

**JB**

Schools should say, Hey, we're going to be able to provide you this value, you should take your money and come to us, as opposed to what we're just going to stick you over here. Right. And we're going to hope that this system is going to serve you well, right. So it moves the locus of control from some bureaucrats who don't know you and don't know your kids, to the families that know their kids best and who love their children have the greatest incentive to make sure that their children have the best education they could possibly have that meets their particular learning needs.

**SD**

Hey, kiddos, entrepreneur families. Welcome to another episode of the young grit podcast today. I have an amazing guest, Jason. He is with us today. He is a lifelong learner. He is a born entrepreneur, but in the tech in the educational space. And he is in charge of AED choice. He's the director, I would say that Do you have a

**JB**

crazy Director of Policy, so I don't run the whole organization. But I do have the policy aspects of it.

**SD**

So he heads up the policy the ins and outs of how to use this throughout the country in the world. So and one of our mutual biggest role models in all of history is Milton Friedman. He is part of the reason for choice. One of the creators, I believe, of Ed choice, and my personal hero, and so I wish if there's five people I could ever have dinner with he would he would have been on that list. So we get to talk about him today. It's going to be a fantastic podcast. Jason, welcome to the podcast.

**JB**

Thank you for having me.

**SD**

Absolutely. Okay, so let's jump into this. I want to hear first, we always do this first. Remember back to your earliest business the earliest time you asked for a sale, your first sale ever. What was it?

**JB**

lemonade, lemonade. Oh, we I had heard some kids at school had set up a lemonade stand. And they made a battle remember how much but they made what seemed to me at the time when I was probably I think fourth grade, maybe third grade seemed like a ton of money. And we decided to set up our own lemonade stand. And this is where we learned the lesson, location, location location, because I lived in a very rural town, and I lived in a very rural part of the town. So you know, these other kids may or may have lived on a busier road. We set up shop and I mean, there were like no cars. There were no cars coming by. We had gone to Costco and gotten a whole bunch of it wasn't just lemonade. We also we had like Airheads and we had, you know a bunch of different candies and snacks and stuff. I don't know how many sales we had, I think maybe by the end of the weekend, we had like, you know, less than \$10. That way, not a lot of foot traffic in my my mother had had warned us it was not going to be particularly successful. I mean, we weren't on a cul de sac. But we were in like an area that you did not need to go by on your way to the main road. So it was mostly like neighbors that were like returning schools should say, Hey, we're going to be able to provide you this value, you should take your money and come to us, as opposed to what we're just going to stick you over here. Right. And we're going to hope that this system is going to serve you well, right. So it moves the locus of control from some bureaucrats who don't know you and don't know your kids, to the families that know their kids best and who love their children have the greatest incentive to make sure that their children have the best

home from somewhere that were kind enough to, to you know, buy lemonade and even like, throw in like an extra dollar just so they felt bad for us. But, you know, my own kids have have run lemonade stands. We live on a busier street now. And they've they've been a lot more successful and my daughter's bake. And people like baked goods too. So yeah, it's we've we've passed that tradition down more successfully in the in the second generation.

**SD**

Well done. I think some of the best lessons are learned through failure. So well done there. I for sure. I remember having an origami business with my cousin when we were in second grade. And we did the same thing as you we put out a bench and some chairs and some origami to see what want to buy some of our cranes and our boxes made out of paper. And what I didn't think about was the fact that we are the last house on the street, and it's a dead end. And nobody ever

**JB**

comes that way. You know, I took my daughter's for a hike. And when we got to the summit, we were we were exhausted. And there were other people that were coming up and everyone was, you know, pulling out their canteens and whatnot. And my daughter said, you know, we should set up a lemonade stand up here. We haven't done it yet. But that that's a brilliant spot.

**SD**

Location, location, location. That is a great rule of thumb. And now I love that because in the world of digital, it the same principles apply. I mean, how much do you wish? I mean, same here, you and I, when we were kids having the ability to sell online and figure out a way to get to a huge world out there. Yeah.

