

“The charitable foundations of scholarships, exhibitions, bursaries, &c. necessarily attach a certain number of students to certain colleges, independent altogether of the merit of those particular colleges. Were the students upon such charitable foundations left free to choose what college they liked best, such liberty might perhaps contribute to excite some emulation among different colleges. A regulation, on the contrary, which prohibited even the independent members of every particular college from leaving it, and going to any other ... would tend very much to extinguish that emulation.” (Adam Smith, 1789/1976, 285-6)

“The public can facilitate this acquisition [of the most essential education] by establishing in every parish or district a little school, ... the master being partly, but not wholly paid by the public; because, if he was wholly, or even principally paid by it, he would soon learn to neglect his business.” (Adam Smith, 1789/1976, 306)

SCHOOL CHOICE: MONEY, RACE AND CONGRESSIONAL VOTING BEHAVIOR*

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JOSHUA J. PHILLIPS¹, OMER GOKCEKUS² & EDWARD TOWER³

Abstract:

This paper discovers that a campaign contribution to a member of the U.S. House of Representatives by the American Federation of Teachers or the National Education Association (the two major teacher’s unions) in the 2000 election cycle reduces the probability that a Representative will vote for a pro-choice amendment to the “No Child Left Behind Act of 2001.” It also discovers that a Representative whose district has a large African American population or who is Republican is more likely to vote for vouchers. Finally, it notes that subsequent contributions, especially from the NEA, reward anti-voucher representatives and punish pro-voucher Representatives.

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Key words: School Choice, Vouchers, Campaign Contributions, Voting

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For Correspondence: Edward Tower, Duke University, Department of Economics, Durham, NC 27708; Telephone: 919-660-1818.

¹ *K12, Inc.*; jjp2@duke.edu.

² *North Carolina Central University*; ogokceku@wpo.nccu.edu.

³ *Economics Department, Duke University*; tower@econ.duke.edu.

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1. Introduction

There is a clear sense in the American public today that its public school system is failing and desperately needs to be reformed. Reform, however, has many faces; and debate rages over which face is best for the public school system. Both on a federal and local level, spending on education has increased greatly. Despite this fact, there has been little to no improvement in standardized test scores (Hoxby, 2001), and on such tests as the SAT, scores have actually fallen. According to the Department of Education, there are currently 5000 chronically failing schools, meaning that these schools have underperformed for at least three consecutive years (Armey, 2001). This environment (increasing spending and falling scores) combined with more concern over spending levels has led to a greater emphasis on accountability. And as a result, traditional spending on education (more schools, smaller classes, etc.) has come under attack, and new solutions such as increased assessment and greater school choice have gained in popularity.

This characterizes the environment, in which H.R.1, the “No Child Left Behind Act of 2001,” was introduced into the U.S. House of Representatives, increasing funding for testing and public school choice. However, the debate over the question of school choice in the form of vouchers remains particularly polarizing: an amendment to H.R.1 including any degree of limited vouchers to disadvantaged students (H.AMDT.57) was defeated. This paper analyzes voting behavior in Congress on this school choice

initiative, putting the vote into perspective by presenting evidence on the effects of school choice and examining support for school choice.

2. What the Research Says about School Choice

Because of the fierce controversy surrounding school choice initiatives around the country, much recent research has addressed the subject. See especially, the surveys by Ladd (forthcoming) and Neal (forthcoming). Based on a model where school administrators maximize productivity (student achievement relative to per-pupil expenditure) in order not to lose enrollment, Hoxby (2002) argues that schools, in an environment of competition, will become more productive. In the same paper, Hoxby explores choice programs in three areas: vouchers in Milwaukee, charters in Arizona and charters in Michigan. She concludes, “in each case, the regular public school boosted their productivity when exposed to competition...by raising achievement,” (p.50).

From Hoxby (2000), there is both theory and evidence that school choice will increase school productivity. “The most striking result is not the positive effect of choice on student achievement or the negative effect of choice on per-pupil expenditure, but the opposite direction of the achievement and spending results. An increase in choice among districts lowers per-pupil spending with no loss – in fact, a gain – in student achievement.” (p.1232). Hoxby’s conclusion that choice positively affects achievement is based on an index of choice among public schools and on both reading and math scores; her conclusion that choice cuts per-pupil expenditure uses the same index of choice and data on per-pupil spending. There have been a number of studies with similar conclusions. In 1998, Florida’s voucher program resulted in the considerable

improvement of failing schools (Dawson, 2001). Rouse's study of the Milwaukee parental choice program suggests that the program "has a mean effect of raising math test scores 2-3 percentage points," but no effect on the performance on standard reading tests (Rouse (1997, p.19). To conclude, while the evidence cannot show conclusively that school choice programs will be "the tide that lifts all boats", it strongly suggests that they could be.

