

# The Case for Breaking Up Big Urban School Systems

By Howard Husock

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## Key Points

- The politics of school reopening during the pandemic has brought to the national spotlight the outsized role that teachers unions play in managing big cities.
- Bureau of Labor Statistics data reveal the big city concentration and the increasing frequency of teachers unions flexing their market power. This strategy's success demonstrates that the relationship between local government and teachers unions is fundamentally imbalanced, suggesting changes in governance structure are necessary.
- This report presents a policy proposal of reverse school consolidation—breaking up big city districts into a cluster of smaller districts so city school districts would more closely resemble their suburban counterparts. Reimagining urban public schools could create a more constructive relationship between labor and local government in America's cities while inspiring a new era of philanthropic community support.

The challenge of reopening US public schools in the wake of the COVID-19 pandemic has highlighted the significant role that local teachers unions play in setting policy. Generally, private and parochial schools have returned to in-person classroom instruction, while public schools (including public charter schools) often have been slower to do so. Large urban districts have been disproportionately closed for any in-person learning. Heading into the fall of 2020, the Center for Reinventing Public Education found that “one in four school districts plan to reopen entirely remotely, but four in five urban school districts are set to, making them twice as likely as suburban districts and six times as likely as rural districts to do so.”<sup>1</sup>

Learning loss and the devastating cascading effects of school closures have drawn out for more than a year now, and many of our largest cities'

teachers unions were in prolonged battles about returning to school in the spring. Unsurprisingly, an October 2020 working paper found that mass partisanship and teachers union strength were far greater predictors of school district decision-making than were science and infection rates.<sup>2</sup>

Teachers unions also have an outsized role in national politics. Members of teachers unions regularly constitute roughly 10 percent of delegates to Democratic Party conventions, and they spend upward of \$50 million on yearly political donations.<sup>3</sup> That situation begs the question of whether public teachers unions have also gained disproportionate influence over public perception, compared to parents or the general public. Serious observers believe this is the case, and some believe it is a very bad thing indeed. For instance, the attorney Philip Howard, of the Campaign for Common Good,

writing in the pandemic context, asserts that “public employee unions do not serve the public’s best interests.”<sup>4</sup>

Painting the situation with such a broad brush, however, overlooks that the vast majority of the 13,000-plus independent US public school districts generally operate with minimal disruption from unions. That said, it’s worth understanding where and why unions do have power. This report finds an association between school district labor unrest and the size of a local school district—and what can be described as the resulting “market power” of organized labor. Put simply, it is one thing to take a work action to close a school system with hundreds of thousands of students such as New York City (more than one million), Los Angeles (600,000), or Chicago (355,000), but it is quite another for unions to take action against any of the far smaller districts in those metropolitan areas.

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Perhaps most notably, the number of teachers strikes proportional to other labor strikes has increased over time.

The Bureau of Labor Statistics official work stoppages data of K–12 teachers strikes since 1993 reflect this commonsense conclusion (Table A1).<sup>5</sup> Of the 66 strikes during that period, 36 have occurred either through statewide action (a recently increasing leverage of labor) or in one of the 100 largest school districts, including Chicago, Denver, Detroit, Los Angeles, and Oakland. Strikes have also occurred in an additional four districts that, though not in the top 100, are the largest in their metropolitan area (Buffalo, Dayton, Providence, and Youngstown). Others have occurred in relatively smaller districts in high-poverty cities where the school district is a major employer—which can lead to political influence due to the high number of households with employees (for example, Birmingham, Alabama; East St. Louis, Illinois; and Gary, Indiana). The district’s size can also lead to market power as exercised by other arms of organized labor, such as a strike by school bus drivers in New York City.

Finally, and perhaps most notably, the number of teachers strikes proportional to other labor strikes has increased over time. In 1993, there were 35 labor strikes documented by the Bureau of Labor Statistics, and four were related to K–12 education. In 1994, there were 45 labor strikes, and five were related to K–12 education. Flash forward 20 years. In 2018, there were 20 labor strikes, and eight were related to K–12 education. In 2019, there were 25 labor strikes, and 11 were related to K–12 education. The trend lines are striking: Even as workplace protections nationwide have improved dramatically since the 1990s, teachers unions in particular are increasingly flexing their power to achieve demands, often unrelated to students’ well-being.