**JB**

Amazon's a location to in some sense. Oh, yeah, for sure. That's right.

**SD**

That's right. Well, very cool. So I want to hear a little bit about your story. So how did you go from From lemonade in rural rural areas to Director of Policy for All of Ed choice, what led you down this path?

**JB**

Yeah, you know, it's funny I, I went to college to be an entrepreneur. I went to Babson College, so business school that had a top entrepreneurship program. My father is an entrepreneur, he had started his own business when he was 25. Selling furniture, and you know, eventually had the largest furniture store in the state of New Hampshire, small state, but I wanted to either go into the family business or strike it on my own. And actually, when I was in college, is when I became more interested in public policy and decided that that's where my real interest was. And in part, it was this fellow right here, Milton Friedman. I had always really been interested in education. And I was doing a paper on education policy for my political science class. And, you know, basically, the idea was like, how can I improve education in New Hampshire. And in particular, for me, the the idea was that Fortunately, I picked good parents, and they could afford to live in an area that had a very high quality public school, at least again, it was a very rural area, there are fewer than 10,000 people in my town. So we didn't

even have a high school. They would they usually contracted with another town, just before I went to high school, they switch to a different school, my parents ended up sending me to a private school. So I had both eight years of public and then four years of private, unfortunately, they could afford that. But what seemed to me that was fundamentally unfair, was I mean, this country is based on the idea of equality of opportunity. And that really requires access to a high quality education. And when you're assigning people to a school based on the home that their parents can afford, yeah, some kids are going to have access to a much better quality education than others. And that seems to me unfair. Milton Friedman was the one who had this, this brilliant idea. He said, You know, it makes sense that the government pays for education, because some, some parents are going to be able to afford it, and some parents aren't. But it doesn't follow from that, that the government should run the schools. Hmm. And because what we see is that, you know, kids in lower income areas tend to be assigned to public schools that just don't perform as well as kids in higher income areas. And you might say, Oh, well, because it's a funding issue, but it's really not some of the worst schools in the country are some of the best funded in Washington, DC, they're spending more than \$30,000 per pupil. In New York, it's about \$31,000 per pupil. Wow. And New York City it is. And yet, some of the worst schools in the country are in those places. So it's not a matter of funding. It's really a matter of power, right? These these families are like captive audiences. So Milton Friedman said, You know what, the money should go directly to the families, and they should choose the school that works best for their children. And now I actually am the Director of Policy at Ed choice. It used to be called the Milton Friedman foundation for educational choice. He started it in 1996. At to work all across the country on trying to expand educational opportunity for all.

## **SD**

I love it. Oh my gosh, okay, so we got to talk about Milton for a minute, because what I love is this idea of how Milton views business and, you know, the transaction of goods and the freedom to choose and voluntary exchange. So let's talk to the kids out there and the families listening, who was Milton, and what are some of his most I mean, in a simplified version, I know, he's prolific. But in a simplified version, you know, this guy's one of my heroes, when it comes to teaching people about free markets about why our democracy and our capitalism, you know, is a good thing. It's a moral thing. It helps people when it's done well, and you don't, you know, you obviously don't want to steal, you don't want to cheat people. You don't want to lie to people. But you know, at the end of the day, this whole word, word economy, all it is, is people finding needs in their communities and around them and filling those needs in a way that serves other people so that they'll want to voluntarily give you money to help solve their problem, right? And if everyone does that, if all you kids listening, just do that, and do it to your neighbors and do it to your family and your friends. And then they do it to other people. Well, guess what? That's the economy. That's capitalism. And Milton Friedman was the king of explaining it. So simply. So tell us a little bit about Milton how he became this like hero? Yeah.

