

Taxpayer-Funded Private School Vouchers and Market Failure: A Policy Scan and Review from 1869 to 2024

David E. DeMatthews

The University of Texas at Austin
United States

Torri D. Hart

The University of Texas at Austin
United States



David S. Knight

University of Washington
United States

Citation: DeMatthews, D. E., Hart, T. D., & Knight, D. S. (2025). Taxpayer-funded private school vouchers and market failure: A policy scan and review from 1869 to 2024. *Education Policy Analysis Archives*, 33(52). <https://doi.org/10.14507/epaa.33.9019>

Abstract: More than 70 years ago, Milton Friedman argued in favor of vouchers as a policy tool to increase the quality of the nation's education system. Since then, economists and other education policy researchers have studied several waves of taxpayer-funded private school voucher policies that have emerged. Too often, these researchers have ignored the policy history of vouchers or adequately described market theories and assumptions of competitive markets as they evaluated the impact of voucher programs on student outcomes. In this article, we provide a comprehensive review and analysis of state-legislated voucher policies in the United States from 1869 to 2024, which includes a policy scan of historical and contemporary voucher

legislation and the extent to which vouchers successfully established education marketplaces that produced efficient and valued educational outcomes. We found little evidence that private school vouchers created markets that produced valued educational outcomes. In many cases, policymakers used vouchers as a tool to maintain racial segregation or the programs failed to increase student achievement outcomes. We detail how these failures underscore how education markets do not meet basic assumptions of competitive markets. This article concludes with recommendations for education policy researchers and next generation research related to private school vouchers.

Keywords: vouchers; market theory; education policy; school choice

Vouchers para escuelas privadas financiados con fondos públicos y fracaso del mercado: Un análisis y revisión de políticas de 1869 a 2024

Resumen: Hace más de 70 años, Milton Friedman defendió los vouchers como una herramienta de política para mejorar la calidad del sistema educativo nacional. Desde entonces, economistas y otros investigadores de políticas educativas han estudiado varias oleadas de políticas sobre vouchers para escuelas privadas financiadas con impuestos públicos. Sin embargo, con demasiada frecuencia estos investigadores han ignorado la historia de las políticas de vouchers o no han descrito adecuadamente las teorías de mercado y las suposiciones de mercados competitivos al evaluar el impacto de los programas de vouchers en los resultados estudiantiles. En este artículo ofrecemos una revisión y análisis integral de las políticas de vouchers legisladas a nivel estatal en Estados Unidos entre 1869 y 2024, lo cual incluye un mapeo de legislaciones históricas y contemporáneas sobre vouchers y el grado en que lograron establecer mercados educativos que produjeran resultados eficientes y valorados. Encontramos poca evidencia de que los vouchers para escuelas privadas crearan mercados que produjeran resultados educativos valorados. En muchos casos, los responsables de políticas usaron los vouchers como herramienta para mantener la segregación racial o los programas fracasaron en mejorar el rendimiento académico estudiantil. Detallamos cómo estos fracasos subrayan que los mercados educativos no cumplen con los supuestos básicos de los mercados competitivos. Este artículo concluye con recomendaciones para investigadores de políticas educativas y para la próxima generación de investigaciones relacionadas con los vouchers para escuelas privadas.

Palabras clave: vouchers; teoría de mercados; política educativa; elección escolar

Vouchers para escolas privadas financiados com recursos públicos e falha de mercado: Um mapeamento e revisão de políticas de 1869 a 2024

Resumo: Há mais de 70 anos, Milton Friedman defendeu os vouchers como um instrumento de política para aumentar a qualidade do sistema educacional do país. Desde então, economistas e outros pesquisadores de políticas educacionais têm estudado diversas ondas de políticas de vouchers para escolas privadas financiados por impostos públicos. No entanto, muitas vezes esses pesquisadores ignoraram a história das políticas de vouchers ou não descreveram adequadamente as teorias de mercado e as premissas dos mercados competitivos ao avaliar o impacto dos programas de vouchers nos resultados estudantis. Neste artigo, apresentamos uma revisão e análise abrangente das políticas de vouchers legisladas em nível estadual nos Estados Unidos de 1869 a 2024, incluindo um mapeamento da legislação histórica e contemporânea sobre vouchers e em que medida eles conseguiram estabelecer mercados educacionais que produzissem resultados eficientes e valorizados. Encontramos poucas evidências de que os vouchers para escolas privadas tenham criado mercados que geraram resultados educacionais valorizados. Em muitos casos, formuladores de políticas usaram os vouchers como ferramenta

para manter a segregação racial ou os programas falharam em melhorar o desempenho acadêmico dos estudantes. Detalhamos como essas falhas ressaltam que os mercados educacionais não atendem às premissas básicas dos mercados competitivos. O artigo conclui com recomendações para pesquisadores de políticas educacionais e para pesquisas futuras relacionadas aos vouchers para escolas privadas.

Palavras-chave: vouchers; teoria de mercados; política educacional; escolha escolar

Taxpayer-Funded Private School Vouchers and Market Failure: A Policy Scan and Review from 1869 to 2024

Private school vouchers have served various purposes and taken many forms during the last 150 years. Over the last three decades, vouchers have been a hot and contested topic that, at times, has led to in-fighting among researchers, advocates, and opponents (e.g., Cowen, 2024; Greene, 2024; Zernike, 2000). In recent years, voucher advocates have gained significant traction as more states have passed voucher legislation than ever before (Stanford, 2023). Some politicians running for the highest offices within states and nationally have championed vouchers as a tool to strengthen education (e.g., President Donald Trump, Texas Governor Greg Abbott), many of whom find themselves receiving significant political campaign contributions from an elite class of pro-voucher, right-wing billionaires (e.g., Gillman, 2024; Schwartz, 2024).

Much of the voucher advocacy is rooted in calls to break the monopoly of public schools, create a competitive education marketplace, and enable parent choice. For many voucher advocates, these mechanisms are rooted in market theory and the assumptions associated with a competitive market (Friedman, 1955, 1962). The dominant approach to voucher research has relied upon econometric methodologies and market theories examining the extent to which private school vouchers improve student outcomes (e.g., Jabbar et al., 2022). More recently, some studies have sought to evaluate other outcomes, such as educational attainment (e.g., Egalite & Wolf, 2016). Yet, few studies question the underlying assumptions of market theory or consider historical evidence of vouchers in their research design, analysis, or discussion of findings. A cursory review of voucher studies published in peer-reviewed journals reveals only limited, if any, discussion of key components of the voucher policy, potential violated assumptions of market theory, or reference to significant concerns associated with voucher policies from the 1950s, 1960s, and 1970s (Cowen, 2024; Gooden et al., 2016; Henig, 1994; Lubienski & Malin, 2021; MacLean, 2017; Terjen, 1971; Williamson, 2024).

The purpose of this article is to provide a comprehensive review of state-legislated voucher policies in the United States from 1869 to 2024, to include a policy scan of historical and contemporary voucher legislation documenting the extent to which vouchers established competitive education marketplaces that produce efficient and valued educational outcomes. In what follows, we review the origins and assumptions of market theory and its application to private school voucher policies in the US. Then, we draw on an in-depth policy scan, empirical research, case law, and historical analysis to evaluate the impact of vouchers on the educational experiences and outcomes of students. Our analysis does not focus narrowly on student outcomes for students using vouchers. We also examine how race, culture, geographic region, religion, power, and ideology “play into the equation” of private school voucher policy advocacy, development, enactment, and impact in a myriad of ways (Baker et al., 2024, p. 2). We conclude with a discussion of the well-documented failures of voucher policies to create a competitive market, concerning policy advocacy trends despite clear evidence of harm, and implications for future research and policy.

Foundation of Free Market Theory and Application to Education

Many private school voucher advocates reference market theory to justify school voucher program enactment or expansion (e.g., Burke & Greene, 2021; Finn et al., 2009). Market theory is also used to conceptualize empirical studies examining whether vouchers might improve schools and increase student achievement or other outcomes (e.g. Egalite, 2013; Figlio & Rouse, 2006). Yet, free market theory is not an immutable truth nor is it a monolithic construct. Philosophers have long recognized the clear limitations of markets in a complex and uncertain world. For centuries, philosophers, social scientists, and researchers used market theory to inform debates, design or revise policies, and engage in research related to both the public and private sectors. Adam Smith (1776) theorized the benefits of free markets in full recognition that markets do not work perfectly or all the time. Smith theorized how markets and government could promote greater equality and a more just society. In his famed book *The Wealth of Nations* (1776), Smith discussed the concentration of wealth: “All for ourselves, and nothing for other people, seems, in every age of the world, to have been the vile maxim of the masters of mankind” (p. II.iv.10). Government was essential for promoting the general welfare, regulating monetary systems and monopolistic markets, cleaning streets and fostering public health, building bridges, and, of note here, providing public education. Smith considered himself a scientist observing society and a political philosopher situated within a budding democratic society, theorizing how to promote the greatest happiness for the greatest number of people. His work was a significant contribution to the field of economics, generating additional ideas and positions about the role of government and markets as well as the nature of human beings within society.

Charles Darwin’s publication of *The Origin of Species by Means of Natural Selection, or the Preservation of Favoured Races in the Struggle for Life* in 1859 gave momentum to a more radical view of free market theory. Darwin’s book described aspects of evolutionary biology and the process of natural selection, which had a significant impact on philosophers interested in economics. As Keynes (1926) noted, “The economists [of the time] were teaching that wealth, commerce, and machinery were the children of free competition – that free competition built London... some Darwinians argued that free competition built Man...” (pp. 13-14). Darwin heavily influenced Herbert Spencer, an influential British intellectual during the mid to late 1800s, who coined the phrase, “survival of the fittest.” From Spencer’s view, those who were wealthier were more naturally fit which enabled them to prosper. To give aid to the poor through government intervention was inefficient and would only lead to the propagation of less naturally fit human beings.

Many economists in the 20th century rejected radical views about competition and drew from Smith’s (1776) nuanced theory of the market that included a role for government, positing that an “invisible hand” would push markets into equilibrium through price changes that influence consumer and producer decisions. Market theory rests on several key assumptions that have been widely applied in various contexts, sectors, and industries. Levin (2019) laid out a range of longstanding assumptions for obtaining a market with efficient and valued outcomes. Markets could produce efficient and valued outcomes when: (1) The market includes many users and producers; (2) Users and producers are free to enter and exit the market; (3) Producers are offering a homogenous product or service; (4) Perfect information about the prices and qualities of a product and service, as well as alternatives, is readily available; (5) Goals for users and producers can be maximized; (6) Little or no transaction costs exist within the market; and (7) Transactions within the market do not produce externalities, costs, or benefits outside of the specific transaction between users and producers.

Such assumptions can be met in certain markets, although no perfect market exists. Friedman (1955, 1962) argued that a competitive market could be established for the provision of

schooling and called for an education marketplace where private schools replaced public schools. The government's primary role would shift from providing education to setting minimal standards for private schools and providing families with a modest voucher to cover some or all the tuition. Such an education marketplace was necessary, Friedman theorized, because of the existence of a monopolistic government system that did not have market incentives to efficiently utilize resources, adapt and improve, or align to parent preferences. Friedman did not support his arguments with empirical evidence showing that vouchers could improve schooling through education markets.

