



*The Dutch Experience with  
Weighted Student Funding:  
Some Lessons for the U.S.*

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## **The Dutch Experience with Weighted Student Funding: Some Lessons for the U.S.**

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### **Abstract**

Policy makers and educators in the U.S. have recently shown considerable interest in the concept of weighted student funding (WSF) as a means of financing primary and secondary schools. WSF appeals both to conservatives, who see it as a way to promote parental choice and school autonomy, and to progressives, who are attracted by the call for extra funds for challenging-to-educate students. This paper draws lessons for the U.S. from the Netherlands, which has long experience with WSF. We find that, while WSF has succeeded in directing significant amounts of additional funds to primary schools serving educationally disadvantaged pupils, this policy has been shaped by contextual factors that differ in important respects from those in the U.S. These include a deeply embedded right to parental choice, a centralized funding system, a political system that fosters policy stability, and a national value system that accepts pluralism and encourages tolerance and fairness.

**Keywords:** Weighted student funding, school choice, financing public schools, Dutch educational system, equity, progressive funding, immigrant students

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In recent years policy makers and educators in the U.S. have begun to show considerable interest in the concept of “weighted student funding” (WSF) as a means of financing primary and secondary schools. Several major cities have adopted variations of this policy, including Seattle, San Francisco and Houston (Baker, 2009) Three years ago a conservative think tank released a proposal to implement WSF on a broad scale with a long list of signatories, including three former U.S. Secretaries of Education. The proposal described WSF as the “100 percent solution” to the funding challenges facing U.S. schools. (Fordham Institute, 2006)

Weighted student funding has three main elements: (1) Money follows students on a per student basis to the schools they attend, (2) the per pupil amount differs in accordance with the educational needs of the child, and (3) schools have the flexibility to use the money in whatever ways they wish. Such an approach appeals both to conservatives, who see it as a way to promote parental choice and school autonomy, and to progressives, who are attracted by the call for extra funds for challenging-to-educate students.

Although a relatively new idea in the U.S., weighted student funding has a long history in the Netherlands, a developed country with a population of 16.5 million that by most measures does well by its children. The Netherlands ranks at the top of the UNICEF scale of children’s wellness (UNICEF 2007), and it operates a state education system that appears to be both effective and equitable. Dutch students outperform students in many other developed countries, including the U.S., on international tests such as PISA and TIMMS.<sup>1</sup> Moreover, Dutch students whose mothers have limited education do better on PISA tests than comparable students in other OECD countries.<sup>2</sup>

Weighted student funding was adopted for all primary schools in the Netherlands in 1985. Since then, Dutch primary schools serving substantial numbers of disadvantaged pupils have received significantly more funds per pupil than other schools. When disadvantaged Dutch parents select a school for their child – and parental choice is universal in the Netherlands – that child qualifies to bring additional funds with him or her to that school.

This pattern of directing more funds to schools serving disadvantaged pupils than to those with more privileged populations stands in stark contrast to the situation in the U.S., where schools in low income areas frequently have *fewer* resources at their disposal than those in wealthy areas (Corcoran and Evans, 2008).

This paper draws lessons from the Dutch experience with weighted student funding with an eye toward informing the school finance policy debate in the U.S. The authors spent six months in the Netherlands, based at the University of Amsterdam, examining WSF and related policy issues. We obtained data from the

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<sup>1</sup> [http://nces.ed.gov/timss/results03\\_fourrh03.asp](http://nces.ed.gov/timss/results03_fourrh03.asp) and <http://pisa.acer.edu.au>.

<sup>2</sup> Primary schools in the Netherlands serve children from the ages of four to 12, with attendance compulsory from the age of five. At the age of 12 they are tracked into different types of programs or schools, some of which are designed to prepare students for university and others for vocational programs. This early tracking and the complexity of the Dutch system of secondary schools renders it difficult to draw general lessons for the U.S. at that level.

Ministry of Education, Culture and Science, the Dutch Inspectorate of Education, local municipalities and school boards. We also visited schools serving disadvantaged pupils and met with policy makers, administrators, school directors and others.

In drawing lessons from the Dutch experience, we pay particular attention to contextual factors that have shaped Dutch school finance policy and that differ from those in the U.S. These include a deeply embedded right to parental choice, a centralized funding system, a political system that fosters policy stability, and a national value system that accepts pluralism and encourages tolerance and fairness.

## **I. LEARNING FROM THE DUTCH EXPERIENCE**

Based on our research and observations, we highlight three broad lessons to be learned from the Dutch experience with weighted student funding.

