

## School choice: a Subtext special edition

Welcome to this special edition of *Subtext*, which focuses on the issue of school choice.

School choice has been a topic of considerable policy discussion in New Zealand since school zoning was removed in the early 1990s. This has been particularly true in recent times with the partial reintroduction of zoning in 2000, and this year we've seen reports of increasing Auckland house prices in 'desirable' school zones and pupils being kicked out of schools in Christchurch because of the use of false addresses.

The issue has also been in the news internationally. In the United States, school choice initiatives such as charter schools, contract schools and voucher schemes have kept the issue at the top of the education agenda. This looks set to increase given the US Supreme Court's favourable decision on the constitutionality of vouchers in the Zelman case. The first signs of that are now appearing, with the state of Colorado legislature now on the verge of passing a comprehensive school voucher bill.

While much of the international attention on vouchers has been focused on voucher programmes in US cities such as Cleveland and Milwaukee, a much wider (and quieter) school choice revolution has been happening across a range of developed and developing countries in Europe, Africa, Asia and Latin America.

We have devoted this edition of *Subtext* to the topic of school choice and highlight how it has been implemented in six highly different countries:

- Brazil;
- Colombia;
- Denmark;
- The Netherlands;
- United States; and
- Sweden.

These are only a handful of the many countries that have introduced school choice policies. What is clear from these examples (and others such as Ireland, Australia, the Philippines, Chile, Belgium, some Canadian provinces and elsewhere) is that there is a wide range of school choice models on the international stage – with varying strengths and weaknesses and often with quite different origins.

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New Zealand provides some funding to non-government schools – a form of voucher. In addition, a successful voucher pilot – the Targeted Individual Entitlement (TIE) scheme – was introduced in New Zealand in the mid-1990s. The scheme was closed to new entrants by the Labour government. In this *Subtext*, we highlight some points from an evaluation of the TIE scheme.

The Education Forum believes that parents should have the right to choose a school for their children. Without a system whereby government funding follows the student – to the public or private school of their choosing, many New Zealand families will be denied real choice in education.

The Education Forum believes that policy debates need to stop focusing on public and private schools. In our view, the 'publicness' of a school should be defined by whether that school helps to meet the country's educational, social and economic objectives, not by whether the bricks and mortar are publicly or privately owned. Funding policy should be geared to overcoming students' barriers to learning, not feeding ideological biases against education providers that happen to be privately owned.

We hope the articles and information in this edition of *Subtext* are useful to you in outlining the variety and range of school choice schemes around the world and can contribute to a more rational debate on the merits of alternative funding systems for New Zealand schools.



Norman LaRocque  
Editor

# Brazil pays poor parents to send their children to school

**Eight-year-old Geislane Jose da Silva (pictured below) is the main breadwinner in her family. As long as she attends school regularly, her mother receives a monthly grant. "My mum keeps telling me that I have to stay in school," she says.**



Geislane's mother is among the more than 2.5 million poor parents in Brazil benefiting from the nationwide education grant scheme, Bolsa Escola. Like the great majority of women in her neighbourhood, she is a single mother, has no stable job and does not receive maintenance from the father of her three children. For her – and poor parents like her – the education grant means a fixed income that allows her to send her children to school.

The Bolsa Escola initiative was launched two years ago with the aim of reducing dropout rates. In Brazil, one out of four pupils drops out before the end of primary school. Today, the programme reaches 8.7

million schoolchildren, and the goal is to reach 11 million.

Beneficiaries are poor parents whose income is below or equal to half the minimum monthly wage. They receive a monthly allowance per child aged between six and 15 for a maximum of three children. Payment is made on condition that children attend at least 85% of classes. In most cases, the allowance is paid to mothers, who can draw the allowance directly at any cash point using a special bankcard.

Bolsa Escola's success has seen similar schemes mushrooming throughout Latin America (Bolivia, Chile, Colombia, Ecuador, Nicaragua and Mexico), and pilot projects are running in Mozambique and the United Republic of Tanzania.

A policy brief on Bolsa Escola is at [http://www.idrc.ca/lacro/foro/seminario/caccia\\_pb.html](http://www.idrc.ca/lacro/foro/seminario/caccia_pb.html)

A UNESCO book on the school grant programme is at [http://portal.unesco.org/ev.php?URL\\_ID=10422&URL\\_DO=DO\\_TOPIC&URL\\_SECTION=201&reload=1047693647](http://portal.unesco.org/ev.php?URL_ID=10422&URL_DO=DO_TOPIC&URL_SECTION=201&reload=1047693647)

(This article was adapted from an article in the February edition of the UNESCO newsletter Education Today.)

# Going Dutch – private education, public finance

**A recent paper highlights the success of the Netherlands' public/private education partnerships in education. We look at what economist Harry Anthony Patrinos says could be a good working model for educational freedom.**

In the Netherlands, where almost 70% of schools are run by private boards, and public and private schools are government-funded on an equal footing, school choice is regarded by most people as a way of life.

