DOCUMENT RESUME

ED 278 117 EA 019 114

AUTHOR Lines, Patricia M.
TITLE Peaceful Uses for Tuition Vouchers: Looking Back and Looking Forward.
INSTITUTION Education Commission of the States, Denver, Colo.
SPONS AGENCY Spencer Foundation, Chicago, Ill.
REPORT NO ECS-EG-85-1
PUB DATE Dec 85
NOTE 29p.
AVAILABLE FROM ECS Distribution Center, 1860 Lincoln Street, Suite 300, Denver, CO 80295 ($6.00).
PUB TYPE Information Analyses (070) -- Reports - Research/Technical (143)

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Educational Finance; *Educational Vouchers; Elementary Secondary Education; High Risk Students; Open Enrollment; Political Issues; *Politics of Education; Rural Education; *School Choice; School Desegregation; Teacher Attitudes; Tuition
IDENTIFIERS *Alum Rock Union School District CA

ABSTRACT

This paper reviews the theoretical basis for educational voucher proposals, the various types of vouchers proposed, and the experience that has been had with voucher systems so far. The paper looks first at the claims made by voucher supporters that vouchers will redistribute political and economic power and simplify the administration of educational funding. The history of efforts to test and enact voucher plans is then examined briefly. The paper next describes regulated vouchers that limit potential socially undesirable results. The limited voucher system field tested by Alum Rock School District in San Jose, California, provides an illustration of such a system's possible impact. The most monitored of all education choice programs, this experiment yielded a rich data base on how families will respond to a large array of choices among schools. The political influence of opposition to vouchers by teacher groups is considered next. Noting that the history of vouchers suggests that only limited and regulated versions of the idea are politically viable, the paper then discusses three limited uses for vouchers: (1) for schools in sparsely populated areas, (2) for racial balancing, and (3) for such children at risk as dropouts and the educationally disadvantaged. Fifty-one footnotes are appended. (PGD)

PEACEFUL USES FOR TUITION VOUCHERS: LOOKING BACK AND LOOKING FORWARD

Working Paper No. EG-85-1

By

Patricia M. Lines

December 1985

Education Commission of the States
1860 Lincoln Street, Suite 300
Denver, Colorado 80295
303-830-3600

The research for this paper was supported by the Spencer Foundation. The views expressed in the paper are the author's and do not necessarily reflect the views of Spencer or the Education Commission of the States.

The Education Commission of the States is a nonprofit, nationwide interstate compact formed in 1965. The primary purpose of the commission is to assist governors, state legislators, state education officials and others to develop policies to improve the quality of education at all levels. Forty-eight states, the District of Columbia, American Samoa, Puerto Rico and the Virgin Islands are members. The ECS central offices are at 1860 Lincoln Street, Suite 300, Denver, Colorado 80295. The Washington office is in the Hall of the States, 444 North Capitol Street, N.W., Suite 248, Washington, D.C. 20001.

It is the policy of the Education Commission of the States to take affirmative action to prevent discrimination in its policies, programs and employment practices.

Order copies of this booklet, Peaceful Uses for Tuition Vouchers: Looking Back and Looking Forward, from the ECS Distribution Center in Denver (303-830-3692), for $6.00 each. Ask for EG-85-1.

CONTENTS

PEACEFUL USES FOR TUITION VOUCHERS: LOOKING BACK AND LOOKING FORWARD

by

Patricia M. Lines

Since the early sixties, educators have sporadically considered proposals for family choice, with funds following the child. Under such proposals, the sponsoring government — local, state, or federal — would distribute its education dollars according to individual choices. In its most straightforward form, the individual would receive a voucher and use it to purchase educational services from eligible institutions. A piece of paper is not the essential ingredient, however. For convenience, the term "voucher" will refer to programs of choice where the funds follow the child, whether or not a document labeled a "voucher" is exchanged.

The education voucher idea has been suggested by such diverse scholars as Milton Friedman,[1] a conservative economist, and Christopher Jencks,[2] a liberal sociologist. Recently it has been taken up by state and federal political leaders — chiefly governors of both parties, and the federal executive.

This paper will review the theoretical basis for these proposals, the various types of proposals and the experience with them thus far. The paper concludes that proposals for limited voucher systems have promise to achieve some of the major goals of a voucher system and present fewer political problems than a full-scale plan. The paper further describes how limited approaches can help achieve specific education goals. It examines the possible use of the concept as a means of addressing three distinct problems — that of districts with insufficient population to support their own schools, racial segregation and at-risk children.

The Theoretical Basis

The theoretical basis for such proposals rests on assumptions about how choice, with funding to back it up, can redistribute political or economic power to those that do not presently possess much of either and how this can affect education outcomes. At least for some (noneducation) voucher programs, administrative simplicity is also an expected benefit.

Political Decentralization

The goal of political decentralization — decentralization of important decisions — is elusive to even the most earnest seeker. It was a question raised passionately during the making of the Constitution. From time-to-time, it has become a focus for national debate. But the concept remains an idealistic goal. Those who believe in decentralization find themselves opposing centralizing forces only until a crisis forces a centralized solution to a problem.

In the context of schools, such crises have produced federal civil-rights laws that profoundly affect education, a multitude of grant programs, and even a U.S. Department of Education which appears here to stay, despite continued talk about returning it to subcabinet status. Finally, many states have virtually replaced local boards.[3] With centralization in education reaching new heights, those who share Jefferson's vision of participatory government have begun to cast about for structures that might retain, if not restore, some measure of power over educational decision-making for those at the bottom of the power pyramid.

Theoretically, a regulated voucher system could be a potent force for political decentralization. Critical decisions about schools would be turned over to parents. Power to choose a school, it is reasoned, gives the parent influence over school policy. In particular, the concept holds out a promise to empower those who presently enjoy little political advantage, unlike the present system where only wealthy families can choose — either by paying tuition at a private school or by buying a house in the "right" school district. Poor and minority families, many of whom are now locked into ghetto neighborhoods and ghetto schools, would be given the same freedom that upper and middle class parents exercise now.

In typical decentralist thinking, backers also expect the increased participation of parents to produce other benefits as well. Backers expect that competition would encourage most public programs to improve; they expect, also, that where the improvement takes place, a voucher program would allow the poor child to escape substandard fare offered in an assigned public school. They expect that the system would facilitate school-level experimentation and diversification, and — above all — responsiveness to the needs of families, largely ignored in other types of school systems. They expect small new schools of all types, innovative and traditional, or schools with special emphases, such as math and science. Within schools, teachers and principals should feel greater freedom to vary material and methods. Parents not pleased with the emphasis of one school could choose another. Thus, public school administrators and teachers would be freed from the necessity of trying to please everyone in an attendance area, a practice that usually pleases no one. No child would have to attend the really unresponsive schools — those that are acceptable to no one. Schools with no applicants would have to close. If a full-scale voucher plan were in effect, families that could find no acceptable school could afford to found a new school, perhaps even renting the vacated buildings.

Some people also expect undesirable side effects. Opponents of such systems fear that they will reduce pressure to improve public schools. They worry that teachers and students will follow the path of least resistance, choosing easier, less academic courses over hard work. They note that market mechanisms do not ordinarily promote collaborative efforts among consumers or providers. They believe that education should be responsive to society as a whole, and that individual choices may thwart this goal. They believe decentralization efforts should focus on the community, not the family. Finally, if it achieves the goal of stimulating diversity among schools, a voucher system also may magnify differences among people in a society that some believe is already too diverse to succeed.

But these are simply desirable or undesirable side effects, and they can be enhanced or restricted through variations in program design. The main goal seems to be a redistribution of political power.

Economic Decentralization and the Promotion of Competition

Some supporters of vouchering education believe it will redistribute economic power. Where there is an abundance of suppliers, or entry into a field is relatively cheap, a free and competitive market should maximize individual choice. As long as consumers have the means, they are able to select the product or service that each finds most attractive. Their choices in turn should influence suppliers to revise the good or service in an effort to be more responsive to consumers. Success is measured solely by the increase in competition, variety, and consumer satisfaction. All in all, this economic model seems too narrow, and fails to consider such important factors as larger public goals for education, and the impact on local government.

