

Abstract

Freedom in Choice of School

This report is primarily a theoretical analysis of the effects of a set of clear policy moves under consideration in Sweden for promoting a wider range of choices in the school system. For these purposes a survey of empirical studies relevant to the issue of the policy moves under consideration and their effects is also presented.

The main aims of the free choice and independent school policy in Sweden is to increase quality, variety and cost-efficiency, without causing a decrease in the results associated with other aims of school policy, such as the avoidance of segregation and the attainment of minimum achievements.

A point of departure in the analysis is to compare the conditions for choice to the welfare-theoretic standard of competitive markets. A first condition for an efficiently working market is that the consumer has relevant information about the properties of the alternatives available. A second condition is that the producer chosen by the consumer receives a relevant financial remuneration.

The current Swedish School law lays down some basic conditions for creating new alternatives. New schools are required to be licensed by the Swedish School Authority, which is also empowered to enforce a standard curriculum. Licensed schools are entitled to receive public funds corresponding to 85 per cent of the costs for a child in the municipality schools. The possibility to apply fees are very limited.

The policy actions studied are as follows:

- Increased support per pupil.
- Increase discretion for headmasters.
- Promotion of and information concerning freedom in the choice of school.
- Information about individual and aggregate performance.
- The right for local schools to levy charges.

Experiences and theories about how the actions listed above affect the goal variables are considered and assessed in the following dimensions.

- * Costs.
- * Variation of school alternatives.
- * Basic values and knowledge.
- * Quality of results.
- * Spread in individual performance.
- * Segregation.

Here are the most important findings of combinations of policy actions and effects:

- increased support per pupil to independent schools *increases costs* of municipalities, the main reason being that it will not be possible, in the short run, for a municipality to recover the full costs of a pupil leaving for an independent school. Costs for buildings and personnel will be fixed in the short run. If the remuneration per pupil were to be on a marginal cost base, the municipalities could avoid some of the cost increases.
- the activities associated with information about the discretionary choice system will *increase costs*, however, compared with a system with central school assignment.
- the most important action variable for widening the choices is the right for independent schools to receive public support per pupil. This has clearly led to an *increase in variation*. Fifty per cent of all new independent schools are founded on a particular confession or pedagogical belief. But in many cases the other schools have particular profiles too, such as theatrical or environmental studies.
- increased discretion to the school leadership may *increase quality and variation* as between schools without necessarily *increasing the costs* to municipalities. These effects may be enhanced by promotion of choice and improved information.

- the possibilities to assess the effects of the above mentioned policies on *quality* are slight as there are practically no measures neither of individual achievement, such as increased knowledge and skills, or of achievements by the school, for instance such as the fostering of skills in co-operation or the hindering of bullying in its various forms.

There is some evidence, however, to suggest that the narrower variations in skills between the most skilled and the least skilled pupils observed in Sweden, compared to other European countries, may be accounted for by the heterogeneity of class and social background in Swedish schools.

- all the policies studied contribute to *increased variation in quality and achievements*. These effects may be mitigated by improvements in performance information and enforcement of minimum performance requirements.
- the effects widened choices may have on segregation are ambiguous. In the USA some cities have experienced decreased segregation as a result of a combination of free choice and profiled school programmes. Scottish and Swedish evidence shows, however, that parents with higher income and education are more likely to exercise their possibility of choice. And when they choose they prefer schools with higher average achievements.

Parents rarely choose distant alternatives. In Scotland only 4 per cent of the parents chose a school more distant than the next closest. A large shift among children therefore seems unlikely, even in large cities. The major risk is that some schools will be branded as having problems and be abandoned by the very pupils and parents who could most usefully contribute to a positive school spirit.

- if independent schools were empowered to apply increases in fees, this could lead to increases in *quality* for the children of better-off parents. However, it would increase segregation in skills.

To summarise, the main finding is that while a widened possibility of choice may improve results and the match of values and interests offered to pupils, this may come at the cost of segregation, deteriorating performance in some schools and an undesired increase widening of the gap in levels of achievements.