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# Expanding Educational Opportunity Through School and Housing Choice

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# Expanding Educational Opportunity Through School and Housing Choice

by Myron Orfield and Nicholas Wallace

Many Twin Cities schools are segregated. Segregated schools harm children, communities, and the metropolitan region. Segregated schools intensify the region's segregated residential patterns, concentrating poverty and magnifying its harms. This isolates the most disadvantaged children from educational and economic opportunity. To help integrate schools, and ensure equal access to opportunity, affordable housing should not be concentrated in racially or economically segregated areas, and deci-

sions to site units should be coordinated with an expanded school choice program so opportunities are available for families to live near their children's schools in places where job opportunities also are more abundant. In addition to describing the harms of growing regional economic and racial segregation in the Twin Cities region, this article encourages integration through expanded school and house choice.

The research on which this article is based was supported in part by the senior author's appointment

as the 2005–2006 Fesler-Lampert Chair in Urban and Regional Affairs at the University of Minnesota.

## Segregation Hurts Everyone

According to Russell W. Rumberger and Gregory J. Palardy in *Does Resegregation Matter?* (2005), more than three-quarters of the difference in academic achievement among students is explained by the socioeconomic status of their peers, rather than general differences in school facilities and programs. Not only do racially and economically segregated schools hurt all children, they harm disproportionate numbers of non-White children. As Gary Orfield et al. report in *Losing Our Future* (2004), among the harms of *economically* segregated schools (and neighborhoods) include the harms associated with *racially* segregated schools and dropping out of school such as unemployment, imprisonment, and impoverishment.

There is nothing short of integration to substitute for the benefits of integration. Even beyond the academic achievement and attainment benefits, "the networking effects of desegregation may be far more important than [even] the cognitive effects."<sup>1</sup> For children to have a fair chance, these benefits must, as public schools were envisioned to do,

<sup>1</sup> Richard Kahlenberg, *All Together Now: Creating Middle-Class Schools through Public School Choice* (Washington, D.C.: Brookings Institution Press 2001), 30 (quoting Gary Orfield, interview by author).

**Table 1. Poverty Enrollments by School District, 2005**

District	Poverty enrollment
Minneapolis	67%
Bloomington	27%
Hopkins	18%
Edina	6%
Mnetonka	3%

Source: Minnesota Department of Education, *School Report Card*, 2005. Data for each district can be accessed at <http://education.state.mn.us/ReportCard2005/index.do>.



Photo © Thinkstock/Corbis

**The concentration of race and poverty in Twin Cities public schools disproportionately harms children of color.**

offer these opportunities equally. Effectively desegregating schools is a “tide that can raise all boats,” narrowing gaps that weigh on a metro region’s vitality.

During the 1980s and 1990s, as the suburbs grew rapidly, schools closed in some districts whereas other districts on the edge of the region built new ones. During those decades, the region, especially its central cities, became more racially and ethnically diverse. According to the National Center for Education Statistics (<http://nces.ed.gov/datatools/>), Minneapolis gained increasingly higher shares of minority and poverty enrollments, the latter increasing from 43 to 66% between 1990 and 2000. The middle class increasingly chose to locate away from high-poverty schools farther out into the suburbs, and the schools they left became severely racially and economically segregated. By 2003, 46% of reporting Minneapolis schools were hyper-segregated, with enrollments

between 81 and 100% non-White. In addition, according to the Minnesota Department of Education’s *2005 School Report Card: Minneapolis*, 67% of Minneapolis students presently are on free or reduced-price lunch (Table 1). The proportion of students receiving free or reduced-price lunch indicates the level of poverty within a particular school. This concentration of poverty is extreme in

the national context and is especially so within the Twin Cities regional context.

