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The Commodification of Education And the Threat to Public Schools

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Honors Thesis
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Abstract

With the recent push to reform the United States Education system, public schools have become under siege. Education has shifted away from educating for moral democratic citizenship, a liberal arts curriculum, to education for meeting economic demands. The aims of education have changed, and it is clear that reforms made in the late nineteenth century still resonate in the public school system today. Therefore, public schools are at risk of extinction from privatizing movements and undercuts to public education funding. Examining the implications of progressive education in the late nineteenth century and studying many key figures such as John Dewey, Isaac Kandel, and Randolph Bourne will prove how the aims of education have transformed into educating for economic development within the United States. After evaluating the legacies that progressive education left on the school system, it becomes evident that the remnants of progressive education can still be seen in schools across the country. Then, studying current legislation passed on education starting with No Child Left Behind and Common Core will illustrate the positive and negative effects on the school system. Using that legislation, it will demonstrate that there are attempts to privatize public schools by the legacy of federal reforms under Clinton, Bush and Obama. The main focus of the research is analyzing trends in education through the use of qualitative analysis. Looking at the charter school movement will be the bulk of the research and how charter schools affect public schools. Overall, the purpose of this research is to demonstrate the privatizing of public schools and illustrate the need for a public school system.

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Introduction

“An Alliance between entrenched Capital and Purchasable Politicians” is what Margaret Haley, a public school advocate and union organizer, deemed as the most pressing issue facing public schools. In the late nineteenth century, Margaret Haley strongly believed public education was a right and not a privilege, and communities should look after their schools. For example, she fought large corporations to pay their share of property taxes to fund public schools as well opposed a bill in the Illinois Legislature that would allow less local control of public schools in favor of centralizing the entire public school system of Chicago, which Haley considered a corporate plot to normalize third-party interference. Even though Margaret Haley was active during the nineteenth century, her legacy as well as her struggles for keeping public schools public are very much alive today. Over one-hundred years later, the same issues Haley faced in the early twentieth century over public schools are the same issues modern-day public school advocates are still fighting today, which demonstrates the power and influence third-parties hold on a public necessity.

To this day, our society has a fascination with education reforms. Several attempts have been made to improve schooling for the youth of the country. Since the end of the nineteenth century, the federal government as well as third-party individuals have taken drastic efforts to change the way schools are operated. From progressive education to Common Core, there has been an obsession with updating educational practices to meet the current needs of society. It is natural for educational practices and theories to evolve over time; however, that evolution has developed an over emphasis on quantifying academic achievement and teacher effectiveness. With education evolving to measure
student achievement with standardized tests, curricula has also evolved to fit the needs of standardized testing. If the purpose of education is to match the needs of society, what does our curricula say about our needs?

Recent reforms in education have resulted in the expansion of charter schools and other various school programs such as No Child Left Behind, Common Core, and Race To The Top, which has engendered the interests of the public school system to take a backseat in Congress. My thesis will illustrate how certain reforms have been detrimental to our public schools and why it is essential to invest in a public school system that is free from corporate influence for the sake of democracy. The primary focus of this paper will be on the gradual attempts at the privatization of public schools. Specifically looking at for-profit charter schools, this paper will explore the political climate that has allowed the discrediting of public schools and invited a business model takeover of neighborhood schools. Schools have become a commodity that can be bought, sold, and easily influenced, and the corporate elite are now the consumers who bargain and barter for a slice of control over the system.

**History of Third-Party Interference**

To begin, public schooling in the United States began in the eighteenth century. The Northwest Ordinance and the Land Ordinance of 1785 designated land to be used for public schooling. States in the new Constitution modeled the public school system after the Puritans in the early seventeenth century since the Puritans believed that education was necessary for good government.¹ With that belief, public schooling grew into the eighteenth century. By 1789, Boston established its public school system while other

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states followed similar patterns into the nineteenth century like Cincinnati's Common School system that first opened in 1829. Many of the Common Schools employed Protestant Ministers as teachers, but all students could attend. Pre-industrialization schooling focused on instilling virtue in their students to uphold democracy. For example, the Massachusetts curriculum emphasized not only reading and writing but justice, piety, “universal benevolence,” and other virtues found in the United States Constitution.² Common Schools promoted a democratic education to produce well-rounded citizens. In regards to who should oversee public schools, political leaders in Boston recognized the importance of public schools and deemed the schools should be in public control rather than private control. Bostonians viewed education as a public good that must be cared for publicly.³

With the increase in industry in the late nineteenth century, the aims of education had shifted from a school system that instilled moral and democratic values in students to a system that was created to educate for economic growth. Progressive education was a late 19th century movement that emerged as a reaction to the changing landscape of American society. Progressive education supported hands-on learning as the main form of instructional strategy as well as child-centered learning, for which John Dewey is most famously known. Moreover, progressive education also stemmed from the newly formed fields of psychology and other cognitive sciences to guide curriculum and replace traditional academic subjects. Progressive reformers used new psychological sciences to create a curriculum that catered to children and what children should be learning.⁴

² Ibid., 19.
³ Ibid., 20.
Industrialization and the need for skilled and unskilled workers fueled progressive reformers aim to create curriculum to meet the needs of a new technical society. Historically, the Industrial Revolution led to inequality in many forms such as social, income, and educational stratification. With the change in the economy, many proponents of progressive education advocated for the school system to conform with the changing atmosphere regarding the shifting economy. The Industrial Revolution changed the way Americans viewed work and ultimately education. Since many people during the time of the Industrial Revolution moved to cities to take jobs in factories, factory production became the focal point of the United States economy. With America’s growing obsession with efficiency and in order to meet societal demands for more industrial workers, industry called for workers who were skilled in tasks needed to participate in a factory. Progressive education aimed at meeting the social and economic demands of educating children in an industrial nation.

It is important to distinguish that not all progressive reformers were the same. On one side of the spectrum, we find liberal progressives such as John Dewey and Isaac Kandel, who followed a more liberal arts type of curriculum. Liberal progressives wanted a child-centered environment for children to explore their own passions with the teacher as the facilitator of the learning while the other side such as Randolph Bourne and William Wirt had envisioned schooling as strictly vocational training. First, Randolph Bourne, a writer for the New Republic, argues that schools need to teach to “the life needs of individual children.” Children should be educated on how to live and participate in an industrial society, and schools should be a place where children acquire life experience that they can use in their career. Bourne’s vision of progressive education was educating

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children to work in factories because in Bourne’s reality, not all children would attend college.⁶ William Wirt, who Bourne writes extensively about, would be considered a conservative progressive because of his emphasis on businessmen running schools. In Wirt’s eyes, the goal of education was to educate children to work in industry in order to increase economic growth. Wirt created and implemented a “platoon system” in schools in Gary, Indiana that would allow students to use half of the day in academic classes and the other half, learning hands-on experience.⁷ While the plan was implemented in cities across the country as a balance between academic and vocational education, schools in New York saw this as a system that valued future economic growth and management over a well-rounded education.⁸ Wirt installed the plan in over 100 schools with little opposition in the beginning; however, schools in predominantly Jewish neighborhoods began to oppose the Gary Plan because it dictated what should be taught in schools and promoted technical and vocational skills, skills learned for factory or manufacturing work, over rich curriculum. Like other conservative progressive reformers, Wirt believed in tracking students by class. More specifically, the uproar in New York was connected to the way the Gary Plan placed children into tracks based on their socioeconomic status, and in turn, engender an unequal school system where poor students were pushed into vocational training while more affluent students received a more balanced and academic education with a wide-range of career options. The Jewish population, who were the most affected by the Gary Plan, opposed the plan because it meant their children would be tracked for semi-skilled vocational training largely because of their socioeconomic status

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and ethnicity. The Gary Plan is an example of how education reform is on the backs of the poor.