This outsized leverage in large school districts suggests a policy change aimed at rebalancing the relative power of the general public and teachers union while still preserving collective bargaining rights and the protections that unions afford employees. The approach is this: Break up large school districts into smaller, independent ones. Doing so would also improve school quality by introducing more competition among districts that are currently subsumed into one large jurisdiction. One can think of such a change in antitrust terms; larger school jurisdictions enjoy disproportionate market power, making it possible for an interest group (organized labor) to exercise disproportionate sway over public services.

## **The History of School Consolidation in the US**

Since the early 20th century, the number of school districts in the US has sharply decreased. Federal Department of Education data indicate that the total fell from 117,108 in 1939 to 13,588 by 2010. Much of the consolidation reflects the long-term trend away from one-room rural schoolhouses and the merger of previously remote systems.<sup>6</sup>

But even as consolidation increased, one part of the education landscape resisted: growing US suburbs. As Dartmouth economist William Fischel has noted, “Consolidations in urban and suburban areas account for very little of the overall decline in the total number of districts.”<sup>7</sup> Thus the contemporary configuration took shape: large, center-city

school systems often surrounded by a patchwork of much smaller suburban districts.

One prominent analysis suggests that what may, superficially, appear to be an inefficient arrangement (large numbers of school districts) can contribute to higher-quality education for students. In a widely cited 1994 paper titled “Does Competition Among Public Schools Benefit Students and Taxpayers?” Stanford economist Caroline Minter Hoxby examined the effect of greater public school choice due to a larger number of independent school districts in a metropolitan area.<sup>8</sup> Minter Hoxby reported a range of positive and nonnegative effects. These included

evidence that easier choice leads to greater productivity. Areas with greater opportunities for choice among public schools have lower per-pupil spending, lower teacher salaries, and larger classes. The same areas have better average student performance, as measured by students’ educational attainment, wages, and test scores.<sup>9</sup>

Minter Hoxby noted further:

Improvements in student performance are concentrated among white non-Hispanics, males, and students who have a parent with at least a high school degree. However, student performance is not worse among Hispanics, African-Americans, females, or students who do not have a parent with a high school degree. Also, student performance improves at both ends of the educational attainment distribution and test score distribution.<sup>10</sup>

The existence and, indeed, persistence of a relatively large number of districts and positive resulting effects are in keeping with economist Charles Tiebout’s long-respected analysis of metropolitan area political economies. In his 1956 paper, “A Pure Theory of Local Expenditures,” he posited the idea of the “consumer voter,” who faces choices among competing political jurisdictions that each potentially provide a distinct market basket of public goods, allowing for choice by virtue of residential self-selection. “The consumer-voter may be viewed as picking that community which best satisfies his

preference pattern for public goods,” writes Tiebout. “The greater number of communities and the greater the variance among them, the closer the consumer will come to fully realizing his preference position.”<sup>11</sup> In the school district context, more choice improves the position of consumer voters, per Tiebout.

The rise of public unions beginning in the 1960s provides additional support for the idea of smaller school districts as a means of balancing political power between labor and the general public. Common sense dictates that if one district of dozens in a suburban area were to be consistently hit by strikes, new and existing residents might well vote with their feet to avoid living there. For instance, in Westchester County, New York, an area with 48 school districts including many characterized by high performance, there have been no teacher strikes during the same period (1993–2019) in which Oakland experienced five and Chicago experienced three.<sup>12</sup>

Another point of interest is the ratio of number of registered voters and the size of a school system’s student population. Big city systems have a higher ratio of potential voters to students; smaller jurisdictions naturally have lower such ratios.

This creates an interesting electoral dynamic for organized labor that is trying to supplement its market power with electoral influence. In big cities where there is a high ratio of voters to union-affiliated people, one might assume more people would be available for electoral appeals that limit union influence. But the prominence of organized labor in big city politics suggests otherwise. The political prowess of well-organized, well-financed teachers unions wins the votes of nonunion voters very effectively. Moreover, in low-turnout elections, reliable blocks of union members can be powerful. The scale of the political enterprise in big school districts is daunting for those who would oppose union influence.

