

Pragmatism as Anti-Racism: A Response to Ray Owens¹

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TODAY, THOSE FROM ALL PARTS OF THE POLITICAL SPECTRUM AGREE THAT PUBLIC EDUCATION for African American children is in a crisis. In his education plan, President Bush's first priority is to improve the academic performance of disadvantaged students, and his plan offers rewards to states that narrow the achievement gap while improving overall student performance (White House, 2001:2–4). Some—those who favor school choice or vouchers or who oppose school funding equalization—think that market competition will help schools. Some think that money does not matter. Perhaps, as Mr. Owens argues, these opinions come from deep-seated racism. Perhaps they are the result of an idealized view of the market and its potential to help the education system. Perhaps they believe the branch of the academic literature that argues that additional resources have no positive impact on student outcomes.

Mr. Owens argues that the black-white achievement gap stems from racist, inequitable school funding formulas. Since racism is at the root of the problem, he argues, addressing the achievement gap “must begin by dismantling the ideology of racism and the view of humanity that it embodies” (3). I agree that it is important to address the racist structural causes of the achievement gap and the poor state of public education for the bulk of African Americans. But in this crisis, we should not *begin* our response there. I propose an alternative: pragmatism as anti-racism. The most effective way of combating racism in this case is to improve schooling now, and to improve it for *all* African Americans. As I will describe below, there is strong, compelling evidence that reducing the size of classes in public schools will reduce the achievement gap. There is widespread agreement

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among policy-makers and in public opinion that actions must be taken immediately to raise the achievement levels of all students—particularly African American students—and to narrow the achievement gap between the races. In response to the urgency of the problem, we should support targeted, research-based strategies to immediately improve education for all children. Before I present evidence on the effect of reduced class size, I will give an economist's perspective on Mr. Owens' argument in favor of school-funding equalization.

Put simply, recent economic research confirms Mr. Owens' focus on school funding as an essential means of reducing the black-white achievement gap in public schools. In economic circles, however, this has not always been the prevalent view. The old conventional wisdom among economists was that increased funding does not improve student performance. This view is typically based on Hanushek's (1986) influential meta-analysis of the education literature, which came to the surprising conclusion that "there appears to be no strong or systematic relationship between school expenditures and student performance." In the fifteen years since his paper, however, there have been many studies that challenge the old wisdom. Much of the recent literature (summarized in Krueger, 2000) finds significant impact of expenditures on student outcomes and uncovers flaws in the data and methodology of the papers underlying the Hanushek meta-analysis. This research has found that some costly interventions (for example, Head Start and class-size reduction in the early grades) have positive impacts and are cost-effective.² Thus, based on the economic evidence subsequent to Hanushek, school funding plays an integral role in student achievement.

There is, therefore, a substantial body of economic evidence to support Mr. Owens' focus on school funding as a primary means of reducing the black-white achievement gap. Contrary to Mr. Owens' opinion, however, it is not clear to me that mere equalization in funding should be the goal. It is quite probable that in order to close the gap, *more* funding should be given to disadvantaged children than to their wealthier counterparts. We must bear in mind, after all, that increasing funding for African American students is just a means to the end. We should be concerned with raising and

² It is worth noting that even though researchers still squabble about the impact of money, the courts seem convinced that money matters, having overturned inequitable funding formulas in many states over the past few years.

equalizing student outcomes, then, and in devising input formulas to make that possible.

Mr. Owens correctly states that we lack compelling evidence on the impact of school choice. He discusses the results of the Milwaukee voucher program and reports that different teams of evaluators come to different conclusions on the impact of vouchers (21–22). These differences can be attributed largely to differences in the selection of comparison groups of students. The goal of the policy evaluation is to estimate the difference in achievement between students in voucher schools compared to the achievement they would have had if they instead had attended a public school. Since the counter-factual achievement cannot possibly be observed, evaluators must construct a comparison group from students who did not receive vouchers but are otherwise similar in every other possible dimension to voucher recipients. The ideal policy evaluation is based on experimental evidence, in which a subset of program volunteers is randomly chosen to receive vouchers while the remainder is ineligible for them. This ensures that there are no differences in characteristics (such as income, parental involvement, or motivation) between voucher and non-voucher students that would independently affect their achievement. Since there was no such experiment in the Milwaukee voucher program, the evaluators had to construct imperfect comparison groups, each with its strengths and weaknesses. Much of the difference in findings in the three evaluations is due to different choices of comparison groups (Rouse 1998:62–63). Although some evaluations are more compelling than others, the disparate findings cause many observers to call the findings inconclusive.