3. Where the Public Stands on School Choice

Theory and evidence have been significant in turning public opinion toward forms of school choice: the issue of school choice is increasingly popular in polling. Polling data from Gallup and the education society Phi Delta Kappa shows a shift in attitudes where people were asked how they felt about allowing "students and parents to choose a private school to attend at public expense." In 1993, 74% opposed the idea; in 1997, only 52% did. At the same time support has risen from 24 to 44%. And in the latest Gallup poll (June 2001), 62% of Americans support "government-funded school vouchers to pay for tuition at the public, private, or religious school of their choice." (Gallup Organization, 2001).

The Joint Center for Political and Economic Studies (Bositis, 2000) found in 1999 that support for choice among African Americans with children is at 71% including 76% of African Americans aged 26-35. It also found that support for vouchers among African Americans rose from 48% in 1996 to 60% in 1999, while among the general population it rose during the same period from 43% to 53%. *Public Agenda* (undated) in its June '99 survey found 87% of parents believe they should have the right to choose their children's

schools. It also reports the percentage of African Americans, Hispanics and the general public in favor of vouchers as 68%, 65% and 57%, respectively. These data suggest that among certain groups, especially African Americans, there is strong sentiment for school choice.

As shown above, there is rising support for choice among those who do not have it. Given growing support for school choice, we would expect Washington to respond in kind; however, Congress has been hostile to the idea. We explore this contradiction.⁴

4. The House Debate

The quotes below were the liveliest bits from the debate on the amendment. They are all taken from the *Congressional Record*, May 23, 2001

“This issue is about fairness. It is about equity. It is about providing a safety valve for disadvantaged students. . . . This is about an education bureaucracy that is resistant to change and mired in habit. This is about powerful lobbies that refuse to accept any change in the status quo.” (Mr. BOEHNER, Ohio).

“This debate, Mr. Chairman, between the status quo and the needs of largely minority students is not new. Decades ago, the defenders of the status quo stood in the schoolhouse door and said to some, you may not come in. Now, the defenders of the status quo stand in the schoolhouse door and say to the grandchildren of many of those same Americans, you may not come out.” (Mr. PENCE, Indiana).

“This amendment is an invitation to school fraud, not school choice. It will create a marketplace of fly-by-night institutions posing as legitimate schools simply to sop up this new Federal voucher that will be out there. It will degrade the well-earned reputation of legitimate private schools sponsored by religious and other organizations around the country. (Mr. ANDREWS, New Jersey)

“This is empowering parents and will force schools to be accountable not to a bureaucrat in Washington, not to a bureaucrat in the Department of Education, and not to a bureaucratic test that is mandated out of Washington. (Mr. HOEKSTRA, Michigan).

“Why is it that the D.C. public schools are not good enough for the children of Al Gore and Bill Clinton, but somehow they are good enough for the low-income African American kids trapped in these failing schools? It defies common sense and logic.” (Mr. KELLER, Florida).

⁴ For an interesting commentary on the amendment which we consider, see Garrett (2002). She writes (p.2) “Of the 273 Members who voted against the amendment, 69 had sent or were sending at least one child to private school. Had these Members voted for the amendment instead, it would have passed by a vote of 224-204.”

“School choice is the heart of this education reform, and it is successful as Milwaukee’s school choice program has proven. Yet opponents of school choice are kowtowing to teacher unions and thus sacrificing the future of our children on the alter of politics.” (Mr. LEWIS, Kentucky).

“Public schools are a monopoly and they face little to no consequences for failure. If I brought a bill to this floor proposing we put restaurants and supermarkets in the control of the government, nobody would support it, because everybody knows quality would go down.” (Mr. WELDON, *Florida*)

“Two hundred or 300 years ago in this country, we had a practice, a medical practice called bleeding. And the way it worked was when someone got sick, we would put leeches on the body and let blood be taken out. If they did not get better, we added more leeches and more leeches and took out more and more blood. Not surprisingly, not many patients got better. ... Mr. Chairman, instead of bleeding the public school patient dry [with vouchers] and condemning it to never getting better, we should do with education as we did in medicine and devote our resources to new technologies, new intervention models and preventive programs... After all, we want our patient to live. (Ms. RIVERS, California).

