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Niece of Dr. Martin Luther King, Jr. Helps Launch Mackinac Center School Choice Plan

Group Working to Place Plan on Ballot

Michigan children would find it easier to switch to the school that best meets their needs under a sweeping Mackinac Center for Public Policy plan called the Universal Tuition Tax Credit (UTTC). Alveda C. King, senior fellow with the Alexis de Tocqueville Institution and niece of civil rights leader Dr. Martin Luther King, Jr., voiced her support for the plan at a standing-room-only November news conference at the state capitol.

An independent organization called School Choice YES! is working to place the plan on a statewide ballot for voter approval. Officials in California, Texas, Virginia, and South Carolina are considering introducing versions of the plan tailored to those states.

The UTTC would provide powerful incentives for all schools to improve by allowing any individual or business that pays any K-12 stu-

dent's public or nonpublic school tuition to subtract a dollar-for-dollar tax credit from their state Individual Income Tax, Single Business Tax, or 6-mill state education property tax liabilities.

The tax credit would ease the burden of parents who pay twice for their child's K-12

education—once through public or nonpublic school tuition and again through taxes—and would create incentives for other taxpayers to provide tuition scholarships for children of low-income families. More than 220,000 students, or about 12 percent of Michigan children, attend schools that charge tuition.

Michigan's state constitution would have to be amended to permit the K-12 tuition tax credits. *College* tuition tax credits are already in place in the state. Under the UTTC, tuition vouchers would remain prohibited by the state constitution.

Tax credits claimed on behalf of a student would be limited to the lesser of 50 percent of the amount Michigan public schools receive to educate each pupil or 80 percent of actual tuition paid. The tax credit would be phased in to this level over nine years. The 80-percent cap would be waived for students from

See "Niece"... on page 11



Alveda C. King calls school choice "the most compelling civil rights issue of the decade." At a Mackinac Center news conference, she and Joseph P. Overton hold a waiting list of 4,000 urban children seeking \$1,000 private scholarships to allow them to enroll in the school of their choice.

"When more of the people's sustenance is exacted through the form of taxation than is necessary to meet the just obligations of government and expenses of its economical administration, such exaction becomes ruthless extortion and a violation of the fundamental principles of a free government."

— President Grover Cleveland, Second Annual Message, December 1886

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Lawrence Reed,
President

Now In Sight: Breathtaking Opportunities

The bright sun of success has shone on the Mackinac Center for Public Policy nearly every day for the last ten years; a remarkable record and one we do not take for granted.

When I look back at all the many achievements of our first decade, it is immediately apparent that it was made possible because our focus has been to the *future*, built on the strength of past success. The important role the Mackinac Center has played in shaping new directions for Michigan and the nation just couldn't have happened if we rested on our laurels, dwelled on the past, or missed opportunities to capitalize on our bright future. Our enviable record and extraordinary base of support have allowed us to grow steadily in size and influence.

Our objective is nothing less than a state which serves as a model of liberty and sound economics for the rest of the world. It's a tall order, but one worth devoting not a few fleeting moments but a lifetime of effort. The Mackinac Center for Public Policy has a full-time staff of 21 professionals whose devotion to that objective can be weakened by only one thing: a sense that the forces of statism and political society will somehow prevail despite our efforts. I am pleased to report that I see no sign of that, and I hope our work makes you as confident as we are that it will never be the case.

We know that success is not automatic, that we have to *earn* it by being the best at what we do. Just a few of the breathtaking opportunities now in sight: freedom for parents to make genuine choices about where their children attend school; freedom for workers to decide whether or not to belong to a labor union without fear of losing their job; and freedom for consumers to benefit from public services provided *not* by the winners of political power struggles, but by the winners of open, fair, and competitive private-sector bids.

As these opportunities become clear and inevitable to those who are not yet with us, the freedom bandwagon you're already on will become mightily crowded with today's skeptics. You'll be able to proudly say to them that you shared the vision of a bright future back in 1998, and that you're glad they're with us now.

We're in this for the long haul, and we are delighted that so many of you are as well. !

"The important role the Mackinac Center has played in shaping new directions for Michigan and the nation just couldn't have happened if we rested on our laurels, dwelled on the past, or missed opportunities to capitalize on our bright future."

IMPACT!

Joseph Lehman
Editor

IMPACT! is a quarterly publication of the Mackinac Center for Public Policy, a nonprofit, nonpartisan, tax-exempt research and educational organization classified under section 501(c)(3) of the IRS code.

