# School Choice in Michigan:
A Primer for Freedom in Education
by Matthew J. Brouillette

## Table of Contents

Executive Summary ................................................................. 1

Introduction .................................................................................. 3

### Part I: “Public Schools” Come to America

1. The Origins of Government Education in the United States ............. 4
   - Early Colonial Period to the American Revolution: A Free Market in Education ........... 5
   - Revolution to the 1830s: New England’s First Experiment with Government Schools .... 6
   - The 1830s and 40s: Horace Mann, the End of Free-Market Education, and the Rise of Government Schools ................................................................. 8
   - The 1850s and Beyond: States Strengthen Government’s Role in Education and Restrict School Choice ................................................................. 10

2. A Brief History of Government Education in Michigan ..................... 11
   - Isaac E. Crary: The Founder of Government Education in Michigan ......................... 11
   - John Davis Pierce: Michigan’s First Superintendent of Public Instruction ................. 12
   - Michigan Children Become “Creatures of the State” ............................................. 13
   - Michigan Education in the Twentieth Century ..................................................... 13
   - “Parochiaid” and the 1970 Amendment to the Michigan Constitution ..................... 14
   - The Effect of the 1970 Anti-Choice Amendment .................................................. 15

### Part II: Governmental vs. Parental Control of Education

1. The Effects of Central Planning in Schools ...................................... 16
   - Three Categories of Education Reform ......................................................... 16
   - Lack of Incentives Produces Poor Results and Exacerbates Problems .................. 18

2. Types of School Choice ................................................................ 22
   - Limited Educational Choice ....................................................................... 22
     1. Intra-District Choice .............................................................................. 22
     2. Inter-District Choice .............................................................................. 24
     3. Charter Schools ...................................................................................... 25
   - Full Educational Choice ........................................................................ 26
     1. Vouchers ................................................................................................. 26
     2. Private Scholarships .............................................................................. 28
     3. Tax Credits ............................................................................................. 29
     4. Universal Tuition Tax Credits ............................................................... 30
3. School Choice in the United States and Michigan ..................................................30  
   Limited Educational Choice Programs ........................................................................32  
   1. Intra- and Inter-District Choice .................................................................32  
   2. Charter Schools .................................................................................33  
   Full Educational Choice Programs ........................................................................33  
   1. Vouchers .........................................................................................33  
   2. Private Scholarships .................................................................35  
   3. Tax Credits ..................................................................................36  

4. The School Choice Debate ..................................................................................37  
   Proponents of School Choice ..................................................................................37  
   Opponents of School Choice ..................................................................................39  
   Spectators in the School Choice Debate ..............................................................41  

Part III: Expanding School Choice in Michigan  

1. Five Strategies to Advance School Choice in Michigan .......................................42  
   Strategy #1: Network with Others .................................................................43  
   Strategy #2: Use the Media to Amplify the Message ........................................43  
   Strategy #3: Use Effective and Broad Communication ......................................43  
   Strategy #4: Research the Issues .......................................................................43  
   Strategy #5: Influence the Local School Board ................................................44  

2. Dispelling the Myths about School Choice ..........................................................44  
   Myth #1: School choice will lead to the social, racial, and economic stratification 
   of students in American schools ........................................................................44  
   Myth #2: School choice violates the separation of church and state ..................45  
   Myth #3: Private schools are unaccountable to the public ..................................46  
   Myth #4: School choice allows only private schools to do the choosing, not parents 47  
   Myth #5: Parents will use the wrong criteria to choose schools or 
   they will make bad decisions for their children ..................................................48  
   Myth #6: School choice will encourage the creation of radical or fraudulent schools 
   .................................................................................................................................49  
   Myth #7: School choice will bankrupt the already underfunded government schools 50  
   Myth #8: School choice does not improve education .........................................51  
   Myth #9: School choice is just a tax break for the rich .......................................52  
   Myth #10: School choice is unnecessary—government education 
   is doing well and improving ..............................................................................53  
   Myth #11: School choice is just an anti-teacher ploy .........................................53  
   Myth #12: School choice reforms do not address the needs of some families 
   for transportation or special education ...........................................................55  
   Myth #13: Private schools will not be able to accommodate the influx of 
   new students under a school choice plan .........................................................56  

3. Conclusion .............................................................................................................57  

Appendices ...............................................................................................................59  
   Appendix A: Glossary of Education-Related Terms ..........................................59  
   Appendix B: Sample Letter-to-the-Editor .......................................................63  
   Appendix C: Michigan Newspaper E-Mail Addresses ........................................65  
   Appendix D: School Choice Resources ...........................................................67  

Acknowledgements and About the Author ..............................................................79
School Choice in Michigan:  
A Primer for Freedom in Education  

by Matthew J. Brouillette

Executive Summary

The modern debate over school choice—the right, freedom, and ability of parents to choose for their children the safest and best schools—first emerged as a public policy issue in the United States in the 1950s. However, it has taken over 40 years for the advocates of greater choice and competition in education to grow into a nationwide movement strong enough to attract the attention of policy makers at all levels of government.

Decades ago, the idea of allowing parents greater freedom to choose their children’s schools was considered unnecessary, unrealistic, or even undesirable, but today it has moved front and center in discussions about how to improve education in Michigan and elsewhere. The repeated failure of political reforms to cure the ills of poorly performing government schools has led to widespread frustration among parents, students, teachers, and other education professionals. Citizens—whether black or white, rich or poor, urban or suburban, Democrat or Republican—are now demanding in increasing numbers the freedom to choose more and better alternatives to their local public schools. They are, in short, demanding greater school choice.

Such broad-based public support for fundamental educational reform makes it essential that parents, policy makers, teachers, and others concerned with the quality of education in Michigan understand the facts—and avoid the myths—surrounding school choice. This three-part primer is designed to educate and inform citizens about all aspects of school choice and equip them to participate in the debate as fully informed members of their communities. The primer

- Provides a brief historical review of the origins and growth of tax-funded schools throughout the United States generally and how they came to be synonymous with “public education”;
- Examines the rise of government-funded and operated schools in Michigan through the efforts of Isaac Crary and John Pierce and describes the negative effects of a 1970 amendment to the state constitution that severely restricts parents’ ability to exercise school choice;
- Demonstrates the failure of many “popular” education reforms of the past and present—including ever-increasing funding—to significantly improve the quality of government education;
School Choice in Michigan:
A Primer for Freedom in Education

- Explains the different types of school choice, including intra- and inter-district choice, charter schools, tuition vouchers and tax credits, universal tuition tax credits, and private scholarships;

- Evaluates the progress of current school choice programs throughout the nation;

- Identifies individuals and organizations who support, oppose, or are ambivalent to greater school choice for Michigan families; and

- Outlines strategic plans that parents and other concerned citizens can follow to get involved in the effort to improve education through greater school choice for all Michigan children.

Several appendices include a glossary which explains various choice terms and proposals including vouchers and tuition tax credits; a sample illustration of how to advocate school choice with letters to the editor of local newspapers; and a list of where to go for more information on school choice and other education issues.
School Choice in Michigan:  
A Primer for Freedom in Education

by Matthew J. Brouillette

Introduction

The modern debate over school choice—the right, freedom, and ability of parents to choose for their children the safest and best schools—first emerged as a public policy issue in the United States in the 1950s. However, it has taken over 40 years for the advocates of greater choice and competition in education to grow into a nationwide movement strong enough to attract the attention of policy makers at all levels of government.

Decades ago, the idea of allowing parents greater freedom to choose their children’s schools was considered unnecessary, unrealistic, or even undesirable, but today it has moved front and center in discussions about how to improve education in Michigan and elsewhere. The repeated failure of political reforms to cure the ills of poorly performing government schools has led to widespread frustration among parents, students, and even teachers. Citizens—whether black or white, rich or poor, urban or suburban, Democrat or Republican—are now demanding in increasing numbers the freedom to choose more and better alternatives to their local tax-funded schools. They are, in short, demanding greater school choice.

Such broad-based public support for fundamental educational reform underscores the need for parents, policy makers, teachers, and others concerned with the quality of education in Michigan to understand the facts—and avoid the myths—surrounding school choice. This three-part primer is designed to educate and inform citizens about all aspects of school choice and equip them to participate in the debate as fully informed members of their communities.

A Note on Terminology

Throughout this primer, the author uses the terms “government education” and “government schools” in place of “public education” and “public schools.” The purpose of this word choice is fourfold. First and foremost, the term “public education” has been turned on its head. Early in America’s history, what was considered a “public education” for students was achieved at independent, church-related, community-sponsored schools that served large heterogeneous populations: They were in essence what are today called private schools. Beginning in the 1850s, however, public education became synonymous with the direct governmental sponsorship, operation, and control of schooling. Over 100 years later, what are today known as “public schools” retain the governmental authority to gain funding...
through taxation and students through compulsory attendance laws and the school district assignment system.

The second reason for the use of the word “government” in place of “public” in reference to education is because “public” does not clearly identify the sources of ownership, funding, and control of a school. Many enterprises—including restaurants, hospitals, and sports arenas—may be privately owned, funded, and controlled, but are still considered to be “public” places because they serve the public. In the same way, private schools serve the public that chooses to attend them, and are therefore also “public” in that regard.

Third, because government is the only institution legally permitted to use taxation to fund its activities, the “public schools” are the only schools to benefit from such a financial monopoly. In contrast, private schools must continually please their customers, students and parents, in order to stay in business. Unlike “public schools,” private schools cannot demand that families who do not use their services pay for them anyway. Private schools understand that dissatisfied customers can leave and take their money with them at any time.

Fourth and finally, “public schools” are government units that are bound by both the constitutions of their respective state and of the United States. Private schools may require prayer and certain types of conduct and standards that “public schools” cannot.

For these four reasons, “government schools” and “government education” are a more accurate and descriptive way to distinguish politicized, tax-funded schools from privately funded schools and forms of education.

Part I: “Public Schools” Come to America

1. The Origins of Government Education in the United States

The first step in understanding the state of education today is to review how government came to be the dominant force behind schooling in the United States. From the outset of the first settlements in the New World, Americans founded and successfully maintained a de-centralized network of schools up through the 1850s. Then, beginning in New England, a wave of reform swept across the country which soon saw states quickly abandoning the original American model of de-centralized, private education in favor of government-funded and operated schools.

This reform movement not only altered the direction and control of elementary and secondary education in the United States, it contradicted many of the principles Americans had fought for less than a century earlier:

- A country founded in objection to central governmental authority allowed for bureaucratic management of its schools.
• A country synonymous with “free enterprise” and distrust of legally protected monopolies built a government monopoly in schooling.

• A country that stretched the exercise of individual choice to its practical limits in nearly every sphere of life severely limited the exercise of choice in schooling, assigning the responsibility for education to discretion of government authorities.

The system of K-12 government education that exists to this day clashes with the political, economic, social, and cultural traditions of the United States to an extent unparalleled by any other institution in American society. This fact once prompted former American Federation of Teachers President Albert Shanker to observe, “It’s time to admit that public education operates like a planned economy, a bureaucratic system in which everybody’s role is spelled out in advance and there are few incentives for innovation and productivity. It’s no surprise that our school system doesn’t improve: It more resembles the communist economy than our own market economy.”

Despite these stark contradictions, many Americans nevertheless believe that government schooling is inseparable from the existence of a free country and that without government education, democracy itself would be threatened. Yet for the first 150 years of America’s settlement and the first 50 to 75 years of the nation’s existence, government schooling as it is known today did not exist.

Today, few people ask how Americans, without the help of government education, came to tame an unsettled continent and eventually establish the freest nation in history. The Founding Fathers were clearly educated men, and they certainly believed that to remain free, America must always have an educated citizenry. However, an educated citizenry does not depend on, nor require, that government provide or operate schools. A brief review of American education prior to the 1850s will illustrate this point.

Early Colonial Period to the American Revolution: A Free Market in Education

Early colonial America was arguably the freest civil society that has ever existed. This freedom extended to education, which meant that parents were responsible for, and had complete control of, their children’s schooling. There were no accrediting agencies, no regulatory boards, and no teacher certification requirements. Parents could choose whatever kind of school or education they wanted for their children, and no one was forced to pay for education they did not use or approve of.

Prior to the Revolutionary War, the majority of American schools were organized and operated on a laissez-faire basis. There were common schools (often partially financed by local taxpayers but primarily funded through private means) and specialized private schools of every sort (church schools, academies that prepared students for college, seminaries, dame schools for primary education, charity schools for the poor, and private tutors).
Common schools are America’s original government schools, and they existed primarily in New England. They were first built in the Puritan commonwealth of Massachusetts to inculcate the Calvinist Puritan religion in the colony’s young. The Puritans modeled their common schools after those created by Martin Luther and the German princes as a means of instilling religious doctrine and maintaining social order in the Protestant states of Germany. Apart from the Puritans’ religious considerations, it is uncertain whether the Massachusetts legislature would have enacted the first compulsory school code in 1647, known as the Old Deluder Satan Act. To that point, none of the other colonies—with the exception of Connecticut—had enacted such laws.

As the Puritans’ commonwealth acceded to the development of trade and the influx of other religious sects, enforcement of the Massachusetts school laws grew lax and private schools soon sprang up to teach the more practical commercial subjects. By 1720, Boston had more private schools than taxpayer-financed ones, and by the close of the American Revolution, many Massachusetts towns had no tax-funded schools at all.

**Revolution to the 1830s: New England’s First Experiment with Government Schools**

In drafting its new state constitution in 1780, Massachusetts decided to reinvigorate its earlier model of tax-funded schools. So it was that Boston, at the time of the nation’s birth, laid the foundation for the first tax-funded school system in any American city. But it was hardly like the system of today: Primary education was still left to families’ private and voluntary arrangements and children had to already be literate in order to enter the tax-funded grammar schools at age seven. There were no compulsory attendance laws and private schools flourished alongside the new tax-funded schools. In fact, most parents preferred private schools to the government ones.

Massachusetts’s Education Act required the creation of common schools in the state’s smaller towns plus grammar schools in its larger towns, where Latin and Greek were to be taught. However, there was no central authority in education: All of the schools were strictly local—financed and controlled by local committees who set their own standards, chose their own teachers, and selected their own textbooks.

Connecticut modeled its laws after those of Massachusetts to maintain the continuity of its common schools after the Revolutionary War. New Hampshire did likewise. In New York State, the legislature in 1795 appropriated a large sum of money for the purpose of encouraging and maintaining schools in its cities and towns. Many towns took advantage of this school fund and established common schools, but they were only partially financed by the state fund. The counties were required to raise matching funds, and parents also paid tuition. Wherever colonial governments showed an interest in promoting schools, private schools were also eligible for government funding. There was no discrimination against schools that provided a religious education.

As for secondary schools, the “academy” became the dominant form throughout the country between the late eighteenth and early nineteenth centuries. Academies were generally organized as individual corporations operated by self-perpetuating boards of trustees and financed either wholly through private endowment or through a combination of
endowment and tuition. State governments accepted this corporate form of organization for secondary education as desirable public policy and actively promoted it through grants of land or money to individual academies. Americans of the time conceived of academies as public institutions—when “public” implied the performance of broad social functions and the service of a large, heterogeneous, nonexclusive clientele rather than control and ownership by the community or state. In this respect, Massachusetts’s system of land grants, beginning in 1797, represented a radical departure from the active promotion of grammar-school maintenance by towns in the seventeenth and early eighteenth centuries.

The policy of governmental encouragement of academies soon spread throughout the country during the early 1800s. Gradually, small, private, and often transient schools outnumbered incorporated academies. Religious denominations as well as colleges actively established their own versions of academies. The actual curricula varied widely. State legislatures viewed support for incorporated academies as an inexpensive and administratively simple way of ensuring the maintenance of substantial numbers of secondary schools. The task of founding, managing, and supervising the schools rested with self-contained boards of trustees and thus did not add significant burdens to the state.

The popular argument that autonomous, competing corporations best served the public interest extended easily from finance, travel, and manufacturing into the realm of education. According to author Barry Poulson, “Private education was widely demanded in the late eighteenth and nineteenth centuries in Great Britain and America. The private supply of education was highly responsive to that demand, with the consequence that large numbers of children from all classes of society received several years of education.”

Not only was private education in demand, but it was quite successful. Literacy in the North rose from 75 percent to between 91 and 97 percent between 1800 and 1840, the years prior to compulsory schooling and governmental provision and operation of education. In the South, during the same time period, the rate grew among the white population from between 50 and 60 percent to 81 percent.

Despite the demonstrated success of privately managed education in America, many European nations began to adopt the view that the state should be the guardian of national character and culture. In 1806, Holland became the first country to create a national system of state-regulated education. Prussia followed suit in 1819 when it adopted a centralized government system of education.

The first movement toward state-controlled education in America came in May 1817 when a small but vocal group of Bostonians petitioned to establish a system of government primary schools and phase out the private primary schools. They argued that many poor parents could not afford to send their children to private schools. In response, the “Boston School Committee” conducted a survey. They determined that an astonishing 96 percent of the city’s children attended school, despite the fact that there were no compulsory attendance laws and the primary schools were private. The committee recommended against establishing government-financed and operated primary schools since the vast majority of parents were willing to pay for private instruction and charity schools were available for those who could not afford to pay anything.
But the primary school reformers waged a vigorous campaign in the press, focusing on the several hundred children who were not attending school. They insisted on expanding the government school system to include the primary grades, rather than having the local government authority subsidize the tuition of children whose parents could not afford to send them to the private schools. The reformers’ efforts were rewarded in 1818 when the city government created a new Primary School Board, which would oversee the newly formed government-funded schools. As a result, Boston became the first American city to have a complete government-financed school system from the primary to the secondary level.14

The “problems” cited by the government school reformers were only tangentially related to economic issues: Their primary disagreement with the organizers and operators of most private schools was on fundamental issues of religious doctrine.15 In this regard, the early reformers’ efforts foreshadowed Massachusetts State Senator Horace Mann’s work in the 1830s.