## **JB**

So Milton Friedman was a Nobel opera. We just had the Nobel Prize prizes given out earlier this month. Milton Friedman won the Nobel Prize in Economics. He was an economist. That's a person who studies how the US economy works, how all these different businesses interact with each other how they respond to incentives and government regulations and that sort of thing. And he became, he was a professor at the University of Chicago. And really, there's this whole concept of the Chicago School of

Economics, which was named after Friedman. And some of his colleagues there who really did champion this idea of free markets. He was a public intellectual, meaning that he was somebody who was not just up in the ivory tower, but he was actually somebody who was engaging with the broader public trying to take these very complex ideas, and put them into terms that the you know, an ordinary citizen could understand, you know, in the pages of USA Today, and elsewhere, on TV particular, he had this fantastic series, which you can still find on YouTube, called free to choose, you would be amazed at how relevant it still is today,

**SD**

and some of them are in black and white just to warn everybody. This man is a hero, but he was old. I mean, he was, he was the king of the 19th and 20th of the 1900s. And the last whatever set 90 years, he has been his ideas have been used worldwide, frankly. But yeah, this is really, really good. The type of person he was and the way he thought, can you can you simplify to the kids listening? What was his? What was the central belief that he had about government and economy or government and a capitalism, you know, this whole idea that is out there? What was his core belief,

**JB**

that's a put it this way, I'm not gonna be able to do justice to Friedman in his views, but I mean, it really it came down to freedom, it came down to a belief in peaceful cooperation. You know, he was one of the people who he didn't come up with this idea. But he popularized, for example, the, the idea that no one person knows how to make a pencil, right? And you think, Well, wait, this is such an easy thing to make? You know, obviously, you know, there's people that manufacture this, right? He said, Yes, it's true. But there are some people who, you know, cut down the wood, and there are some people who make the graphite and then there are others who, you know, mine the different metals that are required to to make, I'm not even sure what this thing is called at the end of the pencil. And also the the the rubber, that you know, that that these this little, you know, metal thing holds that that forms the eraser. And you may have people that know how to put those pieces together. But there's nobody that knows how to make all the machinery required to do all of those various different things, right? You have specialists, you have people in different countries, right? So you know, this would might come from Africa, the graphite might come from Central Asia, the rubber might come from South America. So you've got people that speak different languages that have different religions, that might not even like each other, if they met each other. And yet, through the process of free trade, they're able to cooperate with each other, to produce something that no one person in that chain is able to produce. So I think that's one of the ideas that that Friedman popularized, is this idea that, that free trade and free markets brings us together to cooperate to better human society.

**SD**

That is fantastic. You just named the podcast right there. The story, Jason's story of how the pencil is made, and how cooperation and freedom are crucial to it. You could you

**JB**

could find Friedman on I get on YouTube, talking about the miracle of the pencil. And really, I think it was Leonard Reed who first came up with that that particular metaphor, but but Friedman popularized it.

**SD**

That's so good, because I mean, everyone out there listening to this, you want to be able to use a whole supply chain, you need to be able to work together to have businesses work well, right. You have to think about who is making it, who is selling it, who is providing the materials, who is going to make the website who is going to you know, track the money in the bank account, or you know, on QuickBooks, you need technology, you need all these things to make the economy in our business work. I mean, just look around your house or your car if you're if you're not driving, be safe if you're driving, but look around your car in your house and see all the things that different people have made. I saw a story once that there are in the average house in America, there's over I think it was like 50,000 types of businesses that helped put together everything in their house. I mean, your computer computer alone is probably that many. But you know, it's it takes a large amount of free choice free cooperation between even strangers right. That's the crazy thing. He Milton talked about. If you can get an economy to, to work together, even if people don't know each other or trust each other, and you can do it through an automated technology or a business or an organization, that is what makes trust in your dollar, it will that's what makes the dollars go between hands freely. Right?