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Report Shatters Private School Myth

As Michigan's Family Independence Agency (FIA) explores privatizing its youth education programs, a joint Mackinac Center for Public Policy and Reason Foundation report confirms the vigorous role that private institutions already play in educating students with special needs. The report, entitled *Do Private Schools Serve Difficult-to-Educate Students?*, shatters the myth that private schools only "skim the cream" and leave troubled youths to public schools.

The October 1997 report, authored by Janet R. Beales and Thomas F. Bertonneau, profiles fifteen private insti-

tutions, six of them in Michigan, that offer unique and effective educational programs for disabled, incarcerated, or at-risk youth. Nearly 200,000 difficult-to-educate students are served by over 9,000 nonpublic institutions nationwide.

"Our report suggests strongly that FIA is right," said Joseph Lehman, director of communications at the Mackinac Center. "The schooling of many of Michigan's difficult-to-educate youth population is being handled now by private organizations better and at less cost than the state does the job. Privatizing this important duty makes a great deal of sense."

The report helped address concerns raised at the November state capitol news conference announcing the Universal Tuition Tax Credit (UTTC), the Mackinac Center's proposal for improving education in Michigan through parental choice (see story on page 1). Journalists who questioned whether school choice would benefit special-needs students were given the report and an explanation of its central finding: that nonpublic schools are often the best environment for difficult-to-educate students.

The report was distributed to all 4,200 Michigan public school board members and hundreds of media outlets.



Its findings were cited in a Michigan Public Radio report, several Michigan newspapers, and two front-page *Investor's Business Daily* stories. !

Cars, Chemicals and Corn Flakes Create Commercial Colossus

The Mackinac Center for Public Policy's latest book tells the inspiring stories of Michigan's unique contributions to American economic might. *Empire Builders: How Michigan Entrepreneurs Helped Make America Great* reached book stores, schools, and libraries last fall with its history of the state's triumphant entrepreneurial heroes including Ford, Durant, Dow, and Kellogg.

Dr. Burton W. Folsom, Jr., Mackinac Center senior fellow in economic education, wrote the book to illustrate the essential connection between Michigan's mid-1800s flowering of economic freedom and the state's sub-

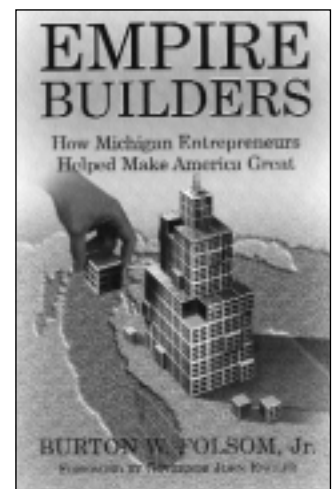
sequent growth in innovation, prosperity, and living standards.

The book traces Michigan's history from its early fur-trading days in a remote, swampy wilderness to the dramatic state industrial policy failures that inspired constitutional changes and a more friendly environment for the job-creating entrepreneurs whose names became household words around the world.

The 205-page *Empire Builders* is receiving critical acclaim. Glowing praise by Second Renaissance Books and Laissez Faire Books has been joined by favorable reviews in Michigan newspapers. *The Grand Rapids Press* and *Battle*

Creek Enquirer covered Folsom's promotional book tour. Full-length columns by *Detroit News* Editorial Page Editor Thomas Bray and political columnist George Weeks applauded the book. Hillsdale College devoted an entire issue of *Imprimis*, the school's influential monthly received by 760,000 readers, to an essay adapted from *Empire Builders*.

A generous grant by the Edward Lowe Foundation will place *Empire Builders* in all Michigan public libraries. The book's publisher, Rhodes and Easton of Traverse City, has successfully promoted the book and put it on the shelves at major chain stores including Barnes and Noble,



Waldenbooks, and Borders Books and Music.

See page 10 for ordering information. !

Center Ideas Reverberate through Media

Mackinac Center for Public Policy research is cited hundreds of times each quarter by print and broadcast media statewide and across the nation. Often a single Center idea reverberates in the media for months, amplifying the Center's message of sound economics and civil society. One such idea is the Universal Tuition Tax Credit (UTTC), released in November. A few UTTC media highlights follow.

