



AN EDUCATION AGENDA FOR 2016

CONSERVATIVE SOLUTIONS FOR
EXPANDING OPPORTUNITY

**Chester E. Finn Jr., Michael Q. McShane, John Bailey,
Frederick M. Hess, Katharine B. Stevens,
Diane Auer Jones, Kevin J. James, Andrew P. Kelly**

Edited by Frederick M. Hess and Max Eden



AMERICAN ENTERPRISE INSTITUTE

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Introduction

FREDERICK M. HESS AND MAX EDEN

Opportunity is the watchword of American conservatism. Our nation's creed presumes that every American has the right to strive to make the most of his or her gifts. That is why education is so foundational to the conservative project. Talk of opportunity, responsible citizenship, and earned success can ring hollow for Americans when they—or their children—are denied the opportunity to fulfill their potential.

Lousy schools rob their students of a full shot at the American dream, bolstering the case for redistribution and for the machinery of the welfare state. Overpriced, mediocre colleges bar the doors of advancement against working adults or middle-class students. Ill-designed pre-K programs do more to promote bureaucracy than to prepare young children for school success.

Given all this, it's astounding that conservatives have struggled to articulate a compelling, principled vision for K–12 reform. In the pages that follow, a number of leading conservative education thinkers try to offer up just that kind of vision. After all, conservatives rightly believe that education reform is most properly a responsibility of the states. The thing is, beyond a few sensible intuitions (like school choice and local control), conservatives haven't necessarily offered much in the way of a coherent vision for how they can solve real problems for real families in a principled way.

The real work of US education improvement must be tackled in states and communities. At the same time, the federal government is deeply engaged in higher education, plays a significant role in K–12, and spends billions on early childhood education. Many of these programs deserve to be cut back or eliminated, and even the

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existence of a federal education department is itself something that draws deserved skepticism.

The reality, though, is that conservatives have demonstrated no ability (and little appetite) to eliminate—or even substantially pare—the federal role. And polling suggests that 80 percent of Americans look favorably upon the Department of Education. Given that the federal government is going to be involved in education, conservatives would be well-served to embrace a legitimate, limited, deregulatory, and decentralizing federal role in schooling.

After all, from the Land Ordinance of 1785 (under the Articles of Confederation), to Dwight Eisenhower's 1958 post-Sputnik push on math and science, to Ronald Reagan's 1983 call to arms in *A Nation at Risk*, the federal government has established a compelling national interest in schooling. But Washington should limit its involvement to those things that it is uniquely equipped to do well, that are appropriate to its limited role in the federal system, and that don't amount to giving marching orders to states and schools. Boiled down, that amounts to an approach that can be summarized in four key points: educational options, transparency, research, and deregulation.

If you don't take the field, you cede it. We've seen the price of that in the past decade, during which reform-minded liberals have driven much of the education reform agenda. They have taken a host of conservative ideas, such as charter schooling and the value of academic standards, and spearheaded a nominally "bipartisan" national education agenda. It turns out, though, that an agenda shaped and executed by liberals will ultimately not be bipartisan. Thus, while some of the reforms the Obama administration has championed are admirable enough, the implementation of these ideas has been marked by an unprecedented expansion of federal authority and a remarkable faith in the ability of federal bureaucrats.

Now more than ever, perhaps, there might be the temptation for conservatives to throw their hands up in frustration. We counsel another course: conservatives offering a principled, conservative vision of school reform. It will mostly not be about Washington, but conservatives need to offer a vision of what role Washington should play (especially in higher education, where it already has

an immense presence). Conservatives need to offer an education agenda—for pre-K, K–12, and higher education—that explains what their principles mean when it comes to fostering opportunity and solving problems.

This volume tries to sketch such an agenda for a conservative presidential candidate and administration. It offers a simple proposition: that when it comes to education, there are many things the federal government ought not do and a few things that it's uniquely equipped to do well. By reining in the excesses of recent years and refocusing federal activity, conservatives can promote education reform that helps ensure everyone gets their fair shot at a slice of the American dream.

Bully Only From the Pulpit, Please

CHESTER E. FINN JR.

Across much of the political spectrum, the past several years have brought upset and backlash regarding the federal role in primary and secondary education, and a widening conviction that Uncle Sam should butt out and the 10th Amendment should be restored to primacy in the K–12 realm. In truth, though, it never really lost its primacy. With trivial exceptions, Washington does not run schools, employ teachers, buy textbooks, write curricula, hand out diplomas, or decide who gets promoted to fifth grade. Historically, Uncle Sam has contributed less than 10 percent of the K–12 budget. So his influence on what happens in US schools has always been limited and mostly indirect.

Yet as those limits have widened, the backlash has intensified. Over the half-century since Lyndon B. Johnson pushed the Elementary and Secondary Education Act (ESEA) through Congress, the uncle who lives on the shores of the Potomac has grown ever pushier, more certain that he knows best what American education needs and fonder of setting unattainable goals accompanied by ever-more-burdensome regulations.

It's true that most of this overreach is technically voluntary, since any states that forego the money to which the myriad conditions are attached would not be obligated to comply with the rules. But the funds are hard to resist. (In the civil rights realm, moreover, there is no resisting, as Washington's entanglement is not tied to federal dollars, nor is it voluntary.)

Contrary to widespread belief, federal overreach in the K–12 realm isn't exclusively the work of Democrats. Recent GOP administrations have done their share to invite today's backlash, as was

evident by January 2009 when George W. Bush left the Oval Office. It has grown worse since then, however, triggered primarily by a trio of executive branch moves that, however well-intentioned, have disquieted many.

Recent Exacerbations

The White House's Race to the Top initiative seemed like a good idea at the time, both because of the need for economic stimulus and because its policy priorities—more charter schools, higher academic standards, more-rigorous teacher evaluations, and so forth—were reasonably well-aligned with the bipartisan education-reform agenda of the day. It turned out, however, that Secretary of Education Arne Duncan's embrace of the Common Core State Standards and, more importantly, his nudging of states to adopt them, stamped "federal" in places where it absolutely did not belong and caused a truly voluntary, state-led effort to resemble a conspiracy by Uncle Sam to homogenize the curricula of 100,000 schools.

Duncan's No Child Left Behind Act (NCLB) waivers also began in response to a genuine problem, albeit one caused mostly by Uncle Sam himself when the goals and timetables he had set for schools in NCLB proved unattainable and Congress proved unable to agree on a legislative fix. But the Department of Education didn't settle for releasing states from unworkable obligations. Instead, such release was conditioned on states agreeing to Duncan's own policy predilections, which may have had some merit but which he had absolutely no constitutional authority to impose and which further tightened the regulatory screws on most states and districts.

Duncan's Office for Civil Rights has simply run amok these past few years, often in league with the Department of Justice, sniffing for whiffs of "disparate impact" in every corner of the schoolhouse and sending 25-page "Dear Colleague" letters offering "guidance" to superintendents that in fact contain poorly veiled threats of heavy-handed enforcement proceedings if school leaders don't conduct themselves as Washington thinks best.

No wonder there's been backlash. But let's not succumb to wishful thinking. The federal role isn't going away, the federal dollars aren't going to vanish, and the ancient federal roles of data gathering, achievement tracking, and civil-rights protecting aren't headed for the exit.

Let's focus, then, on what we can learn from experience about how Uncle Sam can be helpful—and harmful—in K–12 education.

Lessons from the Past

First and foremost, it's worth emphasizing that Uncle Sam is dreadful at micromanaging what actually happens in schools and classrooms and just as bad at making states and districts do specific things they really don't want to do. (If compelled or bribed, they may go through the motions, but they won't do the given task well, and the effort probably won't last once the money dries up or the pressure eases.)

What he's best at is setting agendas and driving priorities. Through a combination of jawboning, incentivizing, forbidding, spotlighting, and subsidizing, he can significantly influence the overall direction of the K–12 system and catalyze large changes in it, although the system is so loosely connected that these changes occur gradually and incompletely.

Such big directional shifts don't happen very often, which is just as well because the change can be wrenching, whether it's positive, negative, or mixed. Let's review some of the most important examples since Dwight D. Eisenhower's time.

The 1950s. One could legitimately cite Sputnik and the National Defense Education Act that followed, but the real education game changer of the 1950s was the *Brown v. Board of Education* decision and the public school desegregation that began in its wake. There's no need to rehearse the immense impact—moral, political, social, educational—of that epochal holding by the Supreme Court and so much that followed from it.

The 1960s. John F. Kennedy wanted to provide federal aid to K–12

education but, for various reasons—mainly church-state tensions—was unable to make much headway during his abbreviated term in office. But LBJ pulled off a historic version of it, embedded primarily in ESEA and the Economic Opportunity Act of 1964 (home of Head Start, Upward Bound, and sundry other programs).

The 1970s. The next decade saw the enactment and signing (with misgivings and forebodings) by President Gerald R. Ford of the Education for All Handicapped Children Act (now the Individuals with Disabilities Education Act), which righted another historic wrong by declaring that every disabled youngster is entitled to a “free, public education” in the “least restrictive environment.” Especially when combined with protections conferred by the Rehabilitation Act of 1973, public schools were henceforth obliged to educate disabled kids too, and to do so in ways that heeded their special needs.

The 1980s. Although nominally just a commission report, the publication of *A Nation at Risk* in 1983 told Americans that their country faced a crisis of educational achievement. It began to nudge the nation through a 90-degree change of course from the inclusion-and-equity focus of the previous quarter-century to the achievement obsession of more-recent decades, complete with academic standards, tests, and results-based accountability systems few American schools and school systems had ever before encountered.

The 1990s. The first-ever state-by-state results on the National Assessment of Educational Progress (NAEP) debuted in the 1990s, as did the first-ever reporting of NAEP results according to new performance benchmarks, or “achievement levels,” labeled “basic,” “proficient,” and “advanced.” This opened a new era of awareness of academic performance and fostered bona fide comparisons of state performance at a time when state-based reform was in its ascendancy and governors craved such comparisons.

The 2000s. The new millennium brought NCLB, an overhaul of ESEA declaring not only that every American pupil should become

“proficient” in math and reading but also that every school would have its school-wide and demographic subgroup performance reported, and that schools failing to make Adequate Yearly Progress would be subject to a cascade of sanctions and interventions. Although foreshadowed by 1994 legislation, NCLB really transformed the federal government from funder to would-be reformer, which also made Uncle Sam a regulator as never before.

The 2010s. The present decade opened with Race to the Top (2010), based on the hypothesis that sizable federal grants, disbursed via a competitive process, can indeed cause states to jump through reform-policy hoops that they likely would not otherwise have attempted.

More Harm than Good?

One may deplore some of these examples, but it's hard to deny that all were true agenda setters. America desegregated its schools with respect to both race and handicap and inaugurated big-time federal aid for education, initially in the name of equitable opportunity, now more targeted to achievement and gap closing. It devised new ways of assessing, judging, and comparing performance and prodded states to make politically difficult changes to reform a system that wasn't producing satisfactory results. Along the way, Washington also evolved from funder and equalizer into enforcer, regulator, and punisher.

Deplore them or hail them, one must acknowledge that none of these initiatives went as well as advocates hoped. Even worthy agenda setters can outlive their value, fail to keep their promises, turn into pork barrels or vested interests of their own, get carried away by regulation, or induce perverse consequences. Desegregation morphed into compulsory busing in many places, then into white flight and resegregation. Key Great Society programs (most conspicuously Title I and Head Start) yielded scanty educational gains. Special education is now its own sacrosanct, greedy, rigid, and costly enclave within public education. NCLB exposed learning gaps that

had long been masked by averages and may have boosted test scores a bit in the early grades, but has also become a symbol of governmental overreach and perverse consequences. And don't even get me going again on Race to the Top.

It may be that every impactful federal initiative contains the seeds of its own eventual undoing, either because it ossifies into rigid regulation, outlives its moment, or simply produces such strong backlash and side effects as to undermine whatever good it may initially accomplish. Some such efforts actually do more harm than good. Let's glance at two of the more damaging, recognizing as we do that these were also undertaken with the best of intentions by their promoters.

Bilingual Education. The United States has a long and honorable history of states and districts providing language instruction for immigrants—children and, often, adults too—but Washington didn't get involved until 1968. That year's Bilingual Education Act was entirely voluntary and simply offered modest funding to districts that wanted to provide English-language instruction for their Limited English Proficient (LEP) pupils.

Starting with the 1974 amendments to that act, however, the program changed in profound ways. All districts with LEP students were now *required* to operate special programs for them, and bilingual education was redefined as both providing English instruction and furnishing continued instruction in students' native languages. It would therefore no longer do to offer courses only in English immersion or English as a second language.

Although the ostensible rationale for this change was to ensure that youngsters could continue to learn math, science, and other subjects before achieving fluency in English, in reality bilingual education emerged as a separate fiefdom within school systems and began to be accused—fairly, in my view—of such sins as retarding immigrants' acquisition of English and nurturing constituencies for politicians who shared their ethnic and linguistic origins.

The George H. W. Bush National Academic Standards. From the 1989 Charlottesville education summit involving Bush 41 and all

the governors, there emerged a set of national education goals to be attained by 2000. One of these called upon American youngsters to “leave grades four, eight, and twelve having demonstrated competency in challenging subject matter including English, mathematics, science, history, and geography.”¹ A worthy-enough objective, absolutely, but a huge and mysterious challenge, too, considering that the US had no obvious way to define “competency,” nor did it have any gauge of whether “subject matter” in those five disciplines was indeed “challenging.”

