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Abstract

We assess the post-Katrina, charter school-dominated New Orleans system by comparing New Orleans to similar Louisiana districts, and three similar non-Louisiana districts. Our null hypothesis is that the charter-led transformation of the New Orleans school system did not significantly impact academic performance.

School Performance Score and passage rate data indicate that New Orleans has grown faster than Louisiana, but not faster than districts we identified as most similar to New Orleans. However, New Orleans improved faster than the similar non-Louisiana districts. We found no basis to regret the Louisiana-style charter makeover, but some basis to withhold judgment on the usefulness of the charter makeover, and thus delay recommending replication of charter-makeover, Louisiana-style, as a route to school system improvement. The larger story may be the inconsistency of national and state school system performance data, and thus the difficulty using school system comparisons needed to make and sustain critical policy assessments.

Key Words: Key Words: school choice, charter schools, school system reform, participant effects, systemic effects, competitive effects, sorting effects, counterfactuals
JEL Classification Codes: H11, H42, H75

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Introduction

For the New Orleans (NOLA) school system, "the hurricane was the coup de grace" (Horne, 2011; p.16). The devastation created opportunities to overcome resistance to much-needed reform of NOLA's awful primary and secondary education system.[1] State and local leaders expanded the now-familiar charter law policy innovation so that in the NOLA version, the authorities adopted a chartered public school- (CPS) centric transformation strategy. The CPS share of the NOLA area's public school students is approaching 85 percent,[2] much higher than anywhere else, which provided an opportunity to compare the performance of a Louisiana-style, CPS-dominated menu of schooling options to traditional TPS-dominated menus. That's different from the typical approach that assesses the effects of CPS policies *within* school systems (comparing TPS students to CPS students). 'Gold standard' comparisons of CPS users and unsuccessful CPS applicants allows for systemic effects only when CPSs replace TPSs.

This paper aims to: 1) highlight the need to sometimes replace the comparison of CPS and TPS outcomes with an approach that compares 'school systems' with different levels or types of CPS presence (Louisiana-style vs. Texas-style, for example), which means comparing aggregate performance measures of states or regions with different menus of schooling options; and 2) assess whether NOLA's CPS-dominant system yielded significantly better academic outcomes? So, through a variety of dependent variables, we compare districts that generally possess the status quo ante system of schooling to the now CPS-dominated NOLA system.

[1] Our definition of 'school system' is the funding and governance rules that directly and indirectly impact all of the schooling options available to school-age children, private and public. Chartered public schools impact private schooling options as well the rest of the public school system part of the whole school system.

[2] Personal communication, Adam Hawf of the Recovery School District, 1/19/13.

For compatibility with available data, school district data specify our school system effects. Public school data do not reflect impacts on private school and homeschool outcomes, which is inconsistent with our preferred public plus private definition of school systems. That inconsistency is troublesome for policies that significantly affect private schools, and in states where CPS data are not compatible with accountability systems for district-run schools. We deal with data availability issues later in the paper. But, despite the large private school market share in NOLA,[3] the current line-up of public schooling options leaves us comfortable assuming that inclusion of private school effects would not greatly change our preliminary assessment of outcomes of the CPS-dominated makeover of the NOLA system.

Regarding point one, the extant literature on the effectiveness of CPS-led reform fall into two categories: participant effects and systemic effects (widely seen as just competition effects). Typically, studies compare CPS and TPS student performance *within-school systems* (districts, states, or metro areas; sometimes for the whole US) to measure participant effects (see overview at CREDO.Stanford.edu). To assess systemic effects, CPS studies typically compare TPS users to themselves before and after CPSs appear. The potential underlying agents are peer effects, sorting effects (potential specialization gains; see Merrifield, 2005; 2012), or compositional effects, or mounted a competitive response to the CPS threat. Sorting effects occur if enrollment shifts change the homogeneity of classrooms in ways that aid or undermine instruction. We expect disproportionate representation of classroom outliers in school choice program-based enrollment shifts, making the instruction of those left behind less challenging. We argue that *within-system* comparisons are often not the best way to assess the usefulness of a particular charter law, especially where there is an expectation of significant transformational effects.

[3] ~25% according to the Recovery School district's Adam Hawf; not verifiable from current published data.

Within-system comparisons seem proper for charter laws that do not spark major change in the number of CPSs, especially the many cases where only school districts can authorize a CPS. In those cases, the TPS outcomes can be a reasonable benchmark for assessing CPS performance. There will be no TPS competitive response, and with only small enrollment shifts, the sorting and peer effects in TPS could be negligible. But otherwise, 'a rising tide may lift all boats', or vice versa. 'Treatment' via a charter law that significantly changes the TPS enrollment share can measurably affect many of the area's K-12 schooling options, public and private. Then, only the post-treatment performance of school systems similar to the study area's system prior to the latter's charter law 'treatment' are a credible basis for assessing the full impact of the charter law. So, we compare the Orleans Parish district (the NOLA system) to districts similar to NOLA before Katrina. Non-NOLA children have not been 'treated' by NOLA's CPS influx and TPS-to-CPS conversions. So, if NOLA improved faster than similar non-NOLA districts, then we have grounds to believe that the shift to the NOLA version of CPS *dominance* (more than adding some CPS to a still-TPS-dominated menu) was largely responsible.

Literature Review

In *Spin Cycle*, Henig (2008) assesses the CPS debate and how research addressed the mainstream policy questions. Merrifield (2006) noted that key differences in charter law, and the problematic features that charter laws have in common, could lead charter-led systemic change to produce four very different outcomes: disaster, detour/delay of efficacious transformation, irrelevance at scale, or efficacious transformation. Henig blames ideological influence and polarization for the attention given to a methodologically weak AFT study (2002).

> "Asked how politicized they [education policy researchers] felt education policy researcher is in the United States today, using a scale from 1, 'almost completely evidence based,' to 5, 'almost completely driven by political and ideological factors,' the average score was 3.9" (p. 34).

The choice of methodology for that study, and the attention devoted to its findings is, by itself, a compelling reason to shift school choice research away from traditional within-district, school- or student-level approaches and towards broader approaches. The AFT study assumed that despite immense interstate diversity in charter law, CPSs have enough important factors in common so that a national data set would yield insightful TPS-CPS comparisons.

