Public Education Leadership Project
at Harvard University

A JOINT INITIATIVE OF
THE HARVARD GRADUATE SCHOOL OF EDUCATION
AND HARVARD BUSINESS SCHOOL

PEL-082
MAY 1, 2017

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Superintendents of Public School Districts as Sector Level Leaders

Introduction: Local Superintendents in the National Educational System

Despite all the changes that are breaking over the national educational system, the decentralized nature of the system ensures that local School Superintendents retain an outsized role in their local communities and beyond. Though federal and state government are increasingly engaged in shaping the national educational system, much of the formal authority and initiative for improving the national system remains with local school boards and the Superintendents they appoint and call to account. This is not to say that the role of Superintendent is the only important position of influence in school districts. But it is in the local schools – large and small; urban, suburban or rural – that innovative ideas about improving school performance will be imagined, and (most importantly) tested. It is within the community of School Superintendents and the systems they lead that important policy issues will be debated, and the disposition toward nationally important positions formed.

It is also true that Public School Superintendents play a particularly important role in the nation's largest urban centers. It is here that the largest number of students are educated at public expense. And it is here that Public School Superintendents, acting for all of us, face the most demanding and important challenge: vindicating the American Dream of equal opportunity that could eradicate discrimination and lift many from poverty. Our cities are the crucibles in which the politics of education encounter the limits and the possibilities of practice. For these reasons, it makes sense to focus close attention on School Superintendents as leaders in the effort to improve the overall performance of the national educational system.

The purpose of this note is to frame and explore the leadership challenges facing the nation's School Superintendents in the context of the changes that are occurring in the U.S. Educational Sector. We will explore the latent power of these positions to shape the future path of education. To do this, it is necessary to understand the complex structure and swirling political forces that are twisting and turning the national educational system in confusing and unpredictable directions. It is only then that we can see what is at stake in how individuals in these positions lead their systems.

Professors Mark H. Moore and Andrés A. Alonso prepared this note as the basis for class discussion.

As a practical matter, School Superintendents play important roles in shaping the future of the U.S. K-12 Education System through four distinct roles:

- **Manage the public schools** that are directly accountable to them for excellent performance and continuous innovation and learning;
- **Use any authority delegated to them** to decide what kinds of publicly financed educational suppliers will be available to schoolchildren and parents in their districts, and the terms that will govern the access of particular parents and students to those schools;
- **Compete and collaborate** with other educational suppliers to develop improved educational methods and improved capacities to meet the heterogeneous needs of learners in the system; and
- **Participate in policy discussions** at both local and higher levels about the appropriate ends and means of public education – including the important collective, public values that should be pursued by the system as a whole.

As we will see, Public School Superintendents may have some special responsibilities and opportunities for protecting both the collective, public values and the individual, private values that are animating and guiding the development of the nation's school system.

A Quick Overview of the Structure, Governance, and Financing of the Nation's Educational Sector

Over the years, the citizens and taxpayers of the United States have made a huge investment in creating, maintaining, and experimenting with a national system of educational suppliers. This large network is supported economically, socially, and politically in part by the natural desire of parents to provide for the education of their children. Even if there were no public financial support for education, no public right to educational services, and no public requirement that children be educated, parents would step forward and provide for the education of their children at their own trouble and expense. But the country's vast network of educational suppliers has also been built and sustained by a public mandate for education that runs alongside the natural parental demand. That public mandate creates a collectively guaranteed right for children to have access to quality educational services, raises taxes to pay for the public educational system, and imposes obligations on parents to provide (and children to accept) educational services supplied to them.

The Private and Public, Individual and Collective Demand for Educational Services

The use of state authority to create rights and impose duties signals a collective, public interest in providing education that is potentially broader and different than the sum of the individual desires of parents and students. If the only thing at stake were the satisfaction of parents and students, and if we as a society were satisfied that the overall level, distribution, and impact of educational services that would be produced by parents spending their own money to educate their children, then we would not need the architecture of rights, public financial support, and public duties to organize the national (but highly decentralized) educational system. We could leave the financing, governance, and management of the nation's school system to the workings of the market. The use of state authority and funding to shape the operations of that national system implies the existence of a collective, public purpose for education as well as individual, private purposes. That public purpose, presumably, is to use the process of education to create a more prosperous, sociable, and just society than would be possible if we relied wholly on market processes to determine the overall level and character of educational services consumed by citizens.

The combination of individual parental desires and public mandates together create a large, consistent private and public "demand" for educational services. If one had to bet on the future demand for education services and the individual and collective benefits that hypothetically flow from meeting that demand, it would be a very safe bet that the demand would continue to grow and that schools of all types would face continued demands for accountability and performance. In markets, the concept of a demand is usually limited to the idea that there are individuals who desire particular goods and services, and have the ability to pay for them. In the context of social sectors where public and governmental interests exist alongside the individual desires, we can think of the demand for services as including not only those who *desire* education, but also those who have *needs, rights (and obligations!) to be educated*. The demand for public education includes not only those willing and able to pay for the education from their own pockets, but also those whose use of educational services will be financially supported by third -party payers such as government or charitable contributors.

Today in the U.S., there are about 50 million school-aged children[1] who desire, need, and have rights to educational services. That number is scheduled to increase over the next decade. That demand for educational services has to be met one way or another, with more or less excellence, and more or less equity.

Private and Public Suppliers of Educational Services

The "supply" system that has arisen to respond to the individual (private) and collective (public) demand for educational services is highly complex. It consists of many different kinds of educational suppliers, each with its own distinctive financing, governance, and management structure. Educational suppliers include:

- **Public schools** financed by tax dollars and directly accountable to democratic political processes.
- **Private independent schools** financed by private tuition payments and charitable endowments, and accountable primarily to their Boards.
- **Parochial schools** created to provide a religious education alongside an academic education.