- Alveda C. King, niece of Dr. Martin Luther King, Jr., and the Mackinac Center education policy team explained to a standing-room-only crowd of journalists and pol-

icy makers at the state capitol how the Center's UTTC plan would increase educational opportunity for all children and save the state hundreds of millions of dollars per year. The event and follow-up interviews were reported by Michigan's largest newspapers, wire services, public radio, and other radio and television stations.

- The Michigan Education Association responded to the UTTC by spending thousands of dollars to place in most of the state's largest newspapers advertisements attacking the Mackinac Center and the UTTC. *The Detroit News*, two weeks after endorsing the UTTC,

called the wording of the MEA ads a "transparent political ploy."

- In subsequent statewide news stories about the MEA's paid advertisements, Director of Communications Joseph Lehman explained how tuition tax credits differ from vouchers, a distinction some school choice critics attempt to blur.

- Senior Vice President Joseph P. Overton argued why the state constitution must be changed in order to advance educational choice in Michigan in an op-ed reprinted by *The Detroit News*, *Traverse City Record Eagle*, *Midland Daily News*, *Niles Daily Star*, *Escanaba*

Daily Press, *Manistee News-Advocate*, the *Coldwater Daily Reporter*, *Grosse Pointe News*, and other papers.

- President Lawrence W. Reed described why 1998 is the ideal year for school choice reform in Michigan in a *Detroit News* op-ed that was reprinted in many other papers.

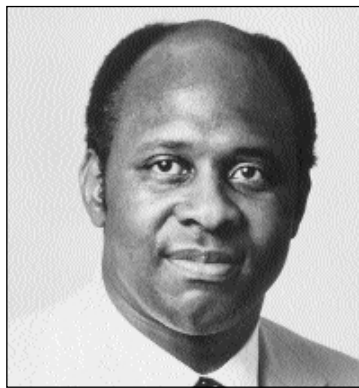
- The Center's Universal Tuition Tax Credit was the focal point of a full page of Sunday *Detroit News* articles detailing the plan, its national impact, and a drive by School Choice YES! to place the plan on the ballot. !

MSU Dean and Former Insurance Commissioner Join Board

William B. Allen and D. Joseph Olson have joined the Mackinac Center for Public Policy Board of Directors.

Allen is Dean of James Madison College at Michigan State University and has been a member of the Mackinac Center Board of Scholars since 1995. Previously, he taught at Harvey Mudd College in Claremont, California, and earned his Ph.D. in Government from the Claremont Graduate School.

Allen is a former member and chairman of the U.S. Commission on Civil Rights and has been a Kellogg National Fellow, Fulbright Fellow, and a member of the National Council on the



William B. Allen

Humanities. He has edited several essay collections, including *George Washington: A Collection* and *The Essential Antifederalist*, and is the author of many essays on American political thought as well as the book *Let the Advice Be Good: A Defense of Madison's Democratic Nationalism*.

D. Joseph Olson is a name familiar to many friends of the Mackinac Center. After helping found the Center in 1987, he was Chairman of the Board of Directors until being appointed as Insurance Commissioner for the State of Michigan in 1995 by Governor John Engler. He served as commissioner until 1997.

Olson is now Vice President and General Counsel for Amerisure Companies of Farmington Hills, after nearly 20 years of experience with Citizens Insurance Company, Beacon Insurance Company, and American Select Insurance Company.

Olson graduated magna cum laude from Oklahoma City University in 1965 with a bachelor of arts degree in



D. Joseph Olson

political science, and summa cum laude from the University of Santa Clara in 1975 with a Juris Doctor degree. He is a member of the State Bars of Michigan and Texas. !

\$2.4 Million Headquarters Complete

Steve Forbes to Keynote June 5 Open House and Ten-Year Anniversary

The nation's largest state-focused policy research institute has moved into its brand-new \$2.4 million headquarters building.

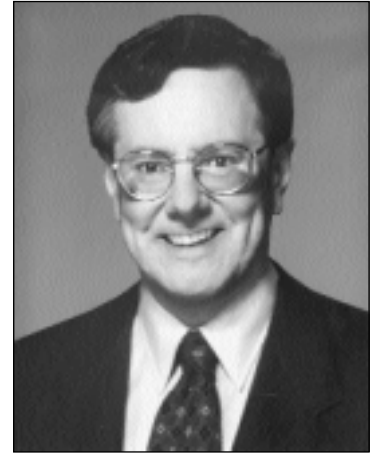
Construction of the new home of the Mackinac Center for Public Policy began in May and was completed in November. More than \$2.3 million was raised for the pro-

ject—over and above the Center's \$1.6 million 1997 operating budget—in about one year.

