

CHARTER SCHOOLS: HYPE OR HOPE?

Mark Schneider

(corresponding author)
Department of Political
Science
Stony Brook University
Stony Brook,
NY 11794-4392
E-mail:
mark.schneider@stonybrook.edu

Jack Buckley

P.O. Box 158
Washington Grove,
MD 20880
E-mail:
Jack.buckley@gmail.com

Charter schools have become a mainstay of education reform in the United States. There are now almost 900,000 students attending over 3300 charter schools in the vast majority of states throughout the nation. In many states, the number of students enrolled in charter schools is substantial. Arizona, Florida, Michigan, and Texas have over 80,000 charter school students, and California tops the list with over 180,000.¹ While there is some evidence that their growth is slowing, charter schools continue to attract the attention of scholars and policy makers, many of whom fervently support charter schools, and many of whom oppose charter schools with equal passion.

The mantra of today's world of education research is "evidence-based reform"—the desire to find out what works and then to build schools on this foundation, cutting through the ideologies, hype, and (often inflated) hopes that have historically driven so much of the education research and reform industries. At the same time, the push for charter schools shares a different mantra: through the expansion of choice and competition, the "magic of the market" can be tapped to enable charter schools to provide better educational alternatives, raise student achievement, and leverage change across the entire system of schooling in the United States.

1. These data are from the Center for Education Reform as of 12 July 2005. The CER keeps a running total that can be downloaded from <http://www.edreform.com/index.cfm?fuseAction=stateStatChart&psectionid=15&cSectionID=44>.

These two trends—one demanding rigorous evidence and the other demanding more charter schools—may be on a collision course. Like so many other school reforms, we believe the push for charter schools has been characterized by many promises unsupported by evidence. Indeed, the creation of charter schools has become more than simply a reform, it has become a *movement* supported by what Carnoy refers to as “charter school zealots” (Carnoy et al. 2005). Therefore, it is perhaps not surprising that charter schools are associated with high hopes on the part of policy makers looking for better schools and trying to avoid infusing large amounts of money into existing (and failing) schools and school bureaucracies. The charter school movement has also instilled high hopes among parents who feel that their children are being ill served by traditional public schools and who are desperate for better alternatives.

We fear that the hype has inflated student, parental, and societal hope regarding what charter schools can do. And we fear that these hopes will be dashed because the movement has promised more than charter schools as a whole can reasonably deliver.

“FACTS ARE STUBBORN THINGS”

So John Adams once observed. According to the U.S. Charter Schools (2005) Web site, charter schools will:

- Increase opportunities for learning and access to quality education for all students;
- Create choice for parents and students within the public school system;
- Provide a system of accountability for results in public education;
- Encourage innovative teaching practices;
- Create new professional opportunities for teachers;
- Encourage community and parent involvement in public education; and
- Leverage improved public education broadly.

We endorse these goals wholeheartedly and wish that charter schools were unquestionably reaching them. But too many of the facts we have documented in our research suggest that, at least viewed through the eyes of the students and parents who are the customers of charter schools, many charter schools are falling short. And since these facts are indeed stubborn things, we believe now that we are a decade or so into the charter school movement it is time to consider carefully the promises and limits of charter schools. Simply wishing competition and choice will somehow unleash the “magic of the market,” which in turn will produce better educational outcomes, ignores the extensive infrastructure necessary to make markets work. Assuming charter schools are

a panacea for the ills of urban education flies in the face of the evidence that we (and others) have assembled.²

SATISFACTION

According to theories of choice, higher satisfaction is an outcome that should flow from an expanded system of choice, as embodied in charter schools, since parents and students get to choose schools that deliver more of what they want from education. Indeed, higher satisfaction is one of the positive results most commonly cited by charter school advocates to support the push for expanded choice.

Reflecting the hopes of parents, their expectations, and their prior beliefs in the quality of charter schools, our own empirical analysis shows that charter school parents *begin* their experience with high evaluations of almost all aspects of their child's school. Charter school parents also assign higher grades to their children's teachers, principal, and school facilities and to their school overall. They are also more satisfied with a whole host of other dimensions of their child's educational experience, including school size and the level of discipline (Buckley and Schneider 2005). Charter school parents are also more likely than parents with children in the traditional schools to overestimate the academic performance of their child's school (see Buckley and Schneider 2006).