### **1. A system of progressive funding of primary schools is both possible and sustainable in a developed country.**

The first lesson regarding weighted student funding in the Netherlands is a positive one. The Dutch have shown that it is possible for a developed country to provide substantially more resources for primary schools serving large proportions of disadvantaged students than for other schools – and to maintain such a system over a long period of time.

Weighted student funding in the Netherlands is a logical extension of an agreement that resolved a political struggle over public and private schooling in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries. Up until the period immediately after World War II Dutch society was organized around various “pillars,” or sub-cultures, defined by religious affiliation – Protestant, Roman Catholic and secular. The Dutch of each persuasion lived lives that revolved around their particular churches, schools, employers, unions, newspapers and even green grocers. Communication across the various religious fault lines occurred mainly among leaders at the top of the various pillars. Under a Constitutional provision enacted in 1917, the national government began funding all schools – public and private, religious and secular – on an equal per pupil basis. Primary schools currently receive 90 percent of their funding from the central government and only 10 percent from municipal governments and other sources.

The secularization of Dutch society following World War II gradually reduced the importance of religion as a basis for choosing a school. That trend, combined with an influx of uneducated immigrants in urban areas beginning in the 1960s and 1970s, contributed to a situation in which schools in the country’s cities differ by the socioeconomic and ethnic characteristics of the students. With segregation of this sort, equal funding of schools translates into unequal quality because some schools have far higher proportions of challenging-to-educate students – whether they be native Dutch or immigrants – than others. Only with additional

resources would the schools serving large numbers of such students have sufficient resources to meet the needs of all its students.<sup>3</sup>

Discussion of the goals of weighted student funding in the Netherlands has been characterized by a certain ambiguity. Is WSF intended to narrow the academic achievement gap between disadvantaged and middle class students? Or does it have the more limited objective of promoting equal quality schooling across schools – that is, to fostering a level playing field among them?

For purposes of our analysis, we understand weighted student funding to have the goal, at a *minimum*, of promoting equal quality of schooling across the system. Such equality would mean that a student with any given ability, motivation and family background would achieve equally well in a school with large numbers of disadvantaged pupils as in a school with few or no disadvantaged pupils. Because of the range of abilities that exists across any group of pupils, there is no presumption that all students would, or should, end up with the same level of achievement or even that average levels of achievement would be similar across all schools.

In the 1970s policy makers in three of the country's largest cities – Amsterdam, Rotterdam and Utrecht – began experimenting with weighted funding and other programs as a means of giving additional funds to schools serving substantial numbers of educationally disadvantaged pupils. In 1985, under legislation known as the Educational Priority Policy, the Dutch Parliament made weighted student funding part of the basis by which the national government financed primary schools throughout the country. Students were assigned weights using a formula that reflected different levels of educational disadvantage, and schools with substantial numbers of weighted pupils received additional funds. As one official at the Ministry of Education, explained to the authors (conversation with Joop Groos 2/20/09), “All schools get the same means, but not the same amount of money.”

We should emphasize, however, that weighted student funding in the Dutch context differs in one important respect from compensatory programs in other countries, including the United States, in which funds are normally directed to eligible students and not to the school as a whole. Once their level of funding is determined based on the needs of individual pupils, there is no requirement that schools will direct the additional funds specifically to these pupils. A common practice is to use the additional funding to reduce class sizes for the benefit of all pupils in the school.

The mechanics of weighted student funding are relatively simple, at least in principle. Each pupil in the country's 7,000 primary schools is assigned a base weight of 1.0. Between 1985 and 2006 four categories of students were identified as deserving higher weights. The two major categories were native Dutch students whose parents have little education and first or second generation immigrants whose parents have low education or work in low-skilled jobs, and these children were assigned additional weights of 0.25 and 0.9 respectively. The two other categories are

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<sup>3</sup> This approach is most directly analogous to the concept of vertical equity in the discussion of U.S. school finance. See Baker and Greene (2008); Downes and Stiefel (2008); Ladd 2008).

the children of caravan dwellers and others not able to live with parents who work on ships, but their numbers were small.<sup>4</sup>

Over the years the specifics of WSF have evolved somewhat in response both to practical concerns and to the changing political climate. In 1993 the definition of low parental education for native Dutch pupils was tightened to apply to both parents, rather than just one, because of concerns that the Netherlands was designating a higher proportion of its citizens as disadvantaged than was appropriate for a developed country. In 2006 the system was changed in a more fundamental way due in part to growing political discontent over the presence of large numbers of immigrants in the Netherlands. Specifically, the formula was modified to eliminate immigrant status from the formula and to rely entirely on the education level of parents.