It even includes a small (but growing) number of parents who decide they would like to accept the responsibility for *homeschooling* their children. And today it also includes a number of *for-profit enterprises*—most of them providing supplementary services such as tutoring or test preparation, but some offering a comprehensive educational program designed to compete with the other main suppliers.[2]

The Complex Financing and Loose Governance of the Nation's Educational Sector

[1] Source: https://nces.ed.gov/fastfacts/display.asp?id=372

[2] This list includes organizations that deliver the final educational services to learners. Behind these final suppliers is a large "supply chain" of other organizations that supply inputs into the educational system including textbook publishers, tech entrepreneurs, teachers colleges, and so on. There are also organizations that attest to or certify the quality of educational services such as auditors, professional accreditation agencies, and those who develop and administer tests of academic achievement. These organizations often have as much impact on the future performance of the system as the organizations that deliver the final, client-facing services.

While each kind of educational supplier has its own methods of financing, governance, and management, the set of educational suppliers is loosely knitted together into a complex national educational supply system through an overarching structure of laws, financing mechanisms, and governance processes created at federal, state, and local level. To say that the system is "knitted together" is not to say that it is centrally managed—merely that the many different suppliers are intertwined in a dynamic, interactive system in which the actions of some kinds of educational suppliers can have a profound indirect effect on the actions and accomplishments of other kinds of suppliers, and on the overall performance of the whole system. The result is that the overall performance of the national system with respect to national educational objectives will be determined partly by the *direct* effects of each kind of supplier on their students, and partly by the *indirect* effects that the different kinds of suppliers have on one another and the choices that the leaders of those suppliers make about how they will interact with one another.

It is worth looking in more detail at each element of the structure of the existing system, and the way the different parts of the system are being influenced by the complex swirl of policy decisions taken at different levels of government and individual choices being made by parents and children about what kind of education they desire. Those decisions define the means of financing the system, and (not incidentally) the values to be produced by the sector as a whole. What path the nation's educational sector will take going forward remains unclear, but it is clear it will depend heavily on the leadership and strategic commitments of Public School Superintendents.

The Public School System

While one can speak of a nation-wide public investment in a national system of public schools, the so-called "national system" is, as noted, actually a very loosely connected set of quasi-independent institutions that share both the financial costs and the rights and responsibilities for supplying educational services to the nation's school-aged children. Of course, government not only (at different levels) finances, governs, and directly provides the vast majority of educational suppliers in that national system, but also heavily *regulates* the character of the education provided within the *privately* financed sector. These facts make the sector as a whole one that is dominated by government money and regulation, but that does not mean the structure that directs and controls these schools is *centralized*.

The Impact of Federalism and the Separation of Governing Powers

In fact, the combination of a federal constitutional structure and an enduring political culture that distrusts centralized authority guarantees that the nation's public school system will be broadly decentralized and diversely financed, governed, and managed. The nation's educational system reflects structural divisions that give financing, governance, and management roles to all three levels of government: federal, state, and local. In this structure, local government units are typically the most influential, but their choices are more or less heavily influenced by financial and policy choices made at the higher levels of government – particularly the state level.

The governance of the educational system is also divided across the three branches of government. Executive branch agencies at federal and state levels are relatively more important than legislatures and courts. But those executive branch agencies are accountable to the legislative bodies as elected representatives of citizens and taxpayers. They depend on elected legislatures both for financial resources and policy guidance as to the collectively desired ends and preferred means of achieving educational objectives. They are also accountable to courts for their effectiveness in guaranteeing constitutional rights granted to parents and students and their use of authority in defining the rights and responsibilities of students and rationing access to public schools.

Local Structures of Public School Governance

The governance of local school districts is usually granted to Local School Boards. In keeping with the desire to create community legitimacy through local democratic control, members of these Local Boards are usually directly elected rather than appointed by elected political executives such as county commissioners or mayors. As such, the Local Boards act as a kind of legislative body representing the educational aspirations of individual citizens, taxpayers, parents and students.

But these Local Boards have powers that legislative bodies do not usually have over government operations. They often appoint the Superintendents, and, while they delegate to the Superintendents much of the authority to manage the day-to-day operations of the school system, they generally keep pretty close tabs on how Superintendents manage the financial assets under their control, the staff that they direct, and the physical assets they are responsible for keeping in good repair. They want to know not only what is being done, but also what purposes are being pursued, what policy changes Superintendents are contemplating, and what potential crises may be on the horizon. They want to know about these things in advance, and to demand accountability after the fact.

This close oversight differs in degree from the kind of oversight that a political legislative body ordinarily gives to an executive branch agency. Ideally, the Local Board and the Superintendent operate more as a strategic management team, with some understanding of the boundary between "policy" concerns (which are the proper focus of the Board) and "operational matters" (which are within the discretionary responsibility of the Superintendent).

But given the structural arrangements, the potential conflicts generated by the competing ends of education and the contested means for best accomplishing those ends, there is a good chance that the Local Board will often find itself in conflict with the Superintendent about the ends or means or the costs of the educational system. There is perhaps an even greater chance that the members of the Local Board will themselves be divided, with the Superintendent in the awkward position of having to align herself with a particular faction on the Board. In the midst of such conflicts, the supposedly clear boundary between policy and management, between strategic guidance and micro-management, and between the prerogatives of the Local Board and the prerogatives of the Superintendent become more blurred and contested than they are in other legislative/executive relationships.

The Influence of Higher Levels of Government

The governance of local school districts is further complicated by the fact that federal and state government depend on the local public school systems to achieve the purposes they have in mind, and there is no guarantee that their purposes will line up with local aims. When federal or state governments allocate funds for local educational purposes or pass laws regarding the use of particular standards or assessments, they are not ordinarily creating a whole new system of educational suppliers; they are, instead, bringing financial incentives and regulatory authority to bear on the operations of existing public schools. Thus, Local School Boards and Superintendents have to decide whether, and to what degree, they will adapt their purposes and methods to the policy goals of the higher levels of government as well as to the different aspirations represented in their local community.

The Parallel Structure of the Private School System

The public school system has always had a parallel system of privately financed, produced, governed, and managed schools running alongside it—education suppliers that do not rely on

taxpayer dollars and are not subject to democratic oversight processes. Indeed, this system of *privately* financed, governed, and managed schools *preceded* the development of the public school system, and remains an important element of today's educational system—a reminder that parents and students can always have a choice about education if they are willing and able to provide it for themselves without relying on public dollars. Today, we know these schools as private schools, parochial schools, or homeschools, or (sometimes) for-profit educational suppliers.

