

School Choice and Educational Equality.

Justice is the first virtue of social institutions, and of the institutions which regulate schooling no less than others. Education policy, just like social policy more generally, should be guided principally by considerations of justice and only secondarily by pragmatic considerations such as what compromises must be made with existing social forces opposed to justice in order to optimize the justice of the existing institutions. But of course, in an otherwise unjust society there are sharp limits on what can be done to pursue justice in any given policy arena. Justice is, furthermore, complex. It is not simply captured by identifying a single value -- say, educational equality -- because other values that are also important to justice -- like, for example, benefiting the least advantaged, or instituting the preconditions for flourishing familial relationships may, in some circumstances, conflict with that value. This makes it all the more difficult to do what I want to do in this paper -- explore a particular educational reform idea in terms of its potential contribution to (or detriment from) social justice.

So I am going to simplify very explicitly. I want to look at the idea of school choice simply by considering what contribution it might make to the achievement of equality in education. I am well aware of the variety of interpretations of equality in education, and I am going to simplify even further by using the vague phrase “equally good provision for each individual child” to mean equality in education. Different readers will interpret “equally good provision” differently depending on their conception of what constitutes a good education, and I invite them to do this on purpose, so as to abstract away from such questions. I believe that much of what I have to say about school choice stands or falls independently of which (plausible) understanding of equally good provision you adopt.

Most critics and opponents of school choice adopt fairly radical understandings of justice -- or equality -- in education. They might think, for example, that equality consists in ensuring that social class background and racial background have no impact at all on achievement and that inequalities of achievement that have a significantly unequal impact on the life-prospects of individual children are unjust. They might also think that other values I've mentioned -- like, for example, instituting the preconditions for flourishing familial relationships, are either unimportant or, if important, rarely in any deep conflict with educational equality. Personally I endorse the first part of such radicalism; and although I disagree with the second half (I think that family values have great importance and are, in our deeply unjust social conditions, frequently in conflict with educational equality) I do not disagree with it deeply -- I believe that social equilibria which combine strong support for family life and radical educational equality are in some sense available, and that the struggle for social justice is a struggle to move toward that range of equilibria.¹

My aim in the paper is to show that school choice is far more pervasive than many of its radical critics believe, and to show that some variants of school choice are more likely to move us toward educational equality than others. I also want to show that opposing those variants does not amount to opposing school choice because the current, de facto, system of allocation of children to schools, on the so-called “neighborhood school” model,

involves as much school choice as any of the promising variants.² I don't have any kind of quantitative measure of school choice, but nor, as far as I know, does anyone else. I shall, however, make the case on an intuitive understanding of choice which I think is easy to grasp and widely shared.

1. How Choice Compromises Equality

No-one thinks that choice compromises justice with respect to a whole range of goods, like basic consumer goods and housing. As long as incomes are distributed justly, justice requires that people get more or less what they want, within their budget constraint. The challenge to choice comes only when we look at goods the distribution of which we think should not merely reflect people's choices and budget constraints against just background conditions; goods like the education of children and, some people think, healthcare. These goods, many think, should be distributed according to different norms than regular consumer goods, and in both cases it is common to think that they should be distributed more or less equally (where the actual understanding of "equally" is subject to some debate).³ Now, it is not necessarily the case that choice compromises equality in the distribution of these goods; while allowing choice the government could work to ensure that choice did not have the effect of some getting superior quality than others. But such action would eviscerate the main benefit of choice. In order for choice to have the benefits claimed for it with respect to equality it must have the side effect of compromising equality; if it did not then it could yield not the efficiency gains that purportedly justify it (I'll say more about this in the next section). If choice is going to be used to improve provision of these services it must be because that better providers are chosen by more people. Those who choose the worse providers get worse provision. The better and worse providers have to compete. *Over time* this should produce improvement (if markets work as their enthusiasts claim). But *at any given time* there will be better and worse providers -- those who have the worse providers are worse off (in one relevant respect) than those who have the better providers.

Does the observation that choice compromises equality in education or healthcare provision support the conclusion that we should reject choice as a policy tool? This will be the main topic of the next section, and the answer will be that it does not, at least with respect to education.

