

The Elusive Ideal: Equal Educational Opportunity and the Federal Role in Boston's Public Schools, 1950–1985. By Adam R. Nelson. Chicago: University of Chicago Press, 2005. Pp. xvii, 332. \$27.50, paper.

Academics and the popular press have showered attention on the history of school desegregation and busing in Boston's public schools and elsewhere. *The Elusive Ideal* provides much-needed context for understanding the events in Boston and, in so doing, provides a useful history of federal education policy. The book weaves together a general discussion of the history and politics of federal policy for elementary and secondary education with details of how various local officials in Boston, as well as parents and community leaders responded to the federal programs. The story of federal aid to local schools begins in the 1950s with ostensibly national-defense-related programs, aid for areas with large numbers of federal employees and, following the launch of Sputnik in 1957, the National Defense Education Act. Boston briefly debated whether accepting such aid would result in the loss of local control. In the end, financial pressures proved too great, and the district decided to pursue federal funds wholeheartedly in the decades since.

The federal role expanded substantially in the 1960s, both in terms of dollars spent and the pursuit of specific goals, primarily improving educational opportunities for disadvantaged children (including mentally and physically, as well as learning disabled, emotionally disturbed, language deficient, economically disadvantaged, and minority children). A major theme of the book is a debate that pervades discussions of the many programs for educationally disadvantaged children: Should those with "special needs" be integrated into the normal classroom environment with supportive services or taught in separate classrooms (and possibly separate schools) with curricula and teachers tailored to their particular needs? At first, this debate was purely pedagogical. But once racial balance became an important goal (indeed, a requirement under Massachusetts law, the federal Civil Rights Act, and the rulings of federal courts), new and existing programs for disadvantaged students, who were disproportionately minority, came into direct conflict with racial balance.

Some scholars have argued that the Civil Rights Act of 1964 combined with the Elementary and Secondary Education Act of 1965 (ESEA), which substantially expanded potential federal funding available to local school districts, may have promoted school desegregation in the South (Rosenberg, *The Hollow Hope*, University of Chicago Press: 1991; Boozer, Krueger, and Wolkon, "Race and School Quality Since *Brown vs. Board of Education*," *Brookings Papers on Economic Activity: Microeconomic*, 1992: 269–326). In Boston and other Northern cities, on the other hand, the goals of ESEA and earlier programs for the mentally handicapped were in conflict with desegregation. An emphasis on providing students with special needs with special *isolated* learning environments had exacerbated racial segregation in schools due to underlying patterns of residential segregation (and some would argue, discriminatory drawing of attendance zones). Concentrating students who qualified for special federal programs, including poor students who qualified for Title I of ESEA, in the same schools and classrooms inevitably lead to racial segregation, but such a concentration of students made targeting funds more effective. Nelson shows that minority students were placed in special programs (not least, bilingual education programs, which were sometimes in separate schools) at a higher rate than whites, but it is difficult to infer the magnitude of such programs' contribution to overall school segregation relative to the contribution of other factors, in particular residential segregation.

Another of the book's recurring themes will be of great interest to economists—the story is rife with local officials and advocates responding to incentives (intended and

unintended) in the federal funding formulas and other policies. Local officials consistently attempted to classify as many students as possible in categories that qualify for extra funding. Such responses brought the usual problems: higher-than-expected costs for new programs and undermining the intended targeting. In many cases, these re-classifications may have had longer-term effects on thinking about disadvantage and disability. Chapter two describes how Boston pursued an aggressive strategy of redefining poverty as a disability, for which federal funds were available, before ESEA funding was available specifically for economically disadvantaged children. On the one hand, this strategy brought additional funding into a financially struggling district; but on the other hand, it led inevitably to high rates of disability diagnoses among minorities, setting the stage for a decades-long debate about racial bias in diagnosis of disability.

In places, Nelson indicates that proponents of “isolated” programs genuinely believed that such an approach benefited disadvantaged and “normal” students alike, but one wonders whether some hoped to use the programs simply as a way to remove minority students from whites’ classrooms. The book would benefit from some discussion of this concern. The book documents massive increases in the number of special education students and the accompanying explosion of spending as well as concerns about racial bias in screening for special education and over-diagnosis, but it does not assess the educational consequences of these extensive changes for students. Credible studies of the effects of such programs are scarce, and the book is not intended as an economic “policy evaluation,” but it appears that a large number of students (whether they were truly disabled or not) were moved to expensive special education classes. Did anyone argue (or is there any evidence) that extra resources, such as smaller classes and more highly trained teachers, would be helpful even if the students did not actually require special education? Given the extent to which the district “gamed the system,” one might expect schools to enroll marginally disabled students in “special education classes” (garnering reimbursement from the state and federal government) without pursuing special education curricula (amounting to a small regular class).

The Elusive Ideal is a well-researched history of the evolution of policies for and approaches to educating children with special educational needs. Although the book concentrates on Boston’s story, its lessons are more general. It will be of great interest to historians and economists who study the development and effects of educational policy in the United States.

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GENERAL AND MISCELLANEOUS

Imperfect Institutions: Possibilities and Limits of Reform. By Thrainn Eggertsson. Ann Arbor: University of Michigan Press, 2005. Pp. vi, 264. \$65, cloth; \$27.95, paper.

Imperfect Institutions attempts to analyze why institutions that prompt economic backwardness emerge and persist, to suggest how to reform or recast such institutions, and in the process to educate readers about the ways and accomplishments of the new institutional economics. It only partially achieves its goals, in part because it is written opaquely and in part because how economic institutions are created and what they do are both incompletely understood.

Chapters 1 and 2 integrate new institutional economics with a history of modern growth theory to illustrate the importance of institutions. This section begins with the