However, we have found that as experience with the schools accumulates, the charter school advantage erodes, so that by the end of just a few years, charter school parents appear to be no more satisfied with their child's school than are their counterparts with children in traditional public schools. We believe that this pattern may develop in part as the hopes parents have about the quality of charter schools meet the stubborn facts of urban education.

As Larry Cuban (2005) has observed, "No sure-fire solutions have yet appeared to reduce the enormous test score gaps. . . . the grim statistics of ghetto life take their toll on schools" (p. 4). Richard Rothstein (1998) links this harsh reality to the future of charter schools as laboratories of innovation: "[As] charter schools face the same problems regular schools confront, they will find themselves, perhaps to their own astonishment, developing remarkably similar solutions" (p. 60). To the extent that this convergence of solutions happens in response to the stubborn facts of urban life, convergence of parental attitudes across sectors should be of no surprise.

We also found that the *students* in charter schools, the "customers" with the most direct day-to-day experience with this reform, feel no differently about their schools than their peers in the traditional public schools. They are no

2. This article is excerpted from a book-length manuscript. The empirical analysis upon which this very short summary is based is available from the authors.

more proud of their schools and no less likely to wish they attended a different school than their counterparts in traditional public schools. And peer groups seem to be pretty much the same across the two sectors. In short, we found no evidence that charter schools change the dynamic of student life.

SOCIAL CAPITAL AND EFFECTIVE SCHOOL COMMUNITIES

Many have argued that a good education requires the cooperation of students, parents, and schools' professional staff. In our research, we found that on a number of indicators of social capital, charter schools outscored traditional public schools. And we found no indicator where charter school parents view other parents or teachers in their child's school more negatively than do parents in the traditional public schools. We believe our data present a picture of parents bringing to their schools expectations, hopes, and other raw material that can be tapped to create vibrant communities. Unfortunately, we also found that, by and large, charter schools were not able to seize this opportunity: over time any value added to social capital by charter schools erodes.

We should note that even in the cross-sectional analysis, the charter school advantage is not overwhelming. And the contribution the charter school experience has to the building of social capital appears to be limited to the school community; there is little or no evidence of spillover from school-based social capital to broader domains.

This apparent failure of charter schools to add value is even more disappointing in that their smaller size gives them an important structural advantage over traditional public schools in building effective school communities. Charter schools have other structural advantages over traditional public schools as well: for example, many have parent contracts requiring parental participation, and others have been granted waivers from broad educational mandates so as to create "niche" schools tightly focused on the needs of their students (Teske, Schneider, and Cassese 2005). But according to our data, even with these advantages, charter schools experienced only a small and transient gain over traditional public schools in generating school-based social capital.

BUILDING GOOD CITIZENS

Another outcome we studied was the differential ability of schools to create the foundations for citizenship. We found differences between students in charter schools and traditional public schools in terms of instilling democratic values, skills, or confidence. While these differences all favored charter schools, they were small in magnitude and not uniform across all measures. And while many advocates argue that charter schools will be able to create an atmosphere

that produces the same kinds of gains that have often been found among students in Catholic schools, our evidence did not support this hope.

These findings may adversely affect the future of school reform, since charter school “customers” constitute a core constituency for the future of the charter school movement. However, if charter school parents are no more satisfied with their schools than traditional school parents then they might not provide a strong foundation to help charter schools weather the storms and controversies that they will inevitably confront. And if charter schools are not nurturing among parents social capital which translates into broader political practices, then these parents will fail to develop the political skills to protect charter schools in the face of inevitable challenges.

Thus, the failure of charter schools to fully develop the civic capacity of their constituent consumers may present problems for the movement—and perhaps for school reform in general. Braatz and Putnam (1998) argue that “revitalizing American civic engagement may be a prerequisite for revitalizing American education” (p. 37). Clarence Stone (1998) similarly argues that “the connections between the level of civic capacity and degree of effort at education improvement seems quite solid” (p. 261). From this perspective, education reform can succeed only if there is long-term political engagement by parents who are drawing on a healthy stock of civic capacity. This is particularly important because the political cycle is short and most politicians cannot wait for systemic education reform to work. Therefore, building strong constituent support and keeping politicians engaged over the long haul is essential to success (Sexton 2004; Hess 1999). When we put these observations together, we can see that the failure of charter schools to build civic capacity may weaken one of the pillars necessary to support charter schools and perhaps other future educational reforms.