Ultimately, it would have been more economical for Massachusetts townsfolk to pay for the tuition of poor children to attend private schools than to pay for “free” government schools. Privately funded and operated schools were “more efficiently organized, provided better instruction, pupil supervision, and social atmosphere”16 than did tax-funded schools. In addition, citizens had already demonstrated their willingness to support education without governmental control or assistance.17

The 1830s and 40s: Horace Mann, the End of Free-Market Education, and the Rise of Government Schools

During the three decades preceding the Civil War, two significant developments occurred in popular education in the United States. The first is that the foundations were laid for a government takeover of education, and the second is that the historic role of schools in transmitting religious traditions gave way to more secular goals. The educational reform movement that marked the turning point in United States educational history originated in, and was dominated by, the example of Massachusetts and its political leaders, particularly Horace Mann.

Horace Mann was born to a family of farmers in Franklin, Massachusetts, on May 4, 1796. His lineage included some of the earliest Puritan settlers who practiced a “severe brand of Calvinism.”18 At the age of twelve, the bookish and introspective Mann rejected Calvinism and focused his attention on educating himself. He graduated from Brown University in 1819 and, following law school in Connecticut, became a practicing attorney in Boston in 1825.

Mann’s interest in politics and law and his views and skills as an orator soon catapulted him into the Massachusetts legislature. It was as president of the State Senate that he became intimately involved in the movement to concentrate control of education in the hands of state.

The fight to bring education under the control of government was essentially a fight over the schools’ role in shaping the character of the American people. The goal, implicitly religious, was social integration through the inculcation of certain common beliefs selected
for their “uplifting” character. Mann, raised an orthodox Calvinist, came to bitterly reject his upbringing in favor of Unitarianism.\textsuperscript{19} Unitarians of the time believed that they were preserving the essence of Christianity, purged of sectarian and divisive doctrines, despite the refusal of orthodox Calvinists to recognize them as Christians. Though he may not have intended to promote Unitarianism as a denomination in the schools, Mann clearly wanted to counter the predominant influence of Calvinism by marginalizing it in the minds of Massachusetts students.\textsuperscript{20}

The emphasis of the education reformers shifted from voluntary initiatives for improving the techniques and resources available for instruction to state action promoting a uniform system of education. Voluntary efforts lost ground to state coercion as the diversity among local schools was defined as a problem, and schools not accountable to the political process were condemned as a threat to the best interests of society.

Horace Mann and the education reformers’ primary purpose was to bring local school districts under centralized town authority and to achieve some degree of uniformity among the towns through a state agency. They believed that popular schooling could be transformed into a powerful instrument for social unity.\textsuperscript{21}

The organizational model Mann and others adopted for use in Massachusetts and elsewhere was the Prussian educational system as described by French philosopher Victor Cousin in his 1833 book \textit{Report on the Condition of Public Instruction in Germany, and Particularly Prussia}.\textsuperscript{22} The Prussian system of state-controlled education extended from the lower grades through the university levels. Schools were established, supported, and administered by a central authority: The state supervised the training of teachers, attendance was compulsory, parents were punished for withholding their children from school, and efforts were made to make curricula and instruction uniform. Cousin believed that this system was both efficient and effective and used it as “a prime example of the superiority of centralized authority.”\textsuperscript{23}

Mann and his supporters, however, did not seek direct authority over local schools, given the public-at-large’s opinion against central government control of education. Instead, they worked to extend the state’s role in defining what would be taught in schools and preparing those whom would teach in them. This state role was exercised not so much through regulation and enforcement as through exhortation and the advantages of having a “bully pulpit” in a highly decentralized system.\textsuperscript{24}

As president of the State Senate, Mann was instrumental in establishing the Massachusetts Board of Education in 1837 during the height of Whig and Unitarian influence in the state. Appointed as the board’s first secretary that year, he served until 1848 when he resigned to fill a vacant seat in Congress. On the board, Mann combined an evangelical fervor for the common school with adroit political skills to accomplish three objectives: (1) state collection of education data; (2) state adoption of textbooks through the establishment of state-approved school libraries in each district; and (3) state control of teacher preparation through the establishment of “Normal Schools” (teacher colleges). Although Mann did not invent the original “public” schools, he advocated state control of the very character and mission of “public” education, and laid the groundwork for greater governmental control.\textsuperscript{25}
Yet Mann did not accomplish his goals without bitter and principled opposition. Many orthodox and even some liberal Protestant leaders strongly objected to what they perceived as Mann’s imposition of his own sectarianism in the schools. Many also disagreed with Mann about the role of government in schooling—centralized control of schooling was seen as antithetical to republican traditions; in particular, the freedom of parents to pass on their own beliefs and traditions to their children.

Mann succeeded in great part because nonsectarianism was a staple of evangelical Protestantism; where theological division did exist, Mann exploited it to raise fears of sectarianism. Eventually, the generalized Protestant character of the common schools was enough to unify all but the most orthodox Protestants in support of government schooling. This was bolstered in part by Protestants’ reaction to increased Catholic immigration and the attempt by Catholics to gain tax support for their parochial schools. Indeed, the common school movement and anti-Catholic sentiment were inextricably bound up with one another as citizens desired to prevent Catholic schools from being assisted through tax money.26

The 1850s and Beyond: States Strengthen Government’s Role in Education and Restrict School Choice

Although none of the original state constitutions of the United States prohibited the use of public funds to assist church-related education, the inclusion or addition of such prohibitions in state constitutions occurred only in isolated instances up to the 1850s. However, the growth of nativist and anti-Catholic sentiments in the country hastened the movement to add such restrictions beginning in the mid-1800s.

In 1818, Connecticut was the first state to expressly limit its “school fund” to the support of “public” or “common” or “free” schools, but it did not explicitly forbid church-connected schools from being considered as “public” or “common” schools. Rhode Island adopted a similar constitutional amendment in 1843 and Kentucky and Indiana followed suit in 1850 and 1851, respectively.27

The first laws to explicitly exclude religiously affiliated private schools from sharing in the “public school fund” were amendments introduced into the constitutions of Ohio and Massachusetts in 1851 and 1855, respectively. The impetus behind these laws, however, seems to have been a desire to prevent state educational funds from being diverted to purposes other than general education, rather than a concern with church and state issues.28

Michigan was the first state, upon its entrance into the Union in 1835, to constitutionally prohibit the use of public funds “for the benefit of religious societies or theological seminaries.” The second state was Wisconsin, which included an identical prohibition in its original constitution of 1848. “Religious society” eventually came to be interpreted strictly to mean a church.29

In 1864, Louisiana banned by constitutional amendment the use of government funds for any private schools. The amendment stated that, “No appropriation shall be made by the legislature for the support of any private school or institution.” Subsequently, between 1868 and 1900, 14 more states amended their constitutions to prohibit any appropriation of public funds for religiously affiliated private schools, and seven other states adopted amendments
limiting the use of school funds to “public” schools only. Many of these provisions—which are commonly referred to as Blaine Amendments, after Speaker of the House James G. Blaine—were enacted as part of broader constitutional revisions related to Reconstruction in the South after the Civil War. In addition, the original constitutions of all new states admitted to the union since 1857, except those of Kansas (1859), West Virginia (1863) Nebraska (1866), and Hawaii (1959), have contained a prohibition against the direct use of public or state funds to aid religious institutions or schools.

As states began to eliminate government funding for privately operated sectarian schools, they simultaneously began to centralize control of education. In Michigan, events were very similar.

2. A Brief History of Government Education in Michigan

The roots of Michigan’s government-funded system of education extend back over two centuries to a piece of legislation passed by the Confederation Congress—the legislative body of the United States prior to the Constitution’s adoption. The Northwest Ordinance of 1787 established guidelines by which federal territories, including Michigan, could become states. The ordinance also created particular land policies that were designed to support government education, stating in part that, “Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged.”

The ordinance “encouraged” education in this way: It divided the Michigan territory into townships of six square miles each. The townships were then subdivided into 36 sections with a minimum size of 640 acres. Each section was then sold at a public auction with the starting bid of $1 per acre. The funds raised by the sale of section 16 in each township were then set aside for the purpose of funding schools.

Each of Michigan’s four constitutions since 1835 has adopted the Northwest Ordinance’s language and spirit that “encouraged” education. Michigan also demonstrated its further commitment to government education by creating the state office of superintendent of public instruction, which from 1836 to 1942 made possible the longest unbroken period of state-supervised education in the history of the nation.

Isaac E. Crary: The Founder of Government Education in Michigan

Prior to Michigan’s statehood and as early as 1816, private schools—church-operated or otherwise—existed in Detroit and were developed along similar lines as those in New England. However, when Michigan entered the union in 1835, it immediately created a system of state-controlled schools. One of the men primarily responsible for this establishment was former Connecticut lawyer Isaac E. Crary of Marshall, Michigan, who was appointed head of the committee to prepare the first state constitution’s article on education.
Isaac Crary’s philosophical approach to education was similar to Horace Mann’s approach. Like Mann, Crary believed that the centralized and state-controlled Prussian school system described by Victor Cousin was a desirable and efficient model, and he set about bringing this model to Michigan. Crary submitted to the constitutional convention his committee’s draft education provision on June 2, 1835, and with minimal modifications, the convention adopted what would become Article X of the first state constitution. As a result, Michigan “became the first state in the Union to accept the principle of state control over educational affairs.”

Section 1 of Article X of the new state’s constitution granted power to the governor to appoint a superintendent of public instruction for two years with the advice and consent of the legislature. Section 2 established provisions for the funding of state schools through the sale of land granted by the federal government. Section 3 mandated the operation of schools for at least three months out of the year, while Section 4 provided for the establishment of public libraries by townships as soon as circumstances permitted. The final section, Section 5, laid the groundwork for a publicly financed state university.

Hence, under the guidance of Isaac Crary, Article X of Michigan’s constitution established the framework of a centralized, government-controlled system of education in 1835. Crary’s success as a convention delegate propelled him into Michigan’s first and lone seat in the U. S. House of Representatives.

John Davis Pierce: Michigan’s First Superintendent of Public Instruction

Like Crary, John Davis Pierce was also of New England (New Hampshire). Following graduation from Brown University he studied theology at Princeton and was licensed to preach as a Congregational minister. In 1831, Pierce came to Michigan with the American Home Missionary Society where he settled in Marshall. It was there that Pierce and Crary became good friends.

Pierce’s influence on Michigan’s government education system began with his appointment by Governor Stevens T. Mason in 1836 as the first superintendent of public instruction. Pierce was responsible for implementing measures to fulfill the provisions established in the constitution. Upon acceptance of his commission, Pierce headed to New England to study the eastern school systems and institutions of higher learning. After spending more than two months in New York, Massachusetts, Rhode Island, and Connecticut, the new superintendent returned to Michigan to write the report “which would gain for him everlasting fame as the father of the Michigan public school system,” according to historian Floyd Dain.

Pierce outlined a proposal to the legislature in 1837 that contained six provisions for establishing Michigan’s government-financed and operated education system. The first set forth the governmental creation, administration, and support of primary schools; the second called for the creation and funding of public libraries. Schoolhouse construction was detailed in the third, and the fourth suggested the establishment of county academies or branches of the university. The fifth called for the organization and support of the university and the sixth outlined a program for the dispersal of the school lands and the establishment of a permanent school and university fund. In addition to his proposal, Pierce called for a

---

Pierce called for a system of tax-supported schools in which no primary-school pupil would be required to pay tuition.
system of tax-supported schools in which no primary-school pupil would be required to pay tuition—this goal, however, was not achieved on a statewide basis until 1869. He also promoted teacher certification by the state, minimum wage pay for teachers, and compulsory attendance laws.  

**Michigan Children Become “Creatures of the State”**

By the end of March 1837, three bills passed the Michigan legislature establishing the legislative foundation for governmental control of schooling in Michigan. Although the first government school was organized in 1838 in Detroit, it was virtually paralyzed by the unwillingness of citizens to tax themselves. However, despite bitter opposition, a successful campaign established more government-funded schools in Detroit with a newly created city board of education overseeing a unified system of schools.

Pierce exhibited no qualms about wresting control from parents and placing the responsibility of education in the hands of the government. He believed that, “If children, as is generally conceded, belong to the republic, then it is obviously the duty of the state to see to it that they are properly trained, instructed, educated.”

Satisfied with this centralized system, Pierce noted in 1852 that “the system of public instruction which was intended to be established by the framers of the [state] constitution, the conception of the office, its province, its powers, and duties were derived from Prussia.” The children of Michigan had become, in the words of a later U. S. Supreme Court decision, “creatures of the state.”

In addition to establishing a centralized system of education from the state’s beginnings, Michigan also became the first state to seize township profits from the sale of Section 16 land. Although the money raised by the sale of these sections was initially granted to local communities by the federal government to establish local schools, the state government expropriated these revenues to fund its school system.

As the country struggled to unify itself following the Civil War, greater state control of many services that were initially provided through private means became significantly more common. In education, the Prussian model of government-controlled schools spread across the nation.

Whereas education had begun as a function of the family and the religious community, the focus of the newly established school system shifted from the individual to the collective society. Yet it took many years before government became the overriding force behind the education of Michigan school children.

**Michigan Education in the Twentieth Century**

Since at least 1939, the state of Michigan has provided indirect support for private schools for auxiliary functions such as transportation, testing, health, and special services for handicapped children. Even prior to this time, and as early as 1921, some “shared time” classes were held involving both private and government school students and this continued...
until at least 1970.\textsuperscript{44} Starting in 1929, however, the state maintained a statutory prohibition on direct support for sectarian schools.\textsuperscript{45}

Although the Michigan constitution declares that “[r]eligion, morality and knowledge [are] necessary to good government,”\textsuperscript{46} it also, along with the U. S. Constitution, places limits on the extent to which government can support religious activities and organizations. This situation has created tension between various legal interpretations of “church and state separation” issues and has shaped the current Michigan constitutional provision regarding educational options for parents and students, especially with respect to private schools.

\textbf{“Parochiaid” and the 1970 Amendment to the Michigan Constitution}

The delicate balance between church and state has been debated and litigated across the country for four decades.\textsuperscript{47} While it is settled law that the government may not directly support religious instruction, it is also well established that government is free to adopt policies that indirectly aid religious institutions, particularly through some form of tax preference.\textsuperscript{48} The debate over taxpayer financing of private schools in Michigan reached a peak in 1970, with the passage of a new amendment to the constitution banning even indirect aid to private schools.

The debate began more than 30 years ago, when many Michigan parents who paid the expenses of their children at private schools and also bore the cost of government schools through taxes urged the legislature to allow for taxpayer-funded support for private schools. The increasing costs to families of funding both the government school system and the private schools that educated their children created significant support for partial taxpayer funding of private education.

The legislature responded by passing Public Act 100 of 1970, the school aid bill for the year, which provided direct financial support to eligible private schools. This aid could be used only for instruction in nonreligious subjects.\textsuperscript{49} Michigan’s law was similar in concept to laws passed in a handful of other states, including Pennsylvania and Rhode Island.\textsuperscript{50}

The Michigan Supreme Court quickly upheld PA 100, ruling in an advisory opinion that “the Constitution of the State of Michigan [does] not prohibit the purchase with public funds of secular educational services from a private school.”\textsuperscript{51}

But the debate did not end there. The Court’s action in upholding PA 100 soon prompted the creation of a campaign to amend the 1963 constitution to expressly prohibit state funds from being used to support education at private schools. A ballot committee, the “Council Against Parochiaid,” hastily organized a petition drive to place the issue on the statewide ballot. During the petition drive, the term “parochiaid” was used to advance concerns that tax dollars might go toward specific religious institutions, not private schools in general.

The group’s petitions were initially thrown out after a finding by the attorney general—and later the board of canvassers—that they did not let signers know whether the
amendment would abrogate the education section of the constitution. But a split panel of the Court of Appeals, and then a 5-2 majority in the Michigan Supreme Court, allowed the issue to proceed onto the ballot.\textsuperscript{52}

The ballot campaign itself was confused and bitter, with the effect of the proposal unclear to the voters as well as to public officials.\textsuperscript{53} However, the new amendment (Proposal C on the November 1970 ballot), was approved by a margin of 338,098 votes: 1,416,838 to 1,078,740. Language added to Article VIII, Section 2, of the state constitution provided the following:

No public monies or property shall be appropriated or paid or any public credit utilized, by the legislature or any other political subdivision or agency of the state directly or indirectly to aid or maintain any private, denominational or other private, pre-elementary, elementary, or secondary school. No payment, credit, tax benefit, exemption or deductions, tuition voucher, subsidy, grant or loan of public monies or property shall be provided, directly or indirectly, to support the attendance of any student or the employment of any person at any such private school or at any location or institution where instruction is offered in whole or in part to such private school students.\textsuperscript{54}

**The Effect of the 1970 Anti-School Choice Amendment**

The new amendment’s language was so restrictive that the Michigan Supreme Court had to determine not only whether it prohibited direct state aid to private schools, but also whether it prohibited indirect aid in the form of educational services financed by the state and federal governments.

In the 1971 *Traverse City School District v. Attorney General* decision, the Court interpreted the amendment as outlawing direct aid but not taxpayer-funding of indirect and auxiliary services such as transportation and testing. The Court also ruled that parts of the amendment went too far in the attempt to separate tax dollars from private education, and that they contravened the U. S. Constitution’s guarantee of free exercise of religion.\textsuperscript{55}

However, Michigan’s 1970 anti-school choice amendment, still in force today, remains one of the most restrictive of any state constitution. In the attempt to limit state support to religious schools, advocates of the amendment effectively foreclosed the opportunity for private school choice programs that were religion-neutral and consistent with federal and original state constitutional requirements. Michigan residents have lived with the result for over a quarter-century.

But the passing of almost three decades has brought about a dramatic shift in public opinion. Private schools in Michigan are attracting more students, choice among government schools has expanded, and support for even greater parental choice in education is growing rapidly. Under the current climate of opinion, it is not clear that 1970’s Proposal C would pass today.
Part II: Governmental vs. Parental Control of Education

1. The Effects of Central Planning in Schools

In April of 1983, the National Commission on Excellence in Education produced its landmark report on government education, *A Nation at Risk: The Imperative for Educational Reform*. The highly critical report expressed the views of the commission’s 18-member panel that education in America was in serious trouble and that drastic reforms were necessary to revive the faltering school system.