In partial response, then–secretary of education Lamar Alexander, then–assistant secretary of education Diane Ravitch, and then–National Endowment for the Humanities chairman Lynne Cheney deployed federal dollars in the early 1990s to commission organizations of “subject-matter experts” to develop academic standards for schools in their respective fields. Unfortunately, the left-wing history standards that emerged were condemned by a near-unanimous vote of the Senate, and the English standards were so weak that Dick Riley, education secretary under Bill Clinton, terminated the federal grant to finalize them. The geography standards were fine but were also the size of the Chicago phone book and seemed to redefine all of human knowledge as part of geography, rendering this subject (seldom taught seriously in US schools, anyway) essentially unmanageable.

The flaws in these standards discredited an important reform initiative, and that discrediting persists today in the attack on the Common Core. In my opinion, it still makes sense in today’s mobile society for sixth-grade math in Portland, Maine, to resemble sixth-grade math in Portland, Oregon, and for a big, modern nation to have rigorous, minimum expectations for all its young people in the core subjects that every school teaches. But President Obama and Secretary Duncan weren’t the first to learn that touching a federal match to this barbecue invites a conflagration.

Recommendations

These and other examples suggest five important lessons that should guide the federal role in K–12 education going forward.

First, do no harm, an ancient admonition that every doctor is supposed to heed and that would be good for Washington policymakers to follow as well. Good intentions tend to go awry, and the very best of them may do more damage than good. It's sometimes better to do nothing.

Second, although initiatives often go awry, they almost never go away. Practically nothing ever gets repealed. Instead, lawmakers typically pile more on top, such that education policy has come to resemble an archeological dig where layers of earlier civilizations have accumulated, or the home of hoarders who cannot bring themselves to throw anything away. We're overdue for a major housecleaning.

Third, less is more. Don't just winnow; also simplify, devolve, and deregulate. Make it easier rather than harder for the 10th Amendment to prevail in the realm of K–12 education. There are plenty of domains (such as national defense and economic policy) where decisions made in Washington are profoundly important to the nation's future. In education, however, all that's essential for the federal government to do is gather and disseminate reliable information, rectify bona fide abuses of individual rights, and assist states with the cost of educating particularly needy children.

Fourth, don't hesitate to use the bully pulpit to suggest, cajole, decry, and declaim on behalf of directional changes. That's what *A Nation at Risk* did—and it made a difference. It wasn't a program to be implemented or a regulation to be enforced.

But quit bullying in other ways. We must recognize that suggestions accompanied by incentive funding may resemble bullying, but this problem may be managed so long as it's clear that these suggestions truly are optional for states and districts, not joined to money they need or regulations they need relief from. And for Pete's sake, stop pretending, Office of Civil Rights–style, that threats and sanctions are really just friendly suggestions.

Fifth, and finally, as they say in arms control, trust but verify. Trust parents, educators, schools, districts, and states to do the right thing on behalf of children. But use the legitimate means at Uncle Sam's disposal—mainly data gathering and assessments, both domestic and international—to ascertain whether these constituents are producing

good results for kids. When they don't, tell them, and tell the world. Embarrass them if necessary. But always keep in mind that (save when constitutional and statutory rights are violated) it's up to others, not Washington officials, to decide what action, if any, to take.

This chapter was adapted with permission from Chester E. Finn Jr., "Agenda-Setters and Duds: A Bully-Pulpit Indeed," ed. Frederick M. Hess and Andrew P. Kelly, Carrots, Sticks, and the Bully Pulpit: Lessons from a Half-Century of Federal Efforts to Improve America's Schools (Cambridge, MA: Harvard Education Press, 2011). Copyright © 2011 President and Fellows of Harvard College. All rights reserved. For more information, please visit harvardeducationpress.org.

Notes

1. Diane Ravitch, "The Search for Order and Rejection of Conformity: Standards in American Education," ed. Diane Ravitch and Mark Vinovskies, *Learning from the Past: What History Teaches Us about School Reform* (Baltimore, MD: Johns Hopkins University Press, 1995).

Choosing a Path Forward on School Choice

MICHAEL Q. MCSHANE

Supporting school choice has been a bedrock principle for conservatives for more than three decades. In announcing a 1985 plan to allow low-income families to take \$600 of Elementary and Secondary Education Act Title I funding to the public or private school of their choosing, then–secretary of education Bill Bennett said, “At present, our most affluent families do exercise choice, by buying a home in the neighborhood of their choice, or by sending their children to a private school. The poor do not now have that kind of choice.”¹ Sound familiar?

To be sure, the conditions on the ground are different today. In the 2013–14 school year, more than 2.7 million students were enrolled in more than 6,400 charter schools across the country.² Charter schools didn’t even exist until 1991, but in 2013–14, more than 308,000 students used a voucher or tuition tax-credit scholarship to finance their private school education. Today, there are 21 school voucher programs and 16 scholarship tax-credit programs in 18 states and the District of Columbia.³

But given that there are almost 50 million K–12 students in America, school choice—particularly private school choice—still represents a small piece of the overall pie. Far too few low-income parents have the kinds of choices Secretary Bennett hoped they might be able to have many years ago.

School choice should be an important issue for conservatives, for several reasons.

1. It empowers families. Conservatism is rooted in the belief in individual liberty. Citizens, regardless of their wealth or political cachet, should be free to decide how they want to live their lives. Education is a means by which families pass their values and beliefs to their children. Ensuring that families have the opportunity to educate their children as they see fit is a fundamental safeguard of individual liberty.

But more than expressing liberty, school choice is about equalizing opportunity. As Secretary Bennett argued, wealthier families can choose where their children attend school, but poor families cannot. By allowing for the creation of open-enrollment charter schools or giving families vouchers or tax-credit scholarships, school choice gives low-income families this same benefit.

2. It leverages the power of civil society. School choice also connects families with their broader community and encourages organizations with deep wells of social capital to involve themselves in education. Centuries ago, Edmund Burke lionized the “little platoons” of families, churches, and social organizations through which citizens learn to love their fellow man. These are the very institutions that school choice empowers to serve children. Religious denominations, community organizations, and family-based homeschooling co-ops can all help educate the children in their communities.

3. It recognizes the shortcomings of central planning. We live in a large, diverse nation. It is incredibly difficult, if not impossible, to design a system from the top down that is attentive to the needs of every family. A more responsive system could be built from the bottom up. By putting families in charge, money and people will migrate to the schools best adapted to meet student needs.

As with all education issues, navigating a proper federal role for promoting school choice is tricky. The past decade-plus has littered

the landscape with promising proposals that bubbled up from the state level (school accountability, teacher evaluation, Common Core State Standards) and that became unworkable when they were foisted upon all schools by the strong arm of the federal government. School choice should not fall into that same trap.

How can conservatives navigate this terrain? I offer three possible paths forward.

Path 1: Clawing Back, Promoting Flexibility

For those who feel that the federal government has little to no role in dictating education policy to states and localities, several steps can be taken to help foster school choice.

The first is simply making federal funding portable to schools of choice. Most school choice programs do not provide an adequate level of funding for the educational needs of the students who participate in them. This has been the consistent finding of numerous surveys of leaders of private schools that do participate in choice programs, and those that do not.⁴

By and large, there is not a lot that federal policymakers can do to cajole districts and states to attach more money to vouchers or tax-credit programs. They do, however, direct about \$14 billion to schools in the Title I program and provide more than \$11 billion in Individuals with Disabilities Education Act funding. But federal policy could make those dollars far more flexible than they currently are.

If students are able to take their state education funding to a school of their choice (public, public charter, or private), why shouldn't their federal dollars be able to come too?

To date, federal dollars flow first into state and then into district coffers through a complicated formula. One smart thing that the formula does is increase spending in areas of concentrated poverty. Schools that have many low-income students get more money per student than schools with few. Making federal funds portable could mimic this feature by including a multiplier of some kind for children from neighborhoods or districts with large numbers of low-income

students. More money would then be able to follow those children into the schools of their choosing.

The second step to fostering school choice is collecting and disseminating school performance data, since marketplaces rely on information. If families are going to choose between School A and School B, they need to have valid, reliable, accessible information on the relative performance of each school.

Collecting and disseminating data has been a federal responsibility since Article I, Section 2 of the Constitution enshrined the census as the means of determining congressional appointments. The federal government has been collecting and disseminating education statistics since the late 1860s. This is not new.

By providing families with clear, comparable school performance data, the federal government can play the role of unbiased reporter and not wade into the active management of schools. But, at the same time, such an information-gathering regime should have a tailored focus. A president promoting this kind of data collection and dissemination would have to continually guard against mission creep and ensure that simply promoting one kind of data collection strategy does not serve to narrow the curriculum or pedagogy of schools of choice by mandating a particular kind of test.

Path 2: Making Schools under the Federal Government's Purview as Choice Heavy as Possible

The federal government does actually fund the operation of some schools. A slightly more expansive view of the government's role in promoting school choice would encourage using those schools as testing grounds for choice programs. This mindset was well-captured by elements of Sen. Tim Scott's 2014 Creating Hope and Opportunity for Individuals and Communities through Education Act.

First, it created a pilot voucher program for students living on military bases. The federal government is responsible for their parents' pay and has placed them in a particular location for tactical reasons. As a result, these students have fewer options regarding where they can attend school. Such a voucher program would inject choice into

communities around the country. Second, it ramped up the Opportunity Scholarship Program in Washington, DC (whose schools are overseen by the federal government) by striking requirements that students had to have previously attended public school to receive vouchers and by allowing unused funds to go into advertising the program and recruiting new students.

By promoting choice in these systems, the federal government can demonstrate that choice can be a positive force in the lives of low- and middle-income Americans. Other states and districts could observe the benefits of this system and then choose to emulate it.

Path 3: Trusting that Trustbusting Is Worth It

A third, admittedly riskier, path is to at least temporarily accept that the federal government has a rather substantial role in education and to leverage that role to support the ramping up of a choice-driven system to compete with the public-provider monopoly. Many of the nation's 14,000 school districts function as monopolies. Families are legally required to send their children to school. If they lack the means to pay for private schooling or move to another district, their child will usually have no other option than to attend a residentially assigned public school.

What's more, these monopolies are controlled by a powerful cartel of unions and bureaucrats who have a vested interest in maintaining the status quo. This is not a recipe for innovation and improvement.

One of the few ways conservatives think is appropriate for the government to intervene in the marketplace is to break up monopolies.⁵ Gerald Ford appointed proderegulation commissioners to the Interstate Commerce Commission in the mid-1970s to push along trucking deregulation.⁶ It was Richard Nixon's Council of Economic Advisers proposals for deregulating transportation that laid the groundwork for the airline deregulation of the late 1970s. And deregulation of numerous industries was a key plank of Reaganomics.

Sometimes, local communities struggle to break up public school monopolies. School choice is an incredibly powerful tool to help them do so and, in turn, to spur competition in the provision of

public services. Some portion of the \$14 billion in Title I funding sent to states could be specifically earmarked for schools of choice (both public and private). Funds could be made available to help states set up private school choice programs or provide more funding for charter schools to acquire new buildings.

More than \$2 billion in Title II funding is spent on “teacher quality” programs. Specific allocations within those programs could go toward funding programs to prepare and support charter and private school teachers. This funding could also be scaled back, along with the overall size and scope of the federal government’s footprint in education, over time as the more choice-based system expands and grows.

Legitimacy and the Bully Pulpit

What if I told you that the most powerful thing a conservative president could do to help promote school choice wouldn’t cost US taxpayers a dime? Well, this suggestion might not be the most powerful, but it certainly would help if national leaders gave legitimacy to school choice programs and the schools they open for low-income students.

How can political leaders give legitimacy to school choice? Two ways come to mind.

1. Draw attention to new models. School choice has spawned numerous exciting and innovative schooling models. From the technology-rich hybrid models of the Carpe Diem public charter schools to the “no-excuses” KIPP schools to academically super-powered religious urban schools like St. Marcus Lutheran in Milwaukee, Wisconsin, schools across the country are redefining what is possible in education for low-income students.

And the president has a big microphone. The more attention he or she can draw to these schools, the more normal they become for casual observers. This can help these schools cement their place in the educational landscape and can show how the mechanism of school choice made such innovation possible.

Fifteen years of bully pulpit attention on the achievement gap has gone a long way toward making it a household term. Even four years of highlighting the power of “no excuses” charters, blended learning, or inner-city faith-based schools would do wonders to take these things from conversations within the education reform community to issues championed by the public writ large.

2. **Change the terms of the debate.** Many of the same tired canards have been used to argue against school choice for decades: “School choice drains money from public schools,” “Schools of choice cream the best students and leave public schools worse off,” “Low-income parents will make bad decisions for their children.” A president who tackles these concerns head on and challenges the tired excuses of school choice opponents could advance the movement a great deal. What’s more, these arguments are not difficult to counter and provide much grist for the mill for stump speeches and town halls.

Conservatives hoping to lead our nation are going to have to think long and hard about how they would like to support school choice. It is a perfectly defensible position to say, “We like school choice, but we don’t think that the federal government should dictate state policy” and simply support the process through rhetoric and the bully pulpit. It is also a defensible position to decide to ramp up choice for people and in systems that the federal government directly oversees. But it is also defensible to be realistic about where the federal government is on education today and attempt to take steps to move it in a new direction, even if those steps do not mean an immediate revocation of a federal role.

Notes

1. Robert Pear, “Reagan Proposes Vouchers to Give Poor a Choice of Schools,” *New York Times*, November 14, 1985.
2. National Alliance for Public Charter Schools, “Total Number of

Schools,” <http://dashboard.publiccharters.org/dashboard/schools/year/2014>.