It is easy to call this parallel system the "private" school system since it is privately resourced and privately governed. But there are some important aspects of this parallel system that give even this part of the nation's educational system a *public* character. For one thing, these privately funded and operated schools take on some of the burden that the government would otherwise have to carry of producing the educated population that the collective desires.

In doing so, the private educational suppliers have an important direct and indirect effect on the overall social outcomes produced by the combined educational system. The direct effect is straightforward: insofar as the private sector claims a part of the educational sector as a whole, the performance of the sector as a whole will be shaped by the results that the private sector can produce. This is true not only when the system is being assessed in terms of the academic achievement of individual students, but also when it is being assessed in terms of the aggregate characteristics of the system such as the overall distribution of individual academic achievement, and the degree to which initial differences in social and economic conditions are being overcome.

The indirect effect is a bit harder to observe, but potentially more important. It comes from the various effects that the operations of the private school system can have on the public school system. The private and public parts of the system are not independent of one another; they rub up against one another, with each influencing the conditions that the other confronts and the methods they rely on to achieve their (potentially different) educational objectives.

On the positive side, the private education suppliers can produce educational practices that public suppliers can use, and vice versa. Further, insofar as the private education suppliers attract students from the public suppliers, the competition for students may encourage public providers to improve their performance (at least as it is judged by parents and students choosing particular schools).

On the negative side, the private suppliers can change the population of parents and students who stay within the public school system. If the private system attracts those parents and students most interested in education and best able to take advantage of educational services, it is possible that the educational task before the public education suppliers will be more difficult, and that the overall willingness of a community to support public schools designed to meet the needs of—and ensure equal opportunity and access to—all children in the community will be undermined.

Public Concerns About and Influences on the Private Educational System

These observations suggest that there are well-founded *public* concerns about the size and character of the *private* part of the national educational system. It follows that the *private* education suppliers remain to some degree under the scrutiny and influence of government.

Much of what governments (acting for society as a whole) do supports private educational efforts and recognizes their potentially beneficial impact on the national educational system. The government protects the constitutional rights of individuals and voluntary associations to establish and operate schools and offers relatively easy rules of incorporation for establishing a publicly recognized educational supplier. Government also gives private education suppliers tax exemptions

on property they hold and income that they earn above the costs of producing the services, and offers tax exemptions for individuals who contribute financially to the private education suppliers and financial guarantees for bonds the suppliers would like to secure. All this recognizes the fact that the private suppliers have voluntarily assumed a burden that the state would otherwise have to take on.

But government also imposes some obligations on private education suppliers. To be recognized as an institution with rights to hold property, make contracts, etc., private education suppliers have to incorporate as some kind of legal entity—a non-profit organization, a community association, a co-operative partnership, or a privately held profit-making entity. When they do so, they secure the privilege of using public courts to defend their private rights. But they also become subject to many social regulations that apply to all legal organizations in the nation in areas such as labor relations, worker health and safety, environmental protection, and non-discrimination, among others. They will also be subject to special regulations governing organizations that have close contact with children. And, to the degree that the private education suppliers want to have their activities certified as providing quality educational services, they will have to submit to inspection and review by public certification boards that will investigate the content of their curriculum and the suitability of their pedagogic methods.

Competition for Students, Public Support, and Dollars Between the Private and Public Sectors

At the core, the impact of the private educational sector on the overall performance of the educational system comes from the fact that these two systems will always engage in a more or less muted competition—for students, for social legitimacy and support, and for both private and public dollars.

In competing for *students*, taxpayer-financed public schools enjoy the advantage that students may attend for free. But they may be unable to provide educational services that meet all the particular desires of parents and students, or accommodate all the particular needs (and opportunities) of a diverse student body. Public schools have a mandate to achieve public purposes that include providing roughly equal services to all students and providing special services to those who have different needs rather than meeting the particular aspirations of parents and students. If individuals are willing and able to pay the price of a private education, they might be able to get more of what they want in an education for their individual child.

In competing for *public support*, public schools can claim a commitment to ensuring equal educational opportunity, producing the kind of citizens our democratic society needs to flourish, and overcoming the problem of intergenerational inequality. But they face the difficulty that not all taxpayers benefit directly from public education, and that the social purposes linked to public education might not motivate these citizens to support a generous allocation of tax dollars to public education. Private schools have the advantage that they respond to the needs of individual customers, but they face the difficulty that the particular form of education they are pursuing might not be consistent with the best kind of education to support a democratic society for the future.

In competing for *dollars*, public schools have the advantage of being able to tap public taxes to support them. But, as noted, they face the difficulty that citizens and taxpayers may prefer to shift the cost of education to parents and students, whom they see as the principal beneficiaries. Private schools face the difficulty that they have to find a way to meet the high costs of providing educational services at a price that at least some parents can afford.

Competition between the private and public parts of the national educational system is not primarily a matter of the *attitudes* that the leaders of these systems take towards one another. In fact,

the leaders of these systems often try to collaborate as much as possible. Their aim is to exploit their interdependence for mutual advantage in seeking to produce an excellent, high performing, national educational system. Yet, even if they seek to collaborate, they still find themselves in competition for students, funds, and public support. Collaborative attitudes can mitigate the competition between private and public educational suppliers, but competition is inherent in their functional interdependence as they seek to recruit parents and students, develop public support for their efforts, and increase funding for their particular enterprises.

Finding the Right Balance Between Fully Private and Fully Public Educational Suppliers

At any given moment of history, the balance between the fraction of school-aged children being served by private and public education suppliers is set at a particular level: we can observe the market share of the private and public elements of the system in meeting the desires and needs of school-aged children. It might seem that this is a stable equilibrium that will not change much over time, but history suggests otherwise. For example, one of the consequences of large-scale immigration at the turn of the century was to create the basis for private schools organized around religious and ethnic identity. Similarly, desegregation policies in both the South and the North led to significant increases in the share of students who were educated through private rather than public schools.

So, the existence of the private educational sector acts as a kind of "safety valve" for the nation's educational system. It is always there as a refuge for those parents who are not satisfied with the services provided in public schools (assuming they can pay for the option, or organize a voluntary association to provide the service relying on voluntary effort, or provide the services themselves). Having such a safety valve has its advantages in organizing a national system of educational suppliers. Indeed, it is hard to imagine how to prevent such a system from arising even if one wanted to. One would essentially have to prohibit individuals from choosing private options for educating their children.

