International Perspectives on School Choice

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Abstract

Allowing parents to choose the schools their children attend is believed to increase both efficiency and effectiveness. This chapter briefly reviews the history of school choice outside the United States. It summarizes the macro (cross-national) evidence linking academic achievement with different choice policies and concludes that policies that provide more administrative freedom are associated with higher levels of academic achievement. The chapter reviews the experience of school choice in nine countries and the post-socialist regions, finding mixed evidence regarding the effects of school choice policies. Some studies suggest that even when choice results in increased efficiency, improvement may come at the cost of increased social segregation. There has yet to be a true test of a “textbook case” of school choice. The state has always maintained managerial controls of one kind or another, hence prohibiting us from truly testing the theory of competition. The chapter explores the current debates over school choice involving social cohesion, concentrating on issues of public financing of Muslim schools in Europe. Lastly, the chapter addresses the justifications behind governments’ control of schooling. It argues that while free markets may not be on the educational horizon, there are aspects of school governance in which choice is both compatible with and supportive of social cohesion.

The Origin of Choice in Public Education

Public education can be characterized as having three elements: universal coverage, subsidized cost, and common content. Public rationales for sending children to school were first articulated in the time of Martin Luther, about 500 years ago, and initially centered on the need to improve public morality:

I am of the opinion that the government is obligated to compel its citizenry to send their children to school. If a government can compel its citizens to bear spear and gun, to run about on the city wall and to assume other duties when it desires to carry on war, how much more can and should the government compel its citizens to keep their children in school. (Martin Luther, 1530, cited in Helmeich, 1959, p. 15)
Frederick the Great is often credited with being the "father of public education" with his laws of 1763 (Generallandschulreglement) and 1794 (Allgemeine Landrecht) that made public schooling compulsory, subsided, and with a content common to all. Two characteristics are important to recall from his contribution. The first is that the content dealt not with knowledge and skills but with an attitude of tolerance toward confessional activities as being a necessary part of the Prussian community. As he put it:

There are few lands in which all citizens have the same religion, and the question arises: is such unity to be forced or can one permit every one (sic) to think according to his own views? To this the answer must be that it is impossible to establish such unity... general tolerance alone guarantees the happiness of the state. (Frederick the Great, 1763, cited in Helmreich, 1959, p. 29)

The second characteristic of Frederick the Great's contribution concerned the mechanism chosen for a common curriculum. The first public school systems in Prussia did not establish state schools. Instead, public education was organized and coordinated by using the existing church-operated school systems. Public schooling implied a common content, regulation of attendance, and public financial subsidization, but not state delivery.

Established in Prussia, this characteristic of public education was transferred to France by Francois Guizot (1787–1874), to the Netherlands by Petras Hofstede de Groot (1802–1886), and to many other parts of Europe. Today, it exists in all industrialized democracies except the United States, where public education differs in two ways. First, the state assumes sole responsibility for delivery. Second, public finance is restricted to state schools. The United States is one of two countries in which public resources do not finance schools owned and operated by religious authorities. As W.S. Datton explained in 1848,

The children of this country, of whatever parentage, should not be wholly but to a certain extent be educated together—he educated not as Baptists, or Methodists, or Episcopalians or Presbyterians; not as Roman Catholics or Protestants, still less as foreigners in language or spirit, but as Americans, as made of one blood and citizens of the same free country, educated to be one harmonious people. The common school system, if wisely and liberally conducted, is well fitted in part at least to accomplish this. While it does not profess to give a complete education and allows ample opportunity for instruction and training in denominational peculiarities elsewhere, yet it yet brings the children of all sects together, gives them to a limited extent a common like education, and, by such education and by the commingling, acquaintance and fellowship which it involves in the early unprejudiced and impressionable periods of life, assimilates and unites them. (p. 166)

Hence, since the 19th century, the conception of public education within the United States has been slightly at odds with the conception held in most other industrialized democracies. Outside the U.S. public education implies that the state helps provide common content, regulation of attendance and public financing, but not necessarily public delivery. Within the U.S. public education implies public delivery as well as the prohibition of public financing of faith-based schools.

This implies that the study of school choice in an international context must begin with the understanding that choice of schools outside the United States is universal and historical, whereas choice of public schools within the nation is both recent and experimental.

The Theory and Practice of School Choice

Much of the debate over school choice is based on the premise that there is a public monopoly over the provision of schooling and that schools are inefficient, in part, because of the absence of competition. Choice of education and not-governed (Friedman, 1995). Choice curriculum, competition is.

However, schools States? While deciding that there is sufficient variety in schools varies.

Second, the 0% in France, purpose. In some they are proprietary. In Holland, Netherlands, schools are for profit.

Fourth and fifth, schools have in mind. But, in fact, the state schools are financed by the state. And Greece, justly from public sources, these characteristics.

