



Education: From Status Quo to Dramatic Reform (Part II)

by José Stelle

Lessons from Economics and Morals: Education Vouchers and Beyond

The segment of the education-reform movement that seeks alternatives outside the public-school conception has staked much of its hope on *education vouchers*. An education voucher or school voucher is a certificate by which parents can pay for the education of their children at a school of their choice. Education vouchers imply (1) that parents, not school districts, have the right to determine which school their children will attend; (2) that the Constitution's "We the people" as taxpayers, not the government, actually own the public funds and can therefore determine how they are to be used; and (3) that the government's main educational responsibility is to return to parents, on a sliding scale or not, tax funds they can spend at the school of their choice. Vouchers retain the drawback of still keeping the educational system tied to the government, but they are vastly preferable to the current arrangement.

Based on the evidence of economic theory and practice, those who favor education vouchers assert, in addition, that a voucher system would introduce the vital element that is lacking in the public schools — market competition — thus leading school administrators and staff to improve the quality of instruction. In the disciplined system that would ensue under an extended voucher program, successful schools would gain "market share," while inferior schools would be forced to reform or close. The goal of this system is to make each school accountable, as opposed to relying on government standards that are continually subverted by the negative incentives under which the public-school system operates. Proponents also note that education vouchers allow for greater socioeconomic diversity and mobility by offering lower-income students opportunities to attend previously unaffordable private schools. School-voucher advocate Milton Friedman observed that the poor would benefit most from school choice, as under the current system their children are compelled to attend substandard boundary schools.¹

Education vouchers are indeed usually associated with Milton Friedman. However, the first scholar to propose a voucher system was John Stuart Mill. What Friedman advocated in the 1960s and again in the 1980s owes its debt to Mill, as the 1976 Nobel laureate in economics himself noted.

Mill summarized his ideas on education in his essay *On Liberty* (1859).² At that time, most children in England received a primary education. Eighty-three per cent of England's children were being educated privately by something Americans have come to know well: tuition payments, scholarships, or a combination of both. Government-funded and -managed schools in England serviced only 17 percent of the school-age population. Even so, Mill found this percentage excessive and proposed ending the government's management of education. Mill saw that one of the main problems associated with public schools was that the system unjustifiably conflated the two functions that make education possible: funding and management.³ Mill found this mixing of functions unnecessary and ineffective.

He also found it unnatural and dangerous. The current attempt to stamp out or allow, not to mention promote, secular or religious expression in American public schools explains Mill's fear that a state-run system of education was bound to be politicized and misused by different factions.⁴ Mill thought a voucher system would avert much of this danger. Hence, he proposed to separate *funding* from

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management. Thus, while government funding would continue for the poor on a sliding scale, government management of the schools — that is, the public schools themselves — would cease to exist. Government would fund part of the cost of privately educating those who could not afford tuition and would fund it entirely for the “deserving poor.”⁵

With regard to curriculum content in this “universal” but not government-managed system, Mill advocated purely expository instruction, with no advocacy of points of view. Mill’s plan left open the “political” question America has learned to recognize: Would not the funding-education nexus lead to political control of the content of instruction, as well as of the relationship between students and their schools? Mill was aware of this problem, but found it preferable to the direct political manipulation normally associated with public schools. Today’s proponents of school choice are certain that vouchers are immensely preferable to public schools and that the few problems associated with vouchers can be solved by vigilance, the attributes of the rules governing education vouchers, and the normal workings of a free society.⁶

Abstracting from Alfred Marshall, who wisely recommended that all government-aid schemes embody “the seeds of their own disappearance,” government funding in the form of vouchers should be viewed as temporary and transitional.⁷ With other political and economic reforms and the concomitant economic progress at all levels, the need for state funding would be reduced as private charity made up the difference. Going beyond the England of Mill’s time, the United States today, in spite of adversarial actions of government at all levels, has already shown credible signs that an independent school system is possible. Lower taxes, reduced government spending, and rising standards of living would gradually help resolve the funding problems. Therefore, the idea that the elimination of government-run schools is unworkable or favors the rich, as has often been alleged, loses much of its basis. Quite the contrary, today’s system weighs especially on the poor through the boundary limits that compel parents to keep their children in failing neighborhood schools. Vouchers, though imperfect, are a significant improvement over the existing scheme and would greatly benefit all students, especially the poor, by liberating them not only from an undisciplined, uncompetitive system, but also from the virtual red-lining to which they are subjected.

Endnotes:

¹ <http://en.wikipedia.org/wiki/Education_voucher> (December 12, 2006).

² John Stuart Mill, *On Liberty*, Penguin Books, New York, 1985, pp. 175-180.

³ F.A. Hayek, *The Constitution of Liberty*, The University of Chicago Press, Chicago, 1960, pp.380, 526.

⁴ That is, to establish “a despotism over the mind, leading by natural tendency to one over the body.” Mill, p. 177.

⁵ The term associated with the English “poor laws,” the rationale of which Mill used to justify funding the education of children whose parents, due to circumstances currently beyond their control, could not provide it.

⁶ <http://en.wikipedia.org/wiki/Education_voucher> (December 12, 2006).

⁷ Hayek, p. 509. Government funding should, however, remain as a safety net.

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