ACHIEVEMENT

While there are many facets to the debate over school choice, given the (justifiable) emphasis in current policy on improving academic performance, not surprisingly, the role of charter schools in enhancing such performance has been addressed.

Whereas the work in this volume by Bifulco and Ladd and by Sass demonstrates what good researchers can do with existing data, there have been many distractions in the analysis of this important question. The most notable took place in the fall of 2004, when a tempest erupted over the extent to which charter school students are easier or harder to educate than students in traditional public schools. The impetus was a report published by the American Federation of Teachers (AFT) (Nelson, Rosenberg, and Van Meter 2004). The report

compares the performance of charter school students and their counterparts in traditional public schools using math and reading test score data from fourth and eighth grade students collected as part of the 2003 National Assessment of Educational Progress (NAEP, often referred to as “the nation’s report card”). The authors reported that, on average, charter achievement was lower, based on both average scaled scores and differences in proficiency levels for fourth- and eighth-grade math and reading (although the difference in eighth-grade math scaled scores was not statistically significant).

The report, which was described favorably in a front-page *New York Times* article (Schemo 2004), drew a swift and often heated response. Pro-school choice policy analysts, academics, think-tankers, and other partisans in the debate quickly wrote op-ed pieces and response papers and even took out a full-page advertisement in the *Wall Street Journal*, at a cost of \$125,000, denouncing the AFT report’s methods and conclusions.³

For us, this fight between partisans who say that because charter school students are harder to educate we should expect lower scores, and charter school opponents who say that since the overall charter school student body is the result of creaming test scores should be higher, is not useful. Clearly, some schools (regardless of sector) have harder-to-educate students, and others don’t. It is the composition of individual schools, not the overall composition of the sectors, that matters in helping us identify which schools add value and how they do so.

The issue of how charter schools affect achievement will continue to be debated for the next few years. We know what the study to address this question should look like: longitudinal student-level data collected from individual students who are randomly assigned to charter schools or traditional public schools by lotteries executed in the face of oversubscription to the charter schools. The U.S. Department of Education, through its Institute of Education Sciences, has recently launched two studies with these design characteristics. That’s the good news. The bad news is that it will take three to five years before we have even preliminary data on charter schools’ effects on academic achievement (measured by test scores). It will take even longer for us to learn whether charter schools affect the other things that we want schools to deliver (advanced degrees, better jobs, higher income, less crime, and so on), for which test scores are only a surrogate. If the debate over the data about voucher programs that used random assignment is any indicator, even when these data are released, it will take years of intense analysis and contentious reanalysis before consensus emerges on how much charter schools contribute.

3. A typology of the criticisms leveled at the report, along with a response from the authors, is available at http://www.aft.org/pubs-reports/closer_look/o82704.htm#Bookmark6.

“FIRST DO NO HARM”

If these comments seem critical, they are a reaction to the hype that has surrounded the creation and growth of charter schools. To be fair, on every one of the numerous comparisons we conducted throughout our research, charter schools never fared worse than the traditional public schools—and they quite often did better. Putting the evidence together, on the whole, charter schools pass the most fundamental test of policy analysis: they are Pareto superior. But before accepting that as an endorsement of charter schools, we ask a simple question: Given the promises put forth by the charter school movement, is it really sufficient to say that we should endorse charter schools because they pass such a minimum test?

CAN WE IMPROVE PARENT CHOICE BEHAVIOR?

Charter schools were created to increase competition and choice, fundamental building blocks of a market for schools, from which greater accountability and higher achievement should flow. But empirically there is mixed evidence of the ability of parents to exercise choice and to use market forces to improve schools.

Perhaps most important, the importance of race in how parents shop for schools needs to be recognized. That parents weigh the racial composition of schools when choosing their children’s school should come as no surprise, given how segregated schools (and neighborhoods) are. Survey evidence has consistently indicated that parents place great importance on academic performance and teacher quality and dismiss the importance of race. However, evidence from the handful of existing studies focused on actual parental behavior shows that while parents will hardly ever *say* that they care about race when choosing schools, their behavior shows the opposite. This behavioral evidence presents a serious challenge to the claim that parents, when given choice, will choose schools on academic grounds—and this challenge has yet to be met by charter school advocates.

