A new study proposing radical changes to the structure of American schooling could have relevance for Australia.

PRIME MINISTER HAWKE observed last March that securing the future of Australia involves being, like Germany and Japan, "a clever country", and that “the foundation of a clever country is its education system.”\footnote{The Australian, 13 March 1991, p.16.} The implication is that Australia’s present educational system is defective. Consistent with this verdict is Hawke’s later announcement of a new three-year project to identify the key elements of good schooling.

It will be essential that this new task force recognizes immediately that several other countries have admitted similar failures in their education systems but much earlier than Australia. As well, they have been eagerly trying all sorts of reforms for some time. In response, for instance, to the alarm bells that were sounded in the US in the early 1980s, the American business community especially demanded immediate action. The upheaval and experiments that followed have just been reviewed exhaustively in an important book, Politics, Markets and American Schools, published by the Brookings Institute and co-authored by John Chubb and Terry Moe. Mr Hawke’s new committee of enquiry should give it the fullest attention.

One of the most remarkable outcomes in the 1980s has been the production in the US of what is now probably the world’s richest data source on high school effectiveness. The material is divided into two sets. The first is based on a national random sample of 1,015 high schools (public and private) and nearly 60,000 students: 30,030 sophomores (Years 9 and 10) and 28,240 seniors (Years 11 and 12). These statistics are known as the "High School and Beyond" (HSB) data and include follow-up
surveys of the original students in 1982, 1984 and 1986. The second data set was assembled in 1984 and is known as the High School and Beyond Administrator and Teacher Survey (ATS).

Employing a portion of the HSB and ATS data that has been refined (to be more representative), the 1990 Brookings study offers the latest and most sophisticated analysis of school effectiveness. The key improvement relates to the central dependent variable which is now the gain in the (test) achievement of students who remain in their chosen schools over the relevant period of investigation.

Three major causes of student achievement emerged from the first stage of analysis - student ability, school organization, and family background. Of these variables the most operational for policy purposes, of course, is school organization. Its significance is indicated by the finding that, in the normal four-year high school experience, an effectively organized school may increase the achievement of its students by more than one full year.

But what are the key characteristics of such effectiveness in organization? The Brookings study's answers are clearly expressed: "Autonomy has the strongest influence on the overall quality of school organization of any factor that we examined. Bureaucracy is unambiguously bad for school organization." The authors go on to explain that autonomy is generally high in the private sector, where schools are controlled by markets, or indirectly from the bottom up. In contrast, "In the public sector, where schools are controlled by politics - directly from the top down - autonomy is generally low."

Disappointing Outcome of Reforms

Equipped with these new findings the Brookings study proceeds to evaluate, in retrospect, the 'first wave' of reforms attempted over the last decade. The reform of stricter graduation requirements through a revised and more rigorous curriculum has not been very effective in practice. The fact is that new laws, by themselves

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2 As has emerged from a response to their critics published in Education Week, 20 February 1991, Chubb and Moe define “school organisation” very broadly. It encompasses clear goals, strong leadership by school principles, quality teachers with a professional outlook, an ambitious academic program, and homework (Editor).
mandate a high quality learning experience. “Teachers and students can go through the motions, each following state-imposed rules to the letter, without students gaining much of anything in the process.”

With respect to the prescription for more units of post-graduate training and more serious and broadly administered tests of teacher competency, the study emphasizes that there is no guarantee that even a reasonable percentage of those who survive the new bureaucratic hurdles that certification places in their paths will make good teachers. "Whether duly certified teachers turn out to be good or bad is ultimately revealed in the classroom through the informal, experience-based judgment of principals, other teachers, students, and parents."

Attempts to establish merit pay schemes among American teachers are also good in intention but disappointing in practice. Again the trouble is that the plans tend to get bureaucratized. It is similar with respect to the concept and practice of "school-based management". The leading question here is: what happens if some of the newly-decentralized schools make mistakes, as inevitably they will? The danger is that the schools' superiors in the central offices will come under pressure to resume control in a stronger manner than ever. In this case the brief experiment with 'autonomy' will be ended and the system will then be characterized by centralization that is much more rigid than ever before.

The 'Choice' Movement

The second wave' of the US reform movement is described under the heading of choice'. The most ambitious experiments under this head have taken place in those States such as Minnesota that attempt to make every school in the State a school of choice. But such experiments are not without important problems. The Brookings study observes: "Like virtually all choice-based reforms, the Minnesota reforms do not go nearly far enough, failing to free up the supply of schools, continuing to control them from above, and leaving all the traditional institutions in place."

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The phrase "freeing up the supply side of schooling," means allowing the emergence of new and different types of schools so that family choice is meaningful in a dynamic way. The stubborn supply rigidity revealed in American choice experiments, Chubb and Moe maintain, is easily explained. Choice becomes part of a big compromise among contending political powers. "No one loses jobs, no bad schools are closed down..."

**The Brookings Study's Own Proposals**

Without pretending that theirs is the only optimal plan, the Brookings authors proceed to outline brief proposals for a choice system in a way that is believed to avoid all the problems so far mentioned. The state will have the responsibility for setting criteria that define what constitutes a "public school". Any group or organization that applies to the state and meets minimal criteria (similar to those currently used for accrediting private schools) must then be chartered as a public school and granted the right to accept students and receive public money. The participation of existing private schools should be encouraged and those private schools that do participate will thereby become public schools as newly defined.

