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## Identity and Politics in School Reform Research

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**A COMMENT ON:** GEORGE A. AKERLOF, AND RACHEL E. KRANTON.  
2002. IDENTITY AND SCHOOLING: SOME LESSONS FOR THE ECONOMICS  
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[Abstract](#), [Keywords](#), [JEL Codes](#)

**GEORGE AKERLOF AND RACHEL KRANTON (2002) START WITH** a question: Why do schools with similar resources produce such widely varying outcomes? Why is it that schools with similar class sizes, for example, produce highly varied levels of student learning? Quoting one of their own referees, Akerlof and Kranton note that “economists do not have good models for explaining why school resources do or do not (as often found) affect the returns to schooling” (Akerlof and Kranton 2002, 1167). Economists have produced evidence showing that resources do matter, but they have not shown *how* they matter.

Motivated by the sociological literature on schools, Akerlof and Kranton make the following argument about school resources and achievement. Student learning depends on interactions between students and schools. Students have an identity, such as “burnout” or “nerd.” A student will try to learn at school if such achievement enhances his or her identity. Citing James Coleman’s (1961) study of ten Illinois high schools, Akerlof and Kranton present a model in which students,

choose their social category, and they choose effort in school. . . . They consider the match between their own

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characteristics and the ideal characteristics of jocks, burnouts, and nerds. . . . They consider the match between their own actions and the ideal behavior of their chosen categories. (Akerlof and Kranton 2002, 1168–1169)

Therefore, school administrators will improve student performance if they use school resources to cultivate academically oriented identities among students. When student backgrounds provide an identity inimical to academic achievement, Akerlof and Kranton suggest that “the aim of the curriculum and other aspects of the reform is to trump the effect of students’ backgrounds on school participation” (Akerlof and Kranton 2002, 1189). Economists can better understand the effects of school resources if they view learning within a process of identity formation, resource allocation, and social interaction.

The sociological literature confirms the common sense view that students often care less about their studies than about what their friends think. This literature induces Akerlof and Kranton to formulate a model of student effort. Akerlof and Kranton adopt the standard approach to modeling the market value of education: skills are valuable because of market wages (see discussion of “student utility function” on page 1172). Akerlof and Kranton’s innovation, which first appeared in Akerlof and Kranton (2000), is to model the effect of student identity on the utility of class-work effort. The utility of effort depends on the returns to human capital *and* on how participation in academic activities reinforces the student’s identity. An identity/social category has an “ideal” effort level. “Jocks,” for example, would probably think that they should spend some effort on academic activities but the rest of their time on athletics, while “nerds” think that all their time should be spent on academics. Deviations from the ideal effort level decrease the student’s utility. For a student, the total utility of class-work effort depends on both market wages and the way academic effort figures into her identity.

Upon this model of student effort, Akerlof and Kranton build an analysis at the *school* level. They assume that a school has an “ideal,” which roughly means image or academic standard. In the model, the school ideal is a level of effort that teachers expect students to show. For example, at urban magnate schools teachers expect students to dedicate nearly all their time to school work. Akerlof and Kranton note that a school’s ideal might conflict with student identity. Students whose identities do not resemble the ideal presented by the school will “burn out” and choose not to exert the effort needed to learn. The proportion of “burnouts” depends on the

school's ideal and its position within the distribution of student identities. Therefore, school reforms will be effective when reform discourages burnouts by offering an ideal compatible with the student population. Akerlof and Kranton go on to argue that episodes of school reform can be explained as attempts to minimize burnouts and maximize student skill acquisition.

I criticize Akerlof and Kranton's school reform analysis on two grounds. First, Akerlof and Kranton assume that schools seek to maximize student skills; that assumption is, at best, incomplete. Second, Akerlof and Kranton misread the evidence regarding school reform.

