

want to see change, but are frustrated by their powerlessness to effect it.

If *Our Secondary Schools Don't Work Anymore* helps to articulate people's concerns and how they might be addressed, then it has served an important purpose. That, however, is not sufficient. We need to recognise there is nothing natural or given about the way schools are organised. The 'rules' were not etched in stone brought down from Mount Sinai. Schools are the historical product of particular groups with particular interests and values at particular times. They are, in other words, political in origin. Secondary schooling can be changed. It is a question of whether we have the political will to make it happen, and that means we need to join the debate.

## Endnotes

- 1 Education Forum (1998) *Health and Physical Education in the New Zealand Curriculum: A Submission on the Draft*.
- 2 M Ferguson (1980) *The Aquarian Conspiracy*, London: Collins.
- 3 Charles Handy (1998) *The Hungry Spirit*, London: Arrow Business Books.
- 4 Paul Black and Dylan William (1998) *Inside the Black Box: Raising Standards through Classroom Assessment*, London: School of Education, King's College.
- 5 Linda Darling-Hammond (1997) *The Right to Learn: A Blueprint for Creating Schools that Work*, San Francisco: Jossey-Bass Publishers.

## Educational Vouchers: The Research Evidence

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*Dr Cathy Wylie, Senior Researcher with NZCER, provides this assessment of educational vouchers.*

The term 'vouchers' is a short-hand way of referring to a market approach to education. In their pure form, vouchers would entail a set amount of government funding per student being given directly to parents to spend on the education of their choice. No country offers vouchers of this type. What countries do offer are various forms of parental choice, combined with per-student funding formulae and self-managing schools. These range from the full voucher systems of Chile, the Netherlands, Belgium, France and Sweden, which fund private schools close to or equal to the funding received by public schools, to the quasi-voucher systems of England and New Zealand, limited to public schools, but with sizeable subsidies given to private schools. The USA has some local voucher schemes, mainly individual scholarships for low income students to attend private schools, and open-enrolment or 'choice' schemes limited to public schools.

The core assumptions behind vouchers are that consumer (parental) choice and provider competition – that is, a market approach – will improve education, and increase its efficiency. I have recently reviewed these core assumptions and the research evidence related to them in order to judge the validity of the claims made by voucher

advocates, and the likely impact on New Zealand education if we were to move to a full voucher system. Here I summarise the main findings of that review.

### Competition

Competition between schools and providers does not play the dominant role in educational quality or student achievement. It therefore cannot be relied on as the main driver of an educational system. Studies of structural competition (often conceptualised by the availability of different providers; sometimes as differences in market-share for different providers) indicate that family socioeconomic circumstances have the dominant role in student achievement. Greater structural competition does not lower costs, particularly if the reason for a higher number of competing schools is the small size of the schools. Competition between schools is also uneven, and highly dependent on location, even in full voucher systems.

Competition between schools encourages them to adopt strategies which improve their attractiveness at minimal cost. Since students are the raw material of schools, and also 'co-producers' with teachers and their peers, the main strategy used is greater school selectiveness of students. The students who are most attractive to schools are those who come from well-resourced fami-

lies, who are well-motivated, well-behaved and who do not have special needs. These are not the students who are normally seen as providing education with its challenges.

A voucher approach makes access to better quality schools more difficult for the low-income, ethnic minority students who have motivated some voucher advocates. The exception is individual scholarship schemes, which are by nature selective. The success of these schemes depends on being able to access good quality schools, and schools which offer high quality co-producers: higher socioeconomic status students. This access depends on the amount of the scholarship. In general, individual scholarship amounts have to be much larger than the average student cost in public schools to make such schools available to low income, ethnic minority students.

### **Consumer Choice**

Consumer choice only makes schools more accessible to low income students, more responsive to students and more innovative if the choice is regulated and supported by government agencies. Otherwise, school selectivity and the greater financial resources of those who are already advantaged in education favour them continuing to have greater access to the education of their choice (though no voucher system is able to give all parents access to their preferred option). Some voucher systems, such as the Netherlands, prohibit additional fees being charged by public and private schools to temper the intensification of social and school stratification which accompanies voucher systems.

Individual schools cannot carry the responsibility for equality and infrastructure by themselves. Innovation in Chile occurred only when central government took the lead and provided additional professional development and funding. In the much admired controlled choice scheme of Cambridge, Massachusetts, enrolments are made by random ballot for schools which are over-subscribed, and support given to the less popular schools. The often-cited East Harlem district opens up new schools offering similar specialisations to over-subscribed schools, since it recognises that the comparatively smaller size of its schools is the key to their effectiveness.

Why doesn't consumer choice lead to greater innovation and diversity? Students and parents are often conservative in their perceptions of school quality.