Choice and Effectiveness

Theory would suggest that with competition, schools will improve.
competition. If families could be treated as consumers and had the right to freely choose which kind of education they would prefer for their children, choice advocates assert that both government and non-government schools would improve their "supply response" in order to attract students (Friedman, 1955, 1962; Tiebout, 1956; Chubb & Moe, 1990; Neal, 2002; Levin, 2001; Coulson, 2005). Choice is believed to have the potential of a stimulant to better teaching, more creative curriculum, more attention to outcomes, and more transparency with respect to results. In short, competition is believed to represent a "tide which will lift all boats" (Hoxby, 2003).

However, since most industrial democracies define public education as including the provision of education through religious schools, is it not the case that choice is universal outside the United States? While it is true that non-public religious systems are openly available outside the country, deciding that there is more choice outside the U.S. depends on four other factors. First is whether there is sufficient opportunity to choose non-state schools. The proportion of students in these schools varies widely, from 6% in Sweden, 15% in France, and 76% in the Netherlands.

Second, the degree of private financing in non-state schools also varies widely, ranging from 0% in France, Austria, Spain, and Hungary to 100% in the United States. Third is the variation in purpose. In some instances, non-state schools are non-profit; in other cases the non-state schools are proprietary. Twelve percent of the non-state schools in Sweden are religious, but 90% are religious in Holland. No schools are for-profit in Norway, but in Sweden about half of the (non-government) schools are for-profit (Sandstrom, 2005, p. 28).

Fourth and most important is the issue of administrative autonomy. Some assume that non-state schools have more administrative autonomy, as do private and charter schools in the United States. But, in fact, there is a wide variation in the degree to which non-state schools are free of governmental regulation (Garnett, 2004; Dronkers, 2004; De Groof, 2004). In Australia, non-state schools are financed by the government but experience a very low level of government regulation. In Italy and Greece, just the opposite pertains. Non-state schools receive a small portion of their budget from public sources, yet they experience a high degree of government regulation. The distribution of these characteristics from one country to another is illustrated in Table 5.1.

Choice and Efficiency: The Macro Evidence

Theory would suggest that policies governing educational structures affect the ability of a school or a school system to perform efficiently and effectively. If institutional incentives are operating correctly, school performance should improve (Glenn, 2005). The assumption is that administrative and managerial liberty is the explanation for an increase in efficiency. Others might claim that low performance is a function of school poverty, and that if schools are better equipped, performance will improve.

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<tr>
<th>Table 5.1 Degree of Regulation and Funding of Non-Government Schools (1999)</th>
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Woessmann (2001, 2003, 2005) poses this question in predicting national academic performance. He employs information from the 39 countries that participated in the Third International Mathematics and Science (TIMSS) Study, using World Bank and UNESCO information to calculate average student expenditures for each country. He categorizes countries by their institutional differences in the degree of administrative freedom. The institutional differences included are: (a) the use of high stakes centralized examinations and control mechanisms, (b) the degree of a school’s autonomy in making personnel and process decisions, (c) the degree of an individual teacher’s control over pedagogy, (d) limitations on teacher unions, (e) the scrutiny of student achievement and (f) the degree of competition from non-government schools. Woessmann concludes that international differences in academic achievement are not attributable to differences in monetary allocations but are closely associated with these administrative differences.

Woessmann’s results parallel those of Fuchs and Woessmann (2004). They employ data from the OECD-sponsored Program of International Student Assessment (PISA) in mathematics. Student achievement is higher in non-government schools, but the critical distinction is not whether the government runs the schools but the degree of administrative freedom to which schools have access. According to Woessmann (2001), administrative policies matter. The presence of weak teachers unions is associated with one third of a standard deviation improvement in math results; having a healthy portion of non-government schools in a country is associated with a .29 standard deviation improvement in math results. The achievement impact of these various differences in administrative policies is illustrated in Figure 5.1.

These results are reinforced by those of Eugenia Toma (1996). She examines the relationship between student performance and institutional financing and control in New Zealand, France, Belgium, Ontario, Canada, and the United States. In Canada and New Zealand, Catholic schools are fully supported with government financing, but non-Catholic schools are not. France subsidizes non-government schools in proportion to the degree of government control to which they agree to adhere. Toma argues that the critical difference is not whether the schools are government or non-government but their degree of administrative and financial latitude. She finds that, in general, students in non-government schools tend to perform better in mathematics, but that restrictions on the decision-making authority in non-government schools significantly reduce their performance advantage.

![Figure 5.1 TIMSS data analysis of the impact of administrative policies on student achievement.](image-url)

The effect of administrative policies on student performance varies significantly across countries. For instance, the strongest influence on student achievement is seen in the case of teacher unions, where their influence on curriculum is strongly negatively correlated with student performance. Increasing private enrollment by 10% has a negligible effect, while centralized exams have a slightly positive impact. School autonomy in hiring teachers and setting teachers salaries also have a positive effect, though less pronounced. The figure illustrates that administrative policies, particularly those related to teacher unions and centralized exams, significantly impact student achievement.
The evidence from middle and low-income countries is generally consistent with the evidence from OECD countries. Students tend to perform better academically in private schools, in schools with control over their own resources, and in school systems which have been administratively decentralized (Jimenez, Lockheed, & Paqueo, 1991; Cox & Jimenez, 1991; Tooley, 2005; Jimenez & Lockheed, 1995; Riddell, 1993; Winkler & Rounds, 1996).