According to Dr Patrinos in his paper *Private education provision and public finance: the Netherlands as a possible model*, most parents have several schools to choose from, there are no catchment areas and it is estimated that 86% of parents chose schools of their own preference.

Although institutions were answerable to government for performance and policies, they were being given greater freedom in the way they allocated resources and managed their affairs, and they received extra funds to combat educational disadvantage.

"Interestingly, as the centre has moved away from any direct provision of education services, its role in policy-making, evaluation and information dissemination has increased. Therefore the fear of the retreat of the state from matters of importance in education policy with the introduction of market forces is not founded.

"The Netherlands shows that a large private sector with equal public funding does not necessarily mean decentralisation and a weak central role. Choice can coexist with a strong centre."

In his report, Dr Patrinos said that the

Government was required to provide almost all initial capital costs as well as ongoing expenses for new schools. The municipality provided the buildings, and central government paid the salaries.

Schools were free to determine how to teach with some centralised requirements over quality, including subjects to be studied, national examination content, teacher training and qualifications and reporting requirements.

"As a rule, schools enjoy considerable freedom in the choice of textbooks and materials and in the way they manage their affairs."

Dr Patrinos said in the report that international academic achievement tests showed Netherlands students performed "exceptionally well" and the country was "one of the world's best achievers".

"Achievement levels are high while relative costs are low – education spending as a proportion of GDP was 4.6% compared to an OECD average of 5.8%."

At the secondary level, the Dutch government paid US \$5,304 per student, which was much less than the OECD average. Parents could be asked for voluntary contributions at the secondary school level, but schools could not refuse to admit a child if parents were unable or unwilling to pay.

"Most people accept school choice and public funding of private schooling as a way of life. The Dutch are comfortable



with their system and see the guarantee of school choice as a positive influence in society," Dr Patrinos wrote.

"In other words, consumer power in education is a valued right.

"The Dutch strategy is not to fight segregation but to offer high quality education for all students."

- Harry Anthony Patrinos is senior education economist at the World Bank. He has published widely in the area of economics of education and specialises in demand-side financing. He has worked on education projects and research in Africa, Latin America, Asia, Europe and North America.

Private education provision and public finance *can be accessed at* [http://ncspe.org/onepaper.php?pap\\_id=00062](http://ncspe.org/onepaper.php?pap_id=00062)

# Competition won't hurt you! – Swedish report

**Sweden has put in place one of the world's most complete and radical school choice programmes, and comprehensive research shows it has had positive effects on public schools.**

Stockholm's Research Institute of Industrial Economics (RIIE) examined almost 30,000 students in 34 Swedish municipalities to see what effect the 1992 introduction of vouchers and school choice had on Swedish education.

The study, *School Vouchers in Practice: Competition Won't Hurt You!*, released last year, found that the extent of competition from independent schools, measured as the proportion of students in the municipality at independent schools, improved both the test results and the grades in public schools.

The reforms in 1992 meant municipalities had to give funding to independent schools, amounting to 85% of the calculated average cost per student in municipal schools. Parents were also given the right to choose the schools for their children.

## Drastic effect

The reforms had a drastic effect on the number of independent schools. In 1991/92, there were about 90 independent schools at the compulsory level; by 2001/02 there were around 400; and for the academic year 2002/03, the National Agency for Education had received more than 300 new applications, of which around one half could be expected to be successful.

The number of independent schools was small compared to the total number of schools (about 5000 in total), and the

number of students in independent schools was a small fraction of the total number of students (around 4%), the study showed. However, this share was rapidly increasing, as the enrolment in independent schools had grown by 10-12% per year in the past few years.

Provided that they fulfilled certain basic requirements, all kinds of schools were eligible, including religious schools and for-profit schools, and the Swedish system applied to all children.

According to the study, there were only two serious limitations to the operation of independent schools. In order to receive public funds, they had to pledge not to charge additional tuition fees, and freedom in setting rules of admission was limited. In particular, independent schools could not refuse to accept low-ability students.

"Sweden has left a system which had virtually no parental influence over school choice and an almost complete dominance of public schools. A voucher system has been put in its place. A widespread concern among opponents of school choice is that competition will hurt the public schools. The present study shows this fear to be without foundation," the study says.