Much of our research is based on data for 2005/06, the last year before the phasing in of the modified system. We also focus much of the analysis on the country's four biggest cities – Amsterdam, Rotterdam, The Hague and Utrecht – where the presence of immigrants poses educational challenges more similar to those faced by U.S. cities than is the case in much of the rest of the Netherlands.

Our research shows that weighted student funding has succeeded in its core objective of distributing resources to schools according to their differing needs. Administrative data show that primary schools with the largest proportion of highly weighted pupils have, on average, about 58 percent more teachers per pupil than do schools with the lowest proportions of such pupils. High-weight schools also have more support staff, a category that includes assistant teachers, administrative personnel and caretakers. The data show that, on average, these schools have about one support position for every two teachers, which contrasts with one such person for every six teachers in low weight schools (Ladd and Fiske, 2009).

## **2. WSF is only one part of a multi-part strategy to combat disadvantage**

The second lesson is a caveat. Weighted student funding is one part of a larger strategy to combat disadvantage in the Netherlands. Even with a generous program of additional funding, the Dutch do not expect schools *by themselves* to be able to close achievement gaps or to meet other needs of disadvantaged children. They recognize that achievement gaps emerge well before children enter formal schooling, in part because children of low socio-economic and non-Dutch backgrounds arrive in school at age four with less command of the Dutch language than other children. They also understand that the subsequent academic performance of pupils is influenced not only by their experiences in the classroom but by the social, economic, cultural and linguistic climate in which they spend their waking hours outside of school.

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<sup>4</sup> The weighting system is actually more complex than it might seem in two respects. First, schools do not receive any additional funding unless the proportion of disadvantaged students enrolled meets a minimum threshold of 9 percent of total enrollment. The additional funding applies only to the number of students above this threshold, not to all the weighted students. Second, although weighted funding is calculated on the basis of how many disadvantaged pupils are enrolled in each school, the funds flow from the national government to the school boards, which, in contrast to the custom in the U.S., operate anywhere from one to dozens of schools and enjoy some discretion in how they distribute funds among their various schools. For more details on both of these matters see Ladd and Fiske, 2009.

The Dutch strategy for combating disadvantage has three parts, starting with weighted student funding. The second component focuses on the broader context in which students live and embraces a range of social services that are offered primarily through the various municipalities, which are judged to be in a better position than the central government to address out-of school challenges facing disadvantaged youth. These services include pre-school programs for children aged 2½ to 4 years old and “extended” or “community” schools that provide enrichment activities for disadvantaged pupils.

This second element of the strategy was formalized in 1985 as part of the same Educational Priority Policy that set up the policy of weighted student funding. It authorized a parallel stream of funds to local municipalities in “educational areas” with substantial numbers of disadvantaged pupils. Among the activities were preschool activities with parents and projects promoting reading, homework and guidance for truant pupils and early school leavers. From the outset municipalities were obligated to consult with local schools and with welfare agencies such as libraries and day care centers in designing and operating the programs (Driessen and Dekkers, 2007).

In 2007 the Netherlands launched a new action plan for disadvantaged areas (*Actieplan krachtwijken*) in 40 areas across the country with acute problems related to housing, employment, public safety, education and parenting. The new program, built on the previous “areas” policies, also embraces pre- and early school programs and extended schools.

The third component focuses specifically on language development and intercultural education. These efforts were initiated in the 1970s as a means of enabling newly arrived immigrants to study in their mother tongues and to maintain contact with their home country while at the same time learning Dutch. When it became clear in the 1980s that most of these “guest workers” were in the Netherlands for the long haul, the focus shifted to combating educational disadvantage and promoting facility in Dutch. Since 1985 primary schools have been required to provide all pupils, native Dutch as well as immigrants, with intercultural education aimed at teaching them how to live alongside persons from other population groups (Herweijer, 2009). How seriously the schools have taken this mandate, however, is not clear.