5. Where Congress votes on School Choice

In the 107th Congress, the House of Representatives considered an amendment to H.R.1, the “Leave No Child Behind Act of 2001,” that sought to implement school choice in the form of vouchers. The amendment was defeated by Representatives who said the amendment did too little and by Representatives who said the amendment did too much, referring to the proposals as affronts to public education. In the end, in consideration of H.AMDT.57, the House voted on May 24, 2001 to reject 155-273.

6. Logit Analysis on Voting on School Choice Amendments

We use logit analysis to explore congressional voting on this amendment. More specifically, this paper’s objective is to determine the effects of the American Federation of Teachers and National Education Association PAC contributions, party affiliation, congressional district density and racial makeup on how representatives in the House voted on H.AMDT.57 to HR 1. The amendment considered is the following:

H.AMDT.57 to H.R.1 Amendment sought to authorize private school choice for students who have attended low performing schools for at least 3 years; allow private school choice as a local use of funds under title IV of the Innovative Education Grants for Disadvantaged Students; and allow private school choice for students in unsafe schools or who have been victims of crime on school premises.

Source: www.thomas.loc.gov. “Bill Summary & Status for the 107th Congress, item 15 of 28.”

Our analysis uses the votes of representatives on this amendment to HR 1 as the dependent variable (VOTE), where votes were counted as 0 for aye and 1 for nay, with a nay vote as registering a preference against school choice.

Due to the limits on the values that the dependent variable may take, logit analysis was used rather than linear regression. Logit analysis allows the model to obtain the probability of a nay vote as a function of the independent economic, political, and demographic variables. The analysis uses a logit function, which makes the probability of a nay vote (VOTE=1) a function of a vector of constants, β , times a vector of values for the independent variables, x , according to:⁵

$$\text{Pr ob}(VOTE = 1) = \frac{e^{\beta x}}{1 + e^{\beta x}}.$$

As βx varies from minus infinity to plus infinity $\text{Prob}(VOTE=1)$ varies from 0 to 1. A maximum likelihood estimation procedure is used by the program LIMDEP to select the values of β .

Because of their superior opportunities for organization, teachers unions represent the only significant contributor on the issue of school choice. Out of 20 education related PACs, more than 99.5% of the contributions were from the two national teachers' unions, the AFT and the NEA. Therefore total contributions from these two PACs were used in this paper's analysis.

The variable, TEACHER PAC, is contributions from the NEA PAC and AFT PACs for the 2000 election cycle (November 1998-October 2000), measured in

⁵ For details, see Greene (2000), pp. 811-818.

thousands of dollars. It is predicted that contributions from these PACs positively affect the probability of a nay vote (VOTE=1). Both of these variables are available from the web page of the Center for Responsive Politics, www.opensecrets.com.

A political variable, PARTY, a dummy variable, which takes on the value of 1 for a Democrat and the value of 0 for other party affiliations (either Republican or Independent) is included. The ideological views of each party suggest that Democrats will align with the teachers' unions (NEA and AFT) and that Republicans will align with the market solution. Then, it is predicted that being a Democrat (PARTY=1) will positively affect the probability of a nay vote (VOTE=1) on H.AMDT.57 to HR 1.

The variable, AFRAM, which represents the percentage of African Americans in a congressional district (drawn from the year 2000 census), is included. African Americans tend to be democrats, but polling data indicates that they also tend to approve of vouchers. Thus, we would expect Representatives from African-American intensive districts to be Democrats who vote for vouchers. This suggests that the AFRAM variable will negatively affect the probability of a nay vote (VOTE=1) assuming that Representatives' voting behavior is sensitive to the opinions of their constituents.

The variable, DENSITY, drawn from the year 2000 census, represents the population density measured in thousands of individuals per square mile of land in a congressional district. It is included because inner city school districts are among the nation's worst. So it is expected that parents who live in these districts will be likely to support choice. And under the assumption that representatives' voting behavior is sensitive to the opinions of their constituents, it is expected that DENSITY will negatively affect the probability of a nay vote (VOTE=1).

7. Results

Table 1 summarizes the information on contributions.