**JB**

Yes. And that's that's an idea, too, that he emphasized is that basically, it's about the capitalist system, the free market system makes it in your best interest to serve other people. Right? You think back to my example of the the lemonade, right? I wasn't doing a whole lot of good for other people, because I was I was not where they were right. If I had been in an area where people needed lemonade, I would be providing a service to them. And then they would be willing to give me money, he would often wear a especially when he went on television, like when he went on the Donahue show, which are some great interviews with him. And Donahue, you can also find on YouTube, he would wear an Adam Smith tie. Adam Smith is considered sort of like the first economist or the godfather of economics. He wrote this book called Wealth of Nations that has this famous passage where he says, you know, that it's, it's not from the benevolence of the butcher, the baker, that you get your dinner, right, it's, it's in regard to their own self interest. So it's not because I mean, they may be lovely people, but the butcher is not spending all day, chopping up meat. And the baker is not spending all day cooking, or baking breads, just out of the goodness of their heart to feed people. They're doing it because they want to put dinner on their own table, and they want to buy shoes for their kids and they want to pay, you know, rent or you know, mortgage or what have you, right? So the capitalist system says, if you provide a service to other people that is valuable, that adds value to their lives, they're going to be willing to give you money. And then you can then use that money to provide for your own needs. So instead of, you know, because how do I get something from somebody, I can either I can take it from them, you know, through force, I can point a gun at them and say, give it to me, or I could steal it from them when they're not looking, right? Or I could persuade them, I can offer them something, I could say here I have this thing, I have this benefit that I can provide to you. And in exchange, why don't you give me this other thing? And that when we have a system that that encourages that, and channels that self interest toward the greater good, then the entire society benefits?

**SD**

Absolutely. So I gotta tell you this hilarious story, we were on a zoom call with a bunch of kid entrepreneurs last week. And one of the my first sale business kids, they made like thousands and thousands of dollars in their launch selling t shirts. And one of the other kids was like a nine year old. Well, I only made like, 200, how, what, how did you get that much done? And they said, Everybody wanted what we had. And we used all of the tools in our tool belt to get the word out to as many people as possible to help them. And they said, Oh, and they said, Well, did you send out the email? Like, did you post on social media and send out the pamphlets to your neighbors and do the launch checklist that my first sale gave us? No. My mom posted it on Facebook. Right? It was like, Well, no, you have a great product, I think the kid was selling bookmarks or something, which is really cool. You know, \$3, a bookmark. And then they were literally just teaching him, here's what you should do to get the word out to get more people to hear about what because they want what you have, they just need to hear. So for me, I love that because they're teaching each other on how to serve more people for their own benefit and the other person's benefit.

## **JB**

And that's another insight that Friedman would often talk about, he would say that the market is a system of profit and loss. And that that last part is important. You know, sometimes people are very risk averse. They don't like the idea of loss. You know, in a competition, some people win, some people lose. But But actually, the, the both the profits and the losses are providing information. Right? If you're very profitable, what that saying is that you're providing something that is very valuable, and then you should scale up and expand and provide more of that. Right. And when people see that you're very profitable, they say, oh, Pete, whatever they're selling other people want, maybe we should get into that business as well. Right? When you're, when you're losing, right, you then the market is also giving you information. It's saying that you're doing something wrong, right? You're you're not providing value to people or, you know, maybe maybe you need to go market differently. Maybe you know, maybe people don't know that you exist. Maybe it's just that you're not being Particularly efficient, right, and your competitors are being more efficient. And they can, they can provide a lower price point. And so either you need to change how you do business so that you're more efficient and can lower your prices, or you need to go into another line of business. Right? So both these profits and losses provide information that allow the market to be as efficient as possible Not, not top down, not from some really smart guy in a room somewhere saying, This is how much this should cost. And that's gonna be the price of this. But actually all it's it's decentralized. It's all of these different people acting in their own self interest in response to the market.

