By Andrew T. LeFevre
On October 18, 2005, the U.S. House Energy and Commerce Committee’s Oversight and Investigations Subcommittee approved a bipartisan staff report that exposed massive fraud, waste, and abuse in the nearly decade-old federal E-Rate program, designed to help schools and libraries acquire telecommunications and Internet services.

The report, “Waste, Fraud, and Abuse Concerns with the E-Rate Program”—which the subcommittee unanimously adopted—details the committee’s year-long investigation of the E-Rate program’s inner workings and its oversight by the Federal Communications Commission (FCC).

The E-Rate program was implemented as part of the Telecommunications Act of 1996. Signed by then-president Bill Clinton on February 8, 1996, it marked the first comprehensive revision of the nation’s telecommunications law in more than 60 years. It expanded the Universal Service Fund to help schools and libraries receive services from telecommunications companies at “affordable” rates.

May 26, 1999—A third-grade teacher in Laona, Wisconsin helps students work on a math program in the computer lab. In 1999, the school earned distinction as one of the country’s top wired high schools because it has incorporated technology into many facets of the everyday curriculum.

By Andrew T. LeFevre
On October 18, 2005, the U.S. House Energy and Commerce Committee’s Oversight and Investigations Subcommittee approved a bipartisan staff report that exposed massive fraud, waste, and abuse in the nearly decade-old federal E-Rate program, designed to help schools and libraries acquire telecommunications and Internet services.

The report, “Waste, Fraud, and Abuse Concerns with the E-Rate Program”—which the subcommittee unanimously adopted—details the committee’s year-long investigation of the E-Rate program’s inner workings and its oversight by the Federal Communications Commission (FCC).

The E-Rate program was implemented as part of the Telecommunications Act of 1996. Signed by then-president Bill Clinton on February 8, 1996, it marked the first comprehensive revision of the nation’s telecommunications law in more than 60 years. It expanded the Universal Service Fund to help schools and libraries receive services from telecommunications companies at “affordable” rates.

The program is funded through telephone customers’ fees and capped...
Attention Please!
Reach 75,000 Readers!

Advertise in the March issue of School Reform News.

School Reform News celebrates increased circulation and you’re invited to spread your message to more than 75,000 readers!

School Reform News is offering a special Buy One Get One Free deal: Place ONE ad in the March issue and we’ll give you APRIL FREE!

Act now! Space Reservation Deadline February 1st. Material Deadline February 8th.
*Ads must be the same size. Color and premium positioning extra.

Circulation Report

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>22,700</td>
<td>private school principals, teachers, tech coordinators</td>
</tr>
<tr>
<td>13,900</td>
<td>public school board presidents</td>
</tr>
<tr>
<td>12,400</td>
<td>direct request subscribers</td>
</tr>
<tr>
<td>8,500</td>
<td>state and municipal elected officials</td>
</tr>
<tr>
<td>8,440</td>
<td>municipal officials</td>
</tr>
<tr>
<td>3,604</td>
<td>charter school principals</td>
</tr>
<tr>
<td>3,400</td>
<td>donors, allies, friends</td>
</tr>
<tr>
<td>2,000</td>
<td>conference distribution</td>
</tr>
<tr>
<td>760</td>
<td>education reporters</td>
</tr>
<tr>
<td>75,704</td>
<td>print total</td>
</tr>
<tr>
<td>1,588</td>
<td>electronic</td>
</tr>
</tbody>
</table>

2006 Editorial Calendar

<table>
<thead>
<tr>
<th>Month</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>Technology in Schools</td>
</tr>
<tr>
<td>February</td>
<td>School Safety</td>
</tr>
<tr>
<td>March</td>
<td>National History Month</td>
</tr>
<tr>
<td>April</td>
<td>Catholic Education</td>
</tr>
<tr>
<td>May</td>
<td>National Science Month</td>
</tr>
<tr>
<td>June</td>
<td>Higher Education</td>
</tr>
<tr>
<td>July</td>
<td>Literacy</td>
</tr>
<tr>
<td>August</td>
<td>skip month</td>
</tr>
<tr>
<td>September</td>
<td>Back to School</td>
</tr>
<tr>
<td>October</td>
<td>Math Education</td>
</tr>
<tr>
<td>November</td>
<td>Private Schools</td>
</tr>
<tr>
<td>December</td>
<td>Homeschooling</td>
</tr>
</tbody>
</table>

Cheaper than direct mail and far more effective!

<table>
<thead>
<tr>
<th>Size</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Page</td>
<td>$4,320</td>
</tr>
<tr>
<td>Junior Page</td>
<td>$2,625</td>
</tr>
<tr>
<td>Half-page</td>
<td>$2,160</td>
</tr>
<tr>
<td>Quarter-page</td>
<td>$1,096</td>
</tr>
</tbody>
</table>

For more information or media kit, please call Jim Rohrlack at 630/983-3825, email JimR@heartland.org
School Choice Has a Friend on Capitol Hill

By Robert Holland

Following the results of the 2004 presidential election in the United States, United Press International reported many houses in Malerkotla, a township in the Punjab state of India, were illuminated and residents were distributing sweets and dancing to celebratory music. It was not the re-election of George W. Bush that excited them. Rather, it was the congressional win in Louisiana’s 1st District, where Piyush “Bobby” Jindal (R) became the first Indian-American in 46 years to win a seat in Congress.

Today, school choice supporters on Capitol Hill may not be dancing in the streets because of Jindal, but they are certainly enthusiastic about his rapid emergence as a leader in the movement. Jindal recently became co-chair, along with Rep. Trent Franks (R-Arizona), of the Education Freedom Caucus, a group in the House of Representatives dedicated to removing obstacles that prevent parents from choosing the best education for their children.

The caucus’s mission statement declares, “parents should be free to select the best public, private, charter, home, or other school option for their children, and schools should be free to pursue academic excellence without restrictive mandates that limit innovation and flexibility to meet local needs.”

Champion of Choice

Jindal gained prominence as an advocate of parental choice when he championed the creation of Family Education Reimbursement Accounts (FERAs), which would have enabled hurricane-displaced families from the Gulf Coast to gain federal aid directly, without red tape, to send their children to the private school of their choice. FERAs fell a few votes short of approval in committee. Even so, it appeared a final compromise would include reimbursement for private schools, though the public bureaucracy would control the flow of money.

Child of Choice

During those debates, Jindal repeatedly referred to the desirability of empowering families. Of the thousands of children forced to evacuate their homes and enter new learning environments, sometimes far away, Jindal said, “We owe it to them, and their families, to find innovative solutions that make sure that parents are empowered to provide the best educational opportunities for their children. ... These accounts will keep kids in schools, empower parents to make sure that their children’s needs are being met, and make sure all schools that have taken in needy students are supported for their generosity.”

Jindal’s own parents moved to the United States from Malerkotla in the late 1960s to pursue educational opportunities. Jindal was born in Baton Rouge, and his rise to leadership status has been swift. Among other prominent positions, he was director of a national bipartisan commission on the future of Medicare and president of the University of Louisiana System. At 28, the former Rhodes Scholar became the Republican gubernatorial candidate in Louisiana, losing narrowly.

Voucher Program Progress

The Washington, DC Opportunity Scholarship Program, created by Congress in January 2004 as the first federally funded pilot voucher program, which provides scholarships of up to $7,500 a year to help 1,700 needy children choose private schools within the District. Scholars with Georgetown University’s Public Policy Institute stated in an October 2005 report that most parents seem happy with their children’s new schools and believe their children now are expected to meet higher academic and disciplinary standards. They believe tutoring and mentoring could help their children make the transition to more challenging schools.

“I think the good [DC] schools have gotten better, and the mediocre schools are getting on track because, I believe, we’ve had a charter school movement that’s been very robust, and because of the vouchers,” Williams said. The mayor was not willing to conclude voucher programs should be extended nationwide. “But,” he added, “I do believe that where you’ve got low-performing schools in bad situations, you ought to give parents that choice, whatever that happens to be.”

The media was attracted by a first-year evaluation of the five-year DC pilot project, which provides scholarships of up to $7,500 a year to help 1,700 needy children choose private schools within the District. Scholars with Georgetown University’s Public Policy Institute stated in an October 2005 report that most parents seem happy with their children’s new schools and believe their children now are expected to meet higher academic and disciplinary standards. They believe tutoring and mentoring could help their children make the transition to more challenging schools.

Robert Holland (rholl1176@aol.com) is a policy analyst for the Lexington Institute in Arlington, Virginia.

To read the Georgetown Public Policy Institute’s report, “Parent and Student Voices on the First Year of the DC Opportunity Scholarship Program,” visit http://www.georgetown.edu/research/scdp/.
Texas

Continued from page 1

better job of educating students in Texas,” Attorney General Greg Abbott said. “But just because we can do a better job does not mean that the job being done now is unconstitutional.”

The lawsuit was filed by 300 school districts against the state in December 2003. In November 2004, a district court ruled for the school districts, finding the state’s education funding system inadequate and inequitable, and it deemed unconstitutional the tax cap of $1.50 per $100 of assessed property value.

The state appealed to the Texas Supreme Court two months later. During oral arguments in July 2005, state officials argued the legislature should fix the school finance problem.

In its November decision, the Texas Supreme Court disagreed with the district court in part, determining that school spending is neither inadequate nor unconstitutional. But it also agreed with the district court that the property tax cap is unconstitutional, because under the cap school boards are deprived of authority to set their tax rates. The court gave the legislature until June 1, 2006 to fix the tax system.

The supreme court’s ruling reversed the award of attorney fees granted by the district court and remanded the case to the district court for reconsideration of what, if any, attorney fees are appropriate.

Gov. Rick Perry (R) called the decision “an important victory for Texas schoolchildren and property taxpayers.

“Our entire tax system needs substantial reform to make it fairer [and] more modern, and that will ensure schools have a reliable stream of revenue,” Perry said.

“The court also made note of an important point. While the $10 billion in increased funding Texas has provided for education since 1999 has had a positive and measurable impact on our schools, it is possible for the legislature to implement new reforms that will improve student success without necessarily spending additional dollars.”

