



EPSL | **E**ducation **P**olicy **S**tudies **L**aboratory

School Vouchers: The Law, the Research, and Public Policy Implications

by
Alex Molnar

Center for Education Research, Analysis, and Innovation
School of Education
University of Wisconsin-Milwaukee
PO Box 413
Milwaukee WI 53201
414-229-2716

May 6, 2001

C E R A I 

Center for Education Research, Analysis, and Innovation

Is Now

EPSL | **E**ducation **P**olicy **R**esearch **U**nit

CERAI-01-17

Presented at

**The Hechinger Institute on Education and the
Media**

Teachers College

Columbia University

Seminar on Education for Editorial Writers

Introduction

In his 2000 Presidential campaign, and in the education proposals he has submitted to Congress, President George W. Bush suggested that some form of private school vouchers could effectively spur public school reform. While Mr. Bush both as candidate and as President has downplayed the presence of the politically divisive voucher option in his education policies, vouchers have been seen by many of his supporters as central to their conception of public education reform. This has been so even as these advocates have begun to steer away from the hot-button term “voucher” in their discussion, reframing the issue instead as one of putting parents in charge of decisions about their children’s schooling.[1](#)

In the last year especially, voucher advocates have been successful in depicting vouchers as effective tools for improving both the performance of students who use them to attend private schools, and spurring improvements in public schools in the communities where vouchers are in effect. Although they have gathered some support across the political spectrum, voucher advocates have not yet won the political fight; voucher proposals were turned down in state referenda held in California and Michigan in the November 2000 elections, and voucher provisions were stripped from the US House of Representatives’ education bill – a bill largely mirroring the Bush Administration’s education agenda – in order to win bipartisan support.[2](#)

A careful reading of the research suggests that policy makers may be correct to resist to the voucher solution. Notwithstanding claims to the contrary, a decade of research has shown no academic benefit from sending

students to voucher schools. The few studies that do show improvement have been produced under conditions that have led to serious questions about the quality of their research. Some voucher advocates argue that vouchers “level the playing field” for the urban poor by allowing them to choose private schools for their children, just as the wealthy and upper middle class can choose to live in better public districts or to attend private schools. International and domestic research, however, has found that voucher programs may in fact increase funding inequities between low-income and high-income school districts, stratify students by income, race and social background, and drain needed funds from the nation’s public school systems.

A Brief History of Vouchers

The contemporary debate over educational vouchers in the United States largely rests on the 1955 proposal by economist Milton Friedman, who called for giving parents vouchers with which they could send their children to any school, public or private.³ Friedman’s view, which he expanded upon in a 1963 book summarizing his free-market economic beliefs, was that an educational market would more efficiently allocate educational resources than government-run schools. The principles underlying his position drew little attention or support at first. Instead, private school choice proposals that were advanced in the late 1950s were not aimed at creating competition and an educational market but, rather, grew out of opposition to court-ordered desegregation in the wake of the U.S. Supreme Court’s *Brown v. Board of Education* decision in 1954.⁴ In 1956, the Virginia Legislature passed a “tuition-grant” program and in 1960 a “scholarship” plan that provided students with tax dollars to pay the tuition at any qualified non-sectarian school in their school district so they would not be required to attend newly integrated public schools.

In the 1960s, private school choice began to find support among three very different groups: Catholics who saw taxpayer-financed vouchers as a fiscal lifeline for their cash-poor schools; free-market advocates, such as Friedman, who regarded vouchers as a way of making public education more efficient; and those of varied political persuasions who, for a number of reasons, were dissatisfied with the shortcomings of what David Tyack, an

historian of public education, has labeled “the one best system.”⁵

President Lyndon B. Johnson’s Democratic administration in the late 1960s embraced the idea of vouchers at a time when the voucher constituency included not only some political conservatives and segments of the business community, but also “de-schoolers” influenced by the writings of Ivan Illich,⁶ progressive and black nationalist “free schoolers,”⁷ social critics of the public education bureaucracy such as Paul Goodman,⁸ and liberal academics such as Christopher Jencks.⁹ The chance to craft “regulated” voucher plans targeting the poorest with the largest vouchers appealed to many liberals.

President Richard Nixon’s administration advanced the Johnson administration proposal. Only one public school system, in Alum Rock, California, actually attempted to implement a voucher plan, abandoning it after results proved disappointing.¹⁰ In 1971, a panel of the Nixon administration’s Presidential Commission on School Finance proposed “Parochiaid” to provide public money to parochial schools. That same year, however, the U.S. Supreme Court raised the legal barriers to government support for church schools, holding in an 8-0 vote in *Lemon v. Kurtzman* that distribution of tax dollars to private schools, to be constitutional, had to have a secular purpose; that its main effect could not be to either advance or inhibit religion; and that the tax dollars could not excessively entangle the state with religion.¹¹ Although Parochiaid died, the debate over it foreshadowed many of the arguments heard today over the use of tax-paid vouchers to pay for tuition at private, religious schools.¹²

The Reagan administration in the 1980s tried but failed to move voucher legislation through Congress.¹³ With free-market arguments for private school vouchers meeting no success, the Reagan administration shifted to public school choice.¹⁴ This new emphasis broadened support for school “choice,” which many saw now as a strategy to reform rather than to dismantle the public school system. By shifting the focus from private school vouchers to public school choice, President Reagan successfully separated educational choice from its racist and sectarian roots.¹⁵ In 1988, Minnesota enacted a public school choice law, and over the next eight years, 13 other states followed suit, with

laws allowing students to attend any public school in the state that had room for them.[16](#)

Private school vouchers received renewed attention during the presidency of George H. W. Bush, who sent Vice President Dan Quayle to Oregon to speak on behalf of a voucher initiative there. Bush expressed strong support for Wisconsin's 1990 private school voucher law, which initiated what was presented as an experimental program to allow low-income children in the Milwaukee Public Schools to use tax-funded vouchers to enroll in non-sectarian private schools. Bush included "parental choice" in his 1991 "America 2000" reform initiative and, in 1992, proposed a voucher plan that he called a "G.I. Bill for Children."[17](#)

Four states holding referenda on voucher plans – Michigan (1978), Oregon (1990), Colorado (1992) and California (1993) – saw voters rejecting vouchers by an approximately 2 to 1 margin.[18](#) Puerto Rico in 1993 passed legislation that provided vouchers worth \$1,500 per child that low-income families could use to send their children to any school, public or private, including religious schools.