Administrative Decentralization

Finally (and less frequently cited), voucher programs might promote administrative convenience. This seems true for the food stamp program, for example — a compromise between laying out cash or attempting to distribute food directly to eligible recipients. Although there may be some cheating, for the most part, food stamps are used to obtain food. A wary government may not be as sure about cash payments. And for avoiding bureaucracy, it clearly beats running a federal soup kitchen (or providing grants to local people to run local soup kitchens). The soup kitchen idea is most likely to buy more bureaucracy, not food. Unless the intent is to provide the very same product or service to all eligible persons, vouchering seems to simplify administrative problems.

The GI Bill is another obvious example. An entitlement that may be used to purchase education at eligible institutions seemed a natural choice, simply because the federal government was not organized to and had no desire to become a provider of postsecondary education. Grants to education agencies to educate veterans would have required considerable supervision to assure that the money was targeted on veterans. Medicare developed for similar reasons.

Education voucher ideas, unlike other successful voucher programs, must deal with an established government bureaucracy. That is, local education agencies already provide education services, and mechanisms for state and federal subsidies are in place. The practice would dislocate at least a part of this existing bureaucracy. (This helps explain some of the political problems plaguing vouchers.) Funds targeted on a child are less likely to be diverted to other uses. Thus, the idea may be justified on the basis of simplicity only where the program is one where funds are to be targeted on a subpopulation within the student body — such as handicapped or disadvantaged children. Otherwise, vouchering may create a more complex bureaucracy than already exists, at least in the short term.

A Review of Voucher Proposals

In 1969, with funding from the now-defunct Office of Economic Opportunity (OEO), the Center for the Study of Public Policy (CSPP), a Cambridge-based research organization, conducted an extensive theoretical study (now a classic) of the subject. CSPP identified seven theoretical models ranging from an unregulated market model to various regulated

models. The report also discussed in detail how to identify children with special needs, matching pupils to schools, and similar questions. The center recommended a regulated voucher plan. This was subsequently adopted as a model to be tested by OEO. Later, the National Institute of Education (NIE) took over the program, and under NIE auspices, a limited field test was begun in Alum Rock School District (San Jose, California). The experience in Alum Rock, which is reviewed in greater detail below, strongly suggests that the concept be limited in various ways.

Since Alum Rock, sporadic attempts have been made in a number of states to obtain some kind of voucher plan to school-aged children. In 1975, New Hampshire enacted legislation to permit local districts to participate in a field test of the OEO-NIE idea. The test never was funded. In California, enough signatures were obtained to place an initiative for a statewide voucher plan on the ballot, but it was defeated. A similar attempt was made in Colorado, but the plan was derailed by a state supreme court ruling that found the ballot title failed to reflect accurately the content of the initiative, contrary to state law. Michigan has also seen sporadic efforts to introduce legislation for some kind of universal voucher.

Proponents are now proposing more limited plans, and are meeting with mixed success. Late 1984 and early 1985 saw activity like this:

- Governor Richard Lamm of Colorado proposed a "second chance" plan — vouchers for dropouts, those failing academically, teenaged parents, delinquents and truants. The original bill contemplated participation of private schools, if they met stringent requirements. When the bill was first introduced, it was defeated in the senate education committee by a vote of 5 to 4. Just before the legislature recessed, it was reintroduced and passed, with the provisions for private school participation deleted. California has recently passed a similar law that permits private organizations to operate clinics.

- Governor William Janklow has successfully obtained legislative approval of a voucher plan that makes students in very small high school districts eligible to move to other districts. Opponents are now gathering signatures to require the law be submitted to the voters in a referendum this fall.

- Governor Rudy Perpich of Minnesota has proposed a voucher plan for all students, limiting his plan to public schools only. Basically, it would facilitate interdistrict transfers and create new, specialized public schools. The program was to phase-in beginning with 11th and 12th grades. The legislature refused to pass it. The Minnesota teachers organizations were the chief opponents of the legislation. However, the legislature did pass an important piece of the proposal. Under new Minnesota law, 11th and 12th graders may enroll full- or part-time in nonsectarian courses at public or private postsecondary institutions (four-year private colleges and universities; all public postsecondary institutions), and a portion of the state aid available to a district for that pupil will pay for tuition and materials. The state will pay any excess, and will reimburse low-income parents for transportation costs, through local education agencies. The local district must grant credit for courses taken, and there is a state appeal process if there is a dispute over how much credit should be granted. The state department of education has taken the position that students enrolled in nonpublic schools are not eligible. The plan is extremely innovative, and may become very costly if large numbers of students take advantage of it.

- Governor Lamar Alexander of Tennessee is proposing to facilitate interdistrict transfers, with the state paying extra tuition for poor pupils. (Some public districts in Tennessee charge tuition equal to the district's share of the bill; others charge less, figuring that the marginal cost of the extra students is low). Alexander is introducing the idea in speeches only, apparently feeling that asking for legislation would provide too much controversy in the wake of his teacher merit-pay proposal. In any case, about 40% of the state's school districts now allow students to choose any school within the district, and 31% permit students to go to any district in the county, with funds following the student. Of 143 districts, 28 draw 10% or more of their students from other districts.[4]

- On the federal level, the Administration has requested legislation that would give vouchers to parents of children eligible for benefits under Chapter One of the Education Amendments of 1978.[5] The law targets federal funds on educationally disadvantaged children living in low-income areas. The voucher would be around $600 per child. The family could use this to pay or help pay tuition at a public or private school.

Universally Available, Regulated Choice

The Concept of a Regulated Voucher

Most public attention to voucher plans has focused on plans that are generally available to all children within a designated geographic area, and which are to be the only method for assigning children to school and allocating education dollars. The concept, as envisioned by OEO and NIE, was developed to combat the debilitating effects of poverty on a child's schooling. In the OEO-NIE theoretical studies of the subject, weaknesses were found in an unregulated voucher model — the type advocated by Milton Friedman. Expensive private schools might require families to pay for a child's schooling with a voucher plus cash. Under the Friedman plan, a flat grant could be used at a public school as payment in full, but at a prestigious private school it would most likely be only partial payment. Under such a model it is likely that affluent families will flee to private schools in even greater numbers. Since there is a present correlation between minority race and low income, the public schools would become more segregated. The result would aggravate present racial inequality and would probably be unconstitutional.

In addition to the likely economic segregation, which in turn could lead to racial isolation, an unregulated voucher system has other potential shortcomings. Without regulations, the competitive market might lead some schools to make false or misleading claims as to their worth. Fly-by-night schools might appear, cashing the voucher and disappearing — as was the early experience with the GI Bill. The poor may be especially vulnerable to such predatory practices.

In 1969 and 1970, with OEO funds, CSPP developed a number of rules designated to eliminate these problems, to protect poor families and to avoid constitutional defects. These rules were subsequently adopted by NIE:

1. A new regulatory agency, the Education Voucher Agency (EVA) would operate an extensive parent and teacher education program.

2. The value of the voucher for disadvantaged children would be greater than the regular voucher amount.

3. The EVA would not cash vouchers for schools which violated any of the following rules:

   (1) No school may discriminate against pupils or teachers on account of race or economic status, and all schools must demonstrate that the proportion of minority pupils is at least as large as the proportion of minority applicants.

   (2) Schools must be open to all applicants. Where more students apply than can be accepted, the school must admit applicants on a fair and impartial basis, preferably by lottery.

   (3) The school must accept the voucher as full payment for all educational services at the school. In other words, no participating school may require parents to make additional payments out-of-pocket.

   (4) Constitutional requirements must be met. Parochial schools may participate only if their participation does not violate state or federal constitutions. They must also comply with all other rules, including the requirements of open enrollment.

