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## TOP FIVE MYTHS OF SCHOOL VOUCHERS AND WHY THEY SHOULD NOT IMPEDE EDUCATION REFORM IN MARYLAND

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In many regards, public education in Maryland is a broken system in that it does not work well for many children living in the Old Line State. Recent press on the state of education in Maryland's public schools clearly shows this:

- The Maryland State Board of Education voted this summer to take over and restructure 22 Baltimore City Schools, a move that comes a handful of months after a \$42 million bailout of the school system.<sup>1</sup> Additionally, a former facilities manager pleaded guilty to bilking \$4 million from Baltimore's schools over the course of several years;<sup>2</sup>
- More than 170 public schools statewide were designated "in need of improvement" because of poor academic achievement. Nearly 130 of those were in Baltimore City and Prince George's County, including every traditional middle school in Baltimore,<sup>3</sup> and
- Attendance problems continue to plague Prince George's County schools.<sup>4</sup>

Additionally, too few public school children are making the grade, as measured by standardized tests. According to data from the National Assessment of Educational Progress:

- Less than a third of fourth and eighth grade public school students in Maryland scored at a proficient level in either math or reading;
- For minority students in the state, the results are even worse. Only one in 11 African American eighth grade students scored at a proficient level in math, and fewer than one in seven African American eighth graders scored at a proficient level in reading.<sup>5</sup>

Taken together, this information indicates that Maryland's public education system is not working well for many students, particularly in some of the larger school districts. Despite this, significant opposition remains in the state to school choice policies that would give parents the opportunity to select the best school to send their children. Many

1. Doug Donovan, "Schools Could be a Political Peril for O'Malley," *Baltimore Sun*, July 4, 2005.
2. Laura Loh, "Schools Ex-Staffer Guilty of Theft," *Baltimore Sun*, July 9, 2005.
3. Associated Press, "Students in Prince George's Co. Struggle With Testing," June 21, 2005, available at [www.wjla.com/news/stories/0605/237276.html](http://www.wjla.com/news/stories/0605/237276.html) (accessed September 6, 2005).
4. Guy Leonard, "Schools Struggle with Attendance" *The Gazette*, July 7, 2005, available at [http://gazette.net/gazette\\_archive/2005b/200527/princegeorgescty/education/283672-1.html](http://gazette.net/gazette_archive/2005b/200527/princegeorgescty/education/283672-1.html) (accessed September 6, 2005).
5. National Center for Education Statistics, "NAEP – State Profile: Maryland," available at <http://nces.ed.gov/nationsreport-card/states/profile.asp> (accessed September 6, 2005).

of the objections against school choice programs, especially school vouchers, are based on misinformation or scare tactics that serve only to confuse parents and stymie reform.

The purpose of this paper is to first describe what school vouchers are, and then to debunk some of the popular myths that are promulgated by opponents of vouchers.

## WHAT ARE SCHOOL VOUCHERS?

School vouchers, sometimes also called scholarships, are typically set dollar amounts that parents can use at (usually) the private school of their choice. One recent example of a school voucher is the federally funded D.C. Opportunity Scholarship program,<sup>6</sup> which gives vouchers in the amount of \$7,500 to low-income families who live in Washington, D.C. in order for their children to attend private school.<sup>7</sup> The D.C. Opportunity Scholarship voucher may be used at any private school in Washington, and today more than 50 private schools in the city participate in the program.

Although this is one of the most recent voucher programs, vouchers have been around in one form or another since the 1800s. Established in 1869, the Vermont “tuitioning” program, as it is called there, generates little controversy. As one analyst noted,

It is worth noting that the voucher program has been a welcome part of the educational landscape for so long that the state collects no more information on voucher students than it does on students generally. And no hue and cry has been raised for more information to be compiled to justify the system’s continuation. To the contrary, Vermonters generally assume that it is a parent’s prerogative to select a child’s school, and the burden of proof is on those who seek to take that choice away.<sup>8</sup>

If voucher programs have been in existence for so long—in Vermont’s case more than 135 years—then why is there such continued opposition to voucher programs? Vocal critics, such as the Maryland State Teachers Association (MSTA), have consistently come out against vouchers: “We have long held that every available tax dollar provided by Marylanders ought to go to meet the needs of the public schools.”<sup>9</sup> To that end, they and their allies forward several objections to vouchers that may be classified into five major myths, as follows.

