools with our tax dollars. But that doesn't mean government must run the schools, as it does now. In 1955, Nobel laureate economist Milton Friedman proposed that public funds for education be distributed as scholarships to families (often called school vouchers) to pay for their children's education. Friedman argued that giving families this power of choice would create competition among schools and lead to "a great widening in the educational opportunities open to our children."

Today, the basic idea that families should have the power to choose their children's schools is revolutionizing American education. In recent decades, a growing number of states and communities have given families greater freedom to choose their children's schools. The following is an overview of the types of school choice options now offered in America.

Private School Choice

The most extensive form of school choice allows parents to choose among private schools or a variety of education options. In one approach,

parents receive a voucher that they can redeem at either a public or private school. Such vouchers are usually valued at some portion of the amount of per-pupil funding allotted for public schools. Another approach gives families a tax break to offset the cost of private school tuition, or tax credits to contribute to charities that provide students with scholarships for private schools.

In all, 16 states and the District of Columbia are currently supporting private school choice through tuition scholarships, education savings accounts, or education tax credit policies.¹ Approximately 200,000 children across the country are using publicly funded scholarships to attend private schools.

Other Forms of School Choice

Public School Choice: Many American families also benefit from the opportunity to choose the best public schools for their children. Public school choice includes magnet schools, charter schools, and intra- and inter-district school choice options. According to the National Center for Education Statistics, between 1993 and 2007, the percentage of American students attending assigned public schools decreased from 80 percent to 73 percent.² During this period, the percentage of students attending chosen public schools grew from 11 percent to

16 percent.³ All but four states have enacted some form of open enrollment policy to let parents choose among public schools.

Charter Schools: Charter schools are publicly funded schools that agree to meet performance standards set by governing authorities, but they are otherwise free from the bureaucratic rules and regulations that encumber traditional public schools. In this sense, charter schools offer parents an alternative to traditional public schools.

Forty-one states and the District of Columbia have charter schools.⁴ An estimated 1.6 million children—roughly 5 percent of the student population—are attending charter schools across the country.⁵ In some communities, charter schools are becoming a central component of the public education system. Almost six out of 10 students in New Orleans attend charter schools. In the District of Columbia and Dayton, Ohio, more than a quarter of students attend charter schools. Only 9 states—Alabama, Kentucky, Montana, Nebraska, North Dakota, South Dakota, Vermont, Washington, and West Virginia—do not have charter school laws.⁶

Homeschooling: Another important form of school choice is homeschooling.⁷ Every state has laws that allow families to educate their children at home. According to the U.S.

1. Dan Lips, "School Choice: Policy Developments and National Participation Rates: 2007-2008," Heritage Foundation *Backgrounder* No. 2102, January 31, 2008, <http://www.heritage.org/Research/Education/bg2102.cfm>.
2. Sarah Grady, Stacey Bielick, and Susan Aud, "Trends in the Use of School Choice: 1993 to 2007," NCES 2010-004, National Center for Education Statistics, April 2010, <http://nces.ed.gov/pubs2010/2010004.pdf> (accessed January 2, 2013).
3. Ibid.
4. Center for Education Reform, "Laws & Legislation: Charter School Law," <http://www.edreform.com/issues/choice-charter-schools/laws-legislation> (accessed January 2, 2013).
5. National Center for Education Statistics, "Fast Facts: Charter Schools," <http://nces.ed.gov/fastfacts/display.asp?id=30> (accessed January 2, 2013).
6. Center for Education Reform, "Laws & Legislation: Charter School Law."
7. Lindsey M. Burke, "Homeschooling Sees Dramatic Rise in Popularity," Heritage Foundation *WebMemo* No. 2254, January 28, 2009, <http://www.heritage.org/research/reports/2009/01/homeschooling-sees-dramatic-rise-in-popularity>.

Today, when I can look at your zip code and I can tell whether you're going to get a good education, can I honestly say it does not matter where you came from, it matters where you are going? The crisis in K-12 education is a threat to the very fabric of who we are.

—Condoleezza Rice, "Remarks at the Republican National Convention," September 4, 2012

Department of Education, approximately 1.5 million students were being educated at home in 2007, up from an estimated 850,000 students in 1999. When parents were asked why they choose to homeschool their children, 31 percent cited the environment of other schools as their main reason, and 30 percent said

they wanted to provide religious or moral instruction.⁸

Virtual Education and Distance Learning: Technological advances have also created new opportunities for education choice that wouldn't have been possible a generation ago. Many communities now offer virtual education and distance learning programs—and the options are growing rapidly. According to the U.S. Department of Education, 55 percent of public school districts in 2009–2010 had students enrolled in distance education courses, with districts reporting some 1.8 million enrollments.⁹ In addition, there were some 250,000 students enrolled in full-time online charter schools during the 2011–2012 school year.¹⁰

Education Savings Accounts: Another public policy that expands parental choice in education is

education savings accounts (ESAs). ESAs redirect a portion of the funding the state would have spent on a child in the public-school system to an education savings account, from which parents can then pay for private-school tuition and a variety of other educational options. In Arizona for example, every quarter, the state deposits up to 90 percent of the base support level of state funding into a parent-controlled ESA. Parents can then use that money to pay for a variety of educational options including private-school tuition, private tutoring, special education services, homeschooling expenses, textbooks, and virtual education, enabling them to customize an education for their child's unique needs. Parents may also roll over funds from year to year, and they can use the money to invest in a 529 plan to pay for college tuition in the future.¹¹ ■

8. National Center for Education Statistics, "Homeschooling in the United States: 2003," NCES 2006–042, February 2006, <http://nces.ed.gov/pubs2006/2006042.pdf> (accessed January 2, 2013).

9. Barbara Queen, Laurie Lewis, and Jared Coppersmith, "Distance Education Courses for Public Elementary and Secondary School Students: 2009–10," National Center for Education Statistics, November 2011, <http://nces.ed.gov/pubs2012/2012008.pdf> (accessed January 2, 2013).

10. "Key K-12 Online Learning Stats," iNACOL, February 2012, http://www.inacol.org/press/docs/nacol_fast_facts.pdf (accessed January 2, 2013).

11. Lindsey M. Burke, "Education Savings Accounts: A Promising Way Forward on School Choice," Heritage Foundation *WebMemo* 3382, October 4, 2011, <http://www.heritage.org/research/reports/2011/10/education-savings-accounts-a-way-forward-on-school-choice>.

Why Market Forces Are Good for Education

Lindsey Burke
February 3, 2012

Several years ago, Paul was one of many children struggling through the Washington, D.C., public school system. In an interview as an 11-year-old, he looked back on his public school experience this way: “People screamed at the teacher, walked out of school during class, hurt me, and made fun of all my friends.” His school experience changed dramatically after receiving a voucher through the D.C. Opportunity Scholarship Program, enacted in 2004. His family was able to send him to a parochial school in the District, setting him one step closer to fulfilling his dream of becoming an architect.

The idea that *public* education does not have to mean *government* education was a trailblazing one in the 1950s, when Nobel Prize winning economist Milton Friedman first outlined the idea of school vouchers. To paraphrase Friedman, just because Americans have agreed to the public financing of education does not mean they believe government should dictate where a child goes to school.