Vouchers and the Law

Until the 1980s, the constitutional prohibition against church-state entanglements, as well as public opposition to tax funds for religious schools and a lack of generally available alternatives to public schools, kept school voucher proposals on the fringes of American school reform. As already noted, the Nixon administration's 1971 "Parochial" proposal was all but aborted by the US Supreme Court's *Lemon v. Kurtzman* decision, holding that for the distribution of tax dollars to private schools to be constitutional, it had to show the school's purpose was secular; that the main effect was to neither advance nor inhibit religion; and that it did not excessively entangle the state with religion.[19](#)

Beginning in the early 1990s, however, the question of whether or not vouchers that included religious schools might be constitutional became increasingly unsettled, as

courts ruling in various cases contradicted each other on the question.

In 1990, Wisconsin established the nation's first private school voucher program. The Wisconsin Supreme Court upheld the constitutionality of the state's voucher law in 1992, reasoning that it affected a small number of children living in poverty, did not include religious schools and that what the state learned from the program might benefit children elsewhere in Wisconsin.²⁰ The state legislature expanded Wisconsin's voucher law in 1995 to increase the number of students who could participate and to extend the program to include religious schools. In June 1998, the Wisconsin Supreme Court deemed the 1995 revisions constitutional. That same year, the U.S. Supreme Court declined to review the case, letting the Milwaukee voucher program stand.

Other voucher programs have fared less well in the courts. In 1993, Puerto Rico passed legislation providing vouchers worth \$1,500 per child for low-income families to send their children to any school, public or private. In 1994, the Puerto Rican Supreme Court struck down the private school portion of the bill.

In Florida, a statewide, publicly funded voucher program is in legal limbo. Under Florida's program, students become eligible for private school vouchers if their public school receives an "F" grade from the state two years out of four. A lower court judge ruled the program unconstitutional, while an appeals court overturned that ruling in October 2000. The state Supreme Court in an April 2001 decision let the appeals court ruling stand.²¹

In a 1999 ruling, the US Supreme Court gave a mixed decision on a Maine voucher program, allowing the state to subsidize children attending private schools, but denying such aid for students in religious schools. The next US Supreme Court ruling on the issue may come in the case of a voucher program for low-income students in Cleveland, Ohio.

In 1995, Ohio enacted a pilot voucher program largely supported by \$5.25 million in funds previously earmarked for the Cleveland Public Schools. The Ohio law allowed religious schools to participate, leading to an immediate

constitutional challenge. A federal judge declared the voucher program unconstitutional in 1999 because most of the schools receiving voucher money had a religious affiliation. Voucher supporters appealed that ruling, and in December 2000, a three-judge federal appeals panel ruled the program violated the Constitution's separation of church and state because few non-religious private schools, and no suburban public schools, were participating in the program and opening their doors to Cleveland Public Schools students.²² The question of using tax money to send students to private and religious schools in Ohio is widely expected to be taken up before the US Supreme Court.

Do Vouchers Work? A Review of Voucher Research

In 1990 Wisconsin established the nation's first private school voucher program – the Milwaukee Parental Choice Program (MPCP) – which initially allowed up to 1 percent of Milwaukee Public Schools students, or about 1,000 pupils, to attend participating private, non-sectarian schools within the city. Each child in the program received a voucher worth the per-pupil equalized state aid to the Milwaukee Public Schools, originally set at \$2,446. Unlike public schools, teachers at Choice schools did not need to be certified, and the curriculum of the Choice schools did not have to be reviewed or accredited by an outside agency. Choice schools also did not have to meet the financial disclosure or other record-keeping requirements placed on public schools.²³

University of Wisconsin political science professor John Witte evaluated the Milwaukee voucher experiment every year from 1990 to 1995.²⁴ Witte found no statistically significant differences between the achievement of students attending Choice schools and the achievement of random samples of students attending Milwaukee Public Schools.

A 1995 report by Harvard Professor Paul Peterson argued with Witte's statistical methods and asserted that Witte understated the positive academic impact of the Milwaukee Parental Choice Program.²⁵ Peterson's analysis echoed a 1992 critique, "The Milwaukee Parental Choice Program," written for the Wisconsin Policy Research Institute.²⁶ The

Wisconsin Legislature's research arm released its own report in February 1995, stating that no conclusions could be drawn about academic performance in comparing the voucher program with Milwaukee Public Schools, including Witte's finding that there was no significant difference.²⁷ Revisions to the law in 1995 eliminated the annual evaluation and allowed religious schools to participate. No achievement data on the Milwaukee vouchers program were collected during the 1995-96 or 1996-97 school years.

The Milwaukee Experiment: Conflicting Conclusions

Three research teams have analyzed the data collected during the first four years of the program.