There has been a huge amount of CPS research, but its focus has been relatively narrow. Hoxby (2006) found that systemic effects occurred as a response to a perceived CPS threat. But the prominent methodological debates favored random assignment CPS-TPS comparisons. Betts and Hill (2006) discuss identification of participant effects with random assignment approaches (Hoxby and Rockoff, 2006) to advanced statistical analysis, including regression (pooled OLS, fixed, and random effects) analysis, regression discontinuity, and instrumental variables (Bifulco & Ladd, 2006; Bohte, 2004; Buddin & Zimmer, 2005a; Carr & Ritter, 2007; Greene & Forster, 2002; Holmes et al., 2003; Sass, 2006; Ni, 2007; Imberman, 2009). The U.S. Department of Education's What Works Clearinghouse maintains a list of approved random assignment approaches (Sparks, 2010). Random assignment is the declared 'gold standard' for experimental design even though its over-subscription (shortage) requirement can severely compromise the usefulness of behavior assessments. Shortages are known to profoundly influence producer and consumer behaviors (DiLorenzo, 2005; Hirsch, 1943; Murphy, 1980; Rockoff, 1984; Ross, 1983; Rothbard, 1993; Shuettinger and Butler, 1979; Sowell, 2004), and Betts and Hill (2006) noted that over subscription varies directly with perceived CPS quality. However, despite the drawbacks of social science applications of random assignment designs, the findings are statistically robust and help researchers legitimately address some important questions.

Our focus is quite different. We want to identify significant differences between the outcomes of CPS-dominated *systems* and TPS-dominated *systems*, which is a broader question

that cannot be adequately addressed by comparing CPS users to denied CPS applicants. We emphasized 'systems' to highlight that society has an interest in aggregate and sub-group outcomes for all schoolchildren - TPS students, CPS students, private school students, and homeschoolers. So, our question is not about whether certain *schools* or certain *types* of schools perform differently, we are interested in whether systems perform differently with various levels of choice that lead to different menus of schooling options.

The point here should not be taken lightly. It is a fundamental shift in school choice policy assessment. Although the literature addresses important questions about the quality of *types* of schools as substitutes for TPS; other policy questions concerning effective school systems need attention. The risk of basing *system-wide policy* decisions on specific schools or specific types of schools is that policymakers potentially miss important information as to how the entire system is performing relative to *other* systems that may have more or less extensive 'choice' systems—an extremely important question to address. No matter how we define school system performance, maximizing performance may require a dynamic mix of schooling options that could perhaps be orchestrated by the current district-dominant system, as suggested by Chubb and Moe (1990) and Smarick (2012), or by free enterprise and price change as implied by Friedman (1962), and described in greater detail by Merrifield (2001).

Consider the consequences of not comparing school *systems* in the following scenario. Prior to choice expansion in Region B, Region A has a similar size, similar demographics, and test scores. Then, Region B increases the affordability of TPS alternatives through a charter law, tuition vouchers, or tuition tax credits (Merrifield, 2008a) and gradually diversifies its menu of schooling options (TPS and specialized schooling options [Merrifield, 2005]). Region A's system stays typical, with nearly 90% of children enrolled in a 'comprehensively uniform' TPS system with multiple, exclusive TPS catchment areas, and the remainder homeschooled or

enrolled in private school at private expense. If we were to conduct the current and popular type of analysis and compare Region B students that leave their assigned TPS to Region B's remaining TPS students, we may find they do no better or maybe even worse, which may *mistakenly* give us license to condemn parental choice expansion as not working (Merrifield, 2001; chapter 3) to improve academic performance. However, comparison of TPS and non-TPS outcomes may miss the fact that Region B may be generally achieving at different rates than Region A. Policymakers considering choice expansion policies need to know how the aggregate academic outcomes differ in Region A and B.

So, using as rigorous of a method possible with the available data, this paper addresses a critical question: which, if any school choice expansion policies (Merrifield, 2008b) will cause a *school system* to perform significantly better than a traditional, TPS-dominated system? NOLA's post-Katrina, CPS-dominated system can tell us if charter law, Louisiana-style is one such trans-formational policy. After Katrina hit the Gulf coastal, most storm-damaged school districts rebuilt the pre-storm status quo. New Orleans did not. The Recovery School District (RSD), established in 2003, controlled five NOLA schools before Katrina. After Katrina, the RSD controlled 63 (Horne, 2011). The RSD acted out of "its conviction that improved performance lay in spinning off as many schools as possible and chartering them as independent institutions with open-enrollment admissions policies and citywide catchment areas" (Horne, 2011 p. 16).

Claims about the success of the New Orleans makeover already exist. The US DOE has enough confidence in the potential for the NOLA strategy to be an effective transformation catalyst to hire Stanford's CREDO to assess, "Scaling the New Orleans Charter Restart Model." Alger (2012) makes a common claim that the NOLA system is an "Education Transformation Model." Horne (2011) and Lasker (2010) cite similar, supportive statistics. They claim that about two-thirds of NOLA students were attending failing schools by state standards and in

2010-11 that number has dropped to about 34%, while the gap between NOLA and the rest of the state has basically been cut in half. But the Horne (2011) and Lasker (2010) reports lack any method for comparison. NOLA-like Louisiana districts may have seen similar improvements. Vanacore (2012) and Tilove (2012) cite New Orleans' gains relative to the full state and describe anecdotal evidence of success. Robelen (2010) noted that "state achievement data at various grade levels show considerable gains and growth that outpaced the state as a whole" (p. 5), and that "4th graders scoring at the 'basic' level or above in reading rose from 43 percent in 2005 to 62 percent in 2010, and in math from 47 percent to 59 percent" (p. 5). Again, the key issue is that they lack any kind of reasonable counterfactual to facilitate valid conclusions about NOLA's CPS-dominated system. Looking at likely key school system performance factors other than NOLA's CPS-dominant system, we would not expect Louisiana and NOLA to achieve comparable academic outcomes from identical funding and governance practices.