School Vouchers in Practice: *Competition Won't Hurt You!* by Fredrik Bergström and F. Michael Sandström, can be downloaded from the RIIE website at [www.iui.se/wp/Wp578/UIWp578.pdf](http://www.iui.se/wp/Wp578/UIWp578.pdf)



School choice works! The case of Sweden, a less technical version of the above report, is at <http://www.friedmanfoundation.org/schoolchoiceworks/swedenstudy0103.pdf>

A Swedish website detailing the national school system is at [www.skolverket.se/english/system/index.shtml](http://www.skolverket.se/english/system/index.shtml)

# United States: three more states move towards choice

**Last year, a 12-year legal battle culminated in a ground-breaking United States Supreme Court case which upheld the constitutionality of vouchers. More states are now taking steps towards choice, and we look at what's happening in three of them: Texas, Colorado and Pennsylvania.**

The *Dallas Morning News* has reported that Texas may become the latest state to adopt school choice, following a bill filed this month establishing a pilot school choice programme in 11 of the state's largest school districts.

Parents in these districts would be given the option of choosing the best public or private school to suit the needs of their children.

"Many, many private schools are in place today which offer outstanding curricula, dedicated teachers and forward-thinking administrations. There should be a way for our children whose parents cannot afford to pay tuition to access them," a sponsor, Rep. Ron Wilson, was reported saying.

Private schools that accepted the vouchers would be required to give education assessment tests and make the aggregated scores public, provisions to make sure accountability followed the money and to measure the programmes, academic effects, the *Morning News* reported.

## Choice in Colorado

Colorado appears on track to introduce a programme of public aid for private school tuition.

*Education Week* reported earlier this month that a programme subsidising private school tuition for students from

low-income families who attend academically struggling public schools, could be created by two bills – one approved by the state House, and one by the Senate.

Gov. Bill Owens, a Republican who has long been a supporter of vouchers, was expected to sign such a bill if it reached his desk, *Education Week* reported.

Although the specifics of the two voucher bills differ, both would be aimed at children from poor families who attend low-performing schools and would allow the aid to be used at religious as well as secular schools. Both also would limit vouchers to students who had performed poorly on state standardised tests where applicable.

*Education Week* reported that the bill advocates say is most likely to succeed is modeled after the contracts that public schools in Colorado currently arrange with private schools to serve special education student.

The bill would divert some funding from students' home districts to pay for the vouchers. As crafted, the vouchers would either cover the private schools' actual cost of educating students, or 75% of the districts' per-pupil operating revenue in the case of elementary and middle school students, whichever is less. For high school students, that amount would rise to 85%.

## Pennsylvania parents prefer choice

A study showing satisfaction for low-income parents whose children were awarded scholarships under Pennsylvania's Educational Improvement Tax Credit (EITC) programme, was released this month.

The Pennsylvania-based Commonwealth Foundation study, by education reform expert and Villanova University professor Dr. Robert Maranto, also details the cost savings to the Philadelphia School District.

The study focuses on one scholarship organisation, Futuro Educacional, a scholarship organization serving primarily the Hispanic community in Philadelphia and the first Pennsylvania scholarship organisation to distribute EITC money.

During the 2002/03 school year, an estimated 15,000-20,000 low-income students were benefiting from contributions from nearly 1000 Pennsylvania corporations via 127 local scholarship organisations.

*More information on Futuro Educacional is at <http://www.commonwealthfoundation.org/Education/nr20030310.shtml>*

*The Commonwealth Foundation study is also available for download at <http://www.CommonwealthFoundation.org/Education/pb03-03.pdf>*

# New Zealand's homegrown voucher scheme a political casualty

**New Zealand ran a pilot voucher programme for four years from 1996. Aimed at children from low-income families, the programme was a success; but in 2000 the Government closed it to new placements.**

The Targeted Individual Entitlement (TIE) scheme was introduced for families whose taxable household income was less than NZ \$25,000 per annum and who were not asset rich. It gave funding to 160 students a year to choose an independent school from a limited range.

The Ministry of Education paid the participating private schools 110% of the national average cost of education for each TIE student and paid each student's family a non-tuition expenses allowance of \$900-\$1100.

The scheme directed schools that TIE selection should give all students an equal chance of being selected, rather than targeting academically able students.

Michael Gaffney and Anne B. Smith from the Children's Issues Centre at the University of Otago evaluated the scheme in each of its first three years. In a summary of the evaluations, they said the majority of principals and teachers were very positive about its success.

Teachers felt that the scheme "provided excellent opportunities for the educational success and personal development of the students and more choice for families on low incomes". In a small number of cases, principals identified real benefits for the school as well as for students, because the

students had contributed so much to the schools.

"Overall the students were very positive about their new schools in terms of facilities, resources and activities, their teachers and the other students."

Gaffney and Smith said that though students were less positive about the level and amount of work required in their new schools, most felt that the level of work was better than at their previous schools.

The TIE families included a similar percentage of Maori to the general population, so targeting of Maori children was successful. The scheme also had success for "ethnically diverse" students.

Most parents felt that their children were better off educationally in the private schools than in their previous state schools.

