

Using Vouchers to Reform Schools: A Reply to Conservative and Libertarian Doubters

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Today, approximately 87 per cent of students in the U.S. attend government schools. These schools are genuinely socialist entities—the buildings, desks, chairs, and other equipment are owned by the state and maintained by government workers. Curriculum is determined by elected school boards. Teachers are government employees. Government workers assign students to schools based on where their parents live. There is little room or opportunity in this system for the exercise of parental choice.

In 1962, economist Milton Friedman proposed privatizing K-12 education in the U.S. by giving parents tax-financed vouchers to be used to pay some or all of the tuition at participating public and private schools (Friedman, 1962). He predicted that competition among private and government schools for the vouchers would ensure a higher quality and more diverse offering of schools, and parents would be empowered to demand better performance from school administrators.

The genius of Friedman's plan is that by funding individual *consumers* of schooling, rather than the *providers*, market forces can be restored to education without (or with a much reduced chance of) the threat of increased regulation of providers. The plan is also strategically ingenious: by leaving government responsible for *providing* education but not *producing* it, it addresses the fears of the great majority of people that a completely free-market approach to education would deny a quality education to the children of parents who are too poor, unmotivated, or ill-educated themselves to invest sufficiently in their children's education.

In the nearly four decades since Friedman made his proposal, many proposals for vouchers have been advanced by scholars, activists, and politicians. During the 1960s, some states adopted voucher plans (e.g., Louisiana and Georgia) but were forced to

dismantle them by the U.S. Supreme Court, which found them (correctly) to be deliberate ploys to avoid court-ordered racial integration of government schools. But even without vouchers, government schools during the 1970s and 1980s stayed or became even more racially segregated, and the quality of instruction in inner-city schools has plummeted. As a result, support for vouchers has grown among those who put integration, social justice, and service to the poor high on their list of objectives. As a result of this reversal of roles, nearly all voucher proposals in recent years have focused on giving poor and minority families the same ability to choose among competing schools that wealthy families take for granted.

Not all of the conservatives and libertarians who originally supported vouchers have been comfortable with recent developments. Some are driven by the same opposition to racial integration that once led them to support vouchers. These people—often white suburbanites fearful of inner-city black youths attending their government schools—have only a slender reed upon which to lean to make their case intellectually respectable: local taxpayers should not have to shoulder the expense of educating the children of families living in other tax jurisdictions who do not help to financially support the community's schools. Fair enough, but voucher plans can be designed to avoid this free rider problem.¹ If racism or elitism is the true reason for opposing vouchers, then it is a contemptible position that should be rejected forthwith.

¹The author worked with the Illinois Legislative Commission to draft legislation that would allow individual school districts to decide how much to spend per student and issue vouchers in this amount. The complete text of the legislation is available at www.schoolreformers.com.

Most conservative and libertarian critics of vouchers are not racists or elitists. They are driven by a reasonable fear that government control will follow public funding to schools that are now private. Most of these people become voucher supporters when protection of home schoolers and private schools is incorporated into legislation, and when the difference between subsidizing demand versus supply is made clear. Still, not all are persuaded. Four false assumptions appear to be to blame.

False assumption 1: Letting people keep their own money is the same as a subsidy or new entitlement.

Libertarians argue for ending all taxation for schooling on the grounds that taxation, being coercive, is no different from theft. Therefore any kind of reform that leaves government *funding* intact—even a reform such as vouchers that replaces government schools with private schools—is still fundamentally wrong. But it is consistent with that position to say we would be most successful in eventually achieving complete privatization if we call for the removal of the least fair tax burden first. Vouchers do this by allowing a parent *who is already entitled to education services at the taxpayers' expense* to apply those dollars instead toward tuition at a private school.

Since this point seems so often missed by the anti-voucher separationists, I will restate it clearly. Vouchers do not create any new entitlements. They take dollars currently going to support a socialist system and put them back into the hands of parents, to be spent in a growing private marketplace of competing schools.