## **SD**

Yeah, why? Why should a bureaucrat or politician in DC tell us what the price of potatoes in Montana should be? Right? Right. That's the kind of the core idea there and we I have actual real world example, in my first sale again, we realized when we started my first sale for all these families, we were like, you know, do you guys like this? How are you enjoying it? And the families that were like, a little nervous to do it? They said, We don't want to like start a whole business for the next 10 years with our kids. I don't have time for that. We're like, oh, okay, so we made it a three week program. Like you launch your you, you learn, you prepare, you go through our whole checklist and training, and you launch for like three days, and you sell it hundreds of hundreds of dollars, your product, and then you celebrate, you're done. And then it changed everything. But all we had to do. We didn't shut down. We

didn't quit. We went from losing people that were nervous to winning big. And that's what you have to do. You just have to ask your customers ask people, even like you just said, Jason, if someone loses its information, what we love to tell kids is, Hey, kids listening, if someone says no, or doesn't buy your product, ask them why. Yeah, ask them for feedback. Ask them, you know, and this is all of life. If you didn't get the grade, you want it ask why? If you didn't do something, right, you know, for a job interview, or if you didn't make the team for soccer for 11 year old soccer, ask what I can do to get better not pout, not throw up and quit and throw it away and quit. Just get better, right?

**JB**

Yeah, no, I'll tell you what these kids are going through in your program. It is an incredible education, whether they recognize it or not. So when I went to Babson College, it began as a business school that focuses on entrepreneurship. And they had been number one in entrepreneurship like year after year after year, your freshman year, you spend the first semester with a team of about 30 students, and you're coming up with a business plan. And you're learning all about different things, you know, marketing and accounting and financial controls, and all sorts of stuff like that. And then the second semester, you're actually running a business. So I your kids are getting, you know, almost like a college level education, it by actually going out there and start because that's really the best way you want to learn how to do business, you got to do you got to do business, right? You can't just read a book about it. This is one of those things that reading is going to get you a certain amount or watching videos or whatever. But you the real learning is in the experience. It's the going out and actually doing it and asking somebody, would you want to buy this product or service? And they say, No, that is an incredible learning experience. And that's the way that your your students should

**SD**

and it builds grit, right? I mean, it sounds ready to be told no, you know, you can learn from that. And what I what I love is, you know, we call it entrepreneurship, really, we're just teaching like really valuable life skills of grit, delayed gratification, saving, investing, budgeting, why profit is so important, you know, to make business go round. But what we tell people is like, Look, if even if you want to be an entrepreneur, these skills translate, like if you're going to get a job someday, you have to sell your idea. If you have to sell yourself to get a job, you if you want to go to a certain college, you have to have a great resume and great, great projects that you've completed. If you want to get ahead, you have to learn the skills. And their best learned young and you did it young too. It sounds like yeah, that's what led you to education, which I want to get to in a second, but keep going here.

**JB**

So that reminds you something. So when I was at the Cato Institute, we needed to hire a research assistant. Okay, this is an entry level position. And this is my first time hiring somebody. And we got, you know, just dozens and dozens of resumes, right. And here's one thing I noticed. Most people when they were sending us the resume, and they had their cover letter and everything, they were talking about how great it would be for them to have this position. But you know, who really stood out? were the very few people who explained what value they were going to provide us at the organization. Right? So it really was a matter of it was a matter of salesmanship. It was saying hey look, I recognize this as a two way street. Like they don't need to explain to me what benefit they're gonna have from the position, right? I know that they're going to get a great experience, I know that they're going to be paid,

and they're looking for a job, right? So they don't have to say, Hey, I would really like to work for you. Because I think this would be good for me. What the employer wants to know is what are you going to provide to me? So when they said, Hey, you know, I'm meticulous, I show up on time, I work hard. I've got these particular skills. I'm interested in this field, and I think I can benefit you. Right? Okay, I want to invite you in for a conversation, maybe you're the kind of person you want to hire. That's a good lesson to learn, before you apply for your first job.