This multi-pronged approach to dealing with the problems of educational disadvantage was a product of political compromise. As in other developed countries, socialists and others on the political left in the Netherlands tend to emphasize the need to overcome disadvantage as it pertains to groups within the population, and they favor a strong role for government, especially at the municipal level, in addressing problems in the social and economic context in which schools function. Neo-liberals and other conservatives, on the other hand, tend to be supportive of a strong role for the private sector – including private schools and their school boards – in dealing with social problems, and their preference is to focus on the challenges of individuals rather than groups. The combination of WSF and Education Areas policies satisfied the needs of both camps – with funds for education directed to schools and funds aimed at improving the context in which schools operate directed to municipalities. In

recent years, however, the current conservative-leaning government has moved much of the funding for such programs from municipalities to school boards.<sup>5</sup>

Such a holistic approach to overcoming educational disadvantage is consistent with broader Dutch attitudes toward child development and is consistent with the Netherlands' top ranking on UNICEF measures of child well-being in wealthy countries.<sup>6</sup> In part this success is a consequence of a strong public health system that works closely with primary schools. The system begins with pre-natal care and continues through pre-school, with an emphasis on preventing medical and dental problems through routine health examinations. Doctors and nurses are assigned to work with groups of schools, and many have their offices in school buildings.

To observe how this system works, one of the authors attended a meeting of the "care team" at Het Volgelnest Primary School in the low-income area of North Amsterdam. The meeting was convened by the school guidance counselor, who provided background on the particular students whose problems were to be discussed. The other participants were a truant officer and a social worker, both employed by the local municipality, and a learning specialist and a school nurse, each of whom was employed by social service agencies and circulated among schools in the Amsterdam North area. For several hours the care team discussed how best to deal with a series of situations, including the need to arrange counseling for a Moroccan pupil whose parents were estranged and who was having behavior problems and the reluctance of an immigrant mother to accept help in obtaining eyeglasses for two of her daughters. The discussions were a good example of the holistic approach to social policy that the Dutch favor.

### **3. WSF promotes, but does not assure, equal quality of education in all schools.**

A third lesson to be garnered from the Dutch experience is that despite the substantially greater resources that it directs to high weight schools, weighted student funding has not succeeded in assuring equal quality of education in all schools. Our research shows that, as measured by the Dutch Inspectorate of Education, the quality of the educational program in schools with substantial numbers of weighted pupils is lower than that in schools with fewer disadvantaged pupils.

In addition to looking at the achievement level of primary school pupils, which it evaluates relative to the school's context, the Inspectorate evaluates schools on more than 20 qualitative processes and practices to which it attaches numerical scales based on similar criteria for all schools. Each school is evaluated on things such as

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<sup>5</sup> Interviews with Jaap Lemereis, Department of Social Development (DMO), City of Amsterdam 3/23/09 and with Olga Treep of Youth, Education and Society (JOS) in Rotterdam 5/8/09

<sup>6</sup> The UNICEF scale for child well-being uses six measures: material well-being, health and safety, educational well-being, family and peer relationships, behaviors and risks and subjective well-being in 21 rich countries. The Netherlands ranks first in the category of subjective well-being and among the top three in all categories with the exception of material well-being (10) and educational well-being (6). The Dutch average ranking of 4.2 is the highest among all countries, followed by Sweden (5.0), Denmark (7.2) and Finland (7.5). The U.S., with an average ranking of 18.0, ranks 20<sup>th</sup>, just above the United Kingdom (18.2) (UNICEF 2007).



whether it tailors its education program to differing learning styles and student needs, whether it systematically monitors student progress, whether its curriculum progresses appropriately across grades, whether it has robust procedures for assuring the well-being and safety of pupils and teachers, and how efficiently its teachers make use of instructional time. From the scores provided by the Inspectorate related to these process and practice measures for the years 2003-2007 we constructed an overall measure of school quality for each of the primary schools in the four big Dutch cities, as well as three components of that quality measure. That allowed us to test the hypothesis that the scores were equal across schools grouped into nine categories according to their proportions of weighted students. We found that the overall quality was lowest in three of the four categories of high weight schools, with the quality shortfall driven primarily by lower rankings in the student-related components of school quality. Thus, many of the high weight schools appear to have difficulty tailoring their teaching program to different learning styles and often to not have systematic approaches for identifying and dealing with the developmental needs of lagging students. (For more details on this analysis see Ladd and Fiske, 2009).

That weighted student funding has not met the *minimal* goal of promoting equal quality of schooling across the system need not mean that WSF has not had a positive impact – possibly even a major one. We simply do not know what the quality of schools serving disadvantaged pupils would look like had WSF not been in place for the last quarter century.