In contrast, in smaller districts and cities, a low ratio of voters to student population suggests a lesser challenge in organizing those who would oppose union influence—itself already limited by labor’s smaller market power in a smaller jurisdiction. Also, in smaller jurisdictions, union households are less likely to be among the pool of eligible voters.

In keeping with the maxim that every vote should count, there is no avoiding that in smaller jurisdictions, individual votes count more—as a percentage of the total vote. In a larger jurisdiction, a small but dedicated bloc of votes can be disproportionately influential.

## **Policy Proposal: Reverse Consolidation**

This, then, is an argument for what might be called reverse school district consolidation—breaking up big city school systems into a cluster of smaller districts such that a map of city school districts would more resemble that of its suburban counterparts.

Clearly, as a practical matter, this would be no simple task. One would have to confront how to handle accrued bonded indebtedness associated with the existing mega-district. One would have to address whether to retain city-wide specialty schools, including academically selective ones. And the drawing of district lines would have to be done in a manner mindful of socioeconomic difference, so as not to create clusters of especially disadvantaged students.

Of course, other forms of choice, such as public charter schools, should also be available to such students. Districts need not be especially small and could include a range of household income groups. There would be greater choice, made available by “voting with one’s feet”; greater voter accountability, especially in areas with elected school boards; and a limitation of the market power of special interest groups, such as teachers unions.

Several specific steps along this path make sense—and some false starts tried in the past should be avoided.

First, independent school districts should be truly independent, as per suburban districts. That is, they should be tied to not only a specific geography but also a defined tax base and electorate. This is because historically, half measures have proved flawed. In 1991, the Nevada legislature, for instance, enacted legislation aimed at decentralizing public school management, including parent advisers. The new arrangement, however, did not

include new, smaller, independent school districts—and results, as gauged by student achievement, were disappointing.

Similarly, in the late 1960s, the notorious management decentralization of the Ocean Hill-Brownsville public schools in Brooklyn set the stage for bitter infighting among community-based school leaders and long-serving staff (represented by the then-nascent American Federation of Teachers). This, too, was an ineffective half measure; district leaders had no need to fear a reduction in public funding owing to counterproductive staff decisions (e.g., dismissing long-serving, effective teachers) because city funding would still be forthcoming.

Second, any practical approach to downsizing public school districts would require a blend of carrots and sticks at the state government level—which, in many states, holds the underlying authority for establishing school districts. State governments could offer transitional aid as new, smaller districts get up and running. This would be especially important for districts with relatively low property tax bases; indeed, district lines should be carefully drawn so new districts are not dominated by low-income households. States also should establish criteria for approving new district establishment, including an adequate property tax base. States could exercise discretion to relax mandates such as so-called high-stakes tests to allow new, smaller districts to attract households based on different types of educational experiences.

One can envision new, smaller districts inspiring community philanthropic support—as has been seen among alumni associations of well-known public schools and districts. Such support would be in keeping with the ongoing work of the thousands of community foundations across the US.

Reverse consolidation would not reverse gains realized by the labor movement to represent public-sector employees. Contracts would still be negotiated with school districts. But based on the evidence presented above, this move would likely lessen the relative power of the labor movement. And the benefits for the general public could be significant.