Some authors vehemently disagree with the success stories. Buras (2012) describes anecdotal evidence of the new system's failures, including a blind child's inability to find a school with the services he needed. Hatfield (2012) claims disaggregating the data, rather than looking at all of Orleans Parish, would better tell us how the RSD is doing. That is true, if indeed your research question is concerning the effectiveness of the RSD versus other parts of the NOLA system. Hatfield (2012) also claims that, "a cursory examination of the RSD schools clearly shows that the general achievement level of the vast majority of RSD schools, as measured by the assigned letter grades, is pathetic at best" (p. 3). But the definition of a failing school has not remained constant. The School Performance Score failure cutoff was 87 in 2005, 60 in 2010, and 75 in 2012 (Tilove, 2012); a problem for the Hatfield, Buras, Horne (2011) and Lasker (2010) assessments. Better to use the SPS itself? If a school moved from 63 to 73, it improved regardless of the name we give those numbers. Hatfield's comparison of RSD and

Orleans Parish (OPSB) schools fails to answer whether the entire, integrated choice system is a tide lifting all boats. RSD schools are only judged as possible substitutes for Orleans Parish (OPSB) schools, not as possible complements, or competitors that might improve OPSB and state education agency (BESE) chartered school outcomes. The previous NOLA studies do not facilitate condemnation or praise of the NOLA system. They did not actually assess the system.

Thus, a key purpose of our literature review was to describe and address a weakness of the mainstream approaches to school choice policy assessment. Like 'gold standard' approaches that compare treated and untreated schools and children, school system comparisons have strengths and weaknesses that should be reflected in their uses and the interpretation of findings.

Methodology

To control for state policy effects, we prefer to compare the performance of the NOLA-area school system to other Louisiana school districts that had similar socio-economic and education outcome profiles before Katrina. We recognize the major limitations in this matching approach: few observations,[4] no other educational region in Louisiana can match the size of New Orleans, and lack of statistical control for the effects of differences. Those caveats notwithstanding, we found Louisiana districts that are good pre-Katrina, Orleans Parish matches on demographics, economics, and test score data. We address the 'size' issue by finding large, NOLA-like districts in nearby states: Memphis, Tennessee; Mobile, Alabama; and Pensacola (Escambia County/District), Florida.

Then we estimated the post-Katrina differences between the NOLA-area system, and the selected benchmark regions. Through a series of tables and graphs, we present the trends that

[4] Note that we cannot reasonably call our data a sample, hence the inapplicability of the mathematics of sampling theory (McCloskey and Ziliak, 2012; Ziliak and McCloskey, 2008). NOLA is not a selection from a larger population of CPS-dominated districts. By design, the counterfactual Louisiana districts were not randomly chosen.

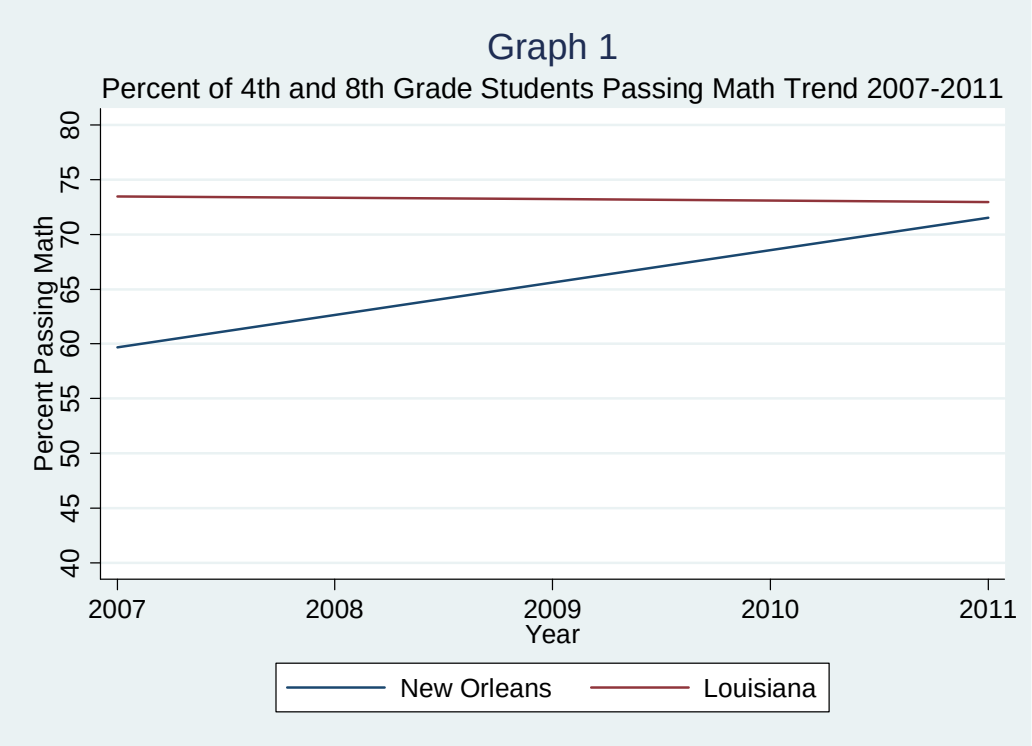
NOLA and the benchmark regions experienced since 1999. Clearly, the comparability of the districts is paramount to the validity of our findings. One possible limitation of our study is lack of direct statistical control for possible compositional effects. Some Katrina refugees did not return to New Orleans. None of the benchmark regions experienced noteworthy changes in the composition of its student population. We take the reported, smaller-than-expected compositional changes into account.

Data

The major challenge for many social science impact assessments, and especially for a study of school choice policies with the potential to generate significant systemic effects, is finding comparable regions to study that have common dependent variables. The Louisiana choices are limited. We adopted the percent passing for 4th and 8th grade Math and English and school performance scores (SPS). Passing means scoring in the basic category or above.[5] Annual SPS arise from attendance rates and state exam performance. We aggregated SPS to the district level with a straight and enrollment-weighted average.

Graph 1 shows the percent passing math trend line from 2007 through 2011 for Orleans Parish (includes all schools in the parish except private schools) and the state of Louisiana. It is clear from the graph, as has been widely reported, that after Katrina, Orleans Parish improved faster than Louisiana. Indeed, since 2007, the state has not greatly increased the percent of students passing the state Math exam. And from 2007 to 2011, the statewide NAEP only rose from 272 to 273. That supports the hypothesis that NOLA made some useful policy changes, with the newly CPS-dominated system certainly in the forefront of the possible useful changes.

