What makes so many people think improving schools is an achievable goal? What gives them hope that all schools can be effective and equal? Many observers have commented on how schools are slow to change, but almost everyone is still hopeful they can and should change.1 What if contemporary schooling is an intractable institution? What if its very premise prevents us from providing equal and good educational opportunities to all children? I am not entertaining this thought because it is very satisfying or very likely to be true, but we are obligated to consider it nevertheless. What if the repeated failures of our educational reforming do not result from sinister intentions, political gridlock, and sheer incompetence? We must explore the possibility that schools are not improvable in any significant way. What education reformers chronically fail to do is a feasibility study.

This is a case of a philosophical sleight of hand exposed by David Hume, where an is imperceptibly changes into an ought.2 However, in the case of education reform, we deal with a reverse fallacy: because something ought to be done, it therefore must be possible.

The debate on positionality of schooling is important for determining whether schools are reformable. Schooling may or may not be a positional good, the value of which is not linked to the intrinsic consumption, but is determined by relative positioning among other people. The amount of benefits provided by positional goods remains constant for the entire market; such benefits can be redistributed, but not increased. A debate on which parts of and to what degree the education system have positional aspects is important for answering questions about school choice as a vehicle of school improvement. If schooling is heavily positional, increasing parental choice will have negative consequences, because it encourages class inequality. Parents would choose schools in such a way as to separate their children from the disadvantaged. Their strategy would be to maximize benefits to their children by reducing benefits to other people’s children. If schooling is only minimally positional, or nonpositional, school choice and competition among schools might stimulate overall improvements, and an increase in public welfare. The parent’s strategy will be to choose a better school, and all schools would improve as a result of competitive pressures.

Returning to the larger context, it is unclear whether schooling can be governed by the principles of distributive justice. If schools are found to be positional, they are not likely to be significantly improvable as an institution. This does not mean education is beyond improvement — just that we may need to build an alternative to the institution of schooling.

A CASE AGAINST POSITIONALITY

A comprehensive review of the economics literature by Nick Adnett and Peter Davies finds no strong empirical evidence to support a case for positionality of
schooling with respect to demand for an educated workforce. The authors make a good case that the number of “good jobs” and other opportunities can be increased, as economies grow and globalize.

In summary, the evidence available suggests that in general the economic and social lifetime returns to schooling are based upon absolute rather than relative levels of schooling. That is, the returns to higher levels of educational attainment are independent of the levels attained by others in a given cohort. Therefore, schooling in terms of demand is not a significantly positional good. This claim can be disputed on empirical grounds, but it would be beyond the scope of this essay. Let us just assume for now that better educated people will all find better jobs by changing the very nature of the whole economy in which they participate.

While the supply of good jobs (and therefore the demand for good schooling) does not seem to be fixed, the supply of good schools may be relatively fixed nevertheless. Annett and Peter dismiss such a proposition out of hand. Agreeing with Fred Hirsch, they write:

Schooling is clearly not subject to absolute restrictions, the very short-run excepted. If some individuals increase their demand for schooling it is always possible to build another school, employ more teachers and buy more educational technology. Similarly, it would appear always to be possible to create more “good” schools according to conventional absolute definitions of “good”.

A similar assumption is often shared by a number of school improvement advocates. Although rarely openly stated, the assumption about the potentially unlimited supply of good schooling permeates much of school reform discourse. Such an assumption appears to be reasonable, at least at first glance. In similar socio-economic conditions and with similar resources, some schools perform much better than others. In other words, because good schools consist of the same basic ingredients as bad schools, the existence of bad schools appears to be an alterable, accidental fact. The repeatedly failing attempts to fix bad schools do not seem to deter school reformers from trying. This only indicates the strong underlying belief that the number of good schools can be increased.

I propose that schooling quality does have absolute restrictions, and schooling is positional because of the limited supply, not because the demand for schooling is positional. My argument begins with an often-overlooked fact that school-based education is both a form of consumption and a form of labor. Students consume schooling, and at the same time, they produce learning for themselves by expending large quantities of labor. The success of schooling greatly depends on the efficacy and effort of students, not just that of teachers and administrators. The nature of student labor makes schooling supply positional, because its level depends on social comparisons performed by students.