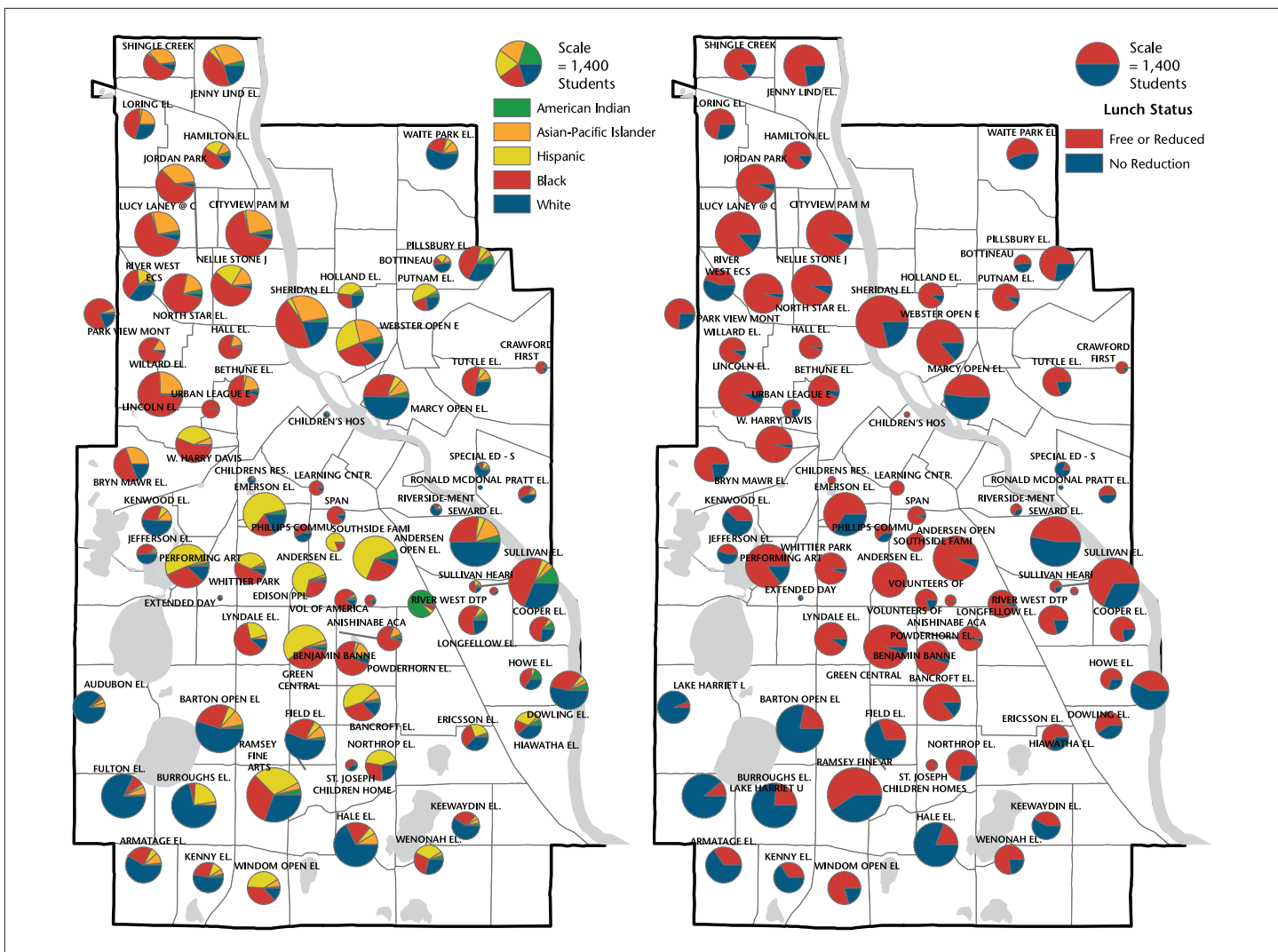
The concentration of race and poverty in Twin Cities schools is revealed in maps of the region’s elementary school enrollments. Figure 1 displays the racial distributions in Minneapolis public elementary schools for the 2004–2005 school year. With the exception of a cluster of schools in southwest Minneapolis and a few

**Table 2. Percentage of Students Passing Basic Skills Tests for Selected Minnesota Districts, 2005**

	Poverty enrollment	Pct. who passed reading	Pct. who passed math
Minneapolis	67%	63.6%	48.4%
Richfield	47%	75.3%	63.5%
Bloomington	27%	87.5%	74.4%
Edina	6%	94.9%	91.7%

Source: Minnesota Department of Education, *School Report Card*, 2005. Data for each district can be accessed at <http://education.state.mn.us/ReportCard2005/index.do>.

**Figure 1. Racial-Ethnic Enrollment and Lunch Status Distributions, Minneapolis Public Elementary Schools, 2004–2005**



Source: Minnesota Department of Children, Families and Learning, Data Center, June 22, 2005.

others in the city, the overwhelming majority of schools are racially identifiable by a minority group. Nearly all of the schools in north Minneapolis are majority Black, and many of the schools in central Minneapolis are majority Latino. The few stably integrated schools in southeast Minneapolis do not offset a clear pattern of segregation elsewhere in the city.

The second map in Figure 1 displays the school lunch status of children in Minneapolis public elementary schools. It shows that the majority of Minneapolis elementary schools are majority poor. The concentration of poverty virtually mirrors the racial enrollment data in the first map.