## Satisfaction

"The reported satisfaction with the scheme was much stronger than any problem with it. The schools, too, were highly supportive of the scheme, and the TIE students were perceived to have progressed as well as or better than fee-paying students. The schools perceived the scheme to be very beneficial to the students and families.

They supported the growth and continuation of the scheme despite

concerns over the loss of income the school incurred as a result.

"The findings indicate that the scheme was successful in facilitating access to private schooling for a small number of low-income New Zealand families," the evaluation summary says.

Since the closure of the scheme in 2000, there have been calls for its reinstatement.

Independent Schools of New Zealand executive director Joy Quigley has said reintroducing TIE to get children from low-income families into private schools would help them "beat the poverty trap".

"[Choice is] what happens in the pre-school and tertiary sectors. Why should choice be denied to families in the compulsory sector?"

*The Gaffney and Smith evaluation summary can be downloaded from [http://oldfraser.lexi.net/publications/books/market\\_schools/9\\_gaffney\\_smith.pdf](http://oldfraser.lexi.net/publications/books/market_schools/9_gaffney_smith.pdf)*

# Making sense of school choice

Parents should be able to choose the educational setting that best suits the needs and aspirations of their children, according to education researcher Jennifer Buckingham visiting New Zealand last week. We look at her views.



To enable choice, the level of public funding for education to which a child is entitled should not depend on the school they attend, said Ms Buckingham, a Centre for Independent Studies researcher on a three-day visit to New Zealand this month.

"A recent lead newspaper article indicated that people can spend 10 years in a state school without learning basic skills. If a good education is not guaranteed by a state school, and can be provided by private schools or even at home, it is difficult to justify why the level of public funding to which a child is entitled should be dependent on the school they attend," she said.

Under a child-centred funding system, every child would be entitled to funding that would give them access to the state school of their choice, and which they could supplement if they preferred a fee-charging school.

"Fundamental to school choice are the beliefs that families are primarily responsible

for the education of their children, that schools should be directly accountable to the people they serve and that funding mechanisms should make this possible."

There are 2718 schools in New Zealand, of which 84% are state schools, 12% are integrated schools and less than 4% are private schools. The 733,924 students in these schools are distributed in roughly the same proportion.

"Families who do not want a state education for their children but cannot afford to pay the tuition fees required for a private education have few options. Families who particularly want a secular non-state education for their children have even fewer," Ms Buckingham said.

Since the re-introduction of zoning, most parents were not even given a choice between state schools.

As Ms Buckingham wrote in an *Independent* opinion piece this month, "New Zealand has strong demographic clusters. Children of similar socioeconomic status and ethnicity tend to live near each other. This means that certain school zones consist entirely of high-cost housing, driven even higher by families seeking enrolment at the school of their choice, and thus restricting enrolments in those schools to high-income families. Children of low-income families are excluded from these schools because they cannot afford to live near them."

The benefits of school choice by far outweigh potential concerns, but it must be real school choice, she said.

"Quasi-choice has a much greater chance of failure. Real school choice means that parents have the responsibility, the means and the information to choose a school for their child – state, integrated or private – and schools have the resources, the autonomy to make decisions about the best way to educate the children who come to them and the incentives to respond."

*A publication written by Ms Buckingham on school choice, Families, freedom and education: why school choice makes sense is at [www.cis.org.nz/Publications/summaries/PM52summ.htm](http://www.cis.org.nz/Publications/summaries/PM52summ.htm)*

## A summary of the benefits of school choice from an address given by Jennifer Buckingham in Auckland on 22 March

The case for school choice is a mixture of theory and evidence. Over the last few years, the weight of evidence supporting the benefits of school choice has been growing steadily.

1. School choice increases quality of education across the board.

It is not enough for school choice to be justified in principle, it must also have educational benefits. Evidence of the effect of school choice on educational quality in other countries is in most cases promising and, in some cases, striking.

*Continued on page 8*

2. School choice increases parental participation and satisfaction and builds community.

Some families' indifference towards schooling is frequently offered as confirmation that parents should not be given responsibility for their children's education. Yet denying parents the opportunity to make choices about their children's education denies them a significant measure of control over their children's future, and the result can be learned helplessness. School choice restores control to families.

3. School choice makes schools responsive and accountable to parents.

School choice lends weight to parental opinion and involvement. There is little reason for schools to take note of, or act on, parents' concerns and ideas if parents do not have the option of exit. As a mechanism to amplify and extend parental "voice", school choice is invaluable.

4. School choice gives schools and educators the opportunity to innovate and excel.

Under school choice, there would be more and varied employment opportunities for teachers. Conceivably, this would encourage more and better teachers to take up the profession. Where schools diversify and specialise, teachers can also specialise. This enables teachers to promote their particular talents and to use them to achieve the greatest benefit for both themselves and, more importantly, their students.

A survey of government primary school principals in Victoria indicates that principals who have experienced a greater level of parental choice and school autonomy are in favour of it.