RICK PERRY
GOVERNOR - TEXAS

Alito Nomination Favored by School Choice Advocates

By Wendy Cloyd

President George W. Bush’s current nominee to the U.S. Supreme Court, Judge Samuel Alito, has a record on school choice that advocates find encouraging.

Alito, slated to fill the vacancy left by retiring Justice Sandra Day O’Connor, was nominated to the U.S. Court of Appeals for the Third Circuit by former president George H. W. Bush. He has served there since 1990.

In his confirmation hearing and general counsel for the Alliance for School Choice, said Alito’s nomination to the Supreme Court appears to be very good news for the school choice movement.

“He has an extensive record on the religious establishment and the religious liberty issues that are most relevant to school choice. And it is clear that he has a very firm grasp of First Amendment issues, and is a strong believer in the view that the First Amendment is not hostile to religion and in fact, requires neutrality with regard to religion.”

CLINT BOLICK
ALLIANCE FOR SCHOOL CHOICE

Religious Freedom

As an example of Alito’s approach, school choice and religious freedom supporters cite his 2004 ruling that the Child Evangelism Fellowship of New Jersey could advertise its Good News Club meetings in schools. Doing so, Alito opined, did not violate the U.S. Constitution’s establishment clause regarding the separation of church and state because students did not feel pressured to participate in the clubs.

The school board, however, engaged in “viewpoint discrimination” when it banned the evangelical literature because it allowed pamphlets from other groups such as the Boy Scouts, Alito wrote. If the school board was concerned people might think it had endorsed the religious fliers, Alito said, “teachers could explain the point to the students.”

Douglas W. Kmiec, a law professor at Pepperdine University, served with Alito in the U.S. Department of Justice during the Reagan administration. Kmiec is a leading proponent of religious liberty, advancing the view that the Constitution allows for a greater presence of religion in the public square than courts have previously allowed.

According to a November 21 New York Times article, Kmiec sees Alito as a fellow advocate of religious liberty.

“He is inclined to the view of the First Amendment that the government is not intended to be hostile to religion,” Kmiec told the Times. “It is intended to be accommodating when it can.”

While Bolick admitted no one can predict with certainty what a person will do as a Supreme Court justice, he’s encouraged by Alito’s nomination.

“We’re encouraged by what we see in his record with regard to the issues of greatest concern to school choice advocates,” Bolick said.

At press time, the National Education Association (NEA) had not taken a position on Alito’s nomination.

“NEA [is] only looking for a thorough hearing,” Cecil Cahoon, the union’s senior press officer, said. “Just for context, NEA took no position on Judge Roberts’ nomination last summer, either.”

Wendy Cloyd (wendy_cloyd@yahoo.com) is a freelance writer in Colorado Springs.

INTERNET INFO

More than one hundred documents addressing how the courts have ruled on school choice and religious education matters—including the full text of more than a dozen court decisions—are available through PolicyBot™. The Heartland Institute’s free online research database, Point your Web browser to http://www.heartland.org, click on the PolicyBot™ button, and select the topic/subtopic combination Education/Court Decisions.


The majority and dissenting opinions from the state supreme are also available through PolicyBot™. Search for documents #18160 (majority, 88 pages) and #18161 (dissent, 48 pages).
Education and Capitalism

How Overcoming Our Fear of Markets and Economics Can Improve America’s Schools

By Herbert J. Walberg and Joseph L. Bast

“Walberg and Bast have written a scholarly, readable, and timely book that cogently explains how market competition can promote school improvement. I recommend it as a college-level text in economics, education or public policy, and to anyone who cares about the education of our children.”

JOSEPH P. VITERITTI, NEW YORK UNIVERSITY

Send check or money order for $15 + $3 shipping and handling to The Heartland Institute at 19 South LaSalle Street #903, Chicago, IL 60603. This and other great books are also available for purchase on our Web site at www.heartland.org.

Who is Dr. Jay Lehr?

“Jay Lehr is an outstanding communicator, his knowledge of his subject is superb and his delivery is very engaging. He held the rapt attention of our audience.”

C. BOOTH WALLENTINE
UTAH FARM BUREAU FEDERATION

Dr. Jay Lehr is an internationally renowned motivational speaker, scientist, and author. He is considered the world’s leading authority on groundwater hydrology. Dr. Lehr is Science Director for The Heartland Institute, a nonprofit think tank based in Chicago, Illinois, and he’s ready to speak to your group.

Engagements are scheduled on a “first come, first served” basis. Call 312/377-4000 today to schedule Dr. Jay Lehr to keynote your next event!
California Voters Reject Education Reforms

By Alan Bonsteel

In a California special election on November 8, a slate of four education reform initiatives—all of which would have affected the future of the state’s beleaguered K-12 schools—were rejected by voters.

The four initiatives were Prop. 74, a modest reform of teacher tenure; Prop. 75, paycheck protection; Prop. 76, a budget reform initiative to fix California’s chronic deficits; and Prop. 77, which would have reformed California’s gerrymandered legislative districts.

“With almost all public employee unions aggrieved by the budget cutsbacks made in an only partly successful attempt to balance the latest budget, the unions banded together to discredit Schwarzenegger. Teachers, nurses, firefighters, and policemen dogged him at every public appearance and dominated television news coverage of his speeches. By election day, Schwarzenegger’s popularity had plummeted to the 30 percent range.”

Opponents of the governor’s slate of four initiatives, four unrelated measures that qualified for the same ballot were also rejected.

The slate angered virtually all of California’s public employees: the CTA, California Federation of Teachers, and California School Employees Association. A win on Prop. 75 would have opened many doors to advancing school reform in California, but it was not to be.

“The biggest problem was that the governor, who obviously was very identified with the propositions, took a pummeling from the Democrats all summer and remained silent,” said Larry Sand, a Los Angeles Unified School District teacher and education reform activist. “The other side gained a lot of ground during that time, and the last-minute flurry to overcome it was too little, too late.”

Peter Hanley, a longtime school choice activist and executive director of CPEC, agreed.

The California Teachers Association members protest education reform initiatives on the November 2005 ballot.

“The chances of passing Prop. 75 were weakened by including every labor union that had even one public employee,” Hanley explained. “That brought in essentially every labor union in California because even building trades unions have small percentages that work somewhere in state, county, or local government. These allied themselves with the powerful nurses, prison guards, and teachers unions.”

Collateral Damage

Part of the logic behind qualifying a slate of initiatives for the ballot was to force the public employee unions to fight on multiple fronts, said Carl Brodt, treasurer of California Parents for Educational Choice (CPEC), a school choice advocacy group based in the San Francisco Bay area.

“What is critical is that the fight be waged in such a way that the union cannot unify its campaigns,” Brodt said. “In that, Schwarzenegger was unsuccessful.”

End of Days

Especially frustrating to school reformers was the loss of Prop. 75, the paycheck protection measure. In the early stage of the campaign, it led strongly in every opinion poll and was supported even by union households. However, union-sponsored television advertising against the measure took its toll. On election night, with absentee ballots counted first, the measure started out with a 57-43 lead in the vote count, only to fade to a 46.5-53.5 loss when the final vote was tallied.

According to an October 2005 pamphlet published by the CPEC, “How California Teachers Association Policies Hurt Children and Good Teachers,” the Golden State is dominated like no other state by its public school labor unions: the CTA, California Federation of Teachers, and California School Employees Association. A win on Prop. 75 would have opened many doors to advancing school reform in California, but it was not to be.

“The chances of passing Prop. 75 were weakened by including every labor union that had even one public employee,” Hanley explained. “That brought in essentially every labor union in California because even building trades unions have small percentages that work somewhere in state, county, or local government. These allied themselves with the powerful nurses, prison guards, and teachers unions.”

“Travel back in time to tell Arnold not to have a special election.”

California Gov. Arnold Schwarzenegger (R) was elected during a Wild West-style recall election of former governor Gray Davis (D) in October 2003. With his popularity in the early stages of his governorship in the 60 percent range, Schwarzenegger planned a “sequel” of a “Year of Reform” to fix what he termed a “broken system” controlled by union bosses who protected incompetent teachers and generated huge budget deficits.

“We need to reform a government that no longer listens to the people,” Schwarzenegger said in a televised speech from his office last June. “Without reform, we are destined to relive the past—$2 billion deficits, higher car taxes, and the threat of bankruptcy.”

During the most recent fiscal year, Schwarzenegger, battling such a budget deficit, was still able to increase K-12 public school funding by $3 billion, at a time when most public services were being pared back. However, the teacher unions accused him of reneging on a commitment to increase K-12 funding by an additional $2 billion and ran ads even before the special-election campaign accusing him of having “reduced” public school funding by that amount.

— Alan Bonsteel

Total Recall

California Gov. Arnold Schwarzenegger (R) was elected during a Wild West-style recall election of former governor Gray Davis (D) in October 2003. With his popularity in the early stages of his governorship in the 60 percent range, Schwarzenegger planned a “sequel” of a “Year of Reform” to fix what he termed a “broken system” controlled by union bosses who protected incompetent teachers and generated huge budget deficits.

“We need to reform a government that no longer listens to the people,” Schwarzenegger said in a televised speech from his office last June. “Without reform, we are destined to relive the past—$2 billion deficits, higher car taxes, and the threat of bankruptcy.”

During the most recent fiscal year, Schwarzenegger, battling such a budget deficit, was still able to increase K-12 public school funding by $3 billion, at a time when most public services were being pared back. However, the teacher unions accused him of reneging on a commitment to increase K-12 funding by an additional $2 billion and ran ads even before the special-election campaign accusing him of having “reduced” public school funding by that amount.

— Alan Bonsteel
Debate over Darwin in Schools Gets Mixed Results on Election Day

By Neal McCluskey

On November 8, 2005, two major changes occurred in the battle over teaching evolution in America’s public schools. In Kansas, the state board of education approved science standards challenging evolution, and in Dover, Pennsylvania, eight school board members who in 2004 voted to encourage students to explore intelligent design—the controversial theory that much of life is too complicated not to have an intelligent designer—were voted out of office.

