

Interview

School Choice: Will State-supported Educational Alternatives Help or Hinder Private Schools?

Terry M. Moe
Stanford University
with
Ray J. Ostrander
and
Lyndon G. Furst
Andrews University

Ostrander: In examining the issue of vouchers, how do you view the current state of school choice given the failure of the California voucher initiative?

Moe: Do you mean, what effect has the failure of Proposition 174 had on the choice movement?

Ostrander: Yes. Did the defeat of 174 adversely impact the drive for school choice?

Moe: Well, I don't think any failure is beneficial. But I think the kind of spin that we got from the media out here in California was quite good. In the end, they were emphatic about the poor performance of California's educational system and the serious need for sweeping reform, and they recognized that this initiative might well have passed had it been somewhat different. I mean, in California there is very substantial support for the concept of vouchers—for the idea that parents should be able to send their children to the public, private, or parochial school of their choice with government support. Californians endorse that by 2 to 1. But polls, both before and after the election, showed that Californians didn't like the specifics of 174. They were concerned about a couple of things.

First, they were afraid that Proposition 174 would threaten the public schools by draining from them funds that they need. They wanted to see the public schools protected in a voucher program.

Second, they were afraid that there weren't enough safeguards built in to ensure, for instance, that private schools wouldn't take the money and run. They wanted curriculum requirements; they wanted teacher qualification standards; they wanted financial accountability through audits; and they wanted performance accountability through testing. Also, they were afraid that there would be discrimination, that poor kids, in particular, would not have opportunities to use their vouchers in private schools. If these basic concerns had been met in the design of the initiative, people would have been much happier with 174. Indeed, exit polls indicated most would have voted yes.

Ostrander: Do you think, Terry, that you could have a proposal that included all those things and still give schools of choice the flexibility and freedom which would make them truly competitive?

Moe: Definitely, yes.

Furst: Doesn't the potential exist that private schools would end up being just little public schools with all the bureaucratic strength. I think you pointed that out in your book.

Moe: That's the last thing that we want. I think that what designers need to do is to set up a system that imposes very basic kinds of regulations on private schools—regulations that, in fact, virtually all private schools already meet. So, for instance, the curriculum requirements might be an explicit statement of the requirements that, in California, are already in the education code for private schools. Similarly, standards for teacher qualification don't need to require that teachers be formally certified and graduated from an education school. They might simply require that every teacher in a voucher-redeeming school have a bachelor's degree and pass a state test of teacher competence. California has one called the C-Best Test. You don't have to be certified to take it.

As far as financial accountability goes, let's say that there is some kind of a scandal or a suggestion of impropriety. The state could then be given the right to audit the books. Something simple like that. If you impose very basic rules of these sorts, people will be satisfied. And good private schools already meet them anyway. A second prong of this design, moreover, would be a political requirement on the legislature itself: that

it shall be able to pass no new regulations beyond those already in effect, unless they can muster a two-thirds majority.

Furst: Do you think it would be essential to have some protection against really strange, off-the-wall types of schools, a Satan-worshipping school, or extreme Black Panther-type schools that teach an agenda of hate. How would you, could you, protect against that without becoming discriminatory?

Moe: I think, number one, we have to recognize that virtually all parents want mainstream, responsible schools for their kids. Parents are not going to put their kids in schools run by witches. It just doesn't work that way. Number two, we can eliminate most problems at the fringes by means of academic requirements, and through criteria that rule out hate groups, cults, and other kinds of organizations that don't have educational goals and may engage in illegal activities.

Furst: Let me change the subject just a little bit. What about the charter-school movement? A number of states have provisions for charter schools and, in fact, here in Michigan in our recently passed reform legislation, we have what is called the Public School Academies. How do you think the charter public schools are going to affect the whole choice thing, as far as all schools, public and private, being involved in choice programs is concerned?

Moe: Well, the charter-school movement is far and away the most exciting and dynamic reform of the public sector going on now.

Ostrander: Will this blunt the efforts to bring existing private schools into the choice spectrum?

Moe: I think the honest answer is yes, to some extent. In fact, I think this is part of the establishment's strategy.

Furst: You know, I didn't want to come right out and say that, but I have the same suspicion. If we bring in public schools that act like private schools, then we can keep the private schools out.

Moe: Sure, that's the point. In California the establishment was afraid of Proposition 174, and so they agreed to go along with a charter-school bill. They did everything they could, of course, to sabotage it and create a symbolic bill that wasn't much of a reform.