[5] Louisiana uses five categories in which to place students: advanced, mastery, basic, approaching basic, and unsatisfactory. Consistent with the Louisiana Department of Education guidelines, we used basic or above as the passing threshold: http://www.louisianaschools.net/topics/leap_faqs.html



But the many differences between NOLA and Louisiana (see Table 1), or other factors, could explain the convergence of the performance trends. Regression to the mean may play a key role, or the fact that the Louisiana exam became a high stakes test in 2004 for 4th graders and in 2006 for 8th graders could disproportionately affect low performing districts. Louisiana districts like pre-Katrina NOLA that kept their TPS-dominated system after Katrina are better counterfactuals for NOLA than statewide trends. From Census data and assorted 2004-05 state data, we determined that the City of Monroe, East Carroll Parish, Madison Parish, St. Helena Parish, and the Tensas Parish are the best Louisiana benchmarks for post-Katrina effects[6]. Table 1 includes the statewide data to illustrate the problem with using the state as the benchmark.

[6] Most Louisiana schooling data is reported by Parish, but the state reports on five cities or communities (Monroe, Bogalusa, Zachary, Baker, and Central).

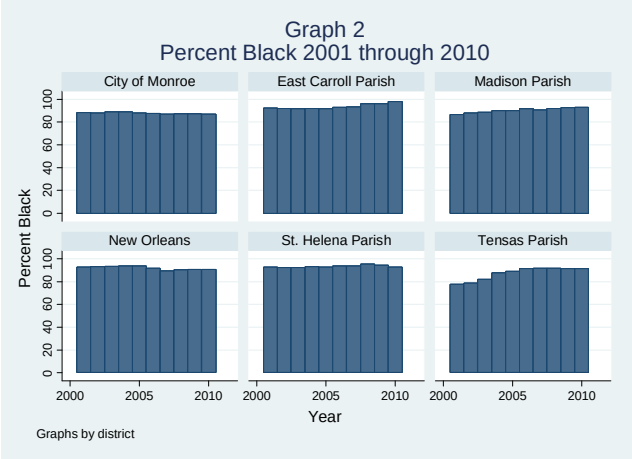
Table 1: 2004-05 Percent Black, Percent Free/Reduced Lunch, 4th/8th Grade Passing Rate, and SPS

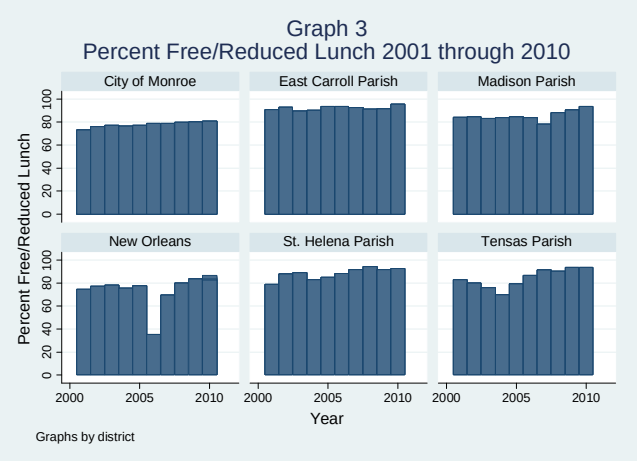
City of Monroe	% Black	87.9	Orleans Parish	% Black	93.6
	% Free Lunch	77.0		% Free Lunch	77.4
	% Passing Math	64.5		% Passing Math	56.5
	SPS Score (Rank)	78.9 (19)		SPS Score (Rank)	58.9 (5)
East Carroll Parish	% Black	91.4	St. Helena Parish	% Black	92.5
	% Free Lunch	93.4		% Free Lunch	85.0
	% Passing Math	65.3		% Passing Math	44.7
	SPS Score (Rank)	81.4 (27)		SPS Score (Rank)	56.8 (3)
Madison Parish	% Black	89.8	Tensas	% Black	88.8
	% Free Lunch	84.4		% Free Lunch	79.3
	% Passing Math	59.4		% Passing Math	65.7
	SPS Score (Rank)	53.6 (2)		SPS Score (Rank)	61.1 (6)
State of Louisiana	% Black	47.7			
	% Free Lunch	61.6			
	% Passing Math	68.9			
	SPS Score (Rank)	86.5			

Note: The District School Performance Score (SPS) is the weighted average (based on enrollment) based on achievement growth, attendance, and dropout rates. The rank is bottom up; Orleans Parish is 5th worst.

A graphical representation of the free lunch and percent black variables trend is shown in Graphs 2 and 3. The below graphs show that with the exception of the turbulent 2005-2006 school year, the percent black and the percent free/reduced lunch have remained relatively steady. The graphs indicate that Katrina displaced poor students not students of a particular race. By 2007, most of the districts returned to the pre-Katrina levels for the percentage black and poor.

To further check on our matching of NOLA to those districts, we gathered census data from 2000 to check basic demographic and economic data of the cities and parishes we chose. Table 2 shows the pre-Katrina snapshot of demographic, educational, and economic data. Although a perfect match is impossible, the data presented in Table 2, make us confident that we found the *best* counter-factual districts for an assessment of NOLA's post-Katrina school system.





The per capita incomes vary slightly as the larger cities have higher incomes than those smaller benchmark Parishes. The housing values vary greatly as expected; the larger cities have greater median property values than do the smaller parishes and towns. NOLA has one of the highest concentrations of black people in the state. Baton Rouge has a high concentration also; however, we purposely did not choose Baton Rouge because many people displaced from NOLA during the hurricane sought refuge in Baton Rouge. NOLA has a relatively highly educated populace compared to the benchmark districts. The NOLA percentage having bachelor degrees is more than twice all but one of them. Since the larger cities have the most similar characteristics, the City of Monroe seems to be the best benchmark district for NOLA.