It was an academic idea at the time, but school choice has caught fire in recent years and is now taking hold in states and districts across the country. The thirst for more options accelerated the movement in 2011, when 12 states and the District of Columbia either expanded existing programs or created entirely new options. In Arizona, for instance, parents of special-education children can now deposit 90 percent of the money the public school system would have spent on their children into an education spending account.

They can then use those funds to pay for private school tuition, online learning, or special education services, or even roll it into a college savings account.

School choice works to improve outcomes so well, in fact, that many of the gains are produced at a far lower cost than what public school systems spend. Competition produces improvement but also works to lower expenses. It’s a notion that is ubiquitous in other sectors of American society. As Senator Jim DeMint put it in a recent speech, to concede education to a government service is a terrible way to run schools.

Yet, for reasons having more to do with entrenched special interests than anything else, some people are uneasy about instilling market forces in our classrooms. They argue that allowing students to opt out of the public school system hurts those who remain behind. Not every parent is savvy enough to research all the options, this reasoning goes, which means that the most helpless children end up abandoned together in underfunded schools where nobody cares.

But let’s look more closely at this argument. As it happens, the research tells a different story. In a meta-analysis published last March, education researcher Greg Forster looked at all of the gold-standard empirical studies conducted to date on school choice. Not surprisingly, in nearly every study, the students who participated in school choice showed marked improvement (and no study showed any negative impact on their achievement). But 18 out of 19 studies also showed that in areas where school vouchers were offered, students who stayed *behind* in public schools also had improved outcomes. The competitive pressure improved public school education in those communities as well.

In the words of researchers Jay Greene and Marcus Winters, the facts run “contrary to the hypothesis that school choice harms students who remain in public schools.” Greene and Winters have seen this firsthand. Their study of a voucher program for special-needs children in Florida found that the competitive pressure significantly increased achievement for area children who remained in the public system.

School choice is such an objectively beneficial policy that it’s drawing high-profile supporters from both sides of the political divide. At last week’s kickoff event for National School Choice Week in New Orleans, Democratic political operative James Carville told a reporter from *Reason* magazine that he was “very excited about” school choice. “I think we ought to give our children the best we possibly can, and I think we’re moving in that direction,” he said.

In cities like Washington, D.C., the impact is especially clear. Imagine being a low-income parent of a child in the D.C. school system, where, during the 2007–2008 school year, more than 900 calls from D.C. Public Schools were placed to the D.C. Metropolitan Police Department to report violent crimes.

When the D.C. voucher program came along in 2004, poor parents finally had an escape route. Violence was such an issue for parents in Washington, D.C., that even after their children were enrolled in private schools, their primary concern was school safety. But after two years, researchers found, parents felt assured that their children were in safe environments. At that point, their chief concern became the academic performance of their children—which is exactly as it should be.

The impact of school choice also is seen, perhaps most importantly,

on graduation rates. When the D.C. Opportunity Scholarship Program began in 2004, Congress mandated annual evaluations of the program's performance. The most recent found that students who used vouchers to attend private schools had a 91 percent graduation rate. (Graduation rates in D.C. Public Schools hover under 60 percent.)

University of Arkansas professor Patrick Wolf, who led the evaluation, noted that graduation rates have a profound impact on a child's future success. As Wolf points out, "How far you go is more important than how much you know." Graduating from high school, Wolf pointed out, impacts earnings, incarceration rates, and even marital stability. In

the meantime, Wolf found, school choice has a positive impact on family dynamics, prompting parents to "move from the margins of their child's educational experience to the center."

And the choices are becoming as diverse as the student needs they seek to meet. While the school choice movement has long been confined to options like vouchers, education tax credits, and charter schools, new innovations are providing entirely new funding mechanisms to help families tailor their child's educational experience. Some states are even considering options that would give students choice down to the credit level, empowering them to craft a customized education.

Which is what school choice is all about: Customizing a child's education so it fulfills the child's unique needs, not the needs of the adults in the system.

The philosophical groundwork laid by Friedman has been won through the stories of families who have benefited so much, and through the large body of empirical evidence demonstrating its efficacy. The will of families to provide the absolute best for their children is stronger than any army of education unions or the status quo. For that reason, parental school choice will continue its long-overdue march forward. ■

First appeared in The Atlantic.

School Choice Increases Student Safety

Evan Walter
March 12, 2012

A newly released report by David Deming, assistant professor at the Harvard Graduate School for Education, shows that school choice doesn't just foster academic improvement and increased graduation rates—students are also safer.

Deming studied data on the amount of criminal activity that occurred in the Charlotte–Mecklenburg school district (CMS) after the district ended its policy of busing students in 2001.¹² CMS had enacted its busing policy to satisfy *Swann v. Charlotte*, a court order to desegregate schools in the district starting in 1971. In 2001, the court order was overturned, and CMS was told it could no longer determine school assignments based on race. A year later, CMS decided to implement a one-time, lottery-based school choice program for its students. Parents of CMS students were allowed to submit up to three school choices for their children but were guaranteed a spot in the school in their district, if they chose that school.

Deming's findings, detailed in *Education Next*, were clear about the positive effects school choice can

have on a community.

In general, high-risk male youth commit about 50 percent less crime as a result of winning the school-choice lottery. They are also more likely to remain enrolled in school, and they show modest improvements on measures of behavior such as absences and suspensions.

Deming's findings add to a growing body of research detailing the many benefits of school choice and increased student safety. Research conducted on student safety in Milwaukee charter schools has shown increases in student safety when compared to traditional public schools.¹³ And similarly, access to the D.C. Opportunity Scholarship Program has provided students an alternative to the often unsafe D.C. Public Schools.¹⁴ In fact, for the 2007–2008 school year, had it not been for the scholarships, D.C. voucher students would have had to attend one of 70 assigned public schools in which there were:

- 2,379 reports of crime-related incidents, more than 650 of which were violent crimes;
- 855 property-related crimes; and
- 43 reports of gunshots.

School safety is a critical piece in determining whether a child has a quality educational experience. Education researcher Patrick Wolf, the lead investigator for the congressionally mandated evaluations of the D.C. Opportunity Scholarship Program, found that parents of voucher students felt satisfied with their child's safety after two years of attending their private school, thus allowing them to turn their attention to their child's academic needs.¹⁵

[F]amilies have shifted their focus from an emphasis on school safety to matters concerning their children's academic development. These parents feel that their basic concerns about safety have been assuaged, and they can now turn their attention to monitoring their children's grades, test scores and other aspects of their academic development.

The Charlotte study is another example of why families should be empowered to choose an educational option that is in the best interest of their children and why it is critical for policymakers to continue the momentum established in 2011, the "Year of School Choice."¹⁶ ■

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State Focus: Pennsylvania Approves Private School Tax Credit Program

Rachel Sheffield

July 12, 2012

Public school students in poor performing Pennsylvania schools will now be eligible to receive scholarships to attend a private school of their choice.

Late Saturday night, Governor Tom Corbett (R) signed into law a provision that will make private school scholarships available for students assigned to the lowest-performing 15 percent of the state's public schools.