**SD**

Absolutely. You know, I was thinking back my first job out of out of college, there was no position available, I walked into the business after studying it for a week. And I realized that they had a hole in the business. And I you know, it was a sales whole marketing whole. And I said, I know you don't have a job available. But I want to, I want to fill this gap, which I believe is in your organization that will add this much revenue and value to the business. And I know how to do it. And I think I can do it very quickly. And I don't want to be paid until I do this, this and this. But when I do those things, I'd like to be paid well. And they hired me 10 minutes later. And what it did is it set my mind straight on what it means for getting a job anywhere you need to add value. How can you add value to the organization, whether you start it as the entrepreneur or you work with it in a startup environment where everyone's an entrepreneur or a large organization like an Amazon or, you know, an apple or random things? You have to be thinking that way? How can I add value? Those people are few and far between? So the more you can learn it young, the better off you're going to be?

**JB**

Absolutely. Awesome.

**SD**

Okay, well, let's talk about this. Because you know, what, what we just said was entrepreneurship translates to the rest of your life. How did your education or Milton's ideas of the market translate to edchoice? I want to hear on how his free freedom and cooperation led to Ed choice. Yeah,

**JB**

so I mean, Milton Friedman started in 1996, with the idea that it would be an organization that would advocate for this idea that he had, that the money should follow the child as opposed to being put into some system, and then the student is assigned to some school in that system. Right? So it's, it's the same sort of idea, right? That the schools should say, Hey, we're going to be able to provide you this value, you should take your money and come to us, as opposed to what we're just going to stick you over here. Right. And we're going to hope that this system is going to serve you well, right. So it moves the locus of control from some bureaucrats who don't know you and don't know your kids, to the families that know their kids best and who love their children have the greatest incentive to make sure that their children have the best education they could possibly have that meets their particular learning needs. So we work all across the country, with legislators with local organizations and other nonprofits and advocates trying to pass laws, and we've been incredibly successful. So I mean, there are now 29 states plus Washington, DC that have some sort of educational Choice Program, there are a few states that stand out. One would be our home state here, or my adopted home state anyway, of Arizona. And I'd say actually, we're probably number one in the country, we've got the most robust educational



choice environment, we've got tax credit scholarships, if you want to go to a private school, we have the largest charter school market in the entire country, we have interdistrict choice, if you want to go to a public school that you're not zoned to, that's somewhere else, you know, so let's say, you know, you may not be able to afford to live in Scottsdale, but you can still get a Scottsdale education because of this interdistrict choice system. We've got education savings accounts, which really comes from Milton Friedman's idea. I mean, he used to talk a lot about vouchers, which is sort of just like, you know, if the government is spending \$10,000, that's just gonna follow you somewhere. And we'll go to a private school. But the Milton used to talk about, especially in his later years, what he called partial vouchers, where he said, Well, why does it make sense that, you know, it all has to go to one building? You know, maybe I'm going to get history lessons here. I'm going to get math lessons, they're going to get science lesson somewhere else. And so the education savings account or an Arizona they're called empowerment scholarship accounts, but the ESA takes 90% of the state portion of funds, and it puts it in a restricted use bank account. And then the families they can they can pay for tuition, but they can also pay for tutoring textbooks, homeschool curriculum, online learning educational therapy, they can save money, roll it over from year to year save to go to college, right so it just it really Gives families the freedom and flexibility they need to customize their child's education. And so now there are five states that have programs like that Arizona was first. And and now we've got it in Florida and Mississippi and North Carolina, and Tennessee. And there are a whole bunch of other states that have been considering it over the last few years. We think next year, we may add a few more. So it's a really exciting time in the world of education policy.

**SD**

Yeah, we just found out too, I mean, through Jenny Clark, who I know is a mutual friend, she got us in TSA as well. And people, you know, we've had a lot of students use it for my first sale literally to like learn the just the videos, just the curriculum to understand these principles of entrepreneurship. And we've had great feedback. It's an amazing program, giving, giving families the same type of freedom that we want in the economic system for the education system. That's it's brilliant. It's a simple crossover. So what about, you know, the skeptics out there? You know, my wife taught in public school first grade, you know, I raise money for thousands of schools across the country, public, private charter, everybody, with with Apex fund run, which is our company. What would you say to folks out there that are just working hard, you know, the teachers and the families who are trying to make it work in their school summer do an amazing job, right? Because culture does matter. Like if there's a great culture doesn't matter about the money, they crush it. But some schools, like you said, they're the wealthiest schools with the poorest culture and environment. They just they really struggle. What would you say to those types of families that are in that right now? And the teachers that are that are dealing with those issues?