As the clash of values unfolds, progressive education engendered many reformers to take action through writing. First, Isaac Kandel, a liberal progressive who promoted a liberal arts education, writes “Is the New Education Progressive?” in 1936. Since Kandel is writing forty-years after many schools shifted to a skills-based education, he is highly critical of the impacts and outcomes of education because of how progressive education and conservative progressive reformers changed United States schooling. Kandel argues that since education emphasizes the economic contributions students will make when they graduate, it leads to schools to only teach “functional subjects.” As Kandel refers to functional subjects, he means subjects that produces immediate results or tangible evidence of that subject. Therefore, in the late nineteenth century, schools focused on skills that would make them successful in an industrial age, not a democratic one.

Suggesting that schools are over-emphasizing hands-on skills, Kandel points out that this method creates too much standardization, which will lead to standardization of thought. Without moral education, students will not be prepared for life as democratic citizens. Another critique of progressive education that Kandel makes is that he disagrees on the role of the teacher. He proposes that the teacher “is to guide but to guide by intruding as little as possible,” which would promote critical thinking skills and independence.

However, the difference between progressive education and a liberal arts education stemmed from the what reformers thought was needed to be successful in

10 Ibid., 395.
11 Ibid., 395.
12 Ibid., 397.
society, which was to answer the question of who should be educated and what should be taught. Ellwood P. Cubberley and William Wirt, who were conservative progressive reformers, encouraged the use of vocational schools and used Dewey’s student-centered idea to unintentionally create poor quality vocational schools run by businesses with no accountability.\textsuperscript{13} The idea of a vocational education was to create an efficient society in the heart of industrialization. The contention between who should receive a well-rounded education and who would be sent to the vocational schools was largely based on socioeconomic status, meaning low-income students would receive less education and less quality education than their affluent peer like the Gary Plan set out to do. Despite the push back to the Gary Plan, remnants of tracking by class can still linger in the education system. Tracking by socioeconomic status furthered the inequality in the United States during the late nineteenth and early twentieth century and created a larger divide in education.

Third-party involvement in the education system is not a new phenomenon in education. Battles over public education transpired as the values of education began to change. As seen with Dewey, Kandel, and Bourne, progressive education opened the door intentionally or unintentionally for businesses to become more involved in the school system and dictate the curriculum to fit corporate needs even though it was not John Dewey’s intention to initiate third-party intervention as seen in his essay in 1930, “How Much Freedom in New Schools?” Likewise, business involvement and corruption can be traced even further than the 1980s when public schools became the focal point of criticism in America. Almost 100 years beforehand, teachers were fighting a similar

battle of teacher autonomy and keeping third-party interference out of public education.

Margaret Haley spearheaded many of the issues surrounding public education in Chicago at the turn of the nineteenth century. She was a public school teacher with a passion for convincing the public that supporting local schools was each citizen’s civic duty. Margaret Haley became the first Vice-President of the first teacher’s union called the Chicago Teachers’ Federation, which came to fruition in 1897. The CTF, later the Chicago Teachers’ Union, sought to protect teacher pensions and pay as well as keeping public schools open for all students. Moreover, her first battle that she fought for public education was in 1892 when the Harper Bill circulated around the Illinois Legislature. The Harper Bill would remove local control of schools and reorganize the school system to have a centralized administration for the purpose of financial efficiency. Haley claimed that the Bill would reduce teacher autonomy and lead to a more invasive presence of businesses in the school system. After Haley investigated the Harper Bill and its origins, she revealed that the Harper Bill was backed by John D. Rockefeller and other special interest groups that would allow them more control of schools. Consequently, Haley became an outspoken advocate for keeping public schools public and supported by local taxes. Thanks to Haley’s advocacy, the bill did not pass in the Illinois Legislature and would be considered a victory for public schools and a testament to Margaret Haley’s persistence.

The next issue Haley faced was how schools were supported with taxes. It came to her attention that certain companies were not paying their taxes to support local

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15 Ibid., 50.
16 Ibid., 51.
schools. Since public schools are mostly funded through local property taxes, the Pullman Company in Chicago had a property worth of over one million dollars, but they escaped paying any property taxes.\textsuperscript{17} The Chicago Teachers’ Federation filed a lawsuit against the Board of Equalization, who was responsible for assessing property taxes, demanding large corporations be assessed properly and pay their fair share of property taxes. In May of 1901, a judge ruled that the Board of Equalization’s assessment of five corporations was illegal. The companies owed over $1,800,000 to the city of Chicago; however, after the appeal process, the companies only owed half the amount.\textsuperscript{18}

The tax case became Haley’s platform for civic engagement and political activism. Seeing how large corporations were escaping taxation, Haley coined corporate involvement in education part of the “alliance between entrenched capital and purchasable politicians.”\textsuperscript{19} Later that year after the tax case has been settled, Haley attended a National Education Association meeting in Detroit. The tax case was an area of concern all around the country as more and more companies were evading their property taxes. One member at the meeting thought that if inviting Rockefeller and Carnegie to “share the wealth” with public schools, more companies would pay their taxes if they were involved in the school system. Haley, after fighting the Harper Bill, opposed this motion because corporate involvement would be detrimental to the equality of schools.\textsuperscript{20} Haley also declared that inviting corporate giants to streamline efficiency

\textsuperscript{17} Ibid., 59.  
\textsuperscript{18} Ibid., 61.  
\textsuperscript{19} Ibid., 71.  
\textsuperscript{20} Ibid., 91.
would damage curriculum and teacher causes. Big business had no business in the school system.  

Yet a century later, large businesses have had an intrusive hand in the education system in terms of lobbying for charter schools, test-based evaluations, blaming teacher unions, enacting business-driven reform of schools, and the list goes on. Corporate reformers, as Diane Ravitch names them, use words like “reform” not to mean changing laws for the benefit of students but deregulating schools and looking at students as assets. Corporate reformers want to deregulate and privatize schools because it adheres the free-market ideology that they follow, and it would mean future profit for corporations who owned schools. Corporate reformers play on the crisis of education in the 1980s where schools were seen as losing global competitiveness. In 2005, Bill Gates announced to the National Governors Association that public schools were “broken” Instead of looking for solutions to equitable school funding or increasing resources for teachers, Bill and Melinda Gates as well as Eli Broad endorsed privately managed schools to replace public schools. Dr. Michael Fabricant and Dr. Michelle Fine have tracked how campaigns and corporations attack public schools just as Bill Gates has done. They have concluded five elements of discrediting public schools despite the evidence of success in public school.

1. Discrediting Public Education
2. Branding Charters as Innovation
3. Mobilizing the private sector-foundations and hedge funds
4. Demonizing teachers and unions

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21 Ibid., 91.
23 Ibid., 40.
5. Systematically ignoring all evidence of public sector innovation and success\textsuperscript{24} 

In particular, wide scale reforms have supported charter school expansion because it is the pinnacle of free-market reform. Charter schools are exempt from many regulations that public schools such as: charter schools allow choice in the school system, charter schools can make it more difficult for teachers to unionize, and charter schools can be privately managed.

In order to fully understand why charter schools emerged, it is vital to look at the political and social climate of the 1970s. Charter schools emerge as a result of redefining boundaries between public and private. AsFine and Fabricant explain, there is now an overwhelming desire for a “privately funded public sector.”\textsuperscript{25} However, that notion began way before charter schools emerged. The reason charter schools exist today is because of a shift in work ethic in the 1970s.\textsuperscript{26} In the 1970s there was a recession that sparked a renewed interest in global competition. Since the recession caused GDP to recede, policymakers and corporations became obsessed with the idea of workplace efficiency. Meaning, if workers are more productive and efficient at work, GDP will rise again, and United States will become competitive on the global market once more while corporations would reap the profits.\textsuperscript{27} With that ideology, Ronald Evans asserts that businesses looked to schools to solve the economic and social problems of the United

\textsuperscript{24} Michael Fine and Michelle Fabricant, \textit{Charter Schools and the Corporate Makeover of Public Education: What’s At Stake} (New York: Teachers College, Columbia University, 2012), 80.