Table 1 Summary of AFT and NEA PACs Contributions and Voting on H.AMDT.57 to H.R. 1

	AFT PAC Contributions		NEA PAC Contributions		Yes Votes	No Votes
	Amount	Recipients	Amount	Recipients		
All Members					155	273
Financed Members	\$961,005	189	\$1,146,075	222	6	222
Financed Democrats	\$936,105	181	\$1,081,325	197	0	202
Financed Republicans	\$24,900	8	\$64,750	25	6	20

The logit model maximum likelihood estimates uses PARTY, TEACHER PAC, AFRAM, and DENSITY as independent variables. Table 2 shows that the estimated coefficient of DENSITY is not significant at the 95% confidence level. The model predicts that a Republican receiving no campaign contributions in an “average congressional district”—i.e., a district with a population density of 2,501 persons/ square mile and 12.6% African American population votes aye (VOTE=0) on H.AMDT.57. The probability of a nay vote is only 22.3%. On the other hand, a Democrat receiving no campaign contributions from an “average congressional district” votes nay (VOTE=0) on H.AMDT.57 with a probability of 90.2%. In other words, (for a representative from an “average congressional district” with no TEACHER PAC money) changing party affiliation from Republican to Democrat increases the probability of voting nay on H.AMDT.57 by 67.8 percentage points.

The variable, AFRAM is significant at a 5% confidence level but has a weaker effect on voting behavior. For instance, no matter what the proportion of African

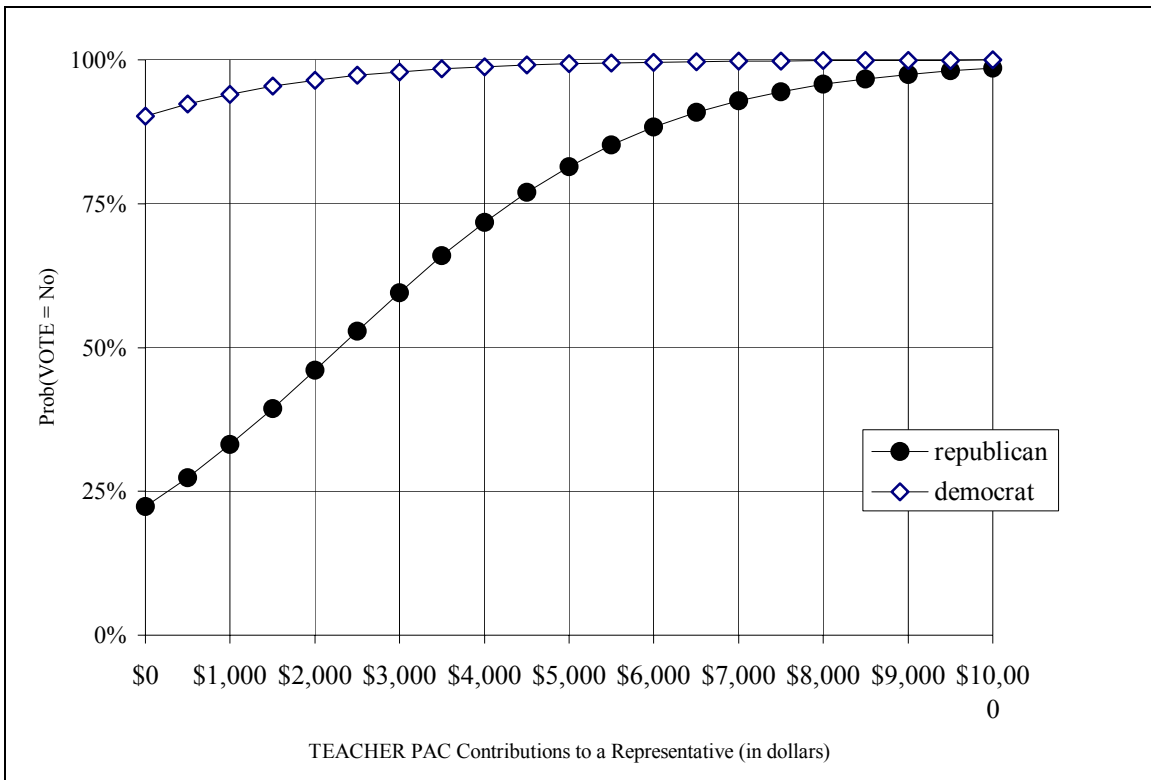
Americans, a Democratic representative does not support choice. Yet, an increase of 6 percentage points from the mean value of constituencies' African American population, increases the likelihood of a nay vote by –5 percentage points for a Republican (from 53% to 48%), meaning the representative is more likely to support choice.