Drawing on principles of market theory, we argue that education markets using vouchers might produce efficient and valued outcomes if:

1. The market has many private schools and families with children interested in moving their child out of public schools and into private schools. However, many regions of the country have only a small number of private schools with limited enrollment capacity while most families of children support their public schools. While voucher supporters might argue vouchers would prompt more private schools, researchers continue to find high rates of voucher participants in wealthier suburban and urban spaces with limited options in more rural and remote areas (Baker et al., 2025).
2. Private schools admit all students that apply relative to their enrollment capacity, do not have tuition that exceeded what a given family could afford, and did not have any additional barriers to entry, such as high transportation costs or application fees. Yet, private schools across the US set their own admissions standards, charge tuition at any rate, and reject students for a variety of reasons, including an unwillingness to provide services to students with disabilities or English learners.
3. All schools offer a common curriculum and set of programs that is standardized and comparable. Though, private schools by their very nature do not offer a common or standardized schooling experience, but rather draw from different philosophies of education, curriculum, staffing, programming, and a wide array of other areas.
4. If parents can easily evaluate the quality of schooling in the education market. Unfortunately, such evaluations are difficult if not impossible given that each private school has differing goals, functions, programs, and methods of describing and measuring experiences and outcomes. Some standardized assessments in public and private schools might measure narrow outcomes but are still not able to evaluate the many goals, functions, and programs operating across schools.
5. The goals for families and private schools can be maximized, but families might pursue an education for their child based on their priorities and what they believe will be most useful, while schools may have different goals related to their philosophies, religious values, commitments, and economic priorities.
6. Attending a private school produces little or no transaction costs. However, for many families, the cost of transportation to a private school and application processes can be timely and costly.
7. The education marketplace does not produce externalities, costs, and benefits outside of the specific transactions between the family and the student. However, since schooling is both a public and private good, as Friedman (1955, 1962) asserted himself, schooling produces costs and benefits to the public.

These examples show how private school vouchers fail to create conditions for an efficient education market. For decades, a small group of scholars have highlighted how education marketplaces specific to private school vouchers violate competitive market assumptions that would

lead to efficient and valued outcomes (Baker et al., 2025; Cowen, 2024; Epple et al., 2021; Harris, 2024; Henig, 1994; Hess, 2002; Ladd, 2002; Levin, 2019). Others have noted that “Markets are not always more efficient than internal production, especially when the product in question—public benefits in one area or another—is hard to measure and control” (Krashinsky, 1986, p. 149).

Some advocates of market-based reforms have also pointed out the flaws of voucher policy design that contribute to market failures, such as the small scale of many programs (e.g., Merrifield, 2001). As Harris (2024) similarly concluded, “*all* of the assumptions necessary for efficient market operation are violated to an unusual extent in the schooling market” and that “School voucher policies would not even satisfy the one criterion that permeates neoclassical economics—the efficiency criterion. The logic of free market schooling fails on its own terms” (p. 112). More than 20 years earlier, Hess (2002) came to a similar conclusion, noting that education policy discussions related to competition and markets often occur “without regard to the context of the market” and that “the character of K-12 education and the manner in which it is produced by urban public systems conspire to create a market that looks little like the textbook ideal” (p. 30). We take Hess (2002) seriously in his point that context matters concerning education marketplaces. We turn to the history and development of voucher policies in the US to provide further context.

Policy Scan

Private school vouchers are sometimes referred to as “scholarships” “savings accounts” and other labels or described under a broader umbrella of “parental choice” or “school choice,” which can be confusing and misleading (Merrifield, 2001). Based on our initial literature review and in consultation with several scholars who have studied vouchers, we identified four types of state voucher policies that are relevant to the purpose of this study:

1. Conventional Voucher (CV): the allocation of less than or equal to a child’s state per-pupil allotment to an eligible student for private education services that may include private school tuition, tutoring, and transportation; funds in CV programs are directly given to the eligible student’s chosen, participating private school; We include “state tuition grants” provided to families in southern states seeking to avoid racial integration following the *Brown* (1954) decision given families were provided with a certain amount of funding for private education services;
2. Tax Credit (TC): the application of a tax reduction for those who donate funds to a voucher-participating scholarship granting organization (SGO) who, in turn, uses donation funds to administer vouchers; SGOs, largely, manage the respective voucher program;
3. Tax Deduction (TD): individuals who pay for one or many education services, public or private, (see CV definition) receive a reduction on the amount of taxes owed in a given year; and
4. Education Savings Accounts (ESA): based on voucher program criteria, eligible students receive an allocation of less than or equal to their state per-pupil allotment that is accessible to participating families in a functional bank account that can be used for various private education services and associated fees (see CVs).

We used these terms to identify all laws that were in effect between 1869 and April 2024 in all U.S. states and municipalities. In consultation with a university librarian, we conducted database and internet searches from September 2023 through December 2024. We also did an updated search on May 1st, 2024, to identify any recent voucher laws. Specifically, we utilized the following databases for the search: Academic Search Complete, APA PsycINFO, Education Source, SocINDEX, and

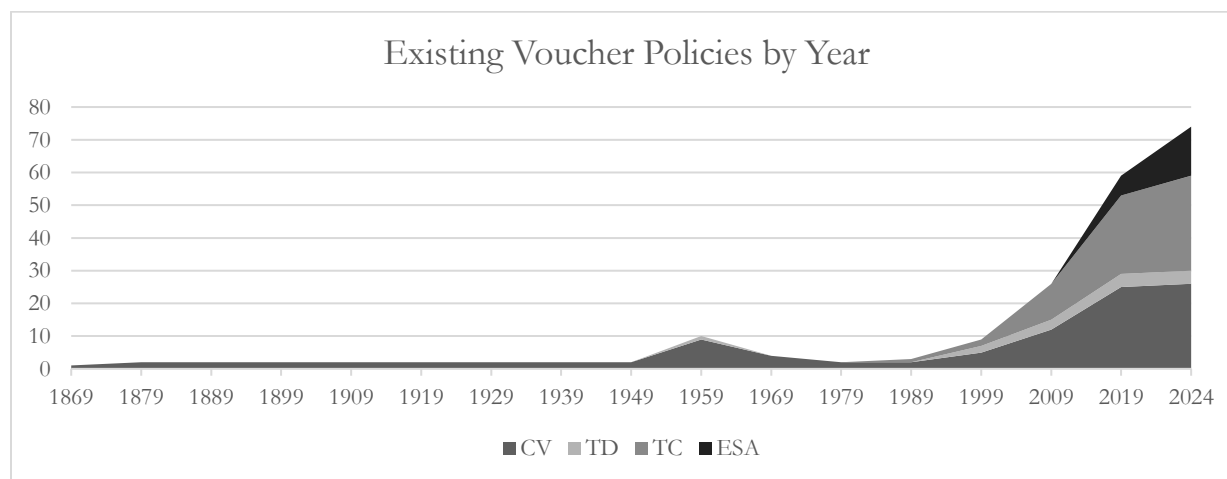
ERIC. In addition, we supplemented our searches by relying on a series of websites and reports that have also tracked voucher legislation.

Primary reports utilized included: *Private school choice: Requirements for students and donors participating in state tax credit scholarship programs* (United States Government Accountability Office, 2018), *The fiscal consequences of private school vouchers* (Abrams & Koutsavlis, 2023), *School dollars diverted in 2023: A scan of private school voucher legislation in the United States South* (Wilson, 2023), *The ABCs of school choice: The comprehensive guide to every private school choice program in America* (EdChoice, 2022). Primary websites utilized included: edchoice.org and pfps.org/billtracker/, alongside state legislative sites, including state departments of education and revenue. Media outlets were frequently used as supplements to identify and/or verify most-recent voucher legislation across each individual state. Legal and empirical peer-reviewed articles were also key resources in the identification and verification of current voucher legislation, as well as past voucher legislation.

Next, we reviewed the full text of the enacted voucher policies identified in the search and coded them based on the four voucher types. We read each voucher policy and searched for peer-reviewed research articles that examined each of these policies. To ensure reliability of our findings, we double checked each policy and conferred with available reports and media covering voucher legislation. We identified 82 laws across 34 states, with 16 states not having any voucher laws. Figure 1 details the emergence of voucher policies beginning in the 1860s through April 2024. The figure shows an initial uptick of seven voucher programs created after the *Brown* (1954) decision, all of which federal and state courts deemed unconstitutional (hence the immediate decline in active voucher policies shown in the figure) by the *Runyon* (1976) decision. Then, beginning in the late 1980s through 1990s, additional voucher policies emerged, as shown in the steep increases in dark grey shading, with ESAs introduced around 2010 (shown in black shading).¹

Figure 1.

Existing Voucher Programs by Voucher Type and Year from 1869 to April 2024



¹ Two states (Arkansas: Succeed Scholarship Program, Kentucky: Education Opportunity Account Program) rescinded voucher laws or policies. Meanwhile, North Carolina absorbed its original conventional voucher, Disabilities Grant, into its expanded education savings account program, ESA+ Program. Lastly, one state (Florida: Opportunity Scholarships Program) and one municipality (D.C.: School Choice Incentive Act, now the Scholarships for Opportunity and Results Act) altered their voucher program design to be limited to traditional public school or public charter school transfers.

After we identified all voucher policies, we chronologically charted each identified policy along with summaries of each policy. Table 1 outlines each private school voucher policy identified in our search. We recognized four somewhat distinctive time periods and themes. The first time period includes voucher programs that emerged in the northeastern US in the 1860s to support a small group of families in rural communities without public schools. However, we do not include this initial period in our analysis of voucher policy waves, as these programs were limited in scope, emerged over 150 years ago, and were not grounded in market-based or ideological arguments that characterize later voucher programs. No new policies were adopted for more than 90 years. Additional voucher policies emerged during the 1950s primarily in the U.S. South in response to the *Brown* (1954) decision and the scholarly writings of Milton Friedman. Through the 1970s, private schools known as segregation academies emerged until federal court cases and other social, political, and cultural factors led to the dismantling of many of these policies. A new set of voucher policies emerged in the late 1980s and 1990s in urban contexts while a new group of conservative scholars were arguing for market-based education reform. Empirical research of these programs produced mixed results and would lead to continued growth in program size. Voucher policies would further expand in the early 2000s and over the next 25 years as a series of U.S. Supreme Court cases, philanthropists, and key events led to larger voucher programs serving larger student populations across entire states.