   (5) All schools must make available to parents information concerning the school's philosophy on education, the number of teachers, teacher qualifications, facilities, financial position, and pupil progress. In short, the schools must provide sufficient information to enable parents to make a wise decision when they select a school.[6]

CSPP also considered other problems in depth — teacher relations, transportation, organizational needs and legal problems. Persons interested in pursuing these issues should consult other sources.[7]

Empirical Findings From Alum Rock

With OEO-NIE funding, a field test took place in Alum Rock School District (a separate political entity within the city limits of San Jose, California), beginning in September, 1972. The plan finally tested was a "tuition voucher" plan in name only. First, legislation to permit participation of private schools was not enacted in time, and when it finally passed, was extremely restrictive. The absence of private school participation narrowed the range of choices available to families too poor to forgo reliance on free public education, but it helped to neutralize those who would otherwise oppose the idea — teachers and administrators. Second, funds did not really follow the child. Teacher salaries were fixed, and oversubscribed schools had to return surplus funds to the central district.[8]

In the end, primarily because of the difficulty in winning teacher acceptance for the original experimental design, the experimentation was much too limited to permit assessment of a pure voucher program. However, the findings from Alum Rock do yield some important information. The experiment was undoubtedly the most monitored of all education choice programs, and it yielded a rich data base on how families will respond to a large array of choices among schools.

To expand the number of choices, the district asked schools to establish minischools within their buildings. In the first year (1972-73), 6 schools participated, forming 22 minischools. Seven more joined in the second year, and another in the third. At its peak in 1974-75 there were 14 participating buildings with 51 programs.[9]

The population was not the best one for a full-scale test. Although the research suggests more affluent families respond to choices more quickly, median family income was low ($10,150 in 1970). In the school year 1972-73, over one-third of the students were from families eligible for welfare; three-fourths qualified for free or subsidized lunch (compared to 48% statewide). And although older children are more likely to attend a more distant school when choice is available, Alum Rock had only elementary and middle schools — 19 and 5 each, in the fall of 1972.[10] Nonetheless, the program worked — that is, substantial numbers of families exercised a choice.

The Rand study found that parents in the voucher group were aware of the project, to a greater degree than nonvoucher parents; and that awareness increased over time. In year 1, 82.5% of voucher parents were aware of the project; 96.3% and 96.2% of the same group were aware in years 2 and 3, respectively. This fell to 42% in year 5, when Alum Rock moved to a district-wide limited-open-enrollment plan, and abandoned the minischools.

Awareness of details was not universal; 58.6% of first-year voucher parents were aware of the availability of free busing; 72.3% and 82.7% of this group were aware of the availability of free transportation in years 2 and 3. Generally, higher SES parents, Whites, and those with high expectations for their children's future education were more aware of the details. The greatest gap in awareness was between Mexican Americans who spoke Spanish (63%) and others — English speaking Mexican Americans (69%), Blacks (75%) and Whites (78%).[11]

By design, every parent had to choose a program, so participation was 100%. Families consistently preferred neighborhood schools. In the first year, only 11.2% of the children went to more distant school buildings. The children became more mobile, however, as experience with the system grew; in the second year of the program, 18.4% went to non-neighborhood schools, and 21.8% in the third year. In year 2, 24.2% of students given a voucher for the first time went to more distant buildings.[12] Interschool movement within a building also took place. In year 5, when the entire district converted to open enrollment, 11.2% of families given choice for the first time chose more distant buildings.[13] Overall, in the list of 25 schools, racial ratios were fairly stable, and in 1975-76 the minority population in 15 of 25 schools was within 10 percentage points of the district-wide total.[14] In fact, from October 1970 to October 1976, the degree of racial imbalance (measured by the number of children who would have to be transferred to achieve district-wide racial ratios in each school) declined from 13.3% to 11.0%.[15]. It should be noted, however, that the Black population in Alum Rock was geographically dispersed. The findings may not predict patterns where housing segregation is severe. A

final concern: in Alum Rock there were "minischools" with separate programs within established school buildings. Some of these "minischools" were racially imbalanced, primarily because of the effects of bilingual programs offered there.

Rand also examined the data for socioeconomic imbalance. This tended to cluster by school, and seemed to be related to the widespread preference for neighborhood schools. In year 1 this imbalance (numbers of programs that exceeded district-wide ratios by 15%) was 23%; in year 2, 20%; in year 3, 27%. Students who would have to be transferred to achieve district norms were 9%, 9.3% and 11.7% in years 1, 2 and 3, respectively.[16]

Sex imbalance was slight: programs that exceeded 15% of district norms tended to be oriented toward math and science, or enrichment. Students that would have to be transferred so that these schools would equal district averages were 4.1% in year 1; 3.3% in year 2; and 4.0% in year 3. Programs that exceeded 15% of district norms were 5%, 2% and 8% in years 1, 2 and 3, respectively.[17]

Data from both Alum Rock and Minneapolis indicate that parents of higher income and higher occupational status tended to prefer open classrooms; Mexican-Americans and minorities tended to favor traditional classrooms. For example, of those who chose open classrooms, 64% were from families with income over $15,000, and 36% were from families with income below $15,000.[18]

While Rand Corporation did not focus on the redistribution of power, others did. David Cohen and Eleanor Farrar evaluated the OEO-NIE efforts, including the field test in Alum Rock. They most carefully scrutinized the impact of the choice plan on the distribution of political power. They found teachers, not parents, appeared to gain more control over the program. This, they concluded, was due to the advantages of organization, information and control teachers had at the outset of the project.[19] Parents were nonetheless pleased with the program although the level of satisfaction declined (for both voucher and nonvoucher parents) during the demonstration.[20] The limited data (some of the data for the nonvoucher schools turned out to be unusable) revealed no differences in cognitive outcomes, or in self esteem.[21]

Teachers, on the other hand, had to work harder than they had expected. Over half — 51% — reported an increase of 6 or more working hours per week, after the first year. They were reluctant to have managerial duties added to teaching duties. Teachers also cited more advantages than disadvantages for students and parents. For themselves, however, they cited more disadvantages than advantages. They were skeptical about how well parents understood the program and whether they could make adequately informed choices. (This was also true, to a much lesser extent, in Eugene and Minneapolis.)[22]

Schools diversified, but within a limited range.[23] Next, teachers and administrators did what suppliers so often do in a competitive market: they took steps to limit competition. Midway through the Alum Rock demonstration, the district restricted demand by imposing enrollment limits on each school (a classic form of anticompetitive agreement — a division of the market). This controlled some problems — schools that had been oversubscribed also had more than their share of administrative hassles — such as crowding. But the limits also forced the overflow into less popular schools, and protected them from the ultimate threat of no students.[24]

There were also restrictions on the entry of new private schools (there were no pre-existing private schools in the area). The California legislature did not pass legislation permitting transfer to a private school until the fall of 1973. The legislation was extremely restrictive, specifying that the private school would have to be under the "exclusive control" of local authorities, and that the program was to be reviewed by the recognized bargaining agent in the district. A group of teachers did attempt to organize such a school, but the local teacher organization was hostile, and successfully sought to require the new school to offer a program that did not vary much from the public school program. By 1976 the new school was ready, but it failed to attract students.[25]

Choice — but without the funds following the child — has also been evaluated in a variety of other contexts. Rand Corporation added Minneapolis, Cincinnati and Eugene to their study when it became clear that Alum Rock was not going to test a true voucher program[26]. Generally, the data from the other cities was skimpier but showed no large differences from the data from Alum Rock. Mary Anne Raywid has looked at choice in public schools extensively, examining 50 research projects where choice was extended to all types of students. She concluded that alternatives seem to provide cognitive, social and affective growth. While she reports that even academic outcomes seem positive, "it remains tentative and somewhat scant."[27]

The Politics of Vouchers

Overshadowing the negotiation that led to dilution of the Alum Rock field test was the presence of organized teachers. Implementing a version of the plan that does not meet the approval of teacher organizations seems difficult, if not impossible. As Chester Finn has observed:

> The closer a reform proposal gets to the disestablishment of public schooling, of course, the more vigorously it is opposed by leaders of that establishment. Vouchers, in that sense, are the ultimate threat. But the national teacher unions and their many organizational allies have been adept — and, from their standpoint, sincere — in depicting less sweeping proposals as a "foot in the door" or way station on the path to destruction. Indeed, it could fairly be said that the reform theme is the one that troubles them most, implying as it does that public schools in their current form are deficient or even harmful. They have been notably less vigorous in opposing proposals and programs that provide modest amounts of aid to private schools on essentially the same terms as public schools.[28]

Political considerations remain by far the most powerful when considering wide-ranging choice programs. Perpich could not persuade his legislature to pass his program, although one important aspect of the proposal passed — providing for state-paid tuition at postsecondary institutions for 11th and 12th graders. Janklow's new law will face a referendum.

