

California Charter Schools: Forcing Competition and Innovation in Public Schools

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I. Introduction

In just a little less than a decade, the U.S. charter-school movement has created more than 1,500 charter schools, serving some 350,000 students in 32 states (CER, 2000). Essentially, charter schools are publicly funded institutions, created and managed by parents, teachers, and community groups, that are largely free from many state and local regulations. Although charter laws vary greatly from state to state, at the core of the charter movement is a common set of ideas about the substantial improvements these more autonomous schools will bring to the entire public education system, primarily by way of increased competition and innovation. According to proponents, charter reform frees up schools to become more innovative, empowering educators to decide what works best for their students. These innovations will then “spill-over” to regular public schools (Hart and Burr, 1996). Supporters also argue that charters will infuse more competition into the public system by forcing schools to compete for students and resources (Billingsley & Riley, 1999).

According to recent studies conducted in California, however, most charter schools are not particularly innovative, nor do they force competition in public schools (Anderson & Marsh, 1998; Wells, 1999; Rofes, 1998). In the course of this paper, we will describe the context of the rise of the charter movement in the US and California, the beginnings of the reform in the policy formation and adoption stages, as well as the implementation and consequences of the reform thus far. Finally, we will offer explanations as to why the California charter law has not met its stated goal of providing “competition within the public school system to stimulate improvements in all public schools” (CDE, Education Code 47601). Our selection of California is very practical:

California's charter law has been in place for longer than most states, enabling researchers to draw preliminary conclusions.

II. Context of the Reform

The charter school movement has its roots in a larger trend toward increasing choice and competition in schools, a trend that stems in part from neo-classical economic ideas. As early as 1955, in the midst of the Keynesian consensus, Milton Friedman proposed the then very radical idea of increasing competition among schools through the use of vouchers. Chile, a nation in which the supply-siders (or “Chicago-boys”) were able to shape policy long before the neo-classical model was adopted in the rest of the world, actually became the first country to adopt a national voucher program in the 1980s (Gove, 1997; McEwan & Carnoy, 1998). Only in the last twenty years have monetarists and supply-side economics replaced the Keynesians as the dominant voice in the field of economics, finding support from both ends of the political spectrum, including conservatives such as Ronald Reagan, but also such “liberals” as Bill Clinton. This “triumph” of neoclassical economics has had a profound impact on policy formation in all sectors and across both the developed and developing world (Biersteker, 1992). From the dismantling of the welfare state in the US to trade agreements with China, free-market ideas have gained power in policy-making and even made headway into such sacred territories as education.

In parallel to these more global trends of deregulation and decentralization, trends within the education sector provided a strong base for charter movement support. Theories of action as diverse as those of the effective schools movement (Purkey &

Smith, 1983) and school choice models (Chubb & Moe, 1990) have fueled the charter reform movement. In the 1980s, spurred on by national reports urging school autonomy as a means of improving school performance, states started experimenting with deregulation in education (Fuhrman & Elmore, 1995). Support for innovation at the school level also evolved as a reaction against highly centralized state-level bureaucracies.

The term “charter” may have originated in the 1970s when New England educator Ray Budde suggested that small groups of teachers be given contracts or “charters” by their local school boards to explore new approaches (U.S. Charter Schools, 2000). Albert Shanker, former president of the AFT, then publicized the idea, suggesting that school boards could charter an entire school with union and teacher approval (Glascok et al., 1997). The key basic assumptions and beliefs underlying the charter movement, and the problems of the public system that they are intended to resolve, can be summarized as follows:

- **Parents should have greater choice in the “purchase” of their child’s education.** Choices within the public school system are often limited (e.g. magnet schools); charter schools offer an additional choice for parents. All schools will improve if they are forced to compete for students (Billingsley & Riley, 1999). Charters, as public schools of choice, can reduce inequalities by providing educational opportunities to disadvantaged groups. In addition, they provide an educational alternative without completely restructuring the school system.
- **Charter schools will be more efficient and effective as they enjoy greater autonomy.** Because charter schools are subject to fewer state and local

regulations than regular public schools they are able to do more with the same or fewer resources. In exchange for greater autonomy, charters can be held accountable for student performance; unlike traditional schools, charter schools can be closed if they are found to be under-performing. This has a related assumption derived from the effective schools movement, that the school is the unit in which to promote improvements in teaching and learning (Fuhrman & Elmore, 1995; Wells, 1999).