The report noted that the United States was once unchallenged in its “preeminence in commerce, industry, science, and technological innovation,” but that that preeminence had become less and less evident in the late twentieth century. The report explained that the causes for America’s decline are many, but education is “the one that undergirds American prosperity, security, and civility.”

The commission went on to warn that

"If an unfriendly power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war."

The report noted that the United States was once unchallenged in its “preeminence in commerce, industry, science, and technological innovation,” but that that preeminence had become less and less evident in the late twentieth century. The report explained that the causes for America’s decline are many, but education is “the one that undergirds American prosperity, security, and civility.”

Despite the many reform efforts undertaken since the publication of *A Nation at Risk* over 15 years ago, the quality of government education overall has seen little improvement. In fact, the only significant result of the various reform efforts has been greater centralization of government control and skyrocketing increases in education spending.

Three Categories of Education Reform

Why have all the attempted education reforms met with so little success? To answer that question, it is useful to take a step backward and examine the nature of the various reforms that have been tried. All reforms designed to improve the quality of education fall into three categories: Those dealing with rules, those involving resources, and those concerned with incentives.

*Rules* reforms include such things as extended school days and year-round schooling, higher standards for teachers, school accreditation, national testing, state testing, dress codes, city or state “takeovers” of failing schools and districts, legislative proposals such as “Outcome Based Education” and “Goals 2000,” and similar measures.
The category of resources includes such reforms as raising more money for failing schools, changing to different textbooks, wiring schools for Internet access, renovating or updating school facilities, and reducing class sizes.

Reforms based on incentives include parental school choice, greater competition for students among schools, more local and decentralized decision making, greater accountability for results and performance, and other market-oriented concepts.

Although rules- and resources-based reforms have failed to significantly improve the quality of education delivered by government schools, the potential of incentives reforms has yet to be tapped by education reformers. Instituting the proper incentives for performance has proven to increase quality as well as reduce costs in diverse areas of American society from commerce to higher education.

Unfortunately, the vital role that incentives play in encouraging efficiency and quality has been all but ignored in the K-12 government education system. Where incentive-based reforms—including government school choice and limited voucher plans—have been proposed, they have typically been so watered down during legislative debate that the end product fails to harness the full benefit of market-based incentives.

James R. Rhinehart and Jackson F. Lee, Jr., professors of economics and education, respectively, described the current situation in a 1994 report:

The absence of effective incentives on the part of those who consume and those who produce education explains the poor results we get. The consumers of education, the students and parents, have little power to influence what educators do. This feeling of powerlessness often results in apathy and neglect. The producers of education, on the other hand, have few direct incentives to satisfy students and parents. Educators are not consistently or tangibly rewarded or penalized on the basis of how well their students learn. Instead, they are rewarded on the basis of the number of degrees held, and years of teaching experience. Neither of these factors correlates very well with student achievement or satisfaction.

Educational decisions are largely political, and rest primarily in the hands of the state and local departments of education. Everyone from members of boards of education and superintendents to principals and teachers try to satisfy their superiors. Although educational leaders are often aware of community demands, nowhere are they forced to be responsive to the wishes of their student and parent clients. Educators actively try to influence school board members and state and local politicians because these people have the power to provide pay raises, job security, and better working conditions. Politicians, in turn, appeal to voters and special interest groups in an attempt to get reelected. Students and parents find themselves at the bottom of the hierarchy with little influence and even less clout.58

Economists have long identified the inherent problems in the government system of education. High costs, lack of choice, low quality, widespread inefficiency, and rampant dissatisfaction are the result of a virtual state monopoly on education. These characteristics
have perpetuated a highly bureaucratic education system that is unresponsive to the needs and demands of students and parents.\textsuperscript{59}

In order to rectify this undesirable situation, economists prescribe incentive-based reforms where rules and resources efforts have failed. “What you need is a true competitive situation through the entire industry,” said an economist quoted in \textit{Investor’s Business Daily}. “All of these efforts at reforming public schools are too little, too late . . . far from sufficient to institute the kind of radical, systemic change that is required.”\textsuperscript{60}

**Lack of Incentives Produces Poor Results and Exacerbates Problems**

Because consumer choice is the engine for a market economy in all goods and services, school choice has become the most common incentive reform measure. The foundation of basic economic theory is the ability of individual consumers to choose one product over another, according to their own values and preferences. Parents naturally prefer for their children high-quality schools over poorly performing schools. Assigning children to schools based on where they live deprives parents of the freedom to apply their own values and priorities in selecting a school, and it also deprives schools of valuable marketplace feedback and incentives that drive continuous quality improvement.

As evidenced by market incentives in other industries, a government policy of respecting parents’ right to choose the safest and best education for their children would ultimately improve all schools, whether government or private. In addition to improving the quality of education, greater competition would have the added effect of reducing costs.

The negative results of ignoring the role of incentives in the education market have been significant.

**Centralized Bureaucracy**

In 1940, the United States had over 117,000 school districts with an average of 217 students per district. By 1990, the government school system had consolidated schools into fewer than 15,000 regular school districts with an average of more than 2,600 students enrolled in each district. With an 87 percent reduction in the number of districts and a growth of 1,100 percent in student population within the districts between 1940 and 1990, the centralization of control in education continues to increase rather than decrease.\textsuperscript{61}

**Ballooning Costs**

Unwilling to recognize the flaws of a centrally planned system, government education officials consistently assert that it is a lack of funding that has prevented schools from being effective. However, since 1970, inflation-adjusted per-pupil expenditures have increased more than 88 percent nationally, yet graduation rates have declined 4.6 percent since 1980. At the same time, scores on the SAT dropped by an average of nearly 23 points.\textsuperscript{62}
Education in the United States has become increasingly expensive to taxpayers. The Education Intelligence Agency, a California-based research institute, reported that during the 1994-95 school year, every man, woman, and child in the United States contributed $1,071 to the support of government schools—totaling more than $278,966,000,000 spent on government education. Some put the expenditures on education at a much higher rate. According to research by Lehman Brothers, a global investment bank, the U. S. annually spends $619 billion, or 10 percent of the nation’s gross domestic product. That amount is more than the nation spends on defense and more than the entire gross domestic products of Spain, Brazil, or Canada.

In 1985, a federal judge directed the Kansas City (Missouri) School District to devise a “money-is-no-object” educational plan to improve the education of black students and encourage desegregation. Local and state taxpayers were ordered to pay for it. The result: Kansas City spent more money per pupil, on a cost-of-living adjusted basis, than any other of the 280 largest school districts in the United States. The money bought 15 new schools, an Olympics-sized swimming pool with an underwater viewing room, television and animated studios, a 25-acre wildlife sanctuary, a zoo, a robotics lab, field trips to Mexico and Senegal, and higher teachers’ salaries. The student-to-teacher ratio was the lowest of any major school district in the nation at 13 to 1. However, by the time the experiment ended in 1997, costs mounted to nearly $2 billion, test scores did not rise, and there was less student integration rather than more.

PLUMMETING STUDENT ACHIEVEMENT

The Third International Mathematics and Science Study (TIMSS) was administered to a half-million students from 41 countries in 1995. The results showed that the United States is the only country where children do worse the longer they stay in school. Of the 21 countries participating in the twelfth-grade tests of general knowledge of math and science, the United States ranked nineteenth and sixteenth, respectively. Critics of international tests like the TIMSS contend that American students suffer by comparison because other countries educate smaller proportions of their populations and test only “elite” students. But researchers have shown that, in all 21 countries, 90 percent or more of teenagers were enrolled in school, thereby making the test an “apples-to-apples” comparison between American students and their foreign counterparts.

EXPENSIVE NEW OBLIGATIONS

Taxes to support education increasingly go toward such things as security and to a growing percentage of students with special needs. In many cases, large sums of tax money are consumed by special education programs that were once reserved for children with physical handicaps. Today, education funds provide assistance to an increasing number of students with “learning disabilities.” On average, nearly 120,000 students are diagnosed with learning disabilities each year. In 1989, students labeled learning disabled numbered 1.9 million; in 1996 the total had risen to 2.6 million. Learning-disabled children alone make up more than half of those classified as special education students. The financial significance of these increases is tremendous: Schools spend a total of $1 billion a year on psychologists who work full-time to diagnose students. In addition, whereas the average cost...
per student in regular government education is around $5,000 per year, the special education student’s costs typically range around $10,000 to $25,000 per year, and sometimes go higher.68

Other expenses, which are not directly related to education, have also continued to rise. According to former Detroit Public Schools board member Alonzo Bates, the district spends around $10 million of its $1.45 billion budget on police and security forces. While he complains that this money should be spent in the classroom, he also recognizes that safety is one of the primary concerns of inner city parents. As a solution, Bates proposes more after-school programs. It is arguable that children would be safer by staying in school after hours, but Bates’s solution would certainly require greater increases in public expenditures.69

Almost every indication signifies that spending on government education will continue to rise. In 1997, the number of government and private school students in the nation was around 52.2 million, breaking a 25-year-old record, and enrollment is expected to increase over 2.1 million to 54.3 million by 2007. In addition, over the next ten years high school enrollment is expected to increase by 13 percent. These increases will necessitate the building of additional schools to accommodate additional students. Studies have estimated that an additional 6,000 schools will be needed to meet the future expansion of student population. Building schools is an expensive undertaking: a new high school costs around $15.3 million to construct. The New York Times also cited a study cited which estimates that $112 billion is needed for repairs and maintenance to existing buildings. U. S. Department of Education Secretary Richard W. Riley believes that the increases in student population, maintenance, and construction needs “has the potential to become a national crisis.”70

Table 1 – Students with Skills Deemed “Fair” or Higher by Employers and Professors

<table>
<thead>
<tr>
<th>Skill Area</th>
<th>Employers</th>
<th>Professors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grammar and spelling</td>
<td>23%</td>
<td>23%</td>
</tr>
<tr>
<td>Ability to write clearly</td>
<td>27%</td>
<td>19%</td>
</tr>
<tr>
<td>Basic math skills</td>
<td>38%</td>
<td>35%</td>
</tr>
<tr>
<td>Work habits/being organized and on time</td>
<td>42%</td>
<td>31%</td>
</tr>
<tr>
<td>Being motivated and conscientious</td>
<td>44%</td>
<td>40%</td>
</tr>
<tr>
<td>Speaking English well</td>
<td>50%</td>
<td>65%</td>
</tr>
<tr>
<td>Being curious and interested in new things</td>
<td>52%</td>
<td>49%</td>
</tr>
<tr>
<td>Ability to use computers</td>
<td>66%</td>
<td>69%</td>
</tr>
</tbody>
</table>
REMEDIAL TRAINING

American job providers also pay a heavy price for an uneducated workforce. In 1996, companies spent approximately $55 billion on remedial education for employees who graduated from high school barely able to read or write English.\(^72\) The American Management Association determined that the share of companies forced to provide remedial training for its employees has soared from 4 percent in 1989 to 20 percent in 1998. The Bureau of Labor Statistics also found that 65 percent of employers increased spending on training in the three years from 1992 to 1995.\(^73\)

- Motorola, Inc., spends an average of $1,350 per worker for a total of about $200 million each year to provide remedial training for its workforce.\(^74\)
- MCI Communications Corp. spends nearly $750 million each year on training, with 10 percent of it going toward remedial education.\(^75\)

MORE DROPOUTS

In September 1992, the class of 1996 had 19,029 students in the Detroit Public Schools. By September 1995, the number had shrunk to 5,769—an attrition rate of nearly 70 percent, still high after factoring in moves and transfers.\(^76\)

VIOLENCE IN SCHOOLS

By 1998, more than 600 Michigan students were expelled for carrying weapons in school in the less than three years since the state’s “zero-tolerance” policy toward weapons was adopted. This means that at least one student is ordered to leave a school every school day of the year.\(^77\)

Nearly 4,000 secondary students in Michigan participated in the “1997 Youth Risk Behavior Survey.” The survey, conducted by the National Centers for Disease Control and Prevention in Atlanta, revealed that

- 1 in 5 students have carried guns or knives to school;
- 1 in 10 have been threatened or injured on school property;
- more than one-third of all students surveyed have been offered drugs on school property; and
- more than one-third had property stolen or vandalized while at school.\(^78\)

As the problems in government schools continue to mount and reforms based only on altering rules or resources continue to fail, citizen support for incentive-based reforms such as school choice is increasing.
2. Types of School Choice

The school choice concept is taking root in the minds of a growing number of parents, teachers, and policy makers. But bitter opposition to choice from some quarters of the current educational establishment have made the policy transition from centralized government bureaucracy to greater parental choice in education a slow one. Nevertheless, many different school choice programs have begun to blossom around the country, and all of them can be grouped into one of two categories: limited educational choice or full educational choice.

Limited Educational Choice

Limited educational choice removes barriers parents face when choosing among government schools only. Most forms of limited educational choice in the government school sector fall into one of three subcategories: intra-district choice, inter-district choice, and charter schools.79

1. INTRA-DISTRICT CHOICE

In an intra-district school choice plan, school assignment is not restricted to one particular school within the school district geographic boundary in which a child resides. Instead, families may choose from among more than one school within the district.

Some form of intra-district choice has always been available in certain school districts throughout the United States. School attendance areas are typically determined by local school boards. Some boards have allowed parents and students considerable discretion in selecting schools outside their attendance areas, while others have been strict in adhering to school attendance zones.

At the very least, most districts allow student transfers for extraordinary reasons at the discretion of the school board or district central administration. Transfer policies, however, should not be confused with intra-district choice.

There are three primary forms of intra-district choice: magnet schools, second-chance schools, and open enrollment.

(A) Magnet Schools

Magnet schools are district-operated schools designed to “attract” a racially diverse student body and, as a result, are predominantly an urban phenomenon, often associated with court-ordered desegregation plans. These schools offer alternatives to the traditional curriculum available within districts and typically share three primary characteristics: (1) a curriculum designed around a specific theme or method of instruction (such as fine arts, math and science, environmental studies); (2) a selected student population and teaching staff; and (3) students drawn from a variety of attendance areas.
Most magnet schools have little difficulty attracting students from within the district, so much so that long waiting lines to attend the school are common. Admissions procedures for magnet schools vary from district to district. In some cases, it is first-come-first-serve; in others, seats are allocated for racial balance; and in still others, a lottery is used. In practice, many magnet schools have procedures for “selecting out” certain categories of students that do not fit into the school’s mission.

What distinguishes magnet schools from other categories of intra-district choice is the decision by the district to limit choice to a small number of schools which have additional resources that other schools do not have and which are able to operate with more flexibility than other schools.

(B) Second-Chance Schools

Second-chance schools gained acceptance in the 1960s and were designed for students who, for a variety of reasons, did not function well in traditional schools. These schools typically serve students who have dropped out of school or who are in danger of dropping out due to under-achievement, pregnancy, low skills, or drug or alcohol dependency. These schools seek to “rescue” students by providing an alternative to traditional schooling.

Second-chance schools differ from traditional educational programs in organizational structure, size, and curricular offerings. Typically these schools offer open, flexible alternatives to students who are more philosophically comfortable with open learning environments as well. Good second-chance schools usually have long waiting lists. Like magnet schools, however, interest in these programs has not significantly increased the number of second-chance schools. Therefore, these successful educational programs typically serve a relatively small percentage of the student population.

Although second-chance schools are often thought of as occupying separate facilities, they can and do exist within traditional school buildings. For example, the “school-within-a-school” approach to increase choice within government schools is an important alternative for many children and parents who do not want to leave neighborhood schools.

(C) Open Enrollment

In intra-district open enrollment, families may choose to send their children to any school (offering the appropriate grade levels and with available space) located within their resident school district (or a region thereof in larger districts). In practice, most intra-district choice plans leave intact the existing “neighborhood” school attendance areas; that is, children of families in the school’s “attendance zone” are assigned to that school unless their parents choose another school. In addition, students from outside a neighborhood may not displace resident students in neighborhood schools.

The amount of space available for students from outside the attendance area is usually very limited because districts continually redraw attendance areas to efficiently use available building space. Rarely do neighborhoods produce exactly the right number of children at each grade level to fill up the schools precisely.
Despite differences in organizational structure, size, curricular offerings, and institutional setting, intra-district schools-of-choice share some common characteristics. Most notably, each continues to operate under the authority and therefore control of the district’s central administration. They depend on the district for their operating revenue rather than generating their own revenue based on level of enrollment. Rarely do these schools have control of their own budgets and thus are unable to spontaneously expand their capacity in response to greater enrollment demand. This explains why popular government schools-of-choice usually have long waiting lists. In addition, intra-district schools-of-choice are usually subject to the same rules and employee contracts that govern existing neighborhood schools. As a result, they have limited control over such personnel matters as hiring and firing.

Therefore, intra-district schools-of-choice are limited in their diversity and responsiveness to parental and student demand by their lack of organizational independence.

2. INTER-DISTRICT CHOICE

Inter-district choice typically allows families to send their children to any government school in the resident state, or a region therein, subject to the following restrictions: (a) the receiving district agrees to accept non-resident students; (b) available space exists within the receiving district’s schools; and (c) the transfer will not adversely affect racial desegregation mandates. In a very few cases, districts are required by the state to accept non-resident students if they have space available. Some plans are the result of voluntary compacts between districts apart from any state mandate.

Voluntary compacts between districts, however, are the exceptions: Most school districts are reluctant to waive their claim to per-student state aid for resident students who want to enroll in another district. School districts that might enroll students from other districts have little incentive to accept students who bring no state aid to their school system, unless the family can afford to pay tuition out-of-pocket. Therefore, most inter-district open enrollment plans are the result of a state legislative mandate that, in effect, allows a per-pupil share of state aid to follow students from the resident district to a non-resident district of their choice.

In some states, inter-district choice has been used to facilitate voluntary desegregation between two or more districts by offering unique and special-focus schools to attract children from both urban and suburban settings. Inter-district choice also has been used to give parents and children attending government schools greater flexibility in choosing educational programs. Frequently, small towns and rural communities have only one school at the middle and high school levels so inter-district choice enable parents to expand their educational options to neighboring communities.