What remains uncertain is whether those events show the overall debate over Darwin’s place in public schools has entered a new stage.

Origins of an Argument

The Kansas school board has challenged evolution before, removing almost all references to it from state science standards in 1999, only to have the board’s majority become pro-evolution in 2000 and quickly put Darwin back in the standards. Nicholas Matzke, the public information project director for the National Center for Science Education (NCSE), an organization that opposes teaching alternatives to Darwinian evolution in public schools, believes the November 8 vote is simply a matter of history repeating itself.

“Kansas is going through a repeat of 1999-2000,” Matzke said. “We will see if a similar backlash occurs in the 2006 election. There are already many people declaring intentions to run against the four creationist board members who are up for re-election.”

In Dover, while the ousting of evolution skeptics from the board might appear to be the beginning of the end for intelligent design in the district’s public schools, the change might not be all that seismic. Richard Thompson, chief counsel for the Thomas More Law Center—which defended the Dover school board in a recent federal case concerning the legality of its biology textbooks carrying a disclaimer saying “evolution is what most scientists believe, so it should be taught in public science classes.”

According to an October Scripps Howard/Ohio University poll, 54 percent of respondents reported believing ‘God created the universe and humans in a six-day period,’ and 69 percent agreed with the statement, ‘evolution is what most scientists believe, so it should be taught in public science classes.’

“Although the easier answer was that this all involved the battle over intelligent design, that was not the case,” Thompson said, pointing out the Dover area school board had recently denied teachers a pay increase. “I believe that had a greater impact.”

Greater Criticism Arising

Nationwide, the argument over evolution does not appear to be going away. In Michigan, at press time a bill was wending its way through the House of Representatives that would require the state’s science standards to single out evolution and global warming as subjects in need of critical evaluation. In Indiana, Republican lawmakers are developing legislation that would mandate the teaching of both intelligent design and evolution. And on November 10 in Alabama, the state school board voted to continue to require that biology textbooks carry a disclaimer saying “evolution is a controversial theory.”

Perhaps the clearest sign the debate is not likely to be resolved any time soon, though, is that the public simply has not made up its collective mind about it. According to an October Scripps Howard/Ohio University poll, 54 percent of respondents reported believing “God created the universe and humans in a six-day period,” and 69 percent agreed with the statement, ‘evolution is what most scientists believe, so it should be taught in public science classes.’

Thompson believes the scientific community is similarly unresolved, but said, “the science itself will continue to talk about intelligent design.” He believes intelligent design now is at the same point the theory of evolution was at in 1925, when the “Scopes Monkey” trial first drew national attention to it. Evolution was considered radical then, just as intelligent design is now. Whether the two positions will stay that way remains to be seen.

Heartland Institute Fellow Leads Project on Unintended Consequences

Unintended consequences abound in politics and government, and in the private sector as well. Increased expenditures by school districts fail to bring the expected improvements in student achievement. High tax rates produce less revenue than lower rates. Higher spending on health care often correlates only to poorer health. The ban on DDT led to catastrophic increases in malaria mortality rates, and the Endangered Species Act has endangered species instead of saving them.

Soon, comprehensive documentation of such unintended consequences will be available. Dr. Jay Lehr, The Heartland Institute’s science director, and his associate James Jacobs have been contracted by the University of Michigan Press to edit a series of books about these and many other unintended consequences of government and private action. Topical areas include each of Heartland’s areas of major focus: health care, education, budget and taxes, and environmental science.

Heartland is pleased to participate in this important project, which could bring the folly of so many misguided public policies home to the average citizen who is affected by them.

Contributors are being sought from every walk of life who have encountered or become aware of stories that had interesting, if not momentous, unintended consequences. Politics is rife with them, but so is nearly every other field. Contributions to the book can be as short as 500 words or as long as 1,400. The University of Michigan Press intends to publish annual volumes beginning in 2006. The deadline for the first volume is April 2006. Approximately 100 contributions will be selected for the first volume.

Complete information on the project and instructions on how you can participate are available online at http://www.crystalballprize.com.

The logo for the Web site is the famous Post-it note, the unintended consequence of a product developed by 3M from a failed search for a new glue that would harden and not be sticky. The name of the Web site alludes to the plan of the University of Michigan Press to give an annual award to the individual or individuals possessing the most erroneous crystal ball in their work.

I want to start out by telling you a little bit about how I got involved in this effort, because I think that is really important for folks to know. About 10 years ago, I had a child who was failing in the D.C. public schools, and I just didn’t get it. I didn’t understand. I was doing everything right. I was a parent that was always there. And he was just coming home and getting into trouble and doing all these things that were just disturbing to me, and I couldn’t help him. I just didn’t know how to.

There was no hope. I was backed up against a wall; I had nowhere to turn. I was a single parent. I didn’t have resources to send him anywhere but to the public school. And it was so frustrating for me.

Private Scholarship Turned Tide

I was very lucky because somebody came to our defense, and I got a private scholarship for him to attend a parochial school, which just turned his life around—I mean absolutely turned his life around. Within weeks, we’re talking about a very dramatic change in behavior and his involvement in education. He eventually graduated and is an adult now, but that dramatic change in him left an incredible impression on me.

And I thought that if this could happen and change this one child, then certainly other children could be changed as a result of something being offered to them that would allow them to take advantage of the educational dream, if you will. I became a really strong advocate, volunteering to work on behalf of other children in the District, because I felt that if I could be out there myself and encourage other parents to be out there, then possibly we could get something done.

Now available!
Emerging Issues 2005
Edited by Joseph L. Bast and Dennis Byrne
The Heartland Institute, 2005

Penetrating analysis of many of the major public policy issues of the day, written by 28 of the nation’s leading experts!

On September 23, 2004, 120 elected officials, public policy experts, and grassroots activists from across the country gathered in Chicago to look forward to the shape of public policy debates in the coming years. Twenty-eight short presentations were delivered by many of the country’s leading free-market thinkers. Emerging Issues 2005 contains the edited proceedings of this remarkable conference.

All the major public policy topics of the day are covered: Taxes and budget issues, environmental regulation, school reform, health care finance, telecommunications, tort reform, and more. The authors include elected officials at the front lines of public policy change, leaders of major think tanks and foundations, and highly respected scientists, economists, and legal authorities.

Emerging Issues 2005 is a timely and authoritative guide to the public policy debates that lay ahead, yet it is short and written in plain English, making it an excellent introduction to public policy debates for an entire government affairs or public affairs staff. It can provide essential background and perspective for everyone from the boardroom to the mailroom.

Ordering Information

Copies are just $5.95 each (plus 6.25% if ordering from Illinois and 9% tax if ordering from Chicago). Volume discounts are available:

- 1-10 copies $5.95 per copy
- 11-50 copies $4.95 per copy
- 51-100 copies $3.95 per copy
- 101 or more $2.95 per copy

To order, call 312/377-4000 or go to www.heartland.org
New Program Educates Charter Schools about Unions

“The goal for charter school operators should be to take such good care of the members of their team that they don’t need a union to take care of them. The unions want legal protection, health benefits, and a good working environment—the same thing charter school operators want. Operators should strive to obviate the necessity of the union.”

ROD PAIGE
FORMER U.S. EDUCATION SECRETARY

By Brian Carpenter

Sarah Rosenberg has no intention of joining the Massachusetts Federation of Teachers (MFT).

“The union would slow everything down,” said the outspoken sixth-grade social studies teacher at Edward W. Brooke Charter School in Boston. “Decisions wouldn’t be made efficiently and wouldn’t be in the best interest of the children.”

Even though it costs only $58 to become an “associate member” of the MFT for the 2005-06 school year, Rosenberg isn’t interested. The same is true of her colleagues. “Unionizing isn’t even on their radar,” Rosenberg said.

However, the teachers at Rosenberg’s school, and others in thousands of charters nationwide, are very much on teacher unions’ radar, said Thor Halvorssen, a board member of the Atlantic Legal Foundation, a Manhattan-based nonprofit organization.

That’s why on November 7, Atlantic Legal launched its new Charter School Advocacy Program in New York. Halvorssen said teacher unions in California, Massachusetts, New Jersey, New York, Pennsylvania, and elsewhere are dramatically stepping up efforts to recruit charter school teachers.

“In California alone the unions have earmarked more than $1 million for their organizing efforts. And while union lobbyists claim to welcome charter schools, union bosses in states like Ohio are on record calling charters ‘insidious’ and vocally opposing them,” Halvorssen explained. “Their main interest is not schoolchildren, but to increase their own power and accumulate funding. Their [organizing] tactics are demonstrably deceitful.”

Handbooks Outline Tactics
To help charter schools understand union tactics, the Atlantic Legal Foundation published a handbook titled Leveling the Playing Field: What New York Charter School Leaders Need to Know About Union Organizing, written by experts in labor and employment law at the national law firm of Jackson Lewis LLP. A series of state-specific handbooks will soon be available.

Leveling the Playing Field explains how New York unions are using a decades-old labor law to avoid a demonstrative vote by all the teachers in a school to through the use of a tactic called a “card check.”

Under New York law, all that is necessary for a school to become unionized is for the union organizer to gather signatures on a “union authorization card” from a simple majority of the school’s teachers. Unions prefer card checks to the more lengthy democratic elections process the handbook’s authors explain because “when employees understand the facts about unionization, both good and bad, they reject the idea of union representation more often than not.”

The unions’ push to eliminate democratic voting by schools is heating up in New York as charter school advocates seek to lift the state’s 100-school cap. A November 22 editorial in the New York Post said the United Federation of Teachers will support the proposal to lift the cap on charters “if the charter school teachers are stripped of their right to a secret-ballot vote on unionizing.”

The editorial satirized the union, stating, “The UFT would prefer the teachers’ votes to be counted in public—you know, Saddam Hussein-style—so that it’ll know who its enemies are. Pressure can then be brought to bear on those who don’t want to … fall into line” (emphasis in original).

Unionizing Poses ‘Great Danger’
In New Jersey, Derrell Bradford, deputy director of Excellent Education for Everyone (E3), a statewide school choice group, said he supports the Atlantic Legal Foundation’s Charter School Advocacy Program.