Currently a parent who chooses a private school for his or her child is forced to pay twice for education: once for tuition at the private school and again through taxes for the government school that was not selected. Most of the parents who choose private schools do so out of religious conviction: they oppose the secular humanism taught in government schools and want their children to learn their values and religious beliefs. It is a well-established legal principle that no one should be required to pay a tax penalty to exercise a constitutionally guaranteed right (Coons, 1985). Simple justice demands that this double payment should be brought to an end.

Confusing tax relief with letting someone keep his or her own money with a subsidy or an entitlement is a common mistake among liberals and statisticians. The false premise is that a family's income belongs, not to those who earned it, but to the government, and the family must petition the government to keep some of it. This notion is, of course, repugnant to libertarians and many others. It is surprising, therefore, to find it embraced on this issue by the anti-voucher separationists.

False assumption 2: We can't trust people to turn down vouchers with debilitating conditions and strings attached.

Anti-voucher separationists are afraid that vouchers will come with strings attached, thereby compromising the independence and creativity of participating schools. They fear that school administrators, always hungry for money, will be easy targets for government bureaucrats who come bearing gifts. They are afraid that good private schools that refuse to accept the voucher will be unable to compete with bad private schools that do. They are afraid, in short, that *other people* don't see as clearly as they do the danger inherent in accepting government funds.

All of this fear is, perhaps, understandable. But it is fundamentally wrong to allow such fear to drive public policy. Ludwig von Mises rebutted the presumption that the general public is *too stupid* to resist the false promises of expanded government:

The outlook of many eminent champions of genuine liberalism is rather pessimistic today. As they see it, the vitriolic slogans of the socialists and interventionists call forth a better response from the masses than the cool reasoning of judicious men...it is not true that the ideas of genuine liberalism are too complicated to appeal to the untutored mind of the average voter (von Mises, 1980).

Anti-voucher separationists should have a higher regard for the wisdom and wits of the average mother, father, private school principal and administrator, and school board member. By claiming to know what is in these people's best interest even better than these

people themselves, anti-voucher conservatives and libertarians are little different from voucher critics on the left, who claim that specially trained bureaucrats are more for the well-being of children than do parents.

Similarly, economists tell us that knowledge in a free society is widely dispersed and unknowable to any one individual. We must therefore submit to the superior wisdom embedded in and revealed by social and economic processes. We trust that impersonal markets will reveal who really wants something and at what price. That same humility should lead us to give parents and school administrators the opportunity to decide for themselves whether vouchers are a blessing or a curse. To take away from them that choice because of our own fears and presumption of superior understanding is morally and intellectually indefensible.

False assumption 3: The trend toward increased regulation and government control is irreversible.

So great is their fear of government control that anti-voucher separationists would rather live with socialism than dare to experiment with privatization. What a sad commentary on their lack of vision and faith.

The faulty assumption here is that the Road of serfdom identified by Friedrich Hayek is a one-way road for all time, and any proposed reforms that still involve public funding—even proposals that dramatically scale back government's capacity to commit evil, and which set the stage for further privatization in the future—will lead to dependency, government control, and decline. But if this were true, why did Hayek even bother to write *The Road to Serfdom*? Why do we get up in the morning to spend the day fighting Leviathan if we are convinced it cannot be defeated? Ludwig von Mises observed:

One of the cherished dogmas implied in contemporary fashionable doctrines is the belief that tendencies of social evolution as manifested in the recent past will prevail in the future too. Study of the past, it is assumed, discloses the shape of things to come. Any attempt to reverse or even to

stop a trend is doomed to failure. Man must submit to the irresistible power of historical destiny (von Mises).

The contemporary fashionable doctrines Mises refers to are the theories of history and progress advanced by Hegel, Marx, and Comte. But they could just as easily be the doctrines of anti-voucher separationists. The cherished dogma is the same for both: a helplessness to stop the trend toward greater government power and control. An obvious consequence of this dogma is paralysis: The anti-voucherites are afraid to dismantle the government schools because any such effort is doomed to failure.