## Appendix

**Table A1. Official Work Stoppages Involving 1,000 or More Education Workers**

Organizations Involved	States	Areas	Ownership	Unions	Work Stoppage Beginning Date	Work Stoppage Ending Date	Number of Workers
Dayton Board of Education	OH	Dayton	Local government	National Education Association	3/25/1993	4/9/1993	1,900
Vallejo Board of Education	CA	Vallejo	Local government	National Education Association	4/16/1993	4/17/1993	1,000
Youngstown Public Schools	OH	Youngstown	Local government	Youngstown Education Association	9/8/1993	10/5/1993	1,000
Boston Public Schools	MA	Boston	Local government	American Federation of Teachers	10/27/1993	10/27/1993	5,700
Ann Arbor Board of Education	MI	Ann Arbor	Local government	National Education Association	8/29/1994	9/11/1994	1,100
Livonia Board of Education	MI	Livonia	Local government	National Education Association	9/1/1994	9/6/1994	1,000
Federal Way Board of Education	WA	Federal Way	Local government	National Education Association	9/6/1994	9/13/1994	1,000
Denver Public Schools	CO	Denver	Local government	Denver Classroom Teachers Association	10/10/1994	10/15/1994	3,000
Anchorage School District	AK	Anchorage	Local government	National Education Association	10/12/1994	10/14/1994	2,900
Providence Public Schools	RI	Providence	Local government	American Federation of Teachers	9/5/1995	9/14/1995	1,600
Oakland Unified School District	CA	Oakland	Local government	Oakland Education Association	11/28/1995	11/29/1995	3,500
Oakland Public Schools	CA	Oakland	Local government	Oakland Education Association	1/30/1996	1/30/1996	3,500
San Diego Public Schools	CA	San Diego	Local government	San Diego Teachers Association	2/1/1996	2/8/1996	5,000
Oakland Unified School District	CA	Oakland	Local government	Oakland Education Association	2/15/1996	3/20/1996	3,500
Compton Public Schools	CA	Compton	Local government	Compton Teachers Association	6/10/1996	6/10/1996	1,100
Contra Costa County Public Schools District	CA	Contra Costa County	Local government	California Nurses Association; American Federation of State, County, and Municipal Employees; Service Employees International Union; Appraisers Association of America	6/26/1996	6/26/1996	4,100
East St. Louis School District	IL	East St. Louis	Local government	American Federation of Teachers	9/3/1996	9/15/1996	1,200
Jersey City Public Schools	NJ	Jersey City	Local government	Jersey City Education Association	11/19/1998	11/23/1998	3,800
Anchorage School District	AK	Anchorage	Local government	Totem Association of Educational Support Personnel	1/15/1999	1/21/1999	1,000
State of Washington	WA	Statewide	State government	Washington Education Association	4/14/1999	4/23/1999	11,000
Board of Education of the School District of the City of Detroit	MI	Detroit	Local government	Detroit Federation of Teachers	8/30/1999	9/7/1999	11,000
Board of Education of the School District of the City of Birmingham	AL	Birmingham	Local government	Alabama Education Association	11/15/1999	11/16/1999	2,000

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**Table A1. Official Work Stoppages Involving 1,000 or More Education Workers (continued)**

Organizations Involved	States	Areas	Ownership	Union	Work Stoppage Beginning Date	Work Stoppage Ending Date	Number of Workers
Board of Education, City of Buffalo	NY	Buffalo	Local government	Buffalo Teachers Federation	9/7/2000	9/7/2000	3,900
Board of Education, City of Buffalo	NY	Buffalo	Local government	Buffalo Teachers Federation	9/14/2000	9/14/2000	3,900
Hawaii Department of Education	HI	Statewide	State government	National Education Association	4/5/2001	4/23/2001	12,400
Seattle Public Schools District	WA	Seattle	Local government	National Education Association	5/1/2001	5/1/2001	6,900
Plainfield Community Consolidated Schools District	IL	Plainfield	Local government	National Education Association	10/28/2002	10/31/2002	1,200
Billings Board of Education	MT	Billings	Local government	National Education Association	11/7/2002	11/26/2002	1,100
Gary School District	IN	Gary	Local government	Gary Teachers Union	8/21/2006	9/1/2006	1,400
Detroit School District	MI	Detroit	Local government	Detroit Federation of Teachers	8/28/2006	9/13/2006	9,500
Hayward School District	CA	Hayward	Local government	Hayward Education Association	4/5/2007	4/25/2007	1,300
Harlem Consolidated Schools, District 122	IL	Machesney Park	Local government	Harlem Federation of Teachers	8/21/2007	9/1/2007	1,000
Bellevue School District	WA	Bellevue	Local government	Bellevue Education Association	9/2/2008	9/12/2008	1,200
Kent Public School District	WA	Kent	Local government	Kent Education Association	8/27/2009	9/13/2009	1,900
North Penn School District	PA	Montgomery County	Local government	North Penn Education Association	4/19/2010	4/26/2010	1,100
Capistrano Unified School District	CA	San Juan Capistrano Area	Local government	Capistrano Unified Educators Association	4/22/2010	4/26/2010	1,800
Oakland Unified School District	CA	Oakland	Local government	Oakland Education Association	4/29/2010	4/29/2010	2,500
City of Tacoma	WA	Tacoma	Local government	Tacoma Teachers Association	9/13/2011	9/22/2011	1,900
Rockford School District 205	IL	Rockford	Local government	Rockford Education Association	3/29/2012	3/30/2012	1,900
City of Chicago Public School District 299	IL	Chicago	Local government	Chicago Teachers Union	9/10/2012	9/18/2012	26,500
Community Unit School District 300	IL	Carpentersville	Local government	Local Education Association of District 300	12/4/2012	12/4/2012	1,300
New York City Public Schools	NY	New York	Local government	Amalgamated Transit Union	1/16/2013	2/15/2013	8,000
Waukegan School District 60	IL	Waukegan	Local government	Lake County Federation of Teachers	10/2/2014	10/30/2014	1,200
Washington State Legislature	WA	Statewide	State government	Washington Education Association	4/22/2015	6/3/2015	16,900
Pasco School District	WA	Pasco	Local government	Pasco Association of Educators	9/1/2015	9/13/2015	1,100
Seattle School District	WA	Seattle	Local government	Seattle Education Association	9/9/2015	9/15/2015	5,000
City of Chicago Public School District	IL	Chicago	Local government	Chicago Teachers Union	4/1/2016	4/1/2016	27,000
Detroit Public Schools	MI	Detroit	Local government	Detroit Federation of Teachers	5/2/2016	5/3/2016	1,500