- **Empowered teachers and parents will produce innovations that will “spill-over” and improve the entire public system.** As the locus of decision-making is at the school level, charters are better able to meet the needs of their primary clients, the students and parents. Charter schools serve as laboratories for testing new ideas, and if successful, will exert competitive pressure on school districts to change inefficient regulations (Anderson & Marsh, 1998).

The advocates of charter reform disseminating these ideas are a very diverse group; charter proponents include libertarians, religious fundamentalists, civil rights leaders, free-market economists and conservative Democrats. Libertarians believe that government regulation in any form is restrictive to creating a better society. Religious fundamentalists often see charters as a way to create an alternative to the secular humanism that is taught in the public school system today. Some minority groups have taken on charters as a civil rights issue, citing decades of government failure at educating poor minority youth (Hernandez, 1998). Minority leaders such as Cory Booker, have pushed charters and vouchers as a viable alternatives to waiting for the government to

improve: “Only if we return the power to the parents can we find a way to fix the system” (Wilgoren, 2000).

Despite this diverse and apparently widespread support, charter school reform has encountered opposition on a number of levels. Critics of the charter reform include those who are skeptical of any movement away from public control of schooling. These critics tend to lump vouchers and charters together, as both allow for privatization in some form; while charters allow for private ideas to define a school, vouchers allow for privatization of public resources as well. In a 1998 op-ed piece in the *New York Times*, Gary Orfield warned against the risk of using public monies to finance a “privately defined vision of education” that may be “biased or sectarian.” (cited in Anderson & Marsh, 1998). Other criticisms include charges of elitism and increasing segregation of schools. Civil rights leader Wade Henderson, executive director of the Leadership Conference on Civil Rights states the conflict as follows:

Many of the interests that are suggesting privatization of public resources and vouchers are the very forces that helped to thwart the kind of meaningful education that Brown promised . . . Quality education can best be provided with high quality public institutions. We’re committed to their establishment, restoration, revitalization (Wilgoren, 2000).

In the 1990s, building on the rhetoric of opposition to “big government” that permeated the 1980s and on the trends of decentralization, deregulation and restructuring, as described above, Minnesota became the first state to establish a charter school law. An earlier attempt by the governor to establish a charter law reveals much about the changing political climate. In 1985 Governor Rudy Perpich proposed expanding school choice to all public schools. However, the timing was not yet right: a Minnesota survey revealed that 60 percent of Minnesota people opposed public school choice (Nathan, 1996). By the

1990s, with the rise of the voucher movement, charters became a politically palatable alternative that even moderate Democrats could embrace. In President Clinton's 1997 State of the Union address he called for the creation of 3,000 charter schools by the year 2000 (U.S. Charter Schools, 2000).

The California Context

Despite a long history of having one of the best public school systems in the nation, in the 1980s California was scoring near the bottom in state-by-state rankings on many measures of educational success. According to highly publicized NAEP results in the mid 1980s, reading scores dropped in California; this led to the popular perception that California education had seriously declined. In a 1990 poll conducted by Policy Analysis for California Education, 63% of Californians gave state schools a "C" or lower (Guthrie, et al, 1991). Faced with this growing perception that California schools were failing, legislators looked to national discussions on how to best fix their schools.

At the same time, California moved toward the political right with the election of Governor Pete Wilson in 1990. In line with national trends of anti big-government sentiment, proponents of privatization, vouchers and school choice found fertile ground in California discussions of education reform. In the early 1990s, a group of well-funded voucher proponents led by prominent business leaders drafted and circulated a ballot initiative that proposed to create a universal voucher plan for schools (Hart & Burr, 1996; Huerta, 2000).

Senator Gary Hart, one of the main forces in California school reform for the last two decades, was worried about the possibility of vouchers in California. Most people

didn't think the voucher initiative would pass, but given the unpredictability of the electorate and the initiative process, Hart didn't think California's schools could take the chance (Hart & Burr, 1996). A self-proclaimed progressive democrat from Santa Barbara, Hart had a history of sponsoring innovative public education reforms, including SB1274 in 1989. This bill, known as the School Restructuring Bill, allowed schools to compete for five-year grants to implement innovative practices. Along with this he initiated legislation for statewide assessments for both students and teachers. These two bills laid the foundation for linking innovation in schools with accountability and demonstration of results.