5. School choice reduces the risk of indoctrination and the cost of mistakes.

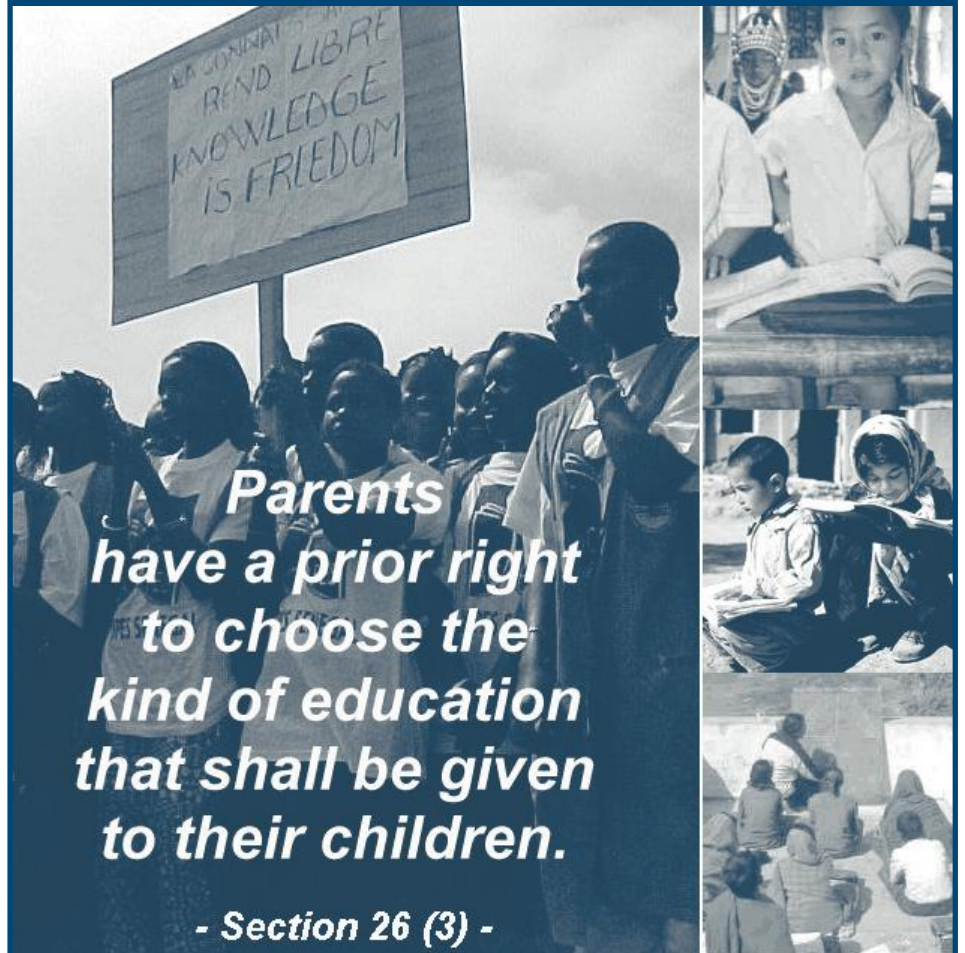
Although governments may endeavour to provide schools that are inclusive, a one-size-fits-all, common education system which tries to be everything to everyone often pleases no one. When all children are required to attend schools that are part of a centrally-controlled school system whose curriculum and values are dictated by government, there is far more risk of indoctrination than in a diverse school system accountable to the wishes of parents.

6. School choice is efficient.

Student-centred funding would not be prohibitively expensive for New Zealand. And these extra outlays would, at least in part, be offset by the efficiency of directing funding through families and the downward pressure on schooling costs as a result of competition between schools.

Efficiency is a measure of inputs and outcomes. Efficient schools or school systems achieve the best possible outcomes with a set amount of resources.

## The United Nations Universal Declaration of Human Rights



**Parents have a prior right to choose the kind of education that shall be given to their children.**

**- Section 26 (3) -**

# Taking a punt on vouchers Colombia-style

**A Colombian scheme, which in its first 10 years provided more than 125,000 poor pupils with vouchers to cover about half the cost of private secondary school, allocates vouchers by lottery.**

Results from the programme, which started in 1991, show lottery winners were 15 percentage points more likely to have attended private school, had completed 0.1 more years of schooling and were about 10 percentage points more likely to have finished eighth grade, primarily because they were less likely to repeat grades, according to a US National Bureau of Economic Research (NBER) report.

Lottery winners worked less, so that

on balance lottery-winning households actually devoted more resources to education than the voucher face value, the NBER paper says.

Vouchers were renewable as long as students maintained satisfactory academic performance. Figures show that about 77% of recipients renewed them compared to the national high school promotion rate of about 70%.