But there is also a potential problem with having that safety valve available. Each student attracted to the private system transforms their parents from individuals who are beneficiaries (and presumably willing supporters) of the public school system into individuals who are being asked to pay twice for the education of their children: once when they pay their tuition, and again when they pay their tax bill. Ideally, of course, one would hope that those who paid extra for the education of their children would value the education of *all* children enough to pay for that as well, as many parents do. But one doesn't have to be a complete cynic to see that for parents paying private school tuition, enthusiasm for the support of public schools that their children do not attend might well wane over time.

As important, perhaps, when a parent chooses a private school for their child, their active engagement in the public school system tends to wane. They are no longer among the local citizens and taxpayers who are motivated to call the public schools to account through individual complaints, or more collective and general requests for the schools to explain their policies and practices. If anything, they may become a group that wants to reduce spending on public education given that they are no longer benefitting from it. As a consequence of these trends, the overall legitimacy and financial support for local public schools may go down, and with that, the performance of that system for those who remain.

To understand how this mechanism works, it is useful to refer to the work of a political economist named Albert Hirschman who once wrote eloquently about the different processes that societies could use to shape the performance of their large institutions.[3] One method he called *exit*: the threat that if an institution failed to meet individual needs, those individuals would withdraw their support from that institution. If enough individuals withdrew their support, the institution would collapse and be replaced by another institution that could garner more support. This is the primary method that a market economy relies on to ensure responsiveness to customer demands.

The other method he called *voice*: the idea that if individuals were dissatisfied with the performance of a given social institution, they would not simply withdraw from future engagement, but would sustain their engagement and give voice to their complaints, hoping to guide the underperforming institutions in a desirable new direction. This is the method that democratic polities principally rely on in trying to shape the conduct of enterprises operating in the public domain.

Hirschman believed that a preference for *exit over voice* revealed an unjustified "economic bias" in the design of productive social institutions. Writing specifically about the educational system, and against Milton Friedman's proposal to finance and govern the nation's educational system through the use of vouchers, he argued as follows [italics are ours]:

> In the first place, Friedman considers withdrawal or exit as the 'direct' way of expressing one's unfavorable view of an organization's performance. A person less well trained in economics might naively suggest that *the direct way of expressing views is to express them*! Secondly, the decision to voice one's views and efforts to make them prevail are contemptuously referred to by Friedman as a resort to 'cumbrous political channels.' But what else is the political, and indeed the democratic, process than the digging, the use, and hopefully the slow improvement of such channels?[4]

An important implication of this idea is that, if our society relies increasingly on *exit* to impose its will on social institutions rather than *voice*, then reasons to exercise *voice* will diminish over time. And with that, any collective discussion about the overall purposes of education—not only for students and parents, but also for society as a whole—might well wither in vigor and focus. The consequences of that, in turn, could be the collapse of a public capacity to influence the character and scope of the national educational system at federal, state, and local levels.

From this perspective, then, one has to see private and public education providers as linked to one another in ways that could strengthen or weaken the performance of the other kind of suppliers along particular dimensions of value (including both individual academic achievement and wider social goals such as the assimilation of immigrant groups or a reduction in intergenerational poverty). If one sector falters, and the other sector does not pick up the slack, the overall performance of the combined national school system may also falter. Depending on how policy makers at different levels of government and management work their levers, then, the overall performance of the national system in promoting both individual educational achievement and wider social goals to create a good and just society through education may vary a great deal.

Publicly Financed Individual Choice of Schools

[3] Albert O. Hirschman (1970), *Exit, Voice, and Loyalty*

[4] Hirschman

Generally speaking, with the exception of some unusual historical periods, the balance between publicly financed and provided education on one hand, and privately financed and provided education on the other, has remained fairly stable. Over the past decade or so, even as the "market shares" of public and private educational suppliers have remained about the same, one key feature of the private school system has made steady, significant inroads into the public school system. That element is the extension of choice.

In the past, public school systems assigned children to schools primarily on the basis of geography. Elementary school children were sent to "neighborhood schools" that were close to home, and included individuals primarily from their immediate neighborhood. High school children were sent to larger schools which were on average more distant from homes than elementary schools, but were still defined largely in terms of geographic boundaries.

In such a system, parents and children always had a choice to make (at least in principle): they could go to the assigned public school or to an authorized private school. But if they opted for a public school, they typically got the school that "the district" thought the child should attend. This idea often aligned with parental and student preferences, but was problematic when and where there were significant differences among public schools that were supposed to be equal. Whether parents and students had a choice about which public school to attend became an important question affecting both education quality and equity. Parents and students in the public school system, as well as those who were advocating for "competition" among schools as a way to improve both the variety and overall performance of different schools in the public system, began to demand choice among different public schools.

Individual Choice in Public Schools

At one level, the idea that parents and students should be able to choose the public school they attend seems unassailable. On this view, parents and students are the *customers* of the system and therefore in the best position to know what is best for them in education. There is the additional advantage that parental choice could create some competitive pressures that would motivate educational suppliers to lift their game—to provide more quality per unit of cost, or to differentiate themselves in ways that would respond to different wants and needs among parents and students, or some combination of both.[5] These are the familiar views of a market ideology being brought into the sphere of education: customers know best, and competition reduces costs and generates differentiation designed to serve individual customer demand.[6]

But a different view would start with this simple idea: to the extent that public dollars are being used to pay for educational services, the public ought to be able to articulate and advance its collective, public purposes as well as the individual purposes of government beneficiaries. While this idea also seems self-evident, it may conflict with the principle of individual choice for a simple but important reason: *public purposes will not always be aligned with those of parents and students*. To make the most obvious point, parents might well want to spend a great deal more public money on the education of their children than taxpayers would choose to provide. Somewhat less obviously, citizens, in whose name both the money and authority of the state are deployed to provide for the education of all children, might well have purposes they would like to achieve through the educational system that differ from the particular desires of individual parents. Again, to take the

[5] Joseph Schumpeter

[6] Paul Peterson

most obvious point, individual parents may want to educate their children in religious traditions that emphasize the evil of other religions while the public purposes might insist on the principle of religious tolerance. On this view, both public dollars and public authority come with strings attached *precisely designed to advance public purposes that might well be neglected in the choices being made by individual parents and students*. In essence, when public funds and public authority are being spent to produce a particular result, it is the public – not the individual – that knows best about what it wants to produce, and is in the best position to ensure that it gets what it wants. In essence, the collective public rather than the individual client has in the past become the appropriate arbiter of public value.