Critics of vouchers say that so long as government plays any role in financing education, it must inevitably control, regulate, demoralize, and deny ownership to customers and providers. What proof do they have of this claim? Vermont has had a system of vouchers for over a century, but school regulations are no heavier in that state than in other states (McCloughry, 1984). Similarly, food stamps and Social Security programs that subsidize demand rather than supply have not led to government attempts to regulate supermarkets or tell seniors how they can spend their money.

The notion that government regulation inevitably follows funding, even when funding goes to consumers rather than providers, is nothing more than dogma, repeated so often that it appears to be true even when the facts suggest otherwise. What Mises said of Marxist dogmas of the 1950s applies equally to this belief of anti-voucher libertarians:

Today the doctrine of the irreversibility of prevailing trends has supplanted the Marxian doctrine concerning the inevitability of progressive impoverishment. Now this doctrine is devoid of any logical or experimental verification. Historical trends do not necessarily go on forever. No practical man is so foolish as to assume that prices will keep rising because the price curves of the past show an upward tendency (Mises).

False assumption 4: The current system is preferable, morally as well as practically, to a less-than-perfect voucher system.

Opposition to vouchers from the conservative or libertarian perspective reflects an inverted view of current realities. Such critics place their fear that the independence of a small number of schools will be compromised above the very real and alarming injustice of the present public school cartel. The public schools= near monopoly of education in America poses, to the true conservative or libertarian, a genuine threat to all of our other liberties, including those of religion, association, and speech. Dismantling that monopoly for the benefit of millions of children should be our highest priority, while of course looking out for the independence of the small number of religious schools now surviving against all odds.

Only 12 percent of students in the U.S. today attend private schools. Approximately 86 percent of private schools are religiously affiliated. Catholic schools account for approximately half of total private school enrollment, while Protestant schools account for 28 percent (James and Levine, 1988).

Anti-voucher separationists point to this 12 percent as a precious remnant of the free enterprise that would be destroyed by vouchers. But the great majority of private schools could and virtually every Catholic school would not hesitate to accept vouchers so long as the school choice program had reasonable restrictions on government regulation of participating schools.² Participation in voucher plans is never mandatory: those who manage private schools are free to remain outside the program if they believe the accompanying regulations are too burdensome.

Schools that are so unique or unconventional that they would not be eligible to participate in a choice program would probably lose very few students precisely because they *do* offer a unique product. Such schools already exist despite the presence of a free government schools that typically outspend them two- or three-to-

²When state legislation was passed in Wisconsin expanding the Milwaukee pilot voucher program, 102 of the city's 120 private schools signed up to participate. The National Catholic Education Association is a strong proponent of school choice. See ANCEA's 1st Lay President Rides in on Waves of Change, @ *Education Week*, June 1, 1996.

one. A voucher plan would not significantly worsen their odds of survival.

It is too easy to romanticize the independence and superiority of today's private schools. Why, if these schools are so much better than government schools, have their enrollments as a percentage of total enrollment remained virtually unchanged since 1965 (James and Levin, 1993)? One reason may be that nonprofit private schools often aren't much different than the government schools. Another reason is they are simply unable to compete against a lavishly funded free public service. Vouchers overcome both problems by making possible a new generation of more efficient and effective private schools, giving more parents a reason to choose a private school. At long last, a flight to equality could occur.

Complete separation in a single bound is unlikely to occur.

The chasm between where we are today—with an education marketplace dominated by government schools and a general public largely unconvinced that markets would provide a quality education to every child in the absence of any government funding—and complete separation of school and state is simply too wide to cross in a single bound. Intermediate steps must be taken, even if they seem too slow or complicated by the romantics among us.

A recent opinion poll produced by an anti-voucher separationist group apparently shows that 26 percent of the people polled were willing to entertain the notion that a state should stop funding education. This number is higher than expected, but opinion polls often show support of educational choice and vouchers to be three times this high before the inevitable, massive, and well-funded negative campaigns of the education establishment. California's Proposition 174 was at 66 percent approval only a few months before it lost by a two-to-one margin.

Think of how much more difficult it would have been to mount a referendum effort for complete separation. Who would have funded the media campaign to defend it against union attacks and distortions? By how large a margin would such a referendum have failed?