### VOUCHER MYTH #1: Vouchers Siphon Money Away from Public Schools

Opponents of reform typically argue first that vouchers take money away from the public schools. Certainly that is the implicit argument that the MSTA is forwarding, as quoted above. However, it is not true that vouchers take money away from the public schools. Indeed, most voucher plans would actually save school districts money, and previous research from the Maryland Public Policy Institute shows how Baltimore City could save between \$1 million and \$6 million per year by instituting a voucher plan.<sup>10</sup>

Such voucher plans save money because the voucher amount is less than the average per pupil, and in some cases, much less. Take, for example, the federally funded D.C. Opportunity Scholarship Program again. The \$7,500 scholarship amount is far less than the more than \$13,000 per year spent on children in Washington. The scholarship is more than adequate to pay for private schooling for a substantial majority of private schools in the city.

Previous research estimated that if a voucher worth 60 percent of the average per-pupil expenditure was offered in the 10 highest spending states (in terms of per-pupil expendi-

6. See [www.dcscholarship.org](http://www.dcscholarship.org) for more information on this program.
7. Although a majority of voucher programs today are only available to low-income families (the D.C. program is only available to families whose children are eligible for the free and reduced price lunch program), this is not a defining feature of vouchers.
8. Libby Sternberg, “Lessons from Vermont: 132-Year-Old Voucher Program Rebutts Critics,” Cato Institute *Briefing Papers* No. 67, September 10, 2001, available at [www.cato.org/pubs/briefs/bp67.pdf](http://www.cato.org/pubs/briefs/bp67.pdf) (accessed September 6, 2005).
9. Maryland State Teachers Association, “Issues Q&A,” available at [www.mstanea.org/political/issues.php](http://www.mstanea.org/political/issues.php) (accessed September 6, 2005).
10. Dan Lips, “A School Voucher Program for Baltimore City,” Maryland Public Policy Institute, 2005, available at [www.mdppolicy.org/research/education/BaltimoreVoucherStudy.pdf](http://www.mdppolicy.org/research/education/BaltimoreVoucherStudy.pdf).

ture) and 10 percent of the public school population moved from public schools to private schools, it would save school districts in those states some \$2.6 billion.<sup>11</sup>

### **VOUCHER MYTH #2: Voucher Schools Are Not Accountable**

Another major argument against vouchers is that they are not accountable for public funds, and that therefore, public funds should not go to such schools. As the Maryland State Teachers Association argues, “They [voucher-accepting private schools] do not have to meet the same accountability standards as public schools. They are not required to release student test scores, dropout rates, or even hold open meetings.”<sup>12</sup>

An important question in the discussion of accountability is “accountable to whom?” Public schools, nominally, are accountable to elected school boards and the taxpaying public at large. Voucher-accepting private schools, in contrast, are accountable to the parents who send their children to those schools.

A comparison with another voucher program is illustrative here. The G.I. Bill, which has provided college educations to legions of military veterans for decades, lacks an accountability system to the public (except for standard governmental financial controls, which would be in effect for any voucher program). The G.I. Bill allows veterans to pick the college they will attend and puts virtually no restrictions on what kinds of classes they can take.

Therefore, the college is accountable to the end-user of the G.I. Bill voucher. If the student is not satisfied with the education he or she receives, the G.I. Bill money is tenable at any other college of his or her choosing, with very few exceptions. Similar accountability mechanisms, whereby individuals are empowered to choose and switch if unsatisfied, are also found

to a certain extent in the federal Pell Grant program for undergraduate class expenses, and for certain low-income child care vouchers. No one argues that these programs lack accountability mechanisms to the public.

Perhaps the best measure of accountability is parental satisfaction with the program. As voucher researcher Paul Peterson from Harvard explained,

Many economists think that consumer satisfaction is the best measure of school quality, just as it is the best measure of other products. According to this criterion, vouchers are a clear success. All evaluations of vouchers have found higher levels of satisfaction among parents receiving vouchers than among comparison groups of parents with students in public schools.<sup>13</sup>

In short, voucher schools are accountable in that they are accountable to the parents. Parents who are unhappy with their voucher schools can take their voucher to another school. Parents who are unhappy with their local public school have a much more difficult time doing likewise.