### **SCHOOLS AS SKILL MAXIMIZERS**

Akerlof and Kranton assume that schools choose to maximize the skills acquired by students. Akerlof and Kranton do not justify this assumption, but many of their arguments depend on it. For example, they suggest that a school might offer multiple ideals as an appeal to a heterogeneous student population, which should increase the school's average skill level. Two ideals correspond, for example, to having college-bound and vocational tracks in the school. Two ideals might also describe a situation in which teachers expect quality academic work from some students, while allowing other students to submit substandard work. Multiple ideals are meant to appeal to students with diverse identities in order to minimize the number of students who reject the school and choose not to acquire skills offered by the school. Akerlof and Kranton argue that when student populations are heterogeneous, schools offer multiple ideals: "the school achieves higher skills by providing two categories. Two categories increases the number of students who identify with the school" (Akerlof and Kranton 2002, 1187). Akerlof and Kranton state that "the more students view themselves as different from the school, the more the school must reduce its ideal to engage students in the school and increase skills" (Akerlof and Kranton 2002, 1186).

The skill maximization assumption completely ignores the fact that schools, especially public schools, have audiences and political constituencies that limit school operation and organization. In real life, the choice of an ideal—if such a choice is even made—is not necessarily an attempt to maximize mean skill levels. Sociologists and educational researchers provide

ample evidence that curricula and teaching practices are influenced as much by politics as by attempts to maximize marketable student skills. Historical analyses show that school organization emerges from a complicated series of decisions that are both pedagogical and political. For example, the Prussian school system, a model for the American school system, was designed mainly to teach loyalty to the nation-state (Bendix 1968, 244–245). Horace Mann, leader of the American Common School movement, urged that schools be created so that future generations would be saved from “vice” and prepared for their future “civic duties” (Cremin 1957, 75–77). Studies of recent curricular reform also focus on the political contexts of school organization. They emphasize that curricular change often depends on the reformers’ appeal to a school district’s political culture (Binder 2002).

In a single paragraph on page 1171, Akerlof and Kranton cite one unpublished article that recognizes schools as dependent on democratic politics (namely, Kremer and Sarychev 2000), but they fail to incorporate political realities into their description of how administrators and teachers operate their schools. Only in the last paragraph of their article do Akerlof and Kranton mention that schools might have goals other than maximizing student skills. Akerlof and Kranton note that parochial schools have non-economic goals: “religious schools often eschew economic goals in favor of religious goals. In some cases, they view their primary mission as the separation of the saved from the damned” (Akerlof and Kranton 2002, 1198). Akerlof and Kranton allude to the accusation that voucher-supported charter schools were created to maintain all-white schools: “A similar desire for separation lay behind the voucher-supported private academies established (unconstitutionally) in the wake of *Brown vs. Board of Education*.”<sup>1</sup> Because public schools also have non-economic goals determined by school boards and other political entities, Akerlof and Kranton write that “school choice may be neither skill-increasing nor ideologically neutral” (Akerlof and Kranton 2002, 1199). Because all schools have non-economic goals, choice may not make a difference. Akerlof and Kranton’s conclusion ignores the

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<sup>1</sup> This accusation is surprising given that a Department of Education survey shows that charter schools often have *more* minority and limited English proficiency students. Analysis of the Department’s 1997 survey of charter schools shows that the student population in charter schools is nearly identical to the ethnic composition of the states where charter schools are located, except for Native Americans, who rarely attend charter schools (Office of Educational Research and Improvement 1998:10, N=428, response rate = 87%). The same survey found that 60% of charter schools have minority populations resembling their districts and 35% of them have higher concentrations of non-white students (11).

fact that public and private schools have different kinds of non-economic goals. Private schools must answer to parents and the communities that sponsor them, while public schools must cater to voters, local school boards, and teacher's unions. Akerlof and Kranton allude to this on page 1189 but fail to incorporate the insight into their school choice model, which leads them to believe that the ability to choose between public and private schools probably makes little difference. There is much value in presenting a simplified model of school reform, but Akerlof and Kranton's omission of the political contexts of the school is highly misleading and supports dubious conclusions about the efficacy of school choice.