Choice, Efficiency, and Equity: Recent Country Examples

Many countries have altered their traditional educational policies to allow choice across both government and non-government schools, but few have been intensely studied. Of those, results are summarized below.

Chile

Vouchers have been available to parents in Chile for about 25 years. Parents can use vouchers in private religious, non-religious for-profit, non-profit, and state schools. Revenues are appropriated on a month-by-month basis contingent upon enrollment. Approximately 21% of the students attend private-for-profit schools. Another 10% attend private Catholic schools, and about 8% attend non-voucher private schools. Thus about 40% of the enrollment is outside the traditional state sector. Approximately 40% of the students attend schools in the traditional government sector and an additional 19% attend “corporation,” or semi-autonomous municipal, schools (Carnoy & McEwan, 2000, p. 218).

Parents are free to move their children from one category of school to another or from one individual school to another; the question is whether the result of this competition has changed the efficiency of the system in Chile. Fortunately, considerable work has been done to find answers (McEwan & Carnoy, 2000; Gauri, 1998; Merrifield, 2005; OECD, 1994; Vargas, 2002; Sapelli, 2007; McEwan, 2001; Hsieh & Urquiola, 2006; Mizala & Pilar, 1999; Sapelli & Vial, 2002).

Hsieh and Urquiola (2006) find no evidence that choice improves test scores, repetition or completion rates. They do find that the best students left the government schools for the non-government schools. McEwan and Carnoy find that non-religious private schools are less effective than public schools and that Catholic voucher schools (with higher achievement at lower cost) are more efficient, probably because the teachers are paid less and there are fewer restrictions on the allocation of resources than in government schools. In an independent article McEwan (2001) argues that there is no important achievement difference between public and non-religious voucher schools. Together, McEwan and Carnoy conclude that the case for shifting public resources to private schools is, at best, “mixed” (McEwan & Carnoy, 2000).

These disappointing results in part are offset by those from Sapelli and Vialo (2002) who control for selection biases caused by school choice and conclude that for those who select a private voucher school, the difference is substantial. Sapelli (2007) believes that Chile is not a “textbook case” of school choice. It does not exemplify Friedman's outline of perfect competition. He writes:

Public schools have to abide by the Teachers Labor Statute while private voucher schools (at least formally) do not. Public schools work under 'soft budget constraints', and are therefore not necessarily influenced by competition from private schools. No public schools have closed, because all schools that lost students to private voucher schools received subsidies to pay the professors' salaries, when needed. Given this incentive structure, municipal schools facing competition from private voucher schools may prefer students to leave, since they keep their jobs, and teach smaller classes. (p. 2)
Some municipal schools in Chile respond to the incentives by improving education quality and receiving more students. But some have to be artificially encouraged. They are offered additional subsidies in kind, school lunches for the poor, and so forth. As an incentive, these subsidies can be perverse. They appear to act as a “tax” on the poor who would like to shift to a new school, but the school they would choose would have no similar subsidy.

Students from low-income family households tend to perform worse than students from high-income households. If the value of the voucher is the same for both rich and poor students, voucher schools will compete for students with “rents,” that is students with higher initial degrees of human capital (Sapelli, 2007, p. 3). The question is whether the “textbook” case is the appropriate comparison. Students in voucher private schools may perform better than those in government schools because of the sorting and peer effects, with the better students from low income homes able to transfer and the less able students from low income homes remaining where they were.

Sapelli asks whether different schools can be more efficient for different students. Is the effect of social separation necessarily negative? Perhaps education effectiveness depends on the choice of technologies, pedagogical style, and presentation techniques. Perhaps the social separation in Chile could function in the same way as students who are separated into ability groups. He concludes that sorting can be productive, and that schools may well be better when they teach similar students. Providing students from low-income families the opportunity to leave their traditional schools, which then become more segregated, is better than providing these students no opportunity to leave at all (Sapelli, 2007, p. 8).

New Zealand

In 1991, New Zealand shifted its traditional highly-centralized school system to allow parents to send their children to whatever school they wish, without regard to school ownership or geographical catchment area. The “de zoning” policy causes government schools to act as charter schools, each with its own board of trustees. Fiske and Ladd (2000) offer perhaps the most comprehensive analysis of the change. They argue that the new competition among schools has counter-productive characteristics. Though it allows dissatisfied parents to withdraw their children from low-performing schools, it has the effect of increasing the level of segregation by income and ethnicity. Schools with high percentages of minority students are more likely to lose in the competition, hence placing them at risk of being left with the most poor and least able of the minority students.