Inter-district choice is usually complicated by the fact that school districts spend different amounts per student and have different mixes of local and state tax revenue. In most states, local government revenues cannot be appropriated by the state legislature for state purposes or transferred to other governmental districts without local voter approval. As a result, state revenues are the only source of revenue for participating inter-district choice schools. The greater the reliance by a state on local tax revenues to fund government-run
Schools, the more difficult it is to implement inter-district choice, for taxpayers within a particular district are understandably reluctant to absorb most of the educational costs of non-resident students. Even in states that heavily subsidize local districts with state revenues, the amount of state subsidy often varies greatly between districts. In such states, high-spending districts—which are most often the subject of choice by non-resident students—are reluctant to accept any amount of state aid less than their per-pupil cost without charging additional tuition.

3. Charter Schools

Charter schools are new kinds of government schools that operate as schools-of-choice. Unlike traditional government schools, no students are assigned to charter schools on the basis of the neighborhoods in which they live. Charter schools rely solely on voluntary choice for their enrollment. Charter schools receive government funding based upon the number of students they are able to attract, not based on local property taxes or other revenue streams. If charter schools do not attract students, they do not receive funding.

In general, charter schools can be defined simply as government-sponsored autonomous schools, substantially deregulated and free of direct administrative control by the government. The essential idea behind charter schools is to grant educational professionals and others greater freedom to create and operate their own schools in exchange for their agreement to be held directly accountable for their performance. Charter schools are designed to provide educators greater managerial freedom than that which is enjoyed in district-sponsored schools-of-choice and to give parents a much greater choice among government schools.

In their most uncompromised form, charter schools operate as independent government schools with control of their own budgets and staffing. Non-educators as well as educators can create them, or they can be conversions of existing government or private schools. They are authorized via a charter by governmental authorities such as school districts, public universities, or the state board of education.

A charter is, in effect, a performance-based contract: If the school does not perform up to the academic standards outlined in its charter, the charter can be revoked by the authorizing governmental body. Generally, these standards are at least as stringent as those that apply to all district-operated government schools.

Charter schools are typically exempt from some rules and regulations that apply to district-operated schools, not including those pertaining to health and safety, public accountability, and non-discrimination. Generally, however, charter schools cannot be selective in their admissions policies beyond any means used by traditional government schools.

Charter schools generally receive no government funding for start-up expenses or for their physical facilities, nor can they charge tuition. As a result, charter schools must raise voluntary private resources in order to be established.
Charter schools have been described as government schools “operating in a private school environment.” Charter schools have similarities to private schools such as their level of autonomy and their incentives to satisfy parents and attract students. But they depend on government for their funding and their legal authorization.

**Full Educational Choice**

*Full educational choice* removes barriers parents face when choosing among all schools, including private ones. The most significant barrier is usually tuition. All taxpaying parents must pay for government schools through their taxes, so parents who choose for their children tuition-charging private schools must in effect pay twice for education. This financial penalty prohibits many parents from being able to afford a private school-of-choice for their children.

Full educational choice programs seek to offset this financial penalty to parents in whole or in part. (The majority of full choice plans currently operating around the country provide only a fraction of the amount of money available to government schools, but parents clamor even for the opportunity to receive assistance as low as $500.)

The majority of full educational choice programs fit into one of four categories: *vouchers*, *private scholarships*, *tax credits*, and *universal tuition tax credits*.

1. **Vouchers**

Vouchers are simply direct payments from the government to individuals to enable individuals to purchase a particular good or service—in this case, education—in the open market. Food stamps are an example of vouchers.

Vouchers have been proposed as a means of advancing parental school choice in several states, but those states and cities that have successfully implemented government-funded scholarships have encountered legal challenges from opponents. Many of these battles have been settled favorably for school choice advocates.

Payment of a government-funded voucher may be accomplished in any number of ways: directly to the parent, who then pays the school; pre-payment in advance of services rendered; redeemable certificates distributed to parents and “cashed” by the school; or in the form of a two-party check to be endorsed by both the parent and the school.

Vouchers can be issued to cover all educational expenses or one or more categories thereof, such as tuition, transportation, special education, etc. The value of the voucher may be adjusted according to such criteria as household income, student grade level, or educational considerations. The revenue source for vouchers may be the existing tax bases for government schools or a new or reconfigured tax base. Most existing voucher plans entail a shift toward a single statewide revenue source to create greater equity.
Common examples of voucher plans operating today include scholarships for higher education, such as Pell grants, and food stamps, which enable recipients to use government funds to purchase food at any grocery store. Vouchers are distinguished from direct government provision of services because voucher recipients choose which service to patronize.

Voucher proposals may differ both in philosophy and method, but generally fall into one of three broad subcategories: free-market (universal unregulated) vouchers, egalitarian (regulated compensatory) vouchers, and mixed (hybrid) vouchers. Implicit and explicit in each of these three major voucher systems is the idea that private schools would or could participate in the plans, but would not be required to do so.

(A) Free-Market (Universal Unregulated) Voucher

In his influential book *Capitalism and Freedom*, Nobel laureate economist Milton Friedman argues that education is best left to the private sector because private education is better organized, more efficient, of higher quality, and more likely to be consistent with the preferences of consumers rather than with the prejudices of providers. He recognizes, however, that not all families can afford private education, and he does not deny the government a role in financing educational opportunity. Accordingly, Friedman argues that government should maximize all citizens’ access to quality private education by providing free-market, or universal unregulated, vouchers of minimal but equal value to all parents of school-aged children. Under this plan, current government-run schools would also be converted to privately run schools.

Friedman explains that competition and consumer choice, not bureaucratic control, are the best way to assure quality education. While allowing for some minimal regulation—health and safety requirements, for example—Friedman would permit schools to accept or reject whomever they like, hire and fire freely, offer the curriculum they think best, select the textbooks they think most sensible, and charge whatever amount they think appropriate (or that the market will bear) without governmental interference.

According to Friedman’s model, any child who could provide evidence of enrollment in a school that satisfied state compulsory attendance laws would be eligible for a government voucher. Other proposed forms of universal unregulated vouchers would abolish state compulsory attendance laws altogether and would pay the voucher upon evidence of satisfactory educational performance as measured by test results.

(B) Egalitarian (Regulated Compensatory) Voucher

The egalitarian, or regulated compensatory, voucher system differs from the free-market variety in that it accepts regulation as a positive good that helps meet the needs of disadvantaged students.

For example, this type of voucher does not permit open enrollment: If a school is popular and overenrolled, seats are assigned by lot. Participating schools would not be permitted to charge more than the value of the voucher. Insofar as poor children participate, they would be awarded a “compensatory” voucher in addition to the basic voucher that is issued to cover the cost of core education. Compensatory vouchers have two objectives: (1)
to provide more resources for children in need, and (2) to make poor children more attractive to schools and teachers by providing them with greater funds.

(C) Mixed (Hybrid) Voucher

The broad category of mixed, or hybrid, vouchers includes all models that combine various elements of the “free-market” and “egalitarian” voucher systems. In the interests of political compromise, most voucher proponents in the United States have settled on some variation of the “mixed” voucher model. Typically, a mixed model preserves the current distinction between government and private schools, accepts a moderate amount of regulation of private schools, and builds in regulatory safeguards against socioeconomic discrimination.

Researchers John Coons and Stephen Sugarman propose a “mixed” voucher plan that includes many components of the egalitarian model. For example, Coons and Sugarman would not allow participating schools to charge tuition in addition to the voucher (though they would allow them to raise additional funding) and they would require them to set aside a certain percentage of their enrollment for low-income and minority students. On the other hand, they would limit regulation of private schools to that level currently deemed sufficient and would establish a new category of deregulated government schools in addition to the current regulated government schools.82

By contrast, a plan proposed by two other researchers, John Chubb and Terry Moe, favors many components of the free-market model. While preserving the distinction between government and private schools, Chubb and Moe’s model would substantially deregulate all existing government schools, allowing them to function as autonomously as do private schools. Chubb and Moe would also eliminate government schools’ current guaranteed funding base, making them solely dependent on voucher revenues. All schools would make their own admissions decisions, subject only to nondiscrimination requirements, and government would refrain from imposing any strictures or rules that specify how authority is to be exercised within the school. On the egalitarian side, Chubb and Moe’s proposal would not allow families to supplement their voucher payment with personal funds, and they would establish tax-funded “parent information centers” to assure equal access to consumer information about schools.83

2. PRIVATE SCHOLARSHIPS

Private scholarships offer parents the opportunity to choose the best school for their children through tuition assistance from private sources rather than from government. Most private scholarships offered around the nation cover only a portion of private school tuition costs. Nevertheless, parents are lining up to receive what some might consider meager tuition assistance.

In 1991, the privately funded Educational Choice Charitable Trust began to offer tuition assistance to low-income families in Indianapolis. In the 1998-99 school year, more than 30 programs affiliated with the Children’s Educational Opportunity Foundation (also known as CEO America) offered private scholarships for over 13,000 low-income students to attend their schools of choice. More than $61 million was raised by CEO America to fund
these scholarships, but the unfortunate fact is that over 44,000 students are on waiting lists in hopes of receiving one of the scholarships.84

Job providers have also begun to recognize the importance of getting involved in education. Corporations including Golden Rule Insurance Company; Harley Davidson, Incorporated; and Bell Atlantic Corporation see their previous support of government education to have been a waste of resources and are now seeking to provide families greater choice through private scholarships.85

3. TAX CREDITS

Tax credits are designed to provide parents with tax relief linked to expenses incurred in selecting an alternative government or private school for their children. A tax credit is a dollar-for-dollar reduction in taxes owed, whereas a tax deduction is merely a reduction in taxable income. For example, if a taxpayer has a pre-credit tax liability of $2,000 and a tuition tax credit of $1,500, the taxpayer would pay a tax of only $500.

Tax credits are typically applied against only state and/or federal income taxes, but property tax credits have been proposed as well. For the purposes of school choice, tax credits might be allowed for any or all out-of-pocket educational expenses incurred by an individual, from tuition to textbooks to transportation to extracurricular fees—though tuition is the most common expense allowed in practice. Private schools usually charge tuition and/or fees, and government schools often charge tuition to non-resident students and fees for extracurricular activities. These expenditures are also creditable items under many tax credit proposals.

Many proponents of educational tax credits prefer them to vouchers on the grounds that they entail less government regulation of private schools and less risk of entanglement between church and state because of their indirect nature (credits, unlike vouchers, do not transfer any money from the state to a school or taxpayer). A strong case can be made that tax credits remove governmental interference in education by allowing families to retain enough of their personal income to afford to choose safer and better schools for their children.

Opponents of educational tax credits, including some egalitarian-inclined supporters of vouchers, argue that they provide little help to low-income families who pay little if any income tax. The best tax credit plan will provide low-income families with the same opportunity vouchers offer, while simultaneously giving back to parents the primary responsibility for the education of their children. One way this can be accomplished is by making tuition payments refundable for those with a tax liability that is less than their education expenditures. Another way to overcome this objection to tax credits is the universal tuition tax credit.
4. **Universal Tuition Tax Credits**

Although both vouchers and traditional tuition tax credits could be used to eliminate the problem of forcing parents of private school students to bear the full cost of both tuition and school taxes, both proposals have disadvantages. Vouchers, for example, are subject to allegations that they drain funds from government schools, permit state funds to be used to support religious schools, will spawn a new type of entitlement program, and invite over-regulation of private schools. Traditional tuition tax credits—whereby only parents are allowed to receive a tax credit—address some of the problems with vouchers, but fail to help low-income and many middle-income families who lack enough tax liability to benefit from a tax credit.

To address these problems, the Mackinac Center for Public Policy developed a new approach to expand parental choice in Michigan by formulating and proposing in 1997 the **universal tuition tax credit (UTTC)**.  

The UTTC proposal allows any taxpayer—individual or corporate, parent or grandparent, friend, neighbor, or business—to contribute to the education of any Michigan elementary or secondary child and receive a dollar-for-dollar tax credit against taxes owed.

The UTTC proposal allows any taxpayer—individual or corporate, parent or grandparent, friend, neighbor, or business—to contribute to the education of any Michigan elementary or secondary child and receive a dollar-for-dollar tax credit against taxes owed. The UTTC saves the state money and provides more per-pupil funding for government education. This is accomplished by limiting the credit to one-half the amount that the government allots each school per-pupil. For example, in the 1998-99 school year, the average state per-pupil allocation in Michigan was approximately $5,800. The maximum tax credit allowed under the UTTC proposal would therefore be $2,900. If a student transfers from a government school to a private alternative, the state need no longer spend the $5,800 to educate the child, but instead forgoes at most only $2,900 through the tax credit, producing a net savings for the state of $2,900.

Since the average tuition cost at private schools is roughly half of the government school per-pupil allocation, the amount of the tax credit provides enough incentive for parents to consider sending their children to an alternative school.

The UTTC avoids many of the inherent problems associated with both vouchers and traditional tax credits and was designed to have wide political appeal and practical application. School choice advocacy groups and state legislatures around the nation are adapting the UTTC concept for ballot initiatives and legislative proposals in their own states.

3. **School Choice in the United States and Michigan**

Parents are entrusted to make vital decisions in nearly every area of their children’s lives, but most Michigan parents are unable to make true choices about education, one of the most important aspects of their children’s development. The vast majority of children are enrolled in the government schools to which they are assigned and they lack the opportunity to gain an education in any other. Nevertheless, some parents have taken drastic measures in order to ensure their children receive the education that best meets their needs.
Dorothy Jones of Midland County, Michigan, simply wanted the best education for her son, Al. So when Ms. Jones changed residences into a new school district, she requested that her son be permitted to remain in the school he was attending prior to their move. Not only did the new school not have the advanced classes that Al had been taking, but he was emotionally distressed over the thought of having to change schools mid-way through his high school education. After being denied a district-to-district transfer request twice by school board members, Dorothy willingly transferred limited guardianship of her son to a family friend who lived in the desired district. Only when a county probate court judge approved the transfer of parental rights was her son able to attend his school-of-choice. His mother asked, “It’s a shame that I had to do this, but what else could I do?”

Similarly, Roger and Kay Pettipas, also from the mid-Michigan area, wanted their son to achieve his fullest potential when they requested a transfer to a government school in another district. After second-grader Rory tested off of the scale in reading comprehension and placed in the “gifted” category in math skills, the Pettipases began to understand why their son had become frustrated and bored in the regular classroom setting. Seven-year-old Rory needed a program in which he would be challenged.

After reviewing the request, the school board refused to allow the $3,800 of state money to follow Rory to the Pettipases’ government school-of-choice. The only way for their son to attend his school-of-choice would be if they could come up with an extra $1,800 in tuition. Although the family’s income would make it difficult to pay the extra money, they decided they would somehow manage to pay the cost. As a last resort, the family planned to sell their home and move to a better school district—also a costly solution—where Rory’s needs could be met. In the end, private donors came to Rory’s rescue and he was able to attend his school-of-choice. After transferring to a more challenging curriculum, Rory commented, “My school has a lot of learning in it. I’m really having fun.”

In order for Judy Kincaid’s 5-year-old son Quenten to attend their school-of-choice, she used her sister’s address in the neighboring Euclid School District in Cleveland, Ohio. However, when school officials discovered that the kindergartner was being picked up from the bus stop and driven away in a westbound direction, away from his government-assigned school district, they investigated.

The 36-year-old mother was indicted on a theft of service charge for sending her son to a neighboring government school. After pleading guilty, she stated, “I put my child in the Euclid school system because I wanted him to have a better life and a better education.” For Kincaid’s criminal behavior, Euclid Municipal Judge Robert F. Niccum sentenced her to 90 days in jail and ordered her to pay the school district for her son’s attendance. After commuting all but five days of her jail sentence and a $500 fine plus court fees, Judge Niccum surprised the courtroom when he ordered her to jail immediately without the opportunity to get her affairs in order.

Prosecutors applauded the judge’s harsh sentence and said that it was about time that the judicial system starts getting tough on people “stealing right from the taxpayers.” Robert McLaughlin, director of pupil personnel for Euclid schools summed up the situation when he said: “I don’t like to see anybody go to jail, but people don’t understand that this is serious business. Just because you want to go to another school … doesn’t mean you can.”
The United States stands increasingly alone among nations of the developed world in denying parents unpenalized choice between government and private schools. Most, if not all, other Western democracies afford parents a significant measure of unpenalized choice, and many formerly communist countries now allow their citizens more choices in education. Ironically, countries with traditions of powerful central governments have so far succeeded in nurturing educational alternatives to government schools to a greater extent than has the United States.

While not every element of these countries’ diverse systems is applicable to the United States, the important detail to recognize is that choice is becoming a fundamental component of education systems the world over. Some of the developed countries that offer various forms of choice in education are France, the Netherlands, Belgium, England, West Germany, Australia, New Zealand, Canada, Israel, Sweden, and Poland.91

The lack of full educational choice in the United States stands in stark contrast to the existence of such programs (albeit in many different forms) in most other Western countries and, increasingly, in many developing countries. Nonetheless, many states have attempted to introduce choice-based incentive reforms into their government school systems as a way of harnessing the advantages of the market while improving the current system.

The United States has not led the movement toward greater educational freedom, but it has witnessed a significant surge of progress in the past decade. Both state lawmakers and politically active citizens are addressing education reform with new vigor due to the enormous success—particularly for disadvantaged children—of even limited school choice programs.

In fact, the rapid pace at which education policy is changing across the nation makes it difficult to keep up-to-date on all of the expanding educational options being presented to parents and their children. The following two sections on limited and full educational choice programs operating in Michigan and throughout the country are not meant to provide an exhaustive list, but rather represent a snapshot when this document was written.