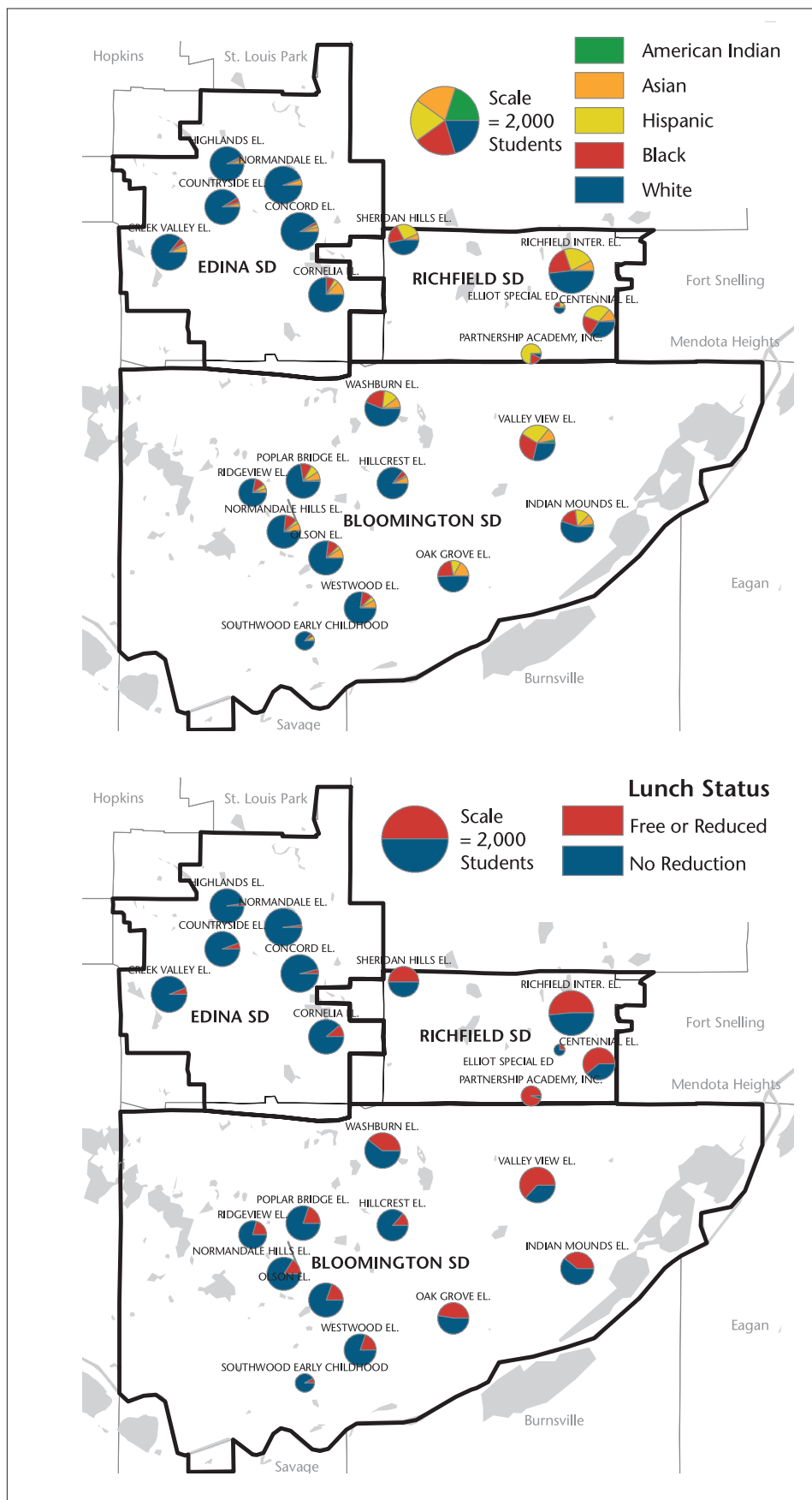
The Minneapolis School District graduates only 55% of its students.<sup>2</sup> Yet more than 91% of adults in the Twin Cities region have at least a high school diploma,<sup>3</sup> and more than 33% have at least a college degree. In contrast to the 55% graduation rate in Minneapolis, adjacent school districts graduate 88 to 100% of their students, according to the Minnesota Department of Education's 2005 *School Report Card: Statewide*.

The city's 55% graduation rate compares poorly with rates of 88 to 100% in adjacent districts. As Table 2 reflects for a sample of districts contiguous to Minneapolis, the percentage of students passing the February 2005 basic skills tests further illustrates how poor performance results correlate with a school district's level of poverty.

When families make these comparisons, those who can afford to will "vote with their feet," accelerating patterns of middle-class flight. According to the Minnesota Department of Education's 2005 *School Report Card*, Minneapolis enrollments have dropped sharply, declining 18% between 2000 and 2004, from 48,000 to 39,913 students. In contrast, public school enrollments declined only 2.1% statewide during the same period.

Racial segregation in Twin Cities schools reflects a larger pattern of residential segregation in the Twin Cities region. As Figure 2 shows, patterns

**Figure 2. Racial-Ethnic Enrollment and Lunch Status Distributions, Southwest Suburban Public Elementary Schools, 2004–2005**



Source: Minnesota Department of Children, Families and Learning, Data Center, June 22, 2005.

<sup>2</sup> "According to the most recent [Minneapolis] district data, the city's seven high schools had a 78 percent graduation rate. However, add in the contract alternatives, such as the Center School, 2421 Bloomington Ave. S.; The City, Inc., 1315 12th Ave. N.; and others, and the graduation rate drops to 54.5 percent." Scott Russell, "Schools Become a Big Issue in Mayor's Race," *Downtown Journal* (October 3, 2005), online.

<sup>3</sup> According to 2000 U.S. Census data, the percentage of adults in the 13-county Twin Cities region's with high school diplomas was 90.6%; nationwide, it was 80.4%.

of segregation are emerging in the near-south suburbs of the Twin Cities. Schools such as Valley View Elementary and Partnership Academy have become clearly racially identifiable, while others such as Oak Grove Elementary and Washburn Elementary are quickly headed in that direction. As with the Minneapolis public elementary schools, economic segregation is mirroring the racial segregation in southern suburbs. Some schools are already more than two-thirds poor.

The northwest suburbs of Minneapolis are facing even greater patterns of segregation than the southwest suburbs. More than half of the elementary schools in the Osseo school district are racially identifiable and majority poor (Figure 3).

**Housing Segregation Underlies School Segregation.** Housing segregation still exists nationwide. Federal policy, along with public and private discrimination, enable housing segregation to affect communities nationwide. Families living in concentrated poverty send their children to neighborhood schools, which then become schools of concentrated poverty. Economically segregated housing is also racially segregated. Housing segregation reinforces the harms of school segregation by limiting not only school networks, but community networks as well.