As noted above, the movement for school choice can be traced back to Milton Friedman's proposal to use public vouchers granted to individuals to purchase educational services for their children.[7] Adoption of this idea would decisively resolve the question of who should be the arbiter of value in public education in favor of individual parents and students. While there might be some state regulation of educational suppliers to ensure their competence, the public acting through the state would be pushed away from any important role in deciding what was going to be taught in what way to which students. Parents and students would decide this. And the government would pay to provide whatever they decided. To the extent that the society sought to influence the overall level, distribution, and kind of educational services and outcomes produced, it would have to be done in deciding on the size and distribution of the vouchers, restrictions on the purposes for which the vouchers could be spent, and any regulations defining what counted as an educational service that would justify government paying the voucher.

The movement to fund all educational services in the United States through publicly financed vouchers was stalled by: 1) constitutional questions focusing on whether public dollars could be used to finance parochial schools, 2) financial questions about how big the voucher would be and how many individuals would receive this bounty, and 3) political questions about what level(s) of government would have to act to implement this system. But while the larger movement stalled, the principle of choice as a method for improving the performance of public schools made deep inroads and has now become central to the national conversation as a result of our last presidential election.

Community Schools and the Public Assignment of Students to Those Schools

The public school system's longstanding tradition of educating children in neighborhood schools was thought to be in the interest of developing a strong public education on two grounds. First, proximity to residences would provide a convenience to both parents and students who had to find a way to get to and from school. Second, and more importantly, it was both hoped and to some degree assumed that the neighborhood schools would become the focus of what we now call "social capital development." Neighbors would have a common interest in ensuring that "their" school was well resourced, well managed, and focused on achieving the educational goals favored by the local community. Viewed in light of Hirschman's schema, this created a system that favored *local community voice* as a control mechanism over both city-wide and individual choice.

The challenge facing public school administrators was to ensure that each of these schools provided the same basic quality of education, and therefore that they looked and operated pretty much the same way. There could be some variation to respond to some local community differences and some accommodations for the different needs of individual students, but the overall jurisdictional goal was to be sure that the schools provided equal access to high-quality educational

[7] Milton Friedman (1962), *Capitalism and Freedom*

services everywhere. If everyone was basically getting the same thing, there would be little reason for individuals to want, or school officials to provide, differences in educational services. This was particularly true if what was being delivered was known to be the best possible, professionally defined services to students.

Unfortunately, even though this system was built to ensure equality in educational services, it could not fully succeed in this ambition. The reason was that the system could not shape individual choices about where families would choose to live. Nor could it guarantee equal commitment and capacity among communities created by individual residential choices. And, since the system was set up to allow local community voice and capacity to influence the character of local schools, the actual performance of the system tended to vary from one community to another. Those with strong interests in public education and a strong capacity to assist went to communities where others were equally committed and able. As a result, their local schools, working with the benefit of vigorous local voices, began to perform differently and generally better than schools in other communities within the same local jurisdiction. Many have observed on how this development replicated in the public school system benefits and harms of the obvious and sometimes hidden structures of race, class and identity in our society.

That, in turn, created inequalities observed at both the individual and the neighborhood school level. There were many students assigned to neighborhood schools who were receiving, on average, a worse education than those assigned to other neighborhood schools. And many in the relatively deprived schools noticed. They could have banded together to use their collective *voice* to raise standards across the whole system. But they could also want to use their right to *exit* by choosing a less convenient but higher quality school in a different neighborhood. The public school system had given a kind of choice to *communities*, but not to *individuals*. And the differences that arose at the community level had created inequalities at the individual level which could be solved either by giving *voice* at the jurisdiction level and raising all public schools, or by creating a safety valve within the public school system itself: an individual choice mechanism across publicly funded schools. One would not have to pay to go to a school of one's choice; one could choose from among many different public schools.

Charter Schools and Magnet Schools

The idea that individual parents and children should have choice not just between public and private schools, but also *within* the public school system gave rise to two new kinds of educational suppliers. The first, and in many ways, most dramatic, was the charter school. The idea of the charter school was that public authorities would grant private organizations a charter that would authorize them to teach public school students. In exchange for teaching these students, they would receive a payment roughly equivalent to the average cost of teaching students in the public school system. To receive and maintain their public charter, these publicly financed but independent schools would have to meet educational standards set by either state or local government. Charters could be withdrawn if the charter schools did not perform to publicly established specifications.

The second, less dramatic, but potentially more important development, was the idea that in response to the demand for choices within the public system, public schools could begin to design and differentiate themselves to be attractive to particular parents and students. Increasingly, public school systems began allowing parents to apply to particular schools in the system, and would then decide on different bases whether and how those choices could be accommodated. Many used random assignment to allocate spaces in over-subscribed schools to ensure a certain kind of equity in terms of who got to go to the favored schools. At the same time, many public school systems began developing "magnet" schools, particularly at the middle school and junior high and high school

levels. These magnet schools were not supposed to differ in terms of their ability to help students achieve in fundamental academic categories, but could focus on different kinds of student interests and talents and rely on different kinds of pedagogies to achieve their (mostly similar) educational objectives.

The charter school and magnet school responses are different in many respects. The authorization of charter schools is a decision that is often made at the state level. The decision about whether to allow parents to apply to send their students to a particular school in the public school system is usually made at the local level. The schools that emerge as charter schools are privately operated, and therefore often free to recruit and develop their own teachers (subject to public certification rules). The magnet schools remain a part of the public school system and its various policies including its labor contract. The charter schools face the risk of both educational and financial failure if they cannot attract enough students. The magnet schools face equal risks in educational terms, but probably less in financial terms, since they can always return to being a public school.