Witte is the principal author of five annual evaluations already noted. Additionally, he and his team are the only researchers to have analyzed fifth-year data on the program.²⁸ In January 1997 Witte summarized the findings of his first four evaluations and reanalyzed some of his data to respond to earlier criticisms of his methods and findings.²⁹

In August 1996 and March 1997, Professors Jay Greene (University of Houston), Paul Peterson (Harvard) and Jiangtao Du (Harvard) issued two re-analyses of Witte's data on the first four years of the program.³⁰

In September 1997 and December 1997, Princeton Professor Cecilia Rouse released papers analyzing the achievement data from the Choice program's first four years.³¹

In considering the research designs and findings of the three research teams, it is necessary to note several points that may skew achievement data considerably. The Milwaukee Parental Choice Program's has never involved a large number of students, has never reached the total enrollment authorized by law, has experienced strikingly high turnover, and has tended to primarily involve elementary school students. The Wisconsin Legislative Audit Bureau's 1995 report said 30.3 percent of the children enrolled in the program one year did not return the next year.³² The Milwaukee Parental Choice Program overwhelmingly supports elementary school students: 23.2

percent of the participants in 1994-95 were enrolled in kindergarten, 61.1 percent in kindergarten through third grade, and 76 percent in kindergarten through fifth grade.³³ At the time that achievement data were collected, three schools enrolled a substantial majority (over 80 percent, according to Greene, Peterson, and Du³⁴) of all voucher students. All three schools had a long history and established reputations prior to the passage of the Milwaukee voucher program. The fact that enrollment at the time was skewed so sharply to three schools with their unique histories makes it difficult to generalize to large-scale voucher programs that would require many new schools. Finally, none of the evaluations of the Milwaukee program contain data on high school students because so few voucher students attended high school during the study period. As already noted, since the program's expansion there have been no scientific studies of achievement.

Witte: No Difference

Witte found that, when compared to Milwaukee Public School parents, parents who send their children to voucher schools are better educated and more involved in their children's education, have higher academic expectations, and are more critical of the Milwaukee Public Schools than are MPS parents.³⁵ These findings suggest that Milwaukee's voucher parents are so-called high-voice parents. Since only a small number of students apply to Choice schools each year relative to the number of eligible students – about 60,000 – the program may be attracting a small subset of low-income parents with distinct characteristics, making it difficult to use the Milwaukee experience to predict the effectiveness of large-scale voucher programs.

In his five evaluations of the Milwaukee program, Witte compared voucher students' average test scores and changes in test scores to the same figures for two other groups: a random sample of Milwaukee Public School students and a random sample of low-income MPS students. Witte's overall conclusion was that there was no academic advantage for students attending Choice schools, and a small, non-significant advantage for MPS students in reading.³⁶

Peterson et al: Some Difference

Greene, Peterson, and Du (GPD) argued that Witte's controls for family and individual characteristics were inadequate when he compared Choice and MPS students.³⁷ Instead, they compared Choice students with students who applied to Choice schools but were not admitted. The Milwaukee voucher law required that each participating school randomly select its successful voucher applicants. GPD therefore considered a comparison of successful and unsuccessful applicants to be akin to a natural experiment comparing two otherwise identical groups. In their view, differences that may exist between students do not have to be controlled for because random assignment assures that differences will be evenly distributed across the groups being compared.

Comparing Choice students to unsuccessful Choice applicants, GPD report that, after three or four years in the Choice program, students begin to show higher levels of performance. In math, GPD report 5- and 11-percentile rank differences in the third and fourth years.³⁸ Reading scores of Choice students exceed those of unsuccessful applicants by 2 to 5 percentile ranks. GPD say that the delay before math and reading scores improve may result from the time it takes a student to accustom themselves to a new school and its academic program.

Several factors mar GPD's "natural experiment," however. No one has examined whether Choice schools actually selected students randomly; indeed, in later years, the schools were accused of failing to do so.³⁹ The fact that siblings of children already enrolled in Choice schools were guaranteed places without going through a lottery further interferes with random selection. Finally, since lotteries took place at the school level, the proper control group should in theory be the rejected applicants of each individual school, not for the program as a whole.

In 1997, Witte also examined the performance of unsuccessful Choice applicants.⁴⁰ He found that Choice students performed no differently in reading than unsuccessful applicants. While he, like GPD, did find that Choice students performed better in math than unsuccessful applicants, particularly in the third and fourth years of the program, Witte discounted the value of those results because more than half of the unsuccessful applicants – 52 percent – did not return to MPS. As a result, their test

scores were not available and the reminder did not constitute a truly random sample of unsuccessful applicants.

Rouse: A Slight Difference – Maybe

Rouse, comparing the performance of all students selected to attend Choice schools with a random sample of MPS students, found no significant advantage in reading.⁴¹ Rouse further described GPD's reading results as "fragile."⁴² In math, Rouse found that students admitted to the voucher program and the sub-sample still participating in the program both had faster math gains than her random sample of MPS students. Rouse estimated that the math scores of successful applicants and of program participants rise each year by 1.5-2.4 percentile points more than MPS student tests scores.⁴³

Rouse cautioned that there are several caveats when considering her results, however.⁴⁴ First, a large number of students in the data set did not have total math scores. Second, Rouse's method assumed that, in the absence of the voucher program, the two comparison groups would have improved their scores over time at the same rate. And third, the data sets on the Milwaukee voucher experiment included no school variables, such as social and economic profile of the school, class size, school size or spending per student.

Since there is clear evidence that class size, for example, has a significant effect on student achievement, Rouse's results may have nothing to do with participation in the Choice program per se. In her later paper, Rouse took a first step toward addressing the lack of school variables and presented evidence that class size in public schools exceeded that in Choice schools. Moreover, Rouse found that students in one sub-group of the Milwaukee Public Schools that have a class size comparable to Choice schools have better overall test scores than Choice schools.⁴⁵

The Cleveland Voucher Program

Ohio enacted the Cleveland Scholarship and Tutoring Program (CSTP) in 1995.⁴⁶ In 1996-97, about 77 percent of the scholarship students attended one of 46 religious schools, 35 of which were Catholic. The other 23 percent attended non-sectarian private schools. The vast majority of the students are low-income African-Americans.