Nonetheless, public support for tuition vouchers has been growing. In the 1970's more people opposed than favored the concept. In 1981, the proponents edged out the opponents, 43% to 41%; and by 1983, a majority emerged — 51% in favor compared to

33% opposed. Significantly, those aged 18 to 29 were 60% in favor. Blacks tend to favor the idea more than any other group (by 2 to 1).[29]

Experience during the period when the Alum Rock experiment was developing provides clues to likely sources of political opposition. The strongest opposition to the early efforts came from teachers' organizations, the NAACP and some other civil rights organizations who feared that the concept would undermine efforts to desegregate schools. Support came from individual parents, community-based organizations, private educators (when the plan was to allow private schools to participate), and individual teachers who desired more freedom to design an education program.

Today, the political opposition of teachers' organizations may be diminished, at least for plans that are limited to a population of students with special needs, such as dropouts. The new emergence of the business community as an actor in education policy formation may provide a new source of support. The Minnesota plan, for example, was first suggested by the Minnesota Business Consortium.

The way most proponents meet political opposition is to limit the proposal. The Alum Rock field test was limited to public schools, and to an experimental period. On this basis, one state was willing to permit it, and one district was willing to be the guinea pig. (It is worth noting that even after the experimental period, Alum Rock retained an open enrollment policy.)

In most districts, limiting the plan to public schools would fail to equalize choice for the poor, however, for only those with an adequate income are able to choose private schools. Perhaps an even more interesting proposal would be to limit the idea to certain populations. In a sense, handicapped children already enjoy this kind of program in most states. That is, private placement of children with special education needs is authorized in almost every state. Usually, this placement is available only where the public school program is not adequate to meet the needs of the child. Very little opposition has developed to such placements. Governor Janklow's plan, which makes transfer possible into or out of very small rural school districts, is another innovative and resourceful way of dealing with the need for school consolidation in rural areas. A plan limited to dropouts appears very attractive. Teachers' organizations are less likely to oppose such a plan, as it does not put them in direct competition with anyone. Indeed, it could increase the demand for teachers.

Peaceful Uses For Tuition Vouchers

Reflecting on this history of vouchers strongly suggests that only limited and regulated versions of the idea are politically viable. Therefore, it seems more realistic to examine the potential of vouchers for limited goals. The remainder of this paper will discuss three such limited uses — (1) assignment to schools in sparsely populated areas, (2) racial balancing and (3) vouchers for students at risk. There is a surprising amount of experience with each of these three uses.

Small Towns and Rural Areas

Vermonters cherish participatory democracy, as embodied in the Vermont town meeting. As the nation moved toward universal tax-supported education in the early 19th century, Vermont developed its own answer to economies of scale. Rather than support a small high school, or form a consolidated school district, Vermonters in some towns simply sent their children to a nearby private academy, at public expense. Today 95 Vermont towns have no public high school and do not belong to a union high school district. Of these, 25 also have no elementary school. Under state law, these towns may designate a school (public or private), or pay tuition. The town pays an amount equal to the average union school district, which was $2,675.67 for a high school student in 1983-84. If a private school is designated, it must accept the support as payment in full. If there is no designated school, and if tuition is more, the town has the option of paying it, or it can let parents chip in the balance.

Individual Vermont towns adopt different patterns. For example, Lyndon designates the Lyndon Institute as its high school. (Parents occasionally obtain permission to send their children elsewhere, but usually the town denies such requests.) St. Johnsbury, despite its nearness to St. Johnsbury Academy, has not designated any school, and allows its 400 + high school age students to choose any school. Almost all students attend a nearby private academy; a few attend other Vermont private schools. Whatever the choice, the town pays each school $2,480.20 for each of its pupils. (For some of the more expensive options this was 25-35% of the cost; parents paid the rest.)[30]

While Vermonters tend to explain this education system on pragmatic economic terms — it was cheaper to take advantage of existing schools than to build a new one, this does not seem to explain it all. The answer lies also in Vermont's strong tradition of local decision making.

In nearby Maine, about 160 towns lacking high schools pay tuition for their students at another district's public school or an approved private school.[31] Despite this availability of support, private school attendance in Vermont and Maine is not large — 10% of all K-12 children in Vermont and 14% in Maine attend private schools. In Maine, 4,471 (including 400 special education students), out of about 20,000 who do not have a school available in their town attend private schools. The others attend a nearby public school.[32]

There is a possible use for this model in other states. Districts where the high school is too small, and districts faced with declining enrollment, must identify schools that should be closed, for efficiency's sake. The traditional method is quite painful.[33] That is, the local school board decides. In the case of rural school consolidation, the state board selects the districts where it will apply pressure, sometimes wielding the club of state aid. Then the community reacts. Those served by the school to be closed protest vigorously; the most politically astute and influential of these communities sometimes succeed in reversing the decision, regardless of how inefficient it has become to operate their local schools. Less powerful communities fail to reverse the decision.

One of the theoretical outcomes of a tuition voucher plan is closure of poorly attended schools. This permits market forces to determine which schools must close. It is possible that in large districts with many schools, the board may attempt to divert resources from successful schools to keep underutilized schools open regardless of

efficiency, especially if those schools serve influential constituencies. Thus, it may be necessary to add additional rules to the CSPP-developed rules: (1) Districts would not be allowed to enter into anticompetitive agreements artificially restricting their enrollments or carving up the market; and (2) Districts would not be allowed to subsidize underutilized schools. This makes explicit what is implicit in the original CSPP rules, and it helps assure closure of unpopular schools which are unable to attract enough students.

An interesting application of the idea is now under way in South Dakota. As part of an omnibus education package developed by Governor William Janklow, the legislature included a "family option" program for districts with very few high school students. Under this program, parents in districts with between 35 and 45 high school students (grades 9-12) may enroll their children in high school in an adjacent high school district, and the state will pay the tuition (which is set by state statute). The receiving school district must accept the state tuition as full payment. If a district falls below 35 students, the option disappears. So does state foundation support. There are a few exceptions to allow parents in districts of less than 35 students to exercise the option for one year after the effective date of the Act, and to allow a transferring student to complete high school after exercising the option to transfer.[34]

There are from 15 to 20 qualifying school districts in the state, based upon data from the 1983-1984 school year. The distance between these districts ranges from 7 to 19 miles. Transportation would be supported through already existing state laws.

Even this limited concept has invoked sharp political opposition. After it passed, citizens mounted an effort to have the bill submitted to the voters in a referendum. It will appear on the ballot in November, 1986. Meanwhile, the legislature passed an identical law, appended to an appropriation bill, which allows the program to go forward at the start of the 1985-86 school year.

If the plan goes forward, South Dakota offers an opportunity to examine the use of family choice as a way to implement rural school consolidation.

Desegregation and Vouchers

As discussed above, an unregulated voucher system could produce considerable inequality. If some private schools charge parents a voucher plus cash, many affluent families may flee to such schools. Given a relationship between minority race and low income, public schools and inexpensive private schools would become more segregated. The result would aggravate present racial inequality, and would probably be unconstitutional.[35]

A regulated voucher is another matter. When the state requires that the voucher be payment in full, the poor gain ground. Regulated voucher plans potentially provide better equality for those with little political power. They would be given an equal "vote" — a vote with their feet — and it would have a nationwide impact, because they could take their education dollars with them.