3. American Federation for Children, “Ed Choice 101: Facts,” www.federationforchildren.org/ed-choice-101/facts/.

4. Brian Kisida, Patrick J. Wolf, and Evan Rhinesmith, “Views from Private Schools: Attitudes about School Choice Programs in Three States,” January 2015, www.aei.org/wp-content/uploads/2015/01/Views-from-Private-Schools-7.pdf.

5. It should also be noted that for a time, deregulation was a bipartisan affair. In the late 1970s, two of the strongest voices for deregulation were Sen. Ted Kennedy (D-MA) and President Jimmy Carter. If liberals want to return to their own trustbusting roots, I have to imagine conservatives would welcome them with open arms.

6. Thomas Gale Moore, “Trucking Deregulation,” Library of Economics and Liberty, www.econlib.org/library/Enc1/TruckingDeregulation.html.

Leveraging an Innovation Agenda to Help Every Child Succeed

BY JOHN BAILEY

Much of the current education reform debate in America tinkers at the edges of the present system instead of rethinking the structure and underlying models. The institution of schooling has not changed to reflect the transformative opportunities technology offers for students to learn at their own pace, anytime and anywhere.

Leaders should look to harness the opportunities offered by digital and competency-based learning to reimagine every aspect of the education system. Instead of a teacher “teaching to the middle,” blended learning systems leverage sophisticated technology tools to help choreograph instructional lessons so students get the right support at the right time. Online learning ensures that no student is denied a course due to the absence of a local instructor, and competency-based learning flips the traditional model of allowing time to be the variable and learning to be the constant: students progress when they’re ready, not based on a calendar.

Conservatives should seize digital learning as a centerpiece of their education agenda for four important reasons: (1) it offers a compelling vision for student opportunity that connects with the aspirations of parents; (2) it can reinforce conservative commitment to entrepreneurship; (3) it can be done in a way that acknowledges a limited federal role, with states as the driver of policy innovations; and (4) it offers a persuasive answer to the economic mobility debate by giving students and families access to the opportunities needed to climb up the economic ladder.

Since the 1980s, policymakers have grappled with the appropriate federal role in supporting educational technology. Progressives argued that the digital divide—the gap between those who have access to various technologies and those who do not—exacerbates educational inequities. As a result, their policy approaches have largely focused on acquiring hardware and connectivity with the hope that they would address other education issues.

Since 1997, federal grant programs have allocated at least \$44 billion to educational technology, although this number is most likely even higher given the contributions of additional programs such as STAR Schools, the Investing in Innovation Fund, Race to the Top, and flexible programs such as Title I of the Elementary and Secondary Education Act (ESEA). But improved student outcomes, by any measure, have been elusive.

This is because technology alone doesn't change teaching or learning. It is a necessary component, but real transformation occurs only through structural reforms that think beyond the current models and systems. Amazon didn't set out to marginally improve the store model, but rather strived to reinvent the entire shopping experience in a way that is only possible with technology.

The key is creating new models of instruction that are designed around technological capabilities. Classrooms can and should look different if there are platforms that can analyze student data to create adaptive learning plans that adjust to a student's daily needs. Online services, courses, and schools force us to rethink the notion of a school so that students can access the best learning opportunities inside and outside the classroom.

These new models face strong headwinds of outdated laws and regulations that perpetuate the current model and leave little room for innovation. For example, some policies limit student access to online options in favor of district classes. States' legacy regulations may shut out new digital textbook models while protecting print-based incumbents. And while policymakers cheer anytime, anywhere learning, schools are not compelled to recognize or formally credential learning that happens outside of school, often, for example, forcing students who teach themselves a foreign

language using an app to take a school course to receive credit.

Up until now, policy on digital learning has primarily focused on providing technology tools to schools. Moving forward, policy should instead concentrate on encouraging schools to creatively use specifically those tools that lead to new models of instruction.

Lessons Learned from Past Approaches

Past federal efforts to spur innovative uses of technology fell flat for three primary reasons. First, the flexibility that allowed for a wide range of uses also created a wide variance of impact. Second, this lack of impact failed to capture the public's imagination and weakened political support, eventually leading to other competing programs crowding out support for funding. Finally, several of the federal efforts focused more on the technology than on the comprehensive models of which technology is only a small component.

The primary mechanism of federal support for digital learning has been an evolving series of grants that allocate funds to states. States then award formula or competitive grants to school districts to purchase professional development for teachers, and educational software, computer access, and Internet connectivity for classrooms. This trend began in 1996 with the launch of the Technology Literacy Challenge Fund, which later became the Enhancing Education through Technology program during the 2001 reauthorization of ESEA.

Both programs had central goals of improving student achievement through the use of technology, with broad deference given to the types of technologies that could be used. Requirements around professional development for teachers and state-approved technology plans were included as an attempt to ensure funds were used appropriately and effectively.

The lack of focus on comprehensive models proved to be a challenge in that while some schools used the funding as a catalyst to launch blended or online learning programs, many treated it as a chance to simply acquire equipment without the additional content, support, and broader changes needed to make a real difference. Evaluators confronted the challenge of measuring the impact

of, for example, schools just buying a few smartboards for fourth graders versus those using the funds to launch personalized math programs for ninth graders. Without a student achievement story to tell, political support waned and, eventually, the George W. Bush and Obama administrations proposed zeroing out the funding in favor of other programs.

Moving Forward

There is a natural political draw to formula funding programs that make everyone a winner and avoid the disruptive solutions that may benefit students but upset the traditional education establishment. However, given these programs' limited leverage to improve student outcomes—measured by everything from state assessments to graduation rates and college readiness—they are not the right path forward.

Policy approaches should reflect the same principles that have guided economic reforms. Just as government doesn't create jobs, government also doesn't provide instruction. Federal policy is several steps removed from where instruction actually occurs and, at best, can only support states in creating the conditions for bolder use of technology to transform education.

Policy should reflect three principles. First, it must support comprehensive models of learning, not technology alone. Second, it must create room for innovation by removing barriers inhibiting it. Finally, it should leverage new funding mechanisms that incentivize innovation and outcomes.

Support Comprehensive Models of Learning. Federal policy can support comprehensive models of learning through long-term investments in research and development (R&D) driving new educational advancements, by funding new educational models that maximize the advantages offered by technology, and by allowing schools to begin using competency-based approaches.

R&D Investment. A long line of conservatives—including George Will, Ben Bernanke, David Brooks, Mort Kondrake, and Jim

Manzihave—argued that a key federal role is propelling America forward through R&D investments.¹ Nowhere is this more needed than in education, where the Institute for Education Sciences invests only \$300 million annually in research—less than 1 percent of the National Institutes of Health’s \$30 billion research budget.

Targeted, long-term investments in basic but expensive research can provide the breakthrough findings that drive new educational advancements. This work should also extend to funding the rigorous but expensive evaluations that many startups and nonprofits simply can’t afford.

Funding New Models. In the past, federal efforts assumed that new educational models would naturally emerge through an increased availability of technologies. Instead, some funding should go toward supporting educational models that maximize the advantages offered by technology, particularly blended learning. The federal Charter Schools Program offers an excellent roadmap for this approach. Using funding priorities, the program encourages the creation of strong state laws designed to support high-quality charter schools.

States can then compete for funding, which is reallocated to design, create, and expand high-performing charters. Such an approach could easily be replicated to help states that have the policy conditions needed to design and scale online learning, blended learning, course access, and competency-based learning models.

Competency-Based Learning. Federal policy must be flexible enough to allow schools to chart a path toward competency-based approaches. The competency-based model stresses giving students the flexibility to earn credit whenever they can demonstrate mastery, but this stipulation should also include awarding credit regardless of where the student learned the material—for example, students should have the opportunity to take calculus through Khan Academy or to teach themselves computer programming through Code.org.

In addition, massive open online courses are rapidly starting to offer a wide array of courses that could easily count for high school credit. The challenge is thus no longer the availability of courses as

much as it is requiring formal education institutions to recognize or validate these credits.

Creating Room for Innovation. Leveraging the power of technology in education requires removing regulatory barriers, wherever possible, that inhibit innovation and the use of technology. Furthermore, it requires granting all digital learning providers equal opportunity to participate in grant programs. That said, creating room for innovation must always be balanced with a commitment to a relentless focus on the quality of student outcomes.

Trustbusting. For too long, the education regulatory system has protected incumbent schools from both competition and innovation. Policy should create a more open education system that invites new entrants to serve students, supports new approaches, and empowers new models. This includes a focus on trustbusting, which AEI scholar Rick Hess argues will enable “promising new providers to challenge education monopolies, [work] to correct the legacy of federal micromanagement, and [help] to free state and local reformers from the burden of their predecessors’ bad decisions.”²

Any number of legacy regulations, ranging from procurement to approvals and authorizations, can inhibit the adoption of innovative technologies. Whenever possible, the federal government should remove regulatory barriers that inhibit innovation and technology-based models of learning.

Being Sector Agnostic. All digital learning providers should have an equal opportunity to participate in grant and policy programs, regardless of whether they are nonprofit, for profit, or the emerging B corps (a designation recognized in 27 states for for-profit companies that pledge to achieve both social and business goals).³ Policy regularly taps the private sector to tackle social challenges from energy to space exploration. Yet in education, the playing field is tilted toward nonprofits, which create barriers to entrepreneurs who have promising help for students and teachers. Not all nonprofits are good, and not all for profits are bad.

Relentless Focus on Quality. These flexibilities, however, must come with a relentless commitment to quality. Innovative models of learning must be judged not by the amount of technology available, but by student outcomes. New funding models should support this structure and should pay out only when outcomes are achieved. The only way to truly be sector agnostic is to have confidence in the accountability systems that track and enforce student outcomes with providers.

Leveraging New Funding Models. For new funding models to work in practice, funding needs to follow the student so he or she can select the school options that best meet his or her needs. Moreover, federal funds should be increasingly tied to rewarding outcomes and performance.

Funding Portability. In the next few decades, learning will increasingly become portable as students choose from diverse education options such as course access programs and enrichment programs inside and outside of schools. Federal funding should follow each student. Portability supports state policies that allow students to select the school options that best meet their needs.

Federal funds need to be able to accommodate the broader education landscape enabled by the broadening choice movement in education. In 2015, 20 states had school choice programs, 42 had charter school laws, and 26 had statewide virtual schools.

Portability also supports the next generation of choice, which is occurring not at the school level but at the course level. States such as Louisiana and Texas are allowing students to take a number of courses from state-approved providers. This reform, often referred to as Course Access, is attractive because it offers a more granular form of choice (from the school to the course level) while also offering an equity element (particularly for more-advanced courses).

Funding portability can also support state efforts with Education Savings Account (ESA) programs. ESA funds can go toward tuition, tutoring, therapy for students with disabilities, instructional materials and curricula, online programs and courses, a la carte public school courses, and savings for future college costs, all based on the

individual needs of children. Four states have already enacted these savings vehicles, and another 20 are considering legislation.

Paying for Performance, Not Promises. Our current system of education reflects a tragic misalignment of funding and quality. We cannot track federal funds past the district level to classrooms and students. We have limited, if any, return-on-investment metrics. And the funding mechanisms and incentives are not aligned to cost savings or quality.

Federal funds should increasingly move away from simply funding the status quo and toward rewarding outcomes and performance. Doing so creates incentives for schools to adopt innovative models to capture the additional dollars. It also creates clear targets without needing to devise overly prescriptive intervention designs. And finally, it embraces fiscally conservative values by paying for outcomes, not well-intentioned promises.

Tying more funds to outcomes can create massive incentives for technology-based approaches that work. For example, Title I essentially serves as the education sector's version of Medicare. Payments are given to schools regardless of their quality—essentially a fee-for-service model. A new rewards fund could allow Title I schools to earn additional funding based on their ability to improve student outcomes on measures such as proficiency, achievement gaps, graduation rates, dropout rates, and the like. This would create a demand for not just technology-based approaches to personalized learning but also for more-efficient models such as blended learning.

Conclusion

Conservatives have the chance to tap into the dynamism of innovators and the rich diversity of educational options emerging over the Internet, offered by a growing number of public and private entrepreneurs. The innovation agenda offers conservatives the opportunity to bolster their work in advancing equity and choice while creating a system that works better for students. It taps into the aspirations of not just parents but also teachers seeking ways to be more effective, and students themselves. It can embrace a limited federal

role but still serve as a catalyst for supporting state and local reform.

A decade ago, customizing education for every student was just a dream. But federal policy can support state efforts to harness the power of technology to allow students to learn in their own style, at their own pace, anytime, and anywhere. This is not an end unto itself but rather a means by which we can create a system that helps every child reach his or her potential. And by doing so, we help America reach its fullest potential.

Notes

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2. Frederick M. Hess and Andrew P. Kelly, “A Federal Education Agenda,” *National Affairs*, Fall 2012, www.nationalaffairs.com/publications/detail/a-federal-education-agenda.

3. B corps are for-profit companies that received a credential from the third-party nonprofit B Lab, based on commitment to being a good corporate citizen, including social performance, accountability, and transparency. See “The Non-Profit Behind B Corps,” www.bcorporation.net/what-are-b-corps/the-non-profit-behind-b-corps.

Moving Beyond No Child Left Behind

FREDERICK M. HESS

The US Constitution leaves education to the states. How, then, did we get to a place where the federal government is telling states how to gauge school performance, imposing “remedies” on underperforming schools, and even telling states how they should evaluate teachers?