A research team at Indiana University headed by Professor Kim Metcalf found that in the first year of the program (1996-97), third-graders in the voucher program did not achieve a higher level on reading, language, mathematics, science and social studies tests than students who remained in the Cleveland Public Schools.⁴⁷ The second-year evaluation (1997-98) found that fourth-grade students in the voucher program achieved significantly better than their public school counterparts in science and language. But when classroom variables, such as class size, teacher experience, and teacher level of education, are accounted for, the voucher students achieved significantly higher scores only in language.⁴⁸

Professor Paul Peterson of Harvard, Jay Greene of the University of Texas, and William Howell of Stanford University analyzed test score data from the two largest non-religious private schools in the program. Their report, released in September 1997 by the Harvard Program on Education Policy and Governance (PEPG), reported percentile gains on fall-to-spring testing: overall K-3 percentile gains of 5.6 in reading, -4.5 (language), 11.6 (math total) and 12.8 (math concepts).⁴⁹ The testing regimen used in the PEPG report, however, was rejected as unsound practice years ago for Federal Chapter I evaluations.⁵⁰ Most schools gain every spring and fall back the next autumn. For fall-to-spring changes in test scores to be meaningful, a carefully chosen comparison group must also be tested. The PEPG analysis has no such comparison group and is so flawed that it contributes little to understanding how voucher programs might affect student achievement.

The Three Cities Study

In August 2000, the purported academic benefits of educational vouchers again received widespread media

attention. In a new report on privately funded voucher programs in Dayton, Ohio, New York City, and Washington, D.C. a team of researchers including Paul E. Peterson of Harvard reported general achievement gains among the voucher students.⁵¹ The Peterson team's conclusions were soon called into question, however, by the researchers' own research partners. The Peterson team presented the results from the three cities averaged across grade levels, and combined the averaged results from all three cities. Because averaged results tend to conceal inconsistent findings, however, they may make the achievement impact reported appear more generalized than it is.⁵² The impression created by the averaged data was apparently troubling enough to prompt the team's research partners at Mathematica, a highly respected private research firm, to issue a separate statement that students offered a scholarship in New York City performed at about the same level as students in the control group.⁵³

The actual results of the three cities study are far less conclusive. African-American students in New York showed gains in both years of the study, but other ethnic groups showed small, but insignificant, losses. In Washington, D.C., African-Americans in grades 2 through 5 in year one showed a significant gain in math and a significant loss in reading. They showed gains in both subjects in year two. No other ethnic groups gained in either year. In grades 6 through 8, African-Americans showed no change in math and a significant loss in reading in year one, but significant gains in math and no significant gain in reading in year two. In Dayton, African-Americans showed no significant gains in either subject in year one, but did show a significant gain in reading in year two. No other ethnic groups showed gains in either subject in either year.⁵⁴

Florida's A-Plus Program

Under a program implemented in 1999, public school students in Florida may receive vouchers enabling them to attend private schools if their public school received two successive failing grades from the state. In February 2001, Jay Greene, now affiliated with the Manhattan Institute, published an evaluation of the Florida program. Greene reported that schools receiving a failing grade from the state in 1999 achieved test score improvements "more than

twice as large as those achieved by other schools.” Since these schools would have been subject to losing students to vouchers if they failed a second time, Greene concluded that the threat of vouchers motivated the poorest performing schools to improve.[55](#)

Scholars who reexamined his data, however, found methodological flaws. Reporting in *Education Policy Analysis Archives*, Gregory Camilli and Katrina Bulkley found fault with Greene’s methods on two counts. First, they wrote, Greene combined scores from different tests given at different grades, which obscured differences in outcomes from one grade level to another. Because Greene also reported the effect sizes based on schools rather than on individuals, his study also led to “significant overestimation” of the results from vouchers compared with the results that might be attributed to other educational interventions, such as class-size reduction. Finally, Camilli and Bulkley found, Greene did not adequately correct for the statistical concept of “regression to the mean” – the understanding that those who perform at the extremes of any particular test are more likely than not to produce less extreme scores on a subsequent testing.[56](#)

A re-analysis of the Florida public school test-score data by Haggai Kupermintz of the University of Colorado at Boulder further challenged Greene’s conclusion that the voucher threat offered the most plausible interpretation of the improvements reported under the Florida A-Plus system.[57](#) Kupermintz offered as an alternative explanation the possibility that failing schools targeted and achieved a minimum “passing” score on the state’s writing test to escape the threat of vouchers.[58](#)

Vouchers and Public Policy

Beyond considering whether vouchers are effective in improving student achievement, a case that as has been seen here is far from demonstrated, there is the question of the broader public policy implications of implementing a voucher system. On that question, the first point to be considered is the true nature of the problem for which vouchers are presented as the cure.

Vouchers supporters base their advocacy on three widely held views about public education: that educational

outcomes have deteriorated, that American public education costs have accelerated unreasonably, and that the public schools cannot reform themselves. The steep decline in the wages of male minority workers since the late 1970s has increased the demand to improve urban school quality and made many African-Americans receptive to vouchers.⁵⁹ Proponents of private school vouchers, like Wisconsin State Rep. Annette “Polly” Williams, author of the Milwaukee vouchers law, link vouchers to their desire to empower poor families and raise the academic achievement of poor children, arguing that vouchers will improve achievement by forcing public schools to compete in an educational marketplace in which poor parents hold the power of the purse.

Notwithstanding the conventional wisdom, however, there is considerable evidence that educational outcomes have actually *improved* over the last 20 years. A RAND study found that between the 1970s and 1990, reading and math scores rose significantly for Hispanics and African Americans.⁶⁰ This rarely heralded improvement took place at a time when resources for regular classrooms at public schools have increased only modestly: in a survey of nine school districts, Richard Rothstein found that real spending for regular education climbed by only 28 percent from 1967 to 1991.⁶¹ In an update of that report, Rothstein found spending on regular education stagnated from 1991 to 1996, while special education spending rose.⁶²

The view that educational outcomes have deteriorated is further belied by analyses such as that of Princeton University economist Alan Krueger, who reported in 1998 that National Assessment of Educational Progress (NAEP) exams revealed rising American public school performance over the past two decades.⁶³ A student scoring in the 50th percentile today, for example, performs as well as the 56th percentile student 25 years ago.⁶⁴ The most disadvantaged students have made the greatest gains. Moreover, between the early 1970s and 1990, the white-black NAEP test-score gap for 17-year-olds decreased by almost half, before increasing slightly in the 1990s.⁶⁵