Table 2
Census Data 2000 for New Orleans and Control Districts

	'99 Per Capita Income	Median Housing Value	Percent Bachelor or Higher	Percent Renting	Percent Black Under 18
East Carroll	9629	36200	24.6	37.9	76.5
Madison	10114	43900	21.8	38.1	71.8
Monroe	15981	71100	54.0	50.4	76.5
New Orleans	17258	88100	51.6	53.5	80.3
St. Helena	12318	55100	22.2	15.1	60.4
Tensas	12622	42500	29.3	30.9	64.4

We report the weighted average, district level SPS. Aggregating to the Parish level is the only appropriate way to address the systemic improvement question. As long as all schools are aggregated to the district level using appropriate weighting, then we should be observing how the entire district is doing over time.

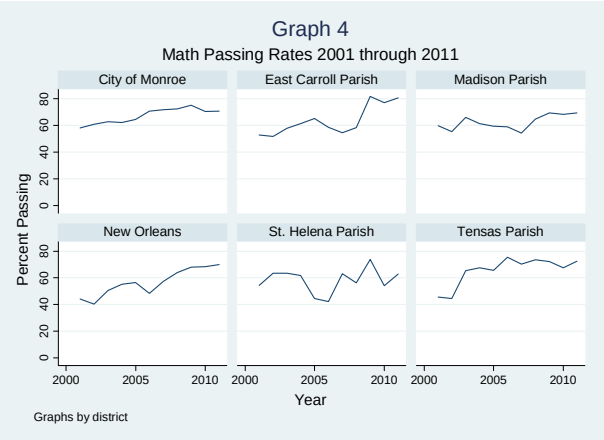
Results

First we discuss the within-Louisiana comparisons, where we find that CPS dominance-driven gains are hard to identify. Then, we compare the post-Katrina NOLA gains to the post-Katrina trends in the Memphis (Tennessee) City District, the Mobile (Alabama) City District, and the Escambia District (Pensacola, Florida); places that are credibly similar to pre-Katrina NOLA. We present evidence that NOLA performs better than its non-Louisiana counterfactuals.

Based on the Louisiana District Counterfactuals

The following presentation of data through tables and graphs shows that, generally, other districts that appeared similar to pre-Katrina NOLA had similar post-Katrina rates of change in their passage rates and SPS scores. Graphs 4 and 5 contain the raw NOLA passage rates and the benchmark districts' data for Math and English. The trends support two conclusions. First, all of the districts, including NOLA, saw rising passage rates *prior* to Katrina, especially in 2004

when the 4th grade test became high stakes. Also, all districts saw rising passage rates in both subjects *after* Katrina (after August, 2005) when the CPS-dominated system emerged in NOLA.



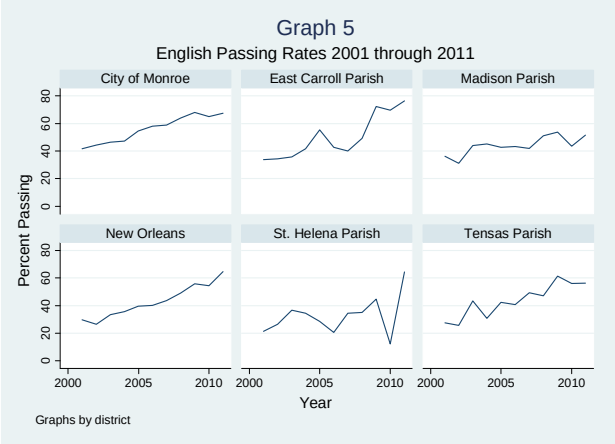


Table 3 shows the English and Math passage rates for all years since 2001 and the change from one year to the next for Louisiana, NOLA, and the control districts' average. Louisiana passage rates rose by an average of just over 1.5 percentage points for each subject. NOLA advanced by 3.5 percentage points, and the benchmark districts gained by 3.1 and 2.6 percentage points in English and Math, respectively. The point here is that Louisiana districts most similar to NOLA also gained at a greater rate than did the state over the same time period. The averages listed at the bottom of Table 3 show the average change rate from 2001-2011, from 2001-2005, and 2008-2011. Looking at those averages, charter dominance looks better than TPS dominance. Since 2007, the average NOLA gains top the state and the control group averages.

Table 3
Percent Passing on Lousiana State Exam

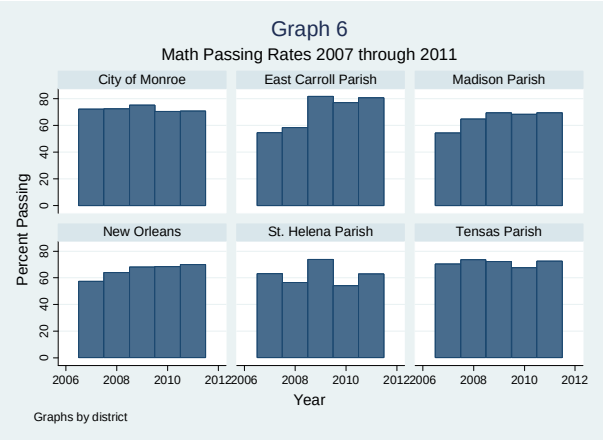
Year	Louisiana				New Orleans Region				Control Group Averages			
	English % Passing	Change	Math % Passing	Change	English % Passing	Change	Math % Passing	Change	English % Passing	Change	Math % Passing	Change
2001	55.6	-	50.1	-	29.7	-	23.6	-	32.1	-	30.5	-
2002	52.6	-3.0	46.2	-3.9	26.5	-3.2	19.4	-4.3	32.4	0.3	27.6	-2.9
2003	55.4	2.8	52.3	6.1	33.3	6.8	30.9	11.5	41.3	8.9	42.2	14.6
2004	56.2	0.8	58	5.7	35.7	2.4	36.4	5.5	39.9	-1.4	44.0	1.8
2005	60.1	3.9	59.2	1.2	39.6	3.9	39.8	3.4	44.8	4.9	40.0	-4.0
2006	61.7	1.6	60.5	1.3	30.2	-9.4	35.6	-4.3	41.1	-3.7	42.2	2.2
2007	64.8	3.1	60.7	0.2	43.8	13.6	40.0	4.5	44.9	3.8	42.0	-0.2
2008	66	1.2	65.1	4.4	49	5.2	46.2	6.2	49.3	4.4	49.4	7.4
2009	69.6	3.6	64.6	-0.5	55.9	6.9	50.7	4.5	60.1	10.8	58.7	9.3
2010	67.3	-2.3	66.2	1.6	54.5	-1.4	56.1	5.4	49.3	-10.8	55.9	-2.8
2011	72.5	5.2	68.4	2.2	64.6	10.1	61.4	5.3	63.2	13.9	56.8	0.9
2001-2011 Average		1.7		1.8		3.5		3.8		3.1		2.6
2001-2005 Average		1.1		2.3		2.5		4.1		3.2		2.4
2007-2011 Average		2.2		1.6		6.9		5.2		4.4		2.9