Table 1

Voucher Programs by Year, State, and Type from 1869-April 2024

Year	Voucher Policy	Type
1869	Vermont: Town Tuitioning Program	CV
1873	Maine: Town Tuitioning Program	CV
1901	New Hampshire: Town Tuitioning Program (repealed in 1949)	CV
1955	Minnesota: Education Deduction	TD
1956	North Carolina: State Tuition Grant	CV
1957	Alabama: State Tuition Grant	CV
1959	Virginia: State Tuition Grant	CV
1961	Georgia: State Tuition Grant	CV
1962	Louisiana: State Tuition Grant	CV
1963	South Carolina: State Tuition Grant	CV
1964	Mississippi: State Tuition Grant	CV
1987	Iowa: Tuition and Textbook Tax Credit	TC
1990	Wisconsin: Milwaukee Parental Choice Program	CV
1995	Ohio: Cleveland Scholarship Program	CV
1997	Arizona: Individual Income Tax Credit	TC
1997	Minnesota: K-12 Education Credit (expanded 1950 tax deduction)	TD
1999	Florida: McKay Scholarship Program (absorbed into Family Empowerment Scholarships in 2022)	CV
1999	Illinois: Tax Credits for Educational Expenses	TC
2001	Florida: Tax Credit Scholarship Program	TC
2001	Pennsylvania: Educational Investment and Opportunity Scholarship Tax Credit Program	TC
2003	District of Columbia: School Choice Incentive Act (absorbed into SOAR Act in 2011)	CV

Year	Voucher Policy	Type
2003	Ohio: Autism Scholarship Program	CV
2003	Ohio: Jon Peterson Special Needs Program	CV
2005	Ohio: Educational Choice Scholarship Program	CV
2005	Utah: Carson Smith Scholarship Program	CV
2006	Iowa: School Tuition Organization Tax Credit	TC
2006	Arizona: Low Income Corporate Income Tax Credit	TC
2006	Rhode Island: Tax Credits for Contributions to Scholarship Organizations	TC
2007	Georgia: Special Needs Scholarship Program	CV
2008	Louisiana: Louisiana Scholarship Program (renamed Student Scholarship for Educational Excellence Program)	CV
2008	Louisiana: School Expense Tax Deduction	TD
2008	Georgia: Qualified Education Donation Tax Credit (renamed as the Peach Education Tax Credit)	TC
2009	Arizona: Lexie's Law for Disabled and Displaced Students	TC
2009	Indiana: School Scholarship Tax Credit	TC
2010	Louisiana: School Choice Program for Certain Students with Disabilities	CV
2010	Oklahoma: Lindsey Nicole Henry Scholarships for Children with Disabilities Program	CV
2011	Indiana: Choice Scholarship Program	CV
2011	District of Columbia: Scholarships for Opportunity and Results Act (SOAR Act)	CV
2011	Wisconsin: Racine Parental Private School Choice Program	CV
2011	Oklahoma: Equal Opportunity Scholarships Act	TC
2011	Arizona: Empowerment Scholarship Accounts	ESA
2011	Indiana: Private School/Homeschool education	TD
2012	Mississippi: Dyslexia Therapy Scholarship for Students with Disabilities	CV
2012	Arizona: "Switcher" Individual Income Tax Credit	TC
2012	New Hampshire: Education Tax Credit Program	TC
2012	Pennsylvania: Opportunity Scholarships Tax Credit Program	TC
2012	Virginia: Education Improvement Scholarships	TC
2013	Mississippi: Nate Rogers Scholarship for Students with Disabilities	CV
2013	North Carolina: Opportunity Scholarship	CV
2013	North Carolina: Disabilities Grant (absorbed into ESA+ program in 2021)	CV
2013	Wisconsin: Wisconsin Parental Choice Program	CV
2013	Alabama: Education Scholarship Program	TC
2013	South Carolina: Exceptional SC	TC
2014	Kansas: Tax Credits for Low Income Students Scholarship Fund	TC
2015	Arkansas: Succeed Scholarship Program (repealed 2023)	CV
2015	Montana: Student Scholarship Organization Tax Credit	TC
2015	Nevada: Educational Choice Scholarship Program	TC
2015	Mississippi: Equal Opportunity for Students with Special Needs	ESA
2015	Tennessee: Individualized Education Account Program	ESA
2015	Wisconsin: Special Needs Scholarship Program	ESA
2016	Maryland: Broadening Options and Opportunities for Students Today	CV
2016	South Dakota: Partners in Education Tax Credit Program	TC
2017	New Hampshire: Town Tuitioning Program (reenacted)	CV

Year	Voucher Policy	Type
2017	Illinois: Invest in Kids	TC
2017	North Carolina: ESA+ Program	ESA
2018	Florida: Tax Credit Scholarship Program	TC
2019	Florida: Family Empowerment Scholarship Program	ESA
2020	Utah: Special Needs Opportunity Scholarship Program	TC
2021	Indiana: Education Scholarship Account Program	ESA
2021	New Hampshire: Education Freedom Accounts	ESA
2021	West Virginia: Hope Scholarship Program	ESA
2021	Arkansas: Philanthropic Investment in Arkansas Kids Program	TC
2021	Kentucky: Education Opportunity Account Program (repealed 2021)	TC
2021	Missouri: Empowerment Scholarship Accounts Program	ESA/TD
2023	Arkansas: LEARNS Act	ESA
2023	Iowa: Students First Act	ESA
2023	Montana: Students with Special Needs Equal Opportunity Act	ESA
2023	South Carolina: Education Scholarship Trust Fund Program	ESA
2023	Utah: Utah Fits All	TC
2023	Ohio: EdChoice Expansion Program	CV
2023	Nebraska: Opportunity Scholarship Act	TC
2023	Oklahoma: Parental Choices Tax Credit Act	TC
2024	Alabama CHOOSE Act	ESA

Note. Abbreviations have the following meanings: CV, conventional voucher; TC, tax credit; TD, tax deduction; ESA, education savings account. The Missouri: Empowerment Scholarship Accounts Program is a combined ESA and TD program. While 83 programs are listed in the table, by year, 82 are portrayed because of the enactment, repeal, and reenactment of the New Hampshire: Town Tuitioning Program.

Based on the four periods, we reviewed historical writings, books, and research to further define and operationalize what we would eventually call “Three Waves of Vouchers.” Over the course of three months, the authors met regularly and wrote analytic memos on each wave to ensure they were clearly defined, supported with evidence and primary source documents, and included analysis relevant to market theory. Each author provided feedback on each wave and the first author organized and revised the waves until they were solidified and the group reached agreement. In what follows, we define each of these waves, identify the voucher policies enacted within the period, and examine relevant historical events, case law, and empirical studies that shaped the development of the wave from beginning to end or present.

The History of Voucher Policies and the Free Market

Vermont became the first state to implement a voucher program in 1869 with their Town Tuitioning Program (TTP), which was designed for students and families in more remote rural locales without a public school. Under TTP, families received a CV, an amount of funds less than or equal to the cost of a student’s state per-pupil allocation for public school enrollment, to enroll their child in a private school or another public school of their choosing. Maine adopted a similar program for the same purpose in 1873. New Hampshire also enacted their own TTP in 1901. These early voucher programs were small in scale and reflected challenges of educating school-aged children in remote rural areas during the 19th century. Due to their limited scope, historical distance, and lack of connection to market-based reforms, we do not include these early programs in our analysis of voucher policy waves. These policies predate the modern voucher movement, which we

present in three distinct waves. Each wave reflects shifting political, legal, and ideological contexts—from the use of vouchers to resist desegregation in the mid-20th century, to market-based reforms in response to concerns about public education performance, and finally to a rapid expansion of voucher programs in the 21st century following key U.S. Supreme Court decisions.

First Wave: Friedman's Market Ideals

The first wave of school voucher legislation was shaped by Milton Friedman's mid-century economic theories and the racial politics of resistance to school desegregation following *Brown v. Board of Education* (1954). In 1955, the Minnesota legislature passed an education tax deduction not to exceed \$200 per student for tuition and school transportation costs incurred by parents with students in public or private schools (Minnesota Statutes, 1955, Chapter 744, Section 1, Item 19). While not a voucher per se, the law represented the first time a state provided a tax break that could go toward supporting private school tuition. That same year, Friedman (1955, 1962) proposed a version of vouchers where the government provided:

a minimum level of schooling financed by giving parents vouchers redeemable for a specified maximum sum per child per year if spent on 'approved' educational services. Parents would then be free to spend this sum they themselves provided on purchasing educational services from an 'approved' institution of their own choice.
(p. 89)

The role of government approving services would be limited to “insuring that the schools met certain minimum standards” similar to how the government “inspects restaurants to insure that they maintain minimum sanitary standards” (Friedman, 1962, p. 89).

Public schools in many parts of the US were segregated before 1954 with those attending racially and economically segregated schools receiving unequal access to high-quality resources and facilities (Rooks, 2020). After the *Brown v. Board of Education* (1954) decision, many southern states sought to maintain White supremacy and racial segregation and successfully did so by adopting voucher policies (MacLean, 2017; Nevin & Bills, 1976).

Table 2 details state legislated voucher programs named and described as “State Tuition Grants” which we classify as CVs. Southern policymakers promoted vouchers as a policy tool not out of a belief that the free market was the best way to improve schooling or that public monopolies were inefficient or ineffective, but rather that an education marketplace could be used to maintain segregated schools. North Carolina and then Alabama, Virginia, Georgia, Louisiana, South Carolina, and Mississippi all passed state tuition grants as a tool to maintain racial segregation leading to the establishment of hundreds of segregation academies. Researchers found that segregation academies did not emerge in all contexts, but rather in those where desegregation plans were likely to be implemented, where some forms of integration were already underway, and where Whites had the capacity to resist desegregation (Andrews, 2002). In a study of segregation academies, Porter et al. (2014) found that within the rural areas of the southern Black Belt, “academy enrollments often accounted for more than 70 percent of white student enrollments” with far fewer in more urban areas (p. 594).

The language used by voucher advocates of the era included terminology that reflected neoliberal economics, including terms such as “school vouchers,” “freedom of choice,” and “tax exemption for private schools” (LaFleur, 2023, p. 210). As Howell and Peterson (2006) noted, Friedman’s “ideas initially were put to ill use” (p. 14). Friedman never advocated for racial segregation but was associated with segregationist economists working at the University of Virginia (e.g., James Buchanan) and elsewhere promoting vouchers as a policy tool to maintain segregation or

dramatically slow integration (LaFleur, 2023; Mirowski & Plehwe, 2015). White Citizen's Councils mobilized to pressure elected officials from taking steps toward racial integration. Many politicians and parents were seeking to create schools based on one criterion—racial segregation. Their policy solution was a state-supported voucher system that publicly subsidized “segregation academies” or private schools with discriminatory acceptance policies to avoid racial integration following the *Brown* (1954) decision (Fuquay, 2002; Hughes, 2006). For example, *Time Magazine* (1969) reported on Marvell Academy, a private elementary school opened in Marvell, Arkansas, by members of the community's White Citizens' Council who declared, “Integration is the corruption of the true American heritage by alien concept and ideology.”

Table 2

Voucher Programs in Southern States by Year, State, and Affiliated Court Cases from 1956-1976

Year Enacted/ Declared Unconstitutional	Voucher Policy	Affiliated Court Cases
1956-1969	North Carolina: State Tuition Grant	<i>Godwin v. Johnston County Board of Education</i> (1969)
1957-1967	Alabama: State Tuition Grant	<i>Lee v. Macon County Board of Education</i> (1967)
1959-1964	Virginia: State Tuition Grant	<i>Griffin v. School Board of Prince Edward County</i> (1964)
1961-1976	Georgia: State Tuition Grant	<i>Coit v. Green</i> (1965) <i>Green v. Connally</i> (1971) <i>Runyon v. McCrary</i> (1976)
1962-1966	Louisiana: State Tuition Grant	<i>Poindexter v. Louisiana Financial State Commission</i> (1966)
1963-1976	South Carolina: State Tuition Grant	<i>Runyon v. McCrary</i> (1976)
1964-1969	Mississippi: State Tuition Grant	<i>Green v. County School Board</i> (1968) <i>Alexander v. Holmes</i> (1969) <i>Coffey v. State Educational Finance Commission</i> (1969)

Note. Most programs went through periods of enactment, repeal, re-enactment, and a series of legal battles that make start and end dates permeable. Often, programs were deemed unconstitutional, which led to policies being amended rather than programs ended. *Runyon v. McCrary* (1976) was the key U.S. Supreme Court case that outlawed vouchers being used to fund segregated private schools, dismantling many programs that were launched as tools to sustain segregation. All programs identified were impacted by the Civil Rights Act of 1964 and *Runyon v. McCrary* (1976), among others. Additionally, prior to enacting the programs identified above, most states, first, amended their own constitutions to enable state funds to go towards the maintenance of a segregated school system.