To coincide with its ten-year anniversary, the Mackinac Center will host an open house at its new headquarters on June 5. Steve Forbes, editor-in-chief of *Forbes* magazine and former presidential candidate, will be the featured speaker at a special banquet in Midland on that date. Members and friends will receive more information by mail. !



Mackinac Center for Public Policy Headquarters



Steve Forbes

Politicians, Peers, Publishers, and Press Recognize Mackinac Center Scholars

Four Mackinac Center scholars have been recognized for their expertise in tax policy, municipal management, telecommunications regulation, and economic research.

Detroit Mayor Dennis Archer has named a Mackinac Center scholar to a new city task force. David Littman, Center adjunct scholar and first vice president of Comerica Bank, has been asked to find ways to reduce the city's tax burden, cited by a Mackinac Center study to be seven times higher than the average for Michigan municipalities. A frequent critic of Detroit city

policies, Littman told *The Detroit News*, "What doesn't work is socialism. What does work is the marketplace."

The Michigan Association of Certified Public Accountants named Mackinac Center privatization policy analyst Robert Daddow the 1997 "outstanding CPA in government." In addition to his cost-cutting work as Oakland County's management and budget director, Daddow is author of a Mackinac Center study and co-author of two *Viewpoint* commentaries.

Mackinac Center telecommunications policy expert

Donald Alexander has assembled and edited a new volume of essays on deregulation by six leading scholars in the field. The book, *Telecommunications Policy: Have Regulators Dialed a Wrong Number?*, has been added to the Center's free market and public policy library. Alexander is associate professor of economics at Western Michigan University and co-author of a Mackinac Center *Viewpoint*.

Dr. John Attarian is the newest member of the Mackinac Center Board of Scholars. He earned his Ph.D. in economics from the



Dr. John Attarian is the newest member of the Board of Scholars.

University of Michigan and his work has appeared in major publications including *National Review* and *The American Enterprise*. Attarian assists the Center by researching and writing on a variety of economic issues. A recent *Wall Street Journal* editorial cited his Mackinac Center *Viewpoint* on Michigan cigarette taxes. !

Mackinac Center Debate Workshops Part of the Scenery

The Mackinac Center for Public Policy High School Debate Workshops have joined apple cider, brightly colored leaves, and back-to-school bells as mainstays of fall in Michigan for the last nine years. Last September and October, the workshops helped over 660 students from 46 schools and school groups refine their positions on the nationwide debate topic: federal policy toward increasing the use of renewable energy.

Recognized public policy experts helped students understand the economic consequences of federal energy policy and frame their arguments at the educational workshops in Southfield, Jackson, Grand Rapids,

Midland, and Grayling. Expert faculty included Stephen Moore, director of fiscal policy at the Cato Institute in Washington, D.C.; David Beers, program officer at the Free Enterprise Institute in Houston, Texas;

Dr. Burton Folsom, senior fellow in economic education at the Mackinac Center; and Gregory Rehmke, director of educational programs at the Free Enterprise Institute.

which are designed to deepen the understanding of sound economic principles in debaters, many of whom are likely to be tomorrow's leaders. The workshops armed participants not only with improved debating techniques, but also with intellectual ammunition that in many cases was completely new to them.

The success of this annual event depends on the contributions of Mackinac Center members and friends—a fact



Students eagerly copy the Internet address for the Mackinac Center's on-line "Ask the Debate Coach" service: www.mackinac.org.

Students received rigorous intellectual instruction during the day-long sessions,



David Beers stresses that people acting in a free market have incentives to conserve energy.



Midland's "sellout" crowd learns that government energy policies don't always have the intended effect.



Debaters learn the important role of economics in energy use decisions.



Each debater receives a hefty packet of energy policy literature from the Mackinac Center and other research institutes.



Debate teams convert knowledge gained at the workshops into competitive advantage all season long.



Gregory Rehmke explains that the political process can distort energy-use decisions, resulting in waste, higher costs, and environmental harm.



not lost on the beneficiaries. Printed here are some of the hundreds of thank you letters written to Center contributors by grateful students and teachers. !