**Self-Efficacy**

Albert Bandura’s pioneering work on of self-efficacy demonstrates that belief in one’s ability to perform a task significantly affects the actual ability to perform it. More recently, Joshua Aronson and Claude Steele reported that African Americans and other minority groups internalize racial stereotypes, which negatively affect their performance during such stressful situations as standardized tests.
When the tests were called “puzzles,” African Americans solved them just as well as their White peers. When the same tests were presented as “tests,” Whites did much better. The same mechanism worked with women. Female students were asked to solve mathematical problems supposedly designed specially for women. After such an introduction, they did as well as male students. Without the introduction, women did worse than men. Just last year, David Marx, Sel Jin Ko, and Ray Friedman demonstrated that right after Barack Obama’s nomination speech and his election victory, African Americans scored equally with Whites on a test. At other times, they scored lower. These studies show that self-efficacy may be a function of group identity. At least one form of self-efficacy is an internalized vision of oneself as a member of a group, with biases against one’s own group internalized. The studies also show that subtle social signaling may affect self-efficacy. It does not take much to trigger a significant increase or decline in efficacy.

A similar effect, I argue, must exist with respect to good schools. Belonging to a school is a form of group identity, and the descriptor of good vs. bad is a not-so-subtle social signal. In the American context, belonging to a bad school is very often, but not always, interlaced with racial and class identifiers. Just like racial or gender stereotypes, these beliefs about one’s efficacy do not have to be stated explicitly, or consciously shared by the person who internalizes them. Students that believe they are in a good school perform better than those who believe they are in a bad school. The perceived quality of school affects students’ belief in their own capacity to perform academic work, which in turn affects the capacity itself. A school may be bad not because it contains less able students, but because the students are less able due to attending a school that has a poor reputation.

To improve a poor performing school, one needs to increase student efficacy. To increase student efficacy, one needs first to change the perception of schools as being bad. Such a catch-22 situation is very hard to overcome when dealing with an individual person and his or her self-efficacy issues. It is nearly impossible to do when dealing with a large group of people, none of who individually is capable of changing the perception of the entire school.

Group distinctions can be more or less significant. For example, the difference between a Protestant and a Catholic may be all-important in nineteenth century America, and become relatively unimportant in the twenty-first century. Distinctions between African Americans and Whites for the purposes of performance on tests may be significant now, and not significant in a few decades. Such distinctions are not central to the existence of the respective groups. Women and African Americans do not have to define themselves entirely on how well they do on standardized tests. However, the distinction between a losing and a winning team in an athletic game are constitutive to the group identity, and cannot be simply replaced with something else. The teams exist to compete. The difference between a good school and a bad school is more like that among athletic teams than that between races. With the same level of innate ability and previous preparation, students who believe they are on the loosing team will not perform as well as those who believe they are on the winning team. This is true even if the losing team actually benefits
from the game as much as the winning one. This is also true if the innate abilities of both teams are equal.

An exceptional school leader is sometimes able to convince teachers, students, and parents that their particular school is much better than other similar ones. Then students and teachers actually start to perform better, because they are convinced their school is better than others in similar circumstances. However, just because such a feat is possible, it does not mean it is likely to happen in every school. This is true, in part, because an educational miracle somewhere next door decreases the likelihood of a miracle in one’s own school. In schooling, someone else’s success is likely to demonstrate your failure.

My extensive search for empirical evidence yielded nothing to confirm that student efficacy specifically depends on perceptions of school quality. It is surprising, because such a phenomenon would be fairly easy to establish by studying whether student self-efficacy changes once a student is transferred to a better school. While there is good evidence that simply moving to another school of similar effectiveness does not affect student achievement, it is not clear if moving to a much better school actually improves student self-efficacy, and not only the quality of instruction. But my aim in this essay is more modest: I want to plant a reasonable doubt in the minds of those who believe schools are not positional, and that they are improvable. If student self-efficacy is affected by the school’s relative standing, the existence of bad and good schools has a powerful self-reinforcing mechanism.

Effort

Student effort is closely linked to self-efficacy, but they are not the same. Students can consciously apply more effort if they believe it is to their advantage. If we accept the premise that the quality of student labor is as important as the quality of teaching labor, we may also assume that students work harder in better schools.

If students try harder in better schools, why do they do so? Better instruction does not necessarily increase student effort. Although schooling may be a nonpositional good objectively, it is perceived as positional by students. They will apply different levels of effort depending on calculations of possible benefits from their labor expenditure. Just the general awareness that one’s school might be among the worst could make application of effort so risky that it becomes meaningless. And vice versa, knowledge that one’s school is significantly better than others will make one’s effort much more rational, because the return is much more likely.