“The [charter school] movement overall is suffering from an inability, or unwillingness, to identify its enemies,” Bradford said. He is concerned that unionizing charter schools may adversely affect otherwise-successful urban charter schools.

“We are not anti-union but we are pro-kid,” Bradford explained. “We are positive that the outcomes of a successful collective bargaining agreement are not congruous with successful outcomes for kids.”

Bradford believes the current “public school monopoly” is partly to blame for the number of young black men in prisons. As a young black man from a single-parent, under-privileged background himself, Bradford doesn’t hesitate to say “the failed New Jersey monopoly is defrauding urban black kids.”

Financial journalist Peter Brimelow wrote in his 2004 book, The Worm in the Apple: How the Teacher Unions Are Destroying American Education, that unions are not congruous with successful outcomes for kids. He goes on to explain, because “when employees understand the facts about unionization, both good and bad, they reject the idea of union representation more often than not.”

Power Motivates Unions

Some wonder why the teacher unions, long so fervently opposed to charter schools, are now aggressively trying to recruit their teachers.

Matthew J. Brouillette, president of the Commonwealth Foundation in Pennsylvania and a board member of the Charter School Advocacy Program, said the reason is “like the line from Jerry Maguire—‘Show me the money!’”

“Charter school board members, parents, and teachers need to understand that unions are about one thing: Making sure they are the only game in town,” Brouillette said.

A plan adopted in 2000 by the board of directors of the Pennsylvania State Education Association (PSEA) is any indicator, Brouillette may be right.

In part, the PSEA’s plan says that to protect its “legal monopoly to represent public education employees … ‘all’ we have to do is to convince [charter school] teachers and support personnel to join. Once we obtain majority representative status, PSEA becomes the exclusive bargaining agent. IN NO OTHER ENDEAVOR PSEA UNDERTAKES CAN IT ENJOY THIS EXCLUSIVE POSITION (emphasis in original). … The main source of PSEA’s influence is that almost all Pennsylvania teachers are unionized.”

— Brian Carpenter

INTERNET INFO
For more information on the Charter School Advocacy Program or for a copy of its publications, visit the Atlantic Legal Foundation’s Web site at http://www.atlanticlegal.org, or call 212/867-3322.
Minn. Online Physical Education Program Finds Niche

By Kate McGreevy

While it may be a little early to say the trend is sweeping the nation, online physical education programs are gaining popularity in states from Florida to Minnesota.

Jan Braaten, curriculum coordinator for physical education and health for the Minneapolis Public Schools (MPS), explained why her district began offering online physical education classes in the spring of 2005. "Things have changed in the twenty-first century in many ways, and one change is the wide variety of options and lifestyles for our students," Braaten said. "We still think it is a great benefit for our students to participate in a traditional physical education course. [But] the online courses are really there to fill a niche for certain populations of our students and to allow them to benefit from what we have to teach."

Students who wish to free up their schedule for Advanced Placement classes, as well as teen mothers, multisport athletes, and students with medical problems, benefit from the flexibility of the online physical education class, Braaten said.

Online PE Gaining Popularity

In Minneapolis, the online physical education curriculum has been developed using national and district standards. Once students obtain a medical waiver from a doctor, they meet face-to-face with their instructor to establish their baseline fitness level.

Braaten said after students have completed these initial tasks, they receive a heart-rate monitor and begin progressing through a variety of physical education modules.

"Each module has a sport/activity journal piece," Braaten explained. "This is the ‘meat’ of the course, because we want our students to engage in vigorous physical activity three times a week for a minimum of 30 minutes. In the sport/activity journal, students will record their activity, their heart rate, their perceived exertion rate, and other aspects of a good workout. The sport/activity journal must be signed off by a parent, coach, trainer, or other adult."

Over the past year, MPS has accommodated more than 300 students with its burgeoning online physical education offerings. Kathy Burns, an MPS spokesperson, noted demand is up, too.

"The online learning coordinator indicated that she has more requests than they can accommodate as the class has become very popular and in demand within our district," Burns said. "She also reports other school districts are asking if their students can participate as well."

Burns said growing media attention in the past few months has drawn requests for information about online physical education classes from around the United States and as far away as Australia.

Results Don’t Lie

Involving parents and other adults in the students’ fitness activities has been helpful, Braaten said. Between the regularity of the academic component, the partnership of parents and coaches, and a post-fitness test, she says students trying to cheat the system are usually detected easily.

"We do monitor the ‘proof’ of the activity piece of our classes very closely," Braaten said. "As in any class where students do homework or other work outside of class, there is a chance that students are cheating. Our online teachers, being experienced educators, seem able to sniff out students who are not fulfilling the expectations of the course."

The online physical education program is well aligned with trends in physical education, Braaten said. While the old model—usually calisthenics and other training in the school gym—emphasized rules, strategy, and sports, the new model is characterized by personal fitness—defining, achieving, maintaining, and measuring personal health, as well as understanding how to access fitness opportunities outside of school and create healthy workouts.

Skepticism Allayed by Experience

According to the National Association for Sport and Physical Education (NASPE), ... 16 percent of the nation’s youth between the ages of 6 and 19 are overweight—setting them up for an obese adulthood and a host of health problems that go with it ...”

Experts Are Cautious

Kun noted that while certain elements of online physical education are promising, the NASPE board would be certain to examine whether those programs are actually delivering physical education, physical activity, or both. NASPE holds those terms are different but often used interchangeably. The organization contends physical education programs must encompass both learning and activity.

Schools, Districts Weigh Web PE

By Kate McGreevy

With the percentage of U.S. children and adolescents who are overweight tripling over the past 40 years, and with children spending more and more time in front of the television and on the Internet, some health advocates question the appropriateness of a physical education program. The National Association for Sport and Physical Education (NASPE), a national nonprofit group that develops and advocates sports and physical education programs in schools, 16 percent of the nation’s youth between the ages of 6 and 19 are overweight—setting them up for an obese adulthood and a host of health problems that go with it, including greater risk of diseases such as diabetes, heart disease, and cancer. The group had not established a formal position regarding online physical education at press time.

“The board of directors has placed online physical education programs on their agenda for the December board meeting,” said Paula Kun, director of communications at NASPE. "The board recognizes that online physical education requires their attention and expertise."

"While the old model—usually calisthenics and other training in the school gym—emphasized rules, strategy, and sports, the new model is characterized by personal fitness—defining, achieving, maintaining, and measuring personal health, as well as understanding how to access fitness opportunities outside of school and create healthy workouts."

"I think that the online physical education courses we have are not intended to ever replace the traditional course," Braaten said. "We just want as many students to learn about their own wellness and physical fitness as we can in Minneapolis."
Law Banning Cyber Charter Schools May Be Harming Education in Rural Tennessee

By Andrew T. LeFevre

A report released by the Tennessee Center for Policy Research on October 31 suggests the state’s three-year-old charter school law, which expressly prohibits the authorization of cyber charter schools, may be preventing thousands of rural students from improving their education.

“Forget what Tennessee’s charter law prohibited cyber charters, state Sen. Jamie Woodson (R-Knoxville), who chairs the State Senate Education Committee, explained, “In 2002, when the charter law was first passed, the idea of cyber charters received a lot of opposition from some members of the legislature and could have led to the bill not passing.”

Cyber Charter Schools

According to Mitchell’s report, cyber charter schools are publicly funded schools open to any student. The schools cannot discriminate with respect to whom they teach or hire, and teachers must follow the same certification standards as those in brick-and-mortar schools. Typically, cyber charter schools also provide each student with a computer and modem, greatly reducing potential costs to the families.

“The main difference between cyber charter schools and brick-and-mortar charter schools is the delivery system. A typical schoolhouse is limited in the number of students it can enroll and the hours it can operate. A cyber charter school, by contrast, can be accessed at any time, from any place. Most cyber charter school teachers are always “on call” to assist students.”

The Center for Education Reform, a logical next step

“Tennessee’s charter law must prevent LEAs from turning a profit when a student leaves traditional schooling for a cyber charter school.”

Mitchell recommends placing those savings in a fund to offset future budget increases, thus saving tax dollars.

In addition, any cyber charter law must ensure homeschooled students remain exempt from the mandatory state testing that would be required of a public cyber charter student, Mitchell writes. The law also should prohibit local authorities (LEAs) from pushing students toward cyber charter schools for financial gain, Mitchell writes. Any law must prevent LEAs from turning a profit when a student leaves traditional schooling for a cyber charter school.

Where cyber charter schools cost less than what the typical public school spends per pupil, every effort must be made to prevent the local education authority (LEA) from pushing students toward cyber charter schools for financial gain, Mitchell writes. Any law must prevent LEAs from turning a profit when a student leaves traditional schooling for a cyber charter school.

Mitchell recommends placing those savings in a fund to offset future budget increases, thus saving tax dollars.

In addition, any cyber charter law must ensure homeschooled students remain exempt from the mandatory state testing that would be required of a public cyber charter student, Mitchell writes. The law also should prohibit local authorities (LEAs) from pushing students toward cyber charter schools for financial gain, Mitchell writes. Any law must prevent LEAs from turning a profit when a student leaves traditional schooling for a cyber charter school.

Mitchell recommends placing those savings in a fund to offset future budget increases, thus saving tax dollars.

In addition, any cyber charter law must ensure homeschooled students remain exempt from the mandatory state testing that would be required of a public cyber charter student, Mitchell writes. The law also should prohibit local authorities (LEAs) from pushing students toward cyber charter schools for financial gain, Mitchell writes. Any law must prevent LEAs from turning a profit when a student leaves traditional schooling for a cyber charter school.

Mitchell recommends placing those savings in a fund to offset future budget increases, thus saving tax dollars.
E-Rate

Continued from page 1

at $2.25 billion annually. In order to implement the program, the FCC created a private nonprofit corporation known as the Universal Service Administrative Company (USAC). Within USAC, the Schools and Libraries Division (SLD) is responsible for the E-Rate program’s daily administration.

