

The Objective Standard

Reason, Egoism, and Capitalism

Louisiana Demonstrates Problem with School Vouchers

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Given the moral ideal of complete separation of school and state, and given the cultural and political realities opposing that ideal today, we who advocate a free market in education have our work cut out. One vital avenue toward a free market in education is parental school choice. But the mechanism for implementing school choice must itself be chosen carefully, or it will do more harm than good.

As I argued in “Toward a Free Market in Education: School Vouchers or Tax Credits,” tax credits are a sound mechanism toward free-market education because, if properly implemented, they sever the monetary tie between government and schools. School vouchers, on the other hand, are highly problematic because (among other reasons) they maintain that tie. In a voucher program, the government makes payments to voucher holders’ chosen schools, thereby granting government bureaucrats a say in what the schools teach and how they teach it.

Louisiana is a case in point. In 2012, the state instituted a voucher program. At that time, in “Louisiana’s Voucher Plan to De-Privatize Private Schools,” I warned:

The plan is billed . . . as a “bold bid to privatize schools.” But this plan has nothing to do with privatizing schools. On the contrary, although the plan provides a measure of parental choice and school competition, on the whole it constitutes a substantial expansion of government intrusion into private education. The net effect of the plan will be to place any private school that accepts the vouchers at the beck and call of government dictates.

This is exactly what has come to pass.

As Jason Bedrick observes in “Regulating School Choice Reverses Its Benefits,” Louisiana private schools that accept voucher students “may not use their own admissions criteria, may not charge more than the amount of the voucher, and must administer the state test.”

What are the consequences of these prohibitions and mandates? Bedrick indicates some of them: “two-thirds of Louisiana private schools do not accept voucher students [because] . . . the regulations are too burdensome.” Which private schools are most likely to accept the vouchers? “Lower quality” schools desperate to fill seats and collect revenue are. Who are the main victims? Children from low-income families that cannot afford the private alternatives to government schools without the vouchers are. And how are these children doing academically? According to the National Bureau of Economic Research (NBER), explains Bedrick:

Students who received a voucher through the Louisiana Scholarship Program (LSP) during the 2012–13 school year were 50 percent more likely to receive a failing score on the state math test than students who applied for but did not receive a voucher. The study also found negative effects on reading, science, and social studies tests.

Fortunately, most of Louisiana’s private education sector was not de-privatized, because most private schools had the integrity to protect their educational excellence rather than compromise their standards in exchange for voucher dollars. Unfortunately, because the sub-par private schools that have participated in the program have become abysmally bad, the school choice movement now appears, in the eyes of many, to be the cause of the problem. As Bedrick observes, “Sadly, the negative findings in the NBER study . . . are likely to do more damage to the public support for school choice than any one bad [private] school could ever do.”

We who want to advance school choice toward the eventual elimination of government schools and the establishment of a fully free market in education must reject voucher programs. And we must make clear when advocating school choice that tax credits—not voucher programs—are a valid means to that end.