Next, there will be established in each district a "Choice Office" to channel public money to schools according to enrolment. At no point will the money go to parents or students. Each student will be free to attend any public school in the state by using a scholarship funded by federal, state and local contributions. A parent information centre, meanwhile, will assist parents and students in choosing among schools.

Schools will announce minimum scholarships they are willing to accept. In effect this means setting their own "tuition fees". Since children with special needs will have the largest scholarships, all schools will enjoy the flexibility in choice of clientele. Schools will also be free to expel students or deny them re-admission so long as such decisions are not "arbitrary and capricious." This condition will give students a strong incentive to live up to their side of the educational 'contract'.
The schools can still be described as being public schools since indirect democratic control will exist. Authority would, be vested in schools, parents, and students. "Schools would be legally autonomous: free to govern themselves as they want, specify their own goals and programs and methods, design their own organizations, select their own student bodies, and make their own personal decisions."

Although the Brookings study tries to differentiate its final product from the so-called 'voucher system', one must question whether the difference is that substantial. The central consequence of voucher systems is the increase in the ability of families to make their choices. When a parent transfers his or her child from one school to another money will automatically be withdrawn from the old school and its budget will immediately be reduced. Under present circumstances, if a family is fortunate enough to be able to withdraw from public school A and transfer to school B, there is no tangible effect on either school's finances. Both vouchers and the plan proposed by the Brookings study, in contrast, will have such effect.

Relevance for Australia

A key word in the Brookings study's analysis of good school organization is 'autonomy'; another is 'competition'. The Australian practice of subsidizing private schools is to a significant extent potentially compatible with these two requirements. Both the Brookings plan and the Australian practice of private school subsidization require initial government screening of qualifying schools. Second, and more important, under the Australian subsidy program the parent triggers some of the school's funding by his or her decision to choose an independent school in preference to other schools (public or private). Government funds follow the child just as they do under the Brookings plan.

Australian States that wanted more school autonomy and competition could presumably proceed by increasing the government proportion of private schools' funding. But New South Wales, it seems, is the only one that is moving in this direction at the moment. It is gradually increasing per capita allowances for non-
government schools from 22 per cent of the cost to the state of educating a student in a non-government school in 1990, to 25 per cent in 1992.\(^4\)

For competition to work with greatest effect however, much depends on a State’s attitude to the entry of new private schools. Such entry could certainly be encouraged by the increased grants in New South Wales. Properly handled, several new private schools could emerge in response to what parents and students want, a situation recommended, of course, by the Brookings study.

But here we reveal what is probably the Achilles Heel of the Australian private system. It is not only public schools that dislike new interlopers. Existing private schools share the same fear. The combined public/private school interest group constituency therefore is a formidable influence for protecting the status quo. The stated policy of the Commonwealth Government reflects this political reality quite openly. Between 1985 and 1989, 77 proposed new non-government schools had their applications to receive Commonwealth funding rejected. The major reason given was that “they were not considered to be consistent with the [government] planned provision of education in their proposed location.”

**Japan and Germany**

Germany’s and Japan’s educational success is, to some extent, another illustration of some of the findings of the Brookings study, a fact that is pertinent to Mr Hawke’s expressed desire to match Germany’s and Japan’s ‘cleverness’.

Consider first the fact that America has recently been stunned to discover that only a fraction of the top one per cent of its 18 year-olds does better in Maths than the average Japanese of the same age! But more relevant to the present discussion is the fact that the examination lead of Japanese over American students grows at an astonishing rate between the ages of 15 and 18. This is at a time when schooling in Japan has ceased to be free and compulsory and has, therefore, introduced the strongest form of market competition. (Fees are charged in public high schools as

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\(^5\) Ibid, p.5.
As well as private ones. In the latter, central government subsidies account for about 40 per cent of the cost.

Some corroboration of the Brookings study’s findings therefore seems clear: Japanese high schools enjoy considerable autonomy insofar as they set their own tuitions. And enjoying more autonomy, they are obviously better equipped to compete not only between themselves but also for the attendance of students 15 and over who are free to leave. In fact 94 per cent of individuals 15 and over in Japan complete high school (15 to 18 years), which is more than anywhere else in the world, despite the fact that it has ceased to be free and compulsory.6

The case of Germany, finally, is a useful reminder that important education occurs at the place of employment as well as in formal schools. Three-quarters of German school-leavers, which includes almost everyone who is not bound for university, undertake rigorous apprenticeships for at least three years. These young people find respectable jobs only after they have completed their on-the-job training and have passed fairly rigorous theoretical and practical examinations. Connections with the Brookings study findings are not far to seek. The young German apprentices are paid only about a quarter of the wage rate for a qualified worker. By all accounts they are, nevertheless, happy to have the chance to learn. In effect the apprentice is ‘paying for’ his training with work done for his or her firm. This important kind of education, in other words, is purchased in the market on mutually acceptable terms. Unions do not erect barriers that prevent such an arrangement.

The emphasis on autonomy in education is therefore clearly observable in the German on-the-job-education field. Each firm is ‘its own boss’ where the education of its young employees is concerned. Moreover, since there are several firms to choose from, there is competition between them to offer the best training at the best price.

Australia should heed all these international ‘state of the art’ findings. And especially since Mr Hawke’s new three year project will not have the advantage of

6 ‘Japan’s Schools’, The Economist, 21 April 1990. In the British city of Liverpool, 84% of 16 year olds leave school at the earliest opportunity, i.e when schooling ceases to become compulsory.
the type and magnitude of the data that have been used in the United States by Chubb and Moe, it it would be well advised to start by scrutinising every page of their painstaking and seminal work.