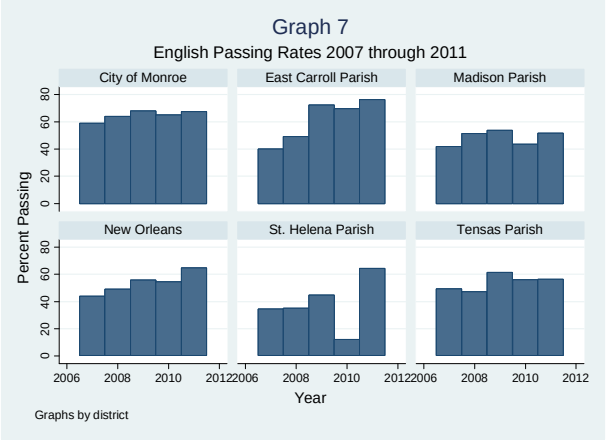
Note: Percent Passing is defined as percent of students scoring at or above the "Basic" level on the Lousiana state exam.

But it is a fragile interpretation. To better illustrate why a state comparison is problematic, consider the percentage gained in math between 2007 and 2011 in each of the three categories in Table 3. NOLA went from 40% passing to 61% passing, a 52% increase. The state increased from 61% passing to 68%, a 12.7% increase while the benchmark districts had a 36% rise in the percent passing. For the state to grow 52%, it would need to have a 2011passing rate of over 90%. Regression to the mean is a reasonable explanation for why the state is not growing at a similar rate as NOLA.

The averages for the individual district control group are skewed by an outlier. St. Helena Parish is an outlier in 2010 in both subjects but especially in English as Graph 5 clearly indicates. Looking at the individual control districts vs. NOLA since 2007 (Graphs 6 and 7), we

see that of them did advance as fast as NOLA. The Madison and NOLA trends are similar. East Carroll also has made large gains since 2006. The best control district, the City of Monroe,



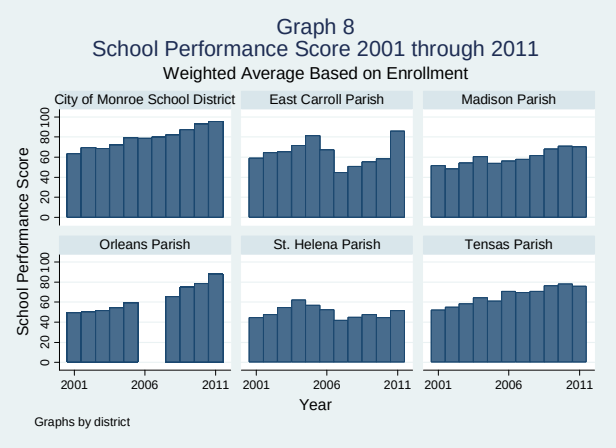


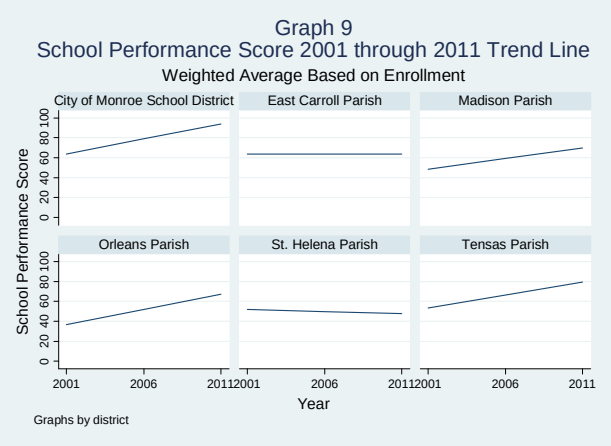
shows a relatively flat-line in Math and NOLA-like growth in English, especially between the years of 2007 and 2009. The steeper trend line for NOLA is mostly due to the exceptional year the district had in 2011. It should be noted that NOLA started well below Monroe in 2008 in both categories. The faster growth that NOLA experienced could be due to regression to the mean rather than a response to the CPS dominance strategy, including post-Katrina changes in Louisiana's charter law that are not evident in major charter law amendments but are evident in a change in the Louisiana charter law assessment by the Center for Education Reform (CER).[7] Since other districts, including Monroe in English, also increased scores during the same period,

[7] Louisiana vaulted from a #24 ranking in 2008 to #13 in 2011; mostly from 2008 to 2009 when it reached #16.

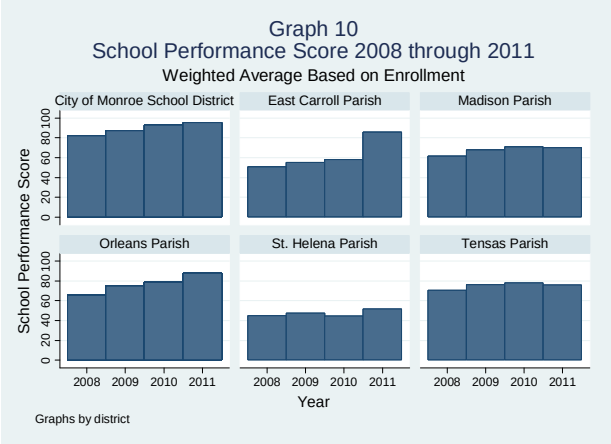
it is difficult to discern whether the NOLA shift to CPS dominance, the Louisiana charter law, or something else is responsible for a significant share of NOLA's post-Katrina gains.