Individual Choices Funded by Public Dollars

Yet, despite the differences it is important to see the important similarities in how these efforts have aligned themselves with the idea of choice, and the particular ways in which these developments challenge some of values and assumptions of the public school system within which they have now found a home. What makes them similar is that both methods *allow individuals to make public expenditure decisions about the best use of public dollars to achieve educational results*. In both cases, individual parents and children can choose (with more or fewer restrictions) which school they would like to attend to advance their individual educational objectives. In both cases, public dollars will follow those choices: public payments on a per-student basis in the case of charter schools, and re-allocations of public spending on particular schools in the case of magnet schools. Thus, the public has shifted both the privilege and the burden of acting as the arbiter of the value of education to the individual parent. This fundamentally shifts the system of governance and accountability for the use of public funds for education, with quite uncertain consequences for the ultimate performance of the system reckoned against both (private) individual and collective (public) goals.

The fact that public dollars follow individual choices differentiates both charter schools and magnet schools sharply from traditional public schools that served students in particular geographical areas and were presumed (or at least aspired) to be essentially identical to one another. It also profoundly changes the incentives of these publicly supported education suppliers. Instead of trying to provide the same education everywhere in the interest of equity, and to advance collectively defined educational purposes, both charter schools and magnet schools are motivated to differentiate themselves from one another, and to meet the individual desires of parents for the education of their particular children.

One way to understand the addition of these hybrid educational suppliers to the traditional distinction between public and private educational suppliers is to see that these hybrids represent an effort to reconcile the different *public* purposes we have for education with the fact that education is also a *private* good and service that could benefit from being responsive to individual parental desires. On this view, the public concerns are addressed through the uses of tax revenues to provide the financial basis for the system. To the degree that the public wants to increase the level of educational service beyond what would be provided by a free market and to the degree that the society wants to make access to and use of educational services more equally distributed, those purposes can be achieved by providing tax-based financing for the national educational system. Since the hybrid organizations are financed by tax dollars, they can be seen, and will be managed, as part

of a national system that is trying to increase and equalize the consumption of educational services by school-aged children.

On the other hand, to the degree that the society wants to make educational suppliers responsive to the desires of parents, and to create some competitive pressures among schools that would motivate them not only to develop new educational services to meet niche markets, but also to find high-quality educational services for mass markets, turning over some of the power to determine the value of educational services to parents can help achieve these results.

Risks and Potential Benefits Associated with Adding Hybrids to the Mix of Educational Suppliers

The net result of these developments is that the current national educational system, as it appears in the nation's local communities, consists of at least three quite different kinds of educational suppliers:

- publicly financed, publicly managed suppliers teaching geographically assigned students;
- privately financed, privately managed suppliers teaching students who pay tuition or win scholarships to private schools; and
- publicly financed, publicly or privately managed schools teaching public school students who select that particular public school.

As noted above, these variants represent a well-intentioned effort to align public values pursued through education with private values. They also represent well-intentioned efforts to combine the virtues of democratic governance and bureaucratic accountability with those virtues of the market that can respond to different educational aspirations and promote innovation through competition. But there are three potential risks in relying on this complex system to achieve important educational objectives.

The first is that even greater differences in the quality of education received by students could arise than those that appeared under the old public system. This would be true if parents were differentially motivated and financially able to steer their children to the best schools. The existence of private schools creates some significant inequalities in access, with many children priced out of the private schools. While charters and specialized public schools can help eliminate the bias that arises from different parental capacities to pay tuitions, some other forms of bias might emerge. It may be difficult for some parents and children to arrange the logistics of getting the children to the better schools on a daily basis. It may be that those who are helping children and parents make decisions about schools are not particularly well informed, or particularly committed to ensuring a high quality education. To the degree that this is true, the increased standing given to parental choice might lead to more inequalities rather than overall improved performance.

The second worry is that overall public support for education might well diminish over time. We have already noted that when a parent chooses to send their child to the private system, their support for public education is to some degree diminished. It is less obvious, but quite possible that when education is viewed as a service purchased by individuals with government money, that the public character of education will be obscured. Once there is a per pupil fee that is paid to educational suppliers for students attending the school, the public conversation may focus narrowly on the appropriate size of that fee. That is a much different conversation than one that focuses on what we all might have at stake in the overall level and quality of public education.

The third, related worry is that educational services efficiently delivered to individuals according to their particular aspirations might not actually meet the somewhat different standards for an educational system that a deliberative citizenry asking themselves what they would like to produce through their publicly mandated and financed educational system would set. No doubt, parental aspirations for their children and community aspirations for educational outcomes will align fairly closely. Everyone will want their children to learn reading, writing, and arithmetic, and so will the citizens and taxpayers. But there are other important values on which the community and the parents might well disagree. For example, parents might disagree with other taxpayers about what constitutes a desirable school day or year or student-teacher ratio. It is also quite possible that parents and community might differ on the relative emphasis to be given to sports, arts, humanities, and science or to vocational training versus college preparedness. And perhaps most importantly, parents and community might differ on how much importance they attach to aggregate characteristics of school performance such as success in moving all children across specified levels of achievement, or in providing for the needs of students with special needs or special talents, or in closing gaps among different population groups.

Altering the balance among different kinds of educational suppliers and enabling more parents to choose from a wider menu of choices is undoubtedly transforming the national education system, and particularly the large, urban school districts that seem most challenged in terms of their capacity to meet both collective and individual aspirations. The risks are real, but so is the potential for significant benefit. We might get not only increased responsiveness to individual parental desires, but also improved performance with respect to cost and both the quality and equality of educational opportunity and results. The fact of the matter is that the national school system has begun a march on an unknown path into the future.

The Latent Capacity for Adaptive, Strategic Leadership in the Office of School Superintendent

The complex structure and dynamics of the national education system create many different platforms from which an imaginative, skilled, and determined individual could launch significant reform efforts. Some of these could be located in the political and policy-making world where federal and state legislatures shape the financing, governance, and management of the system. Others might be in the entrepreneurial world of educational suppliers who develop specific ideas, products, and services that might improve the performance of the nation's schools, and hope to ride a professional endorsement or market tide to a significant improvement in educational performance. Still others might be the chief executive of a system of private schools designed to appeal to particular groups of parents, or to demonstrate the power of a particular kind of pedagogy that could spread to public schools as well. Or, one could be a teacher who wanted to create a charter school and show what his or her methods of instruction could do if applied across a whole school, or a public school system, rather than in one classroom.