Larocque (2005), in reply, argues that there is a true voucher system has never been put to the test in New Zealand. Because private schools receive a significantly lower subsidy, the only effective choice is limited to state schools. Because student per capita grants are not equity targeted, there is little incentive to open private schools or for current private schools to attract new students. Teacher pay continues to be set centrally by the government. The Ministry of Education retains control over school property and a national curriculum. It limits the freedom to restructure and merge schools, and it maintains the uniform national governance structure; hence it limits local innovation. For the most part, teachers in New Zealand continue to be trained at a small number of teacher-training colleges, constraining both variety and creativity among teachers.

Because New Zealand (unlike Chile) has no central monitoring of the system or high stakes external examinations, no performance evidence exists from its reforms. Hochschild (2007) stresses that the ministry could never admit failure and has no game plan for closing failing schools; hence the consequences for school failures are minimal. Harrison (2007) points out that the Ministry of Education sets school budgets and the size of each school’s staff and negotiates a single national contract with the teachers union. He states that “this truncated form of autonomy wasn’t as successful as expected, should come as no surprise” (Harrison, 2007, p. 4).
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All observers, including Fiske and Ladd, admit that neither parents, teachers, nor administrators would choose to return to the pre-1991 education policy. Though social segregation has increased, it is not clear that it is the most important concern. Harrison mentions that Fiske and Ladd assume that central authorities could fix a problem of low income schools if they wanted. But should authorities “control student choice” so that unpopular schools not lose students? Harrison says, “In effect, students would be held hostage in failing schools until the educational bureaucracy eventually came up with a policy that worked. What a choice” (Harrison, 2007, p. 4). The New Zealand program however can be said to have never really tested the school choice proposition because the total number of charter schools is fixed by the Ministry of Education and, though there is evidence of family demand, few are able to exercise school choice.

Australia

Without being as visible as either Chile or New Zealand, the approach to school choice in Australia may be more worthy of note. The federal government has funded non-religious, non-state education since the 1970s. But unlike either New Zealand or Chile, the requirement for federal funding is to have the state match funding. Though the Australian federal government has no managerial or governance authority in K–12 education, its funding has become important to each of the states and local communities. There are minimum enrollment obligations on the schools, and the policies encourage innovation and experimentation, but with limits. Annual enrollment in private schools has increased since 1979 and now constitutes about one third of the student population (Angus, 2003).

State funding for private education varies. Western Australia began financing private schools in 1967, though the contribution amounted to only 6% of the recurrent costs in a government school. This portion increased to 23% in 1975 and today is about 93% of the funding in state schools. The state makes available low interest loans which school authorities can access, and this has made it possible to establish new schools of high quality (Angus, 2003).

USSR

Surprisingly, among the more creative mechanisms of supplying choice are those that emerged in the final days of the Soviet Union. On July 21, 1989, the USSR State Committee on Public Education made school choice possible throughout the fifteen republics. Unlike voucher systems in the west, however, the Soviet system was divided into three portions. The central budget financed 45% for assistance to the “federal subjects” of math, science, and language. Local authorities supplied 45% for areas of the curriculum which each authority thought was the most important—local history, new languages, or added support to the federal subjects. Lastly, 10% of the voucher was in the hands of individual parents, who could allocate it to anything they wanted. They could hire a teacher of religious studies, fix the school roof, top up teacher salaries, buy books for the library. Moreover, this portion of the voucher was to increase over time. At Grade 1 it began at 10% but it was designed to increase each year a child stayed in school (Heyneman, 1991, p. 44).

Canada

Canada is a good source of evidence on school choice, in part, because each province has set its own policies. Public support for non-government and non-religious schools began in the 1960s in Alberta. Today, up to one half of the recurrent cost for educating a child in public education is offered to non-government schools in Alberta, Manitoba, Quebec, and British Columbia. On
the other hand, no subsidy is offered to private schools in Newfoundland, Nova Scotia, Ontario, Saskatchewan, New Brunswick, or Prince Edward Island. One province, Alberta, provides public funding for homeschooling. In three provinces (Alberta, Ontario, and Saskatchewan), full public funding is supplied to Catholic or Protestant schools through school boards. These schools are not considered "private" but rather a separate form of public education (Hepburn, 2005, pp. 9-10).

Funding for non-government education has not stimulated a flight from government schools. Only 4.5% of the pupils in Canada attend private schools today, a slight increase from 3.1% in 1987 (Hepburn, 2005, p. 14). Perhaps the most important shift in the pattern of student attendance has been influenced by the substantial investment in new programs within the government schools. In Edmonton, for instance, public schools have 30 different programs in 140 locations. The programs include: advanced placement, international baccalaureate, and bilingual or immersion in many languages, Christian schools, gender specific schools, art, music, and athletic schools. Since catchment areas have been free to choose whatever program they want wherever it is offered. Only 51% of the students attend the school in their (now defunct) catchment area (Hepburn, 2005, p. 17).

South Africa

Nations with serious problems of social cohesion face acute challenges initiating school choice policies. The Republic of South Africa is an example. South Africa initiated school choice but with considerable restrictions; no schools may discriminate on the basis of race. But neither may a school use an admissions test or refuse admission on the grounds that a student cannot pay or does not adhere to the school's mission statement. Moreover, parents whose children are not admitted to a school must be informed in writing, and the decision may be appealed to the provincial council.