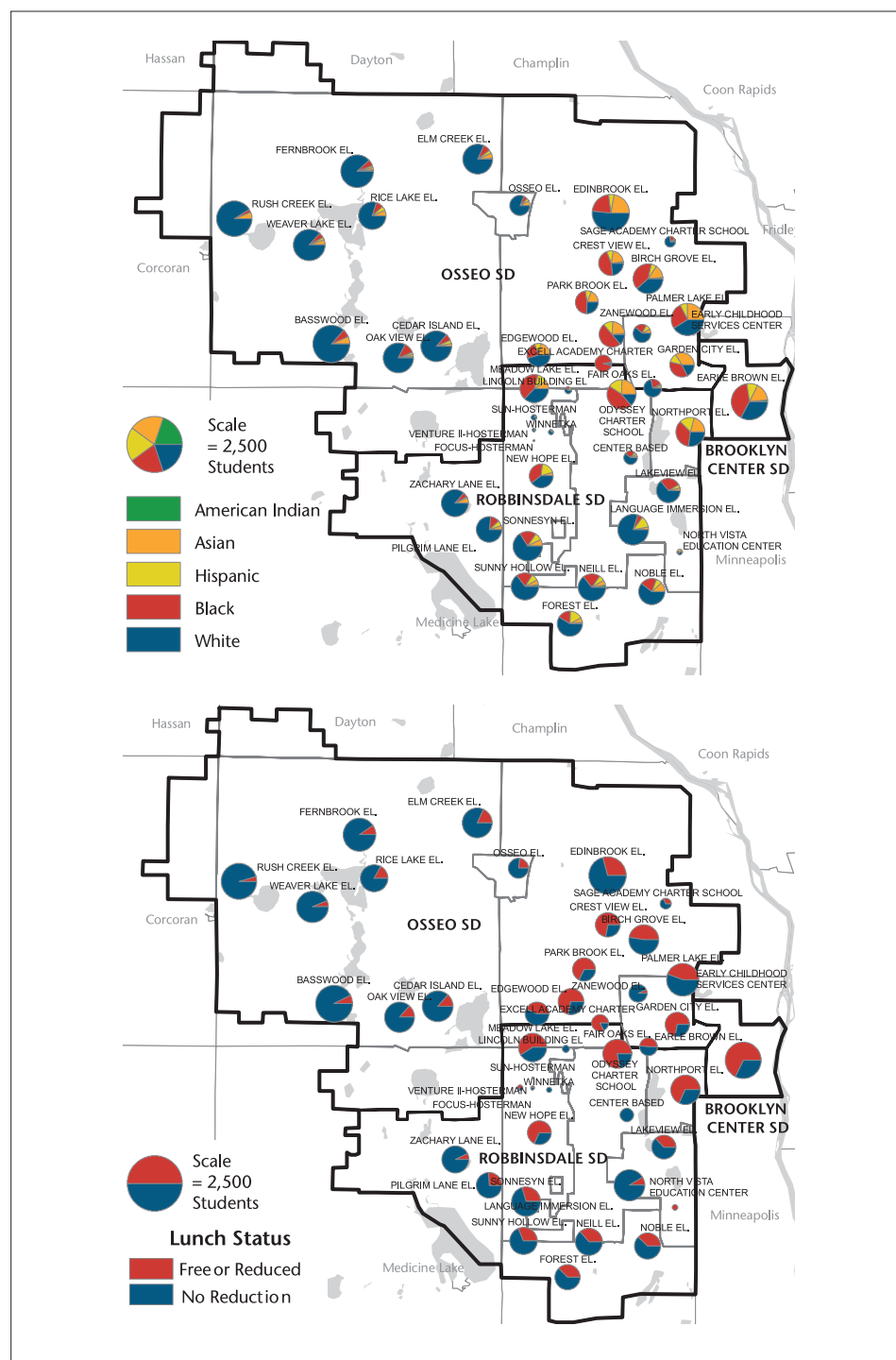
Residential racial segregation today does not merely reflect economic differences—*race* is the difference. For example, on average a Black family in the United States that earns more than \$60,000 per year “lives in a neighborhood with a higher poverty rate and lower educational attainment than the average White family earning less than \$30,000.”<sup>4</sup> Compared to other groups of comparable economic status, segregation results in Blacks living in neighborhoods that are 15–20% less affluent. Indeed, “Black homeowners reside in neighborhoods that are more segregated and less affluent than their renting counterparts.”<sup>5</sup>

**Steering in Real Estate Markets.** Minorities and Whites are consistently shown different segments of the housing market, thereby increasing residential segregation. John Yinger’s 1989

<sup>4</sup> John Logan, Deirdre Oakley, and Jacob Stowell, *Segregation in Neighborhoods and Schools: Impacts on Minority Children in the Boston Region* (Cambridge, MA: Metro Boston Equity Project of the Civil Rights Project, Harvard University, 2003).

<sup>5</sup> Camille Zubrinsky Charles, “The Dynamics of Racial Residential Segregation,” *Annual Review of Sociology* 29 (2003): 179.

**Figure 3. Racial-Ethnic Enrollment and Lunch Status Distributions, Northwest Suburban Public Elementary Schools, 2004–2005**



Source: Minnesota Department of Children, Families and Learning, Data Center, June 22, 2005.

housing discrimination study found that perspective homebuyers of color were shown fewer homes, received less attention from brokers, and were more likely to see homes in racially integrated suburban neighborhoods than were Whites.<sup>6</sup> This results in people of color

<sup>6</sup> John Yinger, “Cash in Your Face: The Cost of Racial and Ethnic Discrimination in Housing,” *Journal of Urban Economics* 42 (1997): 339.

often settling for less than an optimum purchase and higher housing costs.

In April 2006, the National Fair Housing Alliance (NFHA) completed a three-year, 12-city housing discrimination study titled *Unequal Opportunity—Perpetuating Housing Discrimination in America*. Using 145 sales tests in three geographic regions across the country, the NFHA found three patterns of discrimination:

- ▶ outright denial of service to Blacks and Latinos;
- ▶ significant financial incentives offered to Whites but not to Blacks or Latinos; and
- ▶ steering of potential purchasers on the basis of race or national origin.