Our data also documented other patterns in parental search procedures—some of them supportive of the idea that parents can effectively shop for schools and others less so. Following Schneider, Teske, and Marschall (2000), we relied on the idea of the marginal consumer to help explain how the market for schools might still work given so little active shopping by parents and given that they have so little accurate information. Using different methods and measurements than Schneider, Teske, and Marschall (2000), we explored further the idea that a small number of parents with effective search procedures can make choices that could lead to better schools overall.

We also documented the fact that good information about alternative schools increases the propensity of parents to change schools. So,

theoretically, better modes of disseminating information could increase the quality of parental choice and could increase the pressure on schools to improve.

However, we identified two problems with this argument. First, among the parents of Washington, DC, where there is probably more choice than in any other city in the country, most parents still did not have very good information about their schools—and our effort to disseminate more information (via DCSchoolSearch.com, a Web site we created) was less than successful. Creating DCSchoolSearch.com was difficult, and the lessons to be learned further highlight the hard work of building the foundations for choice (see also Schneider and Buckley 2000; Schneider 2001). In short, while more information can encourage more shopping, getting that information into the hands of parents is not easy.

We identified a second problem that may be hardwired into the architecture of the human mind—the process of “hot cognition.” Relying particularly on the work of the noted political psychologist Milton Lodge (see, e.g., Lodge and Taber 2000), we argued that even the most skilled consumer might perceive information in an inaccurate fashion, due to entrenched opinions or biases. Given the hype and hope surrounding charter schools, it is not hard to envision how hot cognition and its “cousin,” motivated reasoning, could help explain the initial high expectations and evaluations that parents assign to charter schools. These same mechanisms can also help explain why repeated exposure to the reality of the school may lead, albeit slowly, to an updated evaluation that is more realistic and more grounded in empirical reality. In short, getting good information to parents is important, but getting it to them is difficult, and predicting how such information will be used is no easy task.

Thus, despite the evidence that information matters, and despite the importance of information to any theory of markets, we believe that choice and charter school advocates have still not addressed adequately the issue of the flow and processing of information.

Indeed, we think that charter school proponents have in general not paid enough attention to the fact that markets do not spring up instantaneously; rather, as economic historians, such as Douglass North, and as political scientists concerned with institutions, such as Eleanor Ostrom, have shown, perhaps the real magic of markets is that they exist at all (Eggertsson 1990; North 1990; Ostrom 1990; Alston, Eggertsson, and North 1996). We believe analysts need to identify more thoroughly the basic building blocks of education markets and the kinds of rules, regulations, and support policy makers should institute to make choice work.

AN EQUITY/EFFICIENCY TRADE-OFF?

Some of our findings also highlight an equity/efficiency trade-off that is built into the market for schools. We need to be particularly concerned how, to use Arthur Okun's term, this "big trade-off" plays out given the particular importance of schooling in a democracy committed to equality of access and opportunity (Okun 1975).

Many advocates believe that choice can pressure schools to deliver better education more efficiently. Moreover, in a system of choice, parents should be able to place their children in schools that emphasize the aspects of education they embrace. Clearly these gains are desirable. But if, as our data indicate, many parents' decisions are likely to be influenced by race, then a "pure" open market-like choice plan for schools can increase segregation.

Moreover, stratification can also increase if parents with higher levels of education are more likely to exercise choice than less educated parents and are more likely to engage in higher-quality search activity to gather information about their options. Given the importance of good information to school choice, and given its unequal distribution, special efforts must clearly be made to increase the flow of information to lower-status parents. Unfortunately, our experience with DCSchoolSearch.com suggests how difficult it is to expand the flow of information to a broader set of parent/consumers.

Combining the inequality in access to information with the deep-seated concern for the racial composition of schools evident in parent search behavior leads us to a complicated conclusion about markets and school choice. Whereas we believe that the market mechanisms built into expanded choice can increase efficiency, we have two fundamental concerns.

First, at the level of parent behavior, we are concerned that unregulated choice may increase the importance of student demographics in the choice behavior of parents, including the choices of more highly educated marginal consumers who are essential for the effectiveness of any option demand systems, including charter schools.