But among these positions for system leadership, one should not ignore the potential role that Public School Superintendents can play in shaping the development of the sector as a whole. They do this in essentially three different ways:

- Managing public schools for excellence, individualized instruction, continuous improvement, and effective community engagement;
- Shaping the terms of their competition and collaboration with competing educational suppliers;

- Participating in local, state, and national policy debates about the values to be achieved through the nation's educational system and the private and public means used to advance those goals.

Managing Publicly Owned and Operated Schools for Excellence and Effective Community Engagement

The first and most important thing a Public School Superintendent can do to influence the future development of the national educational system is to run the schools currently entrusted to them with determination and excellence. They continue to control the most assets explicitly directed towards the education of children. They continue to be responsible for the education of most of the students. They continue to face the greatest challenges the nation's educational system faces in its poor urban and rural areas. Indeed, without wanting to point fingers, one could reasonably say that if the nation's Public School Superintendents, and particularly those in the most demanding public school systems had been able to achieve the ambitious goals set for them with the limited resources made available, there would be much less of a challenge to the dominance of the system that was built on them and the guidance they received from Local School Boards. And it remains true that the better they do in meeting today's challenges, the more the overall system will improve, and the more secure the place of public schools will be in that system.

To meet the operational challenges facing School Superintendents, they must experiment with many new methods for meeting the educational needs of their diverse student bodies. They have to find ways to create individualized instruction within a bureaucratic framework that can also continue to deliver a basic set of high-quality core services to all students. They have to find ways to experiment with new curricular materials and new pedagogies that can not only teach creative problem-solving skills, but also keep children from many different backgrounds and with many different hopes for the future engaged. They have to find ways to attract, support, and retain committed, outstanding teachers. They have to find ways to create safety and order in schools even as they try to end the school-to-prison pipeline in poor urban communities.

Beyond the operational challenges, however, lie the political challenges of engaging the community within which the schools operate and yield results. That challenge lies at the jurisdiction level where the entire population of citizens, residents, taxpayers, voters, and parents have to be mobilized to give their moral, political, and financial support to the values of public education. It also lies at the individual school or neighborhood level where parents and those living around the school buildings might be forged into an effective "children's zone" where many different individuals in different positions, but particularly in schools, are looking after the well-being of the children attending the schools. And it lies at the individual level where schools have to respond to parental concerns, but also engage them in the work of educating their children, and, if necessary, assist them in that task.

Strong, strategically managed public schools have to be the first contribution that Public School Superintendents make to the future. Their success in running their schools will continue to be the driving force for educational improvement over at least the next decade or so, and probably beyond. It is these challenges that were addressed in the note entitled "Creating Public Value: School Superintendents as Strategic Managers of Public Schools."

Shaping the Terms of Competition and Collaboration with other Educational Suppliers

Current trends suggest that Public School Superintendents will also play a role in influencing the performance of educational suppliers whom they do not directly manage. The pressures to create more charter schools will continue. Efforts to use public financing to support what were previously

viewed as independent schools or parochial schools will also continue. To some degree, Public School Superintendents can influence these trends, partly by accelerating improvements in public schools as suggested above, and partly by participating in the policy discussions at local, state, and national levels which will authorize or mandate the expansion of these other components of the educational supply system. Whatever the outcomes of these policy debates, Public School Superintendents will end up playing one of two roles in influencing educational suppliers that are not directly managed by them.

For the most part, the residual authority and responsibility for organizing and financing school systems lies with the states. It is state courts that decide what constitutes equal access to education. It is state legislatures that decide whether and how state taxes will be used to support local education. It is state legislatures and executive branch agencies that decide to create public school districts as governing structures. And it is state government that can decide whether or not to grant charters to independent school suppliers.

States may or may not delegate some aspects of managing the relationship with charter schools to local Superintendents. Sometimes, then, School Superintendents end up with some authority to decide on the number of charter schools that will be authorized in a jurisdiction, how those schools will be allowed to recruit and enroll students, how much money the schools will be paid for students enrolled, whether that amount will vary as a function of the predicted educational needs of particular students recruited, whether and how they can use the physical facilities of the public schools, to what degree they will be allowed or required to use some of the administrative infrastructure of the existing school system to spend money, administer tests, qualify personnel, and so on.

Obviously, if School Superintendents are granted some degree of authority or influence over these matters, they will end up playing an important role in determining the conditions that these new educational suppliers face in making a go of it. They can use that influence generally to make it hard or easy for charter schools to succeed. But they can also use that influence to figure out how to use the distinctive competencies of charter schools in general, or those now operating in their district, to make the greatest contribution to the overall goals of education in that community. They cannot directly manage the schools for performance. But they can influence the way that the charter schools work within the larger system to produce desired results.

Even if the Superintendent does not have formal authority or informal influence over the policies that establish the conditions under which the charter schools operate, the Superintendent can influence their conduct by the way he or she manages the public schools under his or her direct management. Basically, Superintendents can choose to compete or collaborate with charter schools. That, in turn, will affect how much innovation occurs within the local school system, how quickly it is evaluated relative to parent or public views of educational innovations, and how rapidly the bad ideas are rejected and the good carried forward and scaled up to support greater success. It will also, of course, affect how the benefits of new schools and innovations are spread across the school-aged population. If the schools compete for particular students and concentrate on producing proprietary technologies for them, then the rate of innovation might indeed go up for that particular segment of students but produce little progress in other student segments. If, however, they collaborate in improving the performance of the sector as a whole, then innovations for all segments of the student population might occur and diffuse rapidly since no suppliers would have a proprietary interest in holding onto the new innovation. In either case, choices made by School Superintendents will affect the overall development of a system over which they have lost some, but not all direct managerial control.

Adaptive Leadership in State, Local, and National Policy-Making Roles

Even if local School Superintendents have little direct authority over the creation, financing, and resourcing of charter schools (let alone independent and parochial schools), they can and should have a strong voice in the local, state, and national debates that influence policy decisions about the structure, financing, governance, and management of the system as a whole. This is partly because they have stakes in the outcomes of those decisions and some political resources to influence the results, but also because they are experts with particular knowledge about what can and should be achieved through educational systems.