Hart began developing a strategy to combat the voucher initiative, based on the idea of promoting charter schools in California as a way to advocate for innovation and competition within the public schools. Delaine Eastin, a state assemblywoman who later went on to become Superintendent of Schools, developed a bill in much the same vein (Bulkley, 2000). Both Hart and Eastin, as noted in an L.A. Times article, "acknowledged that one of their motivations in introducing the [charter] bills was to blunt the appeal of the Parental Choice Initiative that supporters hoped to place before voters next November" (Trombley, 1992). According to both Hart and Eastin, charter schools could offer many of the same advantages of voucher schools (choice, freedom from the state bureaucracy), while keeping them in the public sphere. Hart's idea was to:

... craft a legislative proposal that did not sacrifice the attractive features of the voucher movement — namely, choice of school, local control, and responsiveness to clients — while still preserving the basic principals of public education: that it be free, nonsectarian, and nondiscriminatory (Hart & Burr, 1996).

With this motive in mind, both Delaine Eastin, and Gary Hart (along with Sue Burr), separately drafted charter school legislation.

In drafting his charter school reform bill, Hart wanted to allow as much freedom as possible for schools to innovate. Therefore, he made few or no concessions to powerful lobbies such as the California Teachers Association, or the PTA. Like his restructuring bill, he wanted to give schools freedom from regulations in exchange for accountability. By contrast, Delaine Eastin played the more usual legislative route in drafting her version of a charter bill. She made concessions to various constituencies to win their support, or at least, to lessen their opposition. For example, she only included waivers for educational code, and not other laws that affect public schools and her version left in collective bargaining agreements. Hart, on the other hand, thought that taking the route of compromise would weaken charter school to virtual ineffectiveness. He believed collective bargaining agreements, and other state laws affecting schools would be as limiting as the educational code itself (Hart & Burr, 1996).

Throughout this process, the main organized opposition to charter schools was the unions, particularly the CTA and the AFT. Hart granted them the concession of requiring a certain percentage of teachers to sign off for a school to go charter, but this did not satisfy the teachers unions. In fact, this concession to the teachers' unions alienated other personnel unions (such as the CSEA) even more, as it then seemed to them that they were being left out (Hart & Burr, 1996).

Due to the newness of the idea of charter schools, getting the bills through committee was an uphill battle. The idea of charter schools was just getting national attention, but was still a new or unknown idea to most policymakers. Hart's bill was especially difficult to get passed since he would not compromise with the various interest groups (Hart & Burr, 1996). An attempt to merge Eastin's and Hart's bills in conference

committee could not be worked out. The opposition to Hart's bill assumed that his version was therefore dead. Through what Hart describes as "complicated and creative parliamentary maneuvers" however, his bill made it to the floor and passed by a slim margin. Both Eastin's and Hart's bills went to Governor Wilson's desk. Given a choice between Eastin's pro-union charter bill, and Hart's less concessionary version, Wilson signed the Hart version, thereby enacting the Charter Schools Act of 1992.

III. Implementation of the Reform

With the 1992 Charter School Reform on the books, a number of diverse groups saw their opportunity for action and developed plans for the creation of charters. In the following section we will discuss the motivations of these groups as well as their record on implementation, especially as it relates to issues of innovation and competition.

Charter Creators and their Motivations

Some 300 charters exist in California; more than 40 percent of these are conversion schools (created from existing regular public schools) (Kronholz, 2000). Motivations for the creation of charter schools are as diverse as the groups themselves. Some motivations include: breaking the cycle of failure in urban/high poverty schools, creating innovative "dream" schools free from the constraints of state and local regulations, and circumventing particular state regulations.

Garfield Charter School in Redwood City is an example of a charter school that aims to break the cycle of failure in urban/high poverty schools. In its charter petition, Garfield sees the charter law as an opportunity to try new approaches in order to "reverse

the ... abysmal academic performance of this poor, urban minority school” (Garfield, 2000). By contrast, Sherman Oaks Elementary School in San Jose wanted to engage in a variety of innovative ways of teaching, as well as alter the governance structure and professional development model of the school. Alianza Elementary School in Watsonville, California converted to charter status in order to circumvent Proposition 227, which would have made it virtually impossible to continue its two-way Spanish/English immersion program.