Student labor is not positional in a sense that is it is absolutely scarce. Of course, more students can apply a lot more effort to their own learning. It is positional in a sense that elevated levels of effort in one group of students decreases the level of effort in another group of students. To explain this phenomenon, consider that students purchase their education with labor rather than with money. Because the quantity of student labor is set as roughly the same (13 years, 180 or so days per year), the variation of the price occurs in quality rather than the quantity of labor. The consumer tends to seek the lowest price for the best value. But the value of education is not easily measurable, and is uncertain. In case of such uncertainty, we deal with
what George Akerlof called “the lemon principle.” Producers of lemons tend to displace quality producers, because the consumer does not know if he purchases a quality product or a lemon.

In uncertain markets, a number of “anti-lemon” effects are evident. W. Bentley MacLeod and Miguel Urquiola describe the effects as instances when “firms can influence the quality of their good by positively selecting their buyers…the perceived quality of a school depends upon the quality of the buyers who purchase its services, resulting in a tendency for selective schools to drive nonselective ones from the market.” This is quite obvious in the case of private schools, which charge high tuition to ensure their services are perceived as high quality. In the absence of good value-added measures, the anti-lemon status indicator serves as a proxy. However, the same phenomenon works in good public schools, which tend to expect high input of student labor, if not tuition. This anti-lemon device is by definition positional, because the point of branding a good school is to charge higher levels of labor input to provide a proxy for quality indicators. And it is quite obvious that if one were unable to purchase a high quality education from a more selective school, one would be foolish to overpay for the poor quality education received from a bad school.

The value of purchased education depends not on the “price” each individual student is willing to pay, but on the prices each of his classmates are willing to pay. This is like a collective long-term contract, not an individual act of purchase. If all students in a given school decided to work hard, the value of purchased education would rise. However, if one student decides to work hard, she quickly realizes that her effort may be wasted, because the value of the schooling she receives does not rise proportionally with her individual efforts.

The situation here is a particular case of prisoner’s dilemma. If everyone pays a higher price, everyone may win. If I underpay, and everyone else pays high, I win. If I pay high and everyone else tries to ride for free, I lose. Considering the level of uncertainty, and of the likelihood of sudden school improvement, one has to choose not to pay a high price in the form of greater effort.

Once again, an exceptional school leader is sometimes able to convince teachers, students, and parents that his or her particular school can be much better than other similar ones. Then students apply more effort believing that the school is virtually, if not physically, leaving the ghetto. This phenomenon creates the educational miracles we all want to replicate. But the momentum of such a miracle largely depends on other schools in the neighborhood staying behind.

What incentives can schools provide to their students? — Only those that can be called “psychic rewards.” However, psychic rewards are substantially social; they connect to status and exist in comparison with others. Without a belief that one’s school or classroom is better than others, such rewards do not work. To believe this, one needs evidence of others doing worse. Therefore, good schools depend on bad schools for their existence. The bad schools motivate students in good schools to apply sufficient effort and to keep the status of the good school elevated.
If the mechanism is actually responsible for at least a part of the good school phenomenon, then we cannot use good schools as evidence that schooling can be improved. The goodness of schools is, at least partially, a positional good, which is inherently scarce.

**The Structure of Schooling**

Simply by putting children and adolescents in large and competing teams called schools, we made them prisoners of each other’s intent. Improvement depends on most teammates making a commitment to increase labor output, and on the inability of other teams to come to the same agreement. We ensure the existence of winning and losing teams. That, in turn, affects their performance through both self-efficacy and the level of conscious effort. When schooling itself was selective, the essential competition was between those in school and those not in schools. The unschooled clearly made up the loosing team. With the advent of mass schooling, where almost everyone is in school, the need for a losing team did not diminish, because the game did not change significantly. The outcomes of schooling are still used to determine one’s life outcomes, but the outcomes are predicated on the quality of schooling in advance. The loosing team now by necessity resides in bad schools. The attempts to reform them fail because the team members are not able or willing to play harder and better.