Assuming for some reason that this does not result in racially balanced schools, it is not clear that the result represents inequality. With political, legal and economic barriers to

choice removed, the minority parent has a truly equal chance to bid for entry to any eligible school, or to choose a specialized, ethnic-centered school. A Black school, if one emerges, would then be created because of the choices made by the Black families who go there (knowing White children are unlikely to attend). (Black support for traditionally Black colleges seems to be due to the relative voluntarism of Blacks who attend.) Since nationally, only about 6% to 7% of Blacks favor segregated schools, the all-Black school, if one emerged, would be small. It is also unlikely that there would be an all-White school because most Blacks prefer integrated schools and choose from a large range of schools.

Further, the experience in Alum Rock is encouraging. Without any effort to influence racial balance, the racial balance remained constant, or improved for Blacks. For Spanish-surnamed Americans the results were more mixed, but revealed no serious backsliding. A number of cities, such as Minneapolis and Cincinnati, have turned to choice systems as a means of meeting racial balancing goals. Minneapolis, under court order, found that its alternative schools program alone was sufficient to achieve its goals. Cincinnati had to weight applications and refuse some requests for transfers, primarily Black applicants who were needed in their sending schools to achieve balance there.[36]

One can make some additional guesses about the likely distribution of family preferences on the basis of survey data. This corroborates the data from Alum Rock and Minneapolis indicating that families will sort themselves without segregating themselves by race. Generally substantial numbers of Blacks say they will choose racially balanced schools, even if it means a bus trip for their child.[37] Whites, on the other hand, may be more likely to choose neighborhood schools, but will not mind if Blacks attend them also.[38] This suggests that schools in White neighborhoods will be over-applied, and those choosing them may not get their first choice.

Assuming that any imbalance under any circumstance is unacceptable for legal or political reasons, then it is possible to add further restraints, such as racial quotas, on a choice plan to control racial balance among schools.

Modifications

If a voluntary choice plan fails to produce racial balance, incentives could be added. For example:

- A system could concentrate on influencing the choice of minority parents. The responsiveness of Black parents has been demonstrated in other desegregation programs that rely on choice.[39] Thus, the use of persuasion holds some utility, but it would be better to use less heavy-handed methods with minority families.

- Some schools could be designated as magnets. The redemption value of vouchers could be larger for schools that approached some "ideal" ratio.

- A larger voucher for educationally disadvantaged children (the "compensatory voucher") provides some further financial incentives toward racial balance. It is likely that the identification of disadvantaged children — through income tests, standardized "ability" or achievement tests — would produce a disproportionate

number of minority children. This should somewhat encourage minority recruitment at all schools, including those with a "White" bias.

- Another incentive would involve a transportation voucher available only to those who chose a more distant school where the particular child's attendance would enhance racial balance. An incentive related exclusively to the cost of transportation would not have the effect of injuring those all-Black schools which are unable to attract Whites, while it would help other schools to attract a heterogeneous group of students. Of course, parents could apply regardless of the effect on the school's racial balance, and the school (or parent) would bear transportation costs. The transfer would then divert instructional costs to transportation. It is expected that a parents would "trade off" the program against the dilution in funds and continue to choose the more distant school if the interest is strong enough.

Actual experience with magnet schools designed to attract Whites suggests that voluntary techniques have some usefulness as a desegregation device. If they are successful, there are many advantages. The interference with family choice is mild, and takes the form of economic or other encouragement only.

If incentives fail, more rigorous controls are possible. A surprisingly large number of families will still receive their first-choice schools. Of course, the controls would limit family choice, and many families would find their children in second or even third-choice schools. This result would detract from the expected benefits of the choice system, but quota systems are rarely popular, and the element of choice, although limited, may at least serve to make the pill less bitter. One type of control would rely on central administration. For example, the district could open a limited number of schools to a family, based on the family's race. Another possibility would be to require the system to close imbalanced schools. If a failure to recruit a biracial body disqualifies a school automatically, a few mostly White or mostly minority schools that made good faith efforts could be eliminated. Yet, these schools might offer superior educational programs for the children they would have served.

The more intriguing possibility however, is through choice combined with quotas on all schools. At first blush, quotas and parent choice seem to be incompatible, but a choice system can work with a quota if the following rules are followed:

1. The EVA must require parents to rank a sufficient number of schools so that they are listing the schools which do not correspond to the race of the child. In the rare situation where families' choices are completely segregated, they must be required to rank all schools.

2. The quota should be flexible, for instance, ranging from 5% to 25% minority, where a district is 15% minority. (The wider the range, the more parents would be able to place their child into a first choice school.)

3. The parents' rankings are fed into a computer along with information about capacities and quota requirements.

4. School capacity is set before the selection process is implemented. This is important because it would force families out of more popular schools into second- or third-choice schools — thus aiding in a more widespread distribution of all children throughout the system.

5. The computer attempts to match children to schools according to the parents' first choice, but if the quota is not met at a school the computer utilizes second and third choices to fill the space available at that school and does not match additional first choice applicants until quotas are met. If it is not possible to grant a first choice because of capacity limitations, the computer places the child at his or her second-choice school. Sometimes, where first and second choices are severely segregated, it may be necessary for the computer to search further and utilize third- or even fourth-choice schools.

Using a linear computer program, it is possible to collect family choices for schools, along with data on race and schools, and arrive at the maximum level of satisfaction for families while remaining within a race and capacity constraint for schools. The program maximizes the first choices of all families.[40]

CSPP has simulated this system on a computer, and discovered that large numbers of parents received first choice schools. In the simulated problem, there were four available schools and 250 children (125 White, 100 Blac[illegible]d 25 Hispanic). Parents were required to rank preferences for three schools. The quotas established for the schools were 45%-55% for Whites, 37%-43% for Blacks and 9%-11% for Hispanic. In the initial examination, it was found that many children could be matched with their first-choice schools, even where there was some segregation among parents' first and second choices. Usually, over half of all racial groups received first choice; for some it was as high as 70%.[41] More simulations would be desirable before field-testing this mechanism, and it would be more informative to simulate choice patterns on the basis of a survey among parents in an actual district which is considering a tuition voucher experiment, and which has made some efforts to explain this system to parents.

Expanding Choices for Special Populations

Even without targeting special populations, a universally available voucher should help empower those who, for economic or political reasons, do not share fully in society. For example, David M. O'Neill examined the GI Bill, providing tuition for veterans, and found that Black GI's appeared to use it at a higher rate, and to benefit more from it, as measured by the increase in their earning capacity, when compared to Whites, and compared to other federal manpower training programs.[42]

However, if for political reasons, the program is limited, it should be restricted to the most needy populations. One of the theoretical advantages of a voucher system is its ability to allow funds to follow a specific child. Where funds for disadvantaged children or other children at risk are channeled through the bureaucracy, there is always a risk that they will be diverted into support for administration or other children.[43] A voucher makes this diversion very difficult, at least until the funds reach the child's school.

Targeting children with special education needs should enjoy at least some political support from those interested in helping those children, while earning less antagonism from traditional opponents of the idea. Often, such populations are not in public schools in large numbers, and so their withdrawal poses less of a threat to teachers and administrators. At the same time, more adequately meeting the education needs of these children can produce greater societal benefits, and so at least some organizations and individuals will applaud the expansion of education choices to these children.

Handicapped children present a case in point. Virtually every state provides for private placement of handicapped children, with the state paying the tuition, at least in some circumstances.[44] It is, in effect, a voucher plan for these children. Some states are more permissive than others in permitting this option. Most provide for private placement only if the public schools cannot provide the education and related services specified in a child's individualized education program. Some limit this private placement to secular schools. In some cases, use of private schools is extensive. New York City contracts with private schools for the education of 5,000 to 7,000 handicapped students every year. About 55% of those children are racial minorities. The voucher arrangement seems to generate fewer problems than public school programs for the handicapped.[45] After studying the system Michael Rebell concluded that the voucher system tended to help, not hurt the public school system. What is interesting is the almost total lack of political opposition to these policies. But then, public schools historically have not been overly eager to serve handicapped students. Specifically, they excluded these children until recently, and even now do not always provide the best education setting.