One possible reason that weighted student funding has failed to bring about full equality of schooling is that it does little if anything to solve problems relating to the quality of teachers and school administrators. There is considerable evidence from the U.S. that schools serving large numbers of disadvantaged pupils find it difficult to attract and retain good teachers and directors (Clotfelder, Ladd and Vigdor, 2007; also see Wyckoff, 2008 and Boyd, Lankford and Wyckoff, 2000 for summary of other studies). Comparable data are not available in the Netherlands, although limited data do show that high weight schools have a higher rate of unfilled openings for teachers than other schools, which could be interpreted as a sign that they have difficulty finding quality teachers. It is possible that the smaller classes in high weight schools help offset the reluctance of some teachers to teach in such schools. Other than that, however, there do not seem to be any ways in which WSF would appear to be addressing the teacher quality problem.

Another possible reason for the lower quality of instruction in highly weighted schools is that in the Netherlands, as in other developed countries, educators simply do not have the particular skills and knowledge to deal with the needs of large concentrations of disadvantaged pupils.

Were the U.S. to adopt weighted students funding, both of these issues would need attention.

## **II. UNDERSTANDING THE DUTCH CONTEXT**

Despite the limitations just described, the system of weighted student funding in the Netherlands seemingly has much to commend itself to American policy makers.

In sharp contrast to policies in the U.S., the Dutch consistently direct more funds to primary schools serving disadvantaged students than to schools with more privileged pupils. They operate a system that values parental choice and operational autonomy at the school level – two topics that are receiving growing attention and support in the U.S. – and their students outperform their U.S. counterparts on the major international comparisons of student achievement.

There is no doubt that the challenges facing the school systems of developed countries are similar around the world, especially as they related to concentrations of disadvantaged pupils. Likewise, there is a global marketplace of ideas regarding how to confront these challenges. But importing ideas and policies from one country to another can be problematical, and careful consideration must be given to historical, political and cultural differences across countries. Before considering how applicable the Dutch system of weighted student funding might be to the U.S., we need to step back and examine how and why this method of financing primary schools developed in the Netherlands.

The state education system in the Netherlands differs from that in the U.S. in at least four significant respects.

### **Centralized funding**

The funding of Dutch schools is highly centralized, from pre-school through higher education. As noted, 90 percent of the funding that primary schools receive originates with the national government, with only about 10 percent coming from local municipalities or other sources. This centralization means that funding policy is set at a political and administrative level where the desire to promote equity among various groups within the population can take precedence over local interests, including the desire of middle class parents to push for advantages for their own children.

### **Freedom of education**

The Netherlands lacks any tradition of what in the U.S. we call a “common school” that serves the entire community and promotes a common sense of civic and other values.

Under the earlier system of “pillarization,” the Dutch were comfortable with living in such a way that most of their relationships and activities, including schooling, involved persons of similar religious persuasions. Although pillarization broke down under the secularizing forces that swept through Europe after World War II – church-going in the Netherlands is low by U.S. standards, especially in the cities – nominal pillarization has persisted in education.<sup>7</sup> The boards that operate schools identify

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<sup>7</sup> Why pillarization persisted in education after it disappeared in other areas of Dutch life is a complicated question. When asked about this, many Dutch will explain that, in choosing a school for their child, parents are eager to find one whose teaching coincides with their family values broadly defined. Other common explanations have to do with finances – some religious school boards had accumulated financial endowments that they were eager to maintain in post-pillarization Dutch society. Religious boards are an important part of the political base of the Christian Democratic party (CDA), which has usually been part of the ruling coalition and has been protective of religious schools.

themselves as Protestant, Catholic, Islamic, Hindu or public (*openbaar*), and schools market themselves as emphasizing certain broad values. In practice, most individual schools have children from families with a variety of religious persuasions (Denessen, Driessen and Slegers. 2005). The two main exceptions are Orthodox Protestant schools and Islamic schools.

The 1917 Constitutional change that set up equal funding of all public and private schools grounded this policy in the principle of “freedom of education,” which has two important consequences. First, parents have the Constitutionally protected right to enroll their child in a school that matches their family’s values, even if this means joining with other parents to start a new one. Second, although the central government provides almost all of the funding, neither it nor the municipalities have operating authority for any schools.<sup>8</sup> Its influence is limited to setting broad curriculum guidelines, establishing the rules for teacher certification and operating an Inspectorate to report on what schools are doing.