Parents wanting better schools for their kids have been receptive to the third widely held view supporting school vouchers: public schools are incapable of reforming themselves because of bureaucratic and political

constraints. This argument gained intellectual legitimacy with the publication of *Politics, Markets, and America's Schools* by John Chubb and Terry Moe in 1990.⁶⁶ Chubb and Moe argued that the failure to improve school performance, plus evidence of the superior performance of private schools, demonstrated the need for vouchers.⁶⁷

Contrary to the claims by Chubb and Moe, the research literature contains no clear evidence that private schools are better than public schools. Moreover, since most of the studies on public versus private schools use data for secondary schools, they are of limited value in predicting the impact of voucher programs that, for the most part, involve private elementary schools.⁶⁸

The Cost of Vouchers

A good deal of the pro-voucher argument concerns the alleged efficiency of private schools. But in Milwaukee, home of the Milwaukee Parental Choice Program, the benefits of the voucher program relative to its cost cannot be clearly determined. In 1998, when the state was paying up to \$4,894 per voucher student, and a majority of voucher students were in the relatively cheap pre-K-through-3 grades, it would appear that voucher schools might enjoy a financial advantage over Milwaukee's public schools. But the relative costs of public and voucher schools cannot be accurately calculated without being able to gather and analyze comparable financial data for the schools involved in the program.⁶⁹

In March 2001, new research showed that the Milwaukee voucher program is costing Wisconsin taxpayers \$13.6 million more in payments to private and religious schools in the vouchers program than if taxpayers only paid for the tuition for voucher students. The research found that voucher students in religious schools in the program generated revenues for the schools three to four times greater than the actual tuition paid by those families of children who attended those schools without taxpayer-supported voucher aid. The average amount taxpayers spent per voucher student in low-cost religious schools was \$4,256, while the average tuition paid by non-voucher families in these same schools was \$1,126, the researchers found. ⁷⁰ The researchers also found that because of unconventional and very generous provisions in the

voucher law, private schools entering the Milwaukee vouchers program were allowed to depreciate pre-existing facilities at 100 percent, resulting in annual windfall voucher payments of \$1,300 per pupil in low-cost religious schools and \$302 per pupil in high-cost religious schools.[71](#)

An even more recent study suggested that because of the way funding for Milwaukee's voucher program interacts with state aid for local school districts, the voucher program was also inadvertently penalizing some public school districts outside of Milwaukee while enhancing revenues for others.[72](#) [73](#)

Cost concerns may have contributed to the defeat by voters of a voucher proposal in California in November 2000. The initiative promised to provide a voucher worth at least \$4,000 to many middle-class and lower-income parents who did not earn enough to afford private school tuition. An analysis of the plan, however, warned that the voucher proposals would not target the benefits to disadvantaged families and concluded that much of the tax dollars would go to affluent families – essentially tax relief for the well off.[74](#)

Voucher programs also clearly drain funds from public schools, an issue not debated much because voucher programs, so far, have been small and student losses in many school districts have been offset by increasing overall enrollments. But the state funds school districts receive are typically based on enrollment and when enrollment falls off, so do state funds. For example, the funding for the first year of Cleveland's voucher program came from \$5.25 million taken from the city's share of state aid.[75](#)

Tilting the Playing Field

A number of voucher advocates contend that, by enabling the urban poor to attend private schools, vouchers would “level the playing field” for low-income families by enabling them to choose from education alternatives just as wealthier parents do. The countervailing concern is that vouchers would instead increase inequities by diverting money from public school students to students already in private schools. For example, Henry Levin of Stanford University found that the 5,902 students enrolled in either

charter or voucher schools cost the Milwaukee Public Schools more than \$29 million in revenue in 1997-98. But of the 5,902 voucher and charter school students in that school year, only 1,379 had attended MPS schools the previous year.[76](#)

International data provide further evidence that voucher plans may exacerbate socio-economic inequities. Evaluations of the two largest voucher experiments in the world, in New Zealand and in Chile, found that low-income students did not end up better off than their better-off counterparts. Instead, voucher systems reinforced segregation, social stratification, and inequities between these two groups.[77](#)

Evidence from Arizona further corroborates the fear that a large-scale school choice program may increase stratification in the schools based on income, race and ethnicity. Casey D. Cobb and Gene V. Glass found that Arizona charter schools were increasing racial segregation in public education and that minority students were disproportionately enrolled in charter schools with non-college preparatory curricula.[78](#) Large-scale voucher programs would share many of the characteristics of Arizona's charter school program and may, therefore, similarly reduce educational equity.

There is evidence that all school choice programs – public school choice as well as voucher and charter school programs – increase student stratification by income and other family background characteristics without necessarily producing academic gains. Godwin, Kemerer, and Martinez, in their analysis of the characteristics of families that choose to participate in either public or private school choice programs in San Antonio, found that choosing families had more education, higher incomes, higher employment levels, and fewer children, and were less likely to be on welfare, less likely to be African-American, more likely to be two-parent families, and their children had higher standardized test scores.[79](#)

A 1992 Carnegie Foundation report evaluated choice programs around the country and concluded that to the extent that choice programs benefit children at all, they benefit the children of better educated parents.[80](#) Bruce Fuller, in a 1995 review, drew conclusions similar to those

of the Carnegie report.⁸¹ Geoff Whitty, reviewing the research on school choice in three countries (the U.S., Great Britain, and New Zealand), found little evidence to support the contention that creating educational “markets” increases student achievement but did find that educational “markets” make existing inequalities in education worse.⁸² Martin Carnoy drew a similar conclusion based on an analysis of the effects of school privatization in Chile and other countries.⁸³ Even the political figure most closely identified with the contemporary voucher movement, Wisconsin state legislator Polly Williams, has expressed concern about the political pressure to create voucher programs that result in increasing educational inequity.⁸⁴