\textsuperscript{25} Michael Fine and Michelle Fabricant, \textit{Charter Schools and the Corporate Makeover of Public Education}, 1.


\textsuperscript{27} Ronald Evans, \textit{Schooling Corporate Citizens}, 10.
States. Therefore, businesses began to take a vested interest in ensuring America’s public schools were performing at a competitive level.\textsuperscript{28} By the late 1980s, education reformers began to experiment with a business-driven model to make students more productive and illustrate their knowledge through standardized test scores. Improving student productivity will translate to economic productivity in the long run.\textsuperscript{29} One proponent of that idea is Larry Cuban, a Stanford professor and longtime public school critic, and he declared public schools were not supplying enough skilled workers for the economic demands of our nation.\textsuperscript{30} The shift to seeing students as means of economic productivity has its roots in the industrialization of the United States. From the 1970s on, business-driven approaches became one of the main schools of thought in order to catapult the United States into global market dominance and fix the public school system. As a result of this theory, businesses started intervening in the public school system in order to push their corporate agenda.

However, a shift in values were not the only trigger of business-driven education reform. Human Capital Theory came to the forefront in the 1980s.\textsuperscript{31} With the shifting economy from manufacturing to a finance and service economy, Human Capital Theory was the driving force behind the shift. Human Capital Theory is the idea that humans are economic units that will contribute to the economy.\textsuperscript{32} The theory also looks at the financial return on education as one would look at the financial return on their stocks, hence this mindset is a product of Human Capital Theory and a reflection on the shifting economy sectors. The focus on an enlarging financial sector of the economy during the

\textsuperscript{28} Ibid., 10.  
\textsuperscript{29} Ibid., 11.  
\textsuperscript{30} Ibid., 10.  
\textsuperscript{31} Ibid., 19.  
\textsuperscript{32} Ibid, 19. 
1970s and 1980s created a heightened focus on productivity and quantifying productivity. Schools were not safe from this heightened focus. The transition from educating for democracy to educating for economic development has permanently altered the education sphere where students and schools are measured in terms of productivity and efficiency such as a business would be evaluated. Another way Human Capital Theory has infiltrated education is the theory follows a methodology that a more productive student or school equates to a more productive and efficient workforce where in turn will increase the economy. Not only did Human Capital Theory change the way society viewed the role of the students, think tanks emerged in the 1970s and 1980s that looked more critically at the public school system. Ronald Evans writes extensively on the emergence of Human Capital Theory in the 1970s, and he mentions that Human Capital Theory not only changed the work environment but also the classroom environment by inviting ideas of efficiency and productivity to meet a bottom line. Out of Human Capital Theory, think tanks emanated like the American Legislative Exchange Committee, which is one of the most notable think tanks for its lobbying efforts to privatize public sectors, and education was no different. ALEC formed in 1973 on the ideals of Free Market Economics and Limited Government. After *Nation at Risk* was published in 1983, ALEC began creating reports on the status of public education. In 1985, ALEC published its own *Education Source book: The State Legislator’s Guide to Reform*. The source book offered models of privatizing public schools. The formation of ALEC made it clear that corporate lobbying was in full swing in the education realm.

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33 Ibid., 52.
34 Ibid., 52.
Moving into the 1980s with Human Capital Theory penetrating political thought, Ronald Reagan was elected on a platform of free-market values and less government intervention where he desired to cut the Department of Education and the National Endowment for the Humanities. During Reagan’s Administration, they funded a research project to examine the United States public schools and how to improve and make the United States more competitive globally. A study was conducted by the National Commission on Excellence, commissioned by President Reagan, in 1983 with the report named “A Nation at Risk.” The committee was given $785,000 to research the United States public school system to find a solution to “failing” schools.\(^{35}\) Largely funded and lobbied by the Business Round Table, “A Nation at Risk” questioned the United States dominance on an international scale where public schools were the culprit for the loss in global competitiveness. The report contained no new research but reproached the public school system for the seemingly failing economy. Since the report was created with free-market values, the committee suggested more competition among schools would raise test scores, and schools should be held more accountable.\(^ {36}\) However, the report engendered a zeal for standardized testing that should be “administered at major transition points from one-level of schooling to another.”\(^ {37}\) Pointing out that the economy has a shortage of skilled workers, the report outlined that the purpose of public schools was to supply “highly skilled human capital”\(^ {38}\) where workers already have learned skills to be productive employees. Not only did the report emphasize the use of standard testing and less teacher autonomy in the classroom, but the report opened the door for business

\(^{35}\) Ibid., 37.
\(^{38}\) NCE, *Nation at Risk*, 24.
influence on education. “A Nation at Risk” established a norm of looking to businesses for the answers to public education. The idea of running a school like a business would yield higher achievement and increase test scores and increase the United States global market competitiveness since schools would then produce a more technically trained workforce to jumpstart the economy.

The Charter School Dilemma

The proliferation of charter schools in the late 1990s is a direct result of Human Capital Theory practiced on the public school system. Charter schools are schools that are independently operated and can be part of the public school district but can allow private money to fund the school. More recently, charter schools have been seen as an alternative to the public school system, which Ronald Evans specifies can be damaging to strengthening public schools nationwide. Charter schools did not start out to rival the public school system. In fact, the idea of a charter school originated with President of the American Federation of Teachers. Albert Shanker was the President of AFT from 1974-1997, and during his time as President, he grappled with the idea of helping students who were on the verge of dropping out and who did not receive the intervention that they needed to graduate. In 1988, Shanker opened a new school with just a handful of teachers where they would educate students who were at risk of failing. This school would be free from regulation and therefore give teachers the flexibility to teach the students however they want. If the students improved significantly, they would return to their original school. Teachers between the charter school and public school would collaborate with teaching strategies. Charter schools were meant to be temporary, an experiment rather

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than a permanent movement working against the public school system. Shanker was a fierce advocate of his idea of a charter school until the mid-1990s when he noticed that a for-profit company, Education Alternatives Inc., in Baltimore was privately managing schools under a school district contract. The city of Baltimore ended Education Alternatives’ contract as a result of no academic performance increase with the students in Baltimore. The idea of charter schools soon dominated the education world in the 1990s where large organization donated large amounts of money to have them come to fruition such as the Bill and Melinda Gates Foundation and the Broad Foundation. Charter schools were viewed as the shining hero of education, saving students from low-performing schools with less government intervention. As more organizations became fascinated with the idea of charter schools, charter schools were seen as an alternative to the public school system. Diane Ravitch surmises that large corporations took an interest in charter schools for financial gain, but people like Chester Finn, President Emeritus of the Thomas B. Fordham Institute claim that large corporations are exhibiting acts of philanthropy and assisting children when donating funds to charter schools.

Charter schools can be placed into 3 categories. First, Free Market Charters use education as a vehicle for opportunity, which is not considered problematic on the surface. However, these charters are seen as a way to transfer that opportunity to students through shifting public money into private hands. Parents are viewed as the consumers where they exercise choice among different schools. Free Market Charters tend to use

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40 Ibid., 157.
41 Ibid., 157.
42 Ibid., 160.
charters as a way to weaken teacher unions. The second type of charter school is called a “mom and pop” charter. These schools are typically smaller and run by educators. Lastly, Franchise charters make up the largest amount of charter schools in the United States. Franchise charters are typically run by large non-profit companies with an education motive. KIPP, Knowledge is Power Program, is an example of a Franchise charter because there are several KIPP Schools across the country.