Undetected Fraud

Starting in June 2004, the House committee held a series of five hearings around the country examining different aspects of waste, fraud, and abuse in the program. According to the report, “while E-Rate has arguably benefited the nation’s children, the program falls far short as an example of efficiency, effectiveness, or integrity.”

The report blamed all of the program’s participants—the FCC, USAC, schools, and vendors—saying “all have neglected their respective obligations and responsibilities under the program’s rules.”

Some of the report’s major findings include:

• the FCC’s three key oversight mechanisms for the E-Rate program—rulemaking procedures, beneficiary audits, and reviews of the USAC decisions—are not sufficient to manage the program;
• some school districts have acquired goods and services through the E-Rate program without using a formal bidding process, contrary to the program’s rules and local regulations;
• there is no real protection from “gold-plating”—procuring technology goods and services far beyond reasonable school district needs and resources; and
• weak competition requirements and inadequate oversight allowed a group of vendors to completely manipulate the competitive process for E-Rate program goods and services, without the USAC detecting the fraud.

One of the most egregious cases the committee uncovered involved Puerto Rico. From 1998 to 2001, the USAC disbursed $101.2 million in order to equip Puerto Rico’s 1,540 schools with high-speed Internet access. A later review found very few computers were actually connected to the Internet, and approximately $23 million worth of equipment was sitting in unopened boxes in a warehouse.

Stringent Reforms

• It is clear to me, as I consider the work laid out in the staff report, that many E-Rate program weaknesses must be addressed legislatively to avoid future waste and misuse,” said Rep. Ed Whitfield (R-KY), chairman of the Oversight and Investigations Subcommittee, in a news release. He indicated he would be working with members of the Telecommunications and the Internet Subcommittee to craft legislation to fundamentally reform the E-Rate program.

Some of the principles Whitfield believes should guide E-Rate program reform include:

• more rigorous oversight by the FCC and USAC, including auditing of the program before the current federal legislative session ends so the FCC can provide Congress with a tangible measure of the extent of waste, fraud, and abuse;
• concrete and achievable goals and measures of effectiveness;
• a mechanism to root out “gold-plating”; and
• the means to apply federal accountability requirements to E-Rate;

reduce the backlog of appeals, which can take years to resolve;

require school districts to take a greater financial stake in their E-Rate applications; and

implement a robust, transparent competitive bidding structure.

In response to growing concern, the FCC launched its own investigation into the oversight, administration, and management of the Universal Service Fund—which includes the E-Rate program—last June.

When asked to comment on the Congressional report’s findings that the E-Rate program is “a well intentioned program that nonetheless is extremely vulnerable to waste, fraud, and abuse, is poorly managed by the FCC, and completely lacks tangible measures of either effectiveness or impact,” FCC spokesman Mark Wigfield said in a news release, “FCC Chairman [Kevin] Martin was aware of concerns with the program, and one of his first initiatives was to open a proceeding considering fundamental structural reform to try to address those issues.”

Andrew T. LeFevre (alefevre@pa schoolchoic.org) is executive director of the REACH Alliance and REACH Foundation in Harrisburg, Pennsylvania.

HOW ILLINOIS REDUCED ITS WELFARE ROLLS BY 86%

Available for purchase through The Heartland Institute’s online store at www.heartland.org or call 312/377-4000.

A limited number of COMPLIMENTARY COPIES are also available to elected officials and their staff.

Make a Difference is both a compelling memoir and convincing proof that we now know important answers to help solve America’s poverty problem—without spending any more of the taxpayers’ money.

Author Gary MacDougal spent years working in Illinois inner cities and rural communities—talking with “ladies in the backyard,” befriending community leaders, and working with local organizations in his quest to find solutions that have long eluded academic researchers and politicians. As chairman of the Governor’s Task Force on Human Services Reform, MacDougal was the catalyst for the complete overhaul of the state’s welfare system, which included the largest reorganization of state government since 1900.

Eight years after MacDougal’s suggestions were implemented, Illinois now stands well ahead of California, New York, and other big-city states, with a spectacular 86 percent reduction in the welfare rolls since reform implementation in 1996, second only to Wyoming among all fifty states. The welfare rolls in Chicago’s Cook County have been reduced an amazing 85 percent, with studies showing that most who left the rolls are working, and at pay above minimum wage.

MacDougal’s extraordinary journey shows the way for the rest of the nation and proves there are ways we can all help provide a ladder of opportunity for those in poverty. We each can Make a Difference in the ongoing effort to end America’s poverty problem.
Texas Students Routinely Promoted Without Passing

By Connie Sadowski

According to a report released in late October by the Texas Education Agency (TEA), social promotions in the Lone Star State continue almost unabated three years after the beginning of a concentrated effort to end the practice of moving students to the next grade level when performance indicators show they may not be ready.

The report, “Grade-Level Retention in Texas Public Schools 2003-04,” showed 8,600 third-graders did not pass the Texas Assessment of Knowledge and Skills (TAKS) in 2003, but more than half of that group, including many students who failed the test three times, advanced to fourth grade anyway.

Sandy Kress, an education advocate in Austin and former Dallas Independent School District board president, said the numbers are worrisome enough to suggest policymakers should begin a review of those promotions to see if students truly have the knowledge and skills to succeed in higher grades.

If students “failing third grade assessment are also found failing fifth grade assessments, school leaders must explore and likely reform the committee review process that may be working at odds with the purpose and intent of state law against social promotion,” Kress said.

Report Highlights Failures

According to the report, in the 2003-04 school year:

• of the 8,621 Texas third-graders who did not pass reading, 54 percent advanced to fourth grade;
• of the 79,252 fifth-graders who failed both reading and mathematics, 97 percent advanced to sixth grade;
• of the 98,564 eighth-graders who failed both reading and mathematics, 96 percent advanced to ninth grade.

Those figures provoke important questions about Texas public school standards, assessments, and accountability, said Chris Patterson, director of research for the Texas Public Policy Foundation, an Austin-based think tank.

“Why are schools promoting such a large percentage of students who fail state assessments?” Patterson asked. “This study should remind state policymakers that it is important to continually check to ensure that education policies achieve the goals they are designed to achieve.”

Promotion as Policy

The policy to end social promotion in Texas, which began in the 2002-03 school year, mandates students in third grade and up either demonstrate mastery of grade-level skills on a state reading assessment, or repeat the year. Similar requirements were instituted for fifth grade math in the 2004-05 school year. Both reading and math requirements will become policy for eighth graders and above in 2007-08.

The purpose of ending social promotion was to ensure students are not “pushed through the system as nonreaders,” said Gayle Fallon, president of the Houston Federation of Teachers, which represents 6,500 teachers.

“Unfortunately, school systems are more often concerned with how their retention numbers look instead of whether these children can read well enough to succeed,” Fallon said. “Consequently, schools have found loopholes in the law, and legislators need to plug those holes. Nothing does a child a greater disservice than promoting him when he is lacking the basic skills to succeed.”

Retention Not ‘Really’ Required

The statute requires schools to retain students failing to meet standards after three opportunities to pass the TAKS (February, April, and June), unless a grade-placement committee (GPC), consisting of the student’s parent(s), teacher, and principal, unanimously decides the student is likely to perform at grade level after accelerated instruction. The district must then provide to the student’s teacher an accelerated instruction plan geared specifically for the student, to be used in a class of no more than 10 students, to prepare them for the next testing period.

A parent concerned about testing may request, after a second failed test, that the child not be retested; it then falls to the GPC to determine whether the child will be retained or promoted.

Texas Eagle Forum President Cathie Adams said she wants “to see Texans move away from an outcome-based system where teachers are teaching to a test (TAKS) that is based on attitudes, values, and behaviors. We need to move towards a system that teaches academics—factual knowledge—and take a stand against statewide social promotion policies.

“In the current system, education outcomes are uncertain,” Adams explained. “The outcome of the current system is social promotion for students who fail to meet the standards—pulling all student achievements down to the lowest standard when they might otherwise become high achievers.”

Value of Retention Policy Questioned

Some policy experts, however, are questioning the retention policy’s long-term effectiveness, not just educators’ failure to adhere to it.

“Texas current retention policy has not demonstrated any evidence of improving student success. It has not materially improved our high school graduation rate, nor has retention resulted in improved academic proficiency of graduates,” Patterson said.

“Clearly, the retention policy suffers design flaws,” Patterson noted. “If retention’s purpose is to produce more academically able students, the loophole in state policy that allows large numbers of failing students to bypass retention needs to be closed. What good is retention if it doesn’t help educational outcomes?”

By Joseph L. Bast & Herbert J. Walberg, Ph.D.

Let’s Put Parents Back in Charge!


Let’s Put Parents Back in Charge! was written by Joseph L. Bast and Herbert J. Walberg and first published by The Heartland Institute in 2003. It was a groundbreaking tool in the school choice movement, making the case for competition and markets in K-12 education in clear and easy-to-understand language. Some 60,000 copies have been distributed throughout the country by elected officials, education reform advocates, parent groups, and others.

Heartland plans to work closely with grassroots school choice organizations, charter schools, Hispanic business and civic groups, and national school choice groups to distribute the new book. If you are interested in assisting with distribution, please contact Heartland Public Affairs Director Ralph Conner at 312/377-4001, email conner@heartland.org.

Individual copies can be ordered for $5.95 in the Heartland Institute’s online store at http://www.heartland.org.
Schools Should Share Services to Save, Study Says

By Michael Coulter

School districts across the country are constantly calling for more funds, but additional money might be available in their existing budgets if they’d take advantage of opportunities to share services with other districts, according to an October 2005 study jointly produced by Deloitte Research and the Reason Foundation.

“School districts are regularly complaining about the need for more money, and so they need to systematically go through their budgets and consider privatization and sharing services,” said coauthor Lisa Snell, who directs the education program at Reason Foundation in Los Angeles and is a frequent contributor to School Reform News.

The 28-page study, “Driving More Money in the Classroom: The Promise of Shared Services,” was coauthored by Snell, William Eggers, Robert Wavra, and Adrian Moore.