White parents and policymakers wanted an education marketplace where Black families were not included and could not freely enter the market. As reported by *Yale Law Journal* (1973), many white parents who had previously allowed their children to attend public schools with a small number of blacks refused to enroll their children in genuinely integrated schools. The result was a massive white withdrawal from the public

schools and a flurry of activity organizing and expanding private ones. While direct and indirect state assistance to such schools was significant in facilitating their formation and maintenance, the central reason for their growth was not the availability of state support but rather the determination of white parents to avoid desegregation at any cost. (p. 1441)

Perhaps the most well-documented case is that of Black families from Prince Edward County, Virginia, who were one of the original plaintiffs in the *Brown* (1954) case. The Prince Edward County Board of Supervisors decided not to levy local taxes for the 1959-60 school year. The Virginia General Assembly adopted a voucher policy offering families of children \$125 for elementary school and \$150 for high school tuition to attend nonsectarian private schools or another nearby public school. Many White citizens organized to raise funds, build, and privately operate private schools that would not admit Black students. The district remained closed for several years, while the voucher program served as a model for years to come in other southern states. Elsewhere in Virginia, two rural counties saw virtually all White students transfer into segregation academies. The subsidies were justified in local newspapers like *The Richmond News Leader* as documented by Orfield (1968),

The program continues to serve a worthy purpose in Southside and rural counties where the primary intention of white parents is to see that their children get an education among their own peers.... These people, humble folk most of them, consider that their parental duty to educate their children is too important to relinquish to Federal authority. (p. 343)

Other southern states adopted voucher policies and saw rapidly growing numbers of private schools and private school enrollment. For example, in 1955 the North Carolina General Assembly passed legislation that moved student enrollment decisions from the state to the respective county and city school boards, which made litigation more difficult because each district was now responsible for integration at the district level rather than the state (Wettach, 1956). The General Assembly also provided state grants to pay private school tuition for parents who did not want their children in an integrated school. Eighty-one new private schools opened in North Carolina between 1964 and 1970 with private school enrollment doubling during the same time (Terjen, 1971). Alabama had 65 new nonsectarian private schools open between April and September 1970 with private school enrollment doubling over 6 years (Terjen, 1971). Mississippi, Arkansas, Florida, Georgia, Louisiana, South Carolina, and Tennessee all saw dramatic shifts in private school enrollment (Champagne, 1973; Fuquay, 2002; Terjen, 1971). In 1971, *The New York Times* (Reed, 1971) reported that segregation academies were still on the rise with nearly 700 all White private schools being established in 11 states in the previous five years with the total enrollment between 450,000 to 500,000 students.

Friedman (1955) long acknowledged that vouchers were used as a part of a racist strategy to maintain segregation, noting,

I deplore segregation and racial prejudice... it is clearly an appropriate function of the state to prevent the use of violence and physical coercion by one group on another; equally clearly, it is not an appropriate function of the state to try to force individuals to act in accordance with my—or anyone else's—views, whether about racial prejudice...

As an economist at the University of Chicago, he lived within an urban and suburban context actively maintaining racial covenants and White vigilantism but offered limited insights into how

race and racism fit into his notions of markets and choice (Hale, 2024). Friedman (1955) said he preferred “forced nonsegregation” over “forced segregation” (footnote 2 in General Education for Citizenship section) and in full recognition that some Black children were unable to access any formal education as a result of voucher policies. He wrote, “Privately conducted schools can resolve the dilemma” because,

They make unnecessary either choice. Under such a system, there can develop exclusively white schools, exclusively colored schools, and mixed schools. Parents can choose which to send their children to. The appropriate activity for those who oppose segregation and racial prejudice is to try to persuade others of their views; if and as they succeed, the mixed schools will grow at the expense of the nonmixed, and a gradual transition will take place. So long as the school system is publicly operated, only drastic change is possible; one must go from one extreme to the other. (footnote 2 in General Education for Citizenship section)

Voucher legislation put forward in southern states clearly violated assumptions for obtaining efficient and valued outcomes despite Friedman’s theorizing. Black families had little to no access to private schools, they were not free to enter private schools, and few if any private schools serving Black children were established due, in part, to the high entry cost of starting new schools. The systematic denial of Black children with access to schooling or appropriately funded schools created significant negative externalities. Friedman’s (1952) argument that unfettered markets would lead to a “minimum level of schooling” (p. 89) with positive externalities was clearly incorrect and out of touch with reality given what transpired in the southern states over several decades. The inability to reconsider one’s argument in light of new and consistent evidence, we argue, is far more extreme and ideological when considering what was also happening in the South at the same time: ongoing violence and lynchings of innocent Black people and the well-documented murders of Black and White civil rights activists seeking to register voters so that all individuals could participate in democracy and persuade people to reject White supremacy (e.g., Dr. Martin Luther King Jr., Medgar Evers, Herbert Lee).

Vouchers failed to deliver an education marketplace for Black families, requiring government intervention. For example, in a federal report commissioned by the U.S. Commission on Civil Rights, Pendleton and colleagues (1983) concluded that, in Alabama, “it has become generally accepted that blacks attend public schools and whites attend private academies... a dual system in education still prevails...” (p. 82). The report recommended that the U.S. Department of Education “should review private academies receiving Federal funds... for compliance with Title VI of the Civil Rights Act of 1964 and initiate enforcement proceedings where violations are found” (p. 84). The U.S. Internal Revenue Service would eliminate the tax-exempt status of segregation academies as well as “gifts to such schools as charitable deductions for income tax purposes” (Terjen, 1971, p. 72). In 1976, the U.S. Supreme Court ruled on *Runyon v. McCrary* (1976), holding that private schools that discriminate based on race or establish racial segregation are in violation of federal law. The Court noted,

The prohibition of racial discrimination that interferes with the making and enforcement of contracts for private educational services furthers goals closely analogous to those served by § 1981’s [42 U.S.C. § 1981, 1982 popularly known as the Civil Rights Act of 1866] elimination of racial discrimination in the making of private employment contracts and, more generally, by § 1982’s guarantee that “a dollar in the hands of a Negro will purchase the same thing as a dollar in the hands of a white man.” 392 U.S., at 443 (*Runyon v. McCrary*, 1976, p. 179)

Thus, while the schools were private, the court ruled in line with the Ku Klux Klan Act and the *Jones v. Alfred H. Mayer Co.* (1968) decision that “purely private acts of racial discrimination” violated federal law (Leong & Belzer, 2017). Friedman’s ability to say he deplored racism on one hand while still advocating for vouchers on the other, even amid a clear lack of any marketplace where a dollar in the hand of a Black family was able to purchase the same as a dollar of a White family, would not be the last time voucher advocates would look past evidence of discrimination and clear market failures.

Second Wave: Sanitizing and Reframing Vouchers for Urban Districts

The second wave of voucher legislation emerged in the aftermath of *Runyon v. McCrary* (1976), as the overt use of vouchers to maintain racial segregation became legally untenable. In the second wave, voucher proponents reframed the policy as a response to concerns about educational quality and equity, drawing on evolving social science research but neglecting the documentation of harm throughout the Jim Crow South. Voucher advocacy was bolstered by increasing attention to stagnant student achievement scores starting in the mid-1970s, especially as researchers were beginning to use large, longitudinal quantitative datasets (e.g., Coleman, 1966). Leading up to the second wave, vouchers were also pitched as a liberal policy experiment to improve struggling urban school districts. Harvard University sociologist Christopher Jencks, working in the U.S. Office of Economic Opportunity (OEO), requested federal funding to establish six experimental school choice programs as a part of the War on Poverty. Between 1970 and 1972, OEO provided six school districts with grants to investigate the potential of implementing a voucher experiment providing schools with significantly greater autonomy.

Only Alum Rock, California, decided to move forward—a district with 25 schools serving 15,000 students. According to Levinson (1976), the aim of the voucher experiment in Alum Rock:

was to change the operation of a school system from a public monopoly—where central office administrators allocate resources and determine what kind of education is to be offered—to a market system, where parent choice determines the amount and variety of schooling. (p. 1)

The experiment lasted just three years and ultimately failed to produce a competitive marketplace (Levinson, 1976). The experiment also struggled with a variety of logistics in transforming the education landscape into a marketplace reflecting the experiment’s failure to establish several assumptions of a competitive market, especially the necessity of having many producers/schools and the maximization of goals for users (families) and producers (schools). In addition, while not an assumption of competitive markets, high-start-up costs for creating high-quality new schools, limits the potential for establishing a competitive marketplace.

Eventually, concern over test scores, rising inequalities, and other political forces led to the Reagan Administration’s controversial and consequential 1983 report, *A Nation at Risk*. The report used vivid language to conclude, “The educational foundations of our society are presently being eroded by a rising tide of mediocrity that threatens our very future as a Nation and people” (p. 112). In response, some reformers sought to improve the quality of public education through raising teacher salaries, merit pay, certification requirements, more standardized testing, and accountability policies. A few would go back to Friedman’s voucher argument and the creation of an education marketplace despite well-documented failures that ended less than a decade earlier.

Renewed efforts to promote vouchers emerged after research from famed sociologist James Coleman and colleagues’ (1982) study would bring about some renewed attention toward vouchers after reporting private schools educated students better than public schools when controlling for

differences in student characteristics. Just 12 years after the U.S. Supreme Court ruled in the *Runyon v. McCrary* (1976) case, Chubb and Moe (1988) replicated this research approach and used their findings to argue “public schools are quite literally at a systematic disadvantage” (p. 1067).

Moreover, they argued that schools perform better when they have autonomy and flexibility, which was intruded upon when governments operate schools:

Private schools provide services in exchange for payment, and unless heavily subsidized from the outside, they must please their customers—students and parents—if they are to prosper. Whatever the constituency of the private school, therefore, it will surely be much smaller and more homogenous than the democratic constituency of the public school, and students and parents will occupy a much more central position within it. (pp. 1067-1068)

Chubb and Moe argued that an education marketplace allowed unhappy parents and students to exit and find another school when they were not pleased, which reinforced the creation and maintenance of schools that would sufficiently satisfy families while weeding out the schools that would not.

The research methodologies used by Coleman et al. (1982) and Chubb and Moe (1988) are now outdated (Powers & Potterton, 2017), and more recent studies that meet contemporary standards of evidence have reached strikingly different and consistently negative results when analyzing the impact of private schools on student outcomes (see e.g., Rouse & Borrow, 2009, or Enamorado, 2021, for reviews). Lubienski and Lubienski (2013) further documented how differences in achievement outcomes between public and private schools is largely a function of differing demographics, not a private school advantage. However, the limitations for the research approach—unknown at the time—supported an argument against public education as a primary institution. Yet, Chubb and Moe’s conclusions clearly failed to acknowledge how market theory failed to hold up in the South, in the conclusions of the U.S. Supreme Court’s majority opinion in *Runyon* (1976), and in the case of Alum Rock. Chubb and Moe’s conclusions also failed to acknowledge the role private schools have played in facilitating White flight in the wake of desegregation (Clotfelter, 1976; Reardon et al., 2006). Soon, a series of relatively small privately and publicly funded urban voucher programs would emerge.