As discussed earlier, charters schools typically are presented as an alternative to the public school system. Since charter schools are not traditional public schools, they are allowed flexibility on where their funding comes from and who operates them. According to the National Education Policy Center in Colorado, around 40% of charter schools are managed by what's called an Education Management Organization (EMO), which includes both nonprofit and for-profit companies. EMO’s operate in 35 states, and Ohio is home to four EMO Companies. Larger EMO’s like KIPP and Uncommon Schools operate several schools across state lines. A majority of Charter schools managed by an EMO are concentrated among five states: California, Texas, Arizona, Illinois, and Ohio. The growing number of charter schools and students attending charter schools may not be from nation-wide public support but an emphasis on legislative lobbying by companies that have a particular interest in education or in an ideology that dismantles public education.

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44 Ibid., 21.
46 Ibid., 22.
47 Ibid., 22.
48 Diane Ravitch, Reign of Error, 156.
49 National Education Policy Center “Profiles of For-Profit and Nonprofit Education Management Organizations,” i.
50 Fine and Fabricant, Charter Schools and the Corporate Makeover of Public Education, 72.
Special interest lobbying is no stranger to the field of politics, but it wasn’t until the late 1990s where large companies and foundations took a particular interest in education. Foundations like the Bill and Melinda Gate Foundation, The Broad Foundation, and the Walton Foundation have all invested in charter formation and lobbied for pro-charter legislation.\textsuperscript{51} For example, collectively in 2012, Bill Gates, Alice Walton, and the Bezos family raised $11 million dollars in the state of Washington to help support the Charter School Initiative, a bill floating around the Washington state congress.\textsuperscript{52} Similarly, the Gates Foundation and the Walton Foundation spend over $500 million a year on education reforms such as funding charter schools and investing in test-based evaluations, none of which aim to grow public schools.\textsuperscript{53} Aside from a potential profit standpoint, large corporations like the Gates Foundation invest in certain educational reforms because of the rate of return on student achievement. An article in the \textit{Guardian}, “Why Investment in Universal Education makes Business Sense,” suggests that large companies invest because “Education offers improvement in fielding a skilled workforce, raising productivity and business growth, and increasing individual wages.”\textsuperscript{54} Businesses see these types of investments in education as investments in their future employees. Donating or investing in local and global education programs are seen as increasing the quality of education for children around the world. Again, business investment in education can be linked to the idea of Human Capital Theory where students are seen as assets and will contribute economically if their schooling focuses on 21st century skills.

\textsuperscript{51} Diane Ravitch, \textit{Reign of Error}, 158.
\textsuperscript{52} Diane Ravitch, \textit{Reign of Error}, 309.
\textsuperscript{53} Ibid., 25.
Even Margaret Haley had reservations about third-party involvement and noted that “the school... is powerless against organized wealth.” With the Gates Foundation being the most intrusive of the trifecta of philanthropy giants in education (Walton Foundation, Broad Foundation, and the Gates Foundation), Bill Gates was the last to become involved in education. Gates and his foundation began funding small education projects in urban areas in the early 2000s. However by 2005, Gates began to fund small advocacy groups that promoted charter schools, school choice vouchers, and standardized testing. The Gates Foundation increased their monetary support to $57 million a year to several influential think tanks such as Achieve Inc., the Education Trust, and the Fordham Institute, and that is just to education think tanks. The Broad Foundation did not disguise their agenda of deregulation of public schools or its support for charter schools as philanthropy as Bill Gates had done. Together, these three foundations exercise so much corporate power over education, in which they are able to effectively to support legislation that overlooks public schools in favor of legislation that creates more charter schools. Other scholars like Shaun C. Yoder and Susan R. Bodary from Education First Consulting point out that business investment is necessary because over the last 45 years the Federal Government has increased spending in public education as an unsustainable rate, and therefore business investments and sponsorship is essential to supporting schools and other alternatives like charter schools and virtual schools. Yoder and Bodary

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55 Kate Rousmaniere, *Citizen Teacher*, 91.
57 Ibid., 190.
argue that a public-private partnership is the only solution to strengthening the quality of education and keeping public schools open.\textsuperscript{58}

Charter schools not only receive funding from their corporate partners, they also can receive public school funding like a traditional public school plus any other outside support. Since charter schools are not as restricted to where they receive their funding like traditional public schools are, they have the freedom to accumulate funds in a variety of ways without any strings attached. To begin, there are two main types of charter schools: nonprofit and for-profit. Nonprofit makes up the majority of companies that run charter schools. Nonprofit schools tend to dominate the charter sphere; however, for-profit schools have increasing at 2\% a year since 2012.\textsuperscript{59} The largest non-profit company in terms of schools managed is KIPP (Knowledge is Power) schools, which manages over 224 schools.\textsuperscript{60} Whereas Imagine Schools is the largest for-profit company. Many states have rules against for-profit schools operating, but companies have found loopholes where nonprofit companies can apply for a school and then contract out to a for-profit company such as states in Illinois and Ohio.\textsuperscript{61} In other states like Texas and Arizona, for-profit companies can operate schools with ease and less regulation compared to other states.\textsuperscript{62}


\textsuperscript{59} Gary Miron and Charisse Gulosino, Profiles of For-profit And Nonprofit Education Management Organizations, National Education Policy Center, (2012): i.

\textsuperscript{60} “Our Structure.” Kipp.org.

\textsuperscript{61} Fine and Fabricant, Charter Schools and the Corporate Makeover of Public Education, 23.

The chart above by the National Education Policy Center has tracked the number of charter schools run by Education Management Organizations (EMOs) from 1998-2012. It is clear that larger EMOs have dramatically increased in schools operated as denoted by the green diamond line.

The graph above illustrates the number of schools operated by EMOs by states in 2012 by the National Education Policy Center. States like Texas and California hold the most EMOs, but Florida, Minnesota, and Ohio have a climate where for-profit schools can

Ibid.,.
expand. In states such as Ohio, for-profit EMOs have increased in number and have become more popular. With the increase in for-profit EMOs, there has been an increase in negative legal attention to some of the most prominent EMOs. For example, one company in Ohio has run into trouble with their for-profit business model for schools. White House Management, a for-profit education management organization, was founded in 1998 in Ohio by David Brennan; however, they have managed schools all over the country. Like other companies, they manage charter schools for a profit. In 2010, the governing board of several schools managed by White Hat sued the company in order for the company to disclose its financial records with the school board.\textsuperscript{64} In court, White Hat was ordered to turn over their financial records to the board. Nonetheless, White Hat appealed on the grounds they were a private company and did not have to disclose any financials.\textsuperscript{65} The governing board originally sued because White Hat was collecting state money, but the board was unaware where the money was being spent. The main issue in court was that White Hat was a private company, and they owned everything in the school buildings including student records, but they were using public money.\textsuperscript{66}

Another for-profit company that has had issues is Imagine Schools Inc. Imagine Schools is known to fire entire school boards and principals once the corporation has been invited to manage a school. Like other for-profit EMOs, Imagine Schools is no different in how they operate their businesses. EMOs tend to buy buildings, and lease them to their own schools, which generates more revenues for that EMO. For example, Imagine Schools Inc. charges a management fee (like other EMOs do) and seeks to control the entire operation in order to gain more profit. According to Diane Ravitch,

\textsuperscript{64} Diane Ravitch, \textit{Reign of Error}, 169.
\textsuperscript{65} Diane Ravitch, \textit{Reign of Error}, 169.
\textsuperscript{66} Ibid., 169.
Imagine Schools Inc. keeps their profitability through their ability to “buy school properties, sells them to real estate investment trusts, leases them back, and charges rent to the charter schools it manages.” An Imagine Charter school in Nevada uses 40% of its state funds to pay rent to the Imagine Corporation. Imagine Schools Inc. is not unique in its business practices. Vertical integration of a company dates back to Rockefeller’s oil company before antitrust laws were in place where a company can own the entire chain of supply that makes a finished product, which for-profit EMOs operate in a similar manner. National Heritage Academies, a for-profit EMO, manages many charter schools in New York. Reports from the New York Office of the State Comptroller Thomas P. DiNapoli illustrate how the National Heritage Academies leases one of its properties for $246,000 a year, but Brooklyn Dreams Charter School, a school managed by NHA, pays $2.67 million a year in rent. Not only have for-profit EMOs increased, certain states have taken on a reputation as charter friendly, meaning there are less laws restricting charters and less accountability on companies in states such as Arizona, Texas, Illinois and Ohio. Businesses are pouring into managing schools, which some would say is the new most profitable industry of the 21st century. The head of Entertainment Properties Trust, who manages several charter schools, calls the new industry “a very stable business.” For-profit schools pose many ethical questions on whether or not the school is operating in the interest of their students.