In 1965, as part of President Lyndon B. Johnson’s War on Poverty, Congress passed the Elementary and Secondary Education Act (ESEA). Johnson rather grandly suggested that ESEA would boost the achievement of disadvantaged students, helping break the cycle of poverty. ESEA failed to deliver on that promise. Instead, its biggest impact was moving billions in federal funds (which today amount to 10 percent of K–12 spending) toward schools that serve more low-income students. The problem was that for decades no one could tell whether the money was doing any good, especially given all the rules, regulations, and federal bureaucracy that accompanied it.

After running on the pledge to “leave no child behind,” in 2002 President George W. Bush’s administration rapidly issued a 28-page blueprint to reauthorize ESEA as the No Child Left Behind Act. Bush’s blueprint embraced transparency, testing, and accountability; expanded parental choice; and strived to make room for states to experiment with teacher pay and regulatory reform.

But President Bush wanted a broad, bipartisan domestic policy victory, so No Child Left Behind, which passed the House 385–45 and Senate 91–8, bore little resemblance to that initial blueprint.¹ In negotiations to craft the bill, the administration abandoned vouchers, regulatory reform, and its broad guidelines for state accountability systems. Instead, at the behest of Democratic leaders such as

Sen. Ted Kennedy (D-MA) who were nervous about school choice and distrustful of the states, the final bill turned out to be vastly more prescriptive about how states would measure school performance and what they would do about schools deemed to be in need of improvement.²

NCLB didn't just embrace transparency and ensure options for low-income students stuck in struggling schools; it also put the federal government into the business of telling states how to "fix" poor-performing schools. In an absurd twist, NCLB required that a whopping 100 percent of the nation's children be "proficient" in reading and math by 2014 (although the law left it up to states to define what proficiency meant) and mandated consequences for schools that didn't measure up. The perverse result was punishment of those states that set a high bar for students and schools.

NCLB ultimately allowed the Obama administration to enact no education legislation and yet nonetheless dictate K–12 policy via quid pro quo waivers granted to states desperate to escape NCLB's mandate for 100 percent proficiency. The US secretary of education has since released dozens of states from NCLB's fantasy targets if—and only if—they promise to pursue Obama's priorities. The Obama precedent promises a new era of federal micromanagement of schools unless order is restored.

The Proper Federal Role

Washington doesn't run schools. All it can do is pen rules for them. Congress can do little more than enact laws that tell federal bureaucrats to write rules for states, which write rules for districts, which then give directions to schools. Washington can force states and districts to do things, but it cannot make them do those things well. The trick: when it comes to complex enterprises like public schooling, which has 50 million students and nearly 3.5 million teachers, whether things like teacher evaluation and school "turnarounds" happen matters far less than how they happen.

If US education looked like the nationally run systems of Britain, France, Mexico, or Cuba, the national education debate would sound

quite different. But grand calls for Washington to “fix” schools must inevitably boil down to new funding formulas and mandates. Conservatives must challenge those championing Washington-centric reforms to explain how more bureaucracy will lead to better schools.

While the federal government can’t fix schools, it can play a crucial role in making it easier for local families, educators, officials, and entrepreneurs to do so. Conservatives should embrace a legitimate, limited federal role in schooling. From the Land Ordinance of 1785 under the Articles of Confederation, to Dwight D. Eisenhower’s 1958 post-Sputnik push on math and science, to Ronald Reagan’s 1983 call to arms in *A Nation at Risk*, America has established a compelling national interest in schooling.

But the next ESEA reauthorization should limit federal involvement to those things the federal government is uniquely equipped to do, that are appropriate to its limited role in the US government system, and that don’t amount to giving marching orders to states and schools. Boiled down, this is best summarized by five key points: transparency, choice, deregulation, trustbusting, and research.

Embrace Transparency. Conservatives should proudly embrace NCLB’s one compelling legacy: the fact that it became profoundly easier for citizens to gauge and compare basic measures of school quality. Historically, public officials manipulated or hid test results for political advantage. Since 2003, the National Center for Education Statistics has used the National Assessment of Educational Progress (NAEP) to compare results across states using various tests. Data reporting and analysis poses minimal implementation headaches, does not involve the feds in dictating practice or monitoring compliance, and equips parents, voters, and taxpayers to set priorities and make decisions.

Going forward, Washington should continue to require annual testing and reporting in reading and math, with results broken out by NCLB-denoted subgroups. It should also continue using the NAEP to calibrate and compare results across states.

NCLB-style transparency focused on student outcomes while paying no attention to shedding light on the resources needed to

produce those outcomes. Yet it's difficult to make informed decisions about schools or programs if it's unclear how much was spent to produce those results. Federal reporting requirements should make schools and districts report per-pupil spending, enabling parents and voters to compare cost-adjusted performance and observers to calculate various return-on-investment metrics.

While embracing transparency, Washington should end NCLB's policy of mandating cookie-cutter remedies for schools. The dismal results of the \$3.5 billion School Improvement Grants illustrate how ineffective federal bureaucrats are at steering school improvement, with one-third of schools receiving federal largesse actually getting worse.³

Reformers should take the Common Core State Standards off the federal table by championing Section 5521 of the Student Success Act (passed by a House Republican majority in 2013). The act stipulated that "No officer or employee of the Federal Government shall, directly or indirectly . . . mandate, direct, or control a State, local education agency, or school's specific instructional content, academic standards and assessments, curricula, or program of instruction."⁴ Beyond that, this is a debate that can and should play out in the states.

Make It Easier for States to Expand School Choice. To date, federal advocacy for choice has focused narrowly on supporting charter schools, the DC Opportunity Scholarship Program, and making ESEA Title I funds portable for low-income families. These are good programs that are deserving of expansion and support. Washington should also make it easier for those states with school choice programs to use federal funds (particularly NCLB Title I funds) to help enable students to attend the district, charter, or private school of their choice.

Now, conventional school choice can seem threatening and unhelpful to residents in rural areas and small communities. In such places, choice can entail very long bus rides or bizarre efforts to subdivide a school with a half-dozen teachers into three different minischools. Washington should take care that it doesn't push such

communities into foolish, compliance-driven exertions and should write choice-enabling legislation so that it permits federal funds to be used for the full panoply of educational choices (including online learning, which can be especially valuable in rural areas).

Promote Deregulation. Federal statutes have spawned a paralyzing tangle of rules, regulations, and mandates that hamper teachers, principals, and schools: they can make it illegal for districts to cut spending (even when it's no longer productive), prohibit funds from being distributed across schools and programs in sensible ways, and create immense paperwork burdens for harried educators. This problem is compounded by a half-century of federal rulemaking that has fostered a compliance mind-set among state and local officials, supersizing the real-world impact of even reasonable-sounding rules.

Congress should embrace an opt-in strategy for states that want to use federal dollars to expand educational choice, such as the approach modeled in Sen. Lamar Alexander's (R-TN) Scholarship for Kids Act. Sen. Alexander would liberate schools from much of the federal regulatory apparatus if states commit to regular NCLB-mandated testing and reporting and to ensuring that funds will serve the intended beneficiaries. In a single blow, the approach allows states that so choose to escape shelves of overgrown regulations. States would then be free to decide what range of educational choices to fund and how those might be regulated.

Meanwhile, states that so choose would be free to retain the status quo. This approach ensures that states that opt in will have leadership committed to making choice work, avoids the federal government having to force states to expand choice options (a tack that worked poorly under NCLB), and eschews the compliance machinery that such measures require. It also minimizes the likelihood that choice will take the form of a crudely designed federal mandate. In the finest tradition of federalism, the opt-in tack allows states to innovate and pursue their course as they see fit.

Washington also ought to scour federal regulations, state education agency interpretations of federal rules, and related minutiae that impede state and local leaders. This should include a series

of high-profile hearings at which selected state, local, and charter school leaders can illustrate how things like time and effort reporting requirements undermine their work in this vein. Such hearings can inform understanding, flag specific problems, and build support for the effort.

Facilitate School District Bankruptcy. Washington can help free reform-minded leaders from the burden of bad decisions made long ago. When legacy decisions leave private-sector enterprises ill-equipped to compete—due to inflated costs, bad contracts, or rigid business models—they’re given a chance to reinvent themselves via declaring bankruptcy.

School system leaders lack similar options. Every bad contract provision a superintendent ever accepted and every inane school-board policy remains in effect unless actively reversed. Political and legal, or contractual, constraints can make that impossible; even when voters elect reform-minded school boards or mayors, their hands are often tied.

The Constitution vests Congress with the authority to set a uniform bankruptcy code. Most relevant here is Chapter 9 bankruptcy, which allows municipalities to revisit existing contractual obligations. Yet in the mid-1990s, revisions to the code allowed states to block school districts from filing for Chapter 9. As a result, not even a handful of the nation’s 14,000 districts have successfully applied for Chapter 9. Even where local governments are authorized to apply, states can veto such a course, giving special interests (such as unions, retirees, and vendors) a second chance to stymie even the boldest local leaders.

Washington should craft a new bankruptcy-like mechanism that permits those school districts receiving federal Title I funds and deemed by their states to be performing inadequately to petition for relief from contractual obligations (to unions, vendors, and others) that constrain their efforts to improve schooling.

Invest in High-Quality Research. A vital role for Washington, and one that no other actor in the federal system can play, is backing

basic research in education. Theorists have long noted that markets tend to underproduce public goods. Basic research is a classic public good that requires substantial time and expense, and it is rarely evident whether or how early-stage researchers will reap the benefits of their labor. The National Institutes of Health (NIH) addresses this challenge by investing heavily in basic research and then leaving the development and design of new drugs and medical interventions to private ventures.

That division of labor is the right model for education. Congress would do well to shift funds away from federal programs that seek to dictate state and local practices and toward basic research that offers long-term benefits, such as that examining how fast the adolescent brain can absorb languages and which areas of the brain are associated with specific learning challenges.

Crucial is an insistence on rigor and funding models that steer investments into areas that offer genuine promise—like cognitive science, applied-reading techniques, and brain imaging—rather than to the usual suspects. Things are more promising on this front than they were a decade ago, thanks to the establishment in 2002 of the federal Institute for Education Sciences (IES), which has emphasized applying rigorous scientific techniques to education questions.

While IES's establishment marked a shift toward more-rigorous research in the field of education, however, the organization invests less than \$300 million a year in research—not even 1/100th of NIH's \$30 billion annual research budget. Congress could triple US investment in basic education science, say to \$900 million, merely by redirecting 20 percent of the \$3 billion spent on professional development under NCLB Title II (funds that reform-minded members of both parties think do little good).⁵

Conclusion

After the excesses of the past decade, conservatives are justifiably wary of claims that the federal government is here to help improve K–12 schooling. But simply denying that Washington has any role

to play in education is counterproductive. After all, when presented with troubling educational outcomes, federal lawmakers of all stripes have made it clear that they want to act. Indeed, it is the urge to do something that has produced so much of today's regulatory tangle.

If the federal government is going to act, conservatives should ensure that activity is constitutionally appropriate, constructive, and limited. They can do that by adopting a trustbusting mindset, pushing the federal education apparatus to reverse decades of bureaucratization.

And Washington can do all of this without spending a dime. If lawmakers fund increases in research by reallocating educational funds, as advised, these ideas can be adopted without any new spending whatsoever. This is not an agenda of new programs and outlays, but one of unshackling and empowering problem solvers, parents, and educators in a hidebound sector.

Washington can help ensure that parents, voters, taxpayers, and public officials have the data they need to make informed decisions. By reducing the influence of education cartels and extricating reform-minded leaders from decades of red tape, Uncle Sam can open the field to new entrants and create room for meaningful competition. Washington can help create the preconditions for a dynamic sector while leaving the real work where it must necessarily belong: in the hands of parents, educators, entrepreneurs, local officials, and citizens.

This chapter was adapted with permission from Frederick M. Hess, "K-12 Education Reform to Give the Next Generation a Chance to Thrive," in Room to Grow: Conservative Reforms for a Limited Government and a Thriving Middle Class (YG Network, 2014).

Notes

1. *No Child Left Behind Act of 2001*, Public Law 107-110, 107th Cong. (January 2002).

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Advancing Opportunity through Early Learning

KATHARINE B. STEVENS

“It’s easier to build strong children than to repair broken men.”
—Frederick Douglass

America has long counted on its public schools to level the playing field for disadvantaged children and build the success of future generations. Yet today, despite ever-increasing spending on schools, disadvantaged children seem to be falling ever further behind. After decades of unsuccessful attempts to improve K–12 schools, we need new ways to keep the American dream alive to ensure a fair chance for all children, no matter who their parents are or what circumstances they’re born into.

Early care and learning programs that help disadvantaged infants, toddlers, and preschoolers get a decent start in life are an especially promising strategy to ensure that all children have a chance to succeed. Done right, this approach has extraordinary potential as a bipartisan solution to break the cycle of intergenerational poverty and advance opportunity for all children.

But despite growing state-level consensus on the importance of early learning, it has largely remained a Democrat-specific issue in Washington. And ceding the terrain to a single party is a mistake, both politically and for the American people. If early learning moves forward as a partisan issue, it will be driven by politics rather than good policy. If both parties engage constructively, we’re far more likely to develop solid programs that truly help kids.

Our country needs thoughtful, effective leadership to realize the

promise of this increasingly important field. What's called for now is to target funding at what really works for children, strengthen existing federal programs rather than create new bureaucracies, and promote research and innovation to raise the bar for action.