There has been a more recent evaluation of voucher programs that does not suffer from the limitations of the Milwaukee program. Howell, Wolf, Peterson, and Campbell (2000) analyzed randomized voucher programs for low-income elementary-school students in Dayton, Ohio, New York City, and Washington, D.C. In these programs, interested families outnumbered the available vouchers, so the vouchers were distributed via a randomized lottery, while follow-up data were collected on voucher recipients and the lottery losers (regardless of whether they remained in a public school or found another way to attend a private school). Howell et al. found that, overall, low-income African American voucher recipients who remained in private schools for two years scored 6.0 percentile points higher than their counterparts who did not switch. They observed no achievement gains for white voucher recipients.

There is evidence, then, that vouchers improve school performance for those who choose to apply for a voucher. However, there is also evidence—stronger evidence—that reduced class size in the early grades improves performance for all students while producing more relative gains for African American and low-income students. Put simply, class-size reduction helps to close the black-white achievement gap. The evidence on smaller class size, presented in Krueger and Whitmore (2001b), comes from Tennessee’s Project STAR (Student-Teacher Achievement Ratio), which was a randomized experiment run in the mid-1980s. As discussed above, experiments are considered the gold standard in social science research because the randomization insures that there are no underlying differences between students assigned to various class types that would independently affect performance. In Project STAR, 11,600 students and their teachers were randomly assigned to small (target of 13 to 17 students) or normal-sized (22 to 25 students) classes. A single wave of students was assigned to its class-type in kindergarten and typically remained in that class-type through third grade. After the third grade, all students returned to normal-sized classes.

During the time that students attended the smaller classes of Project STAR, average test scores increased by 7 to 10 percentile points for African American students and by 3 to 4 percentile points for white students. When all students returned to normal-sized classes in fourth grade, the test-score gains from attending a small class fell to about 5 percentile points for African American students and 1.5 points for white students, remaining at that level through eighth grade (the last year with comparable test-score data).

Project STAR also produced significant long-term benefits from attending a small class in the early grades. Small-class attendance raised the likelihood that African American students would take the ACT or SAT college-entrance exam from 32 to 41 percent. Based on these findings, if all students were assigned to a small class, the black-white gap in numbers taking a college entrance exam would fall by an estimated 60 percent. Average SAT or ACT scores also improved slightly. Furthermore, the small classes helped reduce teen childbearing, teen fatherhood rates, and crime convictions.

Thus, there is strong evidence in favor of reducing class size. In fact, where comparisons are possible, it has been shown to be more effective than vouchers. Since the impact of education policy varies by characteristics like race and socio-economic status, it is important to compare similar groups of students when comparing the impact of different policy interventions. Krueger and Whitmore (2001b: 26–28) analyzed Project STAR students who

are similar to the voucher recipients studied in Howell et al. (2000). When Project STAR results were scaled in the same way as the voucher results, smaller classes improved student test scores for low-income African American students by 8.6 percentile points—50 percent larger than the impact of vouchers. Although class-size reduction is costly, Krueger and Whitmore (2001a) present a cost-benefit analysis suggesting that the investment in quality education in the early grades more than pays for itself in increased future wages for small-class students and decreased social costs associated with a reduction in teen pregnancy and crime.

In conclusion, Ray Owens' paper calls attention to a crucial social problem, and recent economic research has contributed significantly to the formulation of its solution. Public policy aimed at the black-white achievement gap should improve the educational system for all African American students, it should obtain the largest feasible achievement gains, and its impact should be immediate. The reduction of class size in public schools, coupled with the targeting of African American students, constitutes precisely this kind of policy. It has been shown to improve outcomes for all students and to improve test scores more effectively than voucher programs. Moreover, its effects are immediate and long-lasting. Ray Owens is correct to suggest that a multi-faceted approach will prove most effective in closing the achievement gap. Challenging the ideology of racism and supporting affirmative action can and should factor into this approach. Economically speaking, however, the reduction of class size represents an equally indispensable pragmatic option.

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