Second, this shopping behavior could have adverse effects on academic achievement through how choice can affect the composition and pressure of peer groups that are created within schools. In recent years, a body of work has begun to document the importance of peers in learning outcomes.⁴ According to Hanushek et al. (2003), "The peer group composition of schools

4. There are at least two major lines of research, which seem to be conducted independently of one another. One line of work, done mostly by psychologists and scholars of learning, emphasize the effects of cooperative learning on the academic achievement of students (see, e.g., Tateyama-Sniezek 1990; Slavin 1996; Antil et al. 1998; or McMaster and Fuchs 2002). The other (and shorter) line of research has been conducted by economists and sociologists and is exemplified by the work of Epple and Romano 1998, Hoxby 2000, Zimmer and Toma 2000, Willms 2001, Hanushek et al. 2003, and McEwan 2003.

is undeniably important in the minds of parents as well as policy makers at the local, state, and federal levels” (p. 3). While they believe that much is left to be learned about how peer groups affect learning outcomes, they argue that the “most common perspective is that peers, like families, are sources of motivation, aspirations, and direct interactions in learning” (p. 3). What happens within schools if the students who are available to create peer groups in schools are assembled through family decisions that are more attuned to race or class than to academic performance?

One possibility is an adverse outcome at the level of the schools: to the extent that choice is driven by demographics rather than academics, unfettered choice may actually decrease the pressure on schools to improve their academic performance and one of the most basic promises of choice may dissipate.

We believe the task facing advocates of choice is to design a system that can produce a socially acceptable trade-off between a more efficient school system and one that consists of children of different races and classes. While less theoretically elegant and ideologically appealing than proposals for unrestricted choice, racial and income requirements can be introduced and enforced in choice plans. Indeed, “controlled choice” has been implemented in a number of cities and school districts and is common in admission decisions to magnet schools (see, e.g., Henig 1994, 1996). However, controlled choice plans all impose regulations that limit choice and may therefore fail to attract the passionate support of the most ardent (and promarket) proponents of choice. In the school market as in every other market, we have to strike a balance between equity and efficiency.

WHO CHOOSES WHOM?

Like most researchers, we have gone about our analysis with the implicit assumption that the driving force in this market for schools are the consumers of education: parents and children who have a growing number of schools from which to choose. Indeed, when researchers talk about school choice, they almost always mean the process of how students and parents as consumers choose schools. But schools are not passive actors in the choice process, and most researchers have neglected the fact that schools choose students. Ignoring this aspect of the “market” can lead to big holes in our understanding of how charter schools actually operate and the outcomes we observe.

A number of studies are just beginning to fill this hole. Amy Stuart Wells, in a descriptive study of ten California school districts, argues that charter schools have considerable freedom “to choose which parents and students will attend. Through various mechanisms such as enrollment, recruitment, and requirements, charter schools have more power than most public schools to

shape their educational communities Our data indicate that powerful self-selection is taking place in many charter schools, both in terms of families choosing schools and schools choosing families” (Wells 1998, p. 42).

Bifulco and Ladd (2004) present evidence showing how charter schools can actively shape their student (and parent) population. Using data from the Schools and Staffing Survey, they show that parental involvement is higher in charter schools than in observationally similar public schools. However, they find that the specific programmatic characteristics of charter schools are not linked to active school communities; rather, charter schools tend to locate in areas with above-average proportions of involved parents (i.e., charter schools are choosing students by their locational choices; see also Carnoy et al. 2005). Researchers in other countries with choice systems have paid more attention to this issue and have demonstrated how schools use a variety of mechanisms to shape the student body they want (on Chile see Parry 1996 or Gauri 1998; on New Zealand see Fiske and Ladd 2000).

In a perfect market, producers are “price takers, not price makers.” Yet in the imperfect market of school choice, schools may have far more latitude to be strategic actors. Clearly, further research needs to be undertaken about the extent of such strategic behavior and its consequences.

BACK TO FUNDAMENTALS

If schooling has always been about the “three Rs,” then the debate over charter schools is about the “three Cs”: competition, choice, and community. By embracing these factors, proponents of choice argue, schools will earn two “As”: increasing accountability and achievement. We return to these fundamentals.