### MISREADING THE RECORD

Akerlof and Kranton's incomplete school choice model leads them to misinterpret school reform. For example, they make much of the fact that American schools have become "shopping mall" high schools (Powell et al. 1985) with lax disciplinary policies, and where students are allowed to choose courses. According to Powell et al., shopping mall schools best serve gifted and disadvantaged students in need of specialized education. Average students are not well served because they require a coherent and organized curriculum.

Akerlof and Kranton argue that their school reform model explains the shift to the shopping mall school. They use their model to interpret change in a school studied by Gerald Grant in *The World We Created at Hamilton High* (1988). Offering course electives and lax discipline means shifting the school's academic and disciplinary standards. Akerlof and Kranton's model depends on a parameter  $s$ , a value representing the ideal characteristics of students associated with  $S$ , a school's social category (Akerlof and Kranton 2002, 1183). Akerlof and Kranton note that "the choice of  $s$  involves a trade-off: Increasing  $s$  increases skills directly, but reduces  $[1-\beta]$ , the number of students who identify with the school. The optimal  $s$  balances these effects" (Akerlof and Kranton 2002, 1186). Akerlof and Kranton's model predicts that when students are heterogeneous, a single school ideal will produce too many "burnouts." They interpret the permissive high school as a response to an increasingly diverse student population.

Comparison of the total skills for one category,  $s^*$ , and of two,  $s^*_{H}$  and  $s^*_{M}$ , shows that when social distinctions are large ( $t$  is large or  $\sigma$  is large), the school achieves higher skills by providing two categories. Two categories increases the number of students who identify with the school. When the social distinctions are small . . . students are more likely to identify with the school, and a school will maximize skills by eliminating choice and providing a single standard. The events at Hamilton High are thus consistent with the model. In the short run, the single initial value of  $s$  is fixed and there was a massive disruption. This disruption eased in the long run as the school moved from a single- $s$  ideal to a double- $s$  ideal with choice and tolerance. (Akerlof and Kranton 2002, 1187)

According to Akerlof and Kranton, Hamilton High became a “shopping mall” after the school was forced to racially integrate, which increases  $\sigma$ , a variable denoting the diversity of the student population. The  $\sigma$  parameter reflects “socioeconomic status, race, and ethnicity” (Akerlof and Kranton 2002, 1183). Once black students entered the school, they severely misbehaved. The school shut down and reopened with more lenient academic and discipline policies. Akerlof and Kranton interpret this as a shift from a single ideal to multiple ideals. According to them, students had revolted because the school’s ideal was too different from the identities of the demographically diverse integrated student body.

It is true that the shopping mall high school emerged after a demographic shift, as Akerlof and Kranton’s theory predicts. However, Akerlof and Kranton omit details that contradict the purported explanation. For example, nowhere in Grant’s case study does anyone ever assert that permissive standards were introduced to reduce burnouts or maximize student skills. Instead, Grant’s case study shows that the permissive high school was ushered in by a combination of non-demographic factors. One factor was declining belief in teacher authority, a general cultural change starting in the 1960s. According to one guidance counselor who worked at Hamilton, students questioned teachers in the following manner: “A kid could always turn around and say to you, ‘How many of the faculty have an alcohol problem? And yet . . . they continue to teach.’ . . . So who are we to say what’s right or wrong?” Gerald Grant’s comment captures the key

point: “Here was the collapse of adult authority as a standard for children. Not only did this counselor express no moral authority, she actively concurred in the notion that adults in general deserve no authority because some adults have a drinking problem” (65). The guidance counselor failed to enforce the moral order of the school.