The Milwaukee Parental Choice Program (MPCP) is possibly the most well-studied publicly funded voucher program. Welner and colleagues (2023) noted that the modern voucher movement began when MPCP was enacted by the Wisconsin State Legislature in 1990 and allowed a limited number of students living in Milwaukee and meeting certain criteria to attend a private, nonsectarian school within the city using a voucher. Students had to come from families not exceeding 1.75 times the national poverty line. The narrow criteria and size of the program is out of step with Friedman’s voucher proposal and market theory (e.g., many users/producers, users/producers free to enter and exit the market) perhaps reflecting some acknowledgement that educational markets had failed to produce improved outcomes in the past. Nevertheless, MPCP quickly evolved to include more students prior to clear evidence in support of the program.

Between 1990 and 1993-94, the total number of students in the program in any year was capped at 1% of the Milwaukee Public Schools’ (MPS) total enrollment. With little evidence of the program’s effectiveness, the number was increased to 1.5% in 1994-95 by the legislature reflecting what would become a reoccurring theme that voucher programs proliferate and grow without evidence of effectiveness. Public funds paid the participating private school an amount equivalent to the MPS per-pupil funding formula. Schools initially could not enroll more than 49% of voucher users as a part of their total enrollment, but the legislature changed this rule to 65% in 1994-95. Private schools had to admit voucher students without discrimination based on race, ethnicity, or

prior school performance, and students needed to be accepted on a random basis—a school that had high enrollment and few seats in a grade had to use random selection.

In 1990, a court exempted private schools from having to enroll students with disabilities—the first-time students with disabilities were referenced in any voucher policy or decision. Several assumptions of a competitive market are not met when considering the schooling of students with disabilities. Each child with a disability is unique and federal laws since 1975 (Education for All Handicapped Children Act later reauthorized as the Individuals with Disabilities Education Act) mandate that each child is provided with an individualized education program (IEP) that is designed to meet their unique needs. Thus, special education is not a homogenous product or service nor is it one where perfect information about it or alternatives are available. Yet, excluding students with disabilities violates another market assumption, free entry and exit into the market, harkening back to the discrimination in the South.

In 1995, more changes were made to MPCP without rigorous research documenting the program's effectiveness, allowing religious schools to enter the program, allowing students in grades K-3 already attending private schools to be eligible, and increasing the number of students allowed in the program over three years to a maximum of 15,000—up from roughly 1,500 in the prior years. The changes perhaps reflected an attempt to pull in more “users and producers” into the market. MPCP now allowed 100% of students in a private school to be voucher users but also eliminated data collection and evaluation criteria—instead requiring a report from the Wisconsin Legislative Audit Bureau. Eliminating these data collection mechanisms served to limit, rather than expand, families' access to information about the qualities of schooling options. Due to court filings, voucher students did not attend parochial schools until Fall 1998. For the first two decades of MPCP, participating private schools were not required to adhere to testing and reporting standards like public schools, even after the enactment of the No Child Left Behind Act.

Beginning in 2010-11, private schools participating in MPCP were required to annually test voucher students in Grades 3 through 8 and Grade 10 in reading and mathematics using the state mandated assessment. In addition, all test results were reported to the state and made available for public reporting purposes – this time reflecting the assumption that consumers have some, although limited, information on the quality of services. Several research teams examined MPCP, initially relying on data from the state's official evaluation (Greene et al., 1999; Rouse, 1998; Witte, 2001). In an early review of results, Witte (1998) found that some results were positive, some negative, and some could go either way—reflecting differing quality across public and private schools. In an updated analysis of the same program, Witte (2001) found no differences in student achievement outcomes between voucher-participating and public school students while Greene and colleagues (1999) found positive achievement impacts for voucher users who attended a small number of oversubscribed private schools. Witte's results would later be challenged, and another set of researchers would re-analyze data using randomized trials. In doing so, researchers identified large and significant learning gains for students using vouchers (e.g., Greene et al., 1999).

Several cities followed Milwaukee and enacted urban-based voucher programs, some of which were privately funded and therefore provided greater flexibility and fewer legal challenges (e.g., Washington Scholarship Fund founded in 1993 in Washington, DC; Parents Advancing Choice in Education Nonprofit founded in 1998 in Dayton, Ohio). For example, in New York City, the School Choice Scholarships Foundation (SCSF) was a private foundation started in 1997 initially offering 1,000 scholarships worth up to \$1,400 a year for three years to children attending kindergarten through fourth grade in New York City public schools and receiving free lunch. SCSF required that 85% of voucher recipients be from public schools in the bottom half of the city's schools test score distribution. The program selected voucher recipients through lotteries. Studies on

achievement of these programs at the time showed mixed results (Howell & Peterson, 2002; Krueger & Zhu, 2004). Through the 1990s, five additional voucher programs were enacted by state legislatures (1) Ohio: Cleveland Scholarship Program, enacted in 1995; (2) Arizona: Original Individual Income Tax Credit, enacted in 1997; (3) Minnesota: K-12 Education Credit (expanded from original 1955 tax deduction), enacted in 1997; (4) Illinois: Tax Credits for Educational Expenses, enacted in 1999; and (5) Florida: Opportunity Scholarship Program, enacted in 1999 (deemed unconstitutional in 2006). The slow incremental expansion of existing voucher programs and enactment of new programs would eventually create conditions for a new wave of voucher advocacy and policy.

Third Wave: Establishing a Legal and Financial Architecture for Large-Scale Vouchers

The third wave of voucher legislation begins in the early 2000s and is catalyzed by a series of U.S. Supreme Court decisions that dismantled key church-state barriers and from significant donor investments from right-wing billionaires. State legislation increasingly created larger voucher programs some of which targeted students with disabilities and other groups previously excluded—representing efforts to bring in more students. During this era, roughly between 2000 and the present, federal court decisions chipped away at the longstanding firewall between church and state, particularly the Establishment Clause of the First Amendment of the U.S. Constitution. The first significant case of the era focused on the Cleveland Scholarship Program (CSP), which was enacted in 1996 and provided students from low-income families with scholarships to be used for private schools. The CSP required that private schools accepting vouchers could not discriminate based on race, ethnicity, or religion—disability was not mentioned or considered protected. CSP allowed the voucher to be used at both secular and religious schools. The American Federation of Teachers and other organizations filed suit, but the program moved forward pending court rulings, including a 1999 Ohio State Supreme Court decision noting that the law did not violate the Establishment Clause of the US or Ohio constitutions. In 2002, the U.S. Supreme Court upheld the Ohio court's decision in *Zelman v. Simmons-Harris*, noting that CSP did not violate the Establishment Clause since parents were provided with a range of secular and religious private school options.

Between 2000 and 2009, 11 states and Washington, DC, passed voucher legislation that included CVs, TCs, and TDs. Ohio, Georgia, and Louisiana passed multiple programs during the decade. Ohio passed three CVs in the decade (Autism Scholarship Program, 2003; Jon Peterson Special Needs Scholarship Program, 2003; Educational Choice (EdChoice) Scholarship Program, 2005). Refer to Table 1 for a list of all 18 voucher programs that were enacted between 1999 and 2009—eight CVs and nine TCs, and one TD. During this time, none of the voucher programs were designed to be “universal” meaning that all students in the state would be eligible. Many of the programs targeted low-income students and five of the seven CVs were exclusively targeted toward students with disabilities. Only one peer-reviewed journal article included findings evaluating the impact of a private school voucher program (Indiana Choice Scholarship Program) on participating students with disabilities' academic outcomes (Waddington & Berends, 2018).

The next two cases solidified the legality of TC-funded vouchers for private religious schools. In Arizona, a group of taxpayers challenged a state law providing TCs to individuals and businesses that donated to SGOs who provided scholarships to students who attended private schools, including private religious schools. The law was established in 1997 and allowed state residents to receive a dollar-for-dollar TC up to \$500 (or \$1,000 for married couples) for contributions to nonprofit organizations that provided scholarships to public school students who wanted to attend a private school. State residents could contribute to a variety of SGOs, including those that were secular (e.g., Montessori school) or religious (e.g., Catholic school). Plaintiffs claimed

the policy violated the Establishment Clause since it channeled public money to private religious schools. Ultimately, in *Arizona Christian Tuition Organization v. Winn* (2011), the U.S. Supreme Court decided that the plaintiffs did not have legal standing to bring the suit since they had not been injured by the opposing party.

A subsequent decision solidified TC-funded vouchers to be used in private religious schools in states with a Blaine Amendment—an amendment many states placed in their constitution to stop public funds from flowing into private religious schools. In 2015, the Montana legislature created a TC scholarship program allowing individuals and businesses to contribute up to \$150 to qualified scholarship organizations. The Montana Department of Revenue concluded that students could not use scholarships to attend religious schools because of the state constitution’s Blaine Amendment, which stated,

the legislature, counties, cities, towns, school districts and public corporations shall not make any direct or indirect appropriation or payment from any public fund or monies... to aid... any [organization] controlled in whole or in part by any church, sect. or denomination. (p. 1100)

Three families with children using the scholarship program sued and won the initial trial, before the Montana State Supreme Court struck down the entire TC scholarship program. Ultimately, the U.S. Supreme Court’s landmark decision in *Espinoza v. Montana Department of Revenue* (2020) prohibited the state from excluding students at private religious schools from a TC scholarship program.

Between 2010 and 2019, vouchers expanded at an even faster rate, as 32 unique voucher programs were adopted across 21 states plus Washington, DC. Of the 32 programs, 12 were CVs, 13 were TCs, six were ESAs, and one was a TD. Nine states passed multiple voucher policies during this time frame (Louisiana, Oklahoma, Indiana, Mississippi, New Hampshire, North Carolina, Wisconsin, Arizona, Florida). Refer to Table 1 for a list of each program, year enacted, and voucher type during this time. Finally, between 2020 and April 2024, 16 unique voucher programs were adopted across 14 states. Of these programs, one was a CV, five were TCs, nine were ESAs, and one was a combined ESA and TD program.

In 2022, the U.S. Supreme Court ruled on another case related to the First Amendment. *Carson v. Makin* (2022) centered on limits of vouchers in a Maine state law that gave parents tuition assistance to enroll a child in a public or nonreligious school of their choice if their town did not have a public high school. The case centered on the First Amendment’s Free Exercise Clause, which states in part that “Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof” (U.S. Const. amend. I). The Court ruled that the Maine law was unconstitutional on the grounds that it violated the Free Exercise Clause in a 6-3 decision. The decision was partly based on the fact that the law allowed funds to go to nonreligious private schools but excluded religious private schools.