The Science of Early Learning and Equal Opportunity

Extraordinary learning and development occurs in children's earliest years. In less than 60 months, a human grows from a two-cell embryo into a 40-pound child who can run, jump, climb, and speak in complete sentences using a vocabulary of thousands of words. Young children are hard wired to learn, rapidly absorbing everything around them: starting at birth, the human brain forms 42,000 new neural connections per minute, shaping the brain's physical structure.¹ As neuroscientists from Harvard University's Center on the Developing Child explain, "Early experiences determine whether a child's developing brain architecture provides a strong or weak foundation for all future learning, behavior, and health."²

Children born into supportive families learn and develop well at home. But if a child's home environment is inadequate or even damaging, the negative effects of the early years can be very difficult to overcome. And the unfortunate bottom line is that too many families are unable to provide the safe, nurturing home environment that children need to flourish, undermining their shot at the American dream before they even start kindergarten.

Never before have so many young children been raised by single, working mothers; in unstable, broken families; and with the debilitating heritage of poverty. Forty percent are born to unmarried women, often whose own mother, grandmother, and even great-grandmother raised children alone. Twenty-five percent of children four years old or younger are living in poverty. Among African American children under five, 45 percent are poor and 67 percent live with a single parent.³

Gaps between advantaged and disadvantaged children begin emerging as early as nine months of age.⁴ By 18 months, toddlers from low-income families can already be several months behind in

language development. By age three, children with college-educated parents have vocabularies as much as three times larger than those whose parents did not complete high school. These gaps continue to widen, leaving disadvantaged children up to two years behind by age five.⁵ And many just never catch up.

Despite \$650 billion in annual spending on K–12, the public schools now seem to amplify, rather than diminish, early disadvantage. Only 20 percent of low-income eighth graders are proficient in both reading and math. Of African American eighth graders, 17 percent are proficient in reading and 14 percent in math.⁶ A mere 5 percent of black students who took the ACT exam in 2013 were ready for college.⁷

It's clear that we're leaving a lot of children behind. That means a great deal of human potential wasted and unsustainably high costs to society. As a report from Mission: Readiness, a group of retired senior military leaders, underscores:

Disadvantaged children who repeatedly fail in school do not simply disappear. Too often these children grow up to have very troubled lives, and their struggles can be extremely costly to society. Special education, crime, welfare, and other costs account for staggering expenses for the nation's taxpayers.⁸

Beyond the human and financial costs, this ultimately goes to the heart of the American enterprise. If a child's inborn capacity is damaged before he or she even starts first grade, what does that mean for America's core promise of opportunity for all?

A New Strategy

Early care and learning programs hold great, untapped potential to significantly improve the life chances of disadvantaged children. A growing body of research strongly backs this approach, and bipartisan support for early learning is rapidly increasing among business leaders, politicians, and the American public.

In a 2014 poll, 86 percent of respondents said that “ensuring that

children get a strong start” is extremely or very important, second only to increasing jobs and economic growth. Ninety-seven percent of Democrats, 89 percent of independents, and 87 percent of Republicans said they favor government investments to make early education and child care more affordable.⁹ Nine Republican governors highlighted early learning in their 2015 State of the State addresses, including Bruce Rauner in Illinois, Mike Pence in Indiana, Rick Snyder in Michigan, and Susan Martinez in New Mexico. As Republican Mayor Greg Ballard of Indianapolis says: “It’s easy to put the pieces together: You spend a penny now or you spend a dollar later.”¹⁰

Early learning is a wide-open sector that provides an ideal arena for innovation. Unlike K–12, it’s not centrally controlled and isn’t dominated by entrenched monopolies or special interests. This provides an extraordinary opportunity to experiment with what works, and an unusual chance to build things from the ground up.

Yet while the urge for federal action in this promising arena is understandable, doing too much too quickly will only create expensive boondoggles that fail to deliver on their promises. A thoughtful, gradualist approach is more likely to lead to effective programs that really can deliver high-quality early learning to the most vulnerable children. Here are some starting points to keep in mind.

Recognize that Early Learning Doesn’t Just Mean Pre-K. Children are born learning, and age four may even be too late to best help the most disadvantaged children. So while preschool is valuable for many kids, an exclusive policy emphasis on Pre-K is counterproductive in the long run. Done right, investments in programs like high-quality child care and voluntary home-visiting programs for at-risk infants and toddlers can help children and their families transcend tough circumstances and can provide even greater long-term returns. These programs—and others geared toward young, disadvantaged children—hold much greater promise for breaking the cycle of poverty and improving opportunity than “Pre-K for all.”

Furthermore, the often-made distinction between “care” and “education” in early childhood is largely a false one. Infants and young children are continuously and rapidly learning—from whomever

they're with and whatever environment they're in, whether good or bad. Their emotional, social, and cognitive development are interdependent and occur through ongoing, positive interactions with caring adults. So it doesn't matter to children how a program is described or who funds it. What matters is the quality of their early experiences.

Build On Existing Programs Rather than Starting New Ones.

The largest federal early childhood programs—the Child Care and Development Block Grants (CCDBG); the Maternal, Infant, and Early Childhood Home Visiting program (MIECHV); and Head Start—are run by the Department of Health and Human Services (HHS). At the same time, some have recently been pushing to start additional early education programs in the Department of Education. But building new bureaucracies is not the answer. Nor is tacking new preschool programs onto failing public schools a good strategy for success.

HHS has much greater experience with early learning programs and is less vulnerable to the counterproductive, entrenched interests linked to K–12. It simply makes more sense to build on and strengthen current HHS programs rather than start parallel ones in other federal agencies.

New resources should be invested in ongoing experimentation to raise the bar for best practice and directed toward programs with demonstrated records of effective action. And, while CCDBG and MIECHV are both well-designed federal programs, Head Start needs to be fixed.

CCDBG. Child care is crucial for many low-income parents to remain employed and off welfare, and it can make a big difference to middle-class families struggling to make ends meet. Families often spend more on child care than housing. In many states, infant care costs more than 50 percent of the median income for a single mother.¹¹ And young children placed in child care can spend up to half their waking hours outside the home during their most critical period of development. If child care is low quality, this foundational time will be wasted or even harmful. But high-quality care can actually

help prevent disadvantaged children from falling behind their more advantaged peers.

CCDBG is the primary federal grant program providing child care assistance to low-income working families, aiming to help lower-income parents—especially mothers—remain in the workforce. A bipartisan reauthorization in November 2014 incorporated a groundbreaking new focus on the potential of high-quality child care to advance young children’s early development and learning while also enabling their parents to work. This was a significant step in the right direction and should be reinforced going forward.

MIECHV. Voluntary home-visiting programs help young, low-income parents become more competent in caring for their children and themselves, and better able to fulfill their role as their children’s first teachers. These programs shore up fragile families and have been shown to make a large positive difference in children’s later academic and social outcomes. Based on several rigorously conducted, randomized trials of one leading program, the Nurse-Family Partnership, the Rand Corporation has estimated downstream savings in social spending of between \$2.80 and \$5.70 per dollar invested in home visiting, with greater returns for more disadvantaged families.¹²

The federal MIECHV program provides states with funds to develop and implement voluntary home-visiting programs, aiming to improve maternal and child health, prevent child abuse and neglect, encourage positive parenting, and promote child development and school readiness. MIECHV is a particularly good federal model because states choose the home-visiting models that best meet the needs of their own at-risk communities, and only evidence-based models with strong track records are eligible for federal funding. This design is a sensible one, but ongoing evaluation of program impact is essential to ensure that funds are promptly redirected from approaches that don’t work to those that do.

Head Start. While Head Start makes a lot of sense on paper, in practice it’s falling short. Research increasingly supports the comprehensive

approach Head Start pioneered a half-century ago, which recognizes that children's cognitive, emotional, and social development are closely linked, and family engagement is crucial. However, a 2010 study investigating the average impact of thousands of Head Start centers failed to find "a clear pattern of favorable or unfavorable impacts for children."¹³ This led some to conclude that Head Start "doesn't work."

Yet that 2010 study obscured Head Start's fundamental problems: too much ineffective regulation, and excessive variation in the quality of local program delivery among the 18,000 Head Start centers and 49,000 Head Start classrooms across the country.¹⁴ In fact, some centers are great, some are mediocre, and some are lousy. As with any enterprise, when there's one goal and many providers, some succeed and others fail.

Faced with this uneven performance, a call for the federal government to block grant Head Start is understandable. But we may be better able to assure local quality by re-engineering the federal role to promote innovation and effectiveness by cutting counterproductive regulation and establishing accountability that empowers successful providers and quickly improves or eliminates underperforming ones.

Furthermore, although Head Start's unusual federal-to-local structure is clearly a detriment when federal regulations run amuck, if designed well it can also provide a unique opportunity to give local communities direct control while actually reducing bureaucratic middlemen. The program could even serve as a valuable federal laboratory to test what strategies are effective with disadvantaged kids and what's critical to executing those strategies well.

Invest in Research and Innovation. Finally, we don't know nearly enough about what interventions really work best to help disadvantaged kids. Before launching new programs, we need to build a stronger knowledge base for ongoing improvement of current approaches and for future action. The federal government has an essential role to play by supporting research on program effectiveness and investing in smaller-scale demonstration projects to test new approaches.

Rigorous evaluation should be required of all programs, both established and experimental.

Along the lines of a recent proposal from the Coalition for Evidence-Based Policy, an early learning research program—modeled on the successful federal Small Business Innovation research program for technology—could fund the development and testing of entrepreneurial, field-initiated ideas in multiple areas of early learning. An online federal clearinghouse on early learning should also be established to promote transparency and knowledge sharing. Such a centralized clearinghouse could disseminate evidence on existing initiatives, share ideas and best practices to inform smart policymaking, and spark new thinking on innovative ways to solve persistent problems.

Conclusion

The 69 months from conception to a child's fifth birthday lay the essential groundwork for everything that follows. But too many children enter kindergarten so far behind that they can never catch up. Early learning aims to level the playing field for vulnerable children by building a strong foundation in the first place rather trying to fix expensive, preventable problems down the line. Shifting investment to children's earliest years will pay great dividends to society, and helping America's least-advantaged children get a fair opportunity in life is simply the right thing to do.

The potential of this strategy is clear. The American promise of equal opportunity is a promise worth keeping. Now, thoughtful leadership is needed—and there's a lot of space for it to happen.

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Tearing Down Barriers to Expand Postsecondary Education Choices

DIANE AUER JONES

Hardly a day goes by when we aren't reminded of the angst of underemployed college graduates in the United States. After the Great Recession, the underemployment rate spiked to a new high of 44 percent, making it clear that there are more college graduates than jobs that require a college degree.¹ At the same time, despite the fact that employers have a surplus of college graduates from which to choose, they complain about a scarcity of graduates who are prepared to meet the demands of the workplace.²

How could it be that so many jobs go unfilled when at the same time so many graduates remain underemployed? Some claim that the cause of this mismatch is poor institutional quality, as if underemployment would end if higher education institutions just started taking their mission seriously.

However, a more likely explanation is that while the world and the workplace have changed considerably, we still have a one-size-fits-all higher education system. The dearth of alternatives to traditional postsecondary education and the scarcity of information about the few options that do exist leave many Americans underprepared yet overcredentialed for the jobs they are most likely to get.

Instead of urging every American to go to college and crossing our fingers that colleges will just get better or that jobs for college graduates will suddenly emerge, we need to recognize that college isn't the best option for everyone or the best way to prepare for every career. We should promote alternative educational pathways that are better aligned to individual and workforce needs, such as highly effective

and cost-efficient apprenticeship programs, specialized-certification programs, and innovative training programs such as technology boot camps.

Job Projections

According to the Bureau of Labor Statistics, over the next decade the occupations that will enjoy the largest growth are predominantly in areas that do not require a traditional four-year college degree.³ Most new opportunities will be low- and medium-skilled jobs in patient care, construction, retail sales, and consumer services. We could ignore the facts and continue to prepare young adults for the so-called “knowledge economy,” but then we should be prepared to accept that we are consigning a generation to the disappointment and strains of underemployment. After all, many knowledge jobs are easily exported to countries that pay knowledge workers far less than US wages.

Even for elite workers of the 21st century, a focused training program, such as a Silicon Valley boot camp, may be the more effective and efficient path to a high-paying job than a traditional college experience. Coding boot camps—such as Dev Bootcamp, Hackbright Academy for women, or Hack Reactor—offer programs that are 10 to 19 weeks long, cost between \$10,000 and \$15,000, and provide training in coding and software engineering that leads to jobs at top companies like Google, Facebook, and Salesforce. It is time to pull our heads out of the sand and focus on building and promoting college alternatives that better align with our national needs and the needs of today’s students, both young and not so young.

Apprenticeships, Certifications, and Boot Camps

The most cost-effective way to prepare individuals for low-, middle-, and even some high-skilled jobs is through shorter, more intensive training programs. Better yet, we should embed these opportunities directly into the workplace and engage seasoned industry professionals in their design and delivery. Apprenticeship programs place their

students directly into the work environment where they will learn on the job, with traditional classroom education added as needed.

The advantage of an apprenticeship program is that it provides training in the precise areas where the employer has a need, using the employer's protocols, equipment, and curriculum. These programs may also integrate the general education elements of a traditional college curriculum, doing so in a way that has meaningful, practical applications. Employers have a vested interest in leveraging the talent and skills of the apprentices in which they invest, meaning that apprentices are being trained for evolving careers, not dead-end jobs.