Eggers is a director at Deloitte Research and author of Governing by Network (Brookings Institution Press, 2004) and Government 2.0 (Rowman and Littlefield, 2005), which considers technology’s role in improving public services. Wavra is a consultant for Deloitte on process improvement and performance management.

Moore, Reason’s vice president of research, has written extensively on government management and finance.

Non-Instructional Expenses

The study first shows U.S. schools spend more than schools in other countries on non-instructional costs. According to the report, “in many states, teachers make up a little more than half of all school district staff ... but in Europe, ‘teachers account for 60 to 80 percent of all school staffing.’”

The authors then consider existing research concerning school district size. Research suggests children in small school districts tend to perform better on standardized test scores than do students in larger districts. However, small districts also tend to have higher-than-average costs on non-instructional expenses such as administration, facilities, and support services. Larger-than-average districts also have high non-instructional expenses.

“Any kind of cooperative agreement which can produce economies of scale should be pursued,” said John Stephens, Ph.D., former superintendent of the Mercer Area School District in Pennsylvania.

“Sharing services for general items common to school districts is a superb idea. I did it when I was superintendent, and it saved our district money.”

JOHN STEPHENS, PH.D.
MERCER AREA SCHOOL DISTRICT - PENNSYLVANIA

Rather than consolidating small districts, which would not solve their budget problems, the study provides an alternative: sharing services among districts. The authors note businesses and many local governments already make use of shared services.

“Charters could join up with each other or with other school districts as a way to share services, that would be the way to get more efficient spending of tax dollars,” said Snell.

Important for Charter Schools

The authors conclude with a brief, step-by-step guide to sharing services, and they also consider incentives for doing so.

“The state could incentivize sharing services, that would be the way to get more efficient spending of tax dollars,” said Snell.

“Any kind of cooperative agreement which can produce economies of scale should be pursued,” said John Stephens, Ph.D., former superintendent of the Mercer Area School District in Pennsylvania.

“Sharing services for general items common to school districts is a superb idea. I did it when I was superintendent, and it saved our district money.”

“For example,” Stephens continued, “we had a cooperative agreement with school districts in our area for buying paper, and we saved. Some superintendents do not put enough emphasis on saving money, and [agreements for sharing services] is certainly one way to save money.”

Many Opportunities Available

The authors then examine opportunities for sharing both direct and indirect services to students. Direct services include transportation, food service, health services, security services, and instruction. There are opportunities for sharing services in all of these areas.

There are also many opportunities for sharing indirect services, particularly in purchasing, finance, payroll, facilities, and human resources.

“This is the low-hanging fruit when it comes to saving money,” said Snell.

The study also contains a section summarizing the financial and political benefits of sharing services. Eggers said these benefits—including saving money, standardizing processes, attracting more qualified staff members, and avoiding political opposition—are so strong he hasn’t “heard any reasons why this shouldn’t be done.”

Snell observed that school districts in her state have already made use of shared services.

“For example,” Stephens continued, “we had a cooperative agreement with school districts in our area for buying paper, and we saved. Some superintendents do not put enough emphasis on saving money, and [agreements for sharing services] is certainly one way to save money.”

Michael Coulter (mlcoulter@gcc.edu) teaches political science at Grove City College in Pennsylvania.
By Michael Strong

Understanding Educational Innovation, Stagnation

A tale of two charter schools

Editor’s note: This is the first of a seven-part series showing why charter schools do not have the freedom needed to create significant educational improvements by means of innovation.

To help explain why it is difficult for charter schools to make innovative improvements in the delivery of education, let us consider vignettes of two charter schools, both starting their fourth year of operation.

School A is in a precarious position. Started by an uncertified, incompetent administrator, it has received numerous negative audit findings and has received low performance ratings from the state department of education. State-mandated academic standards were not being taught. Many of the original faculty members were unqualified, though that is being remedied. Building code violations were a problem throughout its first several years.

The school was chronically late turning in its data to the state. Discipline problems were chronic at the school; on one occasion, an unlicensed volunteer teacher tried to choke a student in the classroom. At one point, the school had to be supervised by the local district because it lacked a qualified administrator. The second administrator quit after only one semester.

Although it is now led by an experienced, professional, properly licensed administrator, given the school’s history of chronic problems it is not surprising the school district questions the charter’s ongoing independence and has filed a complaint against it with the state department of education. The school may yet be shut down, as the district believes it ought to be.

Culture of Learning

School B is arguably one of the greatest charter school success stories in the nation. Started by an experienced administrator whose innovative pedagogy had been recognized by leading national experts in learnable intelligence and brain-based learning, as well as a MacArthur Genius Award-winning educator, the school has been dramatically successful at creating a culture of learning in one of the most academically backward regions of the country.

In its second year of operation, the school took students who had never taken an Advanced Placement test at their school and moved into the top 100 in the nation. Started by an experienced administrator whose innovative pedagogy had been recognized by leading national experts in learnable intelligence and brain-based learning, as well as an AP organization outside the school, and 20 percent of its students commute almost an hour each day to get to it daily. Residents of nearby towns have expressed an interest in having this school replicate itself so their children can benefit from its unique program.

Difference of Perspectives

Believe it or not, School A and School B are the same school, seen first through the eyes of nearby towns, and second through the eyes of its supporters. This defines the challenge facing those who would like to see charter schools lead innovation and thereby improve education for all students.

The facts listed in both accounts are accurate, but each perspective focuses on the set of facts that support it. In order to learn how we can improve education for all students, we need to understand how such dramatically different interpretations of educational programs can both be true, and thereby learn how to solve the real problems involved in creating innovative educational programs by means of school choice.

In his book Seeing Like a State: How Certain Schemes to Improve the Human Condition Have Failed (New Haven: Yale University Press, 1998), James Scott describes the manner in which government entities view the world. Scott does not blame individual human beings who happen to work for the government for viewing the world in this manner. Instead, he systematically demonstrates how the incentives facing those who work in government tend to create a distorted view of reality.

In addition, the book makes a compelling case that it is unlikely individual acts of courage or imagination will overcome the limitations of seeing like a state for any extended period of time. Individuals in government who do not “see like the state” are not likely to remain in government for long or if they do, their individual acts of “supra-state” vision are likely to be undermined by colleagues who do “see like a state.”

Crossroads Choosing Liberty
An introduction to American government

The Crossroads curriculum is a resource for teachers seeking an innovative civics unit. The course, which highlights America’s founding principles and their significance for citizens today, includes a three DVD set and workbook. It is most suitable for high school students.

By the end of the course students will understand the core principles of democracy as established in foundational documents, including the U.S. Constitution and the Declaration of Independence. They will be able to analyze the purposes of organization and government and law. Students will be aware of their rights and responsibilities as citizens of the United States and the principles of democratic civil involvement.

Michael Strong (michael@flowrealism.org) is CEO and chief vision officer of FLOW, Inc., http://www.flowrealism.org, a group working to achieve world peace, prosperity, happiness, and sustainability in 50 years.

Correction

In the December 2005 issue of School Reform News, a story about the Milwaukee Parental Choice Program (MPCP) stated 140 MPCP schools were surveyed for a community renewal report. The story should have read 140 choice schools were surveyed—meaning independent charters, Milwaukee Public Schools partnerships, and MPCP schools combined. SRN regrets the error.
A Crash Course in Profitable Politics

By Neal McCluskey

Through most of Chris Whittle’s *Crash Course: Imagining a Better Future for Public Education*, the reader is treated to an insightful explanation of why business works better than public education. In the end, though, disappointingly set in.

Whittle, the founder of Edison Schools, the nation’s best-known and most controversial for-profit education management company, offers many reasons why America’s educational system is failing while business thrives. At the center of it all, though, is “scale”—the ability of a big organization to give “birth to certain kinds of creativity” through “large-scale research and development.” Getting education to scale is the main goal of Whittle’s book.

To illustrate the importance of scale, Whittle points to corporations like Ford and IBM and marvels at free-market innovation. “If manufacturers have made such improvements while holding the price of an entry-level car basically the same, in current dollars, as when Henry Ford first introduced the model T!”

Not surprisingly, Whittle sees the proliferation of schools run by companies like Edison as the key to taking American education to scale. Whittle muses that in an ideal future, almost every district in the nation would be running its schools through management firms. At this point, Whittle seems ready to call forcefully on the nation’s leaders to tap into the power of the free market and make his vision a reality.

Abandoning the Market

And then comes the disappointment. Instead of championing the free market, Whittle argues that both the American health care system and military work better than education, and notes that the Department of Defense and the National Institutes of Health make private contractors tens of billions of dollars every year to conduct research and development. Whittle then proposes the federal government take charge of education innovation as well.

He even suggests legislation—an imaginary Education Innovation Act of 2007—through which the federal government would spend more than $45 billion over 15 years to launch new K-12 school designs, establish universities to train principals and teachers, and fund education research.

Whittle’s solution is incongruent with most of the book’s praise for the private sector. It also makes little sense in light of his experience.

As Whittle acknowledges many times in *Crash Course*, since its inception Edison has struggled to overcome almost incessant political obstacles that have kept it out of schools.

Unfortunately, *Crash Course* suggests that what Whittle has learned over the years is that rather than fighting politics, it is more profitable to use them.

Trawling for Federal Cash

Whittle’s proposed legislation, for instance, would finance the “creation and significant launch of three highly innovative K-12 school designs,” a perfect vehicle for a company like Edison to get large-scale federal cash. Moreover, the book itself seems to call for truces with long-term Edison enemies such as teacher unions, by declaring, for example, that teachers’ salaries should be at least doubled.

Whittle would pay for this huge cost increase largely by shrinking the teacher force, but he takes pains to assure the unions that their income would be unchanged because teachers’ salaries would be much larger, and he promises that no current teachers will be harmed because the changes he advocates would “take years to roll out nationally.”

Ignoring Its Own Implications

Finally, Whittle attacks school choice, the reform that by its very market-like nature is best able to create a dynamic, innovative, educational system. Whittle includes an epilogue in which he reprints several letters he sent to various policymakers touting his plan. In one, to high-profile union presidents, he says they should support his plan because it is not a move in the direction of “privatization,” whereas “a national voucher system could well fit that description.”