The NFHA tests revealed steering at a rate of 87% among testers who were given an opportunity to see homes. Out of 290 total visits, there were 51 instances where Black or Latino testers were offered no service or reduced service. Testers were generally steered to neighborhoods based on race or national origin, as well as religion and family status. The NFHA also reports that schools are used as a proxy for racial or ethnic composition of neighborhoods and communities. Rather than telling White testers to avoid certain neighborhoods because of racial or ethnic composition, many real estate agents would tell the tester to avoid certain schools—schools that were racially identifiable.

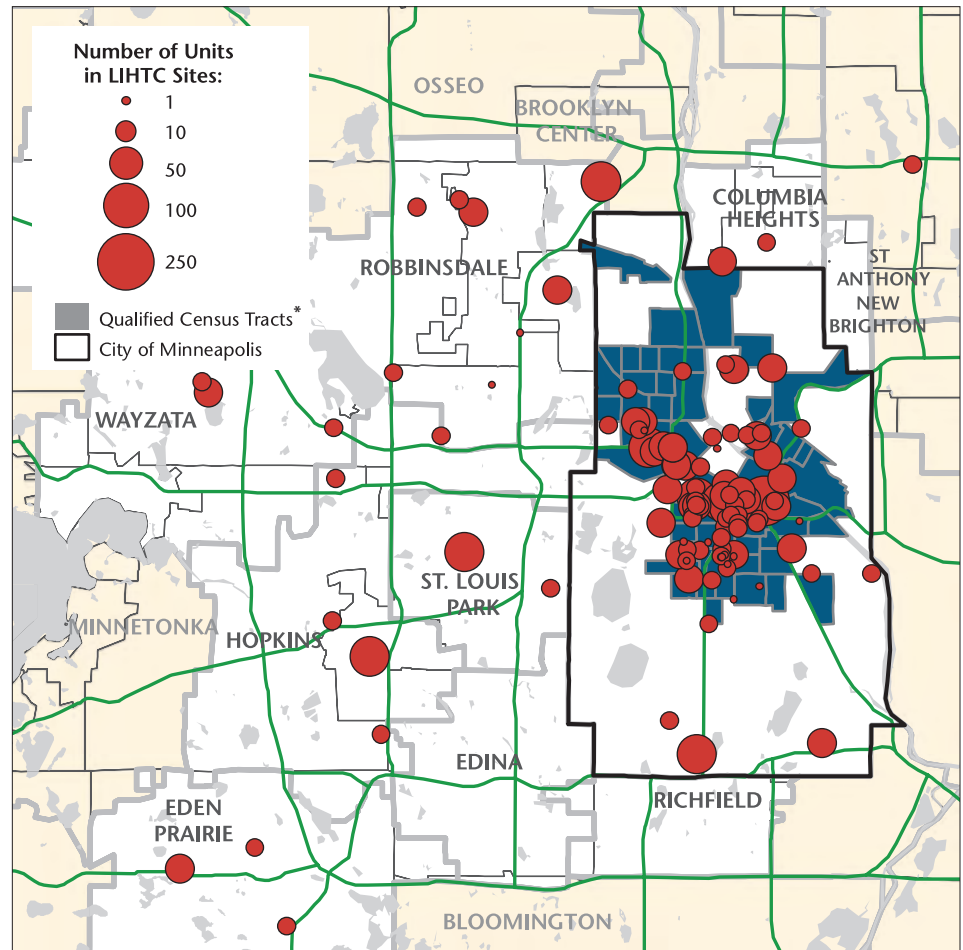
#### Segregated Affordable Housing.

Housing and school segregation is also caused by the government placing disproportionate amounts of low-income family housing in poor, segregated neighborhoods. This became such a problem that the 1968 Fair Housing Act ordered the Department of Housing and Urban Development (HUD) and all federal and state grantees of federal funds to affirmatively further fair housing. Specifically, these regulations state that there is a presumption that building low-income family housing in poor, segregated, or racially resegregating areas violates the Fair Housing Act.

In a case called *Shannon v. HUD*, the Third Circuit Court of Appeals stated that affirmatively furthering fair housing requires federal and state grantees of federal funds to take racial and socio-economic data into consideration—a colorblind approach is “impermissible.” The court said that in placing affordable housing several factors should be taken into account. These include the racial composition of neighborhoods and their schools; the location of public, middle-class, and luxury housing; the racial effect of local regulations; and past and current practices of local authorities. This command has often been ignored.

Despite the mandates in the Fair Housing Act, some public affordable housing programs continue to contribute to segregated housing patterns. For instance, units receiving support under the federal Low Income Housing Tax

Figure 4. Low Income Housing Tax Credit (LIHTC) Housing Sites in Minneapolis and Surrounding Suburban Schools, 2005



Source: 2005 HousingLink Inventory of Assisted Rental Housing.

\* Qualified census tracts, as defined by HUD, are census tracts in which at least 50% of households have an income that is below 60% of the region’s adjusted gross median income.

Credit (LIHTC) in the Twin Cities are disproportionately located in areas that already have greater than average shares of poverty and affordable housing—the central cities and certain inner-ring suburbs. The majority of LIHTC sites are clustered in qualified census tracts which, as defined by HUD, are census tracts in which at least 50% of households have an income that is below 60% of the region’s adjusted gross median income (Figure 4).

These patterns have affected suburbs as well as the central cities. During the 1980s and 1990s when the Twin Cities’ share of non-White residents increased from 5 to 15%, the region lacked school and housing policies to inspire development in ways that did not confine its small share of impoverished residents to a few neighborhoods of concentrated poverty. Thus, as segregation’s patterns carve deeper into the landscape of the central cities, they also are being etched onto suburban school districts and neighborhoods.

Overall, these patterns mean that affordable housing provided under LIHTC not only tends to concentrate low-income households in areas already experiencing significant poverty, but also concentrates non-White households in racially segregated neighborhoods, creating more racially identifiable schools with staggering poverty enrollments.