MACKINAC CENTER
FOR PUBLIC POLICY

Dear Sirs,
It would be a great joy for me to participate and effort which you sponsored to help in this wonderful cause which is so important to our country and the world. It is due to your generous help that I am able to attend your school. Thank you very much.
Sincerely,
Paul Kelly

MACKINAC CENTER
FOR PUBLIC POLICY

Dear Sirs,
I am writing to express my appreciation for the opportunity you have provided me to participate in the Mackinac Center. We have a great program and we are proud to be a part of it. Thank you for your help.
Sincerely,
John Smith

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Former House Speaker Multiplies Support for Center

Robert E. Waldron knows the power of ideas transcends partisan politics. At the start of his 16-year Michigan House of Representatives tenure in 1955, he was part of a bipartisan study committee instructed to look beyond politics to improve schools. Now in private life, he supports the Mackinac Center for Public Policy because it provides policy makers of all parties with independent, nonpartisan analyses of economic issues.

Waldron, Speaker of the House in the late 1960s and later head of the Michigan division of the American Petroleum Institute for 19

years, is an enthusiastic Mackinac Center ambassador. His friends and associates include many of Michigan's key opinion and business leaders, to whom he is quick to introduce Mackinac Center scholars and officials. Waldron's networking for the Center has multiplied his own support many times over.

Waldron is a President's Council member and his financial support includes a contribution to the Center's new \$2.4 million headquarters, completed last fall. "My Mackinac Center support is more than what I give to any other institution of like mission," he said.

The former legislator added, "The Mackinac Center is the best source of policy research in Michigan, and it has a perfect balance of visionary ideas and open, fair promotion. I wish the Mackinac Center had existed when I was in office." !



Robert E. Waldron (center), pictured with his family, says he supports the Mackinac Center because "we've got to fight for freedom every day. We're in this for all generations."

Heroes Wanted

There was a time when Americans looked upon their elected officials as heroes, when ethics violations and scandals were the exception rather than the rule, and when hiding behind the power of office was a virtually unknown practice. But where are our modern heroic statesmen? Don't be surprised if it takes you a minute to name one. When we evaluate the character of public officials today, we simply shrug and say to each other, "Well, what do you expect? He *is* a politician." If the electorate's expectations of an officeholder are low, is it surprising when his performance reflects that?

In the late 1800s, Americans twice elected Grover Cleveland as President of the United States. Cleveland was

not elected because he was anybody's "sweetheart," or because he made promises to powerful interest groups. In today's vernacular he might be described as "charismatically challenged," which is another way of saying that President Cleveland told it like it was. He was known for being brutally honest, and people always knew where they stood with him. Voters of that time found Cleveland's integrity refreshing and endearing. They respected him and found him easy to follow. He was their hero.

Fast forward to 1992, when the people of Michigan enacted statewide term limits. This initiative has led to an unprecedented development in 1998: At least 58 percent of Michigan's House of Representatives seats will turn over.



James E. Kostrava,
Vice President for Development

Compare that to historical incumbent *reelection* rates of greater than 80 or even 90 percent. This presents a tremendous opportunity for change. Accordingly, the Mackinac Center for Public Policy is establishing a Statesmanship Training Program. This program will prepare for office candidates who understand basic economic principles and who are able to communicate them effectively and apply them to public policy issues. Today's

Mackinac Center statesmanship trainees will become tomorrow's Grover Clevelands.

It is not too much to expect leaders to provide leadership; neither is it inconceivable that public officials should be heroes. Or, as Cleveland himself said, "[T]hose who worthily seek public employment have the right to insist that merit and competency shall be recognized instead of the surrender of honest political belief."

Your Mackinac Center support will help a new generation of political leaders put sound economics and cultural advancement into practice. !