While Pennsylvania has operated its Educational Improvement Tax Credit (EITC) program—which provides tax credits to corporations that donate money to scholarship-granting organizations—since 2001, scholarships were limited to students already enrolled in private schools. The new law expands the

current program by adding \$50 million in tax credits for corporations that donate toward scholarships for students assigned to low-performing public schools.

The *Philadelphia Inquirer* reported, “The budget provides for corporate donations to pay up to \$8,500 in tuition for the students to attend private schools. Special-education students can get up to \$15,000 in tuition.”¹⁷

Preference is given to low-income students as well as those attending Philadelphia public schools—about half of which fall into the lowest-performing 15 percent of the state's schools.¹⁸ Students from a few other school districts will likewise be given preference.

The tax credit scholarship program will allow students to escape not only the academic woes of poorly performing schools but also the violence that often plagues them. A June 2012 report from Pennsylvania's Commonwealth Foundation notes

that students in the state's 5 percent of lowest-performing schools were five times as likely to be a victim of violent crime or assault.¹⁹

The per-pupil amount awarded for each private school scholarship would also be significantly less than the public school per-pupil cost. As the Commonwealth Foundation report explains, public schools spent nearly \$15,000 per student in the 2010–2011 school year, but “tax-credit scholarships could serve students for anywhere between \$1,100 (the average EITC scholarship) and \$8,500, the maximum opportunity scholarship for non-special needs students.”

Pennsylvania's broadened school choice program now provides a way for students to exchange a failing school for one that is suited to their individual needs. It opens doors to educational opportunity that would otherwise be unavailable, thus providing a path to a brighter academic future. ■

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Strategies for State Policymakers

Education Savings Accounts: A Promising Way Forward on School Choice

Lindsey M. Burke
 October 4, 2011

Across the country, states are enacting and expanding school choice options for families. This year alone, 12 states and the District of Columbia have implemented new school choice options for children or expanded existing options, leading *The Wall Street Journal* to label 2011 “The Year of School Choice.”²⁰

Among the many school choice advances in 2011 was the enactment of a revolutionary new option in Arizona: Education Savings Accounts (ESA). ESAs redirect a portion of the funding the state would have spent on a child in the public-school system to an education savings account, from which parents can then pay for private-school tuition and a variety of other educational options. Education Savings Accounts are an innovative new approach that many states could take to provide school choice options for families.

Arizona : Epicenter of the ESA Movement

In April 2011, Arizona Governor Jan Brewer signed into law SB 1553,

creating Arizona Empowerment Accounts. The first of their kind, Empowerment Accounts allow parents—in this case, parents of special-needs children—to remove their children from the public-school system and receive the money the state would have spent on them in an education savings account. [In 2012, the program was expanded to include low-income children in underperforming schools, children of active-duty military families, and foster children.] Every quarter, the state deposits up to 90 percent of the base support level of state funding into a parent-controlled ESA.²¹ Parents can then use that money to pay for a variety of educational options including private-school tuition, private tutoring, special education services, homeschooling expenses, textbooks, and virtual education, enabling them to customize an education for their child’s unique needs. Parents may also roll over funds from year to year, and they can use the money to invest in a 529 plan to pay for college tuition in the future.²²

When a family decides to take advantage of Arizona Empowerment Accounts, a parent must sign an agreement stating that the parent will not enroll his or her child

in a public school or public charter school and will use the child’s ESA funds to provide social studies, math, reading, and science instruction. Arizona contracts with financial management firms to manage the accounts for a 3 percent fee, and any unused ESA dollars return to the state after college graduation or four years after the child graduates from high school.²³

In Arizona, the amount of money parents can receive annually in an ESA depends on their child’s disability classification. According to the Arizona Joint Legislative Budget Committee, “pupils qualifying for the highest ‘Group B’ weights in A.R.S. [Arizona Revised Statutes] §15-943 currently can cost the state \$30,000 per year, whereas special education pupils with ‘mild’ disabilities can cost the state \$5,000 annually.”²⁴ Nearly 90 percent of private schools in Arizona also offer some form of financial aid, which could further facilitate access to a quality private school when combined with ESA funding.²⁵

While access to the current Arizona education savings account program is limited to children with special needs, there is no cap on the number of children who can participate.²⁶ As a result, it is estimated

20. “The Year of School Choice,” *The Wall Street Journal*.
 21. Arizona State Legislature, “15-943. Base Support Level,” 2007, <http://www.azleg.gov/FormatDocument.asp?inDoc=/ars/15/00943.htm&Title=15&DocType=ARS> (accessed January 2, 2013).
 22. News release, “Institute for Justice Vows to Defend Arizona’s Landmark Education Savings Accounts for Children with Special Needs,” Institute for Justice, April 13, 2011, <http://www.ij.org/about/3763> (accessed January 2, 2013).
 23. “Arizona—Empowerment Scholarship Accounts,” Friedman Foundation for Educational Choice, <http://www.edchoice.org/School-Choice/Programs/Empowerment-Scholarship-Accounts.aspx> (accessed September 29, 2011).
 24. Steve Schimpp, SB1553 Fiscal Note, Arizona Joint Legislative Budget Committee, February 15, 2011, <http://www.azleg.gov/legtext/50leg/1r/fiscal/sb1553.doc.pdf> (accessed September 29, 2011).
 25. Ross Groen and Vicki Murray, “Survey of Arizona Private Schools: Tuition, Testing and Curricula,” The Goldwater Institute, January 5, 2005, <http://www.goldwaterinstitute.org/article/1299> (accessed September 29, 2011).
 26. News release, “Institute for Justice Vows to Defend Arizona’s Landmark Education Savings Accounts for Children with Special Needs.”

that up to 17,000 children with disabilities will benefit from Arizona Empowerment Accounts.²⁷ State Senator Rick Murray (R–Glendale), who sponsored the Arizona Empowerment Account Act, noted that the ESAs now available to Arizona’s special-needs students could “become the template for providing the same option to more than one million students now in public schools.”

Benefits of ESAs

A growing body of literature finds that school choice is associated with parental satisfaction, student safety, academic achievement, and increased graduation rates. Education Savings Accounts can help parents and students attain these benefits in several ways.

Increased School Choice

Options. Education Savings Accounts help maximize school choice options for families by giving them direct control over their child’s share of education funding. Instead of sending taxpayer dollars directly to the school district in which a child is enrolled, state funding is sent to a state’s treasury department, which then sends dollars into a family’s ESA. Education savings accounts have the potential to produce the

same positive effects as other school choice options.