#### Integration Helps Everyone

Students benefit from economically and racially integrated schools, and so do neighborhoods and metro regions. Research confirms that both White and Black children who attend desegregated schools are “more likely to attend integrated colleges, live in integrated neighborhoods as adults, and send their children to integrated schools.”<sup>7</sup>

<sup>7</sup> Richard Kahlenberg, *All Together Now*, 44, citing *Milliken v. Bradley*, 418 U.S. 717, 783 (1974) (Marshall, J. dissenting).

**Integrated Schools Increase Achievement and Attainment.** Based on social science research surveys reviewing four decades of research, Janet Ward Schofield has concluded that “[M]inority students who attend more racially integrated schools show increased academic achievement and progress, which are typically measured by scores on achievement tests.”<sup>8</sup> Schofield finds that test scores for Latino students are higher on average when they attend desegregated schools. In a 1983 article in the *American Journal of Sociology* titled “The Effect of Research Methodology on Desegregation Achievement Studies: A Meta-Analysis,” Robert Crain and Rita Mahard note that for Black students, achievement gains are especially consistent when their desegregated school experience began in the primary grades.

Black students who attend racially integrated and economically integrated schools complete more years of schooling than those who attend segregated schools. College attendance rates are higher as well. In addition, both White and Black students tend to have higher educational aspirations if they have cross-race friendships, as contrasted with students who had only same-race friendships.<sup>9</sup>

**Integrated Schools Help Communities.** If school integration involves all of a region’s socioeconomic groups, the benefits to all students and neighborhoods are significant. Students experience greater performance gains when desegregation plans extend beyond a region’s central city to include its middle- and upper-class students.<sup>10</sup> Communities and the region benefit because metro-wide desegregation plans help stabilize integrated neighborhoods.

<sup>8</sup> Janet Ward Schofield, “Maximizing the Benefits of Student Diversity: Lessons from School Desegregation Research,” in Gary Orfield and Michael Kurlaender (eds.), *Diversity Challenged: Evidence on the Impact of Affirmative Action* (Cambridge, MA: The Civil Rights Project, Harvard University, Harvard Education Publishing Group, 2001), 99.

<sup>9</sup> See Michael A Boozer, et al., *Race and School Quality Since Brown v. Board of Education*, Brookings Papers Econ. Activity, 1992; Richard Kahlenberg, *All Together Now*; Robert Crain and Rita Mahard, “School Racial Composition and Black College Attendance and Achievement Test Performance,” *Sociology of Education* 51 (1978): 81; and Maureen Hallinan and Richard Williams, “Students’ Characteristics and the Peer Influence Process,” *Sociology of Education* 63 (1990): 122.

<sup>10</sup> Richard Kahlenberg, *All Together Now*, 37, citing James Coleman et al., *Equality of Educational Opportunity* (1966).

## Federal and State Legal Issues in Education

Segregated schooling is not equal educational opportunity. This is what *Brown v. Board of Education* declared in 1954. The Supreme Court’s decree in *Plessy v. Ferguson* that “separate but equal” schools violate the Equal Protection Clause of the U.S. Constitution was met by inaction for more than a decade. Federal court intervention was required to force local and state officials to cease operating racially separate schools. Yet, even while much progress was made during the 1970s and 1980s, the Court’s geographic limitations on desegregation remedies ensured that they could not succeed in many metro regions, especially in the North.

**Unconstitutional Segregation.** In the 1971 case *Swann v. Charlotte-Mecklenburg Board of Education*, the Supreme Court ruled that “[S]tate-imposed segregation by race in public schools denies equal protection of the laws.” In a later case, *Keyes v. School Dist. No. 1* (1973), the Court established that to prove a constitutional violation in federal court, plaintiffs denied equal educational opportunity must show that they are subject to a segregated education and that “it was brought about or maintained by intentional state action.” Evidence of this segregative (discriminatory) intent can include decisions affecting the following:

- ▶ attendance zones and district boundaries
- ▶ school site location
- ▶ school size
- ▶ school construction and renovation
- ▶ student assignment and transfer options
- ▶ mobile classroom units
- ▶ transportation
- ▶ faculty and staff assignments

*Keyes* also confirmed that districts that have operated unconstitutionally segregated schools in the past are presumed to have acted unconstitutionally in the present if they maintain any “racially identifiable schools.”

**The Limited Scope of Federal Remedies.** In *Swann v. Charlotte-Mecklenburg Board of Education*, the Supreme Court detailed the scope of federal courts’ “broad” equitable powers to impose a range of desegregation remedies, including mandatory desegregation. Federal desegregation law began breaking *Brown’s* promise just three years later. In its 1974 Detroit desegregation case, *Milliken v. Bradley*, the Supreme Court essentially limited federal remedies for school segregation to the area within the

boundaries of a single school district. *Milliken* required that Detroit schools be “desegregated” only by rebalancing enrollments within the boundaries of Detroit’s isolated, non-White district. In 1986, 12 years after *Milliken* was decided, the typical Black student in Detroit attended a school with White enrollment under 12%. By the 1990s, Detroit was the nation’s most segregated school district, and White enrollments had evaporated to 4%. Although an interdistrict remedy may work in a metropolitan area that has a large, metro-wide, school district, such single-district remedies cover far too small an area compared with the relevant housing markets in metro areas that are carved into myriad school districts.