The apprenticeship model also acculturates the individual to workplace norms and provides adult role models who demonstrate not only the technical skills but also the personal qualities and behaviors that garner success. In contrast, college educators may see their students as mere children who are to be protected from the adult world, including through the use of strictly enforced, politically correct speech codes.⁴

Add to that the pressure on institutions to expand their *in loco parentis* role to meet the unrealistic expectations of the completion agenda and, suddenly, students graduate from college completely unprepared to deal with the hazards, hassles, inconveniences, and disappointments of the real world. Perhaps it is the national obsession with ensuring student happiness and removing any possible barrier to student success that is leaving employers baffled by this new generation of graduates who are not measuring up.

A key advantage for individuals learning in the workplace is the opportunity to see the full range of job opportunities in their field, from entry-level work to senior leadership positions, and to identify mentors who can help them get there. Apprentices typically earn a wage while learning, which reduces both the direct and opportunity costs associated with traditional postsecondary education.

Moreover, the availability of apprenticeships sends clear market signals to students about where job opportunities are most plentiful, because employers are unlikely to invest resources to train people for jobs that do not exist, as opposed to colleges and universities that

offer whatever educational programs their tenured faculty are willing and able to teach, regardless of actual workforce needs.

Many European countries understand the benefits to individuals and society of well-organized, high-quality, socially respected apprenticeship programs and tend to promote them with the same vigor (or with even more vigor in countries such as Switzerland) as college programs. Why, then, are these programs typically omitted from our national conversation about higher education, and why are so few students engaged in this effective and efficient form of education?

Perhaps the problem stems from elected officials pandering to middle-class dreams of sending kids to great colleges (with as little personal expense or sacrifice as possible), where they will have life-changing experiences (or at least mature a bit) and land high-paying jobs that enable them to live a life of privilege. Or maybe the problem is that suggesting some individuals might not actually be college material (even if by choice and not aptitude) is very much a political third rail.

Unlike apprenticeship programs, certification programs have become a more accepted part of the higher education continuum, largely because these programs are offered by traditional colleges and universities. The IT industry relies heavily on certification programs to ensure that workers have functional knowledge of key computer systems or software packages.

Allied health professions also rely heavily on certification programs, including postgraduate certification programs, to provide short-term training that prepares students to obtain and maintain a professional license. These programs are generally 8 to 12 months in length and can be offered as standalone programs, as “stackable” credentials that can be applied toward a higher-level degree, or as postgraduate programs designed to refine, reinforce, or update certain skills or to meet professional continuing-education requirements for those who have already completed a degree. Students are often able to use Federal Student Aid to pay for these programs, and the fact that they are short in duration means that students can enter the job market quickly to realize a rapid return on investment.

Some four-year institutions are contemplating inserting certification programs into the early semesters of longer degree programs so that students can get better jobs while still in school, allowing them to pay tuition with less reliance on student loans. However, for schools that must report graduate outcomes such as job placement rates, there can be stiff penalties for helping students secure these good jobs early in their program.

Some states and accrediting agencies will count a student as being placed only if the student gets the job after he or she graduates, even if the employment was a result of a certification earned during the program, and the degree will give the graduate greater career advancement opportunities in the future. Institutions also face the risk that students who land a good job after completing a certification may not remain enrolled to complete their full degree.

Another challenge facing those who earn certificates is that their credits may not be accepted by a degree program at another institution should the student decide to continue his or her education beyond the certificate. This is especially true if the certificate is earned at a community college or proprietary institutions and the student wishes to apply the credits toward a degree program at a four-year university. Students who can't transfer credits toward their major waste time and money repeating courses, often for no reason other than the pride, elitism, or shortsightedness on the part of the receiving institution.

Boot camps are the newest addition to the menu of postsecondary education and training options, providing intensive training over short time periods to prepare students for high-need fields. Coding boot camps are the creation of visionary Silicon Valley employers who need talented workers and can't wait for colleges to produce them. They also need workers who bring practical skills, problem-solving abilities, an inclination to work in groups, and entrepreneurial spirit to their work, which may be the very traits that make college undesirable to some students or that impede students' success in an environment that often values mimicry and regurgitation over independent thought.

Although boot camps are costly given their short length, graduates are likely to land high-paying jobs, making the return on their educational investment quite high. Although these programs often do not require students to have prior coding experience, admission is highly competitive, and most who apply are not accepted. Boot camps, however, provide valuable evidence that short-term vocational training programs can be as effective in preparing people for skilled knowledge professions as they are in preparing workers in the skilled trades.

Lack of Information about Alternative Postsecondary Options

Information about traditional colleges and universities is omnipresent, as is the encouragement to enroll, regardless of a student's readiness, commitment, or level of genuine interest. Newsstand ranking guides, high school counselors, direct advertising by institutions, public-service announcements, admissions guides, college directories, and TV coverage of college athletics all make it easy for students to find their point of entry to the academic-industrial complex.

On the other hand, the distributed model under which apprenticeships, certification programs, and boot camps operate makes creating a ranking system too difficult, achieving a comparable level of advertising too expensive, and constructing a sustained public presence unlikely. These natural disadvantages are exacerbated by the disjointed nature of federal efforts and programs intended to support some of these alternatives.

Separate from the Department of Education's Office of Postsecondary Education, which advances traditional institutions and degree programs, is the Office of Career, Technical, and Adult Education, which provides funding to states through the Carl D. Perkins Career and Technical Education Act and Title II of the Workforce Investment and Opportunity Act (WIOA). The Department of Labor funds other parts of WIOA as well as the registered apprenticeship program, both of which are administered by the states.

Beyond these programs, the Department of Agriculture provides funding for employment and training to state agencies that administer

the Supplemental Nutrition Assistance Program. The Federal Highway Administration On-the-Job Training/Supportive Services program requires state transportation agencies to establish apprenticeship and training programs to prepare women, minorities, and disadvantaged individuals for journey-level (entry-level) positions.

The Department of Housing and Urban Development (HUD) gives priority to contractors and employers who either are receiving or employ individuals who receive Section 3 housing benefits. Similarly, by employing Section 3 residents or YouthBuild graduates as apprentices, contractors can receive preference in winning bids for HUD projects totaling almost \$19 billion annually.⁵

The federal government could better serve students and employers (and reduce taxpayer costs) by consolidating all of these programs under one agency with the mandate of advancing without bias all postsecondary education options. This would require legislative changes to reassign the programs to a single agency, such as the Department of Education's Office of Postsecondary Education. In addition, it would require the managing agency to take an unbiased approach to advancing all of the options rather than giving preferential treatment to just one.

One option to expand apprenticeship programs is to provide more federal dollars to support them. However, more federal dollars always come with more federal oversight and regulation, which could be detrimental to the innovative spirit of many of these programs and the efficiencies otherwise achieved by them. Consequently, we should not federalize these programs, but instead use the presidential bully pulpit to raise awareness of them, enhance their credibility, and give them room to grow and evolve based on employer and student needs.

Lack of Valid Assessment Tools

As underemployment has received increasing media attention, some policymakers and consumer advocates have responded by doubling down on institutional accountability, as if institutions had absolute control over the choices students and employers make or over the

local or national economy. Asserting that government knows best, President Obama has proposed a college rating system that claims to measure program and institutional quality using a set of short-term proxies such as graduation rates, starting salaries, and student loan default rates.

Unfortunately, given the multitude of variables that influence those outcomes—including race, socioeconomic status, gender, and age—what these proxies primarily measure is institutional selectivity. Low-income students probably don't need another reminder that the children of affluent parents tend to graduate at higher rates, get better first jobs, and benefit from financial support during college and during the early years of loan repayment. These disparities are evident even among diverse populations of students attending the same institution, including selective institutions, where presumably all students receive an education of similar quality.

Regardless of what their research about college outcomes might tell them, the vast majority of low-income students actually have very little choice when it comes to selecting a college. The unintended consequences of using such crude measuring sticks as graduation rates and student loan default rates—or the Obama administration's still vaguely defined college rating system—as proxies for quality are many, including that the unrelenting and uninformed focus on these metrics could dissuade elite institutions from enrolling a population that they already underserve, and employers could be scared away from hiring even the most accomplished graduates of less-selective institutions. Meanwhile, it is not clear that any of these proxies for quality are of interest to students and parents, and the current assessment models must be significantly refined if they are to have predictive value for an individual student.

Worse than President Obama's proposal for a college rating system is the Department of Education's recently promulgated Gainful Employment (GE) regulation, which purports to evaluate career and vocational education program quality based on whether recent graduates have debt-to-income ratios that are above or below an arbitrary bright-line standard. Since the GE regulation applies only to certain such programs (less-than-degree programs at nonprofit institutions

and all programs offered by for-profit institutions), it is inevitable that these regulations will further reduce the number of opportunities for students seeking this vocational education.

Ironically, students displaced from the programs deemed ineffective by the GE regulation are likely to either abandon postsecondary education altogether or be pushed into programs at traditional institutions—such as general studies programs—that may be of lower value. Since traditional programs are not subject to the GE regulation, the student would have no way of knowing what options yield better results than the so-called “failing” career and vocational program.

If the federal government is going to attempt to assess or evaluate higher education program quality, it should proceed with caution and be careful not to confuse correlation with causation. At minimum, government assessment methods should attempt to control for confounding variables, similar to the way that the 2014 Workforce Investment Opportunity Act adjusts program outcomes to take into account risk factors, such as participant demographics and local economic conditions.

Stigmatization of Alternative Postsecondary Options

In the US, apprenticeships have been undervalued, largely because of the social stigma associated with pursuing a vocation rather than a college degree, even if the college degree is in a low-value major. Technology boot camps, which have been portrayed as the training mecca for whiz kids who get scooped up by iconic high-tech employers, prove that it is possible to remove the stigma from alternative training and education programs, especially when employers are involved in their design and assign them value when making hiring and employee promotion decisions. The Obama administration’s promotion of “college for all” adds to the stigmatization of other options and belies the fact that for many Americans—including bright, talented middle-class kids—college is not even close to the best option.

The next president must lead a national effort to educate students, parents, teachers, and employers about the advantages of

apprentice-style postsecondary education, and work to eliminate the stigmas associated with this type of career preparation. To address the concerns that employers might have about investing in training programs only to have their employees poached by other companies, the president could advance policies that provide advantages to participating employers, such as tax cuts or other financial incentives.

Since changing tax law can be difficult and unappealing to many, another way to reward participants in apprenticeship or boot camp training programs is to amend federal contracting guidelines to give preferential treatment to companies that participate in these programs, similar to the way that current guidelines give preference to women-, minority-, or veteran-owned businesses.

Recommendations

The federal government can play an important role in educating the public about the value of apprenticeships and similar short-term education and training programs and in reducing their associated stigmas. While federal policies could incentivize students and employers to participate in these cost-effective programs, at the least, federal policies should no longer provide disproportionate incentives that bias students and federal dollars toward degree programs offered by traditional institutions of higher education.

Most importantly, the government should not assume that it knows better than individuals what programs or professions they should pursue. Nor should policies be based on the erroneous assumption that college is the right option for everyone, that a paycheck is the most significant determinant of job satisfaction, or that tax payments are the most important contribution that Americans can make to their country.

So much of the national education conversation purports to advance college and career readiness for all students. However, the policies and programs advanced by the Obama administration have done little more than promote the importance of college and career readiness for all. We owe it to American workers young and old to take the full range of education and training opportunities seriously

and to help them find the option that is best for them, prepares them for the jobs that actually exist, and meets the needs of employers who are ready to hire.

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Addressing the Challenges of Student Debt

KEVIN J. JAMES

The last several years have seen a rising chorus of concern about student debt levels. Researchers at the Federal Reserve Bank of New York (NY Fed) recently estimated that 43 million Americans have student debt, with an average balance of \$27,000. Total outstanding student debt is approaching \$1.2 trillion—triple the amount in 2004—with \$1 trillion of that debt held or backed by taxpayers.¹ The average amount borrowed per student has also steadily increased year after year: for the class of 2013, students graduating with a bachelor's degree from public and private non-profit colleges left school with an average balance of \$28,400, up from \$23,200 five years earlier.²

Rising debt isn't necessarily a problem if students' educational investments are generally paying off. But there are reasons for worry: Researchers at the NY Fed estimated that 26 percent of borrowers who left school in 2009 have defaulted on their loans at some point.³ Default is only part of the story, however. Those same researchers found that, across all student loan borrowers, 37 percent had been at some point delinquent in repaying their loans.⁴ Student debt may also affect the ability of young Americans to purchase a home, a trend that has significant economic ramifications.⁵

Progressives have responded with expanded loan forgiveness and proposals to lower student loan interest rates. Too often, this puts the GOP in the unenviable position of either matching Democrats' largesse or appearing unsympathetic to young people investing in their education. Instead of accepting this framing, conservatives should shift the focus of the debate. Rather than pouring ever-increasing amounts of money into a broken system, conservatives must realign

the incentives of that system to better serve students and their families. I discuss three ways to do so in the sections that follow.

Put Borrowing Limits on Federal Loans

Federal higher education policy over the past half-century has largely focused on one overarching goal: ensuring that Americans can afford to pay for college. By making federal loans and grants available, this policy has increased the number of people who attend college, including students from disadvantaged backgrounds.⁶ But it has asked little of schools in terms of keeping tuition costs in check and providing high-quality education. As a result, while more students have enrolled, the value of the education they're getting in return has been diminishing.⁷

While conservatives have tended to view these unintended consequences as a product of federal aid in general, the federal student loan program in particular is a far larger enabler of these changes in institutional behavior than programs such as Pell grants. Unlike Pell grants—which provide a fixed amount of grant aid only to low-income students—the current federal loan program ensures that students (or their parents, in some cases) are almost always able to access enough credit for any institution.