**JB**

Oh, absolutely. So first, I would say I have the utmost respect for anybody who is in any type of school, especially in the era of Coronavirus. I mean, this has been a crazy year. My wife is a teacher, she took this year off focused, we had a baby earlier this year. So that was a planned thing that she wasn't going to be teaching. But it's it's definitely just been a very, very crazy year. So I have great respect for them. And being pro educational choice doesn't mean being anti public school, it just means that we have a broader idea of public education, where public education is the promise that every child is going to have

access to a school that meets his or her learning needs. Right, that could be a traditional public school, I thrived in that sort of environment. Um, but it could be, it could be a private school could be a charter school, you know, and what we want is families to have access to whatever works best for them. Now, the the number one concern that I hear most often is well wait a second, if families are able to choose and the money follows them, then these public schools are going to, they're going to lose money. The families that are most interested in education, are going to leave and they're going to go somewhere else. And the public schools are going to be left with the hardest to teach kids and less money to teach them and they're going to be worse off. Right. That's that's a plausible story that you might be concerned about. Fortunately, though, we have a couple decades of experience now with educational choice programs. And what we find is actually that that's not what happens. So first of all, just in Arizona, I'm mistaken, take a step back, there have been about 27 studies that have investigated the effects of school choice on the performance of public schools. All but two of them find that they have a statistically significant positive effect on the performance of public schools. Wow, one one finds a slight negative effect and one finds no statistically significant difference. But the vast majority find a positive effect. How would

**SD**

that be? Oh, yeah, I guess

**JB**

so. So So what's going on? So there was a longitudinal study that was done in Florida, they have the largest school choice program in the country. There's over 140,000 students that are participating in their tax credit scholarship and their voucher program. And they are those students are followed every single year. And what they found is that it was not, it was not the students that were doing the best that left the public school system and went to get a scholarship. It was the students that on average, were doing worse in the public school system. I should know if there's this for low income families. So the average is about \$25,000. About 80% of them are ethnic minorities. And it was the students that were not doing as well. So in other words, if you're doing well, in your assigned public school, you're

**SD**

able to stay there right? If it ain't broke, don't fix it.

**JB**

Yeah, that's right. So it was the ones that were struggling that weren't doing so well that we needed a different environment. That left

**SD**

not everybody, right. Not everybody, right? Not everybody gets good, but

**JB**

we're talking averages here. We're talking averages, so there's of course there's tails. There's someone either and, um, but so on average, Now what that means just if you do nothing else that automatically is going to raise the test scores of the public schools, right. But it also creates an incentive for those public schools. Because remember, we said earlier that a market is a system of profit and loss. And both of

those are important, right? Because they provide feedback is a feedback mechanism. Right? So if a whole bunch of students are leaving a school, that is that now provides a feedback mechanism to the administrators of the school, hey, we're not serving our families and our students well, so now they have an incentive to say, Okay, well, what do we have to do different to change to make sure that you stay in the brain? Yeah, and they improve. So that's why we see across the board, they improve here in Arizona, which has the most robust educational choice environment. By the way, I should note, in Maricopa County, more than half of students are attending a school that is not their assigned school. Wow, whether that's a charter school, it's about 17 to 18% charter school kids right now. Or it's a private school, or again, that interdistrict choice, which is most of them, I think, almost almost 30%, or an introducer choice. We have the fastest climbing nape scores in the country nape is the National Assessment of Educational Progress. This is called the Nation's Report Card. Right? So basically, over the last decade, our public school system has been the fastest improving. Now, we can't draw causal inferences from this, but because it's that that test is not designed to say what policy is driving the change. But I believe that we've got good evidence that it is the choice system, the fact that we have such robust choice environment, that families have so many different options, that they can choose the school that works for their child, and that every school therefore has a very strong incentive to, you know, be at the top of their game providing value for these families and these students means the system overall improves over time. And that's why I think that we have really such a strong and improving educational system here in Arizona. And really, I mean, you can tell that the charter schools are driving it, our charter school sector, if you just look at the charter school scores are the whole system was pretty bad. And now I would say we're, like, mediocre, but rising, but our charter school sector is performing at the same level as Massachusetts, which is the number one state in the country. Well, the difference is that we're spending about half as much money per pupil. Right? So it really isn't in pupil means kids. Yeah, per child. Sorry. Yeah, I'm not used to talking to kids, I should