These rulings helped to bring more private schools into the marketplace, yet the rulings also came during a period when a growing empirical consensus indicated that large voucher programs failed to raise student achievement, and in some cases, had significant negative impacts. Studies included city voucher programs in Washington, DC (Dynarski et al., 2018) and New York City (Dynarski et al., 2018) and statewide programs in Louisiana, Indiana, and Ohio (Erickson et al., 2021; Figlio & Karbownik, 2016; Waddington & Berends, 2018). In a summary of evidence, Cowen (2023) noted that since about 2002,

No studies have consistently shown positive voucher impacts on test scores of students who use them. Over the last decade in fact, researchers have documented devastating impacts on student achievement. Four independent analyses in states with

at-scale voucher programs—Indiana, Louisiana, Ohio and Washington, DC—have shown some of the largest negative effects on record for education policy evaluation. The largest effects in Louisiana and Ohio are twice what some recent estimates of pandemic impacts on test scores provided. (p. 4)

In a report funded by the Fordham Institute, a pro-voucher conservative think-tank, Figlio and Karbownik (2016) reported on Ohio's EdChoice Scholarship Program, concluding that "students who use vouchers to attend private schools have fared worse academically compared to their closely matched peers attending public schools" adding that these negative effects "persist over time, suggesting that the results are not driven simply by the setbacks that typically accompany any change of school" (p. 2). The authors reported that these outcomes were "not expected" and "speculate" that negative effects could be related to a variety of different factors, including dissimilar curricular programs offered at private schools in comparison to public schools. Such speculations further highlight how education markets do not meet the assumption of a homogenous product or service. As we previously noted, no market is perfect, but the authors' possible explanations only clarify how education marketplaces continue to fail to meet many of the key assumptions of competitive markets.

Some quantitative researchers drawing from free market theories and pro-voucher advocacy groups offered a bevy of explanations for these findings, which included that voucher programs had poor monitoring and oversight, that only poorly performing private schools were willing to take on voucher students, or that the voucher programs were too new to demonstrate results (e.g., DeAngelis, 2020). Rarely do advocacy groups or researchers funded by such groups consider in their analysis or implications the persistent failure of vouchers to create a competitive education marketplace over previous decades or the limitations of early studies. Lubienski and Malin (2021) suggested an additional explanation, "earlier studies with positive results were overstated, or were artifacts of voucher advocacy that led to the funding and completion of those studies" (p. 743). Earlier studies also focused on smaller urban programs, increasing the likelihood that samples "were influenced by selection bias (through attrition)" (p. 743) which, by today's research standards, would be identified as a more serious concern for research design.

Despite findings that vouchers failed to deliver a competitive marketplace or improve educational outcomes, a broad coalition of organizations and voucher advocates continued to promote vouchers. The election of President Donald Trump in 2016 and his subsequent appointment of pro-voucher advocate Betsy DeVos as the U.S. Secretary of Education signaled a clear policy preference at the White House. Of note, during her Senate confirmation in 2016, DeVos was asked by Senator Tim Kaine, "Should all schools that receive taxpayer funding be required to meet the requirements of the Individuals with Disabilities Education Act" which DeVos replied, "I think that this is a matter best left to the states" (Strauss, 2017). Kaine's response was "So, some states might be good to kids with disabilities, and other states might not be so good? And then people can, what, just move around the country...?" DeVos repeated her answer about states making decisions. DeVos' failure to affirm parents' right to choice in a potential education marketplace is not surprising, given that vouchers have often been used as a tool to deny access to historically marginalized groups. Her remarks also clearly violate competitive market assumptions of freedom to enter the market. Instead, DeVos suggests parents could pick up and move to another state to find a school. Only those parents with the means might do so, assuming the education system is the only or most significant factor for a family living in one state versus another. Throughout President Trump's first presidency and President Biden's four-year term, reporters documented how millions in campaign donations surged from national and state-level pro-voucher

political action committees, including DeVos's American Federation for Children, to support or pass voucher legislation (e.g., Gillman, 2024; Heath, 2024; Schwartz, 2024).

Discussion

The purpose of this article was to provide a comprehensive review of voucher policies in the United States from 1869 to 2024 and examine the extent to which vouchers created competitive education marketplaces that produced efficient and valued outcomes. Early voucher programs in rural northeastern U.S. states had little to do with market theory and were oriented toward providing education in rural remote regions. Since the 1950s, however, Friedman (1955, 1962) and others advocated for vouchers to create an education marketplace that would improve educational outcomes. Without evidence, early advocates argued that a voucher to be used in private schools would create a competitive education marketplace that would be more efficient and produce better outcomes than the predominate public system that existed. We identified this era, from the 1950s into the mid 1970s, as the first wave of voucher policies. From the moment Friedman put forth his argument for vouchers, he was ignoring longstanding assumptions of competitive markets broadly understood in neoclassical economics. As we show through our historical analysis, vouchers immediately and consistently failed to produce a competitive marketplace across two decades in the South.

Voucher programs were created in the 1950s to enable parental choice for one segment of the market: Southern White parents able to leverage their economic and political power to maintain their preferred system of White Supremacy and racial segregation. The scope and scale of market failure was well-documented and produced significant negative externalities. Perhaps the worst example was in Prince Edward County, Virginia, where Black students were fully denied access to all formal public education over multiple years. Nearly two decades of segregation academies eventually ended following, not a market correction, but Internal Revenue Service investigations and U.S. Supreme Court decisions. Shockingly, amid such horrid outcomes of voucher policies, Friedman persisted with advocacy for vouchers unwilling or unable to acknowledge how, in practice, a competitive education marketplace never emerged. As Hale (2021) noted, “to claim that the origins of choice are not racist—as so many have done or continue to do—is to conceal a problematic and paradoxical development of school choice over time” (p. 4). Friedman’s persistent advocacy despite evidence of failure was a harbinger for future voucher advocates championing vouchers despite its failures.

In the second wave, a new set of voucher advocates emerged partly building on the work of Friedman. In this wave, vouchers’ racist history was sanitized and reframed as a policy tool to improve education in urban districts. First, in Alum Rock, a proposed voucher program never really got off the ground due to a lack of interest and significant implementation problems. Nearly a decade later, Chubb and Moe (1988) made arguments based on now-flawed analyses that private schools were the only way to improve the nation’s system of education. Both Chubb and Moe lived through the civil rights movement, studied politics and education, and had every opportunity to examine market failures with vouchers in the south. Yet, as researchers have documented, policy advocacy and development are not always advanced based on evidence but rather a bi-product of partisan politics (e.g., Cochran-Smith et al., 2013). MPCP emerged in 1990 allowing a limited number of students living in Milwaukee, meeting certain criteria, to be eligible for a voucher. Key assumptions of competitive markets were not a design feature of the program given the program’s initial size and other restrictions although the policy was quickly expanded over the next decade by the Wisconsin Legislature. Lawmakers initiated the changes before early studies revealed mixed and contested results. Several cities and states adopted smaller scale voucher policies during the 1990s,

which was the lead up to what we identified as our third wave of voucher legislation. Thus, from the 1950s through the 1990s, no voucher program was designed to meet assumptions of a competitive market, nor did outcomes clearly support vouchers as a way of improving student achievement for large groups of students at a city, regional, or state level.

In the third wave, the legal and financial architecture for large scale voucher programs were being set up beginning in the late 1990s and early 2000s, particularly as a series of U.S. Supreme Court decisions concluded that private school tuition assistance could not exclude private religious schools if assistance was given directly to parents or if vouchers are generally available to other private schools (see *Carson v. Makin*, 2022; *Zelman v. Simmons-Harris*, 2002). Vouchers expanded rapidly both in terms of overall policies, but also in the scale of the policy and who the policy would serve. States adopted universal vouchers, vouchers for students with disabilities, and, in some cases, states adopted multiple voucher policies (e.g., Arizona: Lexie's Law for Disabled and Displaced Students (2009); Georgia: Special Needs Scholarship Program (2007); Florida: Tax Credit Scholarship Program (2001); Minnesota: K-12 Education Credit (1997); Ohio: Cleveland Scholarship Program (1995)). As vouchers were proliferating, a growing research consensus emerged that large-scale voucher policies had significant negative achievement outcomes for voucher users (Dynarski et al., 2018; Erickson et al., 2021; Figlio & Karbownik, 2016; Waddington & Berends, 2018). Just as Friedman failed to acknowledge the failure of vouchers to create a competitive market or the harm of implementing voucher programs, so too did the most recent generation of voucher advocates. In the aftermath of another U.S. Supreme Court decision, *Citizens United v. Federal Election Commission* (2010), the court held that the First Amendment prohibits the government from limiting independent expenditures for public campaigns by corporations, non-profits, labor unions, or other entities. As a result, right-wing billionaires increased their campaign contributions throughout the decade despite voucher failures. Betsy DeVos, a major voucher advocate and campaign contributor to then President-Elect Donald Trump was appointed as the U.S. Secretary of Education, signaling an era where voucher policies and ideology outweighed clear evidence of failure.

From Friedman's initial arguments, vouchers have never held up to basic neoclassical economic assumptions of the free market, nor did his initial idea have any element of evidence to support the claim that a publicly-funded private school voucher system would improve academic achievement outcomes for students within a region or state. We acknowledge that a handful of studies or meta-analyses including earlier and smaller scale voucher programs, international programs, and those funded through private means have shown mixed results depending on how impact was assessed (e.g., Shakeel et al., 2021). We also recognize that depending on voucher program design, researchers have found that public schools have a reaction to voucher policies that led to small increases in student achievement (Akyol, 2016; Egalite & Mills, 2021). Yet, since the Civil Rights era, vouchers have led to significant discrimination and failed to deliver a competitive marketplace that meaningfully improves achievement outcomes for most students while a subset of education researchers, scholars, wealthy individuals, and associations have pushed for vouchers based on ideology—be it racism and White supremacy or an unfettered and ungrounded belief in the power of markets.

Our findings lead us to call for education policy researchers to further examine voucher policies, market theory, and the politics and power that influence legislation and elections in states across the nation. At minimum, we call on researchers to provide greater context when situating studies by acknowledging voucher policies full history and long-term failures to establish competitive marketplaces. Researchers and policy experts have increasingly raised concerns about the large sums of money funneling into choice and voucher-related state legislation (e.g., Cowen, 2024). More research is needed to track voucher policies, document campaign contributions from

voucher supporting groups, and better understand what happens when voucher policies are initiated in states (e.g., increases in the cost of tuition, primary beneficiaries of program; Hungerman & Rinz, 2016). Researchers might also consider examining vouchers and other market-oriented reforms with other frameworks, such as New Public Management and Black nationalism. Lastly, since policymakers may adopt voucher programs with unclear goals and modify them over time, researchers might also examine policy debates within states and justifications for enacting such policies.

We also believe our findings should provide self-reflection among education researchers and economists engaged in education policy research and the training of researchers. Several years ago, Hess (2018) observed, “Too many grad students are training to be education policy scholars in programs that cultivate expertise in research methods but not in the stuff of education.” Others within the field of economics have called for greater reflection about how students learn to apply theory, and whether graduate training encourages students to “converge on particular ways of seeing the world” (DeMartino, 2019, p. 14). Upon reviewing the history of vouchers and a growing research consensus that vouchers fail to raise achievement, we found ourselves wondering how so many education policy researchers and economists studying private school voucher policies in the 1990s to the present did not even briefly mention segregation academies when situating and framing their studies or incorporate even the most basic critique of market theory in education. Perhaps, as both Hess and DeMartino observe, graduate education programs are producing researchers narrowly focused on methods and models but not on the history of policies and the underlying theories that should inform any policy analysis or evaluation. Surely, private school vouchers are not the only example of a body of literature where many researchers have applied a narrow lens, so we hope that such shortcomings and reflections can lead to a higher quality of education policy research moving forward.