**Limited Educational Choice Programs**

1. **INTRA- AND INTER-DISTRICT**

   In 1991, Michigan passed legislation that encouraged school districts to experiment with intra-district school choice options. *Intra*-district choice allows students to apply to attend other schools within the same school district. *Inter*-district school choice, which allows students to apply to attend schools in other school districts, was rather limited in Michigan until 1996. In June 1996, Public Act 180, the annual appropriations bill for school aid, authorized inter-district schools of choice within Intermediate School Districts (ISDs), which are political boundaries drawn around a group of districts. School districts within an ISD can make decisions about the extent to which they will participate in the inter-district choice program. According to the Michigan Department of Education, 6,194 students participated in the public schools-of-choice program during the 1996-97 school year, the first...
year the program was available. In the 1997-98 school year, 10,803 students participated and by the 1998-99 school year, 14,450 students were taking advantage of the program.92

Some parents have also been able to send their children to traditional government schools in other ISDs. This choice, however, requires the permission of the receiving school district superintendent and—if funding is to be released—the permission of the home school district superintendent. If funding is not released, the receiving school district may charge the parents tuition. For example, in the 1998-99 school year, the Bloomfield Hills School District charged 34 students between $8,000 and $10,000 to attend its schools.93

2. CHARTER SCHOOLS

In 1991, Minnesota became the first state to adopt charter school legislation. When the state’s first charter school, located in St. Paul, opened its doors in 1992, it caused a ripple effect across the nation. By mid-1999, over 1,200 charter schools in 37 states now serve over 300,000 school children. In 1998-99 alone, 473 new charter schools opened and seven new states passed some version of charter school legislation.94 Although charter schools are also government schools, they have introduced much-needed competitive pressure into a government school system that previously lacked incentives to treat children as customers to be served rather than as a captive audience.

Michigan passed its charter school law in 1993,95 whereupon the school employee labor unions filed suit, claiming that charter schools should not receive public funds because they were not government schools. In 1994, the Michigan Education Association, the state’s largest school employee labor union, took its opposition a step further when it attempted to stop a state university from sponsoring the creation of charter schools by threatening to blacklist the university’s student teachers.96

Despite threats and lawsuits by the labor unions, eight charter schools serving 528 students opened in Michigan in 1994.97 A July 1997 State Supreme Court decision ruled that the charter school law was constitutional, putting to rest the legal battle that began in 1993.98

As of January 1, 1999, there were 138 charter schools in operation serving over 30,000 students in Michigan, more than 50 percent of whom are minorities. Many are also eligible for free or reduced-price lunches. A 1997 poll of Grand Rapids-area parents revealed that a majority liked charter schools because of the dedicated staff, parental involvement, and academic focus. The high levels of satisfaction among charter school parents suggest that demand for public schools-of-choice will probably continue to increase.99

Full Educational Choice Programs

1. VOUCHERS

The most notable voucher programs in the nation are in Vermont, Maine, Ohio (Cleveland), Wisconsin (Milwaukee), and Florida. These programs provide parents with
greater educational opportunities; however, provisions that include private, religious school choice have been contested in the courts. Nevertheless, full educational choice programs have survived most of the major legal challenges brought against them.

Vermont’s voucher program evolved as a result of the state’s sparse population, which could not financially support government schools in every community. In order to meet the demands of parents in small towns, the state pays the tuition expenses of approximately $6,000 for a child to attend any government or nonsectarian private school of his choice. Vermont’s program even extends to students attending schools outside the state.

This voucher tradition dates back to 1869 and has ensured that both urban and rural Vermont school children face fewer financial barriers when choosing the safest and best secondary schools. Although the initial voucher statute did not distinguish between religious and secular schools, a court ruling in 1961 banned religious schools from receiving state-funded vouchers. Citizens and the school board of Chittenden Town School District in central Vermont challenged the 1961 decision and demanded that full parental choice be restored once again. In June 1999, the Vermont Supreme Court unanimously upheld the earlier decisions, ruling that the 130-year-old voucher statute excluded the use of public funds for religious schools. Citizens have declined to pursue the case further.

Maine’s voucher system is similar to Vermont’s, but it pre-dates the nation’s founding. In 1981, the state attorney general decided that the voucher program excluded religiously affiliated schools from receiving vouchers in towns that had government-operated high schools. In June 1999, the U. S. Court of Appeals for the First Circuit upheld an earlier Maine Supreme Court decision that ruled that the state’s voucher law must discriminate against religious schools based on the First Amendment’s Establishment Clause. The U. S. Supreme Court will decide whether or not to review this case in late 1999.

In Cleveland, vouchers worth up to $2,500 each allow 3,000 at-risk children to attend the secular or religious private schools of their parents’ choosing. In May 1997, the state appeals court ruled that the voucher law violates federal and state constitutional bans on government aid to religious institutions. Nevertheless, the Ohio legislature allocated the program $15 million for the next two years, expanding the program to 1,000 additional kindergartners and allowing third-graders in the program to continue attending private schools for the fourth grade.

The court’s decision came in the wake of studies that demonstrated the academic accomplishment of students and increased satisfaction of parents in the Cleveland program. The Ohio Supreme Court then ruled favorably (for choice proponents) on five of six constitutional challenges, striking down the program on one technical issue. The court explicitly stated that the program did not breach the separation of church and state, so legislators went back to work and drafted a two-year, $17 million extension of the program in 1999.

After Vermont and Maine, Milwaukee has the longest-running voucher program, but it has also faced similar court battles. In 1998, approximately 1,650 students used vouchers worth roughly $4,400 each (or about one-half of the state per-pupil expenditure for Milwaukee) to attend participating nonsectarian schools. Originally, the plan’s proponents also included religious schools, but court injunctions kept eligible students from using
vouchers to enroll in them. As a result of documented academic performance, Wisconsin legislators expanded the school choice budget, giving additional Milwaukee students the benefit of choosing alternative schools, including those that are religiously affiliated.

Milwaukee’s voucher plan was launched in response to poorly performing city schools. In 1998, Superintendent of Milwaukee Public Schools Alan Brown suggested that, contrary to public opinion, there was no crisis in his system. Yet results from statewide tests released just four days before the Supreme Court hearing and Brown’s proclamation revealed that fewer than 10 percent of Milwaukee’s eighth- and tenth-graders ranked “proficient” in math and language. In June 1998, the Wisconsin Supreme Court ruled in favor of the inclusion of religious schools in *Jackson v. Benson*. On November 9, 1998, the U. S. Supreme Court voted 8-1 to let the Wisconsin court decision stand.103

In mid-1999, Governor Jeb Bush of Florida signed into law a bill which will grade individual government schools on a traditional “A” to “F” scale. High-performing schools will receive from the state financial incentives of up to $100 per student, while students in failing schools would be provided with state vouchers worth up to $4,000 each to choose an alternative school.104

2. PRIVATE SCHOLARSHIPS

Where legislation is failing to improve the public school system and provide greater parental choice, private organizations have stepped in to fill the gap between parents’ demand and the limited opportunities for school choice.

The Educational Choice Project in Battle Creek and CEO Michigan in Grand Rapids distributed nearly 650 private scholarships to children in the 1998-99 school year. More than $2.2 million has been invested to provide children with the opportunity to attend the schools that best meet their needs. Although CEO Michigan has been able to help 500 children so far, there are still more than 5,135 students on its waiting list.105

Philanthropist Virginia Gilder started a private scholarship program with $1 million to bail children out of Albany, New York’s worst-performing school, Giffen Elementary. Over 100 of the 458 children at Giffen accepted Gilder’s scholarships, which pay up to 90 percent (capped at $2,000 per year) of the cost of attending a private or parochial school for a minimum of three years and a maximum of six. Those who took advantage of Gilder’s generosity included the child of Giffen’s PTA president.

Albany school officials reacted to the exodus of students by making major changes in the Giffen school, including the replacement of the principal, two assistants, and more than 12 teachers. Gilder’s private scholarship clearly demonstrated the ability of incentive reforms to improve government education.106

In New York City, the privately funded School Choice Scholarship Fund invested $6 million in 2,500 student scholarships in 1997 (1,000 more than the previous year). Students from the city’s 14 lowest-performing districts were permitted to attend their schools-of-choice, while 20,000 more awaited the opportunity. All of the students who were eligible to receive the $1,400 scholarship qualified for the federal free-lunch program. A study
conducted by Paul Peterson of Harvard University and David Myers of Mathematica Policy Research reported that about 95 percent of the students being assisted by the scholarship are black or Hispanic and the average incomes of all benefactors is just over $9,500.\textsuperscript{107}

Similarly, in 1998, the Washington, D. C.-based Washington Scholarship Fund provided 1,000 low-income students with scholarships to attend the schools of their choice. When the fund announced its scholarships, over 7,500 students—10 percent of the children enrolled in Washington’s government schools—applied for them.\textsuperscript{108}

By March 31, 1999, the nationally focused Children’s Scholarship Fund (CSF) had received 1.25 million applications from over 22,000 communities from all 50 states for its $1,000, 4-year scholarships. Though the average income of the applicant families was under $22,000 a year, they were willing to make significant financial sacrifices if they received only a partial scholarship. Ted Forstmann, co-chairman and CEO of CSF, remarked, “Think of it: 1.25 million applicants asking to pay $1,000 a year over four years. That’s $5 billion that poor families were willing to spend simply to escape the schools where their children have been relegated and to secure a decent education.”\textsuperscript{109}

Low-income families in Milwaukee have benefited from the largest private scholarship program to date. In 1998, approximately 4,500 scholarships were awarded by the city’s most prominent businesses and foundations through Partners Advancing Values in Education (PAVE).

PAVE provides scholarships equivalent to half of the tuition at any K-12 private or parochial school in Milwaukee. As affluent parents have done for years, low-income parents in Milwaukee are now empowered to choose the school best suited for their children’s needs. PAVE scholarships are awarded on a first-come, first-served basis to low-income families in search of educational choice.

Students using PAVE scholarships collectively worth over $4.2 million attend more than 110 private elementary and secondary schools in the Milwaukee area. Parents are satisfied with the opportunity to choose alternative schools for their children, and a survey revealed that 75 percent of PAVE’s scholarship graduates—all low-income students—continued with post-secondary education.\textsuperscript{110}

3. TAX CREDITS

The popularity among parents of tax credits has exploded throughout the country in recent years. K-12 tuition tax credits have passed in states including Arizona, Minnesota, Iowa, and Illinois.

Arizona expanded parental school choice in 1998 to include tax credits for donations to both private scholarship programs and government schools. Former Governor Fife Symington signed into law a bill in April 1997 granting an income tax credit of up to $500 for people who donated to nonprofit groups that distributed private scholarships to needy students.
The law also offers taxpayers a credit of up to $200 for money given to government schools to support extracurricular activities. The Arizona Education Association, Arizona School Boards Association, and the American Federation of Teachers filed lawsuits against the law with the Arizona State Supreme Court. In January 1999, the court upheld the constitutionality of the credit.111

Also in 1997, former Minnesota Governor Arne Carlson fought hard to expand the state’s tax credit program. Families with an income of $33,500 and below can now claim a tax credit for any educational purpose (such as tuition, transportation, books, etc.) up to $1,000 per child, but limited to $2,000 per family. The plan also eliminates the state’s 40-charter-school cap and mandates that the $350 million in compensatory aid contained in the bill follow students to schools, rather than being spent at the district level. Governor Carlson projected that over 900,000 children would benefit under his plan.112

4. The School Choice Debate

The proposition that parents have the primary right and responsibility to direct the educational development of their children may seem unassailable. However, the issue of school choice has created deep divisions among parents, policy makers, educators, and groups representing government school employees.

The existence of these deep divisions makes it imperative that participants in the debate over education reform understand who is for, against, or indifferent toward school choice. The purpose of this section is to identify those individuals, groups, and organizations who will figure prominently in any statewide school choice debate as proponents, opponents, or spectators.

In all three major groups below, it must be noted that none of the constituent subgroups is monolithic. For example, even though most parents support school choice, some of them oppose making it easier for parents to choose a different school. Some subgroups, such as teachers and politicians, appear in more than one major category because significant portions of those groups are on different sides of the school choice issue.

Proponents of School Choice

Proponents of school choice include parents, teachers, private schools, taxpayers, and politicians. Each is discussed in further detail below.

Parents

Parents make up the majority of school choice supporters. They tend to be dissatisfied with the status quo in government education or dislike being forced to financially support schools that do not enroll their children. Possibly the greatest numbers of pro-school choice parents can be found in large inner cities, where government schools most often fail. Both Cleveland and Milwaukee have implemented school choice programs as a result of
overwhelming public support for options to failing government schools. In Detroit, a coalition of concerned inner-city parents and pastors have become exceptionally vociferous in their calls for educational choice.\footnote{113}

**TEACHERS**

In 1998, the Association of American Educators surveyed its members (90 percent of whom are government school teachers) and discovered that 62 percent were in favor of school choice (including vouchers) while only 32 percent opposed it. One teacher from Jackson, Mississippi, commented, “All of us teachers are against vouchers except when we think of our own children. We need to do what’s best for all children.” Another teacher from Los Angeles remarked, “All parents should have the choice to send their children to a private school, not just rich parents. Plus, it would force public schools to become more accountable.” Although the National Education Association and the American Federation of Teachers labor unions oppose school choice, they have adopted a stance that is in opposition to many of their own members.\footnote{114}

A 1983 *Detroit Free Press* survey of 872 teacher in 35 districts across the state found that “Michigan’s public-school teachers are twice as likely as the general public to send their children to private schools.”\footnote{115} *Where Connoisseurs Send Their Children to School: An Analysis of 1990 Census Data to Determine Where School Teachers Send Their Children to School*, discovered that significant numbers of teachers choose private schools for their children. Whereas only 27 percent of all families in Grand Rapids choose private schools for their children, 41 percent of government school teachers in the city make that choice for their children. In Detroit, the results are similar: nearly 33 percent of government school teachers choose private schools, but only 17 percent of all families do so. Nationally, in all states but two, all teachers send their children to private schools at a rate greater than does the population at large. Michigan is one of only 14 states where government school teachers choose private schools for their children at a greater rate than the general population.\footnote{116}

This group also appears under “opponents of school choice.”

**PRIVATE SCHOOLS**

Just as government school officials have strong financial incentives to leave barriers in place that make it difficult for parents to choose private schools, private school leaders have strong financial reasons to support measures that remove those barriers. Many private school supporters argue that their government school competitors have an unfair advantage. Government is the only institution legally permitted to use taxation to fund its activities, and government schools are the only schools to benefit from such a financial monopoly. In contrast, private schools must continually convince the parents of their students that the tuition charge is a good value or the schools risk losing financial support. Private schools cannot demand that families who do not use their services pay for them anyway.

Tax funding of government schools and barriers to school choice are major reasons that approximately 88 percent of Michigan students attend government schools. Private
school leaders believe their enrollment and funding would significantly increase if their students’ families had to pay for only the school system they used.

Some private school groups, especially Catholic school organizations, are much more active than others in their support of school choice.

**TAXPAYERS**

Other proponents of school choice include taxpayers who have observed with dissatisfaction the increasing public expenditures on government education and the simultaneous decrease in student achievement. Others oppose the government school system on principle, objecting to being taxed to pay for a system of schools they do not use.

**POLITICIANS**

Many politicians have embraced school choice as the best way to improve the quality of education for their constituents. Former Congressman Floyd Flake of New York—a six-term Democrat and past senior member of the Congressional Black Caucus—rejects his party’s official stance against school choice. He says

What needs to be realized is that parents with children in failing public schools are not interested in which political party helps their children receive a quality education, they just want help. School choice is an important initiative that offers poor families real educational alternatives and informs the public education system that it must change its ways, or risk losing another generation of inner city youth to violence, drugs, jail, and ultimately death. If the nay-sayers from either party continue their partisan stances, it is not the opposition party that they are harming, instead they are harming our nation’s future—our children.\textsuperscript{117}

School choice has received strong bipartisan support from Michigan legislators and members of Congress. In a 1998 survey, four Republican U. S. Representatives and Democratic Congressman James Barcia pledged to support a K-12 tuition tax credit. At the state capitol, over half of newly-elected senators in 1998 pledged to support a K-12 tuition tax credit amendment to the Michigan Constitution. In the House, 44 newly-elected members pledged their support with only 22 members responding in opposition. Ten out of eleven Republicans elected to Senate leadership posts, as well as Lt. Governor Dick Posthumus, supported giving parents greater educational options for their children.\textsuperscript{118}

This group also appears under “opponents of school choice.”

**Opponents of School Choice**

Opponents of school choice include school employee labor unions, government school associations, teachers, and politicians. They are discussed below.
Polls show that school choice is popular with the majority of education “consumers,” but it is not favored by school employee labor unions whose financial support in Michigan comes from compulsory unions dues paid by education “producers.” Numerically, all choice advocates may be superior to their opponents, but the unions are well funded and organized. Among the most ardent adversaries of parental school choice are the National Education Association (NEA) and the American Federation of Teachers (AFT), who have fought against virtually every choice reform. In Michigan, the NEA and AFT’s affiliates, the Michigan Education Association (MEA) and the Michigan Federation of Teachers (MFT), respectively, adamantly oppose market-based incentive reforms to the government education system.

Why do unions oppose a reform so obviously popular with many parents and teachers? A June 1999 study by the Mackinac Center, The Impact of School Choice on School Employee Labor Unions, found that unions have strong financial and political incentives to do so. The study showed that although 100 percent of traditional government schools teachers are unionized, the MEA and MFT have met with little success in organizing charter and private school teachers. The implications are that if more students migrate under a school choice plan to non-unionized schools, teaching jobs will be created in schools where teachers are resistant to joining or paying dues to a labor union. Such a scenario would represent a potential loss of tens of millions of dollars and a concomitant decrease in unions’ political influence.

Unions oppose school choice not only with pointed rhetoric but also by spending large sums of money on lobbying and supporting political candidates. During the 1993-94 election cycle, the NEA contributed over $2.2 million to political candidates. In the 1995-96 elections, the NEA and AFT spent a combined $3.9 million on federal campaigns. On the state level, the MEA’s $388,647 in campaign donations made it the number one contributor to officeholders and candidates in Michigan’s 1996 elections.

One example of the unions’ power to mobilize opposition to expanded parental choice occurred in California in 1993. The Parental Choice in Education Initiative (Proposition 174), was defeated in large part because of the pressure applied by seven state school employee unions and associations. The California Teachers Association, California Federation of Teachers, California PTA, and other groups contributed more than $16 million to defeat the voucher initiative, dwarfing the $2.5 million spent by proponents once it was on the ballot. Total spending on television commercials by Proposition 174 advocates was $550,000, while the unions bought $6 million worth of air time.