Schooling is a group activity but it is also a competitive activity. There is nothing more fundamental about the institution than these two facts. We put students in groups, because it allows for the efficiency of teaching: one adult can teach several children, which allows other adults to concentrate on their work. It is simply another form of division of labor. Schooling is competitive because it is used to increase and determine competency, which in turn is used to sort people. It is also competitive because student labor is not compensated monetarily, and there are no incentives other than social comparisons. The combination of these two features make the existence of bad schooling essential to the whole operation, which explains the failure of school reform attempts.

It is possible that the schools’ role in reproducing social inequalities can be explained by their institutional structure, not by influences from the outside. Perhaps Samuel Bowles and Herbert Gintis were wrong, and schooling does not simply reproduce the capitalist society and its inequalities. In other words, schools may actively create inequality quite independently of outside social relations, because they depend on such inequality to maximize their efficiency.

Admittedly, this is a rhetorical overstatement. It is likely, of course, that both mechanisms are in place. Schools do reflect social inequalities through a variety of social reproduction channels, and they also have their own built-in differential engine. The important distinction I want to make is this: if schools simply mimic the larger society, they can be reformed to minimize or eliminate that effect. However, if they also depend on the distinction between good and bad schools for their core existence, they are much less likely to be reformable.
There is an emotional dimension to all this. Many people would say that we have no other choice, and need to improve schools no matter what. This is where optimism is counter-productive. When an unrealistic goal is being pursued with dogged stubbornness, it is not just wasteful in terms of resources and students’ lives. Attempts to reform the unreformable create their own perversions. Schooling that is being rescued and improved no matter what the cost starts looking much more frightening than the old schooling that was simply unequal and inefficient. The schemes of total accountability just do not seem to be workable — no matter what technology and what regulations we employ. And yet we come up with one such scheme after another, seemingly oblivious to previous failures. Something is very rotten in the very heart of the Danish kingdom, not on its façade. Adding school choice will not help a bit, because schooling is by its very nature a positional beast. But education does not have to be that.

**Education Without Schooling**

The alternative is to seriously consider education without schooling. Instead of trying to save the failing institution, we would be better off looking for another institution to replace it. Like any other social institution, mass schooling had its birth, and it will probably find its death, or morph into something else at some point in the future. Education reform movements of all stripes must entertain the possibility that the current institution of schooling may not be improved to any significant degree. This is a matter of allocating resources: do we commit resources to saving a dying institution, or to looking for alternatives? When is the right time to abandon a social structure that has stopped working? I do not venture to say that today is the day, but we would be well served to entertain such a turn of events as a possibility.

This is not the place to lay out specific proposals. I indicate some possibilities, so this essay does not end on a negative note. Education does not have to be a team sport. First, the grouping of children into classes and schools does not have to be permanent or visible. There is no need to keep students as each other’s prisoners. Because we do not depend on physical proximity to exchange information, physical schools are no longer necessary. One can leave the ghetto individually, without waiting for everyone else — and do it virtually. Online schools are not just a gimmick, but a game-changing development. As with many such developments, it is little noticed or appreciated. Second, we can replace the competitive incentives with monetary incentives by simply paying students to learn. If student labor is paid for, students will not perceive learning as a form of payment for the very elusive and uncertain commodity; rather, they will actually sell their labor to the public. Paying for learning removes the uncertainty from the student labor.

**Conclusion**

I have presented several reasons for considering schooling to be a positional good, and as such schooling is not capable of becoming equitable. The argument can be easily extended to teachers’ performance, which is as much a function of their school environment as it is a function of teachers’ individual qualities. Readers may or may not find this way of reasoning compelling. However, it is important to establish that educational reformers bear the burden of proof that the reforms they
are proposing are feasible, before arguing they are desirable. As a matter of proper
democratic deliberation, we must demand feasibility studies before any significant
reforms are launched. An explicit feasibility proof is the exception rather than the
rule. The entire set of accountability reforms culminating in the No Child Left
Behind law were undertaken without any evidence that they were feasible. Now we
engage into another ambitious and very expensive set of reforms under the Race to
the Top Fund, without any proof of principle. Claims that something must be done
cannot replace rational argument or evidence that these specific solutions can be
done.

The feasibility claims with respect to a systemic reform cannot be reduced to
showing examples of certain practices existing in individual schools. It very well
might be the case that bad schools and good schools need each other to exist.
Whether it is or is not true, proof by example is a fallacy. Proof by example is only
valid for simple, existential claims, like this: successful schools can be possible in
lower class neighborhoods. However, it does not follow that such schools can be
expected to become the norm.

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