The paper suggests increased learning came about not only through the incentive

of retaining vouchers but also because students were able to choose private schools which were generally of higher quality than state schools.

*The NBER report, Vouchers for Private Schooling in Colombia: Evidence from a Randomized Natural Experiment, was written by Joshua Angrist, Eric Bettinger, Erik Bloom, Elizabeth King and Michael Kremer. It can be accessed from <http://papers.nber.org/papers/w8343>*

## Want to read more? – Links to school choice information

*Below is a list of organisations with online school choice resources.*

Center for Education Reform  
[www.edreform.com](http://www.edreform.com)

The Center for Education Reform is an independent organisation that helps support those working to bring fundamental reforms to their schools.

Adam Smith Institute  
[www.adamsmith.org](http://www.adamsmith.org)

"All of the major – and many of the minor – operational and spending decisions are made by ... bureaucrats who are distant from life in the classroom and the real needs of children and parents."

Reform Great Britain  
[www.reformbritain.com](http://www.reformbritain.com)

The people behind this public policy website believe that enhanced parental choice, greater freedom for schools and more robust testing are essential to drive up standards across the board.

The Milton and Rose D. Friedman Foundation

[www.friedmanfoundation.org](http://www.friedmanfoundation.org)

A foundation working to improve the quality of education available to children of all income and social classes.

Thomas B. Fordham Foundation  
[www.edexcellence.net](http://www.edexcellence.net)

This Thomas B. Fordham Foundation supports research, publications and action projects in primary and secondary education reform programmes.

Schoolchoiceinfo.org  
[www.schoolchoiceinfo.org/](http://www.schoolchoiceinfo.org/)

As the website says, "parental school choice is widespread unless you're poor".

E.G. West Centre for Market Solutions in Education  
[www.ncl.ac.uk/egwest](http://www.ncl.ac.uk/egwest)

A UK university research centre dedicated to understanding and developing the role of market solutions in education.

The Fraser Institute  
[www.fraserinstitute.ca](http://www.fraserinstitute.ca)

The Fraser Institute in Canada helps run the Children First school choice programme.

CATO Institute [www.cato.org](http://www.cato.org)  
"Without choice, a public agency holding a public school accountable will quickly resemble one blind man leading another."

Program on Education Policy and Governance  
[www.ksg.harvard.edu/pepg/](http://www.ksg.harvard.edu/pepg/)  
A programme at the Harvard University School of Government.

School Reformers  
([www.schoolreformers.com](http://www.schoolreformers.com))  
Opposition to, evidence for, and proposals on school vouchers.

National Center for the Study of Privatization in Education  
[www.ncspe.org/](http://www.ncspe.org/)  
The goal of the centre is to provide an independent, non-partisan source of analysis and information on privatisation in education.

# Great Danish voucher scheme has all-round support

**A long-established tradition of government-financed vouchers, supported by every political party, illustrates Denmark's commitment to school choice and demonstrates that dependence upon government funding does not necessarily compromise the autonomy of independent schools.**

According to a paper by education researcher Claudia R. Hepburn, the Danish public funding of private choice had "produced a diversity of educational alternatives in Denmark that is unparalleled in the Western world".

In a Critical Issues bulletin, *The case for school choice*, for the Fraser Institute, Ms Hepburn wrote that about 75% of municipal funding of schools followed students who enrolled in independent schools.

In Denmark, public perception of government schools improved as choice become more widely available, she wrote.

One weakness in the system was that there was little or no information on school programmes and results, and parents had to rely largely on word of mouth. Ms Hepburn wrote that this reflected the "dearth of accountability evident in much of Danish social policy".

A report by World Bank senior education economist Harry Anthony Patrinos says that the Danish education system demonstrated that the "private delivery of basic education services can work".

In the 10 years to 2001, the number of children attending private schools rose 12.6% compared with a 0.4% increase in state schools in the same period.

According to the report, if parents

chose a private school over a municipal school, the state would cover 80-85% of the costs with parents paying the rest to "ensure their active participation in school matters", as the Ministry of Education did not have school inspectors.

Schools received grants according to the number of students enrolled, and each institution or municipality was free to make its own priorities for allocated funds.

"Since students are free to select any school ... school managers seek to optimise their economic situation by supplying the courses in high demand and by making the students attend and finalise their studies in due time.

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***the Danish education system [shows] that the "private delivery of basic education services can work".***

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"According to the OECD, the Danish system does not create problems such as bogus schools ... or inadequate instruction.

"Although risks exist, the benefits are greater. Moreover, teacher unions are not opposed to school choice – especially at upper secondary level, where regulations keep public and private systems similar.



The coexistence of private and public schools is accepted by Danish teacher unions."