Government School Associations

Government school associations include groups made up of principals, superintendents, administrators, school board members, and other groups that have allied themselves with those that have an institutional stake in the government’s near-monopoly on education. The Michigan Association of School Boards, Michigan Association of School Administrators, Michigan Association of Secondary School Principals, Michigan Elementary
and Middle School Principals Association, and Michigan PTA all staunchly oppose expanded school choice for Michigan parents.

Also allied with these associations on the issue of school choice is the Michigan affiliate of the American Civil Liberties Union, which historically has defended citizens’ civil rights against government encroachment. Alveda C. King, niece of Dr. Martin Luther King, Jr., has called school choice “the civil rights issue of the ‘90s,” but the ACLU has chosen to actually oppose parents who need school choice to help remove their children from failing government schools.

Not all school associations necessarily oppose choice. In early 1999, the Michigan School Board Leaders Association was created to represent those in school leadership positions who believe that, “Parents are the ultimate guardians for their children’s education,” and “[c]hildren are more important than the system.”

TEACHERS

Teachers who perceive school choice as either a threat to their job or believe it will harm government schools will oppose major changes to the current financial and political structure of school systems. Despite the fact that Michigan government school teachers are more likely to send their children to private schools than is the general public, some government school teachers, through their unions, can be expected to play a prominent role in opposing any ballot or legislative initiative to expand school choice.

This group also appears under “proponents of school choice.”

POLITICIANS

A number of politicians owe their positions to the verbal support and financial backing of school employee labor unions and are therefore more inclined to support the unions’ position on school choice.

This group also appears under “proponents of school choice.”

Spectators in the School Choice Debate

Parents are the major force driving school choice and labor unions represent the major obstacle to it, but some of the most important groups in the debate are those who are so far largely absent from the discussion.

JOB PROVIDERS

Businesses and corporations, who spend billions of dollars each year on remedial education and training for their employees ($55 billion in 1996 alone), have yet to fully realize the importance of their involvement in the school choice debate. According to one
Proposition 174 campaign organizer, the initiative lost in part because “business wimped out.” Businesses either did not see the need to support school choice or wished to avoid the controversy, and in the end, their ambivalence helped the opposition to outspend pro-174 advocates 7-to-1.\textsuperscript{124}

In the last few years, however, business leaders have begun to recognize the need for educational reform that harnesses the same incentive that made their companies successful: competition. Groups including the National Association of Manufacturers now publicly support school choice to improve education. The Michigan Chamber of Commerce passed a resolution in April 1999 that stated in part, “The Chamber supports the elimination of the present constitutional prohibition on education choice and supports flexibility in funding Michigan’s education needs through a Universal Tuition Tax Credit, vouchers, or similar approaches.”\textsuperscript{125}

As the failure of government education continues to force companies to provide expensive remedial training on the job, more businesses will adopt a position in favor of school choice as a means of improving all education—whether government or private.\textsuperscript{126}

**THE RELIGIOUS COMMUNITY**

Also noticeably absent from the school choice debate is the religious community. Although private schools are operated primarily by churches, the vast majority of religious groups and denominations have not taken an official position on this important issue. If and when they do, their impact on the debate will be significant.

**Part III: Expanding School Choice in Michigan**

As discussed previously, many individuals and organizations have powerful financial and political incentives to maintain the status quo in education and oppose the removal of barriers to parents’ ability to choose the safest and best schools for their children. Proponents of expanded school choice in Michigan must therefore equip themselves with the tools necessary to advance freedom in education. The following sections provide facts, ideas, and strategies that school choice advocates can use to make wider educational opportunity for all Michigan citizens a reality.

1. **Five Strategies to Advance School Choice in Michigan**

Advancing parental school choice in Michigan will require an organized coalition of concerned parents, educators, citizens, lawmakers, and opinion leaders working together to create a favorable climate for change. Amending a state constitution (required for substantive change in Michigan) is almost always an arduous and controversial task, but if advocates effectively organize to win, the appeal of school choice to voters will overshadow the vast amounts of money that will probably be spent to defeat it.
The following five strategies are important components of a successful pro-school choice campaign. Most activists are not equipped to excel at each and every task; however, if every member of a coalition were to contribute to just one aspect, all tasks could successfully be accomplished through an organized effort.

**Strategy #1: Network with Others**

- Identify potential allies and build coalitions with them.
- Encourage others to target clubs and organizations to which they belong to spread the message and gain the support of fellow members.
- Financially support organizations that are already advancing school choice.
- Create a local school choice group. Print letterhead with respected leaders listed. Plan regular meetings to discuss strategy. Link everyone in the group via telephone, e-mail, and fax.
- Create a Web site for the group with links to school choice organizations throughout the state and nation.

**Strategy #2: Use the Media to Amplify the Message**

- Establish contacts with local newspapers.
- Submit brief and cogent letters-to-the-editor about the virtues of school choice (see Appendix B, page 64, for a sample letter-to-the-editor and Appendix C, page 65, for e-mail addresses for Michigan newspapers).
- Identify and write about events in education that demonstrate the need for incentive reforms such as school choice.
- Use your communication network to alert others about stories or opportunities for press coverage.

**Strategy #3: Use Effective and Broad Communication**

- Always keep it short and simple—develop “sound bites.”
- Schedule speaking engagements with chambers of commerce, civic clubs, social groups, etc.
- Set up booths at local fairs, school events, festivals, etc.
- Always focus on the main themes of school choice (see “Dispelling the Myths about School Choice,” page 44, for ideas for “talking points.”).

**Strategy #4: Research the Issues**

- Stay informed. Know and understand who is supportive of and who opposes school choice and for what reasons. A primary tool to keep abreast of education-related issues in the state is a subscription to the *Michigan Education Report*, a quarterly newsletter published by the Mackinac Center for Public Policy. This publication can be viewed on the Internet at [www.EducationReport.org](http://www.EducationReport.org).
Contact experts for the most up-to-date research and information. The Mackinac Center for Public Policy is a powerful resource for citizens, offering timely and relevant research on education issues on its Web site, www.mackinac.org. For a list of other school choice resources, please see Appendix D on page 66.

Strategy #5: Influence the Local School Board

- Form partnerships with local leaders in the education community including prominent citizens, teachers, principals, etc.
- Identify those who support school choice.
- Get involved in campaigns to elect friendly board members, or run yourself.

2. Dispelling the Myths about School Choice

The often-rancorous debate over school choice has led to the creation and propagation of a number of myths regarding expanded educational freedom and its effects on students, teachers, and the government school system as a whole. For many, especially those who oppose school choice, these myths have unfortunately become the “conventional wisdom.”

Following is a list of 13 of the most common of these myths, along with the facts that reveal them to be distorted, misleading, or just outright false characterizations of school choice. Advocates, activists, and debaters should weave these facts into their public and private arguments to help dispel these myths and explain the benefits of educational choice and competition for students, parents, teachers, and the community as a whole.

MYTH #1: SCHOOL CHOICE WILL LEAD TO THE SOCIAL, RACIAL, AND ECONOMIC STRATIFICATION OF STUDENTS IN AMERICAN SCHOOLS.

The idea that the current government school system is a “melting pot” of students from diverse backgrounds and that school choice will somehow disrupt it is false. Government schools in fact rarely represent a broad cross-section of the American population, and there is little or no evidence to suggest that schools-of-choice are or will be any less diverse than their government counterparts.

THE FACTS:

- The current system—whereby government assigns students to schools based on the neighborhoods in which they live—has already created a stratified school environment. Government schools are stratified by race and income because, as sociologist James Coleman discovered in his research, students are assigned to schools according to where they live.127 Government schools therefore ensure stratification of students because districts are drawn geographically and neighborhoods are typically
organized around socioeconomic factors. School choice removes or reduces the importance of geographic and political boundaries, thereby encouraging greater social, racial, and economic integration of students.

- **Private schools currently enjoy a socially, racially, and economically diverse student body.** Many inner-city private schools already reflect greater diversity than their government counterparts because their student bodies are not determined by arbitrary political boundaries, but rather by parents of every background seeking the best education for their children. Researchers Jay P. Greene and Nicole Mellow of the University of Texas at Austin found that “private schools tend to offer a more racially integrated environment than do public schools.” In their study, “Integration Where it Counts: A Study of Racial Integration in Public and Private School Lunchrooms,” Greene and Mellow argue that one of the primary reasons for this fact is that public schools tend to replicate the segregation found in their attendance areas while private schools tend to draw from variety of neighborhoods.128

- **Segregation in inner-city government schools has increased rather than decreased.** In 1968, nearly 40 percent of Detroit government school students were white, but in the 1994-95 school year, only 6 percent of the student population was white. Many of these government schools reflect little social, racial, and economic diversity.129

**MYTH #2: SCHOOL CHOICE VIOLATES THE SEPARATION OF CHURCH AND STATE.**

School choice is about providing children with the best education available, not supporting one religion over another. The current government school system compels religious citizens to support schools that often do not reflect their values and beliefs. School choice will allow parents to exercise their right and responsibility to direct the educational development of their children according to their own values, whether religious or secular.

**THE FACTS:**

- **The “separation of church and state” has changing interpretations.** The phrase “separation of church and state” does not exist in any founding document of the United States, but was part of a letter that Thomas Jefferson wrote in 1802 to the Danbury Baptist Association in Danbury, Connecticut. The Baptists had expressed concerns that the U.S. government might attempt to establish a state church. Jefferson wrote to assuage their fear, stating that the First Amendment had built “a wall of separation between church and state” which prevented the government from doing so. Later Supreme Court cases expounded on Jefferson’s letter without citing the context of his statement. It was not until the 1947 U.S. Supreme Court decision in *Everson v. Board of Education* that the phrase “separation of church and state” developed its present day interpretation, the effects of which have been the virtual removal of religion from public life.130

- **Supreme Court decisions have consistently supported parents’ right to direct the education of their children.** The U.S. Supreme Court has consistently defended the
right and responsibility of parents to direct the education of their children in such decisions as Pierce v. Society of Sisters (1925). In this decision striking down Oregon’s attempt to ban private schools, the Court ruled that

the fundamental theory of liberty upon which all governments in this Union repose excludes any general power of the state to standardize its children by forcing them to accept instruction from public teachers only. The child is not the mere creature of the state; those who nurture him and direct his destiny have the right, coupled with the high duty, to recognize and prepare him for additional obligations.131


Most recently, in June 1998, the Wisconsin Supreme Court ruled in Jackson v. Benson that parental school choice via taxpayer-funded vouchers was constitutional.135 The U.S. Supreme Court later let stand the Wisconsin court’s decision by voting 8-1 not to review the case. The contested voucher program now provides up to 15,000 poor Milwaukee students with a $4,000 state voucher to attend private religious schools. This ruling is most notable because of Wisconsin’s strict laws on church-state separation.

• Other well established government-funded voucher programs are constitutional. Food stamps and Medicaid are examples of voucher programs where recipients can use government money at the grocery stores or hospitals of their choice. Likewise, “public” money already flows to private and religious colleges and universities through various government loans and grants. And veterans of World War II used the G. I. Bill to attend colleges of their choice—including religious institutions—and the federal government paid the tuition.

**MYTH #3: PRIVATE SCHOOLS ARE UNACCOUNTABLE TO THE PUBLIC.**

Competition ensures that all schools are ultimately accountable to those who matter most—parents and students. Parents who have choices in education can “vote with their feet” by sending their children to another, better school when their current one is not serving their children’s needs. Private schools are also subject to many of the same regulations as government schools and are routinely held to the same or higher standards of performance than are the government schools.

**THE FACTS:**

• Private schools-of-choice that answer to parents, not politicians, are most accountable. In general, parents have their children’s best interests in mind more so than does the government or even a caring teacher. Under the current system, parents lack control and influence over the education of their children. With choice, parents have the opportunity to remove their children from a poorly performing or otherwise unsatisfactory school and place them in other schools. Schools that fail to respond to
parental concerns will constantly face the prospect of losing students to other schools that do.

- **Private schools already comply with essential government regulations.** There is no basis in educational experience or research to suggest that regulation creates better schools; however, private schools already provide essential fire and safety protection, observe compulsory attendance requirements, and cover core mandated subjects such as history, English, math, and science.

- **Private schools are accredited by the same agencies that accredit government schools.** Private schools are at least as accountable as government schools by the government’s own measurements of accountability. According to Charles O’Malley, executive director of the National Council for Private School Accreditation, approximately 96 percent of all private school students attend schools that are accredited or evaluated by national, regional, or state private organizations. The result is that the vast majority of private schools are able to meet government school accreditation requirements. And in some cases, private schools subject themselves to dual accreditation through both government and private school agencies.

**MYTH #4: SCHOOL CHOICE ALLOWS ONLY PRIVATE SCHOOLS TO DO THE CHOOSING, NOT PARENTS.**

This argument assumes two things: First, that private schools discriminate more in selecting students than do government schools and second, that government schools are open to all students. But neither of these assumptions is necessarily true. Government schools do not accept every student, and many private schools in fact accept a wide range of students. In addition, parents empowered with choice can select from among a wide range of schools, private or government.

**THE FACTS:**

- **The current government assignment system already makes choices for parents.** Government schools generally only accept those students who live in their districts: Wealthy suburban areas, for example, do not accept poor minority students from the inner city. Some government schools—particularly so-called “magnet schools”—routinely screen students based on academic ability or whether or not they live in the “right” district.

- **Private schools are not characterized by exclusivity.** Fr. Timothy O’Brien of Marquette University conducted a study of 63 elementary parochial schools and found that no more than one student each had been expelled in 61 percent of the surveyed schools. The study also discovered that more children with academic and discipline problems were transferred from government schools to Catholic schools than the other way around. Although some private schools are exclusive, either by high tuition or selective entrance standards, the same can be said of government schools that enroll
Opponents of school choice often presume that minority and lower-income parents do not know the difference between good and bad schools and will therefore often choose bad schools.

- **School choice provides greater opportunity for all parents and children.** School choice allows all parents to select the best schools for their children, not just the wealthy parents that can afford to move to better districts or pay tuition at an alternative school. Under the current system, the one-school-fits-all approach precludes equal opportunity and greater options for the majority of children. Greater school choice will allow poor parents the same choices already available to wealthier parents. Choice allows parents to select from a variety of schools—if one school does not work, there are many others that may.

**MYTH #5: PARENTS WILL USE THE WRONG CRITERIA TO CHOOSE SCHOOLS OR THEY WILL MAKE BAD DECISIONS FOR THEIR CHILDREN.**

Implicit in this argument are the assumptions that parents—particularly poor and minority parents—are not smart enough to know what is best for their children, and that government will make better school selection choices than parents. However, common sense and experience tell us that most parents do in fact make good decisions with their children’s best interests in mind. Some parents may in fact make poor decisions, but this is no argument for denying choice to everyone.

**THE FACTS:**

- **The right to make poor choices is legal.** Some people make poor decisions in many areas of life: They choose to eat poor food, watch poor television programs, drive poor cars, and enter into poor relationships. But no one argues that this is an excuse for government to make these decisions for everyone. The right of people to make poor choices in a free society is the same right that allows people to make good choices. Freedom does not come without inherent risks, but freedom is certainly better than being forced to accept the poor choices of others.

- **Minority and lower-income parents can be trusted to make good choices.** Opponents of school choice often presume that minority and lower-income parents do not know the difference between good and bad schools and will therefore often choose bad schools. This condescending assumption ignores the evidence that poor or uneducated parents are just as capable as higher-income, better-educated parents of distinguishing between good and bad schools. The problem is that poor parents are rarely given the opportunity to do so. But when they have the opportunity and are given full information about the choices open to them, they choose well.139

The Children’s Scholarship Fund (CSF), a private organization that offers financial assistance to lower-income students, received over 1.25 million applicants for their four-year, $1,000 student scholarships. The average income of applying families was under $22,000 per year, showing that parents are willing to make significant financial sacrifices...
even for scholarships that only pay part of their children’s tuition. CSF CEO and Co-Chairman Ted Forstmann remarked, “Think of it: 1.25 million applicants asking to pay $1,000 a year over four years. That’s $5 billion that poor families were willing to spend simply to escape the schools where their children have been relegated and to secure a decent education.”

- **Parents, who understand their children’s needs best, should determine the criteria by which to judge schools.** School choice has been criticized because some parents may decide that a school with an emphasis on team sports is better for their child than one that excels in, say, science. Others may disagree with such criteria for choosing a school, but the disapproval of others is no reason to deny all parents the right to make their own choices.

- **Information will help parents choose the best school.** Competition among schools will cause an information market to arise. Schools themselves will generate informational material, appealing to parents on the basis of positive features their particular school has to offer and educating parents in the process. Many schools—even government schools—already promote themselves with marketing and advertising campaigns. Parents will have help determining which school will best serve their children’s needs, just as consumers today have help (in the form of *Consumer Reports* and similar publications) understanding which automotive repair shop, restaurant, or grocery store best serves their needs.

---

**MYTH #6: SCHOOL CHOICE WILL ENCOURAGE THE CREATION OF RADICAL OR FRAUDULENT SCHOOLS.**

Critics of school choice often argue that choice will allow “just anybody” to establish a school, leading to a proliferation of schools that are fraudulent or dedicated to radical ideologies. There is no evidence to support this claim. Choice at the college level has not resulted in an excess of fraudulent or radical schools. Additionally, the U. S. Constitution protects even radical ideologies, while laws against fraud and violence protect consumers from criminal activity.

---

**THE FACTS:**

- **The First Amendment protects freedom of choice.** The same argument against radical or fraudulent schools could be used against the freedoms of speech and press: “If we allow anybody to start a newspaper, somebody might print a bad one,” or, “If we let anybody give a speech, somebody might say something we don’t agree with.” The protection of freedom embodied in the U. S. Constitution defends the right of people to make good choices as well as bad ones and hold popular views as well as unpopular ones.

- **Laws against fraud already protect consumers.** Laws against corruption, fraud, and other illegal activities protect consumers in other industries. They would apply to education as well.
- **Competition will increase accountability and discourage the creation of radical and fraudulent schools.** Substandard, radical, or fraudulent schools could not thrive under a free market in education because parents would have the choice to send their children to other schools. Parents who voluntarily give their money to a school in return for a good education will do so only as long as they are provided with an adequate product or service. It is true that when freedom abounds, the opportunity for abuse exists. However, the key is choice: Many parents may accept what they believe is a substandard education for their children because they have no practical alternatives to their local government school.