The examples outlined above demonstrate the lack of oversight and accountability on part of EMO companies and the schools they manage. When legal issues arise, EMO
companies fall back on that they are private company that protects them from certain laws and oversight. With the lack of transparency, charter school operators do not have to abide by certain regulations that public schools must do to stay open. EMO’s are allowed to own entire line of production, that is the building and everything in it for personal profit. This leads to a culture of secrecy and little accountability within the charter school system. With the lack of accountability, large sums of money exchange hands and little is put towards students as seen with the NHA rent prices.

Not only are public schools in competition with new charter schools, federal and state laws hinder public school growth in favor of expanding charter schools. In 2000, Congress passed the Community Renewal Tax Relief Act and the New Market Tax Credit, which allowed investors to collect a rate of return of 39% over seven years if they invested in charter school construction.\(^71\) There was no mention of public schools in this act. Later, the federal government enacted EB-5 that allowed foreign investors to obtain immigration visas if they invested $500,000 or more in the construction of a charter school, not a traditional public school.\(^72\) The Federal Government is deliberately undermining the public school system by using private money and public funds to build charter schools, instead of investing in a more robust public school system. There have been debates whether or not charter schools are public or private. Many claim they are public, but when it comes to financial records being disclosed, since most collect public money, charters tend to claim they are not a public entity and therefore do not have to turn over any records. For example, the New York Charter Schools Association sued the

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\(^71\) Julian Vasquez Heilig, “Why do Hedge Fund Managers Adore Charters?” *Cloaking Inequity*, cloakinginequity.com

state comptroller for auditing any charter schools. The Association claimed that they are exempt from such audits because they are “non-profit educational corporations carrying out a public service.” However, the New York Charter Schools Association collects public funds, and on the front page of their website it states, “Charter schools are free public schools open to all New York City children.” Looking more closely at the state level, many state laws resemble federal laws regarding charter schools. ALEC has developed a model for the proliferation and expansion of charter schools across the country. Their main points on how to further expand charters is that charters should be able to operate freely and be exempt from any laws public schools must follow and schools may operate with a private board and still be considered public. Not only does ALEC’s vision of education undermine the public education system, it eliminates local autonomy over school districts.

When it comes to receiving funding, charters would like to be considered a public school; however, whenever legal battles arise or issues with the state, charters would like to be considered private entities, which is not the definition of a public school. Critics of charter schools point out the blurred lines between public and private the charter schools rest upon. Some charter schools have made it impossible for their teachers to organize claiming that the school is a private entity. In 2011, teachers at the Chicago Math and Science Academy attempted to organize, but the CEO denied their attempt because the charter school was not subject to state public school laws. Since charter schools do not

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74 New York Charter School Center (formally the New York Charter Schools Association), http://www.nyccharterschools.org
75 Center for Media and Democracy, “ALEC Exposed.”
follow the same regulations as public schools, they can control their admissions and expel students at far greater rates than public schools, which is consistent with most private schools. Yet, charter schools are allocated public funds but do not operate like a public school.

With much support for charter schools from big name politicians like Senator Mitch McConnell and New York Governor, Andrew Cuomo, all claim that charter schools operate more efficiently and achieve better outcomes than traditional public schools in terms of student achievement. Freedom from regulation and more competition should engender a better school system according to the free market ideology. But the truth is, charter schools perform no better than public schools when it comes to achievement tests and other factors such as graduation rates, rates of diversity in schools, and other opportunities available for its students. In 2009, the Center for Research on Education Outcomes (CREDO) conducted a comprehensive study on the impact and outcomes of charter schools compared to traditional public schools. The study revealed only 17% of charter schools outperform traditional public schools, yet 87% performed the same or worse on standardized tests.\textsuperscript{77} Stanford University in 2009 and Diane Ravitch in 2010 have corroborated the CREDO study that charter schools, on average, perform no better than traditional public schools. Even in charter friendly states like Ohio, the Legislative Office of Education Oversight found that of the statistical comparisons among charter schools and public schools, 13 out of 14 favored public schools. Despite the evidence of charter performance, pro-charter advocates like Chester Finn still promote the high achieving charter schools of New York as the norm for charter schools.

yet as seen in the CREDO study, high achieving charter schools are the minority of all charters. Charter Schools have continued to grow since the CREDO 2009 study.

When it comes to equity and parent satisfaction, charter schools fall short. Complaints from the American Civil Liberties Union criticize charter schools over creating more segregation among schools such as Chicago where public school closings have unfairly affected communities of color. Secondly, Communities for Excellent Public Education suggests that racial segregation of schools and lack of transparency about school decisions have decreased parent satisfaction. Rates of high parent involvement and satisfaction have been recorded among charter schools; however, they are almost always diminished over time. Overlooking the fact that charter schools do not perform any better than public schools on standardized tests and equity, charter school advocates like the National Alliance for Public Charter Schools praise the innovation charter schools brought in terms of to its students and communities. The evidence demonstrates overwise. CREDO not only looked at charter school performance, but students access to resources within charter schools. CREDO along with the Communities for Excellent Public Schools, Institute on Race and Poverty, and Lawyers’ Committee for Civil Rights Under the Law have systematically found that charter schools under enroll minorities, English Language Learners (ELL) students, and students with disabilities.\textsuperscript{78} Again with the evidence of low-performance and less resources for students, charter schools still remain popular amongst legislators and think-tanks. In New York, of all students enrolled in charter schools only 7.2\% are students with disabilities and 3.8\% are ELL students compared to 14.2\% in public schools.\textsuperscript{79} In Newark, NJ according to the New Jersey

\textsuperscript{78} Fine and Fabricant, \textit{Charter Schools and the Corporate Makeover of Public Education}, 38.
\textsuperscript{79} Fine and Fabricant, \textit{Charter Schools and the Corporate Makeover of Public Education}, 45.
Department of Education, in 2013 KIPP and Uncommon schools in Newark enrolled zero students with autism, visual impairments, or students intellectual disabilities.\footnote{Bruce Baker and Gary Miron, “Understanding the Policies that Charter Operators use for Financial Benefit,” National Education Policy Center (December 2015): 20.} This could be explained in terms of revenue and operating costs for EMOs. Special Education is not seen as a necessity but a sunk cost. Without a proportional enrollment of students with disabilities and ELL students, it makes a comparison between charter schools and traditional public schools extremely difficult to illustrate the effectiveness of charter schools.

Similarly, since most charter schools are operated by an EMO, they run charter schools like a business. With the business model as the basis of most charter schools, the focus isn’t always on the student; it’s on profit margins. Looking at KIPP charter schools in Texas, they have a higher operating cost than most public school districts, yet they spend almost $1000 less per pupil when compared to a major urban district in the same area as KIPP.\footnote{Ibid., 22.} KIPP also only uses 41.8% of its operating costs on instruction compared to 58.7% in the major urban district. As expected on a business-driven model, central administration and schools leadership consists of 26.32% of all operating costs whereas a major urban district spent less than half, 11.03%, on administration and leadership.\footnote{Ibid., 22.} With most of the operating cost going to high-level administrators and the lack of special education, teacher turn-over in KIPP is 57% of teachers leave within 1-5 years compared to the major urban district, which is 25.3\%\footnote{Ibid., 22.}. Schools like KIPP are able to keep teacher salaries low because they rely on young teachers, which also contributes to the high teacher turnover in KIPP schools while the CEO of KIPP, David Levin makes $395, \hspace{1cm}
350.00 from rent and management fees. However, charter school creation and advocacy continues to increase despite the instability most charters bring to students and families. Coupled with the inequity of resources given to students and teachers, the business model has left students behind.