In spite of these restrictions, however, selection is hardly representative. Today, 27% of the students at historically White schools are Black, but of these only 16% are African, the remainder being of mixed ethnicity or of Indian origin (Pampallis 2005, p. 153). The "desertion problem" of skimming the best and brightest from traditionally disadvantaged schools is significant. Competition for students has yet to result in measurable improvements in educational quality. Performance on external examinations does put pressure on specific schools, but in many ways they seem to be overwhelmed with the challenges (Fiske & Ladd, 2005).

Great Britain

Since 1988, Great Britain has encouraged open enrollment outside of the traditional catchment areas, and since 1993, it has encouraged a system of "specialisms" within state schools. The intention of both has been to stimulate choice and competition in existing schools, but little has been done to stimulate the growth of new schools. Under the 1993 Education Act, private schools may apply for state support. They are obligated to raise 15% of their funding on their own and adhere to the same regulations that apply to state schools (Walford, 2003, p. 76). In Britain, many researchers have argued that market mechanisms reinforce class differences. Ball mentions:

The implementation of market reforms in education is essentially a class strategy which has as one of its major effects the reproduction of relative social class (and ethnic) advantages and disadvantages. (Ball, 1993, p. 4; cited in Walford, 2003, p. 78)

Regardless of these and other concerns (Seldon, 1986), the Labor party has not dismantled the choice and other policy changes initiated by the Conservatives; rather they have reinforced and added to them. Today, there are foundation schools (including those managed by Muslims, Seventh

Day Adventist, and Jehovah's Witnesses), community schools—designed to serve local business—are encouraged. Education is not (stemming from groups) lose heterogeneity over curricular programs, empirical in nature.

The People's Republic of China is widely understood as having increased opportunities for students. There is nothing to suggest that the advantage, so often cited as a reason for the current success of Chinese students:

- student development;
- student achievement;
- students' increased private learning.

So far, the education system has a proportion of students who are China and less than 40%. (Tsang, 2003, p. 19). To garner a position within the school administration, families have to watch China is responsible for the external source of teachers. In sum, is either Chile or the Netherlands.

The Netherlands

This country has the theories of the education of students attend
Day, Adventists, and Sikhs). There are voluntary aided schools in which a non-government association may assist or adopt a particular government school. There are voluntary controlled and community schools. There are "specialist" or beacon schools—roughly equivalent to U.S. charter schools—designated by the local authorities and obligated to raise a portion of their financing from local businesses. Any of these schools can be selective, non-selective, or gender specific. Schools are encouraged to compete for special program assistance offered by state authorities.

Educational Action Zones (EAZ) offset the ramifications of the re-distribution of income stemming from the results of these various forms of competition. Since some schools (often in groups) lose in the competition, the EAZ is meant as a special offering of assistance. To some, the heterogeneity in programs and financial support offered seem inconsistent with central control over curriculum, pedagogy, and teacher salaries. Walford claims that the breadth of the new choice in programs is not associated with examination improvement, but like Australia, there is little empirical information to substantiate claims in either direction (Walford, 2003, p. 87).

The People's Republic of China

China is widely known for authoritarianism in social policy, including education policy. But with increased openness to Western commerce, the notion of consumer choice has taken hold. There is nothing more serious in China than parents' desire to offer their own children occupational advantage, social prestige, and family security. Thus, education choice is axiomatic in China. Currently the central government allows:

- students to attend schools outside of their home districts;
- students with lower entrance examination scores to enter a government school that may have higher entrance threshold to pay tuition; and
- students to attend "people-run" schools (called miniban schools) with tuition or a traditional private proprietary school (with high tuition) usually managed by entrepreneurs. (Tsang, 2003, p. 165)

So far, the demand has been heaviest in the first two arenas above, not in the last. In Beijing the proportion of students enrolled in non-government schools is less than 1% at the primary level and less than 3% at the secondary level. However, in Tianjin, the proportion is as high as 12% (Tsang, 2003, p. 175). School choice among government schools, and the necessity for all schools to garner a portion of their financing from non-traditional sources, puts significant pressure on school administrators to attract the right kinds of students and to maintain them and keep their families happy. Those who wonder if market forces have an effect on education efficiency may wish to watch China. Through the policy of "principal's responsibility" initiated in 1990, principals are responsible for the school budget. They may reallocate; they may supplement their budgets from external sources; they may raise or lower the number of teachers and are free to hire contract teachers. In sum, the policy of education choice may be more "market-oriented" in China than in either Chile or New Zealand.

