

RESPONSE TO *A PUBLIC LABORATORY DEWEY BARELY IMAGINED: THE EMERGING MODEL OF SCHOOL GOVERNANCE AND LEGAL REFORM*

MELISSA A. CLARK*

In *A Public Laboratory Dewey Barely Imagined: The Emerging Model of School Governance and Legal Reform*,¹ Liebman and Sabel argue that the current wave of education reform, which combines a centralization of standards with a devolution of authority to the local level, “can be seen as a legitimate legatee of the movement for desegregation of the schools.”²

The authors hold up the Kentucky Education Reform Act of 1990³ (KERA) (along with similar reform efforts in Texas) as an example of the successful implementation of this new wave of education reform. They claim that “educational reform succeeded in Texas and Kentucky because of explicit alliances that ignored traditional ideological and institutional divisions in favor of an incremental, but cumulatively transformative, exploration of solutions lying between top-down standards and bottom-up school-based reforms.”⁴

While KERA indeed exemplifies the new wave of education reform described by Liebman and Sabel, I believe we must be cautious in interpreting the Kentucky reform experience as a success. In my own research on KERA, I have found that, despite the fanfare surrounding the state’s ambitious effort, the reform has been largely unsuccessful in raising student achievement and in narrowing the gap in student achievement across rich and poor districts.⁵ There is some evidence, however, that the reform has had modest positive effects on the test scores of black students. This suggests that perhaps the current wave of education reform, as exemplified by KERA, does show promise for addressing some of the pervasive disparities that motivated the original movement for school desegregation, as Liebman and Sabel propose.

As detailed by Liebman and Sabel, KERA included not only a finance equalization component similar to those previously attempted by other states, but

* Melissa A. Clark is a Researcher at Mathematica Policy Research. She has a Ph.D. in Economics from Princeton University.

1. James S. Liebman & Charles F. Sabel, *A Public Laboratory Dewey Barely Imagined: The Emerging Model of School Governance and Reform*, 28 N.Y.U. REV. L. & SOC. CHANGE 183 (2003).

2. *Id.* at 192.

3. Kentucky Education Reform Act, ch. 476, 1990 Ky. Acts 1208 (codified as amended at KY. REV. STAT. ANN. §§ 156–163 and scattered sections (Michie 1999)).

4. Liebman & Sabel, *supra* note 1, at 191.

5. Melissa A. Clark, *Education Reform, Redistribution, and Student Achievement: Evidence from the Kentucky Education Reform Act (2003)* (unpublished Ph.D. dissertation, Princeton University) (on file with Industrial Relations Section, Princeton University).

also incorporated “top-down” curriculum standards and accountability reforms along with “bottom-up” governance reforms that shifted authority for decisions regarding curriculum and instruction to the school level. In my research, I document that KERA was dramatically successful in meeting its finance equalization goals; ten years after the reform was implemented, the poorest districts were in fact spending more per pupil on average than the wealthiest districts. But perhaps the more important question is whether the dramatic increase in spending in the poorest districts, coupled with KERA’s curriculum and governance reforms, translated into improvements in student achievement or a decrease in the achievement gap across rich and poor districts.

Measuring KERA’s impact on student achievement has proven somewhat difficult in the past. Liebman and Sabel acknowledge the many difficulties inherent in gauging student achievement by scores on high-stakes tests, and Kentucky struggled with these difficulties throughout KERA’s first decade. In particular, one major concern with KERA’s original assessment system was that the exam was not nationally-normed, so it was difficult to gauge the progress of Kentucky students relative to their peers in other states. Another concern was that score improvements were not driven solely by actual gains in student achievement, but instead reflected growing familiarity with the test on the part of teachers and students. A final concern was that score improvements might reflect “teaching to the test” or even cheating by teachers on the exam, in response to the incentives created by the high-stakes testing policy that rewarded or sanctioned schools based on students’ test performance.⁶ In response to some of these concerns, Kentucky revised and revamped the assessment system in 1998, but the new assessment system remains vulnerable to score inflation concerns. Furthermore, given that the assessment system was changed mid-decade, it is impossible to make comparisons of student performance pre- and post-KERA using test scores from the state assessment.

To avoid the pitfalls associated with analyzing test scores from the state’s assessment, I instead examine students’ performance on the ACT and NAEP exams.⁷ Unlike the state assessment, the ACT and NAEP are not used to

6. Koretz and Barron found that Kentucky students performed better on exam questions that had appeared on previous years’ tests, indicating that teachers may have spent considerable time teaching students the material they thought likely to be covered on the exam. DANIEL M. KORETZ & SHEILA I. BARRON, RAND EDUC., *THE VALIDITY OF GAINS IN SCORES ON THE KENTUCKY INSTRUCTIONAL RESULTS INFORMATION SYSTEM (KIRIS)* (1998). Jacob and Levitt find evidence of teacher cheating from the Chicago public schools that suggests this is another valid concern that must be considered when relying on high-stakes standardized tests to evaluate student performance. Brian Jacob & Steven D. Levitt, *Rotten Apples: An Investigation of the Prevalence and Predictors of Teacher Cheating*, NBER WORKING PAPER SERIES, PAPER 9413 (2002). According to Foster, concerns about instances of teacher cheating have been raised in Kentucky and dealt with on an ad hoc basis. JACK D. FOSTER, *REDESIGNING PUBLIC EDUCATION: THE KENTUCKY EXPERIENCE* (1999).