Vouchers for Disadvantaged Children

The early CSPP voucher proposal recommended setting the value of the voucher, or entitlement, at a higher amount for disadvantaged children. CSPP felt this necessary both to protect disadvantaged children from schools that did not want them, and to provide extra financial support to schools that served them, in recognition of the extra demands these children sometimes placed on schools. Of course, if schools are required to admit all children who apply, and to use a lottery if there are too many applicants, "skimming" cannot take place. Some schools might be tempted to serve these children in a shabby manner, however, thus encouraging them to choose another school at the earliest opportunity. The compensatory voucher is also useful in assuring that a school could afford to offer high quality education to these children and hopefully to correct the educational inequities often facing these children.

The Alum Rock field test made some effort to use a compensatory voucher, but it was widely regarded as an administrative nuisance. Perhaps this is true, but the alternative seems to be to take it on faith that targeted funds are reaching their intended population.

The current U.S. Department of Education proposal to allow Chapter I funds to be used in voucher form is a variation on this theme. Because of sensitivity to the desire to keep education policy decisions decentralized, the plans are to make this a local choice. Local education agencies that do not want to try a different approach can continue to receive and disburse Chapter I funds in the same way as before. As presently conceived, the voucher would be worth around $600 and could be used to purchase education services from the public school the child attends, another public school, a private school or an individual teacher. The compensatory education could take place after regular school hours. Possibly, the availability of these funds in voucher form could greatly expand horizons for the educationally disadvantaged child. For example, summer computer camp might be an option if the federal government rules are flexible. (This is not yet certain.) Special "after-school" schools might develop in response to the new market. The idea appears to have considerable potential for encouraging new programs for the target population.

Vouchers for Dropouts

Since 1977, the state of Washington has helped support educational clinics that work with students who have dropped out of their secondary school.[46] Presently there are 10 clinics certified by the state. Most are run by private, nonprofit organizations (including an Indian tribe and social service agencies); two are operated by a for-profit group. The for-profit organization registered greatest gains for their students at both clinics in the most recent year.[47]

The state of Washington's Legislative Budget Committee evaluates the costs and results of the clinic program. The budget committee has found that the clinics serve the needs of certain students not served by public school alternative programs. The committee reports note that the clinic students are all dropouts (on average, students have been out of school for one year), and they tend to seek a GED rather than a high school diploma. Students who gravitate toward public school alternatives are not normally dropouts, and they tend to seek high school diplomas. The clinic per pupil cost is around $580 (1984-85) — about one-third the cost of public alternative schools.[48] A longitudinal study of participants in two Educational Clinics, Inc. programs (the for-profit group) showed that 70.7% of the former dropouts were in constructive activity (employed, in the military, in school, or homemakers supported by spouses). Most were employed full-time. The remainder were seeking jobs, homemakers supported by welfare, in institutions or otherwise not independent.[49] This compares quite favorably with dropouts generally, and with a small group who contacted the clinic but never enrolled. Clinic faculty are often former public school teachers. They report much greater satisfaction working in the clinics — citing less bureaucracy and more opportunity to use their creativity and skills. The budget committee reports have been favorable. Although they call for more data, the reports find the clinics effective.

Other states appear interested in this model. For example, Colorado has adopted a voucher type plan, called the Second Chance Pilot Program for Problem Students. It is aimed at dropouts between ages 16 and 21, and at children between 14 and 21 who were recommended by local school officials. Once enrolled, the student can continue until earning a high school diploma or its equivalent, or has reached the age of 21. A child can be dropped from the program, but can reapply. Under the bill as first proposed, schools would apply to the state department of education if they wished to participate. Eligible schools would include public schools in districts with a dropout rate above the state average, or in contiguous districts; schools operated by boards of cooperative services; schools established by private, nonsectarian, nonprofit agencies; schools offering vocational, technical, or adult educational programs; schools operating under contract with a public school district. The last three categories would have allowed inclusion of schools operated by sectarian agencies, if they were otherwise eligible. This bill was defeated in the legislature in March, 1985, but reintroduced hours before the legislature was to recess in April. It passed with the provisions for private schools deleted.[50]

The new law makes local school officials responsible for processing applications to the program, under rules to be established by the state board of education. The local school district is also responsible for student and family counseling, and monitoring performance of students in the program. The local school district then includes the student in its attendance count for purposes of state entitlement, and must transmit 85% of its

authorized revenue base per pupil of attendance entitlement to the school enrolling the Second Chance student (or actual education costs, if less). The state department of education is responsible for disseminating information on the program to schools and students, establishing procedures for identifying participating schools and students, for removing students from the program, for resolving disputes among any of the parties, and financial transactions.

Discussion

While expanded choice for all children is very appealing, the idea simply may not be politically viable. Yet, it may be worth trying for those who have failed in or been failed by the present system — those who have dropped out or been pushed out. It may also be worth trying on a larger scale on an experimental basis, to learn more about the effects of private school participation and wider public school participation. A review of programs around the country reveals a relatively high success rate for passage of such programs.

Decentralizing decision making has been another major goal of such systems. At one extreme, however, a federalized education system, even if achieved through a federal-to-individual grant, could lead to vastly more centralized control. Federal money often comes with strings attached. The recent application of Title IX to the BEOG program illustrates the point. On the other hand, the history of the GI Bill and the revenue-sharing legislation of the 1970s suggests that it is possible for the federal government to lend financial support without obtrusive regulation. It is also possible that vouchers to individuals could further weaken local education agencies, by balkanizing their natural constituencies. However, the experience with the GI Bill, revenue sharing, and BEOGs does not reveal any weakening of existing locally based institutions.

On the other hand, the decentralizing tendencies of the voucher concept have the potential of empowering those with little political clout. Data to explore this decentralizing tendency is most abundant for racial balance. It seems to work because in other methods of pupil assignment, Whites typically control school policy, which tends to favor White. More Whites than Blacks get the school racial balance which they prefer. This usually frustrates those Blacks who desire integration with vouchers. Minority families seeking integrated schools (and the greatest number of them prefer this) would have an equal chance to bid for the same seats as White families. Political juggling to please Whites, covert manipulation of attendance patterns and blindness to the false addresses families give in order to "escape" a naturally balanced school would be things of the past.

Under certain conditions, White-dominated systems may also frustrate the desire of minorities who desire predominantly minority schools. Particularly where the ratio of minorities is still small, Whites tend to prefer quotas, or a limit on how many minorities would attend any single school. That is, Whites in schools which are becoming 50% Black seek to limit all schools to 25% Black. If the rule is applied system-wide, this may eliminate the school with a Black cultural emphasis. In the final analysis, a school integration program engineered by Whites benefits neither those Blacks desiring separate schools nor those preferring balanced schools. Vouchers give each family, regardless of race, a truly equal choice in the matter.

There are other advantages as well. Parents consider a host of qualities in a school. School philosophy, style, teacher quality, curriculum, facilities, school size, conveniences (transportation, hot lunch, etc.) may all be more important than race to the parent. Particularly if the voucher system encourages diversity among schools, these other factors may affect parents' choices far more than racial factors. If so, it is conceivable that a voucher plan could lead to more integration voluntarily, compared to involuntary busing plans. Families would be drawn to schools by their interests and attitudes toward education, not just their attitudes towards race. Moreover, under a voucher system, many Blacks and non-Blacks will probably find themselves selecting the same school — but since the choice is the family's and not the school district's, "White flight" is less likely. Also, those families who choose the same school are more likely to enter into a dialogue based upon their mutual interest in the school. The voucher places them in the position of backers of a school's general policy and philosophy, rather than protagonists in a desegregation battle.