The Case for School Choice can be downloaded from [http://oldfraser.lexi.net/publications/critical\\_issues/1999/school\\_choice/section\\_05.html](http://oldfraser.lexi.net/publications/critical_issues/1999/school_choice/section_05.html)

School Choice in Denmark by Harry Anthony Patrinos can be downloaded from <http://www.worldbank.org/education/economicssd/finance/demand/case/denmark.pdf>

The EG West Centre has a web page on the Danish education industry at <http://www.ncl.ac.uk/egwest/countries/denmark.html>

## Vouchers and voucher-like schemes in developing countries

Country	Mechanism
Bangladesh	Stipends for girls to attend public or private schools
Belize	Government partnerships with churches to share costs
Bolivia	Private management (church-based organisation) of public schools
Brazil	Matching grants, capitation grants, scholarships for poor students
Botswana	Matching-grant schemes
Chad	Community financing
Chile	Voucher system for poor students, capitation grants for all students
China	Matching-grant schemes, targeted bursary for poor and minority children
Colombia	Targeted voucher system
Cote d'Ivoire	Government sponsorship of students at private institutions
Dominican Republic	Assistance to private schools serving low-income students
El Salvador	School choice for poor
Gambia	Targeted scholarships, capitation grants for all students
Guatemala	Targeted stipends for girls in 13 communities
Ghana	Matching-grant schemes
India	Matching-grant schemes and numerous incentives
Indonesia	Targeted scholarships for junior secondary school students
Jamaica	Student loans
Kenya	Voucher for informal sector workers for short-term skill upgrading courses
Lesotho	Government partnership with churches to share costs
Mauritius	Matching-grant schemes
Mexico	Targeted bursary for poor and indigenous populations
Myanmar	Community-sponsored schools
Morocco	Scholarships for rural girls
Mozambique	Scholarships for rural girls
Pakistan	Community scholarships, subsidies to private schools serving rural girls
Senegal	Scholarships for students to attend private and public schools in Dakar
Tanzania	Matching-grant schemes, targeted bursaries for secondary school girls
Thailand	Bicycles for poor students in rural areas
Zimbabwe	Per capita grants

Source: Patrinos, H.A. (2000) 'Market Forces in Education', European Journal of Education 35(1):6J-80.

This is a partial list. For other countries, see the above paper.

## Government funding of non-government schools

A new Education Forum briefing paper, *International perspectives on government funding of non-government schools*, gives an overview of the different funding arrangements governments have with non-government schools in:

- Belgium
- Canada
- Denmark
- England and Wales
- France
- New Zealand
- The Netherlands
- United States.

"In a number of countries, a relationship can be observed between the level of government funding and the extent of regulation of non-government schools," writes the author, Pauline Nesdale, from the Australian National Council of Independent Schools' Associations (NCISA).

The paper can be found at [http://www.educationforum.org.nz/documents/policy/briefing\\_no\\_7.pdf](http://www.educationforum.org.nz/documents/policy/briefing_no_7.pdf)

The NCISA website is at <http://www.ncisa.edu.au/>

The **Black Alliance for Educational Options** (BAEO) is a United States based, nonpartisan member organisation whose mission is to actively support parental choice to empower families and increase educational options for black children.

Its website is at <http://www.baeo.org>



## Quotes of the month:

*"Most of the work on government responses to competition has focused on the market for competition, and here the literature is strikingly consistent – competition improves public schools. Almost across the board, researchers have found that school spending is lower, academic outcomes are better and school district efficiency is higher where parents have more choice in the children's educational provider. Furthermore, competitive benefits emerge regardless of whether the competitor is a private school or another public school."*

United States economist Lori Taylor, *Economic and Financial Review* (second quarter, 2000).

*"Why should a mother set aside time to read bedtime stories every night to her toddlers, so they can start their first day at school equipped with a basic knowledge of language and a love of books, only to find she must send them to the nearest school even if she doesn't like its education standards?"*

Deborah Coddington, ACT party conference, Wellington, 15 March, 2003.

### Book about 12-year battle for school choice in US released

The Cato Institute has released a book detailing school choice proponents' 12-year struggle to have school choice recognised.

The struggle ended in last year's ground-breaking US Supreme Court case which on June 27, 2002 upheld the constitutionality of vouchers.

In the book, author Clint Bolick, one of the United States' premier fighters for school choice and counsel in the Supreme Court case, "recounts the drama and the tactics of the ... battle for choice, and in the process distills crucial lessons for future educational freedom battles".

*The book can be bought at*

<http://www.catostore.org/index.asp?fa=ProductDetails&method=cats&scid=16&pid=1441133>

### Australian private school enrolments boom

Private school enrolments increased at 20 times the rate of government schools during the past decade, *The Australian* reported in February.

An Australian Bureau of Statistics survey has revealed a private school boom during the 1990s, with private schools opening at almost the same rate as government schools closed, the paper said.