The story is, however, clearer with SPS scores. Graph 8 shows the actual SPS scores for NOLA and the control districts since 2001. Graph 9 shows the trend lines for the same districts. The key in interpreting those data is to look at the pre- and post-Katrina trends in Graph 8. NOLA and its benchmark districts were experiencing growth in their SPS prior to the storm. Note that after the storm, all but one benchmark district elevated its scores, and the rest raised their scores at a greater rate after the storm than they did before. Graph 9 shows that the overall trend in four (4) of the districts, including NOLA, Monroe, Tensas, and Madison are similar in slope—all rising at similar rates.





Graph 10 shows the level SPS scores for NOLA and the control districts since 2008. Again we see growth in most districts with Monroe (the best counterfactual region) in step with NOLA. In interpreting Graph 10, we should again note that NOLA started at a lower point than did districts such as Monroe, so a slightly faster growth rate could result from regression to the mean. East Carroll had steady growth through 2010 and a surge in 2011. The percentage gain between Orleans and the City of Monroe is quite different. Orleans went from an SPS of 65.32 in 2008 to 87.57 in 2011 for a 34% gain while the City of Monroe gained 16% (82.14 to 95.46). The temptation is to conclude that NOLA is gaining faster. The issue is that regression to the mean could be present; that is, NOLA has much more room to gain than do others. If we were to do the same calculation for East Carroll Parish, we would conclude East Carroll is doing things well; it had a gain of a whopping 69.7% between 2008 and 2011, but we must note that it also started near the bottom with a score of 50.5. The results seem to indicate that NOLA has not had



much relative gain compared to other low performing Louisiana districts with high levels of minority and poor students. There is one additional reason to believe that NOLA gains may have been overstated. Since the state does not require schools to report SPS scores for the first two years of existence, it is quite possible that the gains we see in NOLA are because new schools have emerged and taken poorer performing students out of the performance numbers.

Based on the Memphis, Mobile, and Pensacola District Counterfactuals

Table 4 compares New Orleans to three similar non-Louisiana urban districts. A key reason for reaching beyond Louisiana districts for counterfactuals is the large size difference between NOLA and the Louisiana districts that are most like NOLA in terms of socioeconomics and pre-Katrina schooling outcomes. A second reason for comparing the New Orleans trends to non-Louisiana counterfactuals is the question of whether the post-Katrina NOLA trends were driven by statewide changes, or NOLA- based changes, likely the CPS-dominant makeover of

Table 4

Districts	Total Population	Aged 5-17	Aged 5-17 in Poverty	Poverty Share of Aged 5-17
Mobile, AL				
2010	399,863	72,855	19,120	26.2%
2009	398,979	74,402	18,579	25.0%
2007	404,406	77,396	20,751	26.8%
2005	399,851	77,632	20,566	26.5%
2000	400,705	79,253	16,902	21.3%
NOLA				
2010	347,858	51,579	19,080	37.0%
2009	354,850	50,533	16,680	33.0%
2007	239,124	31,486	11,022	35.0%
2005	452,170	83,201	31,486	37.8%
2000	478,427	92,172	28,307	30.7%
Memphis, TN				
2010	647,856	118,311	41,221	34.8%
2009	706,682	133,461	41,743	31.3%
2007	700,255	134,114	42,008	31.3%
2005	689,239	135,941	37,238	27.4%
2000	652,191	129,236	28,843	22.3%
Pensacola (Escambia), FL				
2010	298,043	45,304	11,914	26.3%
2009	303,343	45,810	11,780	25.7%
2007	306,407	48,002	10,318	21.5%
2005	295,624	48,556	10,595	21.8%
2000	296,667	51,563	10,162	19.7%

	Per Capita Income	Median	Housing Value	% Owner Occ	Rev/Student	School Rev/HH	District Rev/Person	Rev/Family
	1999	2000	2005	2000	2000	2000	2000	2000
NOLA - Orleans Parish SB	17258	88100	133700	46.53%	$6,402	$2,737	$1,064	$4,524
Escambia (Pensacola, FL)	18641	81700	123500	67.26%	$7,899	$3,223	$1,215	$4,801
Mobile County SD (AL)	17178	76600	97900	68.85%	$7,502	$3,249	$1,221	$4,548
Memphis City (TN) SD	17838	72300	86200	55.83%	$8,659	$3,894	$1,503	$6,104

the NOLA system. NOLA is the second largest of the four areas; all are much larger than the Louisiana district counterfactuals. Mobile has the lowest of the four very similar 1999 per capita incomes, but other than that feature, NOLA seems at a slight disadvantage against Memphis, Mobile, and Pensacola, with slightly more child poverty, less owner-occupied housing, and less per pupil spending. Mobile and Pensacola also sustained significant Katrina damage. Florida has one of the 'stronger'[8] charter laws. Alabama has no charter law, and Tennessee has a virtual 'in-name-only' charter law; consistently ranking among the nation's weakest charter laws.

Like NOLA in Louisiana, Memphis is at the bottom of the barrel in Tennessee (TN), and Memphis did not improve its position from 2001-2011. For 8th grade math,[9] a 2001 Memphis 25th percentile student was at the 14th percentile, statewide; 12th percentile in 2011. The 2011 25th percentile Memphis 8th grader was in the 14th percentile, statewide. A 2001 Memphis 50th percentile student was at the 29th percentile, statewide; 28th percentile in 2011. The 2011 50th percentile Memphis 8th grader was in the 31st percentile, statewide. A 2001 Memphis 75th percentile student was at the 52nd percentile, statewide; 51st in 2011.

NOLA gained on the Louisiana statewide average. Memphis did not gain on TN. Memphis lagged TN, and TN did not gain from 2007 to 2011, as measured by NAEP 8th grade math (the most reliable indicator for the oldest children), and TN gained only slightly by its own measures. Louisiana's 8th grade math NAEP score rose only one point, from 272 to 273, from 2007 to 2011. It experienced slightly larger gains as measured by its own high stakes measures during that time. Those NAEP and state measure differences are consistent with the high stakes nature of most statewide measures – definitely Louisiana's – and the no-stakes NAEP (Walberg, 2011) exam results.