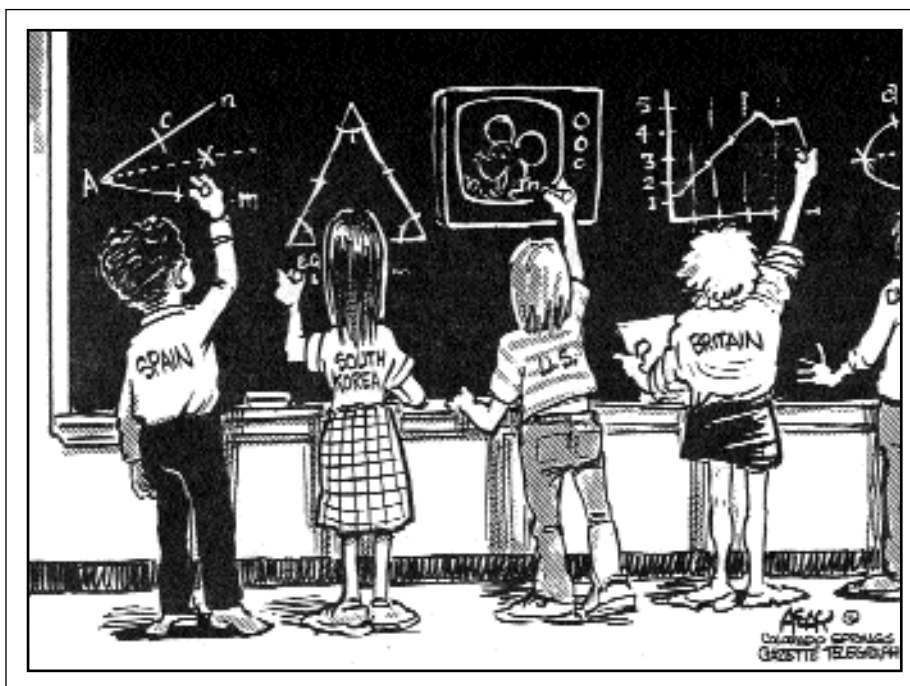
Why School Choice?

The Promise of School Choice

When the lights go on in bedrooms across Michigan on early school day mornings, children are roused from their beds by their parents. During that day, these parents will decide what foods their children will eat and what foods they will avoid; with whom their children will play, how much television they will watch, and how much homework they will do; which physicians will treat their children's injuries, which dentists will check their teeth, and which baby-sitters will care for them. As their children grow, these parents will help them decide which clubs and organizations to join and which courses of study to pursue. As the young people approach high school graduation, these parents will offer counsel regarding future educational and vocational pursuits.

Yet in spite of the fact that parents are entrusted to make vital decisions in nearly every area of their children's lives, most Michigan parents are unable to make true choices about one of the most important aspects of their children's development. For 180 days of the year, most children are sent to a government-mandated, government-assigned educational institution.

Things are slowly changing. Historians who look back on the 1990s may well view this decade as one of true educational reform—a turning point when Americans not only talked about reform but individually and collectively made genuine choices about their schools and the quality of American education.



Why School Choice Works

Choice is the engine of a market economy in all goods and services. The foundation of basic economic theory is the ability of individual consumers to choose one good over another based on their own preferences. Parents prefer good food for their family over poor food. As a result of economic freedom, they have the right to choose better food, even if it means that better restaurants and

grocery stores thrive while others close. Parents prefer better automobiles over poorer ones. They have the right to choose the cars they want, even if it means that some auto-makers expand production and others close plants. Parents prefer good schools over poor schools for their children. Why shouldn't they

be allowed to exercise the right to choose better schools for their children?

Parents as the Engine of Choice

The transformation of parents into *active* agents is the foundation of educational choice theory. Parents are the primary advocates for school choice. There is a strong correlation between parental involvement and children's success in school.

Parents who advocate choice assert consistently that they consider their children's education a significant responsibility. The concept of choice takes full advantage of parents' valuable knowledge about their children and their respective talents, abilities, and learning styles. This information equips parents to make optimal choices about where their children should attend school and what kind of school might best suit their children's temperaments. Parents who are able to make choices about schools generally feel empowered—not intimidated—by this responsibility and play a full, active role in their children's education.

A second reason parental choice works is that it allows educational programs to be tailored to the needs of individual students, not simply provided as a one-size-fits-all package.

Students have different educational needs and learning styles, and they have a right to seek out a school that will best match their needs and aptitudes. The market can offer diversity in the type of education offered to students as well as improved school quality.

As parents choose their children's schools, the schools

See "*Why*"... on page 10

Why, continued from page 9

they leave behind are forced to improve in order to compete; engaged in competition, these schools provide the energy for their own regeneration, thus improving the entire educational system.

A Call for Reform: Empowering Parents

We need to return power, authority, and responsibility to *parents*, rather than leaving it with the *politicians and administrators* of our government-run school monopoly. Parents are responsible for their children's welfare. As choice options have become more widespread, parents have eagerly accepted the responsibility for their children's schooling. The problems of our existing public education system—increased school violence, skyrocketing costs, inconsistent student achievement—all point to an enervated, overburdened system that needs more than increased funding, administrative tinkering, or pedagogical experimentation. It needs wholesale change in which students and their parents can become an integral part of an improved system—a system that only choice can bring about. !