In the decade to 2002, the total number of schools fell by 3.3% to 9632, with the number of government schools falling by 6.4% to 6969 and the number of private schools growing by 6.1% to 2663.

Full-time private school enrolments grew by 20.8% in that period, while enrolments at government schools

increased by just 1%.

Despite the booming popularity of private education, more than two-thirds of Australia's 3.3 million students were still enrolled in government schools, according to *The Australian*.

*The full report can be read at*

[http://www.theaustralian.news.com.au/common/story\\_page/0,5744,6046573%255E13880,00.html](http://www.theaustralian.news.com.au/common/story_page/0,5744,6046573%255E13880,00.html)

### Parental decisions should drive the "education enterprise", says report

A report released last month advocates reconstructing schools based on "the principles of accountability, transparency and choice".

The Koret task force on K-12 education report argues that "parental decisions rather than bureaucratic regulation should drive the education enterprise".

It says every United States school or education provider – at least those that accept public dollars – should be held to rigorous, statewide academic standards; statewide assessments of student and school performance; and statewide systems of incentives and interventions tied to academic results.

Failing schools should be closed, reconstituted or taken over by others, including contracting out their management to private providers. Students in those schools should have the right – and full funding – to leave for better schools, including private ones.

*The Koret report, Our Schools and Our Future, is available from* <http://www-hoover.stanford.edu/publications/books/osof.html>

## Report card for British Columbia schools

The Fraser Institute this month released its 2003 Report Card on British Columbia's secondary schools. This annual report is the only one of its kind to analyse relevant, publicly available data to rate and rank 279 of BC's public and independent secondary schools.

The foundation of the Report Card is an overall rating of each school's academic performance. Building on data about student results provided by the Ministry of Education, each school is rated on a scale from zero to 10.

Peter Cowley, director of school performance studies at The Fraser Institute and co-author of the Report Card, said parents had increasing choice of schools for their children and the Report Card's academic indicators could be used to compare schools. It could also be used to help identify aspects of a school's academic performance that could be improved.

A pdf of the complete ratings and overall rankings is at <http://www.fraserinstitute.ca/shared/readmore.asp?sNav=pb&id=485>

## Sylvan stock soars on sale announcement

Following United States company Sylvan Learning Systems' surprise announcement it was to sell its signature tutoring business to concentrate on running universities overseas and on the Internet, the company had the biggest Nasdaq stock market gains on 12 March, jumping 30%, *The Baltimore Sun* reported.

## School choice proponent wins educational excellence award

Three leading education reformers, including a liberal voice for school choice, last month received awards for educational excellence.

One of the three US \$25,000 Fordham Foundation prizes went to Paul E. Peterson, a Harvard University professor whose research of school choice has led to a way to test the value of school vouchers in carefully controlled studies that measure both student achievement and social consequences of vouchers.

Mr Peterson considered himself "a quirky liberal"; but as he began his voucher-programme studies in the mid-1990s, he "was troubled by the deplorable state of big urban school systems", believing they were "at the core of the larger problem of inequality in American society. They have to be fixed first," the Fordham Foundation prize book states.

"Yet more than any other individual, Paul Peterson's groundbreaking research has provided the evidentiary force that has helped enable thousands of disadvantaged students to use vouchers to attend private schools."

More details on the awards can be found at <http://www.edexcellence.net/fordhamprizes/fordhamprizes.html>

The prize book is at <http://www.edexcellence.net/fordhamprizes/prizebook.pdf>

Paul Peterson is director of Harvard University's Program on Education Policy and Governance. Its website is at <http://www.ksg.harvard.edu/pepg/>

## Who benefits from public education expenditures? report asks

A new report by education specialist Ayesha Vawda from the World Bank looks at the evidence on the extent to which public education spending has been effective in reaching the poor.

The report, in *Economic Affairs*, March 2003, vol. 23, no. 1, says the distribution of educational expenditures is inequitable, especially at the post-primary levels, where poor income groups are under-represented compared with higher income groups.

It recommends "targeted financing and a redefinition of the role of the government vis à vis the non-public sector" to help achieve "greater equity and efficiency" and get education to more low-income people.

In most countries, governments remain the largest financiers and providers of education, it says.

To purchase a copy of the report go to <http://www.ingenta.com> and search for Who benefits from public education expenditures?

### Education Forum

P.O. Box 24-310

Manners Street Wellington,

New Zealand Telephone:

+64 4 471-8206

Fax: +64 4 471-8200

Email: [info@educationforum.org.nz](mailto:info@educationforum.org.nz)

Web: [www.educationforum.org.nz](http://www.educationforum.org.nz)

Subtext Editor: Norman LaRocque –  
[nlarocque@educationforum.org.nz](mailto:nlarocque@educationforum.org.nz)

Writer: Adam Shelton – [www.facttactic.co.nz](http://www.facttactic.co.nz)