This tradition of freedom of education has important consequences for the policy of weighted student funding. Although the national government calculates the amount that each school is eligible to receive based on how many disadvantaged pupils are on its rolls, the school boards, which receive funds in a single lump sum payment, have some latitude in deciding how to allocated their funds among the schools they operate. Likewise, individual schools have the option of providing additional services to the weighted students who generated the funds, or, as most choose to do, they can use the funds for the benefit of the full range of their students.<sup>9</sup>

### **National values**

It is difficult to overstate the importance of the widespread agreement that exists in Dutch society regarding some key social values. As a trading nation, the Netherlands long ago learned the importance of pluralism and tolerance, of allowing persons of diverse backgrounds to come and go and of showing them respect, if not always affection. The Dutch famously accepted Jews fleeing the Spanish Inquisition in the 16<sup>th</sup> century and provided haven to Rene Descartes, Baruch de Spinoza and other intellectual exiles in the 17<sup>th</sup> century.

The Dutch welfare state is built on the notion that it is in everyone’s interest to have an equitable society and that no one should be forced to be an outsider because of avoidable circumstances such as poverty, poor health or insufficient education. Although willing to accept individual differences, the Dutch are offended at the thought that any particular group of people is put at a disadvantage. Such a value system is consistent with the expansion of the definition of fairness in the 1970s from

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In a 1995 article Jaap Dronkers lists a number of other explanations, including the fact that religious schools offer are attractive to parents because of their “generally mild educational conservatism compared to the generally more progressive tendency of public schools” (Dronkers, 1995).

<sup>8</sup> Until 2006, municipalities functioned as school boards for the public schools and therefore had operating responsibilities for those schools. In 2006, however, this responsibility was shifted to newly-created independent school boards that function in a manner similar to the boards that operate religious and other private schools.

<sup>9</sup> For more details on how Dutch school boards function see Fiske and Ladd, 2009.

*equal* funding to *weighted* funding in order to put schools serving pupils who are more costly to educate on a similar footing as those with regular pupils.

### **Political stability**

Not surprisingly, the Dutch political system has its origins in the longstanding and continuing challenge of containing the sea. Much of the Netherlands lies below sea level, and, as an old saying goes, if the dikes are defective, “everyone’s feet get wet.” The construction and maintenance of *polders*, which are low-lying tracts of land enclosed by dikes, was a community effort that gave birth to the political tradition of *polderizing*. Under this system, everyone had an opportunity to have his say, and decisions were taken only after a high degree of consensus had been reached. In its negative connotation, *polderizing* has become a term for endless debate and the failure to come to a resolution.

The tradition of *polderizing* has contributed to a Parliamentary system in the Netherlands that places a premium on developing consensus before decisions are taken, where consultation across party lines is normal and where there is remarkable continuity of policy even when ruling coalitions change, which they often do. Stability has also been enhanced by the fact that, with the exception of eight years starting in 1994, the Christian Democrats (CDA), a centrist party with conservative leanings, and its antecedent parties have been part of the ruling coalition – and provided many of the prime ministers – for nearly a century.

Over the years researchers, policy makers and politicians have routinely debated how best to set the various weights (Onderwijsraad, 2001; Onderwijsraad, 2002). Nevertheless, the underlying policy has enjoyed consistent support. WSF was first enacted by a socialist government and since 1985 has been sustained by a series of center-right and neo-liberal governments.

### **III. IMPLICATIONS FOR THE U.S.**

All four of these contextual differences – centralized funding, the lack of a notion of the common school, social values and political stability – raise questions about how relevant the specifics of the Dutch system of weighted student funding would be to the U.S. and whether WSF could ever be implemented successfully in the U.S.

The most obvious point of comparison is the combination of parental choice and school autonomy that, along with equal funding of schools, has been the bedrock of the state education system since 1917. From the outset, the government has by necessity had to devise a school finance system under which money follows students. By contrast, in the U.S. both of these ideas that the Dutch take for granted are quite new. The movements to promote parental choice and school-based management – roughly the equivalent of school autonomy in the Netherlands – have developed only in the last quarter century.

Proponents of weighted student funding in the U.S. point out that several states and many school districts have begun offering choice to parents on an inter- or

intra-district basis. Likewise, charter schools, which have proliferated since the early 1990s, combine parental choice and substantial school autonomy. Given these trends, they argue, a system in which money follows students makes a lot of sense.

The Dutch experience would seem to lend credence to this argument, but it is important to be clear about one of the main agendas underlying the U.S. policy debate. When educators in major cities in the U.S. describe their experiences with weighted student funding, they frequently make the point that WSF facilitates parental choice and school-based management. Indeed, much of the literature promoting WSF suggests that neo-liberals and other conservatives are attracted to WSF not because of any inherent virtues in this particular approach to funding schools but because it could further the movement toward parental choice and school autonomy (Fordham Institute, 2006; Baker, 2009).