This article was adapted from The Universal Tuition Tax Credit: A Proposal to Advance Parental Choice in Education written by Patrick L. Anderson, Richard McLellan, Joseph P. Overton, and Gary Wolfram and published by the Mackinac Center for Public Policy in November 1997.

Viewpoint Commentaries

Governor Groesbeck: Road Builder and Defender of School Choice

January 1998 VP 98-01

In the 1920s, a daring three-term Michigan governor took bold stands against unfair taxation and the Ku Klux Klan's anti-school-choice efforts.

Applying the "Kaitlyn Test" to Recycling

January 1998 VP 98-02

An inquisitive four-year-old tests the proposition that recycling is always the best way to preserve precious resources.

Consumers Should Be Wary of "Securitization"

January 1998 VP 98-03

Electricity deregulation lowers prices by offering consumers a choice of service providers. But Michigan's big monopoly utilities want you to pay them for the privilege of shopping around.

School Choice: 1998 is the Year!

February 1998 VP 98-04

More than 65 percent of Michigan citizens favor allowing parents to choose the schools their children attend. Which political party will have the courage to take the lead on educational choice initiatives?

Berry Gordy and Motown Records: Lessons for Black History Month

February 1998 VP 98-05

The story of how Berry Gordy borrowed \$800 and

built his Detroit home-based business into a multimillion-dollar music empire is a powerful reminder of what black entrepreneurs can achieve in America.

The Rediscovery of Booker T. Washington: Lessons for Black History Month

February 1998 VP 98-06

Booker T. Washington's formula for entrepreneurial success—strong character and an "I can do it" attitude—is undergoing a revival among black inner city students.

Michigan Resists the New Deal

March 1998 VP 98-07

The sixty-fifth anniversary of President Franklin Roosevelt's inauguration is a good time to recall how two prominent Michigan businessmen upheld free market competition against the government's massive economic intervention.

Union Workers: Know What Your Rights and Options Are!

March 1998 VP 98-08

Recent court decisions have limited the ability of labor unions to compel membership and dues money for their political causes. Rank-and-file members should be aware of their rights.

Urban Sprawl: Michigan's Bogeyman of the 1990s?

March 1998 VP 98-09

What policy makers term "urban sprawl" may actually be a sign of social progress. Lowering tax burdens, not

restricting growth, is how to lure people back to our cities.

Journals

Michigan Privatization Report



MPR98-01

\$3.00

Feature stories: One city's privatization of its public works department; county dental service privatization; private schools and the difficult-to-educate. Other articles include the privatization of Michigan's state-owned railroads; how civil service rules affect privatization, and how one family is privatizing welfare one person at a time. 20 pages.

Studies & Reports

Do Private Schools Serve Difficult-to- Educate Students?

S97-03

\$5.00

Private K-12 schools are sometimes criticized for accepting only those students most likely to succeed academically, and for leaving the most difficult-to-educate children to the public school system. Is this true?

The diversity of private schools includes those that

serve exclusively at-risk, incarcerated, or disabled children. The report describes



private schools that educate each of these populations, reviews how public schools

are contracting with private schools to serve difficult-to-educate students, examines policy implications including cost and school choice, and presents six case studies of Michigan private schools that serve exclusively students with special needs. 71 pages.

The Universal Tuition Tax Credit: A Proposal to Advance Parental Choice in Education

S97-04 **\$10.00**
This pathbreaking approach to expanding parental choice in education embodies a proposal to amend the Michigan constitution and establish a Universal Tuition Tax Credit (UTTC). The tax credit would offset a portion of private or



public school tuition and would be claimed against state tax liabilities. In addition

to improving education, the UTTC would save the state hundreds of millions of dollars per year.

Unlike other tax credit plans, the UTTC would help needy

families with low state tax liabilities by encouraging the creation of corporate scholarships to offset tuition costs not covered by the UTTC. The per-student credit could be claimed against the Michigan tax liability of any person or corporation.

Unlike vouchers, the UTTC would not allow state funds to support religious schools, would not drain funds from the public schools, and would not spawn new entitlements or overregulation of private schools.

The study includes detailed fiscal models, a discussion of school choice, a history of Michigan's constitutional impediments to education reform, and proposed language for a constitutional amendment. 76 pages.