The Netherlands

This country has perhaps the oldest and most pervasive policy of school choice, beginning with the theories of Petras Hofstede de Groot who argued that, for reasons of religious harmony, public education should be delivered through Catholic and Protestant schools. Today, 76% of Holland's students attend non-state schools, and 90% of those are affiliated with either Catholic or Protestant
churches.7 Government regulations, though numerous, are meant to encourage a wide variety of experimentation. Today, there are government-assisted private schools of every philosophy and specialization. The Netherlands is small and mostly urban, and public transportation is quick and efficient. This removes some of the obvious logistical barriers to school choice. In an evaluation of public attitudes toward school choice, parents responded that their highest concern was how close the school was to their home (Jannessens & Leuven, 2001). This suggests that choice may not be important to parents in all environments.

Sweden

Like New Zealand, Sweden has a history of centralized education decision-making. In 1991, this policy began to be reversed with the passage of legislation allowing vouchers and the establishment of non-government schools. The National Agency for Education (NAE) approves schools that apply for the right to receive public vouchers. The school vouchers themselves are financed by local communities. The NAE has the power to order a local authority to finance a school whether or not the local authority agrees. Families are allowed to choose whatever school they wish with 85% of the per student costs financed by the state (Sandstrom & Bergstrom, 2005; Bergstrom & Sandstrom, 2003).

Having the government finance students in non-state schools was originally opposed by many political factions (Daun, 2003). However, of the seven major political parties represented in the Swedish parliament today, the only opponent of school choice is the former Communist Party (Sandstrom, 2005, pp. 23-24). There are no restrictions on establishing faith-based schools. Twelve percent of the non-government schools are religious. All faith-based schools must teach the national curriculum, however, and teaching must remain "non-confessional."

Perhaps most surprising is the fact that about one half of the non-government schools are owned and operated by educational companies, including Internationella Engelska Skolan (the International English School), Kunskapsskolan (the Knowledge School), and Pyslingen and Vittra (Sandstrom, 2005, p. 28). All non-state schools are required to follow a standard curriculum, file common reports, adhere to an identical number of teaching hours and submit themselves to common assessments. But even with these central regulations, there is a wide variety of curricular specialization available, ranging from music, Russian, mathematics, English, French, German, Arabic, and technology, and a wide variety of educational philosophies, ranging from Steiner, Waldorf, and Montessori, as well as emphases on Christian, Muslim, or Jewish values (Sandstrom, 2005, p. 32).

Europe and Central Asia

The 28 countries of Europe and Central Asia (ECA) represent a new and important element in the debate over school choice. Until the opening up of Eastern Europe and the collapse of the former Soviet Union in 1989, schooling was monopolized by the state. Non-government schools did not exist.

With the importation of policies governing private property, private health care, and private confessional and interest organizations, in satiation with non-governmental education was rapid and universal. Among the new democracies, there was almost universal approval for its growth. The proportion of students in non-government secondary schools in the Czech Republic jumped from 0% in 1989 to 12% 10 years later. In Hungary the proportion jumped from 0% to 9% 10 years later (Fier & Munich, 2003, p. 211). In the ECA region, where employment had been administered by the state, public vocational and technical secondary schools were particularly slow to respond
to the new labor market demands. In the Czech Republic, the portion attending non-government secondary schools was 7% for the academic schools, 17% for vocational, and 26% for the technical schools (Filer & Munich, 2003, p. 211).

Some Western observers who have long experience with inefficient public systems lauded these changes in the former socialist countries (Glenn, 1988, 1989, 1995). But one might wonder why the proportion attending non-government schools is not higher. In Russia, for instance, the percentage peaked at about 6% despite the novelty of the schools and the demand and ability to pay of the Russian Federation's burgeoning middle class (Heyneman, 1997a). It is true that when government schools are free to innovate, seek private tuition and other resources, and establish rigorous selection systems, the demand for non-government schools will not be as high. Pedagogical experimentation has occurred in government schools.

In spite of its early popularity, school choice is a controversial topic in the Russian Duma (parliament). Should public money be spent on children who attend private schools with tuition affordable only by families with illegally-gained wealth? Regional authorities are required to assess the applications of non-government schools for a license to operate. But the financing for local schools is deducted from the normal local government school budget. This acts to constrain the willingness of local authorities to license many applicants.

As important as these administrative regulations may be, the main challenges to school choice in Europe and Central Asia were overlooked by early Western observers. These have to do with the national prerequisites for stability and social cohesion (Heyneman, 1997b). In former Communist countries there are grievances which for the most part were unknown in the West and complications for school choice of which many westerners are only vaguely aware. Most minorities in the West—with the possible exception of Africans prior to the 12th century—have settled in certain places for reasons of personal choice. The Japanese who emigrated to Hawaii and California did so to seek a better life, as did the Swedes in Minnesota, Italians in Chile, Irish in Australia.

But in the former Communist world, minorities were often moved by force for political reasons. German-speakers were moved to Siberia and the frontiers of Kazakhstan. Korean-speakers were moved to Uzbekistan. Jews, Cossacks, Buriats, Poles, Chuvash, Tatars, and many others were relocated to distant and unfamiliar regions. Their lands were expropriated. Displaced peoples had no genuine political voice or authority over matters of which to teach the young. Today, however, these peoples have both voice and authority. And among their first priorities has been to use the schools to teach their children about the oppression to which they were previously subjected. Some may direct blame for this oppression at individuals such as Stalin or to particular groups such as Russians, Romanians, or Poles. In this region, decentralized control of schooling holds great potential for ethnic conflict.