Another group of adopters of charter schools include the “franchise” schools and home schooling groups. Edison, Inc., a national for-profit company in the business of setting up successful schools, currently has nine charter schools in California and 113 across the nation (Edison, 2000). Home schooling has also developed as a charter alternative. In 1997, approximately 30 percent of charters offered some form of home schooling. Finally there are five districts that have become “all charter” districts (CDE, 2000), meaning that the districts developed charter proposals under which all of their schools convert to charter status.

In assessing the implementation record of this diverse group of charter schools we reviewed a number of reports, including studies conducted by SRI International, UCLA, PACE and the Pacific Research Institute. Despite the range of findings and conclusions presented, we found a number of similarities across the reports. In all cases, research indicates that charter schools as a whole are neither particularly innovative nor forcing competition in public schools. Explanations for this lack of variation and implications of these findings differ dramatically among the reports, as will be discussed in section V. While the findings selected here emphasize the California charter experience, the results

have implications for charter school reform as a whole. The following pages provide a brief discussion of the findings of these four reports as related to the issues of innovation and competition.

Findings on Innovation: Are Charter Schools Breaking the Mold?

Charter advocates assert that freed from the constraints of public school bureaucracies, charter schools will be more innovative than traditional public schools. Results from our four studies indicate, however, that charter schools do not look all that different from regular public schools. For example, charter schools provide about the same number of calendar days of instruction as all public schools in the state (Billingsley & Riley, 2000). Charter schools also follow the traditional age-grade structure, serve all grade levels, and, like regular public schools, a higher proportion serve lower grade levels (Anderson & Marsh, 1998).

In addition, charter schools bear a striking resemblance to regular public schools along those areas where innovation would be most expected: curriculum, finance and teacher/personnel issues. Most charter schools reported that they followed the California Curriculum Frameworks as guides for curriculum and instruction. Many schools mentioned the use of district or county standards and curriculum guides. Only 27% had financial autonomy from their sponsoring agency (i.e. full control over staff salaries and benefits and other budgetary expenses) (Anderson & Marsh, 1998). The vast majority of charters leave many budgetary responsibilities to the school district. Finally, employment of certified teachers does not vary all that much between charters and non-charters. Even

prior to a 1999 amendment to the charter school legislation requiring certification of charter schoolteachers, 70 percent of teachers were credentialed.

There are differences, however. Perhaps the most common charter school innovation is mandatory parent contracts. In the sample of schools studied by SRI, three-quarters of charter schools required that parents sign a contract with the school when enrolling a child. Contracts typically cover parents' acceptance of school rules and parent involvement requirements. Many of the schools sampled in 1997 did not have consequences if the parent or adult failed to fulfill these requirements; however, 23 percent of schools with parent involvement requirements reportedly had asked students to leave because of parent failure to comply with these rules (in a few cases, law suits were pending at the time of the report). Another organizational difference is that of home schooling; nearly 30 percent of all charters offer home schooling as an educational alternative, often providing traditional classroom instruction as a supplement to parent-led instruction (Anderson & Marsh, 1998).

In conjunction with the intention that charters would become more innovative was the goal that these innovations would then be transferred to public schools. In reality, there are no mechanisms for charter schools and regular public schools to learn from each other (Wells, 1999). In a number of studies, interaction and communication between charters and regular public schools, and between charters and their districts was generally found to be low. While this does not mean that charters have not had a local impact on regular public schools (e.g. by drawing away "good" families from or creating resentment within public schools), these effects have not led to any systematic changes in the day-to-day functioning of nearby public schools (Wells, 1999). This finding is consistent with

that of the national PACE study, which indicated that “few superintendents, principals, and teachers in district schools were thinking of charter schools as educational laboratories or attempting to transfer pedagogical innovations from charters to the district schools” (Rofes, 1998).

Charter Schools and the Record on Competition

As stated earlier, one of the expectations of charter school reform is that charter schools will increase competition among public schools. Results from the studies we reviewed reveal, however, that charters in California have had little impact on regular district schools. On a more general level, the PACE report indicated that principals disagreed about whether creating a competitive environment leads to school improvement; some respondents said that it does, while others saw competition as harmful and believed educators prefer collaboration.

Evidence that charters have forced change in regular public schools is scarce. PRI’s survey of some 15,000 teachers, principals and parents shows no result for the impact of charters on competition, other than to stress the issue of accountability, citing that unlike regular public schools, “charters may be closed down for under-performing” (Riley, 2000). How this will impact competition among public schools remains to be seen. Furthermore, to date, no charter school in California has been closed down for under-performance (Rothstein, 1999).