Conclusions

Markets have their place in creating conditions that can improve the lives of all Americans and we are quite happy with how the market has provided us with access to high quality cell phones, automobiles, televisions, and many other goods and services that we regularly rely on. The failure of vouchers is not the failure of neoclassical economics or market theory writ large, but rather the failure of voucher advocates and a small set of narrowly focused researchers to acknowledge how education and markets are not a match. Vouchers as a policy to improve the quality of publicly funded education has frequently failed and, in many cases, done great harm to children and communities. Perhaps, education marketplaces would have arisen if policymakers just developed better voucher policies that included common-sense reforms, such as stronger anti-discrimination provisions (e.g., requiring private schools to accept students regardless of income, disability status, or English proficiency), weighted funding formulas that provided larger vouchers to students from disadvantaged backgrounds to incentivize private schools to admit them, enhanced monitoring of racial and socioeconomic composition of voucher recipients and participating schools, and a greater focus on high academic standards and quality control in private schools. We do not think so and we doubt we will get the chance to evaluate such policies since newer voucher programs lack these design features.

We surmise that the persistent disregard of history, coupled with unexamined ideological commitments to market-based reforms, has enabled voucher supporters to advance political strategies that resist government oversight and reject common sense investments into improving the existing system of public education. Backed by well-funded advocacy organizations, these efforts have not led to better voucher designs or improved outcomes for students—they have diverted

attention away from strengthening public education, where investments are most needed. Ideology and other special interests may continue to push vouchers as part of a broader political agenda, but education researchers and economists conducting education policy research have the responsibility of designing studies rooted in historical facts and grounded in empirical evidence and sound knowledge of theory. While highlighting the concerns with vouchers, we must also remember how racism and other forms of marginalization have manifested within public education (Rooks, 2020). We hope this article pushes the field and the ideologues that persist in voucher advocacy to reconsider what they know and how they go about their business.

Acknowledgements

We are grateful for the support of Dr. Laura Torres for her data organizing and visualization support.

References

- Abrams, S. E., & Koutsavlis, S. J. (2023). *The fiscal consequences of private school vouchers*. Public Funds Public Schools.
- Alexander v. Holmes County Board of Education, 396 U.S. 19 (1969).
- Andrews, K. (2002). Movement-counter movement dynamics and the emergence of new institutions: The case of “White Flight” schools in Mississippi. *Social Forces*, 80(3), 911-936. <https://doi.org/10.1353/sof.2002.0001>
- Akyol, M. (2016). Do educational vouchers reduce inequality and inefficiency in education? *Economics of Education Review*, 55, 149-167. <https://doi.org/10.1016/j.econedurev.2016.10.001>
- Baker, B., Black, D., Cowen, J., Green, P., & Jennings, J. L. (2025). *A framework for evaluating and reforming school vouchers*. (EdWorkingPaper: 25-1142). Annenberg Institute at Brown University: <https://doi.org/10.26300/cx43-tr11>
- Brown v. Board of Education, 347 U.S. 483 (1954).
- Burke, L., & Greene, J. (2021). *The values-based case for school choice is also about the winning case*. American Enterprise Institute. Retrieved from ERIC: <https://files.eric.ed.gov/fulltext/ED616631.pdf>
- Carson v. Makin, 596 U.S. (2022).
- Champagne, A. M. (1973). The segregation academy and the law. *The Journal of Negro Education*, 42(1), 58-66. <https://doi.org/10.2307/2966792>
- Chubb, J. E., & Moe, T. M. (1988). Politics, markets, and the organization of schools. *American Political Science Review*, 82(4), 1065-1087. <https://doi.org/10.2307/1961750>
- Citizens United v. Federal Election Commission, 558 U.S. 310 (2010).
- Clotfelter, C. T. (1976). School desegregation, “tipping,” and private school enrollment. *Journal of Human Resources*, 28-50. <https://doi.org/10.2307/145072>
- Cochran-Smith, M., Piazza, P., & Power, C. (2013). The politics of accountability: Assessing teacher education in the United States. *Educational Forum*, 77(1), 6-27. <https://doi.org/10.1080/00131725.2013.739015>
- Coffey v. State Educational Finance Commission, 296 F. Supp. 1389 (1969).
- Coit v. Green, 404 U.S. 997 (1965).
- Coleman, J. S., Campbell, E. Q., Hobson, C. J., McPartland, J., Mood, A. M., Weinfeld, F. D., & York, R. L. (1966). *Equality of educational opportunity* (OE-38001). U.S. Department of Health, Education, and Welfare, Office of Education.

- Coleman, J. S., Hoffer, T., & Kilgore, S. (1982). *Public and private schools*. *Society*, 19(2), 4–9. <https://doi.org/10.1007/BF02733561>
- Cowen, J. (2023). *NEPC review: The Ohio EdChoice program's impact on school district enrollments, finances, and academics*. National Education Policy Center. <http://nepc.colorado.edu/thinktank/edchoice>
- Cowen, J. (2024). *The privateers: How billionaires created a culture war and sold school vouchers*. Harvard Education Press.
- Darwin, C. (1859). *On the origin of species by means of natural selection, or the preservation of favoured races in the struggle for life*. <https://darwinonline.org.uk/content/frameset?itemID=F373&viewtype=text&pageseq=1>
- DeAngelis, C. A. (2020). Do self-interested schooling selections improve society? A review of the evidence. In *School choice: Separating fact from fiction* (pp. 60–72). EdChoice. <https://www.edchoice.org>
- DeMartino, G. F. (2019). Training the ‘ethical economist’. In W. Dolfsma & I. Negru (Eds.). *The ethical formation of economists*. Taylor & Francis.
- Dynarski, M., Rui, N., Webber, A., & Gutmann, B. (2018). *Evaluation of the DC opportunity scholarship program: Impacts two years after students applied*. [NCEE 2018-4010]. National Center for Education Evaluation and Regional Assistance.
- EdChoice. (2022). *The ABCs of school choice: The comprehensive guide to every private school choice program in America*. EdChoice. <https://www.edchoice.org/research/the-abcs-of-school-choice/>
- Egalite, A. J. (2013). Measuring competitive effects from school voucher programs: A systematic review. *Journal of School Choice*, 7(4), 443–464. <https://doi.org/10.1080/15582159.2013.837759>
- Egalite, A. J., & Mills, J. N. (2021). Competitive impacts of means-tested vouchers on public school performance: Evidence from Louisiana. *Education Finance and Policy*, 16(1), 66–91. https://doi.org/10.1162/edfp_a_00286
- Egalite, A. J., & Wolf, P. J. (2016). A review of the empirical research on private school choice. *Peabody Journal of Education*, 91(4), 441–454. <https://doi.org/10.1080/0161956X.2016.1207436>
- Enamorado, P. (2021, October 1). *The impact of voucher programs: A deep dive into the research*. Thomas B. Fordham Institute. <https://fordhaminstitute.org/national/commentary/impact-voucher-programs-deep-dive-research>
- Epplé, D., Romano, R. E., & Urquiola, M. (2021). Is education different? A review of the voucher literature and lessons for implementation. In B. P. McCall (Ed.), *The Routledge handbook of the economics of education*. Routledge. <https://doi.org/10.4324/9780429202520-7>
- Erickson, H. H., Mills, J. N., & Wolf, P. J. (2021). The effects of the Louisiana Scholarship Program on student achievement and college entrance. *Journal of Research on Educational Effectiveness*, 14(4), 861–899.
- Espinoza v. Montana Department of Revenue, 591 U.S. (2020).
- Figlio, D., & Karbownik, K. (2016). *Evaluation of Ohio's EdChoice Scholarship Program: Selection, competition, and performance effects*. Thomas B. Fordham Institute.
- Figlio, D. N., & Rouse, C. E. (2006). Do accountability and voucher threats improve low-performing schools? *Journal of Public Economics*, 90(1–2), 239–255. <https://doi.org/10.3386/w11597>
- Finn Jr., C. E., Hentges, C. M., Petrilli, M. J., & Winkler, A. M. (2009). What's the place of accountability in school voucher programs. *Education Digest*, 75(1), 13–15.

- Friedman, M. (1962). *Capitalism and freedom*. University of Chicago Press.
- Friedman, M. (1955). *The role of government in education*. University of Texas Archive. <https://la.utexas.edu/users/hcleaver/330T/350kPEEFriedmanRoleOfGovttable.pdf>
- Fuquay, M. W. (2002). Civil rights and the private school movement in Mississippi, 1964–1971. *History of Education Quarterly*, 42(2), 159-180.
- Gillman, T. (2024, March 1). TikTok billionaire spends millions on Texas candidates supporting school voucher efforts. *The Hechinger Report*. <https://hechingerreport.org/tiktok-billionaire-spends-millions-on-texas-candidates-supporting-school-voucher-efforts/>
- Gooden, M. A., Jabbar, H., & Torres, Jr, M. S. (2016). Race and school vouchers: Legal, historical, and political contexts. *Peabody Journal of Education*, 91(4), 522-536.
- Godwin, J., et al. v. Johnston County Board of Education, Civ. A. No. 2114 (1969).
- Greene, J. (2024). A vast right-wing conspiracy? *Education Next*, 24(4). <https://www.educationnext.org/a-vast-right-wing-conspiracy-book-review-the-privateers-josh-cowen/>
- Greene, J. P., Peterson, P. E., & Du, J. (1999). Effectiveness of school choice: The Milwaukee experiment. *Education and Urban Society*, 31(2), 190-213. <https://doi.org/10.1177/0013124599031002005>
- Green v. Connally, 330 F. Supp. 1150 (D.D.C. 1971).
- Green v. County School Board (1968). *Green v. County School Board of New Kent County*. 391 U.S. 430.
- Griffin v. County School Board of Prince Edward County, 377 U.S. 218 (1964).
- Hale, J. (2021). *The choice we face: How segregation, race, and power have shaped America's most controversial education reform movement*. Beacon Press.
- Hale, J. (2024). Milton Friedman and racialized school choice ideology, 1945-1960. *American Educational History Journal*, 51(1), 3-24.
- Harris, D. N. (2024). How free market logic fails in schooling—and what it means for the role of government. *Educational Researcher*, 53(2), 111-122. <https://doi.org/10.3102/0013189X231216953>
- Heath, K. (2024, March 25). Is a ‘school choice’ proposal possible in Texas in 2025? How \$12M influenced GOP primaries. *Austin American-Statesman*. <https://www.statesman.com/story/news/politics/politifact/2024/03/25/school-choice-texas-greg-abbott-gop-primary-elections-money-influence/73059785007/>
- Henig, J. R. (1994). *Rethinking school choice: Limits of the market metaphor*. Princeton University Press.
- Hess, F. (2002). *Revolution at the margins: The impact of competition on urban school systems*. Brookings Institution Press.
- Hess, R. (2018, September 24). When education research training is like giving a power saw to a 5th grader. *Education Week*. <https://www.edweek.org/teaching-learning/opinion-when-education-research-training-is-like-giving-a-power-saw-to-a-5th-grader/2018/09>
- Howell, W. G., & Peterson, P. E. (2006). *The education gap: Vouchers and urban schools*. Brookings Institution Press.
- Howell, W. G., & Peterson, P. E. (2002). *The education gap: Vouchers and urban schools*. Brookings Institution Press. <https://eric.ed.gov/?id=ED465840>
- Hughes, S. A. (2006). “Moving My Mountain”: Rural, Black, Southern Schooling. *Counterpoints*, 286, 19-48.