Since there are no traditions of consultation on curricular issues and there is a long-standing tradition of authoritarian curriculum enforcement, it is natural that new, locally designed curricula may exacerbate tension. One illustration is from Bosnia and Herzegovina, where curriculum was designed by different ethnically based local authorities. From a 1994 civics book intended for junior secondary schools:

Horrible crimes against the non-Serb population of Bosnia and Herzegovina by Serb-Montenegrin aggressors and domestic chetniks were aimed at creating an ethnically cleansed area where exclusively Serb people would live. In order to carry out this monstrous idea of theirs, they planned to kill or expel hundreds of thousands of Bosniaks and Croats ... The criminals began to carry out their plans in the most ferocious way. Horror swept through villages and cities ... looting, raping, and slaughter screams and outcries of the people being exposed to such horrendous plights ... Europe and the rest of the world did nothing to prevent
the criminals from ravaging and slaughtering innocent people. (Bosnia and Herzegovina Ministry of Education, 1994, p. 24)

Why Governments Control Schools

One issue worth exploring is why there is not more non-government choice in schools. It appears that all kinds of governments—democratic, religious, secular, nationalistic, ex-colonial, capitalist, dictatorial, and socialist—continue to produce schooling.

Pritchett (2003) argues that it is in the nature of governments to produce education because it is in the nature of governments to have a belief, or ideology. While schooling may well be delivered with higher learning outcomes at a lower cost with school choice, governments choose to deliver schooling in a less efficient manner. Perhaps governments choose to maximize the transmission of ideals rather than mere skills. "This might explain why central governments usually insist on paying for teachers but not blackboards."

Many argue that private schools are frequently more efficient at producing skills instruction than public schools. If one were to believe that, and one were to believe that the promotion of skill acquisition was the cause [emphasis in the original] of government involvement in education than a move to greater reliance on the private sector—not banning private schools, encouraging community schools, perhaps even all the way to 'vouchers'—is a natural policy proposal. However, if the purpose of regime support for public schooling (and other educational policies) is to control instruction in beliefs, then proposing to the regime reforms that relinquish control to improve quality, is useless. (Pritchett, 2003, p. 39)

Choice and the Debate Over Social Cohesion

One reason school choice is so worrisome in environments of low social cohesion or in political environments new to democracy is that, if not carefully controlled, schooling can be misused. Schooling can be employed by those with dangerous sectarian grievances and can exacerbate social tensions. Even in environments where social cohesion is high, such as in Western Europe, the dangers of school choice are manifest. The Netherlands and Sweden long ago worked through the tensions associated with Catholic and Protestant schools. But in Northern Ireland, where publicly funded Catholic and state systems teach antagonistic versions of the same history, this consensus has yet to occur. Throughout Europe the main challenges to school choice today come from the debates over whether Muslims have the right to their own publicly funded schools just as Jews, Protestants, and Catholics. Private Muslim schools are monitored by the state in England, the Netherlands, Sweden, and France. Muslim schools are required to be formally recognized and required to teach the national curriculum in France, Sweden, England, and the Netherlands (Daum & Arjmand, 2005).

Today, Muslim schools in Europe constitute a difficult dilemma. On the one hand, school choice should give precedence to the authority of the family. But what if the values of the family are contrary to the values the general community wishes citizens to learn? There are disagreements in Sweden, for instance, between the general community and some Muslims over the position of women and the primacy of state over religious law. There are social differences too, as to whether physically punishing students or wearing of religious symbols (such as a headscarf) to school are allowed (Sandstrom, 2005, p. 37).

Today, ethnic and religious extremism is considered such a serious problem that it may influence policy toward school choice generally. In terms of foreign policy, some advise against subsidizing...
school choice in countries with low social cohesion (Coulson, 2004). Teaching historical heritage in areas where there has been past conflict, such as Israel and Palestine, is always problematic for public education (Podeh, 2001; Heyneman, 2006). The key issue is the degree of acceptable risk. Some argue that the state should withdraw from most aspects of education (Tooley, 1998), and these arguments need to be added to those who have suggested that school choice has not held the benefits that were anticipated (Ladd, 2002, 2003).

Moreover, what is commonly held about the school system in North America may be true: Administration is often stultifying. Classroom climate is disruptive. Teachers are not rewarded for performance. Expectations of curriculum content have been thinned to accommodate rival interest and consumer/user groups (Heyneman, 2006). And many might feel that it is reasonable to utilize a child's religious obligation as a normal motivator for religiously-affiliated students.