Savings for Taxpayers. ESAs can be designed to produce fiscal savings for taxpayers. A bill considered in Florida in early 2011 would have provided funding for ESAs equivalent to 40 percent of the state’s per-pupil expenditures. While the measure did not ultimately become law, according to the Foundation for Florida’s Future, every child who took advantage of the ESA program would have provided a 20 percent savings to the state.²⁸

Necessary Competitive Pressure. School choice options place competitive pressure on public school systems to improve and meet the needs of students. When families have options, public schools must meet the needs of children or risk losing enrollments—and hence dollars—creating a strong incentive for improvement. Education researchers Jay Greene and Marcus Winters found that special-needs “students eligible for vouchers [in Florida] who remained in the public schools made greater academic improvements as their school choices increased.”²⁹ In March 2011, education researcher Greg Forster released an evaluation of the evidence behind school

choice and noted that 18 of the 19 empirical studies on the competitive effect of school choice on public schools found that voucher programs improved the performance of public-school students.³⁰

Customization. One of the greatest benefits of Education Savings Accounts is the ability to customize a child’s education. Unlike a voucher, which enables parents to send their child to a private school of choice, the dollars in an ESA can be directed to multiple education providers simultaneously. A family could, for example, use part of the funding to pay for private-school tuition, some of the dollars for tutoring, and a portion of the money to defray the cost of textbooks. A family could use part of the money in an ESA to pay for virtual classes for their child and choose to roll over the remaining dollars to the next academic year. Policy analyst Dan Lips, who outlined the concept of ESAs in 2005, noted that the accounts “would give families greater flexibility to use education dollars to best suit their children’s needs, spurring innovation among education service providers, including virtual and online learning programs.”³¹

More than 1.5 million children took courses online in 2010, contributing to the school choice

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27. News release, “Arizona Adopts Education Savings Accounts to Aid Special Needs Students,” The Goldwater Institute, April 12, 2011, <http://www.goldwaterinstitute.org/article/599> (accessed September 29, 2011).
28. “Education Savings Accounts at a Glance,” Foundation for Florida’s Future, <http://www.foundationforfloridasfuture.org/Docs/ESA%20SB1550%20&%20HB1255%20Position%20Paper.pdf> (accessed September 29, 2011). Also, SB 1550 “EDUCATION SAVINGS ACCOUNT AMOUNT.—The total amount of payments to a participating student’s account for a single school year shall be equal to 40 percent of the base student allocation under the Florida Education Finance Program multiplied by the appropriate cost factor for the educational program that would have been provided for the student in the district school to which he or she was assigned, multiplied by the district cost differential plus the per-student share of instructional materials funds and other categorical funds as appropriated in the General Appropriations Act.”
29. Jay P. Greene and Marcus A. Winters, “The Effect of Special Education Vouchers on Public School Achievement: Evidence from Florida’s McKay Scholarship Program,” Manhattan Institute for Policy Research *Civic Report* No. 52, April 2008, http://www.manhattan-institute.org/html/cr_52.htm (accessed September 29, 2011).
30. Greg Forster, “A Win-Win Solution: The Empirical Evidence on School Vouchers,” The Foundation for Educational Choice, March 2011, <http://www.edchoice.org/CMSModules/EdChoice/FileLibrary/656/A-Win-Win-Solution---The-Empirical-Evidence-on-School-Vouchers.pdf> (accessed September 29, 2011).
31. Dan Lips, “Education in the Digital Age: Policy Reforms to Improve Learning Options in Oklahoma,” Oklahoma Council of Public Affairs, July 2011, http://s3.amazonaws.com/assets.ocpa.com/articles/pdfs/1488/original/Education_In_Digital_Age_FINAL.pdf (accessed September 29, 2011).

groundswell.³² Virtual education is growing in popularity among families who want access to the best teachers and coursework available, regardless of zip code, and who want the educational flexibility and customization online learning provides. As Terry Moe and John Chubb write in their acclaimed book *Liberating Learning*:

[Technology] replaces the dead hand of monopoly with the dynamism of diversity and competition. It replaces the sameness of the traditional classroom model with a vast range of innovative learning alternatives. It replaces the “one-size-fits-all” approach to students with powerful new ways of customizing schooling to the needs and interests of each individual.³³

Education savings accounts can facilitate the growth of online learning and create a dynamic education system that is prepared to adapt to new modes of delivering instruction in the future.

How State and Federal Policymakers Can Help

To ensure that every child has

access to a school that meets his or her needs, states should:

- Reform funding so dollars are distributed by a simple, per-pupil formula;
- Transition from funding schools to funding students through Education Savings Accounts, empowering parents with control over their child’s share of education funding. ESA dollars should be universal and available for any education-related purpose, including: private-school tuition, private tutoring, online learning courses, or education-related services. Parents should also be allowed to roll over unused ESA dollars from year to year, or to save ESA funding for college tuition; and
- Support alternatives to the traditional public-school model, such as statewide online learning programs and virtual charter schools.

For their part, federal policymakers should give states greater control of federal education dollars. Federal policymakers should allow states to opt out of the many programs under

No Child Left Behind and direct federal education dollars to areas of need, including ESAs.

ESAs: A Tool for Achieving Education Excellence

Today, a child entering kindergarten can expect to have more than \$120,000 spent on his or her education by the time the child graduates high school. And approximately 90 percent of that money is derived from state and local sources. Education Savings Accounts operate on the philosophy that parents are best equipped to make the important decisions about their child’s education. Instead of automatically allocating a share of a child’s education funding to the public-school system, ESAs ensure dollars will be spent under the direction of parents, at any school of their choice.

More than 200,000 children across the country now benefit from private-school choice options such as tuition tax credit programs, vouchers, online learning, and now, Education Savings Accounts. But millions more are assigned to public schools that fail to meet their needs. ESAs provide a promising path forward and are broadening the school choice landscape in vital ways. ■

32. John Watson, Amy Murin, Lauren Vashaw et al., “Keeping Pace with K-12 Online Learning: 2010,” Evergreen Education Group, 2010, http://www.kpk12.com/cms/wp-content/uploads/KeepingPaceK12_2010.pdf (accessed September 29, 2011).

33. Terry M. Moe and John E. Chubb, *Liberating Learning: Technology, Politics, and the Future of American Education* (John Wiley & Sons, Inc., 2009).

Charter Schools: A Welcome Choice for Parents

Jason Richwine PhD

August 30, 2010

A study published by the Department of Education (DOE) in June, “The Evaluation of Charter School Impacts,” highlights the many benefits of charter schools. The results show unambiguously that parents are substantially more satisfied with charter schools and the academic and social development of their children who attend compared to public school parents.

What Are Charter Schools?

Charter schools are a controversial innovation in education policy—controversial in many circles, but not with parents. Typically founded and run by non-profit community organizations, charter schools receive public funding but are allowed to operate without the regulatory burden faced by ordinary public schools.

Charters have more leeway to experiment with different teaching methods, curriculum content, disciplinary procedures, and levels of parental involvement. Often overwhelmed with many more applicants than available places, many charter schools must use an annual lottery to select new students.

What the Study Found

Among the DOE report’s key findings:

- **Parental satisfaction with student development.** Parents of charter students reported substantially greater satisfaction with their children’s academic and social development compared to parents of non-charter students.
- **Parental satisfaction with schools.** Parents of charter students also reported much higher levels of satisfaction with their children’s schools. Charter schools were rated “excellent” by 85 percent of parents, while non-charter schools received the excellent rating from just 37 percent of parents.
- **Test scores.** Attending a charter school caused no statistically significant³⁴ differences in overall math or reading test scores.

These results should be considered in light of the study’s quality of methodology and consistency with past findings.