First, though, I want to note that even education and healthcare may be different from one another. Both education and healthcare in childhood help to form the person the child will become, and provide them with the equipment to enter various life-influencing competitions -- most strikingly the labor market, but also (and less remarked upon) competitions for friendship (including marriage) and for access to certain kinds of fulfilling activities. Furthermore we are unwilling to think of children, especially young children, as responsible for the quality either of their schooling or healthcare, or of the raw materials (themselves) that those services operate on. But healthcare, especially in old age, is often valuable simply because it enables the person who has access to it to lead a more satisfactory life in the near future, rather than because it enables people to do better in longer-term competitions. For this reason it is not morally problematic when wealthy elderly people vacate queues for hip replacements in the NHS by going private in the same way that it is problematic (though not necessarily wrong) for wealthy parents to send their children to expensive private schools. In fact it is not clear to me that there

would be a problem of justice if wealth were justly distributed (a big if) and the state refrained from paying for, or charged a user fee for, a wide range of health-enhancing procedures for the elderly.

2. How is Choice Supposed to Improve Schools?

Choice gets its impulse from two observations. The first is that parents should have a good deal of control over how their children are raised, and hence how they are educated, as a matter of right. The less choice they have, other things being equal, the less control. I am not going to be concerned with this observation: it is a true observation, but in so far as it is true it has, in my opinion, little bearing on the actual policy choices we face. The second observation is that markets in general and choice in particular, have the nice feature that as long as consumers are reasonably well informed and face reasonably low transaction costs, and as long as producers do not have excessive market power, productivity should improve over time yielding, in the case of education, either better education for all (or most) or cheaper education which is just as good as it would have been absent choice. This latter observation is true and important; it really matters that high quality education be produced at a reasonable cost by government schools in particular. It is important that it be high quality because that is the only hope that the least advantaged children have of getting a high quality education, and it is important that it be produced at reasonable cost because voters, at least in the foreseeable future, seem to impose a upper limit on tax revenues, and other important priorities vie with education for those revenues (not least illness prevention and healthcare, and income supplementation, for the least advantaged).

However, enthusiasts for school choice tend to overestimate the quality of information that parents have, and to underestimate (or even ignore) the transaction costs consumers face, and the power that producers have in educational markets. They tend to assume, in other words, that markets in schooling can be more perfect than they really can be.

Think first about the quality of information. The UK government goes to great lengths to produce good quality information for parents about the quality of the schools they are choosing among. For over 20 years the government has constructed an elaborate set of league tables comparing schools by looking at the scores of children in various tests at key ages. The States involved in No Child Left Behind are, rather slowly, moving in the same direction. But these tables in the UK case include weightings of the significance of different tests which are, at best, counter-intuitive, and understanding the full import of the tables takes more time and education than most parents are willing to give it. Worse, until recently the tables were constructed out of raw scores, so told parents something about the achievement levels of the students, but nothing very much about the quality of the schooling they received. Constructing useful value-added tables is difficult. The government has instituted a scheme that will, in theory, record all relevant data (test/exam results, schools attended and a few other things) concerning every pupil from age 4 to 16. If these data were accurately gathered, they would, in principle, allow for value-added tables. It is worth emphasizing what a massive data-gathering task this is: for example, since we know that socioeconomic background is a predictor of outcomes, quite detailed data on the (relatively frequent) movements between income deciles of children's families would be needed. There are serious problems concerning the effects of pupil

mobility, and reasonable doubts that the data can be gathered accurately. The UK government has, in fact, adopted value-added measures, but has done so without solving these problems.⁴ Even if these problems are overcome, however, there remain two insuperable difficulties, as Harvey Goldstein explains:

Schools cannot be summarized by a single value-added score - they are differentially 'effective' for different kinds of pupil and in different subjects.

More seriously, the numbers are smallish so that sampling error gives you very wide uncertainty intervals and this means that for anything between 60 and 80% of schools they cannot be distinguished from the overall average! Some schools do turn up as extreme but will not all do so over time, and it is also very difficult to detect schools that are changing consistently over time. In other words, for most schools there is no statistically valid way that they can be ranked. Even where you do detect an 'outlier' there may be a good reason for this over which the school has little control.⁵

On the most optimistic assumptions, value-added tables will help parents avoid (or leap at) the extremes, and not in making discriminations between the vast majority of schools that fall within the normal range.

Nor is it clear that even good value added tables give many parents relevant information. The relevant information parents need is highly peculiar – it is not how good the school is, but how high the probability is that it will be good for one's own child. Suppose one knows that one's child is going to be a high achiever in pretty much any school that does not set out to destroy her, and has confidence that all the schools in the local area will be adequate in that sense; one might seek the school in which she has the best chance of having a reasonably sized friendship network, or in which she will have the best chance of avoiding a certain kind of teasing. One might, alternatively, simply want to make sure that she avoids being at school with one or two other particular children. Some of this information can be gleaned through informal means, but much of it is simply not available at all.