Nonetheless, the last two decades has seen unprecedented attacks on the public school system in favor of charter schools making public schools look weak and ineffective. One of the largest overhauls in public education took place in Chicago in 2010. The overhaul actually had its beginnings a decade earlier when the Illinois congressed passed 1995 School Reform Law. The law was meant to improve Chicago Public Schools since they were seen as failing. The law put Chicago Public Schools (CPS) under mayoral control where Mayor Richard Daley was free to choose a board of trustees and a chief executive officer to help govern the schools. Despite teacher push back, the law stood. The 1995 School Reform Law was only the start of the dismantling and third-party inference in the public school system. Nine years later in 2004, Mayor Daley and CEO of CPS, Arne Duncan, who will become President Obama’s Secretary of Education, announced a plan called Renaissance 2010. The plan called for the reform of CPS schools in favor of closing failing schools and reopening them as charter schools by the year 2010.

In order for Renaissance 2010 to be implemented, the Illinois Congress had to amend an earlier law enacted in 1996 that limited the number of charter schools allowed in the state to 18. In 2005, the Illinois Charter Legislation was enacted, which increased

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86 Ibid., 14.
the cap to 30, and then again in 2009 where the limit grew to 120.\textsuperscript{87} In order to persuade public opinion, the Commercial Club of Chicago, a group of business investors, released a report called \textit{Left Behind} that chronicled the poor performance of CPS and that competition among schools would yield results.\textsuperscript{88} Later that year, the Consortium of Chicago Public School Research released a report in response to Renaissance 2010. The report concluded that most students from struggling schools ended up also in a struggling charter school during the closings and reopenings. The report also discovered that announcing school closings negatively impacted student reading and math scores.\textsuperscript{89} Instability in the Renaissance 2010 project continued as the firing of principals and teachers and replacing them became the norm as new charter schools opened. Less than 40% of original teachers were still teaching in the re-opened schools.\textsuperscript{90}

When it comes to outcomes, the report revealed that the re-opened high schools did not demonstrate significant improvement compared to the few traditional public high schools left. Another report conducted by Designs for Change found that “Chicago’s democratically-led elementary schools far outperform Chicago’s turn-around schools.”\textsuperscript{91}

School closings are not new to the Chicago area. In 2002, Arne Duncan, the superintendent of CPS, closed 3 elementary schools and fired their staff and reopened them as charter schools. This strategy will follow him all the way to Washington, DC as Secretary of Education. Like Chicago, New Orleans faced a similar situation when

\textsuperscript{87} Ibid., 17.
\textsuperscript{89} E. Allensworth, \textit{Impacts on Closing Schools}, University of Chicago Consortium on Chicago School Research, October, 2009.
\textsuperscript{90} Diane Ravitch, \textit{Reign of Error}, 215.
\textsuperscript{91} “Chicago’s democratically-led elementary schools far outperform Chicago’s turn-around schools” (Chicago: Designs for Change, February, 2012).
Hurricane Katrina hit in 2005. The Center for Community Change insinuated that Hurricane Katrina was the unfortunate end of public education in New Orleans. Katrina nearly destroyed most of New Orleans including school buildings while its students and staff had left for shelters or neighboring states. Twelve days after Hurricane Katrina wiped out the Gulf of Mexico, a group of educational entrepreneurs took advantage of the devastation and forced the opportunity for an educational venture. The group lobbied for the privatization of New Orleans schools. The Orleans Parish School Board voted 4-1 to transform 13 schools into charter schools operated by EMOs. In January 2006, New Orleans managed to open 17 schools. However, the schools were managed by several different groups. 3 schools remained public, 3 charters operated by the Recovery School District, 5 managed by the Algiers Charter School District, and 6 charters operated by outside EMOs. In the process, the district fired 7,500 teachers and staff but had not filled any new positions. To strengthen the charter system, the Secretary of Education under Bush, Margaret Spelling gave $24 Million to expand the charter school system in New Orleans. After firing many of the teachers, the newly opened charter schools relied heavily on inexperienced teachers and Teach for America candidates. Recently, Orleans Parish District has made headlines for receiving an F rating for fifteen of its schools. A majority of the charter schools that opened as a result of Hurricane Katrina received an F, and three charter schools combined buildings due to falling enrollment. Despite best attempts to reform the district, it is clear that the closing of the public schools and re-

92 Fine and Fabricant, Charter Schools and the Corporate Makeover of Public Education, 92.
93 Ibid., 92.
94 Ibid., 93.
95 Ibid., 94.
opening as charter schools did not produce higher test scores, increase graduation rate, or decrease the high school dropout rate.

The extensive implementation of charter schools are not only a threat to public education, but charter schools destroy communities and can increase segregation as seen in New Orleans. New Orleans still struggles today with graduation rates and segregation among schools. However, one charter school from New Orleans Public Schools has been nationally recognized for its excellence in education. Lusher Charter School is one of the charters born out of the redistricting from Hurricane Katrina. Lusher is a high-achieving school but is a majority white school compared to the Orleans Parish Schools. Lusher is an example of the segregation among school districts as a result of Hurricane Katrina and the closings of the public schools. As the market drives the support for charter schools, the ideology is flawed to have students as victims of corporate politics and corporate profit. People like Bill Gates support charter schools because they stem from a business-driven model but also make teachers more expendable. In an interview with Kenneth Whyte from Macleans, Bill Gates opened up about his dislike of teachers’ unions and his overwhelming support for charter schools over public schools.\(^{96}\) His extensive influence along with the Walton Foundation and the Broad Foundation have molded education into a business-driven model of competition. Schools are not a commodity nor are the students consumers.

Still, when the business model is applied to schools in the form of public school closures and charter school openings, businesses work to cut costs and keep the cost labor as low as possible. Should schools strive to constantly keep costs low and eliminate more

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\(^{96}\) Kenneth Whyte, “Bill Gates on what’s wrong with public schools Including the huge textbooks, and why bad teachers have to go,” Interview with Bill Gates September 21, 2010.
and more resources? Bill Gates thinks so. Charter schools who follow the business model rely on low-cost labor such as inexperienced teachers and remove programs like special education. With hiring less teachers, class size increases leaving less targeted attention to the individual needs of students. The free market ideology that created charter schools incites winners and losers in the education system where if you lose, the school will most likely close. The charter promise has been broken when regarding equity and transparency for its communities. As previously seen in New Orleans and Chicago, charter schools have not performed at a higher level than public schools, but they produce negative effects on the communities in which they are supposed to serve. Despite the evidence, there is an insistence that charter schools are superior to traditional public schools and charter companies continue to lobby for charter schools and donate a great deal of money to political campaigns and school board elections. As more and more students leave for charter schools, since school funding is tied to enrollment, struggling schools will receive less and less funding as students transfer. Charter schools may outperform some public schools, but the vast majority perform at the same level with adverse side effects on the community.