Quality of Methodology

Because parents, teachers, or the students themselves must elect to attend charter schools, participants in charter school programs tend to

be different from non-participants in terms of ability, motivation, family background, and many other variables. An essential part of any program evaluation is to avoid mistaking these initial differences for the effect of the program itself. To do this, evaluators need a control group that is as similar as possible to the students who participate in the program.

The DOE study used the best possible control group: one constructed from a random lottery. Among 2,330 eligible applicants to a representative sample of charter middle schools throughout the country, 1,400 were randomly offered admission. The evaluation then compared students who attended a charter school through the lottery to students who lost the lottery and were denied entrance.³⁵

A lottery is the “gold standard” method of evaluation, which produces results deserving the most attention. If statistically significant differences between participants and non-participants emerge from this strict comparison, policymakers can be sure that the program in question has had an impact.

Without a lottery, the next most desirable evaluation method is careful matching of participants and non-participants on as many background variables as possible. Ideally, these comparisons examine trends over

34. A “statistically significant” finding is one that is highly unlikely to occur by chance. For example, to be significant at the 99 percent level means that random chance would have produced the same results only 1 percent of the time. The minimum level typically used by statisticians to establish significance—and the one required by Congress for the charter school evaluation—is 95 percent. All of the findings mentioned in this memo meet that requirement, except where noted.

35. Throughout this memo, “charter student” means someone who attended a charter school, and “non-charter student” means a traditional public-school student in the lottery not offered entrance. The clarification is important because not everyone offered placement actually attends a charter school. Results for charter *attendees* indicate how much students benefited when they took advantage of the charter school option. Results for students *offered* placement (regardless of whether they attended) give a sense of the community-wide impact of charter schools. Deciding which set of results to emphasize is a classic dilemma in program evaluation.

time so that researchers can assess the educational “value added” by the charter school for each student. Since some confounding variables are unobserved, the value-added models are less reliable than the lottery method, but they can still be informative when performed carefully. Recent examples include a study conducted by the Center for Research on Education Outcomes³⁶ and a Florida State University report by Tim Sass.³⁷

Less scholarly studies use raw comparisons or insufficient matching of participants and non-participants. These evaluations are rarely informative. One example is a 2004 study published by the American Federation of Teachers, which compares charter and non-charter students’ national test scores.³⁸ The study used very limited controls with no individual student tracking, making the results uninterpretable.

Consistency with Past Findings

Greater parental satisfaction with charter schools is almost always observed when researchers inquire about it. Studies of charter schools in Massachusetts, Michigan, Texas, and Arizona, for example, all find

parental satisfaction substantially higher than in competing public schools.³⁹ This led the authors of the RAND Corporation’s book-length review of school choice data to conclude: “Parental satisfaction levels are high in virtually all voucher and charter programs studied, indicating that parents are happy with the school choices made available by the programs.”⁴⁰ As the most rigorous evaluation to date, the DOE study is confirmation of the greater parental satisfaction observed in other charter school studies.

On raising test scores, the authors noted small effects among various subgroups of students, but the overall impact of charter school attendance was insignificant. Test scores are notoriously hard to raise through intervention. Increasing funding for public schools—through class size reduction, teacher training, stricter certification requirements, etc.—also rarely results in significant test score improvement.⁴¹

Policy Implications

The consistent finding of increased parental satisfaction should inform the continuing debates over charter schools. But if scholars and policymakers focus

on the negligible test score effects reported by the evaluation, they may overlook the broader benefits of school choice.

Given the higher levels of parental satisfaction produced by charter schools, test scores are clearly only one factor parents consider in evaluating schools. In fact, parents probably understand the limitations of social policy better than most academics and policymakers. Rather than obsessing over elusive test score gains, parents seem to have a more nuanced and child-specific set of criteria: They want schools that are safe, cultivate a positive attitude about learning, and best fit their children’s abilities and interests. Only school choice programs can satisfy these diverse preferences and expectations.

The Big Picture

In summary, the DOE study uses the gold standard of scholarly rigor and reliability, and its findings corroborate past studies of charter schools. Parents want choice in education, and the overwhelming majority of parents who choose charter schools are happy with that choice. As the DOE’s evaluation makes clear, charter schools can offer real benefits to students and their families. ■

36. Center for Research on Education Outcomes, “Multiple Choice: Charter School Performance in 16 States,” 2009, http://credo.stanford.edu/reports/MULTIPLE_CHOICE_CREDO.pdf (accessed August 30, 2010).

37. Tim R. Sass, “Charter Schools and Student Achievement in Florida,” American Education Finance Association, 2006, <http://www.mitpressjournals.org/doi/pdf/10.1162/edfp.2006.1.1.91> (accessed August 30, 2010).

38. F. Howard Nelson, Bella Rosenberg, and Nancy Van Meter, “Charter School Achievement on the 2003 National Assessment of Educational Progress,” American Federation of Teachers, August 2004, <http://www.epicpolicy.org/files/EPRU-0408-63-OWI.pdf> (accessed August 30, 2010).

39. Brian Gill et al., *Rhetoric versus Reality: What We Know and What We Need to Know About Vouchers and Charter Schools* (Santa Monica, CA: RAND Corporation, 2007), pp. 148-150, http://www.rand.org/pubs/monograph_reports/2007/RAND_MR1118-1.pdf (accessed August 30, 2010).

40. *Ibid.*, p. xiv.

41. See Eric A. Hanushek, “The Failure of Input-Based Schooling Policies,” *The Economic Journal*, Vol. 113 (February 2003), pp. F64-F98, http://web.missouri.edu/~podgurskym/Econ_4345/syl_articles/hanushek_failure_of_input_EJ_2003.pdf (accessed July 28, 2010).

The Secret Schools: Across the World, Poor Parents Are Paying to Educate Their Children

Dan Lips

August 10, 2009

People across the world have been inspired by the bestselling book *Three Cups of Tea*—the story of mountain climber Greg Mortenson’s personal journey to promote peace in remote Pakistan and Afghanistan, “one school at a time.” But Mortenson’s heroic tale fails to offer a realistic solution to the challenge that has vexed the international-aid community: How can we ensure that even the world’s poorest children have a chance to go to school?

University of New Castle professor James Tooley offers a surprising answer in his new book, *The Beautiful Tree*. He presents a story of a different kind of heroism—one that is emerging from within the developing world. From the slums of India to the shantytowns of Africa to the remote mountain villages of China, Tooley discovers that the world’s poorest people are creating their own schools to give their children a brighter future.

Professor Tooley’s unlikely journey begins in India. While working on a World Bank research project studying private schools serving the middle class and elite, the author worries that his work will do nothing to help the poorest children. Pangs of guilt drive him to leave the comforts of his five-star hotel to explore the slums of Hyderabad. There, in the dirty, narrow streets, Tooley discovers something that most development experts “knew” did not exist: a vibrant market of for-profit schools serving working-class children.