Finally, notwithstanding the use of test score data to promote the efficacy of vouchers – data that has already been seen to be inconsistent and inconclusive – voucher advocates frequently deny that private schools should be subject to the sort of accountability measures that public schools are increasingly being held to. Schools participating in the Milwaukee voucher program, for instance, are under no obligation to publicly report test scores or other measures of student achievement. Conversely, the threat of accountability has led some Protestant schools as well as home schoolers to oppose vouchers, or to decline participation in tax-funded voucher plans, fearing that private schools using more public funds will lead to increased government regulation, as has happened in Europe where private schools received government dollars.⁸⁵

Conclusion

School voucher proposals represent, as Peter W. Cookson wrote, a “struggle for the soul of American Education.”⁸⁶ The weight of evidence to date argues against them on every front. By allowing tax dollars to flow directly to religious institutions, voucher programs that include religious schools are constitutionally suspect. The research on the education outcomes of students enrolled in voucher schools shows little or no evidence that voucher systems would consistently improve student achievement. At the same time, voucher programs carry the very real risk of further draining public education of needed resources, particularly in poor, urban districts where the needs are greatest. There is extensive evidence, furthermore, that

choice programs in general are likely to further divide pupils and communities along social, economic, ethnic and class lines, increasing social stratification rather than enhancing educational equity. Where education reform is concerned, the evidence suggests that, far from being a silver bullet, vouchers represent only a false hope.

NOTES

1 Jodi Wilgoren, “Vouchers: A Rose by Other Name?” *New York Times*, Dec. 20, 2000

2 *New York Times*, May 3, 2001

3 Milton Friedman, *Capitalism and Freedom*. Chicago: University of Chicago Press, 1963

4 Jeffrey R. Henig, *Rethinking School Choice: Limits of the Market Metaphor*. Princeton, N.J.: Princeton University Press, 1993, p. 104.

5 David Tyack, *The One Best System: A History of American Urban Education*. Cambridge: Harvard University Press, 1974

6 Ivan Illich, *Deschooling Society*. New York: Harper and Row, 1971.

7 Allen Graubard, *Free the Children: Radical Reform and the Free School Movement* New York: Pantheon, 1972.

See also the letter from Herb Kohl to Mario Fantini printed in the appendix to, Mario D. Fantini, *Free Schools of Choice* New York: Simon and Schuster, 1973.

8 Paul Goodman, *The New Reformation: Notes of a Neolithic Conservative*. New York: Random House, 1970

9 *Education Vouchers: A Report on Financing Elementary Education by Grants to Parents*. Cambridge, MA: Center for the Study of Public Policy, 1970; as cited in Richard F. Elmore, *Choice in Public Education*. Santa Monica, CA: The Rand Corporation, 1986, p. 9

[10](#) Amy Stuart Wells, *Time to Choose: America at the Crossroads of School Choice Policy*. New York: Hill and Wang, 1993, p. 152.

[11](#) Wells, *Time to Choose*, p. 174

See also: Charles J. Russo and Michael P. Orsi, "The Supreme Court and the Breachable Wall," *Momentum*, September 1992, pp. 42-45.

[12](#) Thomas W. Lyons, "Parochialism? Yes!" *Education Leadership*, November 1971, pp. 102-104, and Glenn L. Archer, "Parochialism? No!" *Education Leadership*, November 1971, pp. 105-107.

See also:

Grace Graham, "Can the Public School Survive Another Ten Years?" *Education Leadership*, May 1970, pp. 800-803

[13](#) "Justice and Excellence: The Case for Choice in Chapter 1," U.S. Department of Education, November 15, 1985, as cited in Elmore, *Choice in Public Education*.

[14](#) Henig, *Rethinking School Choice*.

[15](#) *Ibid.*, Chapter 4

[16](#) Educational Commission of the States, "Legislative Activities Involving Open Enrollment (Choice)," *Clearinghouse Notes*, December 1994

[17](#) *Ibid.*, p. 91

[18](#) Henig, *Rethinking School Choice*, p. 67.

[19](#) Wells, *Time to Choose*, 1993, p. 152; Russo and Orsi, "The Supreme Court and the Breachable Wall," 1992, pp. 42-45

[20](#) 166 Wis. 2d. 501, 480 N.W.2d, 460. 1992

[21](#) See:

Bush v. Holmes, District Court of Appeal, First District, State of Florida, Case No. 1D00-1121, Decision issued Oct. 3, 2000

Also, Institute of Justice, World Wide Web site, at: <http://www.ij.org/cases/school/florida/florida.shtml>

[22](#) J. Wilgoren, “A Ruling Voids Use of Vouchers in Ohio Schools.” *New York Times*, Dec. 12, 2000

[23](#) 166 Wis. 2d, 501, 480 N.W.2d., 460 (1992)

[24](#) John F. Witte, *First-Year Report: Milwaukee Parental Choice Program* Madison, WI: The Robert M. La Follette Institute of Public Affairs, University of Wisconsin-Madison, 1991

Witte, Andrea B. Bailey, and Christopher A. Thorn, *Second-Year Report: Milwaukee Parental Choice Program*. Madison, WI: The Robert M. La Follette Institute of Public Affairs, University of Wisconsin-Madison, 1992

Witte, Bailey, and Thorn, *Third-Year Report: Milwaukee Parental Choice Program*. Madison, WI: The Robert M. La Follette Institute of Public Affairs, University of Wisconsin-Madison, 1993;

Witte, Thorn, Kim M. Pritchard, and Michelle Clairborn, *Fourth-Year Report: Milwaukee Parental Choice Program*. Madison, WI: The Robert M. La Follette Institute of Public Affairs, University of Wisconsin-Madison, 1994

Witte, Thorn, and Troy D. Sterr, *Fifth-Year Report: Milwaukee Parental Choice Program*, Madison, WI: The Robert M. La Follette Institute of Public Affairs, University of Wisconsin-Madison, 1995

[25](#) Paul E. Peterson, “Critique of the Witte Evaluation of Milwaukee’s School Choice Program,” Occasional Paper 95-2. Cambridge: Harvard University Center for American Political Studies, 1995

[26](#) George A. Mitchell, *The Milwaukee Parental Choice Program* Milwaukee: Wisconsin Policy Research Institute, 1992

See also:

John E. Chubb and Terry M. Moe, *Educational Choice: Answers to the Most Frequently Asked Questions About Mediocrity in American Education And What Can Be Done About It* Milwaukee: Wisconsin Policy Research Institute, 1989.