Now consider transaction costs. These are also high for parents, and, to make matters worse, they are borne by children. Once a child is in a school she will usually be better off in that school than moving to another, somewhat better, school, because the move is, itself, costly to her educational prospects and her emotional wellbeing. It takes time and emotional energy to make friends and it is more distracting from one's school work to be making new friendships than to be maintaining existing friendships. It also takes time for a teacher to get to know a child, and to tailor her instruction to that child's needs. One or two transitions during a school career may be fine, but a wise parent concerned with her child's prospects and happiness will avoid imposing on her child the numerous moves that would be needed for consumer choice to have an optimal effect on the quality of producers. Compare this with the now trivial transaction costs involved in frequent changes in one's chosen brand of breakfast cereal.

For this reason and others producers (schools) also have a good deal of market power. Schools must be above a certain size to be viable, so supply is inevitably restricted, and

none will be exactly what the consumer wants. Any particular consumer has at most five or six schools that are realistic for them to use. The highly limited supply is a serious market imperfection. It can be diminished or enhanced, of course, by regulation; neighborhood schooling gives schools more market power than they would have some choice systems, the UK practice of allowing various forms of selection of students by schools gives them even more power.

The case for or against any particular version of choice, then, has to forgo a generalized optimism about the capacity of markets to improve productivity, and must focus specifically on the details of the scheme being proposed or defended, and compare it with those of other schemes that are on the table with respect to some desired goal. Much of what follows is an attempt to a general analytical framework to assist with that task, when the desirable goal is equality.

3. The Pervasiveness of School Choice

The foregoing remarks might give the impression that I am skeptical about school choice as a lever for school improvement in general and for egalitarian school improvement in particular. But school choice -- parents having the power to choose which schools their children attend -- is pervasive, and no participant in either the public or the academic debates argues seriously for removing it. In Western democracies no system of allocation of children to schools eschews choice completely. Parental choice is always operative at the margins, as long as private schools are legal: anyone with the necessary funds can exit into the private sector. And within the state/public school system choice always has an impact. The issue is not whether we should have school choice, but what kind of school choice we should have.

Here, then, are three parental choice mechanisms.

1. All OECD countries allow parents to send their children to private schools which are subject to less stringent regulation and inspection regimes than are government schools, and in some of which children can receive a much more expensive educational experience than in government schools. If they have the resources parents can choose to go private. In most OECD countries some wing of the left argues for abolishing, or at least severely curtailing, this sector; the US is a striking exception.

2. All OECD countries have legal housing markets, so that parents can use their resources to acquire houses in desired school districts or catchment areas for particular government schools. The extent to which the housing market enters into school choice varies. Strict rules about neighborhood schooling make the housing market the only viable arena for exercising school choice, but its effectiveness as a tool varies even then; geographically large school catchment areas and school districts make it less effective than geographically small areas and districts; having a bad transportation infrastructure makes it less effective than having a good infrastructure.

3. Most OECD countries implement some degree of choice among government schools within a given district, especially at secondary level. Religious schools of relevant stripes, and single-sex schools, are frequently available for those who choose

them; for example in the UK most urban and suburban children can attend an RC or a CofE secondary school if their parents choose it and they are admitted (RC schools normally discriminate against non-Catholics in urban areas, but more rarely in suburban areas; CofE schools discriminate much more rarely).

The various choice schemes I shall discuss in the next section all allow choice to play a formal role in the allocation of children to schools; vouchers, open enrollment, charter schools, etc. But it is not at all clear to me that any of the schemes I describe give more scope for choice than does the neighbourhood schooling model. Consider the standard neighborhood schooling system in the US, in which children are allocated to the local school. Choice enters the picture because perceived-quality-of-school considerations affect people's house purchasing decisions. The school district (or the State which authorizes the school districts) is not itself registering or managing the choices; and schools have no direct control over who attends. But choice is there anyway. It is instructive to think of the US system of public schooling as a crude and highly regulated regressive voucher system. The state (that is, the government, in one or several of its many guises)⁶ gives the school more resources for your child if you live in a wealthier community than if you live in a poorer community. The wealthier you are the more control you have over which school your child will attend, because you can afford houses within reach of more schools. *Schools themselves* cannot reject any student; but the cumulative choices of wealthier parents crowd poorer parents out of the pertinent housing market; *the parents of the other children in the school* can reject your child if they can outbid you in the housing market.