8. Illustrating the Vote Against H.AMDT.57, the Amendment to Authorize and Fund School Choice

We illustrate the voting on H.AMDT.57 with two charts. In Figure 1, contributions are measured in thousands of dollars. This means that the curves in Figure 1 indicate the probability of a nay vote measured in percentage points as a function of campaign contributions.

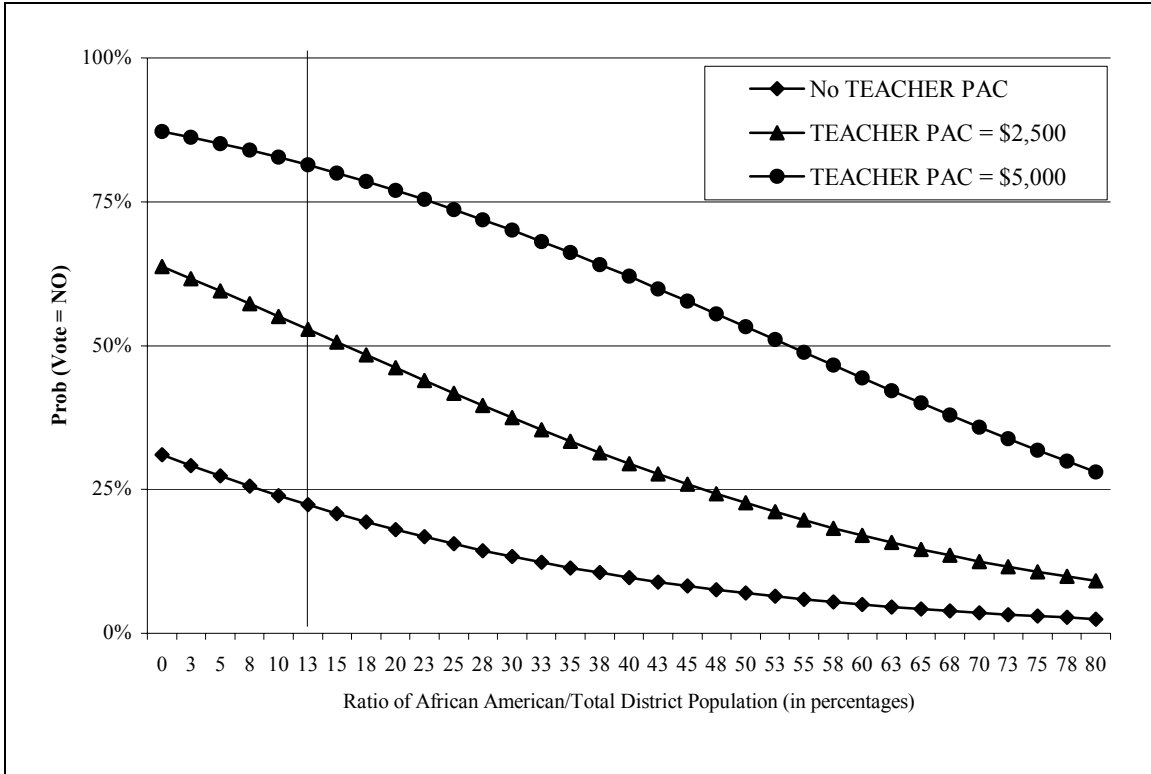
The average TEACHER PAC contribution is \$4,923/Representative (averaging over all members). The figure shows that a TEACHER PAC contribution of a \$2310 to a Republican from an “average congressional district” changes a vote from aye (for school choice) to nay (against school choice). For Republicans, who we expect to be ideologically in favor of school choice, the result is surprising. A relatively modest TEACHER PAC contribution has great power over education policy.

Figure 1 NEA PAC Contributions and Voting on H.AMDT.57



In Figure 2, the effect of the percentage of African American population in a congressional district on a Republican Representative’s voting behavior on school choice is shown. Regardless of the share of the African American population, A Republican Representative with no TEACHER PAC contribution votes aye (for choice). Yet, unless the percentage of the African American population in a congressional district was at least 15%, a Republican Representative (with roughly half of the average size of the TEACHER PAC contribution, i.e., \$2,500) votes against vouchers. Also, a Republican Representative who received the roughly average \$5,000 TEACHER PAC contribution, still votes against school choice, if the percentage of the African American population in her district was no less than 55%.