- Hungerman, D., & Rinz, K. (2016). Where does voucher funding go? How large-scale subsidy programs affect private-school revenue, enrollment, and prices. *Journal of Public Economics*, 136, 62-85. <https://doi.org/10.1016/j.jpubeco.2016.03.003>
- Individuals with Disabilities Education Act, 20 U.S.C. § 1400 et seq. (2004).
- Jabbar, H., Fong, C. J., Germain, E., Li, D., Sanchez, J., Sun, W. L., & Devall, M. (2022). The competitive effects of school choice on student achievement: A systematic review. *Educational Policy*, 36(2), 247-281. <https://doi.org/10.1177/0895904819874756>
- Jones v. Alfred H. Mayer Co., 392 U.S. 409 (1968).
- Keynes, J. M. (1926). The end of laissez-faire. In *The new republic*, Pt. I (pp. 13-15). Hogarth Press.
- Krashinsky, M. (1986). Why educational vouchers may be bad economics. *Teachers College Record*, 88(2), 139-151. <https://doi.org/10.1177/016146818608800207>
- Krueger, A. B., & Zhu, P. (2004). Another look at the New York City school voucher experiment. *American Behavioral Scientist*, 47(5), 658-698. <https://doi.org/10.1177/0002764203260152>
- Ladd, H. F. (2002). School vouchers: A critical view. *Journal of Economic Perspectives*, 16(4), 3-24. <https://doi.org/10.1257/089533002320950957>
- LaFleur, J. C. (2023). Centering race in contemporary educational privatization policies: The genealogy of US 'private school choice' and its implications for research. *Race Ethnicity and Education*, 26(2), 205-225. <https://doi.org/10.1080/13613324.2021.2008736>
- Lee v. Macon County Board of Education (per curiam) (1967). 267 F. Supp. 458. (M.D. Ala.).
- Leong, N., & Belzer, A. (2017). *Runyon v. McCrary and the mosaic of state action*. *Washington University Law Review*, 94(6), 1461-1508. https://openscholarship.wustl.edu/law_lawreview/vol94/iss6/6
- Levin, H. M. (2019). *Privatizing education: Can the school marketplace deliver freedom of choice, efficiency, equity, and social cohesion?* Routledge. <https://doi.org/10.4324/9780367098360>
- Levinson, E. (1976). *The Alum Rock voucher demonstration: Three years of implementation* (Rand Paper Series P-5631). Rand Corporation. <https://eric.ed.gov/?id=ED122430>
- Lubienski, C. A., & Lubienski, S. T. (2013). *The public school advantage: Why public schools outperform private schools*. University of Chicago Press.
- Lubienski, C., & Malin, J. R. (2021). Moving the goalposts: The evolution of voucher advocacy in framing research findings. *Journal of Education Policy*, 36(6), 739-759. <https://doi.org/10.1080/02680939.2020.1730977>
- MacLean, N. (2017). *Democracy in chains: The deep history of the radical right's stealth plan for America*. Viking Press.
- Merrifield, J. (2001). *The school choice wars*. R&L Education.
- Minnesota Legislature. (1955). *Minnesota Statutes: Chapter 744, Section 1, Item 19*. State of Minnesota.
- Mirowski, P., & Plehwe, D. (Eds.). (2015). *The road from Mont Pèlerin: The making of the neoliberal thought collective, with a new preface*. Harvard University Press.
- Montana Const., art. X, § 6.
- Nevin, D., & Bills, R. (1976). *The schools that fear built: Segregationist academies in the South*. Acropolis Books.
- Orfield, G. A. (1968). *The reconstruction of southern education: The schools and the 1964 Civil Rights Act*. (Doctoral dissertation, The University of Chicago).

- Pendleton, C., Smith, M., Berry, M., Ramirez, B., Ruckelshaus, J., & Saltzman, M. (1983). *Fifteen years ago... Rural Alabama revisited* (Clearinghouse Publication Number 82). United States Commission on Civil Rights.
- Poindexter v. Louisiana Financial Assistance Commission, 258 F. Supp. 158 (E.D. La., 1966).
- Porter, J. R., Howell, F. M., & Hempel, L. M. (2014). Old times are not forgotten: The institutionalization of segregationist academies in the American South. *Social Problems*, 61(4), 576-601. <https://doi.org/10.1525/sp.2014.11155>
- Powers, J. M., & Potterton, A. U. (2017). The case against private schools. In R. Fox & N. K. Buchanan (Eds.). *The Wiley handbook of school choice* (pp. 131-148). Wiley.
- Reardon, S. F., Yun, J. T., & Orfield, G. (2006). *Private school racial enrollments and segregation*. The Civil Rights Project, Harvard University.
- Reed, R. (1971, August 29). White academies thrive in South. *New York Times*. <https://www.nytimes.com/1971/08/29/archives/white-academies-thrive-in-south-but-fewer-pupils-flee-the.html>
- Rouse, C. E., & Barrow, L. (2009). School vouchers and student achievement: Recent evidence and remaining questions. *Annual Review Economics*, 1(1), 17-42. <https://doi.org/10.1146/annurev.economics.050708.143354>
- Rooks, N. (2020). *Cutting school: The segrenomics of American education*. The New Press.
- Runyon v. McCrary, 427 U.S. 160 (1976).
- Schwartz, J. (2024, June 21). Texas is the largest GOP stronghold without pro-school voucher legislation. Gov. Abbott is on a crusade to change that. *ProPublica*. <https://www.propublica.org/article/texas-greg-abbott-crusade-for-school-vouchers>
- Segregation Academies and State Action. (1973). *Yale Law Journal*, 82(7), 1436-1471. <https://doi.org/10.2307/795573>
- Shakeel, M. D., Anderson, K. P., & Wolf, P. J. (2021). The participant effects of private school vouchers around the globe: A meta-analytic and systematic review. *School Effectiveness and School Improvement*, 32(4), 509-542. <https://doi.org/10.1080/09243453.2021.1906283>
- Smith, A. (1776). *An inquiry into the nature and causes of the wealth of nations*. Oxford University Press.
- Strauss, V. (2017, February 7). Betsy DeVos confirmed as education secretary after historic Senate vote. *The Washington Post*. <https://www.washingtonpost.com>
- Smith, A. (1776/2008). *An inquiry into the nature and causes of the wealth of nations* (K. Sutherland, Ed.). Oxford University Press.
- Stanford, L. (2023, June 15). 6 more states will soon let almost all students attend private school with public money. *Education Week*. <https://www.edweek.org/policy-politics/6-more-states-will-soon-let-almost-all-students-attend-private-school-with-public-money/2023/06>
- Suitts, S. (2020). *Overturing Brown: The segregationist legacy of the modern school choice movement*. NewSouth Books.
- Terjen, K. (1971). The segregation academy movement. In *The South and her children: School desegregation 1970-1971* (pp. 69-79). Southern Regional Council. (Cited in Champagne, A. M. (1973). *The segregation academy and the law*. *Journal of Negro Education*, 42(1), 58-66.)
- Time. (1969, November 14). *Private schools. The last refuge*. <https://time.com/archive/6634459/private-schools-the-last-refuge/>
- U.S. National Commission on Excellence in Education. (1983). *A nation at risk: The imperative for educational reform*. U.S. Department of Education.

- United States Government Accountability Office. (2018). *Private school choice: Requirements for students and donors participating in state tax credit scholarship programs* (GAO Publication No. GAO-18-679). U.S. Government Accountability Office.
- Waddington, R. J., & Berends, M. (2018). Impact of charter school competition on traditional public schools. *Educational Evaluation and Policy Analysis*, 40(1), 79–105.
<https://doi.org/10.3102/0162373717737317>
- Welner, K., Orfield, G., & Huerta, L. (2023). *The school voucher illusion: Exposing the pretense of equity*. Teachers College Press.
- Wettach, R.H. (1956). North Carolina school legislation-1956. *North Carolina Law Review*, 35(1).
<http://scholarship.law.unc.edu/nclr/vol35/iss1/4>
- Williamson, D. G. (2024). *Segregation academies: The effect of “Whites Only” private education on public schools*. Working Paper. https://daniellegw.github.io/assets/files/williamson_segac.pdf
- Wilson, T. (2023). *School dollars diverted in 2023: A scan of private school voucher legislation in the United States South*. Intercultural Development Research Association (IDRA).
https://www.idra.org/education_policy/school-dollars-diverted-in-2023
- Witte, J. F. (1998). The Milwaukee voucher experiment. *Educational Evaluation and Policy Analysis*, 20(4), 229–251. <https://doi.org/10.3102/01623737020004229>
- Witte, J. F. (2001). *The market approach to education: An analysis of America's first voucher program*. Princeton University Press.
- Zelman v. Simmons-Harris, 536 U.S. 639 (2002).
- Zernike, K. (2000, September 15). New doubt is cast on study that backs voucher efforts. *New York Times*. <https://www.nytimes.com/2000/09/15/us/new-doubt-is-cast-on-study-that-backs-voucher-efforts.html>

About the Authors

David E. DeMatthews

The University of Texas at Austin

ddemattthews@austin.utexas.edu

ORCID <https://orcid.org/0000-0001-7442-8454>

Dr. David E. DeMatthews, PhD, is the W.K. Kellogg Endowed Professor of Educational Leadership at the University of Texas at Austin. He is the founder of the Texas Education Leadership Lab. His research primarily focuses on district and school leadership although he has also examined the impact of school choice policies on public schools and historically marginalized students.

Torri D. Hart

The University of Texas at Austin

Torri.hart@austin.utexas.edu

ORCID <https://orcid.org/0009-0006-7066-6061>

Torri Danny Hart is a doctoral candidate in educational leadership and policy at The University of Texas at Austin. Her research identifies the leadership practices educational leaders (e.g. superintendents, principals) use to create equitable, inclusive school systems and examines the complex contexts educational leaders navigate in doing this work. She aspires to support educational leaders, largely in rural spaces, in meeting the diverse needs of students with disabilities.

David S. Knight

University of Washington

dsknight@uw.edu

ORCID <https://orcid.org/0000-0002-4067-155X>

Dr. David S. Knight, PhD, is Director of the Center for the Study of Teaching and Policy and the Center for Early Childhood Policy and Equity at the University of Washington College of Education and serves as associate professor of education finance and policy. His research examines school finance, educator labor markets, and economic evaluation.

education policy analysis archives

Volume 33 Number 52

September 2, 2025

ISSN 1068-2341



Readers are free to copy, display, distribute, and adapt this article, as long as the work is attributed to the author(s) and **Education Policy Analysis**

Archives, the changes are identified, and the same license applies to the derivative work. More details of this Creative Commons license are available at <https://creativecommons.org/licenses/by-sa/4.0/>. **EPAA** is published by the Mary Lou Fulton Teachers College at Arizona State University. Articles are indexed in CIRC (Clasificación Integrada de Revistas Científicas, Spain), DIALNET (Spain), [Directory of Open Access Journals](#), EBSCO Education Research Complete, ERIC, Education Full Text (H.W. Wilson), QUALIS A1 (Brazil), SCImago Journal Rank, SCOPUS, SOCOLAR (China).

About the Editorial Team: <https://epaa.asu.edu/ojs/index.php/epaa/about/editorialTeam>

Please send errata notes to Jeanne M. Powers at jeanne.powers@asu.edu