It is not impossible to alter the extent to which choice in the housing market translates into school choice. Policymakers can, if they choose, influence how easy it is for parents to select desired school characteristics by regulating the housing market, at least to some extent. So zoning boards could regulate neighborhoods to promote socioeconomic segregation by, for example, requiring "large lot" developments in particular neighborhoods, and restricting their use to single-family homes. Alternatively they can require the integration of affordable housing into each neighborhood, thus making it harder for parents to find socio-economically segregated neighborhood schools. Policymakers could loosen the connection of schooling to neighborhood without losing it, by twinning advantaged and disadvantaged neighborhoods and using bussing or similar mechanisms to create integrated schools, rather in the way that many districts currently attempt to address racial segregation. Using zoning decisions to promote integration is, however, a very long-run strategy because it can influence only future development and not the patterns within the existing housing stock. The twinning strategy has much to recommend it, but all mechanisms designed to reduce the capacity of advantaged parents to choose advantage through the housing market or through school choice runs the risk of triggering defections into the private school system. So policymakers often have limited room for maneuver.

4. Choice and Equality

The comments above about the neighborhood schooling model helps to explain why the fact that choice compromises equality does not mean that we should reject choice. We shouldn't reject choice because there isn't a system of allocation (of children

to schools) in which choice does not play a role. The issue is not, if you like, whether choice compromises equity, but rather *which feasible system of choice does best with respect to equity*.

In his contribution to this volume Ken Howe draws a distinction between Equality-led reforms and Choice-led reforms.⁷ Equality-led reforms might deploy choice, but they do so only in the service of equality, either because choice will directly produce greater equality, or because permitting choice will allow policymakers the political freedom to implement other measures that will produce greater equality. Choice-led reforms see choice as a non-negotiable element of reform; valuable not because of its service to equality, but for other reasons. As should be clear by now, my approach in this chapter exemplifies Equality-led reform; I am assuming that choice is valuable only in so far as it is a vital component of the most feasible strategy to produce greater equality. But it should also be clear by now that I regard choice as non-negotiable, not in the sense that it has intrinsic importance, but in the sense that no proposed egalitarian strategy eschews it; they all concede it as an inevitable feature of the system, whether formally (as in the case of egalitarian vouchers) or informally (as in the case of neighborhood schooling).

A great deal of opposition to the UK school choice reforms of 1981 and 1988 claims that poor parents make systematically worse choices than wealthy parents do; so the choice reforms lead to more greater socio-economic segregation of schools and greater inequality of provision.⁸ The evidence on segregation is not, in fact, clear.⁹ But, it would be surprising if conclusive evidence could be found that the choice aspects of the reforms made these things worse. Prior to the implementation of the reforms advantaged parents were already able to use choice to allocate their children to schools; they could move into the catchment area of the desired school or send their child to a desired private school, whichever suited them most. Whether a system which extends choice to all parents is worse with respect to equality and segregation does not depend on whether wealthier parents are better choosers than poorer parents but whether poor parents are better choosers than the State was on their behalf in the pre-choice era. If the State chose better in the past than poorer parents do now, then we should expect a worsening of inequality; if it chose worse, then we should expect an improvement with respect to equality (and, possibly, segregation).

How well poorer parents choose for their children is an empirical question, and we should not expect the same answer in all institutional contexts;¹⁰ similarly it is an empirical question how well states choose for their disadvantaged citizens, and, again there is every reason to expect states to vary on this dimension. The Netherlands, Sweden, and Germany do better than the UK, for example, so disadvantaged parents in those countries have to meet higher standards of competence in choice making than would disadvantaged parents in the UK, before they could be said to be better choosers than the government. Many urban schools in the US are not good at all, and the state allocates children to them without much consideration of whether the schools will meet their educational needs or interests. In fact many US States treat urban schools in particular as policing devices rather than educational institutions. There is a strong case that most disadvantaged parents could choose better, if they had adequate resources.

The UK government does not (generally) choose as badly for the disadvantaged as the US government does -- that is, it does not send them to schools which are as dangerous, as ill-resourced, or in which learning is as unlikely to occur. But, in the UK the question of whether state or parent chooses best is politically irrelevant -- the UK education system has extensive scope for parental choice, and nothing is going to change that. Policymakers therefore understand that they face the question of *what sort of choice system to adopt and how to regulate it*. This is also the question that US policymakers face, for the reasons given in this and the previous system; only the lack of recognition that neighborhood schooling is a choice system obscures this.