Proponents of charter schools see charters as a way to better educate children when the public school system fails them. For example, the Dayton Early College Academy (DECA) is a public charter school in Dayton, Ohio. DECA has an excellent reputation for a high graduation rate for an urban district. DECA is a part of Dayton Public Schools, but DPS has received an F rating for several years and has been threatened with a state take-over if test scores do not improve. However, DECA outperforms all of its district high schools. What makes DECA successful is that DECA
is a product of the partnership between the City of Dayton, Ohio and the University of Dayton who both support the school. This partnership allows DECA to work with the University of Dayton’s Teacher Education Department and their pre-service teachers. Unlike other charter schools, DECA does not rely on inexperienced teachers but master teachers who are most likely to stay in the school because of the University of Dayton partnership. Charter schools can be beneficial to communities if profit and competitive do not drive the motive. DECA is a rare example of a charter school operating how a school should be operating, student-driven and transparent. Albert Shanker would describe DECA as a niche school, which is less problematic than the for-profit schools.

**The Problem of No Child Left Behind**

Another movement that stems from a free market ideology and allowed the expansion of more charter schools nation-wide is the No Child Left Behind Act of 2001 under President George W. Bush. The law would mandate testing in grades 3-8 in math and reading and establish standards for schools to follow. The required testing was an area of concern for both liberals and conservatives in congress, which created another amendment to remove the mandated testing from the NCLB proposal. The amendment to remove the testing was led by Rep. Peter Hoekstra (R-MI) who feared that NCLB would end local control of schools and school boards. Unfortunately, the amendment was defeated on the House floor 173-255 in May of 2001. Any attempts to edit the NCLB proposal was immediately countered by intense corporate lobbying for the proposal as original. The Business Roundtable and Achieve Inc., who would create Common Core under Obama, contacted senators and representatives in private meetings as well as

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98 Ibid., 183.
vocally and monetarily supporting the law with the required testing. Consequently, NCLB passed in the House on May 23, 2001 by a margin of 384-45 and passed the Senate by 91-8.

With the passage of NCLB, schools were required to report test scores annually to see if they were making Adequate Yearly Progress (AYP) towards of the goal of 100% proficiency in reading and math by 2014. As many businesses lobbied for the passage of NCLB, the law “opened the door for huge entrepreneurial opportunities” in education. Since many schools were being declared as “failing,” tutoring and consulting services emerged at a surprising rate. NCLB also allowed the growth of charter schools as a cure for failing schools, which became another business opportunity in attempt to discredit public schools. Even teacher unions became skeptical of NCLB and the over-reliance of testing as the sole indicator of success and failure. The National Education Association filed a lawsuit in 2003 against the NCLB Act as an unfunded mandate. The NEA complained that schools were not given the necessary funds to meet the demands of NCLB. Tension increased as the Secretary of Education Rod Paige called the NEA a “terrorist organization” for interfering with the law. As NCLB became fully enacted, schools started to reduce instruction in non-tested subjects such as art and history in order to spend more time on math and reading. High stakes testing engendered a drill and practice approach to teaching because national tests only tested on basic skills. Lessons became standardized and monitored by administrators since many schools received a “failing” report. NCLB was the point of departure for the narrowing of the curriculum,
which some states began to fight NCLB. Utah passed an amendment that it would no longer follow NCLB standards because it diverged from state standards.\textsuperscript{102}

As more and more states contested NCLB, the Department of Education threatened to “forfeit...state’s share of federal funds,”\textsuperscript{103} meaning states would be at-risk of not receiving any federal funding if they did not comply with the NCLB regulations. For example, Massachusetts applied for a waiver to be exempt from NCLB. From pressure from the public and Massachusetts lawmakers, Massachusetts became exempt from NCLB. Other states were not as lucky like New Mexico, which was denied any flexibility for the NCLB requirements.

Critics of NCLB look at it from a privatization standpoint and an attack on public schools. Kenneth J. Saltman claims that businesses take advantage of disaster in order to gain profit. That model can be applied to public education and NCLB. As states scrambled to secure funds to implement NCLB, failing schools were repeatedly closed, restructured, and reopened as charter schools. When schools are labeled as “failing” they not only lose funding but were forced to use consulting services and tutoring services at their own expense.\textsuperscript{104} The supplemental services are typically for-profit companies selling services to public schools. If scores still do not improve, they would face closure.

Evidence on the ineffectiveness of NCLB can be demonstrated through the National Assessment of Educational Progress (NAEP) lack of progress in increasing test scores.\textsuperscript{105} The legacy of NCLB introduced top-down approaches and competition to improve schools, which as noted did not significantly improves test score but took away

\textsuperscript{102} Ronald Evans, \textit{Schooling Corporate Citizens}, 196.
\textsuperscript{103} New York State Education Department, \textit{Federal Education Policy}, 77.
\textsuperscript{105} Ronald Evans, \textit{Schooling Corporate Citizens}, 205.
teacher autonomy in the classroom. The fatal flaw and ideology that created NCLB was the idea of competition among schools. NCLB labeled schools that did not make AYP as “failing,” which would incentivize schools to work harder to bring test scores up. Hinging on the idea that schools can improve test scores by following standards, NCLB had many hidden costs of improvement such as “administrative costs of implementing the law, and the costs of teaching children to standards.” Another unintended consequence of NCLB was the reliance of test scores to make AYP incited the increase of suspensions in schools labeled as “failing.”

John B. Holbein and Helen F. Ladd have examined student behavior as a result of NCLB and the implementation of high stakes testing. Their study found that an increase in standardized testing increased fights and other misconduct by 4-7%. High stakes testing also allowed for the neglect of gifted students and struggling students and turned the teacher’s attention to students in the normal range because NCLB focuses on low-level skills. “High and low performing students who receive lower levels of attention may be more likely to act out and engage in the types of misbehaviors.”

**Race to the Top**

In 2009, President Barack Obama took office and expressed his disapproval of NCLB and called for a complete redesign of education policies. He nominated Arne Duncan, who was the CEO and Superintendent of Chicago Public Schools and a contributor to the Renaissance 2010 plan, to be Secretary of Education. Obama and

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108 Ibid., 65.
Duncan created a new policy that would allow schools to compete for funding. Race to the Top (RTT) was announced on July 24th 2009.\textsuperscript{109} Obama highlighted that districts would compete for grants worth $4.35 billion in total, and in return schools would demonstrate higher test scores and innovative classroom practices.\textsuperscript{110} RTT was aimed at retaining effective teachers and building data-systems to improve practices as well as improve achievement test scores.\textsuperscript{111} In order to be eligible for any RTT funds, states must be able to connect student data to teachers and principals. In other words, teachers must be evaluated based on their students test scores. RTT encouraged competition and the idea that failing schools could be fixed if closed and reopened as a charter school—just as Duncan endorsed in Chicago.

48 states agreed to participate in Race to the Top, and in 2010, Delaware and Tennessee won the first round of grants.\textsuperscript{112} States like Texas chose not to participate because of east coast and urban bias within the competition. Even the NEA critiqued the motive of RTT because it created a school culture of winners and losers and questioned the ethics of having schools compete for funding where schools who need the resources the most may be neglected. Even the Director of the CATO Institute, a free-market think tank, became skeptical on the culture of Race to the Top. For example, Neal McCluskey

\textsuperscript{109} Ronald Evans, Schooling Corporate Citizens, 222.
\textsuperscript{111} DOE, Race to the Top Program Executive Summary (Washington, DC: DOE, November 2009), 2.
\textsuperscript{112} “Race to the Top Phase I Final Results,” March 4, 2010, http://www2.ed.gov/programs/racetothetop
mapped out conflicts among public school districts and school choice movements as a result of RTT.\textsuperscript{113}

Since standardized tests were one of the main criteria for funding, the curriculum narrowed even more compared to NCLB. Race to the Top divorced the idea of equal funding for schools and furthered disciplinary action for “failing” schools. Like NCLB, Race to the Top normalized school restructuring, which Education Secretary Duncan advocated for. The Commercial Club of Chicago’s publication, \textit{Left Behind}, was cited as a guide to breaking up the monopoly of public schools, which would then foster competition and better results.\textsuperscript{114} Advocates for Race to the Top desired to import free market practices into public schools. Therefore, Race to the Top allowed for “value-added” data, data derived from test scores, to determine the quality of a school and its worthiness of funding as standardized testing became the means of evaluation. Together, NCLB and Race to the Top disregarded external factors on student achievement and punished schools for not acquiring a certain score. As the media highlights the “crisis in education,” test-based accountability brought with it an army of EMOs expanding charter schools when teachers in public schools were deemed ineffective. Corporations have offered solutions with no real results.\textsuperscript{115} Yet, they use monetary power to display school choice and charter schools as the only remedy to the public education crisis, and they also note that public education is the illness causing the ailments of a less-competitive workforce. Race to the Top forced states and schools to adopt business principles and apply them to schools in order to receive federal funding.