Occasionally, in a system organized around special interest schools, a school will offer a program that appeals primarily to one racial group. Thus, a school may adopt Navajo or Spanish as its basic language, and present English as a second language. Or there may be a school emphasizing African-American culture. These schools would be likely to be racially imbalanced, in the technical sense of the word, but the families who select such schools would do so voluntarily, knowing that imbalance was likely. As a result, they probably would not perceive the school as "inferior." Such imbalance should not pose a major legal[51] or moral problem. The gist of the wrong in official school segregation has not been the racial isolation itself, but the fact that it was officially imposed upon minorities — against their will. It seems to be the same kind of wrong to require these minorities to integrate with a White society if this is also against their will. The thought of a school filled with only Black children, where it is clear that the children are there by family choice — and where other races would not be excluded if they sought admission — should not offend one's sense of justice — no more than it should be considered outrageous to have schools filled only with children of Irish, Chinese, or Scandanavian origin. Voluntary parochialism does not raise serious ethical problems. To the extent that there is evidence that one-race schools retard the achievement levels of children, full information programs would be a better solution than the denial of an opportunity to pursue parochialism. However, if this result is nonetheless found undesirable, the voucher idea can work jointly with a quota system to assure racial balance. Large numbers of families will still obtain first- or second-choice schools.

Another expected result of voucher plans is that they will force some schools to close. The earliest development of a voucher-type system occurred in response to the need to limit numbers of schools in Maine and Vermont. The concept has permitted small towns in these states to retain their essential political independence without opening their own small high schools (and in some cases their own elementary schools). Town meetings can focus on which of the available schools the town's children should attend, whether the town wishes to permit parents to make the choice, and whether the town wishes to pay tuition above and beyond the state average. As such, the voucher idea has served the purpose of retaining decentralized control, and has offered an option to political consolidation of townships that are too small to support a school.

This basic idea has now been extended to existing school districts in South Dakota, where some districts may lose their state aid because they fail to attract sufficient numbers of students, while other districts may be able to retain their schools because they offer

superior education and can attract more students from outside the district. Again, the South Dakota idea offers a substitute for state-imposed decisions designating which schools are to close, and appears to provide a decentralized political base for making such decisions. Time and a good evaluation of South Dakota's plan will provide the answer to how it will work in fact.

The third area explored in this paper — vouchers for special populations — may or may not help decentralize political control. Some special populations, such as the handicapped, are already well-represented by powerful lobbies. Not surprisingly, this population has also been most successful in obtaining voucher-type programs. Populations without comparable clout in the political system include the poor, the educationally disadvantaged, children who do not speak English, and dropouts. If the political process is sufficiently open that voucher-type programs for these populations are passed, then the concept can be evaluated to determine whether in fact it helps to provide greater control for these groups. More experimentation with vouchers for these populations is needed before this potential impact can be assessed.

Vouchers for special populations may also have the advantage of assuring the funding organization that the program support does in fact reach the population intended. As such, it may be desirable to try for this reason, rather than for its potential to decentralize control. If the voucher were organized along a true voucher design (unlike Alum Rock, where surplus funds were returned to a central office), and children had a wide variety of choices, including tutoring and other private education options, then it seems likely that the funds would in fact reach the intended target population. This effect, combined with a potential for greater control by the target population may also lead to more responsive programs for the individuals within these populations. For some, such as dropouts, there are so few choices at the present, and it is clear existing choices have failed the student, that the idea seems well worth trying.

NOTES

1. Milton Friedman, Capitalism and Freedom (Chicago: Univ. of Chicago Press, 1962). pp. 85-98.

2. Christopher Jencks, "Giving Parents Money for Schooling: Education Vouchers," Phi Delta Kappan, 52 (Sept. 1970): 49-52; Christopher Jencks, "Giving Parents Money to Pay for Schooling," The New Republic, 162 (July 4, 1970): 19-2. Jencks was also the principle author of the book by the Center for the Study of Public Policy, Education Vouchers, (Cambridge, 1970).

3. See, e.g., the discussion in Denis P. Doyle and Chester E. Finn, Jr., Educational Quality and Family Choice: Toward A Statewide Public School Voucher Plan, November 15, 1983, under contracts to NIE, no. NIE-P-830075 & NIE-P-830077.

4. Tennessee State Department of Education Survey, reported in Jack McCurdy, Choices in Schools: What's Ahead and What to Do, National School Public Relations Association, Education USA Special Report, Arlington, Virginia, 1985, page 33.

5. 20 U.S.C. sec. 2701 through 2854 (1982), formally Title I of the Elementary and Secondary Act of 1965.

6. The OEO-approved rules, adopted by NIE, may be found in numerous places, including DHEW, NIE, Education Vouchers, the Experiment at Alum Rock (Dec. 1973).

7. See e.g., Center for the Study of Public Policy, Education Vouchers (Cambridge, 1970).

8. The Education and Human Resources Program, A Study of Alternatives in American Education, vol. VII: Conclusions and Policy Implications, R-2170/7-NIE, Rand Corporation, Santa Monica, August, 1981, at 9.

9. The history is repeated in most of the Rand volumes. In 1976-77 all the schools in the district were designated as participating schools, but only nine continued to sponsor minischools. Only 25% of the teachers in newly designated single-school alternatives perceived themselves as teaching in an alternative program. These schools operated as neighborhood schools in practice. Roger Rasmussen, A Study of Alternatives in American Education, vol. III: Teachers' Responses to Alternatives, R-2170/3-NIE, July, 1981, Rand Corporation, Santa Monica, 34.

10. Gail V. Bass, A Study of Alternatives In American Education, Vol I: District Policies and the Implementation of Change, Rand Doc. No. R-2170/1-NIE, at p. 21 (April 1978).

11. R. Gary Bridge and Julie Blackman, A Study of Alternatives in American Education, Volume IV: Family Choice in Schooling, R-2170/4-NIE, April, 1978, Rand Corporation, Santa Monica, California, pp. 32-35.

12. Dan Weiler, A Public School Voucher Demonstration: The First Year at Alum Rock, 127-128 (RAND Doc. R-1495-NIE, 1974).

13. R. Gary Bridge and Julie Blackman, A Study of Alternatives in American Education, vol. IV: Family Choice in Schooling, R-2170/4-NIE, April, 1978, Table 13, at p. 47.

14. From fall 1972 to fall 1975, the Blacks in the system increased slightly from 11.5% to 11.9% of the total school population. The school which had the heaviest concentration of Blacks in 1972 (Slonaker with 27.4% in 1972) remained nearly stable (increasing to 29.9% Black enrollment in 1975). The next school with the most Blacks, Arbuckle (25.7% in 1972) lost Blacks (dropping to 20.6% in 1975), a marked improvement by racially balancing standards. The percentages of American Indians (about 1%) and Asian Americans (1.4%) were too small to permit any school to be identified as dominated by these groups, and they were spread throughout the system, at all times during the project. The concentration of Spanish-surnamed children grew in the district from 51.3% in 1972 to 55.1% in 1975 and also grew in some schools. For example, the school with the largest percentage of this group in 1972, Coniff (70.2%), increased to 75.9% in 1975. The school with the next largest percentage was San Antonio (66.9%) which increased to 73.4% in 1974. Alum Rock Elementary School District, Racial Ethnic Percentages, October 1974; Student Racial/Ethnic Survey 1975-1976. The 1975 data was based on a survey in early winter, 1975, whereas the 1972 data was a September survey.

15. Roger L. Rasmussen, "Distribution of Alum Rock Students by Ethnicity, Socioeconomic Status, and Sex," Appendix D, 147, at p. 147, in R. Gary Bridge & Julie Blackman, A Study of Alternatives in American Education, vol. IV: Family Choice in Schooling, R-2170/4-NIE, April, 1978, Rand Corporation, Santa Monica, California.

16. Id. at 165.

17. Id. at 167.

18. Id. at 55-56.

19. David Cohen and Eleanor Farrar, "Power to the Parents," The Public Interest, 48 (Summer 1977): pp. 72-97, at 96.

20. R. Gary Bridge and Julie Blackman, A Study of Alternatives in American Education, vol. IV: Family Choice in Schooling, Rand Corporation, no. R-2170/4-NIE, April, 1978, at siv, 84. Of the original voucher parents, 86.8% in year 1 and 81.47% in year 5 were "satisfied" or "very satisfied" with Alum Rock schools. Of nonvoucher parents, 85.5% in year 1 and 76.5% in year 5 reported the same satisfactory levels.

21. Frank J. Capell, A Study of Alternatives in American Education, vol. VI: Student Outcomes at Alum Rock 1974-1976, R-2170/6-NIE, Rand Corporation, July 1981, at vii-viii.

