

## **Together we won't**

### **The governor plans to improve education by merging school districts. But other states have tried it - and it doesn't work.**

**By Elaine McArdle | March 8, 2009**

IN THE ONGOING effort to fix America's ailing schools, one of the most popular ideas is to shrink the number of school districts.

The country once had more than 130,000 independent districts managed by local communities. Merging them into larger units, advocates said, would lead to a more efficient system, reducing costs while offering students more opportunities and producing better academic results. This approach, part of a larger movement to standardize schools, reduced the number of districts by 90 percent between 1930 and 1970.

With budgets under fire, consolidation is again gaining traction as a way to save money. Today, more than a dozen states - including Maine and Vermont - have seriously considered or already implemented plans for fewer, larger districts. And last June, when Governor Deval Patrick of Massachusetts announced his comprehensive education reform agenda, he made consolidation a top priority. Reducing the number of districts will improve the quality of education, he has said. Virtually every district in the state is a candidate for consolidation if it's determined that merging with another district would benefit its academic performance, according to J.D. LaRock, chief policy adviser for the state education office.

But a wave of research from around the country shows that consolidation does not improve schools or lead to better academic results. Spending on education does not go down; indeed, budgets often balloon with increased transportation costs and more administrators to run enlarged districts. Consolidation leads to schools closing and to bigger schools, with less parental involvement and community participation. And, in many parts of the United States, it has led to children on unconscionable bus rides lasting several hours a day.

"There is either no advantage or actually a disadvantage to making these enormous uber-districts," says Andrew J. Coulson, director of the Center for Educational Freedom at the Cato Institute in Washington, D.C., who has conducted two major studies on consolidation. "They just don't help kids."

As a postdoctoral fellow at Harvard University several years ago, Christopher R. Berry became intrigued with the idea that district consolidation was, in his words, "arguably the most profound reform movement in 20th-century education." Yet almost no one had studied its effects on students.

Now an assistant professor at the Harris School of Public Policy Studies at the University of Chicago, Berry set out to fill that vacuum. Focusing on 1930 to 1970, the most intense period of consolidation in the United States, he found that consolidation of districts inevitably resulted in the consolidation of schools - closing schools and moving to bigger schools. With regard to student achievement, consolidation was "generally negative," he says, because dropout rates and wages earned by graduates got worse following mergers. (There was no standardized testing of student performance at the time.) His study, "Growing Pains: The School Consolidation Movement and Student Outcomes," co-authored with Martin R. West and published in 2008 in the *Journal of Law, Economics, and Organization*, also concluded that spending on education did not decrease following consolidation.

These findings challenged the entire consolidation movement, which was spearheaded with almost no critical inquiry by state officials and educational administrators, says Berry. "They seem

to be convinced, almost as a matter of professional ideology, that bigger must be better," he says.

Several years ago, when Michigan began promoting consolidation, the Cato Institute's Coulson undertook a study there and in three other states and reached the same conclusion as Berry. If the goal is to improve academics, there is "no advantage whatsoever to either breaking up districts or consolidating districts," says Coulson. A 2007 study by Indiana University researchers found student achievement is not improved by consolidation; a 2008 study in Iowa found dropout rates did not decline after district mergers.

Proponents insist that larger districts are cheaper. In theory, big districts can achieve efficiencies of scale with lower per-pupil costs because fixed expenses are spread among a larger student body, and bigger districts have the power to negotiate better prices for supplies and utilities. But studies show the anticipated savings usually don't materialize. Like Berry's research, the Iowa study, by Brian Knight at Brown University and Nora Gordon at the University of California, San Diego, found per-pupil spending did not decrease after consolidation. It is true that very small districts - with fewer than 500 students, say - are the most expensive on a per-pupil basis, and merging them has the potential to significantly reduce per-pupil costs. But these districts represent a tiny fraction of any state's educational budget, so combining them has minimal effect on total costs, says John Yinger of Syracuse University, who in 2001 published with William Duncombe a study of district consolidation in New York State.

Moreover, there's no guarantee that consolidating even tiny districts will save money, Yinger emphasizes: The very process of consolidation is expensive, including new buildings and the often-substantial financial incentives states give to local communities to encourage mergers. Transportation costs can skyrocket with hauling kids to schools farther away. If there are cost savings, they often don't show up for a decade or more, according to Yinger, whose study was published as a working paper for the Center for Policy Research at Syracuse. Moreover, there was no indication that any money saved was funneled back into schools to improve academics, he says.

Meanwhile, Coulson has data that should give consolidation proponents real pause. If states are truly serious about cost savings, they should be focusing on breaking up big districts rather than combining smaller ones, he says. In Michigan, breaking up districts larger than 3,000 students would save the state 12 times as much as merging small ones: \$363 million a year versus \$31 million a year, he found. Yet there's rarely any discussion of this option, in Massachusetts or elsewhere.

Governor Patrick is on an ambitious schedule. He wants a substantial reduction in the Commonwealth's 329 districts, although he hasn't settled on the ideal number and district size, and legislation to that end will be introduced in the next year to 18 months, according to Secretary of Education Paul Reville. The governor and his administration are convinced that fewer districts will translate into better academics: each district will be larger, and larger districts perform better, they say.

In December, the governor's office released a study that found that larger districts in Massachusetts were academically outpacing smaller ones. Specifically, it found that on a continuum, districts closer to 5,000 pupils were more likely to have eighth-graders who perform better on the MCAS than smaller districts, as well as lower rates of student absenteeism.

"It's not all on one side, but there are some key indicators on which it does appear large districts have an advantage," says LaRock, primary author of the report. (The national studies on consolidation and research from other states are not particularly relevant, he argues, saying each state has a different educational structure.)

But a competing report in Massachusetts has found that small districts achieve better academic results. Last September, the Massachusetts Association of School Superintendents' Small and Rural School District Task Force completed a yearlong study that examined student performance in the Commonwealth. It found that the graduation rates in small districts were 6.5 percent higher than the state average, and small districts had a lower dropout rate and better attendance rates. Only 6 percent of small districts were considered "underperforming," compared with 20 percent statewide, according to standards set by the Massachusetts Department of Elementary and Secondary Education.

The 10th-grade MCAS is a more important indicator than the eighth-grade scores, the task force believes, and here smaller districts have an advantage. "On the 10th-grade MCAS, the small districts outperformed the midsized and large," says Nicholas Young, superintendent in Hadley and a vocal opponent of forced consolidation. "Some of the highest-performing districts are at or under 1,000 students."

If saving money is the goal, says Young, there are many studies that support effective but less-dramatic approaches that keep schools in local hands, such as purchasing collaboratives, in which independent districts join together to buy supplies or utilities, or share certain teachers or administrators. In Maine, consolidation opponents are pushing this option. Reville says he is open to this approach but says it doesn't substitute for consolidation because fewer districts will lead to better schools through streamlined administration and centralized control over education.

"When we talk about thinking and acting like a school system instead of system of schools, I think of places like Maryland, where [the state superintendent of schools] can get 24 superintendents around a table a couple of times a month if she needs to talk about educational policy . . . to get everyone on the same page, to connect it with a system of higher education," Reville says. "There are operational advantages."

For more than 80 years, well-intentioned people have been trying to make schools better this way. And it seems logical.

It just doesn't work.

*Elaine McArdle is a writer in Cambridge.* ■