What do the anti-voucher separationists offer instead of vouchers? Vague promises that the government schools will collapse in time, if only we enroll our children in private schools or homeschool them (and continue paying school taxes!). Plans that consist of abolishing the Department of Education, compulsory attendance laws, and regulations on private schools and ending tax support for government education . . . these are worthy objectives, perhaps, but *objectives* are not *plans*. They fairly scream the obvious question: How do we get there from here?

Anti-voucher libertarians and conservatives criticize the first step in the right direction (vouchers) because it doesn't immediately take us to the ultimate destination (separation), arguing with utter implausibility that in some glorious day to come we'll get there in one grand leap. That is a prescription and an excuse for standing still. And, in fact, that is what the anti-voucher separationist philosophy has delivered for nearly half a century.

Between 1980 and 1990, real per-pupil spending on government schooling rose 48 percent (National Center for Education, 1993). Is this a trend away from government schooling?

Urging the most concerned and informed parents to remove their children from government schools and enroll them in private schools or homeschool them has not slowed the growth of government schooling. Perversely, it may have accelerated its growth by removing from its path those citizens who could most effectively resist it. Private schools today act as safety valves for the government schools: they enable just enough upset parents to leave the system to keep the Rube Goldberg contraption running.

Whatever its merits ideologically, complete separation is currently a political fantasy. Vouchers offer a halfway house to wean the public from their addiction to government finance and provision of education. By removing institutional barriers to privatization and setting into motion a dynamic that ensures further movement toward competition and choice, vouchers are a necessary step toward complete separation.

The moral requirement that we act immediately

While we debate with the anti-voucher separationists the fate of the tiny number of students who might be adversely affected by the creation of a competitive educational system, 42 million children are trapped in a system where government owns the buildings, hires the teachers, employs the principals, determines the curriculum, and oversees testing and evaluation. Only by ignoring the abuse of these children can anti-voucher separationists blithely claim that they shouldn't have to come up with a non-voucher plan to privatize the schools.

The gravest threat to American capitalism and democracy is what is currently happening in the government schools:

§ Millions of children are not being adequately taught to read or write, and so enter society without the skills needed to become contributing members. This is one of the largest yet most overlooked roots of crime, drug abuse, domestic violence, and the many other problems that plague our society.

§ Children are being indoctrinated with creeds and dogmas that are profoundly at odds with the values of their parents and with what is needed to genuinely understand the world as it really exists. Radical environmentalism, political correctness, and more have become standard elements of high school and even elementary school curricula.

§ Children are being sold drugs, recruited into gangs, introduced to sex, and sometimes caught in the crossfire of gang wars while still on school property. Instead of being places of peace and safety in a community, many inner-city government schools resemble war zones and barely contained riots.

A recent understanding of the current system makes it plain that while the interests of the 12 percent of children in private schools and the 1 percent currently being homeschooled are important and must not be overlooked, it is cruel indeed to overlook

the calamity facing the 87 percent now trapped in government schools. Our first concern should be saving the millions of children now put at grave risk in government schools. And once that becomes our first concern, we understand the need for a plan to get from here to there, and the vital role that vouchers play in the movement for complete separation of school and state.

Conclusion

Santayana defined a zealot as someone who, having forgotten his aim, redoubles his effort. That characterization unfortunately but aptly suits conservatives and libertarians who oppose efforts to begin the process of privatizing schools with vouchers. Decrying mere improvement as the enemy of the ideal, they do more to thwart the separation of school and state than to advance it.

Those who favor separation of school and state have every right to publicly declare their goals and debate the best strategies to achieve them. But if they want to change the status quo, they need to recognize the strength of those who oppose change and describe strategies that exploit their weaknesses. To actually change public policy, separationists must build coalitions with those whose goals, as Lord Acton wrote, may differ from our own. Careless words and criticism directed at members of such coalitions set back the movement toward separation.

School choice offers hope. It's politically possible now, not sometime in a romanticized future. It would set into motion the changes needed to make further privatization and separation possible. Libertarians and conservatives who are serious about the goal of complete separation of school and state ought to join those who are taking this bold first step.

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