[27](#) Wisconsin Legislative Audit Bureau, *Milwaukee Parental Choice Program*, Audit Summary Report 95-3. Madison, WI: Wisconsin Legislative Audit Bureau, 1995

[28](#) Witte, Sterr, and Thorn, *Fifth-Year Report*, 1995

[29](#) John F. Witte, "Achievement Effects of The Milwaukee Voucher Program," paper presented at the 1997 American Economics Association Annual Meeting, New Orleans, January 4-6, 1997

[30](#) Jay P. Greene, Paul E. Peterson, and Jiangtao Du with Jeesa Boeger and Curtis L. Frazier, "The Effectiveness of School Choice in Milwaukee: A Secondary Analysis of Data from the Program's Evaluation," August 14, 1996, Occasional Paper, Program in Education Policy and Governance, Center for American Political Studies, Department of Government, Harvard University, August 14, 1996

Jay P. Greene, Paul E. Peterson, and Jiangtao Du with Jeesa Boeger and Curtis L. Frazier, "Effectiveness of School Choice: The Milwaukee Experiment," Occasional Paper 97-1, Program in Education Policy and Governance, Center for American Political Studies, Department of Government, Harvard University, March, 1997.

[31](#) Cecilia Rouse, "Schools and Student Achievement: More Evidence from the Milwaukee Parental Choice Program," Princeton and NBER, December 1997

_____, "Private School Vouchers and Student Achievement: An Evaluation of the Milwaukee Parental Choice Program." *Quarterly Journal of Economics*, May, 1998, pp. 553-602

[32](#) Wisconsin Legislative Audit Bureau, 1995

33 *Ibid.*

34 Greene, Peterson, and Du, 1996, p. 6

35 Witte et al, *Fourth Year Report*, 1994

36 Witte et al, *Fifth Year Report*, 1995

37 Greene, Peterson, and Du, 1996, p. 15

38 Greene, Peterson, and Du, 1997, Table 3

See also:

Greene, Peterson, and Du, 1996, p. 8 and p. 19, Table 4

39 Charles Toulmin, Wisconsin Department of Public Instruction, Letter to Administrators of Milwaukee Parental School Choice Program schools, February 9, 1999 (available on line at: <http://www.dpi.state.wi.us/dpi/dfm/sms/feb9let.html>)

40 Witte, "Achievement Effects," 1997. See also, Witte et al, 1994, p. 25, in which Witte compared Choice students with students who had applied unsuccessfully to Choice schools, and again found no significant differences in their performance.

41 Rouse, "Private School Vouchers and Student Achievement," 1997, p. 23

42 *Ibid.*

43 Rouse, 1997, pp. 8-9 and Figure 1

44 *Ibid.* p. 17

45 Rouse, 1998

46 The description of the Cleveland Scholarship and Tutoring Program is based on documents provided by the Ohio Department of Education, discussions with Francis Rogers of the Ohio Department of Education, and Bert Holt of the Cleveland Scholarship and Tutoring Program, and Dan Murphy, F. Howard Nelson, Bella Rosenberg, *The Cleveland Voucher Program: Who Chooses? Who Gets*

Chosen? Who Pays?, American Federation of Teachers, 1997

[47](#) Kim K. Metcalf et al., “A Comparative Evaluation of the Cleveland Scholarship and Tutoring Program: Year One, 1996-97,” Bloomington, Ind.: Indiana Center for Evaluation, Indiana University, 1998.

[48](#) Kim K. Metcalf et al., “Evaluation of the Cleveland Scholarship and Tutoring Program: Second-Year Report, 1997-98,” (Bloomington, Ind.: Indiana Center for Evaluation, Indiana University, 1998).

[49](#) Jay P. Greene, William G. Howell, Paul E. Peterson, “An Evaluation of the Cleveland Scholarship Program,” Harvard University, Program on Education Policy and Governance, September 1997.

[50](#) For a discussion of the problems posed by fall-to-spring testing in Chapter I programs, see: Robert L. Linn, Stephen B. Dunbar, Delwyn L. Harnish, and C. Nicholas Hastings, “The Validity of Title I Evaluation and Reporting System,” in Ernest R. House, Sandra Mathison, James A. Pearsol, Hallie Preskill, ed., *Evaluation Studies Review Annual*, 7 Beverly Hills: Sage Publications, 1982.

[51](#) William G. Howell, Patrick J. Wolff, Paul E. Peterson, and David E. Campbell, “Test-score Effects of School Vouchers in Dayton, Ohio, New York City, and Washington, D.C.: Evidence from Randomized Field Trials.” Aug. 28, 2000. Available at: <http://fas.harvard.edu.pepg>

[52](#) Alex Molnar and Charles Achilles, “Voucher and Class-Size Research,” Milwaukee, WI: Center for Education Research, Analysis, and Innovation, Oct. 25, 2000. A version of this paper was published as an op-ed article in *Education Week*, Oct. 25, 2000.

See also the reply from Peterson et al., *Education Week*, Feb. 11, 2001

[53](#) Molnar and Achilles, 2000

See also: Kate Zernike, "New Doubt Cast Is Cast on Study that Backs Voucher Efforts." *New York Times*, Sept. 15, 2000, p. A21

[54](#) Howell, Wolff, Peterson, and Campbell, 2000.