7. The ACT, formerly the American College Testing Program, is an exam required for admission to many colleges in Kentucky and other (predominantly Midwestern and Southern) states. NAEP is an acronym for National Assessment of Educational Progress, an assessment

evaluate teachers or schools under KERA's high-stakes accountability policy and may therefore more accurately reflect student achievement. Both exams are taken by students outside Kentucky, which allows me to use students from nearby states (Tennessee with the ACT data, Alabama, Arkansas, Indiana, Louisiana, and Ohio with the NAEP data) as a comparison group to control for potentially confounding time trends in test scores. An additional strength of the ACT data is that they are available at the individual level and contain a wide array of background information on the students, which allows me to control for characteristics such as race and family income that are likely to be correlated with test performance. NAEP data are available only for various subgroups (race, parental income category) at the state level. A limitation of the ACT data is that the exam is taken by a nonrandom subset of students—typically those who are applying to college. In my estimates I attempt to account for this potential sample selection bias.

I find that, overall, the ACT scores of Kentucky students did not significantly improve relative to those of their peers in Tennessee over KERA's first decade, holding constant background characteristics such as race and family income that are likely to be correlated with test performance. These findings are corroborated by the NAEP data. Furthermore, despite the large increase in spending in the poorest districts, the gap in ACT scores between students from rich and poor districts has not narrowed over the period relative to the gap in Tennessee.⁸

When data are analyzed separately for black and white students (other racial and ethnic minority groups comprise less than two percent of school enrollment in Kentucky), I find that white students experienced no increase in ACT or NAEP scores under KERA. For black students, however, I find modest gains in ACT scores relative to their peers in Tennessee. The composite ACT scores of black students increased by a statistically significant .11 standard deviations during KERA's first decade, relative to those of their peers in Tennessee and holding constant background characteristics. While this increase is modest in magnitude, it was large enough to narrow the black-white test score gap by about a third in Kentucky during KERA's first decade, even while the gap in Tennessee increased by about a fifth over this period. Black students in Kentucky experienced gains of a similar magnitude on the NAEP relative to their peers in the comparison states, although these gains are not statistically significant.

Interestingly, in Kentucky the vast majority of black students are concentrated not in the poor rural areas that received most of the funding increases under KERA's finance equalization, but rather in the wealthier, more urban

administered to a representative sample of students nationally and in participating states by the National Center for Education Statistics. I analyze NAEP data from the eighth grade math exam, the only exam administered to a representative sample of Kentucky students in the relevant years.

8. I am unable to look at the test score gap across rich and poor districts in the NAEP data since these data are not available at the district level.

school districts that received little financial benefit under KERA.⁹ Therefore, it would seem that it was not the spending increases under KERA that generated the test score gains, but rather nonfinancial elements of the reform. Since all of the KERA reforms were implemented simultaneously, I am unable to disentangle which components of the reform generated the test score improvements for Kentucky's black students. It does seem plausible, however, that either the curriculum standards, the governance reforms, or some combination, enabled or compelled the schools to improve the quality of instruction for black students.¹⁰

In conclusion, while KERA exemplifies a new and ambitious approach to education reform, evidence indicates that we should be quite cautious in declaring the reform a success. In fact, the vast majority of Kentucky students experienced no meaningful test score gains relative to their peers in nearby states over KERA's first decade. Furthermore, despite large increases in funding to the poorest districts, KERA failed to narrow the test score gap between students from rich and poor districts. The reform does appear, however, to have generated small, but meaningful gains in the test scores of black students. While it is impossible to determine which aspects of KERA are responsible for these gains, it does seem likely that either the curriculum standards, the governance reforms, or some combination, played a role in improving the quality of instruction for these students. We can therefore, perhaps cautiously conclude that the education reform approach exemplified by KERA may hold promise for addressing some disparities which motivated the original movement for school desegregation.

⁹ In fact, Carr and Fuhrman suggest that one of the primary reasons for KERA's overwhelming political success was that its equalization policies were not perceived to be targeted at racial minorities, thereby removing racial politics from the debate. Melissa C. Carr & Susan H. Fuhrman, *The Politics of School Finance in the 1990s*, in *EQUITY AND ADEQUACY IN EDUCATION FINANCE: ISSUES AND PERSPECTIVES* 136 (Helen F. Ladd et al. eds., 1999).

¹⁰ Indeed, Liebman and Sabel site efforts by Jefferson County, the largest school district in Kentucky, to narrow the black-white test score gap.