But it would be a mistake to assume that school choice implies that a family should have sole authority over educational decisions. It has long been recognized that in democracies public and private (and home) schooling is a balance of legitimate interests of the state, the family, and the profession (Gutmann, 1987). If the state community were to have a monopoly over the others, it may lead to ideological oppression and a lessening of professional integrity, as occurred under communism. If the family community were to have a monopoly, it could lead to the teaching of ethnocentric interests and create multiple professional standards (such as over science). As Pritchett (2003) states:

It is the cruelest possible romanticism to suppose that 'the village' provides a universally accepted, morally desirable upbringing, as social forces in villages often reinforce perpetuate practices acceptable to local culture such as slavery, caste, female circumcision, religious intolerance, etc. that others regard as morally abhorrent. (p. 29)

In sum, if the assumption behind school choice that families should have the sole right to determine the education of their children were applied, it might exacerbate the educational problem it purports to fix. However cumbersome, inefficient, and unresponsive to parental interests the urban public school system in North America has become, it is wise to remember that at least it does not teach sedition against the constitution. It does not teach disrespect toward specific ethnic or religious groups. It calls neither for crusade nor Jihad. It does not include in the curriculum materials which would increase political tensions with countries to the north or to the south. None of these are part of the educational dilemmas in the public schools systems, but they are very much a part of the school choice dilemmas outside the United States.

Using economic criteria to drive public policy has a limit. There are more expensive problems than an inefficient and cumbersome public education system. In the absence of effective regulation, considered normal elsewhere, it is possible for ethnic, religious, and racial groups to teach disrespect for the rights of their neighbors. In so doing, it is possible that schools may make a contribution in exactly the opposite direction from their stated public purpose. That is, instead of contributing to a civil society, they may be used to exacerbate social tensions. Instead of helping to create a consensus over public welfare and the public good, they may contribute to civil unrest and social instability. In these circumstances, schools can lay an intellectual foundation which leads to social breakdown and, in extreme cases, civil war. It is certainly true that parents in Yugoslavia may have more school choice than do parents in the United States, but that is not necessarily a virtue.

Conclusion

It is normal for governments to deliver public education through religious schools, as long as the religions do not threaten the values of the wider community. Of the nations that have initiated
school choice reforms—New Zealand, Chile, Britain, Sweden and many others—none has created a “textbook free market model.” In each instance, the state has maintained key controls. In most instances, the effects of the school choice policies have not lived up to the economic expectations.

There is, in fact, a spectrum of school choice options ranging from incremental to bold (Guthrie, Springer, Rolle, & Fouck, 2007). Grouped under incremental might be magnet schools, intradistrict transfer within state schools; the use of charter schools may be considered more bold. Bolder yet might be the inauguration of open-enrollment at non-state schools, but closely regulated by central authorities. And bolder still might be those rare circumstances with open enrollment with few regulatory controls.

When choice is introduced into a system however, it is common to discover that the public does not want to return to the education policy ex ante; and having gained political power, no political party has reversed the education choice policies once they have been initiated. The question is whether the economic expectations for efficiency would be realized if a textbook free market were created. We will never know because it is normal for governments to want to control schooling. Despite the abundant evidence linking school choice and managerial freedom to skills, the highest priority of governments may not be skills but values. Values may be so important that their provision takes precedence over efficiency.

The international evidence on school choice suggests that the debates would be more constructive if they did not portray the issues as being bivariate, as though it were a choice of public monopoly or free market. The reality is that administrative freedoms are associated with higher performance on many dimensions; the public does not want to roll back reforms once put into place; and no nation is likely to place its school system at risk for teaching values to which the wider community cannot subscribe. The future of school choice will be one of compromise.

Notes
1. Prussia had just acquired lands in which there were Catholics as well as Protestants, and the question was whether a new citizen should be compelled to switch religious loyalty.
2. Turkey is the second example, while public financing is lacking in the U.S., private non-profit schools receive favorable tax-exempt status.
3. The term ‘non-state’ is used to denote public schools with a (usually religious) affiliation to a non-governmental organization.
4. For Woessmann’s international perspectives on private schools, see chapter 29 of this volume.
5. Whether non-state schools are more efficient or more effective than state schools should be treated separately from whether wide-spread choice and competition improves the efficiency of both state and non-state schools, that is the system as a whole. Most of the literature from Chile concentrates on the first question rather than the second.
6. The research results on separating students into ability groups is widely debated. However, all nations separate ability at some point, either by school, by tracking within schools, or (as found in the U.S.) by groups within classrooms.
7. Others include Jewish, Muslim, and various non-denominational and pedagogical specializations.
8. In general this region includes the ten states of Eastern and Central Europe, the 15 republics of the former Soviet Union, and the 8 or 9 successor states of Yugoslavia.
9. The implication is not, as some suggest (Apple, 2000, 2004, 2006) that the ideas of governments are tantamount to supporting the interests of the rich and powerful. The implication is that it is both right and natural for communities to want to pass on their ideals to the next generation. The question is whether school choice inhibits or facilitates this natural desire (Heyneman, 2005; Wolf, 2007; Wolf & Macaro, 2004).

References
...bold. Bolder parents also have children regulated by enrollment with the public does not mean the public monopoly has free market solutions. It is important to want to maintain educational freedom to be so important.