The Dutch have shown that a finance system in which money follows pupils is consistent with parental choice and school autonomy. Indeed, they adopted such a funding system because freedom of education was their starting point. We wonder, though, how desirable it is to reverse this process and use WSF to promote more parental choice and school-based management. Is this not putting the cart before the horse? Instead, it seems that parental choice and school-based management should be evaluated first on their own merits.

### **Decentralized funding**

Although this is not the place to rehearse the arguments for and against parental choice and school-based management, the Dutch experience offers insight into one significant limitation of such decentralization. Because individual schools are part of an interconnected system of students and teachers, full parental choice and school autonomy makes it difficult for local officials to assure that the system meets the public interest, and not just the private interests of individual parents. Public and private interests diverge in part because pupils and teachers both make decisions about schools based not only on the educational programs and philosophies of those schools but also on the composition of their student bodies. As a result, the decisions of some may adversely affect outcomes for others.<sup>10</sup> More generally, school autonomy makes it difficult to develop coordinated strategies between city or district officials and the schools.<sup>11</sup>

Weighted student funding has drawn support from progressives who like the fact that, in sharp contrast to the reality in much of U.S. education, the weighting system directs more funds to schools serving large numbers of disadvantaged pupils than to those with more privileged pupils. In this sense, WSF offers the possibility of

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<sup>10</sup> This idea is developed further in Fiske and Ladd, 2000, in the context of parental choice and school autonomy in New Zealand.

<sup>11</sup> This issue was of significant concern in Rotterdam. (Interview with Olga Treep, research coordinator of Youth, Education and Society (JOS), City of Rotterdam, 5/08/2009). Concerns of this type were important in the decisions by Michelle Rhee, the superintendent of schools in Washington D.C., to end the decade old policy of weighted student funding in that city. With WSF, she was not able to carry out her promise to have art, music and physical education teachers in all schools (Maxwell, 2008). Similarly, the Seattle Public School abandoned WSF because school autonomy made it “difficult to develop carefully coordinated strategies between the District and schools” (Quoted in Baker, 2009, p. 22).

succeeding where previous efforts at school finance reform, starting with legal challenges to reliance on the property tax in the early 1970s, have failed to bring about funding equity.

For such progressives, the Dutch experience offers some warnings. The Dutch weighting system is possible because the Netherlands has a centralized funding system that allows national interests to prevail over local concerns, including the understandable desire of middle class parents to promote the interests of their own children. It is difficult to imagine how a weighting system aimed at driving additional funds to disadvantaged pupils could be sustained – or even instituted – under a decentralized system of funding schools such as exists in the U.S.

Proponents of weighted student funding in the U.S. are frank to admit that, for the reason just cited, WSF it would have to be built into the allocation of education funds not only within districts but at the state and national levels. (Fordham Institute, 2006). Only in that way would it be possible to eliminate the large inter-district inequities in resources that now exist in many states and to assure that the districts with the highest proportions of disadvantaged students receive the additional funds they need.<sup>12</sup> To date, however, with the exception of Hawaii, which is unusual in being a single-district state, the only experiments with WSF in the U.S. have been at the city level and hence do not go very far in the direction of funding equity (Baker, 2008).

### **Social values**

As already noted, the Dutch have a strong sense of fairness, especially with respect to disadvantaged groups. Weighted student funding is in effect a group-based affirmative action policy of the sort that comes naturally to the Dutch but are opposed by many Americans. It would take some strong political leadership to convince American voters that it is desirable to compensate schools serving larger proportions of disadvantaged students with additional funds. To American eyes, the weights in the Netherlands – now more than double for children with the least-educated parents – seem quite dramatic and probably more ambitious than would ever be possible to enact in the U.S.

Introducing WSF into a U.S. context without an infusion of additional funds to cover the weighting would be problematical because it would inevitably involve taking funds away from schools serving more advantaged students. The highly redistributive system of financing primary schools in the Netherlands evolved over a long period of time and in a context where actions by the state to promote the general welfare are an accepted fact of life. Even so, when Ministry of Education, Culture and Science officials tweaked the formula for various practical or political reasons they were careful to minimize situations in which individual schools saw a decline in revenues by phasing the new system in over a period of years (interview with Joop Groos 2/20/09).

### **Continuity of policy**

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<sup>12</sup> An argument made by critics of weighted student funding in the U.S. is that such a system would not introduce the additional funds needed to build capacity in the system for disadvantaged pupils. Rather, WSF would simply redistribute existing funds. (Baker and Rebell. 2006).

