

CHOICE AND ACTION

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My presentation is devoted to the distinction between school choice and a competitive education industry and the implications of this distinction. Usually I refrain from quoting any personal experience in a presentation like this, because my feeling is that if a speaker can't cite non-personal data, there probably isn't very much. But in this case, I hope you will excuse it, because I am going to mention a personal experience since it is cited to illustrate, not to prove a point.

In 1962, I was a candidate for the presidency of the American Federation of Teachers. And at the time, the AFT had two caucuses, very evenly divided, that were trying to elect their slates to the AFT offices. The incumbent president, Carl Magel, was the candidate of the Classroom Teacher Caucus, and I was a member of the Progressive Caucus and sought its nomination for the presidency.

The caucus vote to choose the nominee was held late Tuesday evening after a debate and a question and answer period. I won the caucus nomination by about 40 votes out of about 700. The election was held on the next afternoon following the nominations, and I went to bed shortly thereafter anticipating an intensive morning of campaigning. Before going to bed, however, my campaign manager recommended that we have stickers printed proclaiming that "I Like Mike." Inasmuch as several all night printing companies in Detroit could print the stickers in time, I approved the recommendation before going to bed.

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About 6:00 a.m. on Wednesday, I woke up to good and bad news. The good news was that the stickers had been printed and distributed to the rooms of the delegates. The bad news was that they had been printed by a non-union shop, hence, did not carry the union label. And so during the early morning hours, my supporters and I went through the convention hotels in a futile effort to retrieve the stickers. The incident was by no means the only reason that I lost. I received a third of the convention votes, which was a good showing under the circumstances; most union elections are not that close.

The lesson I learned from this was simple enough. Others may share your goals; they may be fine persons dedicated to your success in every way. They may have given unstintingly of themselves without thought of personal gain to achieve your shared objectives. They may admire you, even think you can walk on water. And yet despite all of the above, they may do things that are very harmful to the goals that you share. This incident comes to mind as I think about the supporters in school choice at this conference. No doubt some favor a competitive education industry. No doubt most, if not all, are fine people who would gladly sacrifice to achieve that goal. Although I don't know any who think that I walk on water, a few have complimented my efforts to achieve what they assume to be our common objectives. Nevertheless, I believe that most of the supporters of school choice at this conference are supporting arguments and practical activity that are a disservice to the objective of a competitive education industry. I don't suggest that all of their activities have this effect, or their net impact is negative, although I believe this to be the case more often than they might assume.

In the few minutes that remain on a Friday afternoon, I am not going to try to review everybody's presentation to explain the basis of my criticism. Instead, I shall limit myself to a few examples based not only on what the speakers have said here, but on what they have repeatedly said elsewhere to national audiences. First, however, let me offer one observation. School choice is a vague phrase, and its popularity among conservatives is partly attributable to its vagueness. It came into vogue to meet the need for a term to replace vouchers, a term that carries significant baggage politically in the wars over school choice. For example, in California in 1993, in the campaign to enact a voucher initiative, the union polling showed that support for the initiative dropped significantly if it used "vouchers" instead of "school

choice” in the title. Consequently, the anti-voucher forces persuaded the California Secretary of State to change the title of the initiative from “school choice” to “voucher,” and the support for it dropped overnight by a considerable margin.

A significant philosophical inconsistency over the concept of freedom has emerged in the battles over school choice. Typically, contemporary liberals argue that freedom is the power to do something; inasmuch as the power to do something often requires funding, liberals support government funding, for example, for abortions. What they are saying, if you don't have the power, the right doesn't mean anything.

Now, the other concept of freedom is that it consists of the absence of government restraint. You are free to have an abortion or send your child to a private school as long as the government does not prohibit such action. Consequently, in abortion controversies, the pro-choice groups are the ones who support government funding of abortions, and the anti-choice groups are the ones who oppose it.

In the school controversies, their position is reversed. The same groups that argue for government funding in the abortion context also argue against government funding of choice in the school context, and vice versa. A favorite punch line among conservative supporters of school choice, and we have heard it just an hour or so ago, is that Bill and Hillary Clinton are the only occupants of public housing who can send their child to an expensive private school. Shouldn't the poor parents in the inner cities have the same right, they ask, assuming that the only answer is yes.

From a legal point of view, they already have the right. What they lack is not the right, but the money. We do not say we are going to fund everybody who cannot afford something — that is liberal dogma, not conservative dogma. Of course, there is the option of defining freedom or rights in terms of the power to do something. But such an approach leads inexorably to the welfare state and all the government subsidies that the conservatives supposedly abhor.