Federal loans are therefore on autopilot, providing an ever-expanding supply of capital in sync with rising tuitions. The program also has virtually no checks to ensure that students (or parents) will likely be able to pay the money back based on their expected future earnings. Thus, institutions can be confident that students will be able to pay anything, no matter the quality of education they receive or their future repayment capacity.

The federal loan program did not start out this way. Initially means tested, federal loans were created by Congress in the mid-20th century to allow low-income students to borrow limited amounts to help pay for school. In 1980, Congress created the Parent PLUS loan program to allow parents who pass a modest credit check to borrow funds to pay for their child's education.⁸ While Parent PLUS initially had limits on how much parents could borrow, Congress removed

those limits in 1992. In that same year, Congress also did away with the means testing, opening the program to students at all income levels.⁹ Finally, in 2005, Congress extended PLUS loans to graduate students, effectively removing limits on graduate borrowing.

While these federal loan expansions certainly provided near-term relief to families trying to cover rising tuitions, they also enabled future price increases. This has created a cycle of rising tuitions that risks swamping students, parents, and taxpayers in unsustainable debt. And with PLUS loans now available at both the undergraduate and graduate level, Congress doesn't even have to vote on further expansions to perpetuate the cycle: federal credit automatically adjusts to fill the gap. Putting the brakes on this runaway train should be a top priority of policymakers across the political spectrum.

But recognizing this dynamic is only the first step. Any attempt to impose borrowing limits will face the same political pressures that prior Congresses have confronted. This challenge was on full display when the Obama administration attempted to make minor changes to tighten credit requirements for Parent PLUS loans and promptly retreated amidst a firestorm of controversy.¹⁰

Rather than run headlong into the same wall, conservatives should think more carefully about next steps. First, there is a far stronger case for capping graduate student borrowing, which represents a large and rapidly growing fraction (approaching 35 percent) of federal loan disbursements.¹¹ There is a bipartisan proposal in the Senate to do just this, among other things.¹² Conservatives should therefore work across the aisle to reinstate the graduate borrowing limits that existed before 2005.

Second, and more fundamentally, conservatives should take steps to foster a more robust set of forward-looking private-market options—ones available based on the type and quality of the program a student is pursuing and his or her likelihood of being successful in that program. In contrast to federal loans, private student loans often require a cosigner, limiting their availability based on a student's family circumstances.¹³ Doing so would ease pressure on policymakers to try to meet student demand entirely through federal credit programs.

Expand the Private-Sector Role in Financing Students

Conservatives have traditionally, and rightly, looked to the private sector to play a larger role in financing students. Private-sector institutions are better positioned to make fine-grained evaluations of program quality, because they aren't subject to the lobbying pressures of the political process. Since they stand to lose money when students aren't able to repay their obligations, private institutions also have far better incentives to make wise investments. Finally, private-sector actors are far more adaptable, able to respond to changing and emerging markets.

Unfortunately, however, previous private-sector involvement in student financing has left a lot to be desired. Specifically, the guaranteed-lending program that existed before 2010 had the appearance of being private but, in reality, lacked the basic elements of a well-structured financing market. Under the program, participating banks made loans to students under the terms of the federal loan program, leaving the banks with little discretion over the terms of the loans, including the students and programs eligible to receive them.

At the same time, federal subsidies and a guarantee against default meant that the banks bore little risk if a student's investment did not pay off. The program, therefore, was not much of a private market at all; rather, it was the same old federal loan program, but dressed up to look like the private sector.

Rather than resurrect a system that was private in name only, conservatives should look to expand private financing options that aren't dependent on a guarantee or federal subsidies. The first place to look is the private student loan market, which represents roughly 7 percent of student loan originations in a given year.¹⁴ Simply imposing borrowing limits on federal loans would almost certainly lead to an expansion of private loan options for students. This is particularly true at the graduate level, because lending to graduate students is less risky than lending to undergraduates.

The reality is, however, that private student loans alone aren't likely to meet the needs of many students. First, roughly 90 percent

of private student loans currently require a creditworthy cosigner.¹⁵ This means that many high-potential students from disadvantaged backgrounds may have limited opportunities to obtain financing. Second, private student loans force students to bear significant financial risk, particularly given that these loans are nearly impossible to discharge in bankruptcy. Investing in higher education is likely to be the second-largest financial investment an individual will make.

But this investment also has no collateral and is highly uncertain, meaning that even responsible students can end up with debt that they may struggle for decades to repay if their educational investment doesn't pay off as planned. Students from low-income backgrounds are acutely aware of this risk, because their families don't have the means to help them if something goes wrong. Without protections against risk, many such students will simply avoid investing in education, potentially jeopardizing their future.

Progressives see these challenges as justification for a federal monopoly over student financing, accompanied by increasingly generous loan repayment terms. But promising private-sector solutions called Income Share Agreements (ISAs) can similarly protect students while helping them make better educational investments in the first place. Under an ISA, in exchange for private financing a student agrees to pay an affordable percentage of his or her income after school for a set period. An ISA has no principal balance or interest rate, so the amount the student pays depends solely on his or her afterschool income.

As a result, ISAs finance students based on their potential rather than their family circumstances. And by linking payments to income, ISAs help relieve students of financial risk much in the same way as an insurance company diversifies the risk of many different individuals. Finally, because ISA providers only earn a return if a student does well, they have strong incentives to help students be successful while enrolled and afterward.

Right now, there is a small but budding industry of ISA providers in the United States. Unfortunately, the growth of these companies has been stunted by the absence of legal clarity around how these contracts should be treated. Legislation to provide that clarity,

introduced by Sen. Marco Rubio (R-FL) and retired Rep. Tom Petri (R-WI) in 2014, deserves conservative support because it would provide fertile ground from which a much richer set of private-sector financing options might develop.¹⁶

Helping Struggling Borrowers

Investing in higher education is risky, and students, particularly low- and middle-income students, need ways to protect against that risk. This doesn't always mean protection from high-debt loans. In fact, most struggling borrowers have relatively lower debt levels (think \$10,000 instead of the six-figure numbers typically thrown around in the media).¹⁷ Many of these cases are likely to involve students who dropped out of school without a credential to boost their earnings.¹⁸

The traditional way to provide protections through federal loans has been to subsidize interest. Sen. Elizabeth Warren's (D-MA) proposal to allow students to refinance their existing loans at lower interest rates is the most prominent recent example.¹⁹ Interest subsidies, however, are an exceedingly expensive and inefficient way to provide this protection: all borrowers benefit regardless of whether they need the help, and those that do need the help only benefit modestly.

In the 1980s, building off the ideas of Milton Friedman and other economists, the Reagan administration proposed linking federal student loan payment amounts to a borrower's afterschool income as an alternative to interest subsidies.²⁰ This would protect borrowers from financial risk while doing away with wasteful and poorly targeted subsidies.

It wasn't until subsequent decades, however, that linking borrower payment amounts to income after school played a larger role in federal student loans. In 1994, Congress created an income-contingent repayment option. Not happy with that option, in 2007 congressional Democrats created the income-based repayment option allowing students to cap their payments at 15 percent of their discretionary income, with any remaining balance forgiven after 25 years.

In that same legislation, Congress created a related program allowing anyone working in government or a charitable nonprofit—a population estimated to be roughly 25 percent of the workforce—to receive loan forgiveness after 10 years.²¹ Still not content, in 2010 President Obama and congressional Democrats created a new option, Pay as You Earn (PAYE), which only requires that borrowers pay 10 percent of discretionary income and offers forgiveness after 20 years.

Unfortunately, what was a simple idea to protect students from financial risk has become a complicated mess that fails to prevent default in many cases while being a giveaway to high-debt students. The problem isn't that earlier options to link payments to income weren't generous enough. To that point, even with PAYE, the Department of Education predicts that roughly 25 percent of dollars lent to the 2016 cohort of undergraduate borrowers will end up in default.²²

Existing options to link payments to income have always been poorly designed and difficult to use for the people who need them most, meaning that many struggling borrowers end up in default despite having options available to help them. And while PAYE has done little to change this status quo, it has become a refuge for high-debt graduate students.²³

More spending is not what's needed. Instead, Congress could offer all students strong protections against risk in a way that's likely to be deficit neutral or even save taxpayer money. To do this, conservatives should streamline the current federal student loan program so that borrowers can easily choose to tie their payment amounts to their income (ideally doing so by default). They should then focus their ire on wasteful subsidies and counterproductive loan-forgiveness policies that exacerbate tuition inflation and are a giveaway to the well-off.

Within a system where loan payments are linked to income, there are reforms—such as a cap on the amount of interest that can accrue—that would protect borrowers struggling to pay down their loan but would not undermine personal responsibility or encourage greater tuition inflation. Two recent proposals—one championed by Sen. Rubio and the other by former Rep. Petri—exemplify this

approach and deserve conservative support, as they would streamline the repayment process, ensure all borrowers are protected from default, promote personal responsibility, and likely be deficit neutral or even save money for taxpayers.

Conclusion

Progressives often claim the moral high ground by making this debate about how much we spend. Instead, conservatives need to pivot the discussion to how we spend the money we do spend and who we spend it on. By reforming and paring back badly designed federal programs, conservatives can address the dysfunctional dynamics currently plaguing America's higher education system while targeting scarce federal dollars to those who need them the most. In doing so, they will help restore confidence in the country's higher education system as a ladder of economic opportunity rather than a source of financial ruin.

Notes

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College Innovation and Quality Assurance

ANDREW P. KELLY

The 2016 US election will almost certainly focus on the concerns of the middle class, and few issues have caused as much economic anxiety as the rising cost of college. In a 2013 survey, when asked which reforms would do the most to help improve the economic situation of the middle class, the number-one choice, cited by 38 percent of respondents, was to make college more affordable and accessible. Affordable health care came in a distant second, at 26 percent.¹

Why is college affordability the number-one concern? Because Americans see that they face a college conundrum: education after high school is an increasingly expensive and risky investment, but it is also more important than ever to economic success. Nearly three-quarters of Americans believe that getting a degree or certificate is necessary for getting a good job, but 77 percent believe that it has gotten too expensive for most people to afford. Less than 40 percent say that colleges provide excellent or good value for all the money families spend on tuition.²

They're right to be concerned. Tuition at four-year public colleges has almost quadrupled since 1980, relentlessly eroding federal investments in need-based financial aid.³ Meanwhile, only half of the students who start a degree or certificate finish within six years.⁴ Many college dropouts are actually worse off than if they had never enrolled in the first place, saddled with debt but lacking a credential that could help them get a good job.⁵

Even among those who complete their certificate or degree, the returns are far from certain: nearly 45 percent of recent college graduates are underemployed, working a job that does not require a college degree.⁶ The effective delinquency rate on student loans

is now as high as it was on subprime mortgages at the height of the housing crisis.⁷

As a result, many middle- and working-class families now feel trapped, forced to choose between sending their child into debt to pay for an overpriced degree that may not be worth it and consigning that child to a life of low-wage jobs. Presidential policy agendas for the middle class must speak to these anxieties. The question is how they should do so.

Liberals' answer is simple: spend more money on student aid to bring the price of attendance down, and introduce more regulation to ensure that colleges meet particular standards. But this approach—subsidize, watch tuition rise, and subsidize again—is failing. Federal investment reduces the net price of tuition in the immediate term, but the relief is soon washed away by further tuition increases.

Take the Pell grant program as a case in point. Between 2008 and 2012, federal spending on the program doubled, and the maximum grant increased by more than \$1,000. The influx of federal cash kept net tuition prices low for a time, but once spending plateaued, tuition kept rising. As a result, Pell spending reached an all-time high in 2012, but its purchasing power was at an all-time low.⁸

Financial aid questions are important, and candidates should consult Kevin James's chapter in this volume for creative solutions. But conservatives have allowed liberals to make this a debate about how much we spend, leaving perverse incentives, anticompetitive regulations, and self-serving policies in place. We cannot spend our way to college affordability, and we cannot fix colleges with more rules and regulations from Washington.

What families need is a functioning market that aligns the incentives of colleges and students, encourages providers to compete on price and value, and allows new competitors in to challenge incumbents. Rather than promise middle- and working-class Americans less of what Democrats are offering, Republican candidates should propose a new way forward. America's postsecondary system must be made more dynamic, flexible, and responsive to the needs of consumers and employers.

A Republican president would be well-positioned to lead that reinvention. Specifically, a reform platform should aim to do three things: give colleges a stake in student success, empower consumers to make good investments, and lower barriers to entry so that new competitors can challenge the status quo.

Give Colleges a Stake in Student Success

Democrats have worked to expand federal regulatory power over colleges in an effort to improve accountability. The Obama administration's attempt to regulate for-profit colleges targets one small sector of the market and ignores the fact that poor performance transcends tax status. The president's recent call for federal college ratings would cover all colleges, but would try to comprehensively measure the quality of thousands of different institutions, using measures that are imperfect at best and perverse at worst.

It is important to note, though, that these misguided efforts are rooted in an understandable frustration: the federal government sends billions of dollars to colleges every year and asks for very little in return. So long as colleges remain accredited, pass a dubious assessment of financial solvency, and do not let their three-year cohort default rate exceed 40 percent in any given year (or 30 percent for three consecutive years), they are free to receive federal loan and grant dollars.⁹

The default rate is easily gamed and is binary in nature: those with high default rates below the threshold have little reason to improve. These policies provide every incentive to enroll students—and encourage them to borrow money—and far less reason to worry about what happens to them later.