22. Roger Rasmussen, A Study of Alternatives in American Education, Volume III: Teachers' Responses to Alternatives, Rand Corporation, no. R-2170/3-NIE, July, 1981, at pp. vii-viii, 9-11, 19, 73, 90.

23. Based upon 5 minute observations, taken at 5 minute intervals for a 20 minute period, Rand found only 3 classrooms that were distinctive. Of these, 2 provided individualized instruction, and 1 stressed basic skills. Pierce Barker, Lora Bikson, Jackie Kimbrough, with the assistance of Carol Frost, A Study of Alternatives in American Education, Volume V: Diversity in the Classroom, R-2170/5-NIE, Rand Corporation, February, 1981.

24. Cohen and Farrar, id. at 84.

25. Cohen and Farrar, id. at 85.

26. The data from the other cities was not as comprehensive, however.

27. Mary Anne Raywid, "Synthesis of Research on Schools of Choice," Educational Leadership, April, 1984, at 77.

28. Chester F. Finn, Jr., "The Politics of Public Aid to Private Schools," 1982 American Education Finance Ass'n Yearbook, 183-210, at 199.

29. "Gallup Poll," Minneapolis Tribune, Sept. 18, 1983, at p. 28A.

30. The Vermont experience is described in John McClaughy, "Who Says Vouchers Wouldn't Work," Reason, Jan. 1984, 24-32.

31. Joe Nathan, "The Rhetoric and the Reality of Expanding Educational Choices," Phi Delta Kappan (March, 1985) 476, at 748; "Voucher System: A Maine Tradition," Education USA, Jan. 26, 1981, p. 173.

32. Id. at 477-78 (Vermont). Interviews with Lucille Johnson and John Fish, Maine State Department of Education, August 6, 1985.

33. Practical difficulties in closing schools are illustrated in William F. Keough, Jr., "Enrollment Decline: The Dilemma From the Superintendent's Chair," in Declining Enrollments: The Challenge of the Coming Decade, Susan Abramowitz & Stuart Rosenfeld, eds., Mar. 1978, U.S. Dept. of HEW, NIE, Wash. D.C., 339-346, at 331.

34. South Dakota House Bill No. 1366, Sec. 8, to be codified as part of S.D. Cod. Laws, sec. 13-28.

35. Districts that are under court-order, for example, will be expected to attain some set racial proportion in every school. Districts that were well-balanced initially should attempt to retain this balance to avoid the appearance of adopting a deliverate plan which would allow some segregation of the schools. For a legal analysis of the proposed plan as it affects racial imbalance see, Lines, An Equal Choice Plan for School Segregation, 56 Tex. L. Rev. 1245-69 (1978).

36. Bass, op cit. note 4b, at p. 110.

37. The National Advisory Commission on Civil Disorders sponsored a survey showing that among Blacks, 6% preferred all black schools; 60% preferred schools which were half White or more; 30% felt it made no difference; and 4% did not know. Angus Campbell and Howard Schuman, "Racial Attitudes in Fifteen American Cities," in Supplemental Studies for the National Advisory Commission on Civil Disorders (New York: Frederick A. Praeger, 1970), pp. 3, 16. In 1963 and 1972 surveys by Louis Harris, about 70%-80% of the Black respondents indicated a preference for integrated schools; about half said they would accept busing to achieve integration. Newsweek (July 29, 1983): 18-19; Roper Public Opinion Research Center, 1 Current Opinion (Feb. 2, 1973): 1-3. Other studies suggest the preference for neighborhood schools may be somewhat stronger, but the fact remains that a substantial number of minority families would choose more distant schools. See, generally Gary T. Marx, Protest and Prejudice: A Study of Belief in the Black Community (New York: Harper and Row, 1967); Nancy St. John, School Segregation Outcomes for Children, n. 3, pp. 129-30. Peter Goldman, Report From Black America (New York: Simon and Schuster, 1970) 268.

38. NORC surveys taken in 1942, 1956, 1963, 1972, and 1976 show a marked growth in the proportion of Whites who have pro-integration attitudes, so today some 90% of White parents may be willing, at least in some cities, to send their children to schools which have some Black students, but they prefer to do it without busing. Paul B. Sheatsley, "White Attitudes Toward the Negro," Daedalus, 95 (1966): 217 (using survey data from the National Opinion Research Center) (for 1942, 1956, and 1963 data). Andrew M. Greely, "Freedom of Choice: 'Our Commitment to Integration,'" in Parents, Teachers and Children: Prospects for Choice in American Education (San Francisco: Institute for Contemporary Studies 1977) pp. 183-205 (1963, 1970, 1972, 1976 data). See also San Francisco Sunday Examiner and Chronicle, August 29, 1971, sec. A, p. 12 (report on a San Francisco poll).

39. E.g., Hartford's "Project Concern" where officials were highly successful in persuading parents of randomly selected Black children to participate in a city-to-suburb busing program. Of 266 children selected, the parents of only 12 refused to participate. T. Mahan, Jr., "Project Concern, 1966-69: A Report on the Effectiveness of Suburban School Placement for Inner City Youth," (Conn. Dept. of Educ., August 1968), at p. 14.

40. The program is MSUB, designed in 1961 by R. J. Clasen of the Rand Corporation. It consists of a series of subroutines, called by a main program, Simplex. In short, the computer examines all the possible pupil assignment combinations and reports the combination which will maximize choice for all pupils.

41. Assuming that each racial group prefers a particular school, rather than the same schools (a likely result given residential segregation and a general preference for neighborhood schools), a computer simulation of school assignments of 125 Whites, 100 Spanish and 25 Blacks resulted in first choice assignments to 72% of the Whites; 92% of the Blacks and 53% of Spanish children. Where families were required to list two "first" choices, virtually all the children were assigned to first-choice schools. Phil Stone and Maria Monet, On Distributing Education Vouchers, provisional draft, Sept. 1972 (unpublished memorandum on file at CSPP, Cambridge, Massachusetts).

42. William Raspberry, "Voucher System Revisited," Seattle Times, Dec. 27, 1977, p. A-12, col. 6. David M. O'Neill, "Voucher Funding of Training Programs: Evidence from the GI Bill," Journal of Human Resources vol. 12, no. 4 at 425 (fall, 1977).

43. For examples of how targeted funds can be diverted, see e.g. Bennett v. Kentucky, 105 S.Ct. 1544 (1985), Nicholson v. Pittenger, 364 F. Supp. 669, 674 (E.D. Pa. 1973) (same).

44. Michael A. Rebell, "Educational Voucher Reform: Empirical Insights from the Experience of New York's Schools for the Handicapped," Urban Lawyer, Summer, 1983, p. 463.

45. Id.

46. Rev. Code Wash. Ann. 28A.97.010 through 28A.97.100 (1982), as amended, Supp. 1985). The law specifies that the state board shall certify the clinics, and that they shall be reimbursed only for basic skills instruction for students age 13 through 19 who have dropped out of public schools for at least one month. Written verification of the dropout status is necessary unless the school officials request admittance for a student.

47. State of Washington, Legislative Budget Committee, Report on Education Clinics, Program years 1982-83 and 1983-84, draft working paper, at 28.

48. Id. See also Legislative Budget Committee, Report on Education Choices, 1980-82. See also Joe Nathan, "The Rhetoric and the Reality of Expanding Educational Choice," Phi Delta Kappan (March 1985); 476, at 479. Olympia: State of Washington, 1983.

49. Educational Clinics, Inc., "Longitudinal Study of Former High School Dropouts who Participated in the ECI Program," prepared for the U. S. Department of Education, November, 1984. The researchers were able to locate 38.5% of the target group; comparisons with those located and those not contracted indicated both were comparable populations.

50. Colorado Senate Bill 169, to be codified as Colo. Rev. Stat. sec. 22-52-101 through 22-52-108.

51. Since few one-race schools have emerged as a result of a choice system, there is no judicial precedent on this issue. The closest one can come to precedent involves the formation of Black-cultural and Hispanic schools (one of each) during a Berkeley experimental schools program.