Clearly in many cities and states across the nation, charter schools have increased competition and choice.⁵ They have not necessarily created stronger communities, although we believe they have the potential to do so—many parents walking through their doors want to participate and want to join in a more effective school community. Charter schools (indeed all schools) need to figure out how to tap this source of energy and concern to build stronger communities and, through more effective communities, achieve better student outcomes.

What about the two “As” of accountability and achievement? Parents are in some ways the ultimate source of accountability, and they increasingly have the power to vote with their feet. However, even in Washington, DC, where approximately 20 percent of students are in charter schools, good schools are in short supply, and even mediocre charter schools have waiting lists. Ultimately,

5. The extent of these competitive effects is still debated. Bifulco and Ladd in their contribution to this volume find competition effects to be negligible. In contrast, Sass finds modest net effects. Both present excellent discussions of the existing literature on this topic.

we cannot expect parents to exercise choice and enforce accountability without a supply of better schools.

We discussed how charter schools might affect achievement. The bottom line is that we still don't know whether charter schools affect achievement overall, and the real task of "unpacking" charter schools to identify what they do that really works is even farther away.

GETTING INSIDE THE BLACK BOX

As we await those results, we believe that there are factors that the research community must think about more carefully—factors that can help us understand how choice and charters can work better and factors that we think future studies must consider. Right now we know much more about how charter schools are organized and governed than about what happens inside their classrooms (Bulkley and Fisler 2002). We believe this must change, and thus, we issue a challenge to the next generation of research. In this we are following the argument of Cohen et al. (2004), who believe that for education researchers the "overarching research question cannot be 'Do resources matter?' . . . The overarching question must be 'What resources matter, how, and under what circumstances?'" (p. 134).

To translate that question to the domain of school choice: the question is no longer "Does choice matter?" but rather "What do schools do in response to choice, and do those responses matter?"

Up to now the debate about charter schools has overwhelmingly focused on charter schools' overall effect on outcomes. This is a reasonable first step, since it tells researchers and policy makers alike whether or not charter schools are a dangerous reform that must be stopped or a reform that is so unquestionably good that we must push further ahead. Unfortunately, the results of most policy reforms, perhaps especially those in the field of education, hardly ever point unambiguously to either outcome.

In our own research, we found that on average charter schools do no harm and in fact have the potential for doing good in many critical areas, such as building social capital, increasing customer satisfaction, and increasing students' civic skills. With this base established, we believe that the research community needs to identify the factors that will translate the potential of charter schools into reality. We have plenty of evidence that charter schools are not a homogeneous collection of schools, programs, or policies; therefore, getting inside the black box to identify what works is essential. We need to cut through the hype surrounding the charter school movement to identify the programs, structures, and practices that increase accountability and achievement (for a move in this direction, see the Sass article in this volume). We

then need to test what works through a variety of methods and in a variety of settings. By doing these things we can ensure that the hopes that parents now bring to the schools, hopes that are now all too often unrealized, can be translated into reality.

IS THE GLASS HALF FULL OR HALF EMPTY?

As Carnoy et al. (2005) observe, the freedom inherent in charter schools is no guarantee of success and provides the opportunity for both great success and spectacular failures: “Freed from bureaucratic regulations and union rules, many of the best educators can design excellent charter schools. But freed from these rules, many of the worst educators can design terrible schools” (p. 118). Given this inevitable variation, we can cherry-pick success stories of truly outstanding charter schools. These stories show how some schools can fulfill the promises of the charter school movement. Alternatively, we can concentrate on the bad news of charter schools and the intense disruption to students’ lives when these schools close their doors. We could also highlight the fact that far too many charter schools fail to deliver on the innovative and successful education they have promised. In fact, given the intense debates surrounding charter schools, criticism and compliments will accrue simultaneously.

How these pluses and minuses eventually balance out (and how charter schools will be evaluated in the long run) depends on hard work by students, parents, policy makers, and researchers. While parents must hold schools accountable from the bottom, schools must also be held accountable from the top, by serious efforts to gather evidence about what works and for whom.

Finally, the absence of consistent indicators of charter school success also should lead us to think more carefully about what is needed to support effective school choice. Chubb and Moe (1990) set much of the terms of the present debate concerning school choice by linking the failure of traditional public schools to both the intrusion of democratic politics into school policy and to the power of teacher unions (and other education-oriented organizations) that thwart educational improvement. The prescription that Chubb and Moe advocated emphasizes school choice (specifically vouchers) to undermine the self-serving interests of these powerful groups.