Rather than dream up a new, complicated accountability scheme, policymakers should take a page from lending markets where lenders often have skin in the game, meaning they bear some of the financial risk of default. Risk sharing aligns the interests of lenders and borrowers, and evidence suggests that lenders with skin in the game lend more responsibly. In one study, losses were halved when lenders had skin in the game.¹⁰ Federal policy now requires that the

originators of a loan retain 5 percent of the risk when they securitize those loans.¹¹

Most colleges bear little risk if their students cannot repay their loans. Reformers should work to give colleges skin in the game, putting them on the hook when their students default. The simplest way to go about this would be to charge all institutions a flat percentage of any nonperforming loans. To avoid sanctioning high-performing schools—which may be politically difficult—policy-makers could also consider designing a penalty schedule that phases in at a particular level of performance. But designers should avoid thresholds that arbitrarily divide otherwise similar schools.

Policymakers must acknowledge the potential for unintended consequences of a skin-in-the-game policy—primarily, giving institutions the incentive to become more selective in their admissions. That's not necessarily a bad thing, if it means that schools will be more conscientious about enrolling only those who would benefit from attending. But it is possible that they may use proxies such as income or zip code, potentially locking out students who would benefit from postsecondary education.

To balance this out, federal policy could award schools a bonus for every Pell grant student they enroll who graduates. Such a bonus program would help hedge the risk of enrolling low-income students, helping keep the door open to low-income students who would benefit from higher education.

Empower Consumers through Transparency

Skin in the game can incentivize colleges to focus on student success, but rules and penalties only go so far. Higher education is a market, after all, and market accountability requires consumers who reward good providers and punish bad ones by voting with their feet.

Unfortunately, it is quite difficult for students and families to determine, a priori, which colleges and programs are likely to help them be successful. Colleges can woo students with flashy amenities and promises of career success, while critical institution- and program-level information on graduation rates, student debt

loads, and afterschool earnings is incomplete or not systematically available.

These gaps are due, in part, to a 2008 law that prohibits the federal government from collecting student-level data that would link postsecondary pathways to data on labor market success. The ban, supported by the private college lobby and many congressional Republicans, keeps useful information out of the hands of consumers. This, in turn, blunts consumers' ability to effectively vote with their feet.

Candidates should propose reforms that can help bewildered families navigate to valuable postsecondary options. Improving transparency around student outcomes—such as graduation rates, loan repayment, and earnings—is key. Existing proposals, such as the Student Right to Know Before You Go Act introduced by Sen. Ron Wyden (D-OR) and Sen. Marco Rubio (R-FL), would make such data, including program-level information on earnings, available.

It is important to note that data collection and transparency are areas where the federal government is poised to contribute substantially. States can track wage records and postsecondary enrollments in their public institutions, but they cannot follow graduates who leave their state. Nor can they furnish data on loan repayment. And private firms would be hard pressed to collect systematic data on the wages of graduates. In this respect, outcomes data are a public good that only the feds can produce.

There are two crucial caveats here. First, the federal government must collect the data, but it should not be the sole provider of consumer information. Making aggregated program-level data available in a way that protects privacy would allow entrepreneurs to create all manner of ratings and rankings of college value that are tailored to the preferences of particular groups of consumers.

Second, conservatives are rightfully concerned that collection of new data will inevitably lead to more federal overreach, a suspicion that the Obama administration has reinforced at every opportunity. This concern is entirely reasonable, and candidates could simultaneously pledge to improve transparency while explicitly prohibiting policymakers from using those data in a federal accountability

scheme. A better-informed market will function more effectively and render many top-down sanctions and rewards unnecessary.

Lower Barriers to Entry

Aligning the incentives of colleges and students through skin in the game and greater transparency will help families in the short term. But if the supply of spots in good programs and institutions is more or less fixed, surplus demand will continue to flow to poorly performing schools, meaning they will feel less competitive pressure to improve. Put simply, competitive markets also require new ideas and new players that can compete with the old guard on price and value. And Americans need new options that reflect their needs and budgets.

The gap between rising tuition prices and stagnant returns presents a tremendous opportunity for entrepreneurs. New organizations—nonprofit, for profit, public—built to offer education via new models that are more affordable and of comparable quality to existing institutions could attract hundreds of thousands of currently underserved students.

These new offerings may look little like existing college degree programs, using online and hybrid models, competency-based assessment, and short-term immersive experiences in place of traditional lectures and semesters. But those that can provide a comparable education for less money (or a better education for the same price) would put pressure on many existing institutions to compete to avoid losing market share.

Unfortunately, federal policy's reliance on third-party accreditation has created a significant barrier to entry. Since the GI Bill of the early 1950s, federal student aid policy has required that colleges be accredited by a recognized accreditation agency before their students can receive Pell grants or student loans. To get accredited, colleges are required to have served students for a number of years (at least enough to graduate a class). But it is hard to attract paying students if you're not eligible to receive federal aid.¹²

Beyond this chicken-or-egg problem, accreditation reviews adhere to a traditional model of higher education and are naturally skeptical

of organizations that are not organized like a traditional brick-and-mortar college. Nontraditional models therefore face a long and uncertain approval process. And models that provide postsecondary courses but no degrees or certificates cannot get accredited.

These barriers limit competition and the array of options available to consumers, with predictable consequences. Poor-performing colleges that remain accredited can continue to attract students because there are fewer affordable options than there would be in a better-functioning market.

Reformers should therefore work to knock down these barriers to entry. They should learn from experiences in trucking, airlines, and telecommunications, where deregulation cracked open closed markets and fostered competition between new entrants and established players.

Like trucking and telecom firms, higher education interests have held fast to regulations that guard the status quo. Accrediting bodies and licensure boards are staffed by representatives from existing institutions, which allows existing players to maintain a regulatory regime that serves their interests.

Reformers need not dismantle the existing system overnight, however. Rather, they could take a page from the charter schooling movement and develop a parallel gatekeeping process that serves as an alternative to accreditation and, eventually, a competitor with it.

Such an alternative could create a new route to federal student aid eligibility for providers that wish to deliver education differently and are willing to be held to clear standards vis-à-vis the cost and quality of their product. To keep the federal government out of the business of directly approving providers, the parallel path could empower new authorizers with expertise in a given subject area—such as consortia of employers, nonprofit groups, and professional associations—to approve providers.

Legislators have taken up the challenge of accreditation reform. Sen. Mike Lee (R-UT) has introduced a bill that would empower states, pending approval from the Department of Education, to recognize new accreditation agencies that could then grant aid eligibility to postsecondary providers in their state. Others have called for

the recognition of a new accreditor designed to approve innovative providers. These are worthwhile starting points, and reform-minded candidates should place regulatory reform at the top of their higher education agenda.

Stop Ceding the High Ground to the Left

The Democrats have successfully made the US higher education debate about how much the federal government spends on higher education rather than how that money is spent. That's true, in large part, because conservatives have either ceded the moral high ground to the left or tried to out-pander them. Instead of promising a little less of what the Democrats want to do, Republican candidates should offer their own, more dynamic vision of the future of American higher education.

This chapter was adapted with permission from Andrew P. Kelly, A Conservative Agenda for Higher Education Reform (Conservative Reform Network, forthcoming July 2015).

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About the Authors

Diane Auer Jones is president and CEO of AJsquared Consulting, a firm dedicated to advancing sound higher education public policy that goes beyond rhetoric and serves the best interests of students, institutions, taxpayers, and the nation by working with institutions to help them improve student outcomes, implement innovative educational solutions, ensure regulatory compliance, and develop effective communications and external affairs strategies. Auer Jones has spent nearly 30 years working as a scientist, educator, public policy official, and senior corporate executive, having worked at a community college, public research institution, publicly traded proprietary higher education company, and Ivy League university; she has also had senior roles on Capitol Hill, at the White House, and at two federal agencies. As assistant secretary for postsecondary education at the US Department of Education, Auer Jones leveraged her own experience as a first-generation college student to provide thoughtful leadership and make informed public policy decisions that serve the interests of all students. She was deeply engaged in numerous legislative and regulatory efforts, including the Higher Education Opportunity Act of 2008.

John Bailey serves as the vice president of policy and executive director of Digital Learning Now. He cofounded Whiteboard Advisors, which provides strategic consulting for investors, philanthropies, and entrepreneurs. Bailey previously served at the White House as special assistant to the president for domestic policy during the George W. Bush administration, for which he coordinated education and labor policy. He has also worked at the Bill and Melinda Gates Foundation and served as a top technology and innovation adviser to the US secretary of commerce. He also served as the nation's second

director of educational technology, overseeing more than \$1 billion in annual grants and research projects. Bailey has also served as a formal or informal adviser to three presidential campaigns.

Chester E. Finn Jr., scholar, educator, and public servant, has devoted his career to improving US education. At The Thomas B. Fordham Institute, he is now distinguished senior fellow and president emeritus. He is also a senior fellow at Stanford University's Hoover Institution. Finn served as Fordham's president from 1997 to 2014, after many earlier roles in education, academics, and government. From 1999 until 2002, he was John M. Olin Fellow at the Manhattan Institute and was previously at the Hudson Institute. In 1992–94, he served as founding partner and senior scholar with the Edison Project. He was professor of education and public policy at Vanderbilt University from 1981 until 2002. From 1985 to 1988, he served as assistant secretary for research and improvement as well as counselor to the secretary at the US Department of Education. Earlier positions include staff assistant to the president of the United States, special assistant to the governor of Massachusetts, counsel to the US ambassador to India, research associate at the Brookings Institution, and legislative director for Sen. Daniel Patrick Moynihan (D-NY). Finn has served on numerous boards, currently including the Maryland State Board of Education, National Council on Teacher Quality, and Core Knowledge Foundation. The author of 20 books, Finn's latest, coauthored with Jessica Hockett, is *Exam Schools: Inside America's Most Selective Public High Schools* (Princeton University Press, 2012).

Frederick M. Hess is a resident scholar and director of education policy studies at AEI. His books include *The Cage-Busting Teacher* (Harvard Education Press, 2015), *Cage-Busting Leadership* (Harvard Education Press, 2013), *Breakthrough Leadership in the Digital Age* (Corwin, 2013), and *The Same Thing Over and Over* (Harvard University Press, 2010). He has also edited widely cited volumes on the Common Core, the role of for-profits in education, education philanthropy, school costs and productivity, the impact of education

research, and the No Child Left Behind Act. He is also the author of the popular *Education Week* blog *Rick Hess Straight Up* and a regular contributor to the *Hill*. Hess's work has appeared in many scholarly and popular outlets, including *Teachers College Record*, *Harvard Education Review*, the *Washington Post*, the *New York Times*, and the *Wall Street Journal*. Hess is executive editor of *Education Next*, lead faculty member for the Rice Education Entrepreneurship Program, and on the review board for the Broad Prize for Public Charter Schools. He also serves on the boards of directors of the National Association of Charter School Authorizers and 4.0 SCHOOLS. He is a former high school social studies teacher.

Kevin J. James is a research fellow with the Center on Higher Education Reform at AEI, where he researches and writes about higher education financing, quality assurance in colleges and universities, and traditionally underrepresented populations' access to higher education. Before joining AEI, James worked on a variety of issues as a legislative aide to Rep. Tom Petri (R-WI), a senior member of the US House of Representatives Education and Workforce Committee. James worked on labor, health care, energy, the environment, issues dealing with the Department of the Interior, and education. In particular, he focused on higher education reform initiatives and led the development of an extensive student loan reform bill.

Andrew P. Kelly is a resident scholar in education policy studies and the director of the Center on Higher Education Reform at AEI, where he works on higher education policy, innovation in education, financial aid reform, and the politics of education policy. Kelly's findings have appeared in the *American Journal of Education*, *Education Next*, *Educational Policy*, *Policy Studies Journal*, and *Teachers College Record*. He has also been published in popular outlets such as the *Atlantic*, the *Chronicle of Higher Education*, *Education Week*, *National Affairs*, *National Review*, and the *Wall Street Journal*. He has edited many books on higher education, including *Reinventing Financial Aid: Charting a New Course to College Affordability* (Harvard Education Press, 2014), *Stretching the Higher Education Dollar: How Innovation*

Can Improve Access, Equity, and Affordability (Harvard Education Press, 2013), and *Getting to Graduation: The Completion Agenda in Higher Education* (Johns Hopkins University Press, 2012). In 2011, *Education Week's* Policy Notebook blog named Kelly one of its 16 Next-Generation Leaders in education policy.

Michael Q. McShane is a research fellow in education policy studies at AEI. He is the author of *Education and Opportunity* (AEI Press, 2014), editor of *New and Better Schools* (Rowman and Littlefield, 2015), and coeditor of *Teacher Quality 2.0* (Harvard Education Press, 2014) and *Common Core Meets Education Reform* (Teachers College Press, 2013). His commentary has been published widely in outlets such as *USA Today*, the *Washington Post*, and the *Huffington Post*. He has also been featured in education-specific outlets including *Teachers College Commentary*, *Education Week*, *Phi Delta Kappan*, and *Education Next*. His academic and policy work has been published in *Education Finance and Policy*, the *Journal of School Choice*, *National Affairs*, and numerous white papers. He is a former high school teacher.

Katharine B. Stevens is the inaugural research fellow in early childhood education at AEI, where she focuses on the research and policy surrounding early childhood development, the role of early learning in expanding opportunity for low-income Americans, and the implementation challenges of rapidly growing early education initiatives, especially around issues of accountability and teacher quality.

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