**SD**

know, this is good. I mean, but it's a good, it's a good education all around just the idea of free choice matters, in all things, you know, and, you know, we definitely need to make sure that we have government helping us and keeping people safe to a degree and stripping some of the rules that we you know, use as a society. But it also needs to be understood that people, we like freedom, we need freedom. And if you trust people to make good choices with their freedom, then you can have a better society. Right now the goal is to make sure people make good choices with their freedom, and not to strip it from them right not to take their freedom away. And that was Milton's heart. And so it's really cool to see this, you know, over the since what was in 1996, almost 25 years now, seeing this begin to take take root. So really excited. This was an awesome conversation. Jason, thank you so much for your time. One last thing, before we go, I want to talk about family, right? So with your kids, so you have kids now that have done lemonade stands and done their own business things. And as you guys raise them, what what's one of your favorite pieces of advice that you would give out to all these other families out here is there's something that stands out where you're like, Man, I wish other families would know this about raising kids, too, because there's a lot of people listening, right? They're raising kids or they are kids. What would you say?

**JB**

Wow, that's a that's a great question. I should have a good answer. I've got five kids, ranging from age 10 to five months. So you know, wow, I should have learned something to get over. It. One thing I would say is, uh, the kids are the kids are more resilient than you think. Uh, you know, obviously, we, you know, as parents, we want to make, you know, keep them a shelter as possible. But I think it's, it's important to an important part of the learning process that we let our kids take risks. There was a great book I read years ago, and I'm going to forget the name of the author, but it was called the blessings of a skinned knee. And, you know, the idea that, yeah, our kids are going to make mistakes. Sometimes. We need to let them we need to let them Children fail. And we need to, we need to be okay with that. And they need to learn that those lessons early because it like you mentioned earlier, it really is through our failures that we get the greatest lessons. So let your kids take some risks, including maybe the risk of running a business and going to somebody and making a great pitch and putting their heart and soul into it. And having that person saying no, sorry, I'm not interested. Right. That's a great lesson. Yeah, it builds character. And, and it builds resilience and grit. So that's, that's, I would, that'll be my lesson for the day.

**SD**

That's great. Yeah, kids, kids can learn grit in a safe way. Right? You don't you know, it's okay to let kids fail. As long as it's simple failures. And it's cheap, and it's fast. And my wife and I laugh about this all the time. Should we let our kids she wants to stop them, you know, from running off the end of the bed? I'm like, Yeah, well, one time running out the end of the bed and hitting the ground a little harder than they should they won't do it again. You know, they're gonna learn really quickly. So yeah, I agree. I mean, you got to keep them safe overall, but there's different levels of safety. Right? You don't want to protect them to the point of coddling you know, where everybody gets the trophy. And kids never realized what the real world is going to be like, you know, you want to prepare them. Well, that's the mark of a parent. So

**JB**

yeah, and the kids are keeping score even if the adults aren't.

**SD**

It's a good point. I would I certainly was. I don't know about you. But when we didn't keep score, I was keeping score. Definitely. Well, thank you so much, Jason. That's great advice. And thank you for your time today. We really appreciate it. It was a pleasure. Thanks for having and we'll see you guys next time on young grit.