Before addressing that question I want to address some objections to the argument made so far, and then, in section 6, describe, analytically, a number of possible varieties of choice scheme. The first few are kinds of voucher scheme, but, as I indicated, nothing particularly hangs on the term ‘voucher’ – it’s just a way of making vivid the role of choice in a system.

5. Objections.

I’ve argued so far that all realistic school reform proposals, including the “no-reform” default deploy school choice, and that they differ only in how they deploy it. Egalitarians cannot ignore choice, or pretend that they have a plan in which it plays no role; they must think about how to tame it. Before proceeding to that task, I want briefly to address some natural objections.

The first is that, even if all I have said so far is right, we should prefer reforms which give choice a hidden role (as neighbourhood schooling does) rather than the explicit role that “school choice” proposals give it. Once choice is explicitly acknowledged in the design of the system, this erodes the cultural sense that schooling is part of the public sphere, and reinforces the attitude that education is fundamentally a commodity. Acknowledging choice actually creates a pressure to choose, and once parents are consciously choosing, and are aware that others are too, the stakes are raised, and the culture changes. I think there’s something to this objection, but notice two things. First, it is not an objection that focuses on the content or distribution of educational opportunity; this might well constitute a real loss, but if one were concerned strictly with educational opportunity one would consider it an irrelevant objection. Second, in many communities, not only those which have adopted explicit choice schemes, this change has already occurred; explicit choice schemes *might* worsen the situation, but there is a countervailing consideration. It is especially those who are already most advantaged (and whose children therefore have the best prospects) -- those who have choice under any system -- who have adopted this way of thinking about schooling; and if explicit choice reforms prompt less advantaged parents to join them that might improve the prospects for *their* children.

A second objection focuses specifically on the evidence concerning existing government voucher schemes, and, extrapolating from that evidence, argues that explicit choice schemes may be inequalitarian because they benefit not the least advantaged, but the most advantaged among the less advantaged. The piece of evidence in question is that those who take advantage of voucher schemes, even when they are targeted to the poor, are not all of the poor, or the poorest of the poor, but the putatively most ambitious among the

poor; the main beneficiaries are children whose parents have the personal resources to take up the opportunity and negotiate the voucher system.¹¹

Let us suppose that explicit choice has no benefits for the lowest 10% of achievers, but does raise the achievement of the next 10%, and thus increases the gap between the lowest 10% and the rest, but decreases the gap between the next 10% and subsequent deciles. Has the system improved, or worsened, with respect to equality? I don't have a good answer to that question. But whereas I have a clear intuition that equality would support holding back the top 10% for the sake of the bottom 10%, I do not have a clear intuition that it calls on us to hold back the next-to-bottom 10% for the sake of the bottom 10%. The "most advantaged among the less advantaged" objection to choice has some weight, but it is not clear that, even in the worst case, egalitarians should concede it. Compare with objections to affirmative action; affirmative action primarily benefits the more advantaged African Americans, and probably does little if anything to benefit the least advantaged African Americans; most egalitarians do not take that to be a weighty objection to it.

A final objection points out that for explicit choice schemes to work efficiently and fairly, schemes have to contain a substantial supply of spare places; but this, itself, seems to be inefficient. The first part of this objection is absolutely right; in order to accommodate short term fluctuations in demand, schools need to be able to expand and contract relatively easily, and this can only be achieved if spare capacity is built into their design (obviously, long term decline in demand for a particular school must result in a decline in available places and, eventually, closure). But this does not, in itself, make explicit choice inefficient. Efficiency claims are always relative to some goals and some alternative. So the question is whether the extra cost of the spare capacity is greater than the extra cost of whatever alternative reform would improve the relative achievement of lower achievers equally well. The inefficiency objection has no power unless the answer to that question is yes.

6. Varieties of Choice.

In this section I provide an analytic categorization of kinds of choice scheme, which I shall make use of when drawing lessons for policy.

A. Universal Unregulated Vouchers.

The universal unregulated voucher is a simple subsidy to all consumers. They can use the voucher however they want, as long as it is for the prescribed purpose (schools, health insurance companies, etc), and is not alienable (so you can't sell it and use the proceeds for something else). The voucher can be topped up by the consumer, and the providers can repel consumers through high prices or exclusionary practices. In the purest version of this (described in chapter 6 of Milton Friedman's Capitalism and Freedom, but not, as far as I know, practiced anywhere) the organizations running schools are independent of the government, and are subject to no special regulation; only the regulation that all firms

usually face. In the less pure versions, government provides some schools, but these compete on a more-or-less level playing field with independent providers (this is the model suggested by the practice in Higher Education provision in the United States, in which some universities are private, others state-run)

So these schemes do vary on one dimension:

- i) Vouchers for private providers in a sea of public provision.
- ii) The state withdraws completely from provision, leaving the field to private providers (as Friedman proposes).