Overall, *Crash Course* furnishes welcome insight into both the free market’s potential to create innovation in public education and politics’ ability to thwart such innovation. For that reason alone it is a worthwhile read. In the end, though, it ignores its own message.

Neal McCluskey (nmcluskey@cato.org) is a policy analyst at the Cato Institute’s Center for Educational Freedom in Washington, DC.

---

Rationing

Continued from page 1

that the cap—which limits the number of voucher students to 15 percent of the total Milwaukee Public Schools (MPS) enrollment—had been reached. Full-scale rationing in the 2006-07 school year is likely.

Wisconsin Gov. James Doyle (D) vetoed three bills to lift the cap over the past two years. “They can keep sending me those same bills over and over again and I’m not going to sign ‘em,” Doyle told the Milwaukee Journal Sentinel in 2004. Wisconsin teacher unions, the leading opponents of the MPCP, are among Doyle’s strongest supporters.

In early November, Doyle tied support for a small increase in the cap to a $25 million a year increase in public school funding and a $14 million transfer of state school aid to MPS from school districts outside Milwaukee. Doyle is aware these proposals are unacceptable to many state legislators.

“We sat down and met with [the Department of Public Instruction]. The conclusion of all of the principals gathered there that day was that rationing jeopardizes the very essence of the program because families lose the right to choose a school.”

DONNA SCHMIDT

PRINCE OF PEACE SCHOOL

Rationing ‘Losses the Essence’

“The governor’s plan has elements that clearly make it unacceptable to a majority of legislators. Unfortunately, this suggests an agenda that has nothing to do with the interests of low-income Milwaukee families,” said Rev. Archie Ivey, a board member of the Milwaukee chapter of the Black Alliance for Educational Options (BAEO). Regarding Doyle’s professed support for a 3,000-student increase in the cap, Ivey noted, “Within a year or two of enacting his plan, the cap would again be hit.”

Since the pioneering Milwaukee program began in 1990, the MPCP has grown from serving 337 students at seven schools to 14,751 at 126 schools. A 2004 report by national graduation-rate expert Jay Greene, senior fellow at the Manhattan Institute for Public Policy, shows MPCP students graduate high school at a substantially higher rate than MPS students and at a substantially lower per-pupil cost. Harvard University economist Caroline Hoxby has found academic achievement gains among MPS students that she attributes to the competition schools face from the choice program.

The Wisconsin Department of Public Instruction (DPI) has not announced how it will ration spaces. Prior efforts to develop a workable plan highlighted the fact that any scheme will keep thousands of low-income students out, according to choice supporters.

Citing those efforts, Donna Schmidt, former principal of Prince of Peace School, a Catholic school participating in the MPCP, said, “We sat down and met with DPI. The conclusion of all of the principals gathered there that day was that rationing jeopardizes the very essence of the program because families lose the right to choose a school.”

Mike Ford (ford@parentchoice.org) is a research associate at School Choice Wisconsin.
push for accountability both difficult and necessary, school choice advocates say.

**Accountability Legislation Needed**

Two of Florida’s three scholarship programs—Opportunity Scholarships for students in failing public schools and McKay Scholarships for students with disabilities—are administered by the state Department of Education. The third, the Corporate Tax Credit Scholarship Program, is administered by private, nonprofit scholarship funding organizations (SFOs), which are required to spend 100 percent of their tax-credited donations on scholarships for low-income students. Not a penny can be used for administrative costs, forcing the SFOs to raise their administrative funds independently.

Three SFOs formed under the 2001 Corporate Tax Credit Scholarship law have been dissolved for various infractions, including one that failed to award donations on scholarships for low-income students. A fourth, which was unable to be sentenced in early January. The other convictions, including one that failed to award more stringent than what public schools are subjected to, and allowing for random site visits by the auditor general.

**Unfair Standards Proposed**

During the 2004 and 2005 legislative sessions, the Florida House and Senate each took up accountability bills. In each of the Senate’s bills, legislators included provisions that were stricter than public school regulations, including some requiring teacher credentialing more stringent than what public schools are subjected to, and allowing for random site visits by the auditor general. FLSPO spokeswoman Denise Lasher said those legislative measures are unnecessary because the coalition is policing itself.

“Our coalition is working toward accountability that makes the program stronger, without being so restrictive it prohibits good private schools from participating,” Lasher explained.

Among the coalition’s accountability recommendations are required standardized testing for tax credit scholarship recipients and teacher qualification requirements that allow for formal education or special knowledge of the subject.

To date, the Florida House and Senate have been unable to agree upon accountability legislation. “Unfortunately, politics have gotten in the way,” Lasher said. “These bills have become political pawns.”

**Accountability Standards Differ**

In Florida, where many legislators and much of the media oppose school choice, passing accountability legislation that is not overly restrictive is difficult, said John Kirtley, vice chairman of the board of directors of the Alliance for School Choice.

“Florida and the Milwaukee choice program face unique challenges to school choice programs that don’t exist in other states,” Kirtley said. “The political and press climate here is not friendly to choice. Accountability is crucial to the survival of these programs.”

In Pennsylvania, for example, the state’s Educational Improvement Tax Credit Program’s current accountability legislation is limited to requiring each scholarship organization to have an independent certified public accountant verify that 80 percent of collected funds are distributed as scholarships, according to Andrew LeFevre, executive director of the REACH (Road to Educational Achievement Through Choice) Alliance, a grassroots coalition dedicated to ensuring parental choice in education in the state.

**Accountability Improves Quality**

Susan Mitchell, president of School Choice Wisconsin (SCW), another advocacy group, described a very different climate. With the help of legislative allies, SCW lobbied for and won the passage of accountability legislation in 2004 after three years of court battles.

“Legislators who opposed the program and supported heavier regulation said their goal was to impede participation or send the program back to the court,” Mitchell said. “Bill sponsors couldn’t say why their bill would improve the program; they just said, ‘Public schools have to do this, so private schools should, too.’”

Since Wisconsin passed its accountability legislation, dozens of schools have been prevented from entering Milwaukee’s 15-year-old citywide school voucher program based on fiscal ineligibility, which Mitchell says is often a proxy for poor academic performance.

“We hope that it continues to be an effective tool that weeds out schools that aren’t ready for prime time but doesn’t pose an unnecessary burden for other schools in the program,” Mitchell said.

Lasher agreed. “Many private schools are willing to be accountable for their performance in educating scholarship recipients,” she said. “The challenge will be in moving the debate away from politics and back to education and the students, where it belongs.”

Jenny Rothenberg (jrothenberg@stepupforstudents.com) is a public relations associate at Step Up for Students, a Tampa-based initiative of the Florida Corporate Tax Credit Scholarship Program.

---

The Florida SFO has strict guidelines for membership, including background checks for SFO operators and annual audits by independent certified public accountants.

“Codifying the standards we already adhere to will ensure that every SFO protects the integrity of the program and offers real benefits to low-income students,” Moore explained.

“I hope this legislation is incorporated into the next version of the bill,” said John Kirtley, vice chairman of the board of directors of the Alliance for School Choice.

In Florida, where many legislators and much of the media oppose school choice, passing accountability legislation that is not overly restrictive is difficult, said John Kirtley, vice chairman of the board of directors of the Alliance for School Choice.

“Florida and the Milwaukee choice program face unique challenges to school choice programs that don’t exist in other states,” Kirtley said. “The political and press climate here is not friendly to choice. Accountability is crucial to the survival of these programs.”

In Pennsylvania, for example, the state’s Educational Improvement Tax Credit Program’s current accountability legislation is limited to requiring each scholarship organization to have an independent certified public accountant verify that 80 percent of collected funds are distributed as scholarships, according to Andrew LeFevre, executive director of the REACH (Road to Educational Achievement Through Choice) Alliance, a grassroots coalition dedicated to ensuring parental choice in education in the state.

**Accountability Improves Quality**

Susan Mitchell, president of School Choice Wisconsin (SCW), another advocacy group, described a very different climate. With the help of legislative allies, SCW lobbied for and won the passage of accountability legislation in 2004 after three years of court battles.

“Legislators who opposed the program and supported heavier regulation said their goal was to impede participation or send the program back to the court,” Mitchell said. “Bill sponsors couldn’t say why their bill would improve the program; they just said, ‘Public schools have to do this, so private schools should, too.’”

Since Wisconsin passed its accountability legislation, dozens of schools have been prevented from entering Milwaukee’s 15-year-old citywide school voucher program based on fiscal ineligibility, which Mitchell says is often a proxy for poor academic performance.

“We hope that it continues to be an effective tool that weeds out schools that aren’t ready for prime time but doesn’t pose an unnecessary burden for other schools in the program,” Mitchell said.

Lasher agreed. “Many private schools are willing to be accountable for their performance in educating scholarship recipients,” she said. “The challenge will be in moving the debate away from politics and back to education and the students, where it belongs.”

Jenny Rothenberg (jrothenberg@stepupforstudents.com) is a public relations associate at Step Up for Students, a Tampa-based initiative of the Florida Corporate Tax Credit Scholarship Program.
Edward E. Gordon, president of Imperial Consulting Corporation in Chicago and Palm Desert, California, has serious misgivings about the future of America in the world economy, which he documents while offering a possible solution in his new book, The 2010 Meltdown: Solving the Impending Jobs Crisis.

Gordon’s earlier book, Skill Wars (Butterworth-Heinemann, 1999), drew attention to the workforce challenges of a global, knowledge-driven economy. The 2010 Meltdown addresses how advances in technology, increasing globalization, a major demographic shift, and a shortage of well-educated workers are converging to produce a rapidly approaching “meltdown.”

The demographic shift will begin in 2010 as the Baby Boomers begin to retire and leave the workforce. The smaller generation of workers replacing them will be unprepared educationally to function in a knowledge-driven economy.

“The global, bottom-line demographic problem is that too many skilled people are dropping out of the world economy at one time,” Gordon writes. “There simply aren’t enough skilled Generation X or Y workers to keep economies humming.”