In general, regular public school staff reported little to no impact from charters; one administrator stated: “to be brutally frank, they have not had an impact” (Wells, 1999). According to the same study, while charters might have had an impact in

encouraging public schools to perform better, this is actually undermined by “public school educators’ belief that charter schools have an unfair advantage” (Wells, 1999). The perceptions of these public school officials, who noted the absence of a level playing field primarily with regard to parent contracts and the ability of charters to expel difficult students, may have an impact on public schools’ desire to compete.

IV. Consequences of the Reform

In this section we will examine the degree to which outcomes of the charter school legislation were anticipated by the reformers, as well as any unanticipated results that may have occurred.

One example of an intended outcome of the reform was the defeat the voucher proposals. Gary Hart, Sue Burr, and Delaine Eastin, the initiators of charter school legislation in California, all cited the threat of vouchers in California as a major motivation for their legislation. When policy makers were asked why charter legislation had been introduced in California, “alternative to vouchers” ranked as the most important reason (Nathan & Power, 1996). By all appearances, their efforts were successful: both the 1993 and 2000 voucher initiatives went down to resounding defeat (by 2 to 1 margins). Yet it is unclear that the charter law had anything to do with these defeats; rather, union opposition and public distrust of transferring public funds to private hands is given credit for these defeats (Huerta, 2000).

The home schooling factor is an outcome that was unanticipated by reformers, as it was not intended in the original charter school law (Hart quoted in Anderson & Marsh, 1998). As stated above, by 1997, some 30 percent of charters offered some form of home

schooling. This placement of public funds into individual parents' hands made many legislators nervous. Legislation passed in 1999 restricted the ability of charter schools to offer home-schooling programs (Billingsley & Riley, 2000). School financing and start-up costs were also more difficult to obtain than charter legislators originally intended. In order to correct this oversight, charter proponents have lobbied to make obtaining financing easier through Proposition 38 and other mechanisms.

An additional outcome that reformers expected but did not actually achieve is a high degree of charter school accountability for improving student performance. Since the initiation of charters in California in 1993 no charter school has ever had its charter revoked due to lack of academic success. Furthermore, most California charters "reported that they were not held accountable for achieving these goals by their sponsoring district or county" (Anderson & Marsh, 1998). The establishment of statewide standardized assessments and related sanctions for underperformance has, in theory, changed the degree of accountability for all public schools. While the chartering agency still maintains responsibility over all of its schools, the creation of state sanctions for underperformance has given the state the power to close down a charter. Just as the state can reconstitute public schools for low performance on the SAT-9, charters could conceivably face similar or greater sanctions, such as revocation of the charter by the state authorities.

Finally, the concentration of activist parents in charter schools is an unintended consequence that undermines the intention of charter reformers to force competition and innovation in neighboring public schools. According to research by Rofes (1998), many

activist parents have left district schools to attend charters, as charters are perceived to be more responsive to their needs.

Thus both charter schools and traditional public schools may become trapped in a dynamic whereby disgruntled parents, a diverse and influential group, may shuttle back and forth between the charter and the district school. Districts may find themselves losing articulate voices, which kept school personnel alert and responsive and charters may become overwhelmed by the agitation stirred up by these families. While this dynamic rarely finds its way into discussions of charter/district relations, it has emerged from this study as a significant area of impact (Rofes, 1998).

This transfer of parents may actually lessen the pressure on district schools to improve. Instead of changing or innovating to meet parent needs, schools may find it easier to let disgruntled parents leave.

V. Explanations

Having reviewed the current situation of charter schools, as well as research findings that charters in California are neither particularly innovative nor forcing competition in public schools, we turn to explanations for this apparent mismatch between the goals of charter advocates and the current situation of charter schools. We offer two explanations for this difference, a neo-classical economic viewpoint and a “real school” lens. To conclude we will highlight some of the shortcomings of these explanations and offer our synthesized view of why charters have fallen short of proponents’ expectations.

The neo-classical economic lens

One way of examining the apparent shortcomings of charters in achieving their intended goals is through the lens of the neoclassical economist. According to

neoclassical theory, the free market is the most effective mechanism for promoting competition and innovation among firms; application of the market to public education can take the form of vouchers or charters or public school choice (Carnoy, 1995). Like firms subject to government control and regulations, the ability of a school to be effective is directly related to larger institutional constraints: “the freer schools are from external control—the more autonomous, less subject to bureaucratic constraint—the more likely they are to have effective organizations” (Chubb and Moe, 1990).