Professor Tooley recounts his visit to dozens of these schools. The majority were housed in modest—or

even shoddy—facilities. But the author found teachers who were energized and attentive to students’ needs. Principals actively supervised classrooms to ensure that teachers were providing quality instruction. In short, the schools operated like businesses—driven to provide their customers with good service. Modest tuition payments (what amounted to a few dollars per month) from parents—who included day-laborers, rickshaw pullers, and mechanics, all of whom typically earn about a dollar per day—funded the schools.

Upon reporting his discovery to colleagues in international-development circles, Professor Tooley was met by disbelief. The conventional wisdom of the aid community is clear: Private schools only serve the rich. Expanding government support for free public education is the only way to ensure that the world’s poorest children are educated.

But Tooley found that the private schools of Hyderabad’s slums are not unusual. Journeys into the poorest corners of Africa and Asia revealed similar low-cost, fee-charging private schools. Tooley and a team of field researchers document how private schools, often unrecognized by the government, are educating a majority of the kids in some of the world’s poorest communities.

The author argues that two powerful forces make these schools possible: entrepreneurialism and parents’ desire to provide their children with a better future. School leaders are working to create viable businesses by providing a necessary and valued service in their communities. And parents are willing to spend a portion of their meager earnings to ensure their children receive an education.

Having proven that these low-cost private schools exist, Professor

Tooley considered a new question: Why would parents be willing to make a considerable financial sacrifice when government-funded public schools offer a free alternative? He visited many public schools during his journey and encountered common problems, such as rampant teacher absenteeism, corruption, and mismanagement.

In one colorful anecdote, the author describes leading a BBC documentary crew into a Nigerian public-school classroom. Cameras roll as the teacher lies sprawled across his desk, fast asleep. An older student tries to tutor her classmates from a textbook. Thrilled to see a camera crew enter their class, embarrassed students try unsuccessfully to wake their teacher. According to Tooley, this scene is frighteningly common in the developing world.

But Tooley’s case for low-cost private schools doesn’t rest on troubling anecdotes like this. His field researchers conducted a testing experiment to compare the academic achievement of students from public and private schools. The results were overwhelming: The private schools regularly outperformed the public schools. And they delivered these results despite being dramatically outspent by the public schools. In Delhi, for example, public-school teachers earn roughly seven times more than their counterparts in low-cost private schools.

Professor Tooley’s pioneering research has turned the development community’s conventional wisdom on its head with a message of personal empowerment. Instead of being dependent on foreign aid and public schools, the world’s poorest people are educating their children on their own dime. Tooley argues that the policy and international-aid community should focus efforts

on supporting the private sector—including offering micro-loans to school providers and sponsoring charity scholarships for the neediest students.

While the natural audiences for this book are researchers and development workers, *The Beautiful Tree* is written to appeal to a mainstream reader. Like *Three Cups*

of Tea, Tooley's story reads like an adventure. We even see the author escape interrogation by a threatening official from the Mugabe regime in Zimbabwe. Through a well-written and engaging narrative, the author invites readers to corners of the globe where few of us will ever travel. He introduces us to inspirational people—parents, teachers, and

school leaders joined in the common struggle to improve the lives of the next generation.

The Beautiful Tree deserves a wide audience and should be required reading for everyone involved in the struggle to ensure universal education for the world's poor. 🍵

**School Choice in Sweden:
An Interview with Thomas
Idergard of Timbro**

(an excerpt)

Dan Lips

March 8, 2010

Across the United States, policy-makers are increasingly adopting education policies that give families the power to choose their children's schools. Nonetheless, the idea of providing school vouchers to allow children to attend private schools remains controversial. For instance, congressional leaders and the Obama Administration have tried to end a successful school voucher program for low income children in Washington, D.C.

American policymakers on the Left and the Right may be surprised to learn that a universal school choice program has taken hold in Sweden. The Heritage Foundation interviewed Thomas Idergard, Program Director of Welfare and Reform Strategy Studies at Timbro, a free-market think tank based in Stockholm.

Dan Lips: Mr. Idergard, thank you very much for taking the time for this interview. Can you please tell us the background of how Sweden's voucher program came to be? How was it created?

Thomas Idergard: Thank you very much, Mr. Lips, for giving me the opportunity to tell you more about the Swedish model for real school choice—for all. The Swedish school voucher program was introduced in 1992 by the then Center-Right government. First, the Social Democrats opposed the reform, but after having returned to power in 1994 they not only accepted it but also expanded the legislated compensation level of the voucher. Today there is almost a total national

political consensus—with the one and only exception from the small Left (i.e., former Communist) Party—on the foundations of school choice in Sweden.

Since the 1970s, the Swedish school system had declined regarding quality and student attainment. One reason for this was the lack of choice. Only the very rich, who could afford private schools with private tuition fees on top of our very high taxes, had a right to choose. For all the rest, the school was one monolithic organization in which all students were considered to have the same needs and to learn the same way. The lack of choice created a lack of innovation regarding pedagogical concept and ways of learning adapted to different students' needs.

Public schools, run by politicians in the local branch of government (cities and municipalities), were all there was for 99 percent of all students. The school voucher program was designed to create a market—with competition, entrepreneurship, and innovation—based on the Swedish and Scandinavian tradition of social justice and equality: All families should be able to choose between public and private schools regardless of their economic status or wealth. This equal opportunity philosophy, taken into its full potential, created an education market!

DL: What has Sweden's experience been with the universal vouchers program?

TI: People really choose! Before the reform, less than 1 percent of all pupils in compulsory education (and around the same amount for students in upper secondary schools) were enrolled in private schools. Today, 10 percent of the pupils in compulsory education and 20 percent of students in upper secondary education choose independent

schools. In certain regions of the country, almost half of all pupils and students are enrolled in independent schools.

The independent schools have gone from being an odd phenomenon in certain cities to an obvious and natural part of the Swedish education system. From a business point of view, the independent schools are developing into what can be considered as a real industry, and they are promoting real innovation.

The small independent schools have often challenged the public schools and forced them to improve. But the large chain companies, which have an estimated one-fourth to one-fifth of all independent school students, have proven to be an important force for innovative progress, regarding both educational methods and, important enough, ways to measure, compare, maintain, and improve results.

This also explains why independent schools, on an average, prove to have a smaller per pupil cost than public schools. Since 2004, the inflation adjusted cost increase per pupil has been smaller for independent schools than that for the whole Swedish education system. And independent schools are not allowed to choose their students. Detailed analysis of cost items shows that independent schools spend a higher share of their revenues on education and teaching materials and are more efficient in managing other costs.

DL: What lessons do you think policymakers in the United States and other countries can take from Sweden's experience with universal school vouchers?

TI: The one and overall lesson is that competition is a key factor in raising educational standards in the future. Letting the entrepreneurial spirit flow is a necessity for

innovation in both products and services. Innovation is required in order to raise standards in every sector of the economy—and society... School choice programs such as the one in Sweden, which makes freedom of choice the default situation in the education system, encourage competition and, hence, entrepreneurship and innovation. 🏠

Afterword

School Choice: An Activist's Guide

Virginia Walden Ford

December 11, 2012

Several years ago, I was a single mother with a son in 9th grade. When my son started having problems in and out of school, I knew I did not want him to continue attending a D.C. public school that had (and still has) many problems of its own. I became more disturbed each year by the public-school system and its “lowered expectations” for academic achievement. By the time my son, William, entered his freshman year of high school in 1996 he was performing poorly and getting into trouble...in class and out. I joined the thousands of poor mothers without the resources to move to better neighborhoods or put our children in private schools—hopeless and helpless.