U.S. at ‘Educational Crossroad’

While technology and global trade have dramatically changed the nature of the workplace and the productivity of American industrial output over the past 20 years, the output of the country’s increasingly costly K-12 educational system has changed little during this period, according to student test scores on the National Assessment of Educational Progress (NAEP). The NAEP scores, Gordon notes, show a majority of students are not proficient in either reading or math.

“What the NAEP scores make abundantly clear is that America has reached an important educational crossroad,” Gordon writes. “After more than two decades of pursuing education reform and increasing school expenditures, U.S. student achievement appears stagnant. The majority of U.S. students are deficient in areas of the basic knowledge they need to live successfully in a democratic, technologically complex nation.”

Improvement Is Possible

Gordon supports his argument with a range of depressing statistics, including the recent revelation from a Manhattan Institute study that one in three students fails to graduate high school. He then addresses workforce-training issues at length, including a review of what other countries are doing to respond to changing workforce needs. This is followed by a valuable series of case-study solutions showing how different communities and businesses nationwide are creating career training and education programs more attuned to twenty-first century needs.

While these solutions deal primarily with improving and retraining America’s existing workforce, Gordon also suggests how to improve America’s public schools so they produce graduates well-equipped to handle the technological complexities of the modern workplace and capable of becoming the knowledge workers of tomorrow.

“Gordon also suggests how to improve America’s public schools so they produce graduates well-equipped to handle the technological complexities of the modern workplace and capable of becoming the knowledge workers of tomorrow.”

The 2010 Meltdown: Solving the Impending Jobs Crisis

Edward E. Gordon

Prager Publishers, 2005

288 pages, $39.95

ISBN 0275984362

Review by George Clowes

Coming U.S. Workforce Unprepared for Knowledge Economy, Author Warns

Despite educational reforms implemented over the past eight years, students graduating from public schools are still largely unprepared for the demands of the modern workplace, according to the latest annual employer survey published in November 2005 by the National Association of Manufacturers (NAM), the Manufacturing Institute, and Deloitte Consulting LLP.

In the “2005 Skills Gap Report,” manufacturers expressed significant dissatisfaction with the quality of K-12 education. An overwhelming majority of respondents—84 percent—said K-12 schools are not doing a good job of preparing students for the workplace, up from 83 percent in 1997. The top three items cited by employers as evidence of unpreparedness were:

• lack of basic employability skills, such as attendance, timeliness, and work ethic (cited by 55 percent);
• deficiencies in math and science abilities (51 percent); and
• deficiencies in reading ability and comprehension (38 percent).

The survey exposes a widening gap between the dwindling supply of skilled workers in America and the growing technical demands of the modern manufacturing workforce,” said NAM President John Engler in a statement accompanying the survey. “If manufacturers are to remain competitive, the issues of education and training reform must be given at least as much attention as other top business concerns like trade, taxes, energy, and regulatory reform.”

Calling for government to partner with business to improve the K-12 education system, the report warns that jobs and industries will move to other countries if manufacturers cannot find the skilled people they need in the United States.

— George A. Clowes

INTERNET INFO


Details of the National Assessment of Educational Progress’ 2003 Trial Urban District Assessment for reading are available online at http://nces.ed.gov/nationsreportcard/reading/results2003/districtresults.asp.

K-12 Education Reforms Not Working, Manufacturers Say

Calling for government to partner with business to improve the K-12 education system, the report warns that jobs and industries will move to other countries if manufacturers cannot find the skilled people they need in the United States.

— George A. Clowes

The 2010 Meltdown: Solving the Impending Jobs Crisis

Edward E. Gordon

ISBN 0275984362

Praeger Publishers, 2005


http://www.nam.org/2005skillsgap

George A. Clowes (clowesga@aol.com) is a senior fellow at The Heartland Institute.
Schools perform poorly because they need more money; teachers are underpaid; schools are performing much worse in standardized testing and graduation rates; accountability systems impose large burdens on schools; the evidence for vouchers is inconclusive. To all these popular assertions, Manhattan Institute Senior Fellow Jay P. Greene, Ph.D. offers readers evidence to the contrary in his first book, Education Myths: What Special-Interest Groups Want You to Believe and Why It Isn’t So.

Greene has a history of casting a skeptical eye on special-interest groups’ assertions, thoroughly conducting his own research, and drawing conclusions based in economic theory.

His research on education policy was cited four times before the U.S. Supreme Court in the landmark 2002 Zelman v. Simmons-Harris case, which found school vouchers constitutional. He draws on that experience to create an easy-to-read book useful to policymakers debating such legislation.

“Greene’s research shows [Florida] schools whose students had the voucher option made year-to-year gains on the Stanford-9 test that were 5.9 percentile points greater than schools not threatened by vouchers.”

Education Spending
Greene recognizes the relationship between spending and student performance, noting, “if we reduced school spending to zero, that would definitely have an impact on student outcomes.” But he warns, “poor [student] performance alone tells us nothing about whether spending levels are contributing to the problem.”

According to the U.S. Department of Education, per-pupil expenditures in U.S. public schools increased eightfold since the end of World War II. While no consistently reliable achievement data existed until the National Assessment of Educational Progress (NAEP) was introduced in the early 1970s, those scores have remained mostly unchanged in the past 30 years, despite dramatic increases in education spending.

Teacher compensation is closely related to education spending. People are apt to agree when they hear unions claim teachers are significantly underpaid, because it is easy to believe a national teacher union speaks honestly on behalf of teachers.

Greene, however, reports what unions do not like to admit. “One reason for the prominence of the Teacher Pay Myth is that people often fail to account for the relatively low number of hours teachers work.” Keeping in mind that the average American works 1,740 hours a year, and after closely researching U.S. Department of Labor reports, Greene concludes, “teachers are actually better paid than accountants.”

Class Size
The National Education Association (NEA) supports limiting classes to 15 or fewer students, based on an experiment conducted in the 1980s in which students from kindergarten to third grade were randomly assigned to one of three types of classes: about 25 students with one teacher; 25 students with a teacher and an aide; or 15 students and one teacher. The study found students in the small classes had slightly better test scores, and 3 percent more of them took the SAT’s, than their peers in larger classes.

However, Greene notes, the test-score improvement was a one-time benefit, meaning “students who had been in smaller classes for four years were no further ahead of their peers in regular-sized classes than they had been after only one year of smaller classes.”

Harvard University professor Caroline Hoxby calculates the cost of a 10 percent class-size reduction to be $615 per student. To reduce classes to 15 students, they would have to shrink 37.5 percent—at a cost of $2,306. Greene concludes, “even if all the claims made to promote the Class Size Myth were right, improving student performance by reducing class sizes is a little bit like driving from Los Angeles to San Francisco by way of Pittsburgh.”

Graduation Rates
The National Center for Education Statistics (NCES) reports the official U.S. graduation completion rate at 86.5 percent, but independent measures indicate it’s closer to 70 percent. Because the general public recognizes the importance of a traditional high school diploma, Greene says government agencies might have a vested interest in claiming nearly all students attending public high schools graduate.

To test the theory, Greene developed his own method of calculating graduation rates, taking the enrollment figures each state reports to the U.S. Department of Education, then estimating the number of students who should have graduated in a given year if none dropped out. Using that method, he calculates the 2000 national graduation rate at 69 percent, not the 86.5 percent reported by the NCES.

More alarming still, Greene’s method shows only 51 percent of black students and 52 percent of Hispanic students graduated with regular diplomas in 2001, Greene writes.

Accountability
State and federal education reforms of the past two decades have focused on accountability. Overwhelmingly, parents and taxpayers want to be assured that schools are learning basic skills needed to enter the workforce. Unfortunately, nationally recognized accountability measures, such as the NAEP, SAT, and ACT exams, show students have made negligible gains, if any, over the past 30 years, Green notes.

Greene explores unions’ claims that accountability measures force teachers to “teach to the test,” which they say are too costly to purchase, administer, and evaluate. Unions also claim the tests cause students undue stress, leading to higher dropout rates. Greene cites research counteranalyzing the unions often use to support such claims, which found they did not follow basic principles of social science, including having no controls to the data set and arbitrarily excluding some states from their samples.

When using sound research methods, Greene demonstrates, the same data sets show states with high-stakes testing made greater gains on the NAEP than those without.

School Choice
The establishment media report school choice has no discernible effect on participating students and their respective school districts. School choice opponents claim the best students are drained from the public schools, vouchers increase racial tensions, and private schools do not adequately serve disabled students. Greene spends six chapters shredding these myths with scientific research, concluding, the “highest quality research consistently shows that vouchers have positive effects for students who receive them. The results are only mixed with regard to the scope and magnitude of vouchers’ benefits.”

For example, Florida’s A-Plus program uses rigorous accountability to employ a competitive, successful voucher program, Greene notes. If a public school receives two failing grades in a four-year period, the state offers its students vouchers to attend another public school or a private school of the parent’s choice.

Greene’s research shows schools whose students had the voucher option made year-to-year gains on the Stanford-9 test that were 5.9 percentile points greater than schools not threatened by vouchers.

ISBN 0742549771
Rowman & Littlefield, 2005
265 pages, $24.95
ISBN 0742549771

Lori Drummer (ldrummer@alec.org) is director of the American Legislative Exchange Council’s Education Task Force. This article is excerpted with permission from the Winter 2005 ALEC Policy Forum.
GET YOUR FREE COPY TODAY!

The demand was so high, we printed more.

If you missed out on getting your copy of the 2004-05 edition of the ABCs of School Choice, now’s your chance.

If you missed out on getting the only book dedicated to providing long-time advocates and new supporters alike with the essential facts on the nation’s school choice programs, give us a call.

Published by the Milton and Rose D. Friedman Foundation, the ABCs of School Choice offers a comprehensive analysis of each school choice program – scholarship value, participation rates, student eligibility, legal status, program regulations and plenty of research. In addition, you’ll find a section dedicated to the 50th anniversary of Milton Friedman’s school voucher idea.

The ABCs will be your one-stop resource for school choice – putting the most up-to-date and accurate information about school choice at your fingertips.

To request your copy, contact the Friedman Foundation at 317-681-0745 or mandy@friedmanfoundation.org.