All the subsequent versions vary on this dimension too. Generally, it is reasonable to conjecture that universal unregulated vouchers will produce high levels of inequity, and higher levels than standard forms of state provision. The one obvious exception is when the amount of the voucher is set at a high level, and the existing system of state provision (as in the United States) is highly inequitable. But this scenario is highly unlikely during periods of normal politics, because the forces defending inequitable state provision would have to be routed if high-level vouchers were to replace state provision.

B. Universal *Regulated* Vouchers

These involve a flat-rate subsidy to each individual, to spend, subject to regulation.

Common regulations concern:

- i) Supplementability

For example, The schools in the Milwaukee Parental Choice Program are prohibited from charging a top-up to the voucher; it is un-supplementable.¹² The Statewide Propositions which failed in Michigan (1998) and California (1994) would have allowed parents unlimited top-ups. The nursery (pre-kindergarten) scheme in Britain also allows unlimited top-ups, though it is funded at a sufficiently high level that some providers (including all state-run providers) can offer the service without asking for top-ups.

- ii) Eligibility of Schools:

Voucher schemes vary by how they determine the eligibility of private schools to participate. The Milwaukee scheme initially excluded schools run by religious foundations; it now permits them to participate. Florida allowed them from the start. The British nursery voucher scheme has basic licensing requirements, but allows institutions run by religious foundations, and, of course, many of the State-provided institutions that participate are run in collaboration with religious foundations. Whereas most existing voucher schemes treat private schools separately from the public schools, the British nursery scheme and the Dutch scheme effectively treat them the same.¹³

- iii) Admissions

Voucher schemes vary in the admissions policies they require schools to have. Strictly speaking this is an eligibility variable, but it is important enough to have its own place. The Milwaukee scheme disallows selection on any basis except that schools may reject students with special needs if they are unequipped to deal with that special need (i.e. if they already have fee-paying students with that special need they cannot reject a voucher child with it), and they are permitted to apply a sibling rule. Over-subscribed schools must select by lottery. The Swedish system requires that schools to take students on a first-come first-served basis (again, with the exception of special-needs, and a sibling rule). The Dutch system allows discrimination on various bases, but the funding structure mitigates some of the disincentives schools would otherwise have to teach the least advantaged.

The degree of inequity regulated universal vouchers produce depends on the content of the regulations and the size of the voucher, but it's reasonable to conjecture that they will be highly inequitable unless they are set at a high level, and schools have very limited control over admissions.

C. Progressive Voucher Schemes

These vary on the same lines as the Universal Regulated Voucher, and they are, technically, universal, but the value of the voucher varies according to features of the consumer. So, for example, the Dutch scheme is explicitly progressive: the voucher is worth *more* for poor children and children of immigrants and parents with low educational attainment. For this reason, some studies have found that schools with moderately high concentrations of poor children actually do quite well, as they are able to provide working conditions which enable them to attract and retain high quality teaching staff. Progressive Voucher schemes are liable to be much less inequitable than other schemes, and if the vouchers are sufficiently well calibrated to the needs of the child that will off-set worries about giving schools control over admissions, because schools will have incentives to admit otherwise undesirable pupils, and schools stuck with otherwise undesirable pupils will be well compensated.

D. Targeted Voucher Schemes

The Milwaukee scheme is targeted because it is restricted to low income children. Because it operates against a background of highly regressive funding of public schools it is reasonable to think of this as a variety of progressive voucher scheme, and, again, as highly equitable. I have no doubt that the Milwaukee scheme represents an improvement with respect to equity compared with the pre-existing system of neighborhood-based schooling.

E. Public/State School Choice Schemes.

Public school choice schemes are unlike voucher schemes in that they *exclude* private schools from the set of eligible schools. This has 2 usual consequences. First, supply is government-controlled, and so subject to much less variability than in a voucher scheme. Second, schools within the choice system will not automatically close just because nobody wants their children to attend them; they have to be closed by bureaucratic procedures. They are less likely than voucher schools to face hard budget

constraints in other words (though, it should be added that it is not clear whether in an extensive and well-functioning voucher scheme private schools would face hard budget constraints either, since there would be political pressure for governments to bail out failing schools, at the very least in transition periods. Public choice schemes vary in at least two important ways:

i) Admissions Rules.