### **VOUCHER MYTH #3: Vouchers ‘Cream’ the Best Students from the Public Schools**

The ‘creaming’ myth argues that under a voucher plan, only the most gifted students will leave their local public school when given a voucher. As the argument follows, the local private voucher schools will skim the best students (or in other words, ‘cream’), instead of select a more varied group of students. The Century Foundation and the People for the American Way, among other groups, have forwarded this argument in recent years.<sup>14</sup>

The problem is that there is limited research to back up this ‘creaming’ or ‘skimming’ issue. There is little real evidence of skimming, how-

11. Kirk A. Johnson, Ph.D., “How School Choice Programs Can Save Money,” Heritage Foundation, *WebMemo* No. 727, April 19, 2005, available at [www.heritage.org/Research/Education/wm727.cfm](http://www.heritage.org/Research/Education/wm727.cfm) (accessed September 6, 2005).

12. Maryland State Teachers Association, “Issues Q&A.”

13. Paul E. Peterson, “This Just In: Vouchers Work,” *Hoover Digest*, Summer 2001, available at [www.hooverdigest.org/013/peterson.html](http://www.hooverdigest.org/013/peterson.html) (accessed September 6, 2005).

14. See, for example, Richard Kahlenberg, “The Problem of Taking Private School Voucher Programs to Scale,” The Century Foundation *Issue Brief*, available at [www.tcf.org/Publications/Education/vouchers.pdf](http://www.tcf.org/Publications/Education/vouchers.pdf) (accessed September 6, 2005).

ever. Rather, some motivated parents who are unhappy with the educations their children are receiving in their schools locally may be more of an issue. As Paul Peterson, Ph.D., who has conducted a number of voucher evaluations, indicated in an interview with PBS's *Frontline* program:

We've looked for skimming in Cleveland. We've looked for it in San Antonio and we've looked at it in Washington and Dayton. And we haven't found much evidence of skimming. I call [it], maybe a little bit, instead of creaming, you get 2% milking—just a slight difference between those who take the voucher and those that don't—but, it's such a small difference that it should not be a major factor in whether or not you go ahead.<sup>15</sup>

An example of this research helps to illustrate the lack of creaming via vouchers. The "Horizon" voucher program that began in San Antonio's Edgewood school district in the late 1990s offered privately funded full tuition vouchers to low-income students. An analysis of the initial academic achievement of voucher versus non-voucher students by researchers from Harvard and Mathematica showed that the voucher students scored slightly higher on the Iowa Test of Basic Skills. The family backgrounds of voucher students versus non-voucher students were almost identical in terms of income and welfare participation.<sup>16</sup>

It should be noted here that although the voucher idea was borne out of Milton Friedman's free market economics school of thought,<sup>17</sup> it has been consistently been championed as a way to establish a modicum of educational justice and social equality in

jurisdictions where academic achievement has been sorely lacking.

Terry Moe chronicles the early days of America's first public voucher program in Milwaukee, where Polly Williams, a state legislator who worked for Jesse Jackson during his Presidential campaigns, led the charge more than 15 years ago. Moe summed up Polly Williams's position on vouchers by writing, "Milwaukee's children deserve good schools close to home, she argued, and if they can't get them in the public sector, the government ought to give them vouchers to help them find better alternatives in the private sector."<sup>18</sup>

Since the start of the Milwaukee program, an increasing number of African-American leaders like Polly Williams have backed vouchers, including former Congressmen Floyd Flake and Andrew Young, former Milwaukee schools superintendent Howard Fuller, Cleveland City councilwoman Fannie Lewis, Ohio Secretary of State J. Kenneth Blackwell, Black Alliance for Educational Options president Lawrence Patrick III, and most recently Washington, D.C. mayor Anthony Williams. As Joseph Viteritti rightly points out, vouchers are increasingly becoming a civil rights issue for many of these activists.<sup>19</sup>

Perhaps former Milwaukee Mayor John Norquist summed up the issue of creaming and vouchers as a civil rights issue best when he said,

The creaming has already occurred under the public school choice system that we've had in America for the last 35 to 40 years... If you have money and kids and you're white, you leave town. And that's school choice that you never hear the defenders of the public school