\textsuperscript{115} Diane Ravitch, \textit{Reign of Error}, 316.
After the implementation of Race to the Top, President Obama announced a new reform called *A Blueprint for Reform: The Reauthorization of the Elementary and Secondary Education Act* (ESEA) in March of 2010. The Act emphasized national standards and improving school effectiveness through testing, which Race to the Top already mandated. ESEA differed from other past education reforms such as NCLB because it sought to install national standards in the school system to help streamline curriculum. ESEA ultimately turned into the creation of the Common Core State Standards. However, the origin of Common Core and the ideology behind national standards reach back to the 1980s. National standards were seen as a way to improve education by providing the framework of what children should be taught and be able to do by the end of each grade. Standards were meant to be a guideline to ensure quality education across the United States. President Bill Clinton and Assistant Secretary of Education Diane Ravitch were supporters of the standards movement as a way to create a uniform curriculum. Many businesses supported national standards such as the Business Roundtable, U.S Chamber of Commerce, and the National Association of Manufacturers.

**The Creation of Common Core**

In 2005, one of the first national meetings took place to discuss the possibility of national standards and how to best improve public education. The National Education Summit was comprised of forty-five governors and CEOs from around the country. Achieve Inc., an education think-tank, and the National Governors Association hosted the summit but received monetary support from the Bill and Melinda Gates Foundation,

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IBM, State Farm, and the Intel Foundation.\textsuperscript{117} The Summit focused on developing state standards and creating more efficient accountability systems, which research would be funded by several corporations including Bill Gates pledging $15 million to the mission of the Summit.\textsuperscript{118} Aligning national and state standards to curriculum was believed to improve education and have teachers all standardize their approach to teaching. In reality, the creation of standards would soon limit the curriculum and teacher autonomy in the classroom. In 2009, Obama developed plans to formalize a proposal for the creation of national standards. The Common Core States Standards were largely supported by a small group of businessmen, the National Governors Association, and the Council of Chief State School Officers. With Bill Gates spending over $200 million on building support for the standards, support was quickly gained for the adoption of national standards.\textsuperscript{119} Bill Gates was not only a huge supporter of national standards, he “was de facto organizer, providing the money and structure for states to work together on common standards in a way that avoided the usual collision between states’ rights and national interests.”\textsuperscript{120} He gave $5.2 million to the Foundation for Excellence in Education, and in total spent over $15 million in gathering support from governors and other advocacy groups. Kentucky’s Education Commissioner, Terry Holliday, noted that “Without the Gates money, we wouldn’t have been able to do this.”\textsuperscript{121}

\textsuperscript{117} Achieve Inc. and NGA, National Education Summit on High Schools (Washington, D.C: Achieve and the National Governors Association, 2005).
\textsuperscript{120} Ibid.,
\textsuperscript{121} Ibid.,
Yet, Common Core differed from previous standards that have been implemented in other states such as in Massachusetts. Bill Gates as well as the Business Roundtable endorsed national standards because of their belief standards will increase the United States’ global competitiveness. However, there is very little data to support that national standards will raise achievement at all.\textsuperscript{122} Reformers push for standards because it could create a common understanding of the material needed to be a productive citizen.\textsuperscript{123} Christopher Tieken has analyzed the evidence that the National Governors Association and the Council of Chief State School Officers had cited for their support of common academic standards, and he found that the only body of evidence they have for standards is a document that NGA and CCSSO created themselves.\textsuperscript{124} As there was little support for the creation of common standards among educators because of the lack of transparency, Obama hired testing companies and other education think tanks to develop national standards that teachers around the nation would have to follow. Since CCSS would be implemented nationally, it is surprising that according to William Mathis, only 65 people were involved. Many of the creators were from Achieve Inc., the College Board, and Gates Foundation, none of which were teachers or school administrators. The CCSS were developed by proaccountability groups who did not seek teacher support or guidance in creating standards teachers would soon be using to guide their instruction. In fact, there was one teacher invited to join the development, which may explain the


\textsuperscript{124} Christopher Tieken, “Common Core Standards: An Example of Data-less Decision Making,” Journal of Scholarship and Practice 7(4), 10.
secrecy atmosphere it was generated under. Unlike states such as Massachusetts that already had state standards developed by teachers and college education professors, Common Core was largely developed in the dark out of the public eye, which may explain the lack of support among educators because very few were consulted. The standards were released to the public in the summer of 2009, which was a strategic move because releasing the standards in the summer would minimize feedback among educators. President Obama created the illusion that Common Core was spearheaded by states when in reality think tanks developed the standards and presented them to the National Governors Association to entice states to adopt these standards.

Like NCLB, Common Core opened the door for testing companies to sell services and common core test prep materials to school districts since Race to the Top has been aligned to follow the CCSS. As Lindsey Layton had investigated, “In February, Microsoft announced that it was joining Pearson, the world’s largest educational publisher, to load Pearson’s Common Core classroom materials on Microsoft’s tablet, the Surface,” which illustrates how Bill Gates not only influences education policy with money, he gains profit from his ventures in education. Microsoft was now able to sell its tablet to school districts. Common Core gave license for more political and business control of the school system while punishing school districts for falling out of line. With testing companies and Common Core consultants selling products to schools,

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the *Denver Post* examined how school districts were handling the introduction of the standards. The *Denver Post* revealed that 35% of funds allocated to schools were used on testing consultants for Common Core.\(^{129}\) Now combined, NCLB, RTT, and CCSS has welcomed private profit to be the norm in education reform.

Corporate Culture stems from a societal issue more than anything. Pressures from business and STEM fields have cornered education to fulfill the needs of those industries and produced a culture of immediate, tangible, and measurable results to fuel data. Data-driven evaluations, charter schools, and mass school reforms have only hurt and weakened public schools over the decades. Attempts at privatization have become more frequent but more disguised behind words like “data” and “achievement.” A former dean of the University of Dayton’s College of Education and Health Sciences that I interviewed for this thesis explained to me that No Child Left Behind was long gone.\(^{130}\) Contrary to that statement, NCLB left many children behind and began the dismantling and discrediting of public schools as seen today. As more and more reforms and reformers push for standardized testing and set curriculums, democracy will crumble if students are strictly taught to the test.

As industrialization and new markets fuel free-market ideology, schools have increasingly abandoned educating students for democracy in favor of preparing students for industry, which leads to a less educated workforce when it comes to engaged citizenry. The “shifting emphasis away from democracy to marketplace skills”\(^{131}\) was first seen at the turn of the twentieth century as industrialization had infiltrated all aspects

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of society. Private sector leaders like Bill Gates have fashioned demand for certain skills to be taught in schools measured by standardized tests to then funnel students into the workplace to help improve the economy. Standardized Testing does not foster critical thinking or improve oral and written communication skills, but standardized testing does provide a huge profit for test-makers like Pearson Inc., and its supplemental contracts with Apple and Microsoft. Privatization of schools is not the answer. As seen in Race to the Top, competition among schools did not yield higher achievement but instead punished struggling schools by depriving them of funding. With the illusion of privately managed schools seen as the solution, it is part of the problem of segregation and inequality because private schools and even charter schools can choose who to accept