In England and Wales all parents have to express preferences about where their children will attend schools. Admissions policies vary dramatically from school to school and region to region. Catholic schools frequently use religious affiliation as a main criterion; some Church of England schools do, but others do not use it at all. Some LEAs give proximity to school considerable weight, others much less. An Adjudicator's office adjudicates disputes among schools about each other's policies in local markets. Some secondary schools select on grounds of ability, others are allowed to but do not, others still are not allowed to. Religious schools are permitted to interview parents to establish their degree of religious commitment, interviews which are likely to be information-rich about the potential pupils. The sibling rule is ubiquitous.

North American public choice schemes tend not to permit schools to discriminate, and obviously do not endure the complications raised by including religious schools among the eligible schools.

ii) Districting

Several States in the US have what they call 'open enrollment' policies -- ostensibly, choice policies that allow children to attend schools in districts other than the one in which they live. Technically these schemes should help to efface the barriers between school districts, and hence play a role in undermining the inequalities of spending between districts. However, they typically allow, or force, districts to prefer in-district children to out-of-district children, so that, in practice, children can cross over into a district only to take up places which have not been taken by in-district children. Similarly, 'open-enrollment' policies in those states tend to allow children within districts to attend those schools outside their own neighbourhood which are not already full of children from its own neighbourhood.

The exceptions tend to be schemes introduced to overcome racial segregation. For example, Milwaukee and (much wealthier and higher-spending) neighbouring school districts operate a Chapter 20 program whereby low-income Milwaukee children are bussed out into much-higher spending suburban school districts at the choice of their parents, to schools which have to accommodate them regardless. These schemes are unavoidably limited in scope, and the Milwaukee scheme, for example was introduced to protect the integrity of the unequally-spending and de facto racially segregated multiple school districts, in the face of judicial pressure to find some scheme like this or suffer extensive redistricting.

7. Some Lessons.

What lessons can we learn from the above analytical comments? I am specially interested in the lessons for policy makers and critics of education policy in the two countries

whose education systems I know reasonably well, the UK and the US, so I shall focus on those.

First, it seems to me that when evaluating reform proposals for any scheme of provision (whether in education, health, or other special areas) it is important to attend to three particular variables.

i) To what extent do providers have the power to select their clients (formally or informally)?

ii) To what extent does residence determine access to providers?

iii) How well-calibrated is per-unit funding to individual need?

The greater the extent that providers have power to select and the greater the extent to which residence determines access to providers the more inequitable the schemes, other things being equal. The better calibrated funding is to need the less inequitable the schemes (other things being equal) (See Table 1).

The basic school choice system in the UK does very badly with respect to the first two variables, but better with respect to the third. As Stephen Twigg MP, then of the Department for Education and Skills, said in evidence to the Select Committee on Public Administration investigation into Voice and Choice in Public Services (responding to my demand for a weighting of 300% for low-income children), “Whilst there is certainly not a 300% uplift, there is a very significant difference between the per-pupil funding of Tower Hamlets, in the deprived East End of London, which has the highest per-pupil funding in the country, and per-pupil funding in some parts of the country. It is almost double, if you compare Tower Hamlets with other parts of the country. We therefore do already, within the funding system we have, recognise that pupils from deprived backgrounds and pupils where in the early years English is an additional language, for example, should carry a greater cost because that is something the school will require in order to educate them properly.”¹⁴ The system of neighborhood schooling in the US does well with respect to the first but badly with respect to the second and third. By contrast, the Milwaukee Parental Choice Program does well with respect to the first and second variables, and less well with respect to the third.

Table 1:

FORMAL CHOICE SYSTEM	How Equitable?
Universal Unregulated Voucher	Low
Universal Regulated Voucher	Low, but depends on contents of regulation and voucher size
Progressive Voucher	High, but depends on calibration of voucher-size to need
Targeted Voucher	High, but depends on regulation
State School Choice	Depends on regulation, and funding.

A second lesson concerns the use of evidence. It is not uncommon for advocates and critics to cite studies demonstrating that some choice scheme or group of choice schemes has particular effects as evidence that choice has those effects (for good or ill depending on whether they are advocates or critics). But because the details of the schemes matter in the way that I have outlined above, one can never draw general conclusions about the likely effects of “school choice” from studies of particular schemes. So when looking at school choice proposals in a particular context, it is important to focus on how well the proposal does relative to what is already in place; and when forging or amending school legislation to attend to the variables above. Opposition to some school choice proposals when the default is highly unequally funded neighbourhood schooling may not amount to opposition to choice at all; just to opposition to giving less advantaged parents a counterweight to the power advantaged parents wield on behalf of their own children. If the proposal on the table is universal unregulated vouchers, that may be more inegalitarian; if the proposal is for highly targeted vouchers any good faith opposition must be pursued alongside making feasible and more egalitarian alternative proposals.