While charter schools do not embody marketlike mechanisms to the extent that a fully developed voucher system would, charter schools are schools of choice, and they do have considerable freedom from local school boards and often from the constraints of union contracts with teachers. If simply unleashing choice and market forces were all that were required, then the results we observe for charter schools should be uniformly better. The problems facing charter schools (which all too often mirror the problems of traditional public

schools serving the same communities) suggest that more is at work than too much bureaucracy and not enough competition.

Yes, markets are beautiful things, but they don't work without lots of information, a developed infrastructure, and an adjudicating and enforcement authority. And charter schools won't work without the corresponding mechanisms necessary to support school choice in an ever-expanding market for education.

Of course, none of this is as easy as venturing forth to slay the dragon of low-performing public schools by waving a flag emblazoned with the slogan "Markets Work!"

The research reported in this article was conducted with support from the Political Science Program at the National Science Foundation, grant number SES-0314656.

REFERENCES

- Alston, Lee J., Thráinn Eggertsson, and Douglass C. North. 1996. *Empirical studies in institutional change*. Cambridge, UK: Cambridge University Press.
- Antil, Larry R., Janet Jenkins, Steven Wayne, and Patricia F. Vadasy. 1998. Cooperative learning: Prevalence, conceptualizations, and the relation between research and practice. *American Educational Research Journal* 35 (3): 419–54.
- Bifulco, Robert, and Helen Ladd. 2004. Institutional change and coproduction of public services: The effect of charter schools on parental involvement. Unpublished paper, University of Connecticut.
- Braatz, Jay, and Robert Putnam. 1998. *Community-based social capital and educational performance: Exploring new evidence*. Cambridge, MA.: Harvard School of Education and Kennedy School of Government.
- Buckley, Jack, and Mark Schneider. 2005. Are charter school parents more satisfied with schools? Evidence from Washington, DC. *Peabody Journal of Education*. In press.
- Buckley, Jack, and Mark Schneider. 2006. School choice, parental information, and Tiebout sorting: Evidence from Washington, DC. In *Tiebout model at fifty*, edited by William A. Fischel. Cambridge, MA: Lincoln Institute (forthcoming).
- Bulkley, Katrina, and Jennifer Fislser. 2002. *A review of the research on charter schools*. Accessed 21 December 2004. Available <http://www.cpre.org/Publications/WP-01.pdf>.
- Carnoy, Martin, Rebecca Jacobsen, Lawrence Mishel, and Richard Rothstein. 2005. *The charter school dust-up: Examining the evidence on enrollment and achievement*. New York: TC Press.
- Chubb, John E., and Terry Moe. 1990. *Politics, markets, and America's schools*. Washington, DC: Brookings Institution Press.
- Cuban, Larry. 2004. *The blackboard and the bottom line: Why schools can't be businesses*. Cambridge, MA: Harvard University Press.