According to this lens charter school failure to meet the goals of innovation and competition, as set out in the original legislation, is due to bureaucratic constraints. California charters are subject to an extensive amount of regulation and oversight, including submission of detailed financial reports, monitoring and supervision conducted by district, state and independent authorities, extensive control of personnel practices, and accountability not ultimately to their consumers (the parents) but to their chartering institution. In Campbell, CA, for example, the teachers’ union was a hindrance to some of the innovations that Sherman Oaks charter school planned to initiate. Teachers and staff, interested in leaving the union to pursue a more flexible school schedule (not permitted under the union contract), were told that if they left the union, they would forfeit their benefit packages (Lynn, 2000). One study of charters found that “in many cases, districts also maintained control over certain critical aspects of the school, often to ensure compliance with district-wide policies” (Anderson & Marsh, 1998).

Navigation of regulations is a challenge in itself, and one for which charters are often ill prepared. For example, nearly one-fourth of charter school directors surveyed in 1997 did not know whether they qualified for Title I funding (Anderson & Marsh, 1998).

Furthermore, charters have had to battle for the little autonomy they now retain. Charters were able to maintain their nonprofit public benefit corporation status after winning a 1999 legal battle in the California Court of Appeals. Some battles have been lost, however; renewal of the charter legislation in January 2000 established regulations that had been removed in the initial legislation.

These changes to the charter law include a requirement that charter school teachers meet the same certification requirements as teachers in public schools. Charter school teachers must now vote on whether or not to leave the union. In the past this decision was left up to the charter petitioners. Finally, home schooling has been virtually eliminated as an educational alternative for charters through the elimination of average daily attendance funds for home schooled students (CDE Education Code, 2000). These legislative changes are far from the intentions of the founders of the charter law to establish schools that “operate independently from the existing school district structure [and] provide vigorous competition within the public school system to stimulate continual improvements in all public schools” (CDE Education Code, 2000).

In addition to the constraints placed on charters, the absence of market forces and the behavior of district officials has had an effect on the ability of charters to impact public schools. Findings from a study conducted in New York indicated that charter competition has not induced large changes in district-wide operations because state policymakers have created a cushion to alleviate any financial effect of departing students on districts. States provide resources to districts to “prop them up” (Teske et al., 2000).

This rather bleak outlook in terms of bureaucratic entanglements and interference in the education market by legislators leads neo-classicists to question whether working

within the public system is an option for promoting school effectiveness. Some charter advocates would agree with Chubb and Moe's statement: "Reformers are right about where they want to go, but their institutions cannot get them there" (1990). Because the California charter law works within the existing public system, it may be an inadequate measure to achieve effective schools.

"Real School" Lens

Like many institutions, schooling, is a "sticky" organization; that is, one that adheres to certain forms and norms. From this perspective one can explain why charter schools are not particularly innovative, and therefore not offering competition. There are certain norms, structures and cultures that define what schooling is. Despite the diversity of interests, actors, and constituencies interested in education, there is a shared consensus surrounding what defines a school as a school (Meyer & Rowan, 1980; Metz, 1990; Tyack & Cuban, 1995).

Charter school legislation is based on the assumption that state rules and regulations prevent schools from innovating. If rules and regulations were the only constraint to innovation, private schools would look very different from public schools. "In fact, innovation remains the exception not the hallmark of private education" (Meier, 1995). In a broad study of a large sample of private schools, Carnoy, et al, found that private schools look much like public schools on a number of factors (1998). The structure of the age-graded school looks much the same in public and private schools. Institutional theory offers an explanation for these organizational similarities.

The organizational focus of this lens explains why schools set up certain structures that go beyond the individual organization or the actors within that organization. “[Formal organizational structures] are highly institutionalized and thus in some measure beyond the discretion of any individual participant or organization” (Meyer & Rowan, 1977). This argument can be directly applied to schools. When charter implementers develop their school “blueprint,” they are constrained by expectations of what a school should look like. Certain people are expected to play certain types of roles; for example, each school must have an administration, teachers, students, and support personnel. Each of these groups must obey certain institutional norms and any deviation from these norms will be met both by resistance from the outside public and the other actors within the system.