**The Promise of Equal Access to Educational Opportunity under State Law.** Unlike the U.S. Constitution, the Minnesota State Constitution creates a fundamental right to public education.<sup>11</sup> This is significant because whether plaintiffs must prove *intentional* racial discrimination, in addition to proving racially unequal outcomes, can depend on whether a fundamental right is involved. When a fundamental right is affected, plaintiffs are not required to prove that the government intended to discriminate. In *Sheff v. O’Neill*, the Connecticut Supreme Court (citing the U.S. Supreme Court’s ruling in *Reynolds v. Sims*) ruled that proving governmental awareness and *inaction* in the face of racially disparate impacts on the fundamental right is sufficient evidence to establish that the government violated the Constitution. This standard offers great promise for state court-ordered interdistrict remedies.

As in Minnesota, there is a fundamental right to a public education in Connecticut. Like the Twin Cities, Connecticut was faced with segregated non-White central-city schools in Hartford, and mostly White schools in suburban districts. As in Minnesota, funding was “substantially equalized.” The court in *Sheff v. O’Neill* held, however, that adequate funding to segregated schools does not provide “a substantially equal educational opportunity” when schools are severely segregated. The court was interpreting the state’s education clause, as well as Connecticut’s unusual equal protection clause—which, like the constitutions of Hawaii and New Jersey, prohibit both discrimination and segregation. Connecticut was found liable for violating children’s education and equal

<sup>11</sup> *Sheff v. O’Neill*, 678 A.2d at 1279. See also Article 13, Section 1, of the Minnesota Constitution.

protection rights irrespective of existing district boundaries, and irrespective of the absence of discriminatory intent by state officials. Connecticut was ordered to integrate the severely segregated schools.

In Minnesota, the reasoning of *Sheff* and the promises of Minnesota's education and equal-protection clauses were harnessed in the two 1990s cases out of which the Choice Is Yours program was created. These cases, and the program, are discussed in the next section.

### The Choice Is Yours Program: Using School and Housing Choice to Achieve Integration

As Minneapolis became more diverse during the 1990s, the Minneapolis School District and the State of Minnesota took actions that worsened school segregation. Despite severe residential segregation in Minneapolis, the school district resumed assigning students to "neighborhood schools." The State concurrently granted Minneapolis a waiver from the "15%" desegregation rule. It also implemented an integration revenue program that the Office of the Legislative Auditor, in its *Evaluation Report: School District Integration Revenue* (2005), concluded not only lacks focus and oversight, but even has provisions that discourage school integration.

In 1999, the State of Minnesota along with several other state entities (including the Minnesota Department of Education and the Metropolitan Council) were sued in state court. Filed on behalf

of all children enrolled in Minneapolis public schools, the complaint in *NAACP v. State of Minnesota* argued that a segregated education violates the Minnesota State Constitution's education and equal protection clauses. The plaintiffs alleged that the State of Minnesota had not taken effective action to desegregate Minneapolis schools.

When it became uncertain whether the Minneapolis NAACP would vigorously prosecute the case on behalf of the plaintiff class, a nearly identical case, *Xiong v. State of Minnesota*, was filed on behalf of Minneapolis students and consolidated with *NAACP*. The *NAACP* and *Xiong* cases settled in 2000, producing the agreement creating the Choice Is Yours interdistrict transfer program.

**The Choice Is Yours Program: A Promising School Choice Model for School Integration.** At the beginning of the 2005–2006 school year, approximately 1,680 children were enrolled in the Choice Is Yours (CIY) program; 1,090 of these students were returning from the previous year. The majority of students who came from Minneapolis Public Schools and who took advantage of CIY had previously attended overwhelmingly poor Minneapolis schools.

In its 2006 publication *Minnesota Voluntary Public School Choice 2004–2005: Evaluation Report*, the Minnesota Department of Education reported significant achievement gains by students participating in CIY. Students from grades 3 through 7, averaged across all

demographics, made consistent and significant improvements in reading and mathematics. In comparison with CIY-eligible, but nonparticipating students, the CIY suburban students made annual gains that were three times higher.

#### **Benefits to Districts and Taxpayers.**

Although incoming students in other city-suburban transfer programs around the country have experienced hostility in the suburbs, CIY students have not, partly because of this enrollment dynamic and partly because of financial incentives built into the program. Minnesota's school finance law rewards suburban districts for taking CIY transferees because incoming CIY students bring with them what is known as "compensatory revenue" in addition to the base amount of state aid allocated to all students. Compensatory revenue is awarded under a state formula based on the number of low-income children in each district. This means that suburban districts receive more state aid for CIY students than they do for other students. Thus, to avoid making tough decisions about closing schools due to steep enrollment declines, districts can instead aggressively market toward CIY-eligible children and raise attendance and revenue. Without CIY students, many districts would be facing even steeper declines in enrollment.

#### **Spending Cannot Replicate the Benefits of a Diverse Study Body.**

Expanded school choice can succeed where other ideas have not. Minnesota's school finance scheme provides increased funding for each low-income child, as well as additional funds for schools with concentrated poverty. These funds are allocated directly to each school building. According to the Minnesota Department of Education's (DOE) *K–12 Education Finance Overview 2004–2005*, in 2005, Minnesota allocated an average of \$8,516 on each student in the state. The DOE's *School Report Card* reports that the Minneapolis district now averages about \$3,000 more per pupil than the state average, or about \$11,393 per student.

Some schools within the school district spend much more than even the Minneapolis per-pupil average and invariably these are schools of concentrated poverty. For example, Barton Elementary is integrated (47% minority) and has a much lower than average percentage of students eligible for free or reduced-price lunch. According to the DOE's *School Report Card*, the school spends about \$9,101 per pupil, 20% less than the district-wide average. By comparison, Birchview Elementary, a CIY-receiving



Photo © Little Blue Wolf Productions/Corbis

**Poverty enrollments in Minnesota charter schools are nearly twice that of traditional public schools. Roughly 54% of charter school students in the state are eligible for free or reduced-price lunches, compared with only 29% of traditional public school students.**



school in the Wayzata school district, is overwhelmingly White, low-poverty, and only spends about \$7,200 per student.