Books

Empire Builders: How Michigan Entrepreneurs Helped Make America Great.

by **Burton W. Folsom**
foreword by **Gov. John Engler**

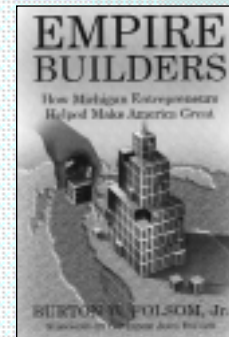
B97-01 **\$18.00 (cloth)**
 \$13.00 (paper)

A handful of early Michigan entrepreneurs, including Ford, Durant, Kellogg, and Dow, transformed the state from a backwater wilderness into the industrial heart of North America. What made them and Michigan so pivotal in the innovations and inventions—from cars to corn flakes to Saran Wrap—that impact most of us each day?

Folsom's inspiring account chronicles the roles of markets, government, politics, and individual achievement in the development of Michigan

from its fur trading days, through the lumber era that led to furniture and carriage industries, leading finally to world-class automobile, cereal, and chemical industries.

Spectacular failures of state-owned canal and railroad



companies led to a crucial constitutional amendment in 1851 that restricted the business

activities of state government. The amendment helped set the stage for massive private investment and prosperity for millions of workers. Whether you are a history buff, teacher, student, entrepreneur, or just a lover of Michigan, you will want to read this book. 205 pages.

How to Order

VIEWPOINTS: *Viewpoints on Public Issues* are two-page commentaries on current Michigan policy issues. Two or three are published each month. Individual *Viewpoints* are 50¢ each. Please call for bulk discounts.

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families whose income is below the poverty level, making it easier for low-income students to benefit.

The plan would save the state over \$3.4 billion during the phase-in period and more than \$500 million per year thereafter. The state would save money because average nonpublic school tuition is roughly half of what the state now pays to educate each student in a public school.

The 76-page study, *The Universal Tuition Tax Credit: A Proposal to Advance Parental Choice in Education*, contains complete language of a constitutional amendment and an economic analysis. The analysis shows that even though the plan would make it easier for all students to attend a nonpublic school, public school enrollment would decline by only approximately 100,000 pupils to 1.5 million over ten years.

The plan was crafted by Overton, originator of the UTTC and Mackinac Center senior vice president; Patrick L. Anderson, president of the Anderson Economic Group consulting firm and former Michigan deputy budget director; Richard McLellan, senior member of Dykema Gossett law firm and Mackinac Center director; and Dr. Gary Wolfram, Michigan State Board of Education member, professor of political economy at Hillsdale College, and former deputy treasurer for the state. !

Former Teacher and Union Negotiator Joins Mackinac Center Staff

Attorney and former public school teacher La Rae G. Munk is the Mackinac Center for Public Policy's new project manager in labor and education. Munk works closely with former National Labor Relations Board member and Mackinac Center Director of Labor Policy Robert P. Hunter to analyze labor law issues as they relate to schools.

As an attorney, Munk has represented both teacher unions and school districts in collective bargaining negotiations. She gained an insider's expertise which she uses at the Mackinac Center to gauge the economic impact of labor contract language and advise Michigan school officials on how to maximize limited resources.

Munk earned a master of arts degree in education administration in 1982 from Central



La Rae G. Munk

Michigan University and in 1988 received a Juris Doctorate from Thomas M. Cooley Law School in Lansing.

Before joining the Mackinac Center, Munk had her own law practice which emphasized labor and employment issues. She also co-authored a 1989 Michigan Department of Education study on the transportation of medically fragile children. !

Bardallis Writes Ticket to Mackinac Center Success

David M. Bardallis is the Mackinac Center for Public Policy's new policy writer and editor.

Bardallis works in the communications department writing and editing Center publications including *IMPACT!*, *Michigan Privatization Report* magazine, *Free Market Moments* radio program, and the *Viewpoint* commentary series. He also helps Center scholars and research staff produce major studies and reports, books, guest editorials for state and national newspapers, and Mackinac Center promotional and educational literature.

Bardallis graduated with distinction from the Dearborn campus of the University of Michigan where he earned a bachelor of arts degree in English literature and psychology. He was a senior editor of the school's national



David M. Bardallis

award-winning literary arts journal, *Lyceum*.

"Dave combines a rare writing talent with keen insight into free market economics. His clear, persuasive style helps policy makers, community leaders, and citizens learn and apply Mackinac Center ideas," said Joseph Lehman, director of communications. !