This leads me to the final lesson, this time for activists and legislators who believe they are, broadly speaking, opposed to school choice. When they oppose legislation to introduce vouchers, or charter schools, or open enrollment, they are, in fact, whether they like it or not, supporting school choice through the housing market; a system of choice in which the most advantaged get the most choice and the least advantaged the least choice. Sometimes, of course, they will be right; the proposed changes will be worse (with respect to equality) than the status quo. But even then, if they are motivated by a concern for equality, the above discussion should help them to devise and propose amendments which limit damage, not by limiting the extent of choice, but by enhancing the likelihood that the choice system will be more, rather than less, egalitarian.

Harry Brighouse
Department of Philosophy and
Department of Education Policy Studies
University of Wisconsin, Madison

¹ See Harry Brighouse and Adam Swift “Parents’ Rights and the Value of the Family”, Ethics (forthcoming) and “Legitimate Parental Partiality” (unpublished) for an account of why the family matters so much, and outlines of how I see the conflicts with other values.

² There is nothing new about the observation that the traditional neighbourhood schooling system is shot through with opportunities for choice; See Milton Friedman, Capitalism and Freedom (University of Chicago Press, 1962), chapter 6.

³ The clearest articulation and defence of the idea that different goods should be distributed according to different distributive norms is Michael Walzer, Spheres of Justice (Martin Robertson 1983). Adam Swift and I explore the idea that, even given a single unified conception of distributive equality, different goods will be distributed in different ways in Harry Brighouse and Adam Swift, “Equality Priority and Positional Goods” Ethics (2006) 116, 3: 471-497.

⁴ See the tables at <http://www.dfes.gov.uk/performance/tables/>

⁵ Harvey Goldstein, personal communication, 2001. See also Harvey Goldstein, “Value-Added Tables: The less-than-holy grail”, Managing Schools Today (1997) 6, 1, pp.18-19 and Harvey Goldstein et. al. , The Use of Value-Added Information in Judging School Performance (London: Institute of Education, 2000).

⁶ Uses of the phrase “the state” can be confusing in the context of American governmental functions. I use it here in the standard sense in which it means something like “the legitimate governmental authority”. It is true that school districts are governmental instruments, and that because most funding of schools is raised and spent locally, the system does not look like a regressive voucher system, because the real inequalities of resources between advantaged and disadvantaged children within districts are not as great as those between districts, and between States. But the Federal Government, the State Department of Instruction, and the School District are all arms of the state in my sense. And the School District has taxing authority from the State, which gets it from the Federal constitution (not the US Constitution, which is a document, but the Federal constitution which is the way that the US government is constituted).

⁷ Ref to Howe’s essay somehow

⁸ See, for example, Sally Tomlinson, Education in a Post-Welfare Society (2001), and Sharon Gewirtz et. al. Markets, Choice and Equity in Education (1995).

⁹ see Stephen Gorard’s Schools Markets and Choice Policies (2003) and Education and Social Justice (2000)

¹⁰ One unsatisfying feature of some defences of school choice is that they treat “parents” as an undifferentiated group, asking whether they choose better than public officials, rather than disaggregating the group of parents and asking of the least advantaged whether they choose better than officials. See, eg, Joseph L. Bast and Herb J. Walberg, “Can Parents Choose the Best Schools for their Children?”, Economics of Education Review 23 (2004) 431-440.

¹¹ See, for example, the evidence concerning Milwaukee in John Witte, A Market Approach to Education (Princeton University Press, 2000).

¹² The Milwaukee scheme is, in fact, not an instance of Universal Regulated Voucher, but of a Targeted Voucher Scheme.

¹³ A note about the British nursery voucher scheme. It is not perceived as a voucher scheme, and many people hotly deny that that is what it is. This is because the 1997 Labour government said it wasn’t a voucher scheme and because, like most voucher schemes, the parents never actually see the voucher. But it is a voucher scheme.

¹⁴ See his response to Question 488, in the minutes available at <http://www.parliament.the-stationery-office.co.uk/pa/cm200405/cmselect/cmpubadm/49/5012705.htm> (accessed 13/10/05 at 10.33 Central Time)