These constraints, stemming from a variety of levels, can have a profound effect on charter school ability to innovate. According to this theory a charter petition might be denied at the district level because the proposal does not fit the image of what a school should look like in the minds of the school board. This might also prove a detriment to obtaining start-up and capital cost financing from outside forces, as the general public might be wary of funding an institution that does not fit their definition of a school. Furthermore, these constraints may stem from the fact that most charter schools tend not to take advantage of all aspects of their automatic waiver from state and district regulations, often because “sponsoring districts or counties did not allow it, or because [the charter school] made concessions to the union or the sponsor during charter negotiations” (Anderson & Marsh, 1998).

Other important actors that must be considered in developing a charter school include parents and teachers, each of whom have a defined role, as well as expectations of the roles of the other actors. For example, in terms of parent expectations many schools have done away with innovations not because of any pressure from rules or regulations, but because parents saw what the school was doing as too different from their expectations (Krovetz, 1999; Tyack & Cuban, 1995). Mary Metz (1990), in her work entitled “Real School” writes: “Despite different resources and quite different ideas about the nature and uses of high school education, there was no evidence that any of the communities wanted or expected schools to depart from the basic common script for ‘The American High School.’” These pressures for conformity come to bear even on schools where parents have chosen these particular schools (Meier, 1995).

Institutional theory also offers an explanation as to why the actors within an institution persist in traditional roles and practices even in the face of evidence for change. “[Formal organizational structures] must be taken for granted as legitimate, apart from evaluation of their impact on work outcomes” (Meyer & Rowan, 1977). For schools, this means that even though there may be evidence of innovations that demonstrate significant improvement in student outcomes, actors both external and internal to the organization will persist in traditional behaviors in order to further legitimize the institution and their role within it. Interviews with parents of Garfield Charter School, for example, revealed that despite low student outcomes, parents believed that Garfield was a “good” school because teachers and administrators were sincerely fulfilling their roles (Meier, 2000). Furthermore, every teacher brings with them a certain amount of “baggage” as to how school should be conducted; even a new

teacher, who does not have ingrained habits, has a history of twelve years of pre-secondary education, as well as a minimum of four years of post-secondary education, all reinforcing certain norms of what school should be like (Cuban, 2000a).

Finally, a key finding of the SRI study was that charter schools did not always seek greater autonomy from their sponsoring agencies:

Charter schools had varying degrees of interest in gaining more authority or control over school policies. In many of our case study sites, directors of schools that had dependent relationships with their sponsors reported being satisfied with these close ties. One principal told us more than once that he liked the traditional relationship between his school and the district... In a few cases, charter schools were reluctant to lose the legitimacy that came with being a part of the district (Anderson & Marsh, 1998).

Much like a bird that has lived its whole life in a cage, many of those involved in charter schools will be wont to fly far from convention. The difficulty in proving this assertion is that few will cite social conformity for their unwillingness to try innovative practices.

A Synthesizing Approach

While each of the above explanations offers a lens for viewing the charter school reform, neither the neoclassical nor the “real school” lens completely explains the failure of the charter school reform movement to alter public schooling through greater innovation and competition. We will examine the deficiencies in each of these views, and then offer a more complete explanation of the shortcomings of the charter reform in meeting its intended goals of creating innovative schools that provide increased competition for regular public schools.

In approaching the problems of reform, neoclassical economic theorists often look to structural explanations. Government intervention is seen as interference or distortion of

the “natural” mechanisms of the market; creation of a more innovative system requires the removal or reduction of regulatory powers of one or more of these levels. However this explanation does not take into account what some authors have called the “culture” or “institution” of schooling (Tyack & Cuban, 1995, Meyer & Rowan, 1980). As was argued through the “real school” lens, the institution of schooling brings with it a complex collection of norms and rules; if any of these are challenged, the institution is undermined (Meyer & Rowan, 1977).

Furthermore, market theories do not account for important differences between free-market, profit driven firms and the public monopoly that is schooling. Unlike firms, schools are accountable to clients on a number of different levels, from parents to district and state officials, as well as the larger community. Market theorists also assume perfect information: individuals in possession of full information make rational decisions, eventually arriving at an optimal equilibrium price among buyers and sellers. This explanation does not account for the apparently “irrational” decisions of parents in continuing to send their children to schools that are not competitive. Schooling as a product is much more ambiguous than purchasing a car: parents may also value aspects of the school other than easily quantifiable data such as test scores.