I'd always seen potential in my son, but it seemed no one else did. A neighbor saw that potential and offered to help us, and it was a blessing. The neighbor paid for William to attend a parochial school (of my choice). The change in him was dramatic, accomplished in weeks, not months.

The chance to go to a private school turned his life around. Before, he was struggling to fit in, like a lot of urban kids without fathers do. It isn't necessarily to their benefit to act smart. You have to change their environment. For the first time, my son felt people cared if he learned, and he felt safe.

William's story has a happy ending: He graduated from high school in 2000 and served in the U.S. Marine Corps and is doing well in his life. I believe that without my neighbor's help, things would not have turned out so well.

The Voices of Parents

“In the past, I was going to my children's schools two or three times a week to sort out some problem or to make sure my kids were okay.

“Now, because of school choice, I have the opportunity to choose a school that is best for my children.

“Now, the only time I'm at the school is when I'm volunteering in the classroom or meeting with teachers for regular teacher-parent conferences.

“I have peace of mind. I know they're safe. I know they're respected. I know they're learning.”

—Alicia, single mother of three

“When children have positive things to look forward to, they act differently. I just hope we can reach more people through school choice. When you have children in programs where they do well, you have people turning out a little different in society. You start to solve the bigger problems, too.”

—Teresa, mother of three

My own personal experience with school choice has sent me on an incredible journey. In February 2003, legislation that would provide 2,000 scholarships to low-income children to attend the school of their parents' choice was introduced in Congress. With an outcry of support from D.C. parents and with the support of key Members of Congress we began a long journey that would be made stronger with Mayor Anthony Williams, Kevin Chavous and David Catania of the City Council, and the president of the School Board, Peggy Cafritz, standing up and voicing their support for school choice. After 11 months of fighting the opposition, the D.C. School Choice Incentive Act was passed on January 22, 2004, and signed into law by President Bush. D.C. parents played an important role in this effort to bring about change in education in the District.

In each of the fights to bring school choice to the states and the District of Columbia, parents' voices were strongly heard. Those of us fighting for school choice have seen many

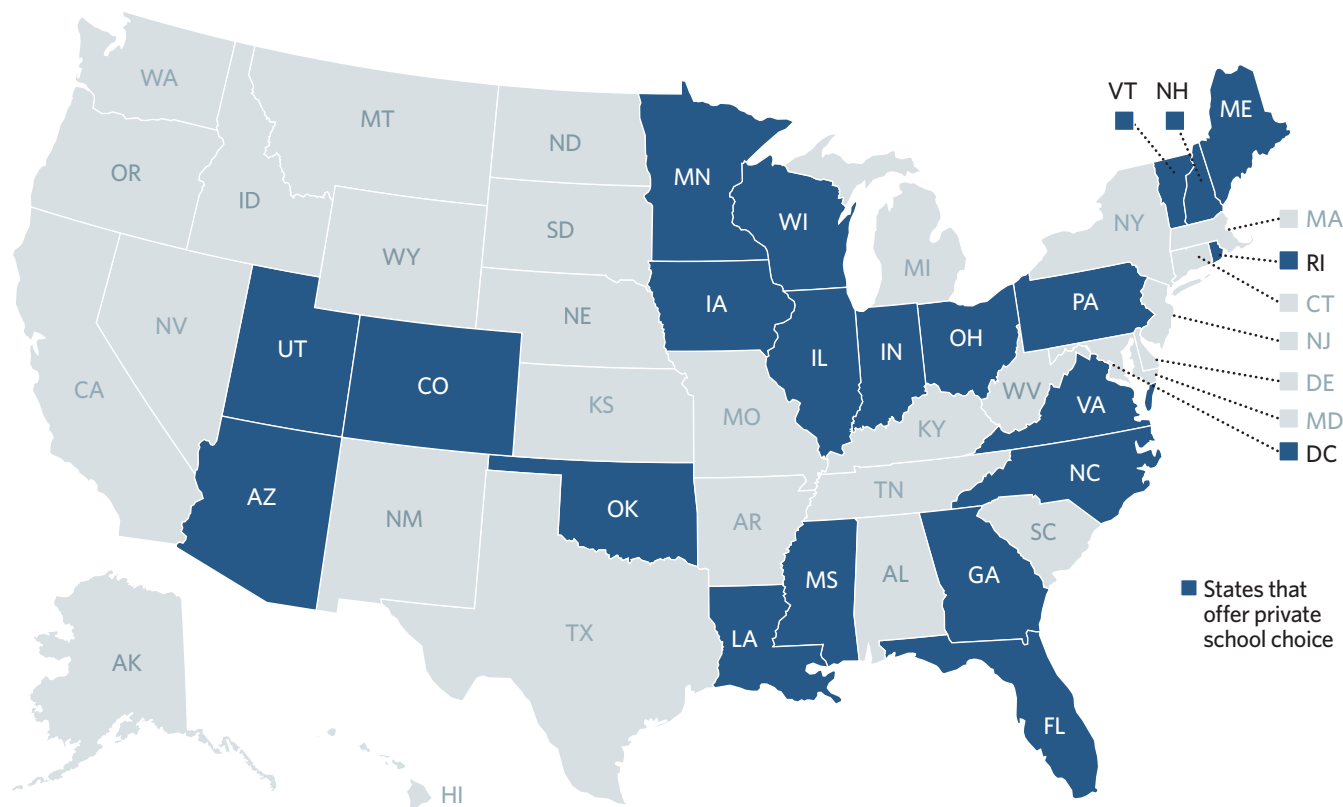
parents, for the first time, become partners of change; excited about how their children are learning and what lies ahead for them in obtaining the American dream of getting the quality education they deserve.

We have worked with parents and encouraged them to become engaged in bringing school choice to their communities. In our work with parents we have:

- Recruited and assigned volunteer parent leaders to organize and educate parents in their communities. Each of the parent leaders was responsible for communicating directly, through one-on-one in-person and telephone conversations.
- Conducted comprehensive outreach efforts with parents and community-based organizations to inform parents of which choices are available.
- Provided information, counsel, and referrals to parents seeking

MAP 1

Private School Choice in the United States



Source: Heritage Foundation research.

SR 125 heritage.org

alternatives and improvement to current enrollments of their children.

- Advocated for policies and resources that support both schools and parent power in selecting and securing schools parents chose in all sectors.

In organizing parents, we have learned to:

- Go where the parents are—*their* neighborhoods, community centers, churches—not to ask them to always come to you.

- Communicate with parents regularly through letters, newsletters, media, churches, civic organizations, etc.
- Talk regularly to community leaders—such as in schools and tenant associations—by e-mail and phone.
- Build strong coalitions to create strong support in the community.
- Treat parents with the utmost respect. Take time to listen and understand their problems as it relates to their children’s educational future.