In my opinion, not enough attention has been paid to the inconsistencies in both the liberal and conservative positions. School choice is a buzzword that interest groups try to interpret to promote their own objectives. The vagueness of school choice is evident when we consider the various plans in which the label is applied. These plans, whether in operation or only envisaged, differ in virtually every con-

ceivable way. Who is eligible, the amount of the voucher, whether it is called a voucher or a scholarship, the grade levels, the regulations, how they change the duration of the plan. You name it, they differ on all these criteria. The critical point, however, is that none of these plans come remotely close to constituting a competitive education industry.

A competitive education industry would be one in which no producer or consumer controls output or prices. No barriers to entry to the market, meaning that for-profit entities are free to compete, inefficient producers must improve or face extinction, and prices inform producers and consumers of what is happening in the market. Since the media, the public and the politicians do not distinguish a competitive education industry from other versions of school choice, the negatives associated with these other versions will inevitably be attributed to a competitive education industry. Regrettably, this is already happening, and I predict it will happen on a much bigger scale in the future.

Most emphatically, I am not opposed to school choice plans that do not constitute a competitive education industry. What I am opposed to is the idea that such projects can tell us very much if anything about what would happen in a competitive education industry. And I am therefore opposed to treating these projects as tests of or even relevant to the desirability of a competitive education industry.

School supporters exacerbate the problem by referring to school choice programs as “experiments.” If you are testing a drug, you have to specify the relevant conditions. If you do not know the conditions of the experiment, you have no basis for concluding that the experiment succeeded or failed or that another “experiment” will test the same hypothesis. In all of the choice programs that have been discussed at this conference, I have yet to encounter one that had a clearly stated hypothesis or statement of the relevant conditions.

When you label something an “experiment,” the implication is that you are testing something. In this case, the common perception is that “school choice” is being tested. Consequently, if the “experiment” is not a success, the public can hardly be criticized for concluding that school choice is not a good idea. If this perception grows, as it will when everything labeled “school choice” is embraced as an “experiment” or pilot project, no matter how limiting the conditions,

it will be more difficult to generate public support for a competitive education industry.

The opponents of a competitive education industry have been very successful in confining public and professional attention to achievement outcomes. Very little attention is being paid to the cost side of the issue, and I congratulate Brother Bob for making a point of that. The one-sided focus on achievement is going to boomerang on the supporters of school choice. An analogy will help to explain why. Suppose you are asked to choose between two cars that are identical in every respect but two. Car A gets 25 miles to the gallon and costs \$10,000. Car B gets 26 miles to the gallon and costs \$100,000. Which car do you choose to buy? Most if not all of us would choose A, even though it provides an inferior level of service. B's superior level of service is purchased at an exorbitant cost.

Similarly, if public schools operate at a much higher level of per pupil expenditures, their pupils will sometimes show superior outcomes. If and when this happens, it will not more demonstrate the superiority of the public schools over a competitive education industry than Car B in the preceding example. It is legitimate to assert that there is a school choice movement in the United States. However, if you regard every expansion of choice as evidence of it, it should be recognized that some of these expansions of choice will not result in improvement or affect the outcome for the cost side.

In any case, it is critically important that the idea of a competitive education industry not be tied intellectually or politically to the outcomes of other school choice programs. I realize that what I am saying will be criticized as unrealistic, that it overlooks the necessity of an incremental approach to educational improvement, and so forth and so on. In response, let me conclude by presenting my reaction to such criticism. In 1962, Milton Friedman published "Capitalism and Freedom," the book which set forth the case for a competitive education industry. Coincidentally, 1962 was the year in which the first collective bargaining agreement in public education was negotiated between a teacher union and a board of education. Ten years later over half the nation's teachers were covered by union contracts; today, about 70% or more.

With the possible exception of changes resulting from racial issues, this has been the most fundamental change in K-12 education in the latter half of the 20th century. As a true believer who was pres-

ent at the creation, I can say that its supporters did not think incrementally or point to successful examples of collective bargaining. There weren't any. Meanwhile, today, thirty-seven years later, we do not have a competitive K-12 education market anywhere in the United States, although the public policy case for it is overwhelmingly stronger than the case for public sector bargaining was or is. Like you, I have heard all about the great progress that is being made in the school choice movement, but I doubt whether there is progress toward a competitive education industry. In the past year alone, the California Teachers Association just added 37,000 members, an increase of over \$20 million in revenues going to the most implacable opponents of school choice, let alone a competitive education industry. Evidence such as this suggests to me that absent a critical assessment of strategy and tactics, it may be a long time indeed for a competitive education industry to emerge in the United States.