Perceptions are shaped by parental experience, a need for security in what is one of the most important contributions to their child's future, and the existing hierarchies of schools, which tend to favour traditional academic approaches. Mandatory national assessments and tertiary institution requirements for standard qualifications also inhibit diversity. Innovation at school level also requires sufficient resourcing to make it sustainable.

### **Student Achievement**

Vouchers do not improve student achievement. In Chile, national achievement levels actually declined, largely because the intensified school stratification led to lower achievement for low income students. This trend was only turned by government intervention through additional resourcing for schools serving these students. Achievement levels of mid and high income students tend to remain much the same, but low income students are particularly affected when educational provision is market-driven. This lowers national achievement levels, and widens the achievement gap between advantaged and disadvantaged students, and between majority and minority groups.

The well-resourced Cambridge and East Harlem systems appear to have improved student achievement, though the evidence is mixed, and the gains modest.

There are two main reasons why a voucher approach is unsuccessful in improving achievement. First, the greater isolation of low income and minority students. Much of the seeming effectiveness of schools relies on the nature of students, as co-producers. Balanced social mixes enhance the achievement of children from disadvantaged homes, at no cost to those from advantaged homes; they also provide greater opportunity for social cohesion. Choice and voucher systems work against achieving such balances, partly because of school selectivity, and partly because of parental selectivity.

Parental choice of school is not based solely on educational quality, but may include other values, such as religion, avoidance of social groups, and the use of high-status programmes and middle-class students as the best indicators of quality and relevance. Schools serving low to middle income communities lose students from middle-class homes, or whose parents have higher education than their peers, thus diminishing the school's social mix. But only a minority of low income students can access middle-class schools, unless places

are allocated by random ballot of those wishing to attend a given school, fees are not charged, or are voluntary, and low income students are provided with transport assistance.

Second, autonomous or self-managing schools, including private schools, are no more effective than other schools. The research evidence is now very clear on this. Schools do benefit from focusing on whole-school development and planning, utilising self-review, but they also need external support and realistic resourcing. The seeming advantage of some private schools comes not from their ownership, or their greater autonomy (lesser accountability), but from the higher socioeconomic mix of their student body, and other better resourcing such as smaller classes and school size. Good private schools usually cost more than public schools, and there is no evidence that they are more cost-effective.

## Cost

Vouchers cost more, not less. If voucher amounts are insufficient to provide good quality education, or to allow low income students free movement to access schools in mid and high income neighbourhoods, then the cost comes in lowered national achievement, and the wastage of low-income ability in terms not just of education, but also of employment. For voucher systems to work well, the voucher amounts need to be realistic, with premium given to students from low income homes. It is also essential to provide transport assistance, support to schools to maintain quality and relevance, and to innovate, and control choice through random balloting.

## New Zealand Considerations

I've described our current system as 'quasi-voucher'. If we were to change the system only by funding private schools to the same amount as state and integrated schools, the financial cost would be an additional \$95 million a year. If this funding had to come from the existing education budget, it would be at the expense of already underfunded provision to less advantaged students. If private schools were allowed to charge fees on top of their government funding – as integrated schools do – then they would be no more accessible to low income students than they are currently.

Other costs would be: continuing and deepening intensification of school and social stratification through

greater school selectivity; and weaker accountability for the use of public funds, since a dual system with higher standards for public schools would disadvantage those schools, and private schools are unwilling to accept these higher standards. All schools would become fully funded, whether they wished it or not. It is also likely that there would be pressure for school fees to become mandatory, not voluntary, thus eroding the principle of equality of educational opportunity, independent of family circumstance, and making consumer choice available only to those consumers with additional resources of their own.

It is likely that the entry of private schools funded on a par with state and integrated schools would also lead to great pressure for school property becoming owned by individual schools, rather than the Crown. This has implications not just for school administration, but also for the ability of government to plan rationally and contain spending where there is spare capacity in existing schools.

Yet for these additional costs, we are unlikely to see any gain in student achievement, school diversity or efficiency of educational spending. Indeed, it is highly likely that low income students' achievement would slip even further behind, as it did in Chile and already in New Zealand, with a decline in School Certificate marks in the lowest decile schools.

Only if a voucher system is regulated and resourced at a much higher level than our current educational spending could such gains be made. But this very regulation would make such a system unpalatable to private schools.

The empirical research evidence provides no support for the assumptions behind educational vouchers. The application of market principles to education does not provide the gains that they can when applied to the production of coffee, or the supply of cafés. Some of the problems which voucher advocates hope to solve through the application of market principles to education arise from wider social and economic inequalities. It is unlikely that these problems can be solved simply by making changes within education. There is also much that can be done within education to improve access to good quality, relevant education. The most promising directions that research identifies are not structural emphases, such as educational vouchers, but concentration in both policy and practice on the core work of schools: learning and teaching.