[8] "Strong" is the CER term of laws conducive to autonomous CPS formation.
[9] TN made numerous recent testing changes. Only TCAP (Tennessee Comprehensive Assessment Program) math data are consistent from 2001-2011.

Mobile was only Alabama's (AL) 8th worst urban district. But lacking a charter law, AL districts are good counterfactuals for assessments of CPS systemic effects. AL made more progress, as measured by NAEP, than Louisiana, TN, or FL. AL's 8th grade NAEP math score rose from 262 in 2005 to 266 in 2007 and 269 in 2011. On the basis of the state's 8th grade reading and math assessment, AL improved in the post-Katrina period in the 'exceeds expectations' category about 33%; from around 20% to 27%; there was little change in the other three lower categories. Mobile's gains slightly lagged the statewide AL gains.

Like LA and TN, Florida (FL) made little 2007-2011 progress on 8th grade math scores; 277 to 278. In Florida's grading system, Pensacola is at the bottom of FL's urban areas. Its consistent pre-Katrina grade of 'C' tops only four very small rural areas. Since 2007, Pensacola has bounced back and forth between 'B' and 'C'; receiving mostly 'B's. The 2007-2011 Pensacola trend is in line with, perhaps slightly lagging, the statewide trend in district grades. From 2007-2011, the FL districts with an 'A' grade increased from fifteen to thirty, out of 67.

A Preliminary, Shaky Verdict

We have a cloudy picture. NOLA gained on the statewide performance level. Memphis, Mobile, and Pensacola did not. But the NOLA gains approximated the gains of socio-economically-similar Louisiana districts. That implies that a Louisiana statewide policy with disproportionate impact on low-performing districts, not a NOLA-specific policy, caused the differences between NOLA, Memphis, Mobile, Pensacola, and LA statewide trends.

It may be too soon to have a clearer view of CPS-dominance, LA-style, impacts. New CPS are known to suffer Year One problems (Budin and Zimmer, 2005b; Booker et al, 2007; Walberg, 2007). Even TPS-CPS conversions may suffer transitional declines in effectiveness. With more time, Year One effects will be a smaller part of the total NOLA schooling outcomes.

Furthermore, the most recent data may be a snapshot of a 'system' still in transition, not a 'system' in an approximate equilibrium end-state that should be the basis of a verdict.

And 'LA-style' may be a key determinant of the outcomes, so far, and perhaps even more so with more time to attain a degree of equilibrium. The specifics of the Louisiana charter law, other state policies, and the exact extent of school change in NOLA may help us understand our equivocal findings. Louisiana has five CPS categories, but those five types fall into two major categories (start-ups and conversions). A conversion CPS is a former TPS. The vast majority of NOLA CPSs are type 5 TPS conversions. Type 5 CPS are TPS that moved to the state's RSD.

Since the vast majority of NOLA CPSs are former TPSs, it is quite possible that many of the 'new' CPSs look and behave much like the 'old' TPS, which is consistent with our findings. Though a start-up CPS does not need to shed any prior culture and can begin its new program without any prior expectation, method, or product, there is no guarantee that every new CPS will do so. Louisiana charter law does not allow the profit motive that might increase the propensity to innovate and experiment. Failure to note this potential effect could have caused Armao (2012; p 10), and others, to conclude: "The horrors of Katrina created a blank sheet." But the sheet may not be so blank if many TPS were converted to CPS and called something else without major changes.

Conversion CPSs lack the attendance areas of the TPS they used to be, but there still might not be much change in the composition of students. Indeed, Buras (2012) indicated that although choice exists for everyone in NOLA, it exists in theory only. If her statement is true, that leads credence to the idea that the composition of students in conversion CPSs is not much different than that composition when those schools were TPSs.

The Louisiana charter law contains additional features that might cause CPS-dominance, Louisiana-style, to differ significantly from CPS-dominance in another state. Louisiana does not charter schools that deliver instruction online. Two key reasons for the relatively low ranking of the

Louisiana charter law by the pro-charter Center for Education Reform are: 1) the availability of just traditional school districts and the state education agency (BESE) as CPS authorizers, and 2) a history of an above-normal level of CPS regulation.

Summary and Concluding Remarks

It is difficult to conclude that the NOLA's CPS dominant system is responsible for the recent growth in passage rates and SPS increases, though maturation of the new schools may eventually yield such an effect. The ongoing trend began before the post-Katrina shift to CPS dominance, and all but one of the Louisiana districts with similar demographics also improved on those measures during the same period but lacked any kind of robust chartering system. We cannot claim that the difference between recent NOLA outcomes and outcomes in districts similar to NOLA, pre-Katrina, pass what McCloskey and Ziliak (2012), based on Ziliak and McCloskey (2008), call the 'hits between the eyes' test.[10]

Before using our findings to lament the lack of noteworthy systemic uplift through increased school choice via LA-style charter law, we have to recognize that the NOLA system may not be in equilibrium, but still in transition while powerful forces work their way through the system, that not all CPS settings are equal, and that some of the common differences may be very important determinants of aggregate performance as measured by available data. Did we undertake our study too soon? No! The NOLA experience is already a widely cited example that policymakers may rely on for systemic change. That, the need for increased attention to charter law specifics, and the possible significance of our systems-level perspective more than justifies our preliminary assessment.

[10] They assert that the sciences' norm is to ask, "if the difference between what they see and what they expect hits them between the eyes. Honest, that's what they do. Most scientists rarely use tests of statistical significance."

If further scrutiny confirms disappointment with LA-style charter law as a transformation catalyst, it may point to charter law revisions, not giving up on current charter law as a starting point for further innovation. A 'stronger' charter law may qualify as a transformation catalyst, and the 42 state (+DC) charter laws may have debilitating provisions in common. So, we may need to plan experiments with charter law provisions as a basis for transformational reform.

There is nothing in our findings to suggest that CPS-dominance, Louisiana-style, produced worse outcomes than the path taken by other Katrina-devastated areas. The strongest conclusion one could make for the approach employed in post-Katrina New Orleans using our approach is that the emergence of the CPS system in New Orleans has not caused ubiquitous academic failure to any more of a degree than the previous system.

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