

State Needs a Voucher Program, Arkansas Democrat Gazette, Sept. 25, 2002

Under any standard of evaluation, Arkansas' K-12 school system performs poorly. We continually rank near the bottom of national rankings. Further, K-12 education is a national problem. Our K-12 students perform poorly relative to students in other countries. Fortunately, because of Thursday's Supreme Court ruling which held that vouchers were constitutional and because of some inherent advantages in Arkansas, our state can make dramatic improvements. We can – if we seize the opportunity.

Consumers get a good value for most of the products they buy because they can switch among different alternatives at a low cost. If you do not like a hamburger at Wendy's, you can go to Burger King. They both charge about the same price for their food, so the consumer only bears the burden of going a little further down the road to Burger King. The same is true for colleges. The U.S. has the best university and college system in the world. If you have any doubt about this, just observe where foreigners send their children to school. They send them to the U.S. Our universities are so good because students can cheaply change from one school to another. If a student is enrolled at the University of Arkansas at Little Rock and thinks that the education he or she is receiving is not worth the money, the student can switch to the University of Central Arkansas. The tuition at these schools are about the same, so the only extra cost to the student would be the extra time spent commuting.

Unfortunately, students do not get a good value for the money spent on K-12 education, primarily because parents find it costly to change their child's school. Today, different levels of government pay money directly to the schools. If a school performs poorly, a parent has the

choice of just putting up with poor performance, moving to another school district, or paying several thousand dollars to put their child in a private school. Many parents choose to keep their children in inadequate schools because they can not afford to pay the extra price of private tuition, nor can they afford to move. Because parents have to pay such a high cost to switch to a private school, public schools can perform poorly and still retain their students.

A voucher would pay the money directly to a parent and stipulate that it had to be used to pay tuition at a private school or at a public school in a different district that accepts vouchers. For example, a \$3,000 voucher would reduce the parent's cost of switching a child from a poorly performing school to a better one. If the tuition at a private grammar school is \$3,500, the parent could use the voucher and \$500 to send the child to the private school. The voucher reduces the cost of switching to a private school from \$3,500 to \$500. When private schools and public schools compete for business, those that provide a good product at a reasonable price survive. Those that do not fail.

Some people worry that vouchers will be too expensive. Actually, they will provide education at a cheaper cost than our current system. The average amount spent in Arkansas is over \$5,000 a student. Consider an entrepreneur who is thinking of starting a school. If she has 20 students and only charges the face value of a \$4,000 voucher, she will have \$80,000 in revenue. She can spend \$10,000 a year on books and supplies and hold classes in her home. Her salary will be a whopping \$70,000. Such a high salary would surely attract many bright people to the teaching profession. In fact, I know many Ph.Ds who would go into teaching K-12 if they could make \$70,000.

Teachers' salaries are much lower than the \$70,000 I mentioned in my example above

because so much money is wasted on bureaucrats and buildings. A small twenty person class needs neither. Parents can judge which schools provide a good educational value. They do not need to rely on bureaucrats to do this job for them. Private schools will develop reputations much like restaurants do. Like restaurants, those with a good reputation will survive and those with a bad reputation will not. Further, Arkansas has an abundance of churches which should give Arkansas a great advantage in providing K-12 education. These building are heavily used on weekends and are under utilized during the week. These churches are a natural provider of K-12 education. The buildings already exist. Why not use them to educate the young?

Vouchers would go a long way toward improving Arkansas K-12 schools. I challenge our politicians to adopt a voucher program in Arkansas. With the latest Supreme Court decision, they have the legal authority to implement vouchers. The only remaining question is: do they have the political will?

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