- Be honest with parents about why you are there and what you can do to help them.
- All parents have something they can add—some make speeches; some pass out flyers; each has his own way of contributing.
- Its all about the follow up: If you present yourself as helping parents, be prepared to go the extra mile to make sure that parents have you with them as they complete the process of finding educational opportunities for their children.

- Make sure that parent meetings start on time, do not last too long, have childcare, refreshments, and are structured to provide the best information possible in order to empower parents.
- Choose your battles. Don't get into debates with parents, since debating tends to confuse and frustrate parents who are hungry for solutions to educating their children. They ultimately have to make the final decision for their children and have a right to hear all sides. When you encounter opposition, keep your calm and give parents valuable information that will be helpful to them in their search.

- Make sure you have steps that give parents a vision of where you are going and how they fit into that vision.

We have seen that, when children are placed in educational environments of their parents' choice, they succeed and their parents become active and involved. It changes their lives so much when their children are doing well in educational environments. It is because of expanded educational options for the families who have had no choice, we see happy endings— not only for the children, but also for their families and their communities.

Education reforms that give parents a chance to choose their

children's schools continue to expand across the nation.

The next challenge is to not losing focus as we continue to work diligently to improve all education for all children. We know that the opposition will work hard to undermine the successes we have already achieved. We have to continue to work harder in our advocacy and not assume that we are done. We must not stop fighting until *all* children are in an environment where they are receiving the best education possible. 📌

TABLE 1

School Choice Programs for the 2011–2012 School Year (Page 1 of 2)

State	Program	Year Enacted	Overview	Number of People Served
Arizona	Individual Scholarship Tax Credit	1997	Dollar-for-dollar state income tax credit for individuals who make contributions to non-profit organizations that award private school scholarships to students	25,343
	Corporate Scholarship Tax Credit	1997	Dollar-for-dollar tax credit for corporations that make donations to private school tuitioning organizations	4,578
	Lexie's Law	2009	Originally a voucher program created in 2006, this program transitioned to a tax credit program, providing dollar-for-dollar tax credits for corporations that make donations to private school tuitioning organizations.	115
	Education Savings Accounts	2011	Scholarships for children with disabilities, eligible to be used for a variety of schooling options	142
Colorado	Choice Scholarship Pilot Program	2011	Scholarships for students to attend private school. (Note: A state court has prohibited this program from being implemented, but appeals to that decision have been filed.)	
Florida	McKay Scholarship Program	1999	Scholarships for children with disabilities to attend a private school of their choice	22,861
	Corporate Tax Credit Scholarship Program	2001	Dollar-for-dollar tax credit to corporations that contribute money to fund private school scholarships for students with disabilities	37,998
Georgia	Georgia Special Needs Scholarship Program	1997	Scholarships for students with disabilities to attend a private school	2,965
	Georgia Tax Credit for Private School Costs and Scholarship Donations	2008	Tax credits to individuals and corporations for donations to Georgia Student Scholarship Organizations	8,131
Illinois	Education Expenses Credit	2000	Tax credits for education expenses	249,314*
Indiana	School Scholarship Tax Credit	2009	Tax credits for contributions to scholarship-granting organizations	590
	School Scholarship Program	2011	Scholarships for low- and middle-income students to attend private school	241
	Tuition Tax Deduction	2011	Tax deductions for private school and other education expenses	
Iowa	School Tuition Organization Tax Credit	2006	Income tax credits for scholarship-contributing organizations	10,820
	Tax Credits for Educational Expenses	1987	Tax credits for educational expenses, including expenses incurred at private schools	194,200**
Louisiana	Louisiana Student Scholarships for Educational Excellence Program	2008	Originally, this program provided scholarships for low-income New Orleans children to attend private school. In 2012, the program was expanded to low-income students statewide that attend underperforming schools (rated C, D, or F).	4,944
	Elementary and Secondary School Tuition Deduction Program	2008	50 percent tax deduction for families for educational expenses incurred at public or qualified private schools	96,926
	School Choice Pilot Program for Certain Students with Exceptionalities	2010	Scholarships for students with disabilities to attend a private school	186
	Tax Credit for Donations to School Tuition Organizations	2012	Tax credit for corporations that make donations to private school tuitioning organizations	New program

* Figure for 2008, most recent data available ** Figure for 2009, most recent data available *** Figure for 2010, most recent data available

TABLE 1

School Choice Programs for the 2011–2012 School Year (Page 2 of 2)

State	Program	Year Enacted	Overview	Number of People Served
New Hampshire	Corporate Education Tax Credit	2012	Tax credit for corporations that make donations to scholarship-granting organizations	Will be launched in 2013
North Carolina	Tax Credits for Children with Disabilities	2011	Tax credits for parents of students with disabilities to cover private school and other educational expenses	New program
Maine	Town Tuitioning Program	1873	Scholarships for students whose town lacks a public school to attend a public or private school in another area	5,091
Minnesota	K-12 Education Credit Program	1955	Tax credits for educational expenses	54,141**
	K-12 Education Deduction Program	1997	Tax deductions for private school expenses	229,940**
Mississippi	Dyslexia Therapy Scholarship	2012	Scholarships for children with dyslexia to attend private school	New program
Ohio	Cleveland Scholarship Program	1996	Scholarships for low-income Cleveland children to attend private school	5,603
	Autism Scholarship Program	2004	Scholarships for children with autism to attend private school	2,236
	Educational Choice (EdChoice) Scholarship Program	2006	Scholarships for children in low-performing schools to attend private school	16,136
	Jon Peterson Special Needs Scholarship Program	2011	Scholarships for students with disabilities to attend a private school	New program
Oklahoma	Lindsey Nicole Henry Scholarship for Students with Disabilities Program	2010	Scholarships for students with disabilities to attend a private school	160
	Oklahoma Equal Opportunity Education Scholarships	2011	Tax credit to individuals and corporations who contribute money to fund private school scholarships for low-income students	New program
Pennsylvania	Educational Improvement Tax Credit (EITC) Program	2001	Tax credits for corporations for contributions to scholarship-granting organizations	40,876
	Educational Opportunity Scholarship Tax Credit	2012	Tax credits for corporations for contributions to scholarship-granting organizations	New program
Rhode Island	Business Entity Scholarship Tax Credit Program	2008	Tax credits for corporations for contributions to scholarship-granting organizations	341
Utah	Carson Smith Special Needs Scholarship Program	2005	Scholarships for students with special needs	635
Virginia	Education Improvement Scholarships Tax Credits	2012	Tax credits to individuals and corporations for donations to scholarship-granting organizations	Will be launched in 2013
Vermont	Town Tuitioning Program	1869	Scholarships for students whose town lacks a public school to attend a public or private school in another area	6,329***
Washington, D.C.	D.C. Opportunity Scholarship Program	2004	Scholarships for low-income students to attend private school	1,615
Wisconsin	Milwaukee Parental Choice Program	1990	Scholarships for students in Milwaukee to attend private school	23,198
	Racine Parental Choice Program	2011	Scholarships for students in Racine County to attend private school	228

* Figure for 2008, most recent data available

** Figure for 2009, most recent data available

*** Figure for 2010, most recent data available

Source: Heritage Foundation research.

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