See also: Apple and Bracey, 2001

[55](#) Jay P. Greene, "An Evaluation of the Florida A-Plus Accountability and School Choice Program," New York: The Manhattan Institute, Feb. 15, 2001. Available at http://www.manhattan-institute.org/html/cr_aplus.htm

[56](#) Gregory Camilli and Katrina Bulkley, "Critique of 'An Evaluation of the Florida A-Plus Accountability and School Choice Program,'" *Education Policy Analysis Archives*, Vol. 9. No. 7, March 4, 2001. Available at: <http://epaa.asu.edu/epaa/v9n7/>

See also their non-technical summary, available at: <http://www.uwm.edu/Dept/CERAI/edpolicyproject/cerai-01-09.html>

[57](#) Haggai Kupermintz, "The Effects of Vouchers on School Improvement: Another Look at the Florida Data," *Education Policy Analysis Archives*, Volume 9 Number 8, March 19, 2001. Available at: <http://epaa.asu.edu/epaa/v9n8/>

[58](#) *Ibid.*

[59](#) Stephen Herzenberg and Howard Wial, *The State of Working Pennsylvania 1997*. Harrisburg, PA: Keystone Research Center, 1997

[60](#) David W. Grissmer, Sheila Nataraj Kirby, Mark Berends and Stephanie Williamson, *Student Achievement and the Changing American Family* Santa Monica: RAND, 1994.

[61](#) Richard Rothstein with Karen Hawley Mills, *Where's the Money Gone? Changes in the Level of Education Spending*, Washington, D.C.: Economic Policy Institute, 1995, pp. 1 and 37.

[62](#) Richard Rothstein, *Where's the Money Going? Changes in the Level and Composition of Education Spending, 1991-96*. Washington, D.C.: Economic Policy Institute, 1997

[63](#) Alan B. Krueger, "Reassessing the View that American Schools Are Broken," Federal Reserve Bank of New York *Economic Policy Review*, March 1998, pp. 29-41

[64](#) *Ibid.*, p. 31

[65](#) *Ibid.*, p. 31, and Chart 2

[66](#) John E. Chubb and Terry Moe, *Politics, Markets, and America's Schools*, Washington, D.C.: Brookings Institution, 1990.

[67](#) Chubb and Moe's work has drawn strong support and considerable criticism. In their 1995 book, *The Case Against School Choice*, Kevin J. Smith and Kenneth J. Meier analyze the theoretical claims made, the methodology used, the results reported, and the conclusions drawn by Chubb and Moe. In addition, they review data about the performance of choice programs in other countries. Smith and Meier conclude that the available empirical evidence did not support Chubb and Moe's case for vouchers. See Kevin B. Smith and Kenneth J. Meier, *The Case Against School Choice: Politics, Markets, and Fools*. Armonk, N.Y.: M.E. Sharp, 1995

[68](#) For a brief summary of the public-versus-private schools literature and citations to research on both sides of the controversy, see:

Alex Molnar, *Smaller Classes and Educational Vouchers: A Research Update*. Harrisburg, Pa: Keystone Research Center, June 1999. Available at:
<http://www.uwm.edu/Dept/CERAI/documents/smClasssizes.pdf>

[69](#) Alex Molnar, "Unfinished Business in Milwaukee," *Education Week*, Nov. 17, 1999

[70](#) F. Howard Nelson, Rachel Egen, and Dwight Holmes, "Revenues, Expenditures and Taxpayer Subsidies in Milwaukee's Vouchers Schools," paper presented to the

annual meeting of the American Education Finance Association, Cincinnati, Ohio, March 23, 2001

[71](#) *Ibid.*

[72](#) Lang, Bob, Memorandum: "Funding for the Milwaukee Parental Choice Program." Madison: Legislative Fiscal Bureau, May 8, 2001. Available at: http://www.legis.state.wi.us/lfb/Misc/050801_choice.pdf

[73](#) Norman, Jack, "School voucher financing program is in shambles," *The Business Journal*, April 27, 2001

[74](#) Fuller, B., Huerta, L., Ruenzel, D., "A Costly Gamble or Serious Reform? California's School Voucher Initiative – Proposition 38," Berkeley: Policy Analysis for California Education (PACE), September 2000

[75](#) Apple and Bracey, 2001

[76](#) Henry M. Levin, "Educational Vouchers: Effectiveness, Choice, and Costs," *Journal of Policy Analysis and Management* 17(3) (1998): 373-392

[77](#) McEwan, P., and Carnoy, M., "The Effectiveness and Efficiency of Private Schools in Chile's Voucher System," *Education*

Evaluation and Policy Analysis (22), 2000 pp. 213-240.

Fiske, E., and Ladd, H., *When Schools Compete: A Cautionary Tale*. Washington, DC: The Brookings Institution, 2000.

[78](#) Casey D. Cobb and Gene V. Glass, "Ethnic Segregation in Arizona Charter Schools," *Education Policy Analysis Archives*, Vol. 7, No. 1, January 14, 1999

[79](#) R. Kenneth Godwin, Frank R. Kemerer, and Valerie J. Martinez, "Comparing Public Choice and Private Voucher Programs in San Antonio," in *Learning from School Choice*, ed. Paul E. Peterson and Bryan C. Hassel, Washington, D.C.: Brookings Institution Press, 1998, pp. 275-306

[80](#) Carnegie Endowment for the Advancement of Teaching, *School Choice: A Special Report*. Princeton, NJ: Carnegie Foundation for the Advancement of Teaching, 1992.

[81](#) Bruce Fuller, *Who Gains, Who Loses from School Choice: A Research Summary*, policy brief, National Conference of State Legislatures, Denver, 1995

[82](#) Geoff Whitty, "Creating Quasi-Markets in Education: A Review of Recent Research on Parental Choice and School Autonomy in Three Countries," *Review of Research in Education* 22, ed. Michael W. Apple. Washington, D.C.: American Educational Research Association, 1997.

[83](#) Martin Carnoy, "Is School Privatization the Answer? Data from the Experience of Other Countries Suggest Not," *Education Week*, July 12, 1995.

[84](#) Derrick Z. Jackson, "The Corruption of School Choice," *Boston Globe*, Oct. 28, 1998, p. A-23

[85](#) Gerald Bracey, "A Lesson Plan for the Schools with Little Learning Behind It." *Newsday*, Jan. 28, 2001

[86](#) P.W. Cookson, *School Choice: The Struggle for the Soul of American Education*. New Haven: Yale University Press, 1994