Figure 2 African Americans as a proportion of a Republican Representative's District and Voting on H.AMDT.57



9. Is there a difference between NEA and AFT PACs?

A further regression estimation revealed that, NEA PAC contributions are more effective than AFT PAC contributions. (For details see Table 3.) What might be a plausible explanation for this difference? As is summarized in Table 1, NEA and AFT PACs contributed \$961,005 and \$1,146,075, respectively. These numbers are close. Yet, beyond the amount of their contributions, there are two significant differences between NEA and AFT: First, NEA claims more than 2.7 million members, and AFT claims only 907,000 members. Second, NEA and AFT differed in rewarding and punishing the

Representatives in the following election cycle. In particular, NEA had a stronger reward and punishment systems than AFT.

Among Representatives who received an NEA PAC contribution in 2000 election cycle, in the following election cycle Representatives voting against vouchers in H.AMDT.57 had a 83% chance of receiving NEA PAC money; and Representatives voting for vouchers had a 40% chance of receiving NEA PAC money. Thus, recipients voting against vouchers in H.AMDT.57 were 2.1 times more likely to receive NEA PAC money in the following election cycle, i.e., the 2002 election cycle (through June 2002), than recipients voting for vouchers.

Among Representatives who received an AFT PAC contribution in 2000 election cycle, in the following election cycle Representatives voting against vouchers in H.AMDT.57 had a 65% chance of receiving NEA PAC money; and Representatives voting for vouchers had a 50% chance of receiving NEA PAC money. Thus, recipients voting against vouchers in H.AMDT.57 were only 1.3 times more likely to receive AFT PAC money in the following election cycle than recipients voting for vouchers.

Again, compared to AFT, the possibility of getting either rewarded or punished by the NEA in the following election cycle is much higher.

10. Conclusions

To conclude, this paper has presented some evidence about school choice, the public's increasing support for school choice and the patterns of congressional voting on school choice issues. Congress is sensitive to constituent opinion on school choice such that an increase in the proportion of African Americans in a Representative's constituency increases the probability of an affirmative vote on the issue. Recent opinion

polls suggest a shift in public opinion on school choice from overwhelming opposition to some cautious support, and recent research into the subject suggests that there are benefits from school choice. But the effect of campaign contributions on congressional voting behavior has been able to inhibit efforts for school choice reform. Consequently, congressional support for school choice (as measured by the proportion of aye votes on the school choice amendment [43%]) is more limited than the support of the public (62% as measured by the most recent polling data).

The reward/punishment structure of NEA PAC contributions and to a lesser extent AFT PAC contributions in the 2002 election cycle following the voting reinforces the view that it might take much higher than 62% public support to get congressional support for school choice reform.

To put it simply, teacher union PACs award more gold stars in the form of campaign contributions to Representatives who vote against vouchers, and Representatives respond to more gold stars with more polished apples which take the form of increased hostility to vouchers.

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Table 2 Logit Model Maximum Likelihood Estimates: H.AMDT.57

	Estimate	Standard error	z-statistic	Probability (as a fraction, two tails)
Constant	-0.719	0.203	3.542	0.0004
PARTY	3.461	1.002	3.455	0.0006
TEACHER PAC	0.544	0.142	3.834	0.0001
AFRAM	-0.036	0.017	2.097	0.036
DENSITY	-0.0003	0.0008	0.378	0.706

Frequencies of actual and predicted outcomes

		Predicted		
		Vote = Yes	Vote = No	Total (actual)
Actual	Vote = Yes	149*	6	155
	Vote = No	54	219*	273
	Total (predicted)	203	225	428

* The model predicts 86% of the votes accurately (368 out of 428 votes): In particular, the model accurately predicts 149 out of 155 of the Yes votes; and 219 out of 273 No votes.

Table 3 Logit Model Maximum Likelihood Estimates: NEA AND AFT PACs separately

	Estimate	Standard error	z-statistic	Probability (as a fraction, two tails)
Constant	-0.753	0.205	3.680	0.0002
PARTY	3.539	1.024	3.457	0.0006
NEA PAC	0.712	0.190	3.746	0.0002
AFT PAC	0.220	0.188	1.171	0.241
AFRAM	-0.034	0.017	1.993	0.046
DENSITY	-0.0003	0.0008	0.311	0.756