For instance, they imposed a limit of a hundred charter schools, the local school board had to approve the charter applications, and teachers from the district had to sign petitions agreeing to it, all of which made it

very difficult to set one up. But, nonetheless, the establishment was willing to go along with something like a charter-school bill in order to make it appear that they were in favor of choice. As a political strategy, I think charter-schools legislation will indeed siphon off some of the fervor for a full blown voucher system. But I don't think, in the end, it is going to undermine the idea of school choice.

Ostrander: I would like to follow up on the statement you made about how you see the charter-school movement as being the most exciting educational reform to come along. Do you see this as more exciting than choice among public and private schools, or as an exciting plan just for public schools?

Moe: I am talking about just public schools. Including private schools is much more exciting than charter schools. You are only going to get so much out of public-school reforms. They are still public.

Furst: Along a similar line, are you familiar with Milwaukee's private-school-choice plan? Given the state of that—Milwaukee's private-school-choice plan—and Minnesota's open-enrollment plan, what, in your opinion, are the chances of existing mainline private schools ever being included in a state's choice program?

Moe: It is an uphill battle. You have to acknowledge that the deck is stacked against a well-functioning, well-designed voucher system from the beginning. The establishment will do everything it can to keep private schools out, period, and if private schools are included, to design the system in such a way that it won't work. They want to show that it is a failure; which is just what they have tried to do in Milwaukee.

Furst: That's what I was going to ask you. I had the suspicion when I first read of that plan that it was designed to fail so that it was just like the performance-contracting of 20 years ago. It was designed, I believe, to fail so they could show that it wouldn't work.

Moe: They clearly tried to do that in Milwaukee. Another way to put it is that the voucher legislation was a compromise. There were people who really wanted a system that would work, but they had to compromise with people who wanted the system to fail in the end. The result is a system that, for instance, excludes most of the private schools in Milwaukee. It included, in the beginning, only about eight schools, all of them nonreligious.

The vast majority of kids in the private sector, on the other hand, are in religious schools of one kind or another, and it only makes sense, if we are going to take advantage of the resources of the private sector, to include the religious schools. Yet they designed the program to make sure that these [religious] schools couldn't participate, giving the kids in Milwaukee only a very limited degree of choice.

Furst: What about the interdistrict-choice plan in Minnesota?

Moe: I don't see why people get excited about interdistrict choice. It's great that kids can go to school in another district if they want to, but who wants to? The fact is that students want to go to school close to home, if they can. Only a very small percentage of students have a reason to want to go to school in another district. So it is not much of a reform.

Furst: I used to live in Minnesota, and their inner-city schools are not really as bad, say, as Chicago's. Do you think that if Illinois were to do this, they wouldn't have quite a bit of movement out of Chicago to the suburban schools where they have easy public transportation? In fact, some kids living across the block from a school-district line could go to a nice suburban school rather than a downtown Chicago school.

Moe: Yes. If kids were allowed the option of leaving terrible schools and moving into other districts, some kids would do it if the transportation were there. I don't think this would make Chicago schools any better, though. And the suburban schools could handle only a small fraction of Chicago's kids.

Ostrander: Are there any current choice plans in California or elsewhere that would operationalize the beneficial effects that your book indicated would make a good choice plan?

Moe: The choice movement in this country is nationwide. It is really a ground swell of dissatisfaction with the public-school system and a support for choice. Parents believe that they have the right to choose their own schools and that the power to control schools should be at the bottom and not at the top. Schools shouldn't be controlled by politicians and bureaucrats. They should be controlled by principals, teachers, parents, and students. A movement pushing for these kinds of reforms is sweeping the nation in basically every state. In California, it became so advanced that we were able to get this thing on the ballot—as they did in Colorado and in Oregon. In the beginning of this movement, of course, we have to expect to lose. We are up against a formidable opponent, but that doesn't

mean that just because we lose the ball game is over. The momentum is clearly on our side. They are going to be faced with choice-proposals again and again and again and again and sooner or later we are going to win one. A big one. And that's going to be the beginning of the end for the establishment.

Furst: Are you familiar with the one—was it in the legislature in Kansas? This was not a ballot; it was a bill in the state legislature about four years ago called a GI bill for Kids?

Moe: I am not familiar with the specifics of it.