Probably the most important reason to consult them, however, is that they will inevitably become a vital part of the apparatus for implementing policy changes set at any level of government. If policy decisions begin to favor choice within public schools, or more charter schools, or to extend public financing to independent and parochial schools via vouchers, they will face the task of dismantling the infrastructure of public schools. They will also face the challenge of dealing with the parts of the school-aged population who are still not being served well by the new educational suppliers. If policy decisions begin to return responsibility to public schools, they will have to figure out how to make them work in today's conditions. The work of educating all the children will not go away.

In all likelihood, these policy-making roles will expose School Superintendents to political discourse of a wholly different type than the politics of local accountability. The discussions are likely to focus not only on how best to maximize educational achievement and stay within budget, but also important philosophical and value questions about how to use local educational systems to achieve broad social goals linked to the elimination of discrimination, the advancement of equality, and the encouragement of upward mobility that can reduce the degree of intergenerational inequality. Permeating these discussions will be concerns about how best to close persistent achievement gaps in the United States. Indeed, one of the most important reasons to consult them might be that it is they who take these collective, public purposes of education most seriously. There is nothing in the positions of those who lead other kinds of educational suppliers that forces them to be committed to these broader public purposes of education. They are set up primarily to satisfy the clients of the educational services.

These policy-making roles for local School Superintendents allow them to exercise some influence on how the national educational system as a whole might evolve in the future. Indeed, one of the most important strategic choices that local School Superintendents will probably make over the next decade or so is *not* just about the balance between charter and district schools in the public educational portfolio but about how much influence collective public values will continue to have in a world that has elevated the status of client choices over public choices. More specifically, it concerns the degree to which they will allow, promote, and enable choice for parents not only between private and public, and not only between charter and district, but also even among different district schools. This is important because the decision to give significant standing to individual choice is not just a choice about what schools will be the most efficient and effective in advancing the educational achievement of the students who attend them, but also about the degree to which desires to use the public part of the school system to advance important social purposes can be sustained as a vital force guiding the work of all schools supported by public dollars.

At the moment, there are very strong pressures at work supporting parental choice. Of course, parents always had a choice, if they were willing to pay the price, but the idea that the choices that parents make about schooling *will be subsidized with public dollars* represented something new. That idea was core to the idea of school vouchers, which ran into both constitutional and political problems for several different reasons, but it was still powerful enough to push into the middle of

publicly owned and managed school systems. There is a risk that too much emphasis on individual client choice for public education will profoundly change the nation's schools and their relationship to citizens and taxpayers in local communities.

There has always been a distributional problem in education even when it was predominantly a publicly financed, publicly governed, and publicly managed system. That system could not, without the help of courts and slowly changing cultural views, prevent schools from explicitly or implicitly discriminating against ethnic minorities – particularly African Americans. That system could not prevent, even with constitutional guarantees of equal access to quality education, a system that created significant economic and social inequalities that ran along the geographic lines of rich and poor local jurisdictions.

But it seems likely that whatever problems we have had in creating equality of educational access, let alone equality of educational achievement, those problems will be exacerbated by the advancement of school choice. To reach this conclusion, all that one has to assume is that the current parental desire and capacity to choose a better school for one's children (to say nothing of being able to get the child into that school and delivered to its physical location) is not evenly distributed across the population but runs along traditional class and race lines. If that were true, choice would tend to produce more rather than less inequality, even if it were also producing greater responsiveness to parental desires and improving the performance of many schools.

Strengthening the Commitment to the Public Goals of Education at Both Collective and Individual Levels

It doesn't have to be this way. It is possible that the capacity for prudent, educationally oriented choices is quite evenly distributed even now. Or, it is possible to imagine major efforts to make educational choice effective through mobilization efforts that would help parents understand what is good for their children and for the society as a whole, and the relationship between those ideas. But in the short run, at least, the likeliest effect would seem to be that inequality in educational quality would increase even beyond what we have seen in the past. The salutary effect of parental choice will not help everyone equally. And those who will not be helped by choice will probably be the parents and students who have had trouble finding a good fit in the past.

Local School Superintendents will inevitably be part of this continuing struggle over important public values and the best ways to organize society to achieve them. To the degree that they can produce excellence in publicly financed and publicly managed public schools and keep the dream of a quality education for all alive, they can dilute the drive towards school choice. To the degree that they can participate effectively in policy discussions that keep the public values of the educational system in the forefront of designs and evaluations of new arrangements, they can keep the national system from veering further from our shared aspirations for the performance of our national school system. To the degree that they can learn to accommodate the concerns of individual parents and students; learn from the variations in educational activities stimulated by those particular demands; and to do both within a system that seeks to help all students reach their potential; the performance of the educational system with respect to all goals should improve.

Summary

To sum up, it is important to see that those who occupy the office of the Superintendent of Public Schools have a significant, immediate, and latent power to influence the future development of the nation's educational system. That is located in three critical aspects of their position.

First, working with Local School Boards, they have significant influence over the publicly financed and managed part of the school system—still the lion's share of the national school system. This requires them to set and achieve increasingly high standards of performance for teachers and for students in the school. It requires them to find ways to both engage parents in the education of their children and make the school responsive to parental concerns and desires. It requires them to work with their teachers to find ways to adapt and innovate in their educational processes to meet the widely different and rapidly changing needs of the students who come to them. Depending on their capacity to do all this, they can help achieve our greatest hopes for the public schools they lead, and establish the position of public schools as a critical, high-performing part of the national educational system.

Second, Superintendents have to make a strategic calculation about whether and how far they want to go in the direction of promoting school choice within the context of publicly financed, governed and managed educational suppliers. They may not be able to make this decision on their own, but to the extent they have some authority to encourage or discourage the spread of charter schools or the diversification of schools within the public system, they will have to balance the desires and values of individual parents and students against the public values that might be lost in a system guided primarily by the choices of individual parents and students.

Third, to the degree they feel obligated to represent the public values associated with education and to the extent that they are viewed as expert, they have to be willing to exercise some public policy leadership in the forums within which educational policy is discussed and made. This includes but is not limited to policy discussions in their local communities. They will also have opportunities to participate in discussions at the national and state levels, and their voices will be important.

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