



Decentralizing Education

by David Hogberg

Professor Eugenia F. Toma examines the relationship between community and education in “Education: The Path From Centralization to Privatization,” Chapter Nine of *FEDERALIST GOVERNMENT IN PRINCIPLE AND PRACTICE*. She focuses on the problems inherent in centralized approaches to education and the alternatives to centralization. She concludes with an examination of current trends in education.

Dr. Toma begins by tracing the history of the relationship between community and education. Before the 20th century, education was almost entirely the responsibility of local governments. After the New Deal, the federal and state governments became increasingly involved in education, providing more funding and engaging in more regulation. As a consequence, control over education has become more centralized, and local responsibility has diminished.

One advantage of centralized control is what Dr. Toma terms “centralized funding.” Centralized funding is a scheme whereby most funding for education comes from the same source, such as the state government, and each school district receives an equal share. This avoids the funding inequities incurred when school districts have to provide their own revenue, usually through property taxes.

The problem with centralized control is that it reduces efficiency because the central authority, be it the state or federal government, “competes with no other public entity in providing schooling.”¹ The lack of competition hurts the students of poor families the most, since they attend the local school whether it is a good school or not. Well-to-do families have the option of sending their children to a private school or moving to an area which has good public schools.

One alternative is a system of centralized funding without centralized control. Local school districts receive funding, but have considerable latitude in how they use it. But, as Dr. Toma notes, such a scheme often results in a return to centralized control. Dr. Toma concludes that in a society as increasingly diverse as ours, a system of one-size-fits-all education is unlikely to be effective.

Toma then examines some alternatives to traditional public schools that are gaining popularity in the U.S. One of these is charter schools. “Charter schools are schools that are exempt from the traditional bureaucratic rules that apply to public schools within a district.”² This allows these schools to make decisions on

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the operation of the school. Charter schools have become increasingly popular across the nation, with over 1,700 now in operation. Most are in the lowest performing school districts in the nation, yet little data currently exists on their effectiveness.

Another alternative is “vouchers,” a system under which parents receive money from the government to send their child to the school of their choice. Such a system would likely create more choice for parents and better performing schools, but voucher proposals are controversial. First, there exist issues of separation of church and state if the voucher is used to attend a parochial school. Second is the issue of “creaming.” “Creaming implies that the best students and the most motivated parents will be the ones that leave existing public schools when any margin of choice is introduced into schools.”³ This means the lesser students will be left behind and will no longer have the benefit of their better-performing peers. Dr. Toma suggests that vouchers could be means-tested to avoid this problem.

Dr. Toma concludes that the trends toward charter schools, vouchers, and home schooling suggest a larger trend toward decentralization of the education system. One obstacle to this trend: teachers’ unions. But, overall, Dr. Toma is hopeful that substantive education reform is on the horizon.

ENDNOTES:

¹Toma, Eugenia F. “Education: The Path From Centralization To Privatization,” in *Federalist Government in Principle and Practice*, eds. Donald P. Racheter and Richard E. Wagner. Boston: Kluwer Academic Publishers, p.197.

² Ibid, p.201.

³ Ibid, p.202.

This Institute Brief is one in a series on the chapters of a just published book, FEDERALIST GOVERNMENT IN PRINCIPLE AND PRACTICE, edited by Dr. Don Racheter, President of Public Interest Institute, and Dr. Richard Wagner, Economics Professor at George Mason University and Chairman of the Institute’s Academic Advisory Board. FEDERALIST GOVERNMENT IN PRINCIPLE AND PRACTICE looks at the relationship between federalism and liberty and explores the substantive practice of federalism, particularly the centralizing processes at work and the opportunities for decentralization.

The author of this chapter of FEDERALIST GOVERNMENT IN PRINCIPLE AND PRACTICE is Dr. Eugenia F. Toma, a member of the Public Interest Institute’s Academic Advisory Board and Alumni Distinguished Professor of Economics and Legal Studies at Clemson University, Clemson, South Carolina.

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