The reason that student disruption led to school reform was not changing student demography, but the disintegration of the cultural consensus undergirding teacher authority. Gerald Grant describes the shopping mall high school as a negotiation between angry students and teachers unwilling to assert their authority, not as a response to new student identities. Gone were the days when teachers were unquestioned authorities in their classroom. Teachers overreacted to lawsuits and state regulations curtailing their powers, and they were confused about what they could do in the classroom. Surveying teachers, educational researcher Henry Luffler found that “Courts have increased the insecurity of teachers as they deal with the average discipline problems that take place within a school... We found a great deal of misunderstanding about what courts have said, and an overwhelming pattern of overestimating the extent to which courts have told teachers what they can and can’t do in the classroom” (Grant 1988, 203). A more likely story is that lawsuits, parental intervention, and classroom regulation became excuses to not enforce discipline, which is one of the teacher’s most important and demanding jobs.

Cultural change in the 1960s and moral breakdown provide a more plausible interpretation of student misbehavior and its relationship to school organization than Akerlof and Kranton’s theory of student demography, burnout and skill maximization. For example, Akerlof and Kranton present an exchange in which a student challenges a teacher as evidence that black students reject Hamilton High’s ideal. In the exchange, the student has stood up in class to grab a piece of paper for a quiz, and the teacher insists that the student sit. In the exchange, the student says, “Why you picking on me? You don’t pick on the white kids who borrow a piece of paper” (1184). Akerlof and Kranton use such episodes as support for their model: “In terms of our model, the diversity,  $\sigma$ , of the students rose; most of the new students’ characteristics were considerably below the school’s ideal  $s$ . The model predicts exactly what happened: the number of burnouts and the disruption in the school increased” (1184). I argue that this incident does not show burnout; the student hasn’t rejected the school’s academic standards. Instead, the student challenges the teacher’s application of these standards, which Akerlof and Kranton briefly

acknowledge (Akerlof and Kranton 2002, 1184). Inconsistent standards are the justification for questioning the teacher's authority, not a rejection of the school's ideal. The dispute arises from notions of fairness, not burnout and student dis-identification with the school.

Consider the following: In the late nineteenth and early twentieth centuries, American public schools were extremely heterogeneous: they were filled with immigrants from dozens of nations. If the Akerlof and Kranton model is right in that schools shift their academic standards to reduce burnouts and maximize skills in heterogeneous student bodies, then early twentieth century schools would have dropped their focus on assimilation and allowed immigrants and their children to develop their own courses of study. The opposite happened: the presence of a heterogeneous student population was seen as a reason to force students to speak a single language and adopt the school's pedagogical mission. Why? American educational leaders were determined to have schools produce English-speaking Americans (Cremin 1957; Tyack 1974; Hampel 1986). The school's mission was determined by American political culture, not by a skill-maximizing response to student demography. Akerlof and Kranton discuss attempts to Americanize immigrant children but fail to integrate their observations into their school reform model. For Akerlof and Kranton, schools trying to Americanize immigrant children show "that even the most caring teachers can unknowingly offend their student and convey that they are inferior" (1181). Instead, I argue that this episode demonstrates the intransigence of early American schools in the face of a diverse student population.

### CONCLUDING REMARKS

Akerlof and Kranton's model ignores the ongoing political forces behind school reform; it presents an unrealistic explanation for why schools change and why students revolt against their school. The model that Akerlof and Kranton should present is one that treats schools the same way Akerlof and Kranton treat students. School personnel (like university professors!) have goals reflecting not only utilitarian values but also their political and social identities. Public schools belong to a political apparatus and are inherently political, a point that Akerlof and Kranton acknowledge but do not fully incorporate into their model.

Akerlof and Kranton are right in pointing out that school resources can be used to “trump” local cultures that are hostile to school achievement, but they do not ask when teachers will use resources for student learning. They should recognize more that teachers have goals that interact with the goal of maximizing student skills. As Akerlof and Kranton emphasize, some goals, such as religious indoctrination, might assist students in learning because students will more closely identify with the school. In contrast, pursuing job security by limiting evaluation of what students have learned might work against skill acquisition. The efficacy of school reform depends not only on the deployment of resources but also on the trade-offs created by the pursuit of multiple goals.

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