- Eggertsson, Thráinn. 1990. *Economic behavior and institutions*. Cambridge, UK: Cambridge University Press.
- Epple, Dennis, and Roberta Romano. 1998. Competition between private and public schools, vouchers, and peer-group effects. *American Economic Review* 88 (1): 33–62.
- Fiske, Edward B., and Helen F. Ladd. 2000. *When schools compete: A cautionary tale*. Washington, DC: Brookings Institution Press.
- Gauri, Varun. 1998. *School choice in Chile: Two decades of educational reform*. Pittsburgh: University of Pittsburgh Press.
- Hanushek, Eric A., John F. Kain, Jacob M. Markman, and Steven G. Rivkin. 2003. Does peer ability affect student achievement? *Journal of Applied Econometrics* 18 (5): 527–44.
- Henig, Jeffrey. 1994. *Rethinking school choice: Limits of the market metaphor*. Princeton, NJ: Princeton University Press.
- Henig, Jeffrey. 1996. The local dynamics of choice: Ethnic preferences and institutional responses. In *Who chooses? Who loses? Culture, institutions, and the unequal effects of school choice*, edited by B. Fuller, R. F. Elmore, and G. Orfield. New York: Teachers College Press, pp. 95–117.
- Hess, Frederick M. 1999. *Spinning wheels: The politics of urban school reform*. Washington, DC: Brookings Institution Press.
- Hoxby, Carolyn M. 2000. *Peer effects in the classroom*. NBER Working Paper No. 7867.
- Lodge, Milton, and Charles Taber. 2000. Three steps toward a theory of motivated political reasoning. In *Elements of reason: Cognition, choice, and the bounds of rationality*, edited by A. Lupia, M. McCubbins, and S. Popkin. Cambridge, UK: Cambridge University Press, pp. 183–213.
- McEwan, Patrick J. 2003. Peer effects on student achievement: Evidence from Chile. *Economics of Education Review* 22 (2): 131–41.
- McMaster, Kristen N., and Douglas Fuchs. 2002. Effects of cooperative learning on the academic achievement of students with learning disabilities: An update of Tateyama-Sniezek's review. *Learning Disabilities Research and Practice* 17:107–17.
- Nelson, F. Howard, Bella Rosenberg, and Nancy Van Meter. 2004. *Charter school achievement on the 2003 National Assessment of Educational Progress*. Washington, DC: American Federation of Teachers. Accessed 9 August 2005. Available <http://www.aft.org/pubs-reports/downloads/teachers/NAEPCharterSchoolReport.pdf>.
- North, Douglass C. 1990. *Institutions, institutional change, and economic performance*. Cambridge, UK: Cambridge University Press.
- Okun, Arthur. 1975. *The big trade-off: Efficiency and equity*. Washington, DC: Brookings Institution Press.
- Ostrom, Elinor. 1990. *Governing the commons: The evolution of institutions for collective action*. Cambridge, UK: Cambridge University Press.

- Parry, Thomas R. 1996. Will pursuit of higher education sacrifice equal opportunity in education? An analysis of the education voucher system in Santiago. *Social Science Quarterly* 77 (4): 211–25.
- Rothstein, Richard. 1998. Charter conundrum. *The American Prospect* 9 (39): 46.
- Schemo, Diana Jean. 2004. Nation's charter schools lagging behind, U.S. test scores reveal. *The New York Times*, 17 August 2004.
- Schneider, Mark. 2001. Information and choice in educational privatization. In *Privatizing education*, edited by H. M. Levin, pp. 72–102. Boulder, CO: Westview Press.
- Schneider, Mark, and Jack Buckley. 2000. *Can modern information technologies cross the digital divide to enhance choice and build stronger schools?* Occasional Paper No. 7, National Center for the Study of Privatization in Education. Columbia University (ERIC Document Reproduction Service No. EA032157).
- Schneider, Mark, Paul Teske, and Melissa Marschall. 2000. *Choosing schools: Consumer choice and the quality of American schools*. Princeton, NJ: Princeton University Press.
- Sexton, Robert F. 2004. *Mobilizing citizens for better schools*. New York: Teachers College Press.
- Slavin, Robert E. 1996. Research on cooperative learning and achievement: What we know, what we need to know. *Contemporary Educational Psychology* 21 (1): 43–69.
- Stone, Clarence. 1998. *Changing urban education*. Lawrence: University Press of Kansas.
- Tateyama-Sniezek, Karen M. 1990. CL: Does it improve the academic achievement of students with handicaps? *Exceptional Children* 56:426–37.
- Teske, Paul, Mark Schneider, and Erin Cassese. 2005. Local school boards as charter school authorizers. In *Besieged: School boards and the future of education politics*, edited by William G. Howell. Washington, DC: Brookings Institution Press, 129–49.
- U.S. Charter Schools. 2005. Overview. Accessed 9 August 2005. Available http://www.uscharterschools.org/pub/uscs_docs/o/index.htm.
- Wells, Amy Stuart. 1998. *Beyond the rhetoric of charter school reform: A study of ten California school districts*. Los Angeles: UCLA Charter School Study.
- Willms, J. Douglas. 2001. Three hypotheses about community effects. Accessed 1 June 2005. Available <http://www.oecd.org/dataoecd/25/4/1825818.pdf>.
- Zimmer, Ron W., and Eugenia F. Toma. 2000. Peer effects in private and public schools across countries. *Journal of Policy Analysis and Management* 19 (1): 75–92.