Similarly, the “real school” lens does not account for the fact that schools do change, and have changed. Dramatic changes such as the establishment of the age-graded classroom, departmentalization of schools, and consolidation of districts and schools have fundamentally altered the structure of schooling in America (Tyack & Cuban 1995). However these changes did not occur overnight, but rather through incrementalism. That is, small changes can add up over time eventually resulting in large-scale changes

(Cuban, 1988). Change does occur under the right circumstances; each of the developments mentioned here came about because both external and internal conditions were right.

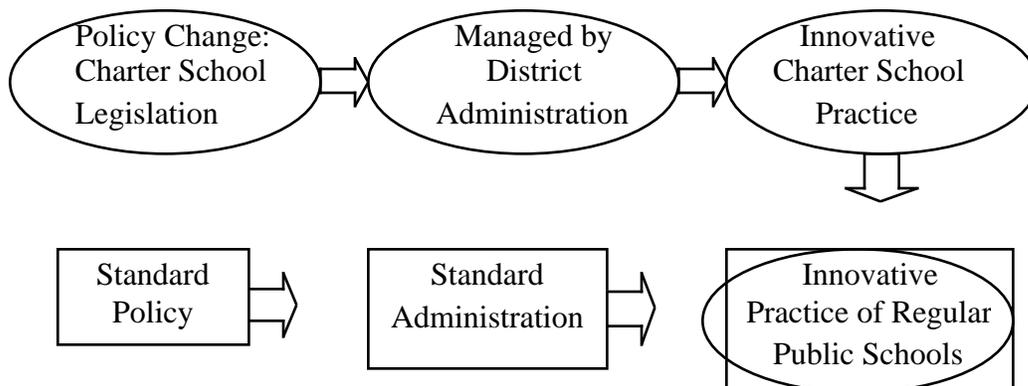
The explanation offered by institutionalists also fails to explain why some schools are highly innovative, even within the structural constraints of the public schooling system. For example the Central Park East Schools have been around for nearly three decades and are considered highly innovative both pedagogically and in terms of their governance structure (Meier, 1995). Innovation can also take many forms; very different types of schools have found a market niche for their particular innovative “product” (Cuban, 2000b). Finally models such as those of Montessori and Waldorf Schools have been able to break the mold; these innovative models have large number of schools that have stood the test of time.

In developing a more complete explanation as to why the charter law has failed to produce innovative and competitive schools we draw from the theories presented above, as well as from the theory of systemic reform put forth by a number of authors (most notably Smith & O’Day, 1990 and Elmore & McLaughlin, 1988). Systemic reform strategies merge components of both the market and institutional arguments. As Smith and O’Day have argued, systemic reform “combine[s] the vitality and creativity of bottom-up change at the school site, with an enabling and supportive structure at more centralized levels of the system” (1990). Institutional theory offers an explanation for the lack of this vitality and creativity in charters: norms and beliefs continue to constrain schools to some extent. The market also offers us a useful explanation as to the importance of enabling and supportive structures. As shown above, the current structure

has not been very supportive of charters. In market theory the role of government can be to set standards, underwrite and disseminate research, and monitor performance without setting restrictive regulations that hamper the performance of firms (or in our case, schools).

Elmore and McLaughlin further defined the importance of the coordination between the creative (bottom-up) and supportive elements (top-down) (1988). Policy change requires time, alignment and a combination of these top-down and bottom-up reform efforts. Change has not occurred in California because policymakers developed the charter reform law with little regard to the interaction of these levels, but rather designed a law that was built on a number of tenuous assumptions. The first of these is that charter policy can result in innovative practices in charter schools. As Elmore and McLaughlin have argued, changing teacher practice requires more than just changing policy. Secondly, the charter law assumes that regular public schools can (in the absence of formal mechanisms) learn from charter schools and adopt their innovative practices. Finally, the law assumes that these public schools can change without any adjustment in the policy and administrative levels. This relationship is illustrated in Figure 1, below.

Figure 1. A Round Peg in a Square Hole: Charter School Reform Assumptions



Our explanation for why charters are neither particularly innovative nor forcing competition within public schools is predicated on the belief that systemic change requires adjustments at the policy, administrative and practice levels. For innovation to occur, charter and regular public schools need to operate within an environment that includes both a coherent administrative structure and policies designed to support those innovations. In the absence of these conditions of synergy and structural coherence, as is the case of the California charter reform thus far, change is very unlikely.

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