---

**MYTH #7: SCHOOL CHOICE WILL BANKRUPT THE ALREADY UNDERFUNDED GOVERNMENT SCHOOLS.**

Government schools in Michigan are a high priority, receiving more money than the entire state General Fund budget. School choice will not de-fund government education, but will rather make it more financially efficient and responsible with the resources it already receives. Schools-of-choice will also offer an alternative to government schools, educating students who might otherwise have been consigned to the overburdened government system or assigned to one of the least safe or poorest performing government schools.

**THE FACTS:**

- **Government education in Michigan is the number one budget priority.** Expressed in 1996 dollars, expenditures for Michigan government education have dramatically increased between 1970 and 1996, rising by 39.3 percent from $7.3 billion to $10.2 billion. Governor Engler’s budget for Fiscal Year 2000 increases education spending to more than $13 billion—an increase of 57 percent since 1990, the year he took office. In addition, the budget guarantees that no district will receive less than $5,550 per pupil.

- **Expected student population growth may bankrupt government education if alternatives are not devised.** The projected growth in the student population in Michigan over the next 10 years will be financially significant. Either the market will bear the burden of providing more schools, or taxes will have to be increased to meet expansion needs of more schools, teachers, administrators, and support staff involved in government education.

- **Government schools have many opportunities to be more efficient.** Government schools could save money by privatizing support services such as janitorial, food, and transportation services. Competitive contracting can provide schools with the kind of expertise, flexibility, and cost efficiencies not always available with in-house service provision. Any savings in support services can be used to provide additional resources for the classroom. Properly designed and monitored, contracts between government schools and private providers can help school administrators do more with less.
• **School choice will likely reduce bureaucracy and centralization.** As researcher John E. Chubb explains, “There is every reason to believe that the administrative structure of a choice system would be less bureaucratized than today’s public school systems, and look more like private educational systems, where competition compels decentralization and administrative savings.” Most choice plans would actually reduce overhead administrative expenditures and increase the availability of more public money. An analysis of government schools in New York City found that they have about 240 times the number of administrators as do local Catholic schools, but only 4 times as many pupils. Competition will reduce the waste that exists in the current system.

• **A carefully crafted school choice plan will save the state money and provide higher per-pupil government school funding.** The Mackinac Center for Public Policy’s Universal Tuition Tax Credit is a school choice plan that will produce significant savings to the state and the government school system. With the maximum credit limited to 50 percent of the per-pupil government school revenues, every student who transfers to an alternative school produces a net saving of at least half of the per-pupil revenue to the state. For example, in the 1998-99 school year, the average foundation grant, per-pupil government school revenue in Michigan was approximately $5,800. The maximum tax credit would therefore have been $2,900. If a student transferred to an alternative school, the state must no longer spend the $5,800 and at most forgoes $2,800 through the tax credit, producing a minimum net saving of $2,900.

**MYTH #8: SCHOOL CHOICE DOES NOT IMPROVE EDUCATION.**

Parents who are able to make active choices in the education of their children report greater satisfaction with their children’s academic achievement, and studies have shown a positive correlation between parental involvement and student performance. Likewise, competition among schools has led to improvements in school curricula and greater responsiveness to parents and students as schools begin treating them as customers.

**THE FACTS:**

• **Parental participation and satisfaction is most important.** John Witte conducted a definitive evaluation of the Milwaukee Parental Choice Program and reported that in “all five years, parental satisfaction with choice schools increased significantly.” Witte was able to conclude from his research that “the overwhelming conclusion is that choice parents are significantly more involved in the education of their children” than are government school parents in Milwaukee.

• **School choice has improved academic performance for many students.** School voucher programs in Milwaukee and Cleveland have demonstrated success among their students, according to a number of recent studies.

• **Limited school choice through government charter schools continues to be popular, particularly among the most needy families.** Charter schools remain popular with parents, students, and teachers. Many of Michigan’s charter schools have waiting lists ranging from 200 to 1,000 students. In mid-1999, charter schools in Michigan
enrolled more than 30,000 students. Of those students, more than 50 percent were minorities and many of them were eligible for free or reduced-price lunches.  

- **Competition encourages improvement in all schools.** When two large charter schools opened in the mid-Michigan area in the 1996-97 school year, the Lansing School District “lost” over 700 students to these government schools-of-choice. As a result, the district began to implement new programs and launched an advertising campaign to tout its new and improved offerings. The exercise of choice by less than five percent of the district’s student population generated better programs for the over 17,000 students who remained in the traditional government schools.  

**MYTH #9: SCHOOL CHOICE IS JUST A TAX BREAK FOR THE RICH.**

This argument fails to recognize the fact that wealthier families can already exercise school choice: They can afford to pay for their children’s education twice—once in taxes for the government schools they do not use and again in tuition for the alternative schools they do use. Low-income families want school choice more than wealthier ones do for simple reasons. Poor students are often assigned to the worse government schools than students from wealthy neighborhoods and poor families do not have the means to exercise other options. Easing the financial penalties imposed on parents who want more options allows everyone—wealthy or poor—to exercise the basic right of school choice.

**THE FACTS:**

- **Minorities and poor families want school choice more than the rich.** Thousands of children whose parents pay little or no taxes are on waiting lists for private schools and scholarships. According to a survey conducted by Michigan State University, citizens with household incomes under $19,000 per year are the most likely to favor charter schools and scholarships paid for with “public” money. In addition, Michigan residents who are black or live in an urban community favor greater school choice more than any ethnic group or region of the state.

- **Inner-city parents want school choice more than anyone else.** A September 1997 poll conducted by the Lansing firm Marketing Resource Group found that 64 percent of the 600 Michigan citizens surveyed supported full parental school choice. The percentage increased in the larger cities where 75 percent of Detroit residents surveyed favored school choice. A February 1999 poll by the Detroit Free Press of 502 Detroit voters revealed that large majorities favor vouchers (65 percent) and tuition tax credits (77 percent).

- **School choice is a civil right.** According to the Council of Baptist Pastors of Detroit and Vicinity, “Choice is a civil right, as basic as democracy, because it lets families vote with their feet on the best school for their child. Poor families want the same dignity that wealthy families have long enjoyed: the ability to obtain a quality education for their child, even if they have to go to an independent school to get it. It is an injustice that our present system denies our children an equal opportunity for a quality education and our democracy is paying the price.”
**MYTH #10: SCHOOL CHOICE IS UNNECESSARY—GOVERNMENT EDUCATION IS DOING WELL AND IMPROVING.**

The underlying assumption in this argument seems to be that so long as some people are satisfied with a monopoly, all people should be stuck with it. The same logic might have an East German commissar saying, before the fall of the Berlin Wall, “Only some people would leave if we took down the Wall, so why should we take it down?” The point is not whether choice is “necessary” or not: The point is that it is everyone’s right to choose. The needs of individual parents and students come before the maintenance of a system that, by many accounts, is not performing well for everyone.

**THE FACTS:**

- **Can government education really improve on its own?** According to Albert Shanker, former president of the American Federation of Teachers union, “It’s time to admit that public education operates like a planned economy, a bureaucratic system in which everybody’s role is spelled out in advance and there are few incentives for innovation and productivity. It’s no surprise that our school system doesn’t improve: It more resembles the communist economy than our own market economy.” The worldwide failure of planned economies supports Shanker’s contention that systemic change is needed.

- **Government education is failing to prepare too many students for the workplace.** American businesses spent approximately $55 billion in 1996 alone on remedial education for employees who graduated from high school barely able to read or write English. The American Management Association determined that the share of companies forced to provide remedial training for employees has soared from 4 percent in 1989 to 20 percent in 1998. In addition, the Bureau of Labor Statistics found that 65 percent of employers increased spending on training in the three years from 1992 to 1995.

- **U.S. students fail to excel in international tests.** In the Third International Mathematics and Sciences Study (TIMSS), American high school seniors ranked, out of 21 industrialized nations, sixteenth in general science knowledge, nineteenth in general math skills, and last in physics. William H. Schmidt, an education professor at Michigan State University, remarked, “Put in terms of report card grades, the American seniors earned a D-minus or an F in math and science.”

**MYTH #11: SCHOOL CHOICE IS JUST AN ANTI-TEACHER PLOY.**

The “anti-teacher” argument against school choice seems to assume that the government school system is nothing more than a big jobs program with education ranking second in importance. School choice makes the education of children the top priority by allowing parents to choose the best school for their children. There is nothing inherently anti-teacher about choice: Many government school teachers themselves choose to place...
their children in private schools. As long as demand for education exists, there will always be jobs for teachers.

THE FACTS:

• **More choices for parents also mean more choices for teachers.** Today, if a teacher believes he or she is underpaid, overburdened by red tape, not respected as a professional, or otherwise treated poorly by administrators, the only real option is to leave town and move to another school district. This is because the same employer, the school district, operates nearly all the schools in the area. When parents are allowed to choose, schools will not only have to compete for students, they will have to compete for teachers, too. As a result, there will be increased pressure on school administrators to treat teachers well or risk losing them to other schools.

• **Teachers who work in schools-of-choice are more satisfied.** According to a July 1996 report from U. S. Department of Education, 36.2 percent of private school teachers were “highly satisfied” at work while only 11.2 percent of government school teachers could say the same thing. In a separate study done by the Washington, D. C.-based Hudson Institute, only two percent of 920 private school teachers surveyed said they would be willing to leave their current job for a higher-paying job in the local urban government school system. Most private school teachers experience a higher job satisfaction rate than do public school teachers because they have more freedom to teach, student discipline is greater, they enjoy a more collegial work atmosphere, and parental involvement is higher.

• **Many teachers support and exercise school choice for their children.** The 1990 census found that significant numbers of teachers choose alternative government or private schools for their children. Whereas only 27 percent of all families in Grand Rapids choose private schools for their children, 41 percent of government school teachers in the city make that choice for their children. In Detroit, the statistics are similar: 33 percent of government school teachers choose private schools, but only 17 percent of all families do so. Michigan is one of only 14 states where government school teachers choose private schools for their children at a greater rate than the general population.

• **Labor unions that argue against school choice do not necessarily represent either the interests of either children or education.** Perhaps the strongest reason for unions to oppose school choice is their financial self-interest. Unions stand to lose millions of dollars of dues income as school choice grows. Why? One hundred percent of Michigan government schools are unionized, but only 3.6 percent of charter schools and 0.2 percent of private schools are unionized. If enrollment increases at schools where unions have been unable to gain a foothold, that will create more teaching jobs in nonunion schools where teachers are not forced to financially support a union. The purpose of school employee labor unions is to bargain wages and terms and conditions of employment for its dues-paying members. Albert Shanker, former president of the American Federation of Teachers union, once candidly remarked, “When school children start paying union dues, that’s when I’ll start representing the interests of school teachers well or risk losing them to other schools.**
children.” It is a mistake to assume that the best interests of labor unions are necessarily the same as those of parents and students.

- **Many school employee unions in other countries support school choice.** The majority of foreign school employee unions support parental school choice, according to a recent study. Out of 48 unions expressing a stand, only 23 percent strongly opposed choice opportunities. In Australia, a voucher system provides private schools-of-choice with up to 85 percent of government education dollars when parents choose them over the government system, and the vouchers have not destroyed the public system. In Denmark, a spokeswoman for the Danish Union of Teachers stated that, “Our choice system has been in operation for a period of over 30 years, and we have a strong public education system. We view the public schools and the private schools as working together.”

**MYTH #12: SCHOOL CHOICE REFORMS DO NOT ADDRESS THE NEEDS OF SOME FAMILIES FOR TRANSPORTATION OR SPECIAL EDUCATION.**

This argument again assumes that *everyone* should be denied the right to choose because only *some* might not be able to get exactly what they want in a school. School choice does not create a Utopia, but it does respect the rights of *all* families, including those with special education needs, to seek the best education for their children. There is also no reason to believe that competing schools will not be able to fill demand for important services: Private schools already serve many students with special needs.

**THE FACTS:**

- **School choice will most likely reduce transportation costs.** The best government schools tend to be in wealthier districts that are expensive to live in, and if out-of-district parents want to send their children to these schools (if they are even allowed), the cost of transporting them there may be high. School choice will reduce the cost to parents of sending their children to the best schools because residence will no longer be a strong determining factor in school quality. Schools that excel will be rewarded with more enrollment—wherever they are located. As choice expands, schools able to meet local families’ needs will spring up in more communities, thus lessening the need for long commutes. In addition, there is no reason to believe that schools would not be willing to provide their own bus service if it proves important enough for parents.

- **Transportation is a minor barrier compared to the cost of tuition or of buying a home in the “right” school district.** A recent poll asked 502 Detroit parents with children in government schools why they did not enroll their children in a private or charter school of choice. Only 11 percent of all respondents cited lack of transportation as the primary barrier, but 43 percent said the expense of tuition was the chief reason. When asked which was the greater concern for them, tuition costs or transportation, 100 percent said tuition costs.

- **Private schools are already serving special education students.** According to the U.S. Department of Education, over 100,000 students attend private schools with public money. Students with serious emotional disturbance account for 40 percent of the students enrolled in these private schools, according to a recent study.
money. Students with serious emotional disturbance account for 40 percent of the students enrolled in these private schools, according to a recent study. There is no reason to believe that private schools would not continue to serve these and other special-needs students in an increasing number under a school choice program.

MYTH #13: PRIVATE SCHOOLS WILL NOT BE ABLE TO ACCOMMODATE THE INFLUX OF NEW STUDENTS UNDER A SCHOOL CHOICE PLAN.

School choice opponents often contradict themselves by arguing on one hand that the government school system is doing well and on the other hand that parents who are allowed choices in education will pull their children out of the government system in droves. But the reality is different: Private schools currently have the capacity to handle many more students, and there is every reason to believe that market incentives will cause successful schools to constantly expand to accommodate new demand.

THE FACTS:

- **Private schools have space for more students.** A recent survey of private schools in Michigan revealed that the schools had classroom seats for more than 55,000 additional students in the 1998-1999 school year. An economic analysis of the universal tuition tax credit school choice plan estimates that 33,000 students would switch from government to private schools in the first year of the plan. With more than 1,050 private schools already operating in Michigan, reasonable projections show more than enough room to accommodate new students from families choosing private schools.

- **Market incentives will spur schools to meet demand.** The laws of supply and demand work in education exactly as they do in other enterprises. The likely result of freeing the education market is that enough schools would spring up to satisfy the number of the students. As education author Sheldon Richman has written, “We cannot predict in any detail what would arise in a free market in education. But we do know that over the past decade, computer and telecommunications technology has changed in a way highly relevant to education. Today people have on their desks—or in their briefcases—computing power that only a few years ago none but the largest companies could afford. The price continues to fall . . . . The possibilities are endless. It’s all the product of the free market, human intelligence, and sand (from which are made silicon chips and fiber optic cables).”

- **A good school choice plan can account for any lack of available school space.** A carefully crafted school choice plan such as the Universal Tuition Tax Credit (UTTC) will account for any lack of space in private schools. The UTTC involves a nine-year implementation period that allows for the gradual expansion and creation of new high-performing schools. As parents become increasingly empowered to make true choices about the education of their children, the market will fill the demand for more and better education alternatives.
3. Conclusion: Restoring a Free Market in Education

Perhaps more than at any time in the nation’s history, Americans today are frustrated with the poor performance, increasing expense, and lack of improvement in their government-run public schools. The signs of that frustration are everywhere. Opinion polls reveal education is a top voter concern during election seasons. Surveys show that large majorities of parents—regardless of their political beliefs—support more K-12 alternatives for their children. Thousands of families are on waiting lists to get their children into charter schools. Applicants for even partial private school scholarships number in the millions, and millions more students are now being taught at home.

Yet despite this widespread dissatisfaction, nearly 90 percent of American K-12 students still attend the same government schools that so many parents believe are substandard. The reason for this seeming contradiction lies in the fact that too many families are denied real choices in education—the same kinds of choices they have in nearly every other area of life, from what kind of car they drive to the food they eat to the color and style of their clothing. What parents are demanding in ever-growing numbers is school choice.

School choice—the right, freedom, and ability of parents to choose for their children the safest and best schools—is not a new idea. Early Americans enjoyed complete freedom in education: There were no barriers, either political or financial, to prevent parents from choosing the schools they believed best met their children’s needs. Until the mid-nineteenth century, education was largely a private matter among families, who selected from a wide range of specialized schools. Universal government schooling as it is known today simply did not exist.

Did leaving families free to make their own educational arrangements result in an uneducated populace? Far from it. The literacy rates of the mid-1800s were as high as 97 percent. Today, more than 20 percent of American adults are illiterate. Great Americans including George Washington, Thomas Jefferson, Patrick Henry, James Madison, John Quincy Adams, Abraham Lincoln, and Benjamin Franklin were schooled privately at home for most of their educational years. Of the 117 men who signed the Declaration of Independence, the Articles of Confederation, and the Constitution, only 1 out of 3 had as much as a few months of formal schooling, and only 1 out of 4 had even gone to college. 

Restoring a free market in education is a practical as well as a moral imperative. The repeated failure of government school reforms based solely on rules and resources—state testing and increased funding, for example—demonstrates the need for incentive-based reforms such as school choice to improve the quality of education.

Consumer choice is the engine for a market economy in all goods and services, and the competition engendered by choice results in superior products and lower costs. Parental choice in education will improve all schools, government or private, by providing them with powerful incentives to treat families as customers rather than as captive audiences. The resulting competition for students will help schools be more accountable to their customers, leading to lower costs and improved quality.
Michigan parents currently enjoy limited educational choice from among a range of K-12 government schools, and evidence suggests that even this small dose of competition within the government system has encouraged schools to innovate and improve. Full educational choice in the form of vouchers or tax credits to help parents—especially lower- and middle-income ones—to offset the cost of sending their children to private schools would result in increased competition and even more dramatic improvements.