Furst: I was working with the Adventist schools in Kansas at the time. The bill proposed a really simple choice program that didn't have a lot of problems that some of the others have. It would simply reimburse parents for the tuition in a private school. It was limited to parents who were at 175% of the poverty level. So it eliminated the argument that it would cream off all the money for the wealthy kids. It was aimed at poverty-level kids, and it would reimburse only for the actual tuition. Catholic and Lutheran school tuition in Kansas is extremely low. I figured—I did some quick calculations—if they had 2,000 kids take advantage of this in the state, the state would save a good bunch of money by shifting payments from the public schools to the private schools. I just wondered if you were familiar with that one at all?

Moe: No, I am not. That brings up a point that I want to reemphasize, though: that the kind of voucher proposal that is ultimately going to win will be one that looks different from 174. It is not going to be a blanket-voucher proposal that simply gives every kid a voucher and leaves it at that. I think it will be one that recognizes the kinds of concerns that ordinary people have about radical educational change and the kinds of protections they want built in. For instance, people want to make sure that the public schools are not decimated. They want to make sure that there are certain basic regulations that ensure that curriculum, teacher standards, and so on are respected. And they want to make sure that the kids who need it most, poor kids especially, have access.

Furst: That was the nice thing about the Kansas proposal; it was narrowly defeated in the legislature. I don't think it has been resurrected yet.

Moe: I wouldn't be at all surprised if the first time we get a real revolutionary change in a state, it will be a voucher bill that is targeted at poor kids and doesn't give vouchers to everybody else.

Ostrander: Let me redirect the focus of our conversation. I have your book *Politics, Markets, and America's Schools* before me. Is there any further analysis of the data that you developed? If so, what findings are applicable to current choice initiatives? Or are there spinoffs from the work?

Moe: Well, we did a follow-up essay, which is a little book with the Brookings Institution on educational reform in Great Britain. Actually, Britain had a very radical reform in 1988, the Education Reform Act. I don't know if you are familiar with it, but it extends choice to everybody in Britain, requires school-based management for all schools, and allows schools to "opt out" of the authority of the local education agency and become completely autonomous. Opted-out schools simply receive their money directly from the national government, without being funneled through the Local Education Authority (LEA).

Ostrander: Is it fairly similar to the Harlem schools that you talked about in your book?

Moe: No, the Harlem schools are still just regular district schools in District 4 in East Harlem, New York.

Ostrander: They are just given more autonomy?

Moe: Yes, they are given more autonomy; the schools are highly specialized and kids choose among them. It is a great system. But in Britain what they did was to allow schools to leave the LEA, so they are no longer accountable to local school boards. They make their own policies, they decide how to spend their own money, and they get more money because ordinary schools under the Local Education Authority have to give up about 15% of their resources to the LEA for administrative expenses. The schools that have opted out get to keep that 15%. This is really radical. Anyway, we wrote about that in our book. Since then, we have been working on a project about choice and equity. We are in the midst of that now.

Ostrander: Are you and John Chubb working together on that?

Moe: Yes. It is about the experiences of poor and minority kids under the public-school system—why it is that the programs that are designed

we have to strike some kind of a balance that allows people to do this as long as they meet certain criteria.

Furst: Do you know about the Michigan Charter School called public-school academies? The very first one that is chartered is a home-school network. They have certified teachers sitting in a little building in Central Michigan. They are going to give every home-school parent who signs up with them a computer and a computer hookup. The money won't go to the parents; it will go to this group of teachers and administrators who put it together. They have a million and a half dollars for about 250 home-school children.

Moe: That is interesting.

Ostrander: My last question concerns the First Amendment. Do you think that the First-Amendment establishment clause precludes any meaningful choice program for religious schools?

Moe: I think these days most constitutional scholars are agreed that there is no reason why a voucher system that includes religious schools would violate the First Amendment. The key point is that as long as the money is going to the parents, who are choosing which school to support, it is not an issue of the government establishing religion. The government does not decide where the money is going. The government does not favor one church or another. The government simply allows parents to choose what schools their children will attend, and the money follows the parents' choice. This is no different from the GI bill, no different from Pell grants, no different from the federal day-care program that is now in place. All of these programs involve religious schools, and they are all built around parent choice. So, even liberal constitutional lawyers, such as Lawrence Tribe at Harvard, have said that it would be easy to design a choice system that satisfies constitutional requirements. Of course, there are nine people on the Supreme Court; they are individuals, and they can do anything they want. They could rule that a voucher system violates the constitution. But I think if a voucher system is intelligently drawn, we should expect that it will be constitutional.

Terry M. Moe, formerly a senior fellow at Brookings Institution, is a professor of Political Science at Stanford University. Dr. Moe is also coauthor of the book Politics, Markets, and America's Schools.