15. PBS, "Interview: Paul E. Peterson," *Frontline: The Battle Over School Choice*, 2000, available at [www.pbs.org/wgbh/pages/frontline/shows/vouchers/interviews/peterson.html](http://www.pbs.org/wgbh/pages/frontline/shows/vouchers/interviews/peterson.html) (accessed September 6, 2005).
16. Melanie Looney, "School Choice in San Antonio," National Center for Policy Analysis *Brief Analysis* No. 326, June 16, 2000, available at [www.ncpa.org/ba/ba326/ba326.html](http://www.ncpa.org/ba/ba326/ba326.html) (accessed September 6, 2005).
17. Milton Friedman, "The Role of Government in Public Education," in Robert A. Solo, Editor, *Economics and the Public Interest* (New Brunswick, NJ: Rutgers University Press, 1955).
18. Terry M. Moe, *Private Vouchers* (Stanford, CA: Stanford University Press, 1995), pg. 3.
19. Joseph P. Viteritti, *Choosing Equality: School Choice, the Constitution, and Civil Society* (Washington, D.C.: Brookings Institution Press, 1999), available at <http://brookings.nap.edu/books/0815790465/html> (accessed September 6, 2005).

monopoly bring up. Creaming?  
 Anyone care about creaming? No.  
 Because they're still in a government-  
 run school.<sup>20</sup>

#### **VOUCHER MYTH #4: Voucher Students Do Not Have Better Academic Achievement Than Public School Students**

The academic achievement gains of voucher students have been well-studied in a variety of locations throughout the nation, such as New York City;<sup>21</sup> Washington, D.C.; Charlotte, North Carolina; Milwaukee, Wisconsin; and Dayton, Ohio.<sup>22</sup> The results indicate that voucher children, particularly African Americans, tend to perform better on standardized tests than non-voucher children. Evaluations of these programs used the same kind of “gold-standard” randomized field trial assessments, rendering these results particularly useful.

Recently, Dr. Jay P. Greene of the Manhattan Institute delved into this body of research at length in a new book. He found that the “voucher effect” for the eight random assignment studies in these five cities was between 4.7 and 11 percentile points on standardized tests. That is to say, children who are awarded vouchers have reading and/or math test scores that are between 4.7 and 11 percentile points higher than children who are not awarded vouchers.<sup>23</sup>

Dr. Greene’s conclusions after delving into the research are fairly categorical regarding the voucher effect on achievement. He writes,

In short, every random-assignment study of the effect of vouchers except one finds statistically significant benefits on test scores for at least some groups of students. Even the one other study still found positive effects from vouchers; it only failed to achieve statistical significance, and only after resorting to highly selective and questionable methods.<sup>24</sup>

Not only do vouchers tend to raise student achievement for those children who receive the vouchers, but they also may stimulate a competitive effect in the areas affected by the voucher programs. Harvard economist Caroline Hoxby found that among the public schools most affected by the Milwaukee voucher program (that is, the ones that lost the higher percentage of students because of the vouchers), they showed the highest achievement gains in math, science, and language in the city compared to other public schools.<sup>25</sup>

Notwithstanding these findings, there is still skepticism on the effectiveness of vouchers in raising student achievement. What’s important, though, is that in no evaluation have voucher students performed worse on standardized tests. Even if there were no gains to academic achievement, vouchers would still be worthwhile, given that they empower parental choice and save taxpayer money.

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20. Ben J. Wattenberg, “Score One for School Vouchers,” *Washington Times*, December 3, 1998, available at [www.aei.org/publications/pubID.9838,filter.all/pub\\_detail.asp](http://www.aei.org/publications/pubID.9838,filter.all/pub_detail.asp) (accessed September 6, 2005).
21. Daniel P. Mayer, Paul E. Peterson, David E. Myers, Christina Clark Tuttle, and William G. Howell, “School Choice in New York City After Three Years: An Evaluation of the School Choice Scholarships Program Final Report,” Mathematica Policy Research, Inc., *Report No. 8404-045*, February 19, 2002.
22. William G. Howell and Paul E. Peterson, *The Education Gap: Vouchers and Urban Schools* (Washington, D.C.: Brookings Institution Press, 2002).
23. Jay P. Greene, Ph.D., *Education Myths: What Special Interest Groups Want You to Believe About Our Schools—And Why It Isn’t So* (Lanham, MD: Rowman & Littlefield, 2005), Table 13.1, p. 150.
24. *Ibid.*, p. 154–155.
25. Caroline Hoxby, “Rising Tide,” *Education Next*, Winter 2001, available at [www.educationnext.org/20014/68.html](http://www.educationnext.org/20014/68.html) (accessed September 6, 2005).