At the other end of the spending spectrum, Bethune Elementary is 99% students of color; more than 95% of students are eligible for free or reduced-price lunch, and it spends nearly \$14,000 per pupil. These differences result because state financing allocations require more funding to schools with high proportions of poor students. This financing scheme, however, has done nothing to address the concentration of poverty in these schools or the likelihood of poor performance that will flow from the concentration of poverty.

***Charter Schools Are Unproven and Severely Segregated.*** A skyrocketing number of non-White families are choosing charter schools as alternatives to traditional public education. This trend provides cause for concern because segregation is more severe in charter schools than in traditional public schools, and there is little evidence that charter schools are bridging the achievement gap. Results have been mixed at best. Additionally, a significant number of charter schools have closed soon after opening because of financial mismanagement or noncompliance with reporting and disclosure requirements.

In Minnesota, the number of charter schools grew from 1 to approximately 130 between 1992 and 2006. By 2004, Minnesota charter schools enrolled 17,544 students, or roughly 2% of Minnesota students. Nearly 70% of charter students are in the Twin Cities region and nearly half of those are in the two central cities.<sup>12</sup>

Poverty enrollments in Minnesota charter schools are nearly twice that of traditional public schools. A total of 54% of Minnesota's charter students are eligible for free or reduced price lunch, compared with only 29% of its traditional public school students. Minneapolis and St. Paul charter school poverty enrollments are nearly 80%, a rate 10 or 11 percentage points higher than the already high poverty concentrations in those districts' traditional public schools.<sup>13</sup>

Minnesota's charter schools also are racially segregated. In 2004, 53% of Minnesota's charter school students were non-White, compared with only 19% of all public school students. Similarly, Black students make up one-third of Minnesota's charter school enrollments, yet are only 8% of the State's students.<sup>14</sup> This racial gap continues to grow.

The Bush Administration's 2004 *Evaluation of the Public Charter Schools Program: Final Report*, found that charter schools were less likely to meet state standards than traditional public schools, even after studying only those states with considerable numbers of charter schools, sufficient data, and a state performance standard. The share of charter schools meeting state standards trailed that of traditional public schools by between 8 and 32 percentage points.

The Bush Administration's researchers conducted regression analyses of the results for two states with the most data to determine whether charters' weak performance was explained by race, poverty, number of students, and student mobility. Even controlling for those factors, charter schools showed lower performance than traditional public schools.

***It Is Possible for Choice to Integrate Twin Cities Schools.*** A comprehensive strategy to fully integrate Twin Cities schools is beyond the scope of this article. That being said, greater housing choice can be an effective strategy when linked with school integration efforts. A neighborhood that is racially integrated has a better chance of having schools that are also integrated. Families that currently have their children traveling great distances to attend school should have first choice to live in the affordable housing that exists near those schools.

The Metropolitan Council's Housing Policy 13 (later renumbered Policy 39) helped the region to make a greater amount of affordable housing available in the region. Under Policy 13/39, the Metropolitan Council used its authority as an agency designated by the federal government to review applications for federal grants to implement a housing policy that encouraged subsidized housing development in the suburbs. According to the Metropolitan Council's *An Overview of Regional Housing Policy and Implementation: 1967–2002*, Policy

13/39 resulted in the regional construction of 11,000 units of Project-Based Section 8 housing in the suburbs. The Metropolitan Council still possesses great power to guide the development of low-income housing in suburban areas—authority increased by the passage of the Livable Communities Act in 1995. If exercised in coordination with expanded school choice, the resulting increase in low-income housing would also strengthen regional integration efforts by deconcentrating the poverty from units clustered in Minneapolis and St. Paul.

## Conclusion

Attending racially and economically integrated schools will result in lower dropout rates, more children going to college, increased law-abiding taxpayers, and less challenging lives for our poorest youth. The Choice Is Yours program means more opportunity. Integration does not solve all the problems of inequality, but integration has demonstrated clearer effects on expanding opportunity than any other type of solution. Money by itself is not working. Charter schools are unproven. Integration is the core upon which all other solutions are built. We must start here and build upon the foundation that integration provides.

**Myron Orfield** is associate professor of law and former Fesler-Lampert Chair in Urban and Regional Affairs at the University of Minnesota. He also serves as executive director of the Institute on Race and Poverty at the University of Minnesota and is a nonresident senior fellow at the Brookings Institution in Washington, D.C. **Nicholas L. Wallace, Esq.**, is a research fellow at the Institute on Race and Poverty specializing in education, housing, and transportation policy.

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For more information on expanded school and housing choice, visit [www.irpumn.org](http://www.irpumn.org).

<sup>12</sup> Enrollment data from Jon Schroeder, *Ripples of Innovation: Charter Schooling in Minnesota, the Nation's First Charter School State* (Washington, D.C.: Progressive Policy Institute, 2004), 9–10, 17; and Martha McMurry, *Enrollment Declines Are Widespread Since 2000*, OSD-05-118 (St. Paul: Minnesota State Demographic Center, 2005), 5.

<sup>13</sup> Poverty enrollment data from Schroeder, *Ripples of Innovation*, 10; and McMurry, *Enrollment Declines*, 7.

<sup>14</sup> Student racial data from Schroeder, *Ripples of Innovation*, 11; and McMurry, *Enrollment Declines*, 4, 7.