The benefits of school choice are clear. Parents have the right and responsibility to direct the education of their children. Removing the financial and political barriers that prevent families from choosing the safest and best schools will unleash the creative power of educators to act in a free society to improve education for all students.
Appendix A: Glossary of Education-Related Terms

Charter school. Charter schools are schools that are authorized by a government entity (such as a public university or a school district) and financed by the same per-pupil funds that traditional government schools receive. Students are not assigned to charter schools by any criteria; rather, charter schools rely on families’ voluntary choice for their enrollment. Unlike traditional government schools, charter schools must operate efficiently in order to raise start-up and expansion capital. Charter schools enjoy greater freedom from regulation and bureaucratic micromanagement, but they are held directly accountable for student performance. Charter schools that fail to achieve their goals can be shut down by their authorizing agency. Charter schools that fail to satisfy parents lose their state funding when parents enroll their children elsewhere.

Common school. The term “common school” refers to schools open to all people in a given community. In the United States, free, elementary schools in New England were the first “common” schools, but the term now includes government high schools. Many of the early common schools were partially financed with private money.

Compulsory education. Laws requiring that children under a certain age be enrolled in school, usually a government school. The theory behind compulsory education is that mandatory attendance benefits society as a whole by forcing all children to be educated.

District system. A school organization design in which the local geographical unit or district is the legal authority responsible for the funding, curriculum, and maintenance of a school or schools.

Foundation grant. Michigan voters passed Proposal A in 1993, shifting part of the burden of financing education from local to state government. As a result, every school district in Michigan is now guaranteed a minimum amount of state education funding, known as a foundation grant. Additional revenue can be raised by districts through increased local taxation, however, the majority of educational funds are supplied by the state. In 1998, the state foundation grant was approximately $5,600 per pupil.

Free or open market. A free or open market is one based on voluntary exchange among individuals rather than coercion. In education, the free or open market allows the economic laws of competition and supply and demand to operate undistorted, thereby encouraging innovation, providing schools with essential feedback on consumer satisfaction, fostering accountability and qualitative improvement, and reducing waste and inefficiency.

Full educational choice. Educational reform that removes barriers to families’ ability to choose from among a range of government and private schools. Examples include vouchers or tax credits that offset tuition costs for parents who choose not to send their children to the traditional tax-funded schools. See also limited educational choice.
**Inter-district choice.** Inter-district choice is a form of *limited educational choice* that clears barriers to families’ ability to choose for their children any government school in their state. Michigan families theoretically enjoy inter-district choice, but in practice, districts are allowed to decide for themselves whether or not they wish to participate in the program. Most school districts choose not to, preferring not to risk losing students and the state aid that follows them. Many districts force parents to pay government-school tuition if they wish to cross district lines. The amounts range from $1 per year in Traverse City to $8,000 in Ann Arbor.

**Intermediate School District.** School districts in Michigan are grouped into larger units called Intermediate School Districts, or ISDs. Several “regular” districts may make up one ISD. The ISD is often, but not always, responsible for providing and monitoring special education programs and overseeing the individual school districts.

**Intra-district choice.** Intra-district choice is a form of *limited educational choice* that removes barriers from families’ ability to choose which school within their school district their children will attend. Intra-district choice schools generally fall into one of three categories: magnet schools, second-chance schools, and open enrollment. Common characteristics of these government schools-of-choice are continued district control of operation, funding, and budgetary decision making and an inability to spontaneously respond to greater enrollment demand. Intra-district choice may or may not be limited within an Intermediate School District. In Michigan, Intermediate Schools Districts choose whether or not to participate in cross-district choice.

**Limited educational choice.** Educational reform that eliminates barriers to parents’ ability to choose from among traditional, charter, or other government schools. Choice is “limited” because parents must still pay twice if they wish to send their children to private school—once in taxes for the government schools they do not use and again in tuition for their private school-of-choice. Most states now allow parents to have limited educational choice.

**Magnet school.** District-operated government schools designed to “attract” a racially diverse student body from a variety of attendance areas. Most magnet schools are designed around a specific theme or method of instruction and have a select student population and teaching staff.

**Nonsectarian school.** Nonsectarian schools are schools without any particular religious affiliation. Modern government schools would be considered nonsectarian, whereas parochial schools may espouse the doctrine of a particular denomination or religion, making them sectarian.

**Non-teachers.** Education employees who are not teachers, such as bus drivers, cooks, janitors, secretarial staff, administrators, district officials, etc. In Michigan, approximately 55 percent of all education employees are non-teachers. Michigan government schools have the highest percentage of non-teaching employees of any state.
**Normal school.** An American teacher-training school or college. Nineteenth-century normal schools were often two-year institutions on about the same level as high schools.

**Open enrollment school.** Open enrollment is a form of *intra-district choice* that allows parents to send their children to any grade-appropriate school within their resident district, subject to space availability.

**Pedagogy.** The art or profession of teaching. Also refers to the curricula of teacher-training institutions with respect to education theory and methodology.

**Per-pupil expenditure.** The amount of tax dollars spent per child in the government education system. In Michigan, roughly 75 percent of all education dollars come from state government, while 25 percent is raised within local school districts.

**Private/Nongovernment school.** Private, or nongovernment, schools are schools that operate independently from government (they are, however, subject to the same basic health and safety laws as are government schools). Typically, private schools are voluntarily funded through tuition payments from families who enroll their children. Parochial schools are also often subsidized by their respective church or denomination. Private schools serve approximately 11 percent of all Michigan students; the majority of them are Catholic schools.

**Private scholarships.** Private scholarships provide qualified students—often from lower-income families—with privately funded financial assistance to help them attend tuition-charging *schools-of-choice*. Most private scholarships cover only a portion of private school tuition and therefore require parents to pay part of the cost. Private scholarship programs began on a large scale around 1991 and are growing in popularity as a way to provide disadvantaged families with greater educational choice.

**Public/Government school.** “Public” schools can rightfully be called government schools because they are supported entirely through tax dollars and are governed through the state and smaller, local governmental entities at the district level.

**School choice.** School choice is a fundamental education reform that proposes removing some or all of the government-erected barriers to families’ ability to choose for their children the schools that best meet their educational needs. Early Americans enjoyed full school choice in the form of a free market in education. Beginning in the nineteenth century, government assumed more responsibility for, and control of, education to the point that many over-taxed families are today unable to afford alternatives to their local government-run school. School choice can be divided into two categories: *limited educational choice* that removes barriers to parental choice of government schools only and *full educational choice*, which affords parents a full range of options among government and private schools.

**School employee labor union.** Commonly called “teacher unions,” school employee unions actually represent support staff including cooks, janitors, and bus drivers, as well as teachers. In Michigan, the two largest school employee unions are the Michigan
Education Association, which has approximately 140,000 members, and the Michigan Federation of Teachers, an affiliate of the AFL-CIO.

**Schools-of-choice.** Schools-of-choice is a term that often refers to charter schools and other government schools that are part of an *intra-* or *inter-district choice* program, so-called because parents can choose the schools as opposed to having their children assigned there. More generally, a school-of-choice is any school, government or private, voluntarily chosen by parents.

**Second-chance school.** Second-chance schools, sometimes called “alternative” schools, are government schools designed for students who, for a variety of reasons, do not function well in the traditional government school. These schools typically serve students who have dropped out or are in danger of dropping out due to underachievement, pregnancy, low skills, or drug and alcohol dependency. Most second-chance schools provide open, flexible alternatives with specialized structure, size, and curricular offerings.

**Sectarian school.** Sectarian schools are schools affiliated with a specific religious denomination. “Sectarian” derives from the fact that early American schools were commonly established under the control of particular church groups, or sects.

**Special education.** A school program designed for children who are exceptional—that is, either gifted or below-normal in ability.

**Tax credit.** Tax credits, a form of *full educational choice*, are designed to provide parents with tax relief to offset expenses incurred in selecting an alternative government or private school for their children. A tax credit is a dollar-for-dollar reduction in taxes owed, whereas a tax deduction is merely a reduction in taxable income. For the purposes of school choice, tax credits may be granted for any or all out-of-pocket educational expenses incurred by an individual, from tuition to textbooks to transportation to extracurricular fees—though tuition is the most common expense allowed in practice. Tax credits are often criticized because they do not help lower-income families with little tax liability.

**Universal Tuition Tax Credit (UTTC).** In 1997, the Mackinac Center developed the universal tuition tax credit, a *full educational choice* proposal that incorporates the advantages of vouchers and tax credits while minimizing their disadvantages. Under the UTTC, *any* taxpayer—individual or corporate, parent or grandparent, friend, neighbor, or business—who pays a Michigan elementary or secondary student’s tuition is eligible for a dollar-for-dollar tax credit against taxes owed. In this way, lower-income families with little or no tax liability can also benefit from corporate or philanthropic tuition assistance.

**Vouchers.** Vouchers are forms of payment from government to an individual to enable that individual to purchase a particular good or service—in this case, education—in the open market. Food stamps, Medicaid, and the G. I. Bill are all examples of vouchers. Education vouchers can be issued to cover all educational expenses or just certain ones, such as tuition, transportation, etc.
Appendix B: Sample Letter-to-the-Editor

Below is a sample letter to the editor that school choice advocates can use to make a powerful argument on behalf of increased educational freedom and parental choice in Michigan.

Date

To the Editor:

School choice—giving parents the freedom to choose the safest and best schools for their children—is an idea whose time has come for Michigan.

Under the current government assignment system, students are assigned to a government school based on their geographic neighborhood. If that school fails to meet its students’ needs, wealthier families can afford to choose a private school for their children, but lower-income parents in the inner city—where government schools perform most poorly—have no options.

Greater school choice can help all parents in two ways. First, choice will improve all schools, government or private, by forcing them to treat families as customers rather than as captive audiences. The resulting competition for students will help schools be more accountable to their customers, leading to lower costs and improved quality.

Second, a school choice plan can help lower- and middle-income families afford alternatives to their failing neighborhood government schools by offering vouchers or tax credits to offset the cost of tuition to an alternative government or private school. Michigan currently offers tax credits to families who pay private or public college tuition, but the state constitution prohibits anything similar for K-12 education.

It’s time to remove the discriminatory language from our constitution and allow parents of all socioeconomic backgrounds the opportunity to choose schools that best meet their children’s unique educational needs.

Sincerely,

A School Choice Advocate
Appendix C: Michigan Newspaper E-Mail Addresses

The Detroit News letters@detnews.com
Detroit Free Press editpg@det-freepress.com
Lansing State Journal lsj.news@internetmci.com
Oakland Press vop@oakpress.com
Macomb Daily www.macombdaily.com/editor.html
Alpena News alpenanews@oweb.com
Battle Creek Enquirer enquirer@cereal-city.com
Bay City Times Forum@bc-times.com
Daily Mining Journal mjournal@up.bresnan.net
Flint Journal letters@flintj.com
Jackson Citizen Patriot vop@citpat.com
Kalamazoo Gazette kgletters@aol.com
Ludington Daily News ldn@ludingtondailynews.com
Saginaw News thenews@saginaw-news.com
State News opinion@statenews.com
Sturgis Journal opinion@sturgisjournal.com
Ypsilanti Press Letternews@aol.com
Appendix D: School Choice Resources

Mackinac Center for Public Policy

The Mackinac Center for Public Policy is an independent, nonprofit, nonpartisan research and educational institute dedicated to analyzing and advancing public policy ideas that strengthen and improve Michigan’s culture and economy and its citizens’ quality of life. It is the nation’s largest state-focused policy research organization.

Through scholarly policy studies, conferences, seminars, and public forums, the Center helps citizens and public officials to better evaluate policy options by providing them with the best and most up-to-date research on the problems facing Michigan schools, citizens, businesses, and communities.

Mackinac Center research shows that leaving people free to make their own decisions in a market economy results in superior goods and services for all consumers. Mackinac Center ideas have a decade-long record of influencing public policy to make Michigan citizens freer and more prosperous.

The Mackinac Center for Public Policy is committed to freedom in education as embodied by the concept of school choice. In 1998, the Center’s Education Policy Department was formed in order to advance freedom in education throughout the state of Michigan. For more information about the Mackinac Center for Public Policy’s work in education, contact the Center at (517) 631-0900 or visit its Web site at www.mackinac.org.

Other School Choice Organizations

The Center for Education Reform
1001 Connecticut Ave., NW
Suite 204
Washington, D. C. 20036
Phone: 800-521-2118
Phone: 202-822-9000
Fax: 202-822-5077
Hotline: 877-433-8228
www.edreform.com

Children’s Educational Opportunity Foundation
P. O. Box 330
Bentonville, AR 72712
Phone: 501-273-6957
Fax: 501-273-9362
www.childrenfirstamerica.org

The Educational Choice Project
One River Walk Center
34 W. Jackson St.
Battle Creek, MI 49017-3505
Phone: 616-962-2181
Fax: 616-962-2182

Education Freedom Fund
126 Ottawa, N.W., Suite 600
Grand Rapids, MI 49503
Phone: 616-459-2222
Fax: 616-459-1211
Endnotes


6 Blumenfeld, Is Public Education Necessary?, pp 24-26, 56.


11 Richman, Separating School & State..., p 38.


13 Perkinson, The Imperfect Panacea..., pp 14-16, 27-32; and Blumenfeld, Is Public Education Necessary?, pp 43-44.

14 Cubberley, Public Education in the United States..., pp 175-176; and Blumenfeld, Is Public Education Necessary?, pp 48, 56.


17 In fact, in 1820 only about 22 percent of the school-aged children outside of Boston attended

Blumenfeld, *Is Public Education Necessary?*, p 164

---

Ibid., pp 164-165.


Ibid.

Michigan, Constitution of 1835, art. 1, sec. 5.

These prohibitions are often referred to as Blaine Amendments. As Speaker of the House, James G. Blaine proposed an amendment to prohibit public aid to religious schools—something that had been commonly accepted until then. Many states adopted this language in their state constitutions in an effort to prevent Catholics from using public funds for education as Protestants had done for many years.


Michigan, Constitution of 1963, art. 8, sec. 1.

School Choice in Michigan:
A Primer for Freedom in Education

The Mackinac Center for Public Policy

July 1999


35 Dain, *Education in the Wilderness*, p 207.


40 Cubberley, *Public Education in the United States...*, pp 273-274.


44 *Traverse City School District v Attorney General*, 384 Mich. 390 at 407 (1971), note 2; and 411, note 3. “Shared time” generally refers to students who primarily attend private schools but receive instruction in some secular subjects at a government school or other taxpayer-funded facility.

45 Compiled Law 7379 of 1929; *Council Comment*, October 1970.

46 Michigan, Constitution of 1963, art. 8, sec. 1.

47 This is dated from the court decisions outlawing school prayer that occurred in the late 1950s and early 1960s, but there has been constant tension over the balance between government and religion since the founding of the nation. Cases on schools and religion have reached the U. S. Supreme Court on several occasions, and these cases mostly determine the outlines of allowable activities. The seminal supreme court cases in the last few decades have been *Everson v Board of Education* (1947), *Lemon v Kurtzman* (1971), *Committee on Public Education v Nyquist* (1973), *Mueller v Allen* (1982), and *Rosenberger v Rector* (1995).

48 *Rosenberger v Rector and Visitors of Univ. of Va.* 515 US _____, 132 L Ed 2d 700, 115 Sct. 2510 (1995), (slip op. at 18). The court’s discussion here even encompasses direct aid, as long as the aid is for activities that are neutral toward religion. On the tax preference issue in particular, Justice Thomas in his concurrence in *Rosenberger v Rector*, 9, gives an extensive history of government tax exemptions for religious institutions.

49 The law allowed up to 50 percent of the salaries of certified lay teachers to be reimbursed by the state. *Council Comments*, October 1970.


52 Council Comments, October 1970.

53 The Supreme Court later noted the “voter was barraged by contradictory statements,” including those made by prominent supporters and public officials. Traverse City School District v Attorney General, 384 Mich. 390 at 407-409 (1971), note 2. See also Council Comment, October 1970.

54 Michigan, Constitution of 1963, art. 8, sec. 2; added by amendment in 1970.


57 Ibid.


60 Ibid.


Linda McDaniels, Michigan Department of Education, e-mail correspondence with author, 14 August 1998.


Renee L. Reso, “Mother gives up guardianship to allow son to go to school in preferred district,” *Midland (MI) Daily News*, 26 September 1989, p 3A.


90 John F. Hagan, “Boy goes to wrong school; mom goes to jail,” The (Cleveland) Plain Dealer, 7 December 1996, p 1-A.

91 Robert W. Kasten and Gregory Fossedal, “Teacher unions and school choice in countries that have both,” Alexis de Tocqueville Institution, 18 January 1996.


97 Charles Hurt, “Students rush to charter schools as parents reject public education,” The Detroit News, 7 August 1997, p 1D.

98 Mark Hornbeck, “High court upholds charter schools,” The Detroit News, 31 July 1997, p 1D.


101 Ibid.

102 Ibid.


Mark Hornbeck, “MEA led state in ’96 campaign donations,” *The Detroit News*, 9 September 1997, p 4A.


Author’s experience. Santa Fe Christian Schools, a K-12 non-denominational school in Solana Beach, California, is accredited by a regional public agency called WASC (Western Association of Schools and Colleges) and by a national private agency called ACSI (Association of Christian Schools International). By comparison, the ACSI process is much more detailed and rigorous.


Peter Applebome, “Record School Enrollments, Now and Ahead,” The New York Times, 22
August 1997, p A8.


156 Ibid., p 9.

157 Quoted in Richman, Separating School & State..., p 11.


167 Ibid.

168 Robert W. Kasten and Gregory Fossedal, “Teacher unions and school choice in countries that have both,” Alexis de Tocqueville Institution, 18 January 1996.


172 Richman, Separating School & State…., p 89.


Acknowledgments

The author gratefully acknowledges the editing assistance of Managing Editor of Publications David M. Bardallis, and Executive Vice President Joseph G. Lehman.

About the Author

Former junior-high and high school teacher Matthew J. Brouillette is director of education policy at the Mackinac Center for Public Policy.

Brouillette received a bachelor of arts degree in U. S. history and secondary education from Cornell College in Iowa, a master of education degree in graduate education from Azusa Pacific University in California, and a master of arts degree in history from the University of San Diego.