### VOUCHER MYTH #5: Other School Reforms, Such as Smaller Classes, Work Better than Vouchers

People for the American Way, a think tank in Washington, D.C., has forwarded this particular myth at length.<sup>26</sup> This myth argues that if the aim of a voucher policy is to increase student achievement, then having smaller classes would accomplish that goal more effectively.

Proponents of smaller classes point to the Tennessee STAR class size experiment program as evidence that smaller classes work in terms of raising student achievement. In the STAR experiment, student achievement was compared for young elementary students in classes with 15 students per teacher and those in classes of 23.<sup>27</sup>

The problem with the STAR analysis is that major, large-scale class size reduction programs enacted after the STAR program have been unable to replicate the results. The best-known example of this is the statewide evaluation of California's Class Size Reduction policy earlier this decade. Via a comprehensive analysis authored by a large research consortium including the American Institutes of Research, WestEd, and the RAND Corporation, the evaluation found that reducing class size failed to raise student achievement as was predicted. According to the final report:

Our analyses of the relationship of CSR [Class Size Reduction] to student achievement was [sic] inconclusive. Student achievement has been increasing since the first administration of the SAT-9 [Stanford Achievement Test] in 1997, but we could find only limited evidence linking these gains to CSR.<sup>28</sup>

Such an unexpected result of this evaluation left the authors of the California CSR evaluation perplexed. "We do not know enough yet about

the conditions under which CSR is most effective in improving student achievement; as a result we can offer little guidance about how to make it work better."<sup>29</sup>

Comparing the research on small class sizes and vouchers is instructive on the relative merits of each policy. The Tennessee STAR small class size experiment of 6,000 students, which showed some gains to student achievement, could not subsequently be replicated on a large-scale basis. Vouchers, as noted above, have been tested in rigorous evaluations eight separate times, and all have been effective at raising test scores for at least some groups. Additionally, vouchers do not carry the high cost of hiring teachers. The California CSR policy ended up being ruinously expensive; in the 2000-01 academic year, California's class size reduction policy cost the state about \$1.6 billion.

In short, if the aim of major school reform policies is to raise academic achievement, class size reduction policies may not work, especially on a large scale, while vouchers have proven their effectiveness several times over.

### CONCLUSION

The educational crises befalling children in Baltimore City and elsewhere in the state should be a wake-up call that something substantial has to be done to improve the education system in the state. Continuing with the status quo simply is not a reasonable option any more.

Parents need to have more choices when it comes to the education of their children. School vouchers are a fiscally responsible way to put those needed options into the hands of parents, while being.

Unfortunately, the debate on vouchers has become muddled by opponents who do not want parents to have much say in how their children are educated. Many of the arguments forwarded by opponents of school choice are simply not true. As

26. "Class Size Reduction: What We Know," People for the American Way, available at [www.pfaw.org/pfaw/general/default.aspx?oid=1520](http://www.pfaw.org/pfaw/general/default.aspx?oid=1520) (accessed September 6, 2005).

27. Frederick Mosteller, "The Tennessee Study of Class Size in the Early School Grades," *The Future of Children*, Vol. 5 (1995), p. 113-127.

28. "What We Have Learned About Class Size Reduction in California," CSR Research Consortium, Capstone Report, September 2002, p. 5, available at [www.classize.org/techreport/CSRYear4\\_final.pdf](http://www.classize.org/techreport/CSRYear4_final.pdf) (accessed September 6, 2005).

29. *Ibid.*, p. 11.

shown here, vouchers are fiscally responsible; accountable to parents who are satisfied with the program; not used simply by the best students; raise academic achievement in most cases; and are superior to other types of school reforms. The Maryland state legislature should take a cue from places such as Milwaukee, Cleveland, and Washington and look seriously at vouchers in this state.

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