

Cascade Commentary

July 2016 #16-30

Summary:

Sixty-one years ago,
Milton Friedman
introduced his vision of
school choice as a way to
improve the quality of
American education. His
idea was simple: Give
parents access to their
children's public education
funding, rather than
require they attend the
government (public)
schools nearest their
homes.

Word Count 872

"...[O]ver half the states [have] one or more school choice programs, consisting of vouchers, tax-credit scholarships, individual tax credits and deductions, and Education Savings Accounts."

4850 SW Scholls Ferry Road Suite 103 Portland, Oregon 97225

t: 503.242.0900 f: 503.242.3822 info@cascadepolicy.org www.cascadepolicy.org

Celebrating the "Christopher Columbus" of School Choice, Milton Friedman

By Steve Buckstein

School choice has entered a new world. Because Americans are increasingly vocal about providing parents with the ability to choose their children's schools, states are adopting broad-based school choice initiatives. Those successes can be attributed to various individuals, groups, and campaigns nationwide. However, it is school choice's "Christopher Columbus" who deserves recognition for starting this movement more than 60 years ago.

In 1955, the yet-to-be Nobel Prize winning economist Milton Friedman introduced his vision of school choice as a way to improve the quality of American education. His idea was simple: Give parents access to their children's public education funding, rather than require they attend the government (public) schools nearest their homes.

"Governments could require a minimum level of education which they could finance by giving parents vouchers redeemable for a specified maximum sum per child per year if spent on 'approved' educational services," Friedman wrote in 1955. "Parents would then be free to spend this sum and any additional sum on purchasing educational services from an 'approved' institution of their own choice. The educational services could be rendered by private enterprises operated for profit, or by non-profit institutions of various kinds. The role of the government would be limited to assuring that the schools met certain minimum standards such as the inclusion of a minimum common content in their programs, much as it now inspects restaurants to assure that they maintain minimum sanitary standards."

Because of vested interests in the education arena, including powerful public school teachers unions, Friedman's suggestions were ignored. And, as a result, the cost of public education doubled while its academic performance stayed the same. As Friedman noted, that should come as no surprise because that's exactly what monopolies do: They offer a product of similar, if not worse, value at a higher price than normally would be allowed if they had to compete in the free market.

But those days are over. Many states are broke, preventing them from dropping more money out of airplanes over public schools. And many parents are fed up, wondering why their kids are underperforming or unmotivated in K-12 schools and unprepared for their college courses and future careers.

Because of that sentiment and cash crunch, <u>according to the Friedman Foundation for</u> <u>Educational Choice</u>, named after Milton and his wife Rose, we now see over half the states with one or more school choice programs, consisting of vouchers, tax-credit scholarships,

individual tax credits and deductions, and Education Savings Accounts.

Oregon is behind the curve, with no significant private school choice programs—yet. But widening charter school and online school options hopefully will soon lead to more school choice for all Oregon children. The most promising possibility here involves an update of Friedman's original voucher idea, now seen as the "rotary phone" of the school choice movement. The school choice "smart phone" is now Education Savings Accounts. ESAs give parents and students even more choices, while replacing the old "use it or lose it" funding mechanisms with a market system. This system allows parents to shop for educational services and use their savings toward future educational needs of their children.

Limited Education Savings Account programs now exist in several states, and Nevada is on the verge of implementing a near universal ESA program that soon could be available to all its K-12 students. If achieved, this will be seen as the realization of Milton Friedman's 60-year-old vision of full school choice for every child, at least in one state with more to follow.

But Friedman's vision was not for school choice to be just another government program. He wanted to see school choice fundamentally change the way public education operates from its current structure that supports government schools and the adults who work in them, to a better model that empowers parents. He argued that if both rich families and poor ones could receive government funding when their kids use public schools, then both rich and poor should be able to receive that same funding to make educational choices outside the government school system.

It took America more than 60 years to reach today's environment in which parent empowerment in education is celebrated more than ridiculed. Moving forward, around the country and especially here in Oregon, we should celebrate the new world that the school choice movement's "Christopher Columbus" opened up for us.

Milton Friedman died in 2006. For the ten years since, Cascade Policy Institute and more than one hundred other organizations around the world have celebrated what has become known as Friedman Legacy Day each year on or around his birthday, July 31. This year marks the last such formal celebration. The Friedman Foundation for Educational Choice, which has sponsored these events to honor and reflect on the life and legacy of its founder, has announced that on the day of this year's final formal celebration, Friday, July 29, it will unveil its new name and new strategic plan designed to move Milton Friedman's school choice vision even more effectively into the future. Please join us as we celebrate both the man and his vision, and as we look forward to many more children getting the quality educations they have been so long denied in our one-size-fits-all government school system.

Steve Buckstein is Founder and Senior Policy Analyst at Cascade Policy Institute, Oregon's free market public policy research organization. A version of this Commentary first appeared in Cascade Business News on what would have been Milton Friedman's 100th birthday, July 31, 2012. <u>Steve Buckstein wrote about Friedman's ties to Portland</u> in The Oregonian the day after he died in 2006.

Cascade Policy Institute is a tax-exempt educational organization as defined under IRS code 501 (c)(3). Nothing appearing in this Cascade Commentary is to be construed as necessarily representing the views of Cascade or its donors. The views expressed herein are the author's own.

"It took America more than 60 years to reach today's environment in which parent empowerment in education is celebrated more than ridiculed. Moving forward, ...we should celebrate the new world that the school choice movement's 'Christopher Columbus' opened up for us."

Attention editors and producers:

Cascade Commentaries are provided for reprint in newspapers and other publications, with credit given to author(s) and Cascade. Contact Cascade to arrange print or broadcast interviews on this commentary topic.

Please contact:

Cascade Policy Institute 4850 SW Scholls Ferry Rd. Suite 103 Portland, Oregon 97225

Phone: (503) 242-0900 Fax: (503) 242-3822

www.cascadepolicy.org info@cascadepolicy.org