Still another point of comparison has to do with continuity of policy. Whereas education policy is remarkably stable in the Netherlands and designed for the long term, the history of education reform in the U.S. suggests that policies are subject to fads and “flavors of the month.” The policy turmoil associated with the No Child Left Behind legislation is an example at the federal level. At the local level, new superintendents or principals, rather than building on the work of their predecessors, often prefer to make their mark with their own reform ideas.

The lack of policy continuity could also be a problem in sustaining particular weights. Even if states or other municipalities in the U.S. were able to approve a funding system that assigned substantially greater weights to disadvantaged pupils, there are no guarantees – absent centralized funding and a tradition of support for social equality – that these differences would hold over time.

### **Impact on segregation**

One distinctive argument that proponents of WSF in the U.S. make is that such a system would encourage schools with middle class students to recruit disadvantaged pupils because they would bring substantial amounts of additional money with them. The effect would be to reduce socio-economic, racial and other forms of segregation. We found no evidence in the Netherlands to support this argument. The school directors with whom we spoke were quick to point out that weighted students are, by definition, more difficult and costly to educate, so any net benefits to the school would be negligible. Even if the weights were so high as to produce a profit, some added, middle class schools would pay a price in the form of a diminished reputation in the neighborhood.

The broader argument that, by attaching substantial additional funds to disadvantaged pupils, WSF would contribute to a reduction in levels of segregation is also problematical, at least as viewed in the Dutch context. The Dutch have long been accustomed to living with segregation in one form or another. The system of pillarization that existed up through the first half of the 20<sup>th</sup> century was a form of segregation by religion, with a good deal of socio-economic integration occurring within the various pillars, especially outside urban areas. Once pillarization by religion broke down, however, schools became increasingly associated with particular socio-economic groups. The secularization of society has also permitted the development of a consumer mindset among parents who now make their choices of school based on perceptions of educational quality, and this change has, in turn, led to white flight from what are known in the Netherlands as “black schools.”

Our data show that levels of segregation in Dutch primary schools, especially in the big cities, are very high, both in absolute terms and relative to the U.S.. Moreover, these levels appear to be increasing even in the smaller cities (Ladd, Fiske and Ruijs, 2009). Concerned that segregation in schools undermines relations between various ethnic and other groups in Dutch society, officials in a number of cities in recent years have been promoting voluntary agreements with school boards to encourage desegregation (Ledoux, Felix & Elshof, 2009). The Ministry of Education, Culture and Science has also recently initiated pilot projects aimed at finding ways to combat segregation in seven large cities – with more to come. Such programs face an

uphill battle, however, because the twin aspects of freedom of education – the right of parents to choose their child’s school and the operational autonomy afforded to schools – make it difficult for anyone in authority to do anything about the high levels of school segregation. A recent study of 35 cities also indicated that a major reason for the lack of programs to combat segregation in education was the fact that it was not viewed as a serious concern (Peters, Haest & Walraven, 2007).

#### **IV. CONCLUDING THOUGHTS**

There is much to admire in the Dutch system of weighted student funding as a means of financing primary schools. The system has succeeded in its core objective of directing significant levels of additional funds to schools with concentrations of challenging-to-educate pupils. Its basic principles have been sustained with broad political support over more than a quarter century even as some specifics have evolved to accommodate changing practical and political realities.

The most zealous proponents of weighted student funding in the U.S. describe it as the “100% solution” to the problem of how to fund schools, including those serving concentrations of disadvantaged pupils. Based on what we have observed in the Netherlands, we can dismiss this claim out of hand. Our data show that, for all its benefits, WSF has fallen short of the minimal goal of bringing about equal quality across all schools. Moreover, the Dutch themselves have never viewed WSF as a “100% solution” to any problem. That is why from the outset WSF was viewed as only one element of a multi-pronged strategy to combat educational disadvantage.

It should also be pointed out that “student” funding and additional weights for educational disadvantage are two quite different concepts that need not be joined at the hip. The Dutch had student funding for more than half a century before they introduced the progressive system of weights. Although proponents of WSF in the U.S. package the two concepts – student funding to please conservatives, weights for educational disadvantage to appeal to progressives – there is no assurance that they will not be decoupled. Progressives may be willing to become allies of conservatives using weighted student funding to promote parental choice and school autonomy, but they should understand that their own agenda – funding equity – is the part that could easily fall by the wayside.

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