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**Table A1. Official Work Stoppages Involving 1,000 or More Education Workers**

Organizations Involved	States	Areas	Ownership	Union	Work Stoppage Beginning Date	Work Stoppage Ending Date	Number of Workers
West Virginia Legislature	WV	Statewide	State government	West Virginia Education Association	2/16/2018	3/6/2018	35,000
Jersey City School District	NJ	Jersey City	Local government	Jersey City Education Association	3/16/2018	3/16/2018	3,800
Kentucky State Legislature	KY	Statewide	State government	Kentucky Education Association	4/2/2018	4/13/2018	26,000
Oklahoma State Legislature	OK	Statewide	State government	Oklahoma Education Association	4/2/2018	4/12/2018	45,000
Arizona State Legislature	AZ	Statewide	State government	Arizona Education Association	4/26/2018	5/3/2018	81,000
Colorado State Legislature	CO	Statewide	State government	Colorado Education Association	4/26/2018	4/27/2018	63,000
North Carolina State Legislature	NC	Statewide	State government	North Carolina Association of Educators	5/16/2018	5/16/2018	123,000
Tacoma School District	WA	Tacoma	Local government	Tacoma Education Association	9/6/2018	9/14/2018	2,400
Los Angeles Unified School District	CA	Los Angeles	Local government	United Teachers Los Angeles	1/14/2019	1/22/2019	33,000
Denver Public Schools	CO	Denver	Local government	Denver Classroom Teachers Association	2/11/2019	2/14/2019	3,900
West Virginia Legislature	WV	Statewide	State government	West Virginia Education Association	2/19/2019	2/20/2019	36,400
Oakland Unified School District	CA	Oakland	Local government	Oakland Education Association	2/21/2019	3/1/2019	2,300
Kentucky State Legislature	KY	Statewide	State government	Kentucky Education Association	2/28/2019	3/7/2019	22,900
Sacramento City Unified School District	CA	Sacramento	Local government	Sacramento City Teachers Association	4/11/2019	4/11/2019	1,900
North Carolina State Legislature	NC	Statewide	State government	North Carolina Association of Educators	5/1/2019	5/1/2019	92,700
South Carolina State Legislature	SC	Statewide	State government	South Carolina Association of Educators	5/1/2019	5/1/2019	18,900
Oregon State Legislature	OR	Statewide	State government	Oregon Education Association	5/8/2019	5/8/2019	20,400
Kennewick School District	WA	Kennewick	Local government	Kennewick Education Association	8/27/2019	8/30/2019	1,800
Chicago Public Schools	IL	Chicago	Local government	Chicago Teachers Union and Service Employees International Union	10/17/2019	10/31/2019	32,000

Note: This does not include informal walkouts, sick-outs, and so forth.  
Source: US Bureau of Labor Statistics, 1993–2019.

## About the Author

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*The opinions expressed in this publication are those of the author. They do not purport to reflect the opinions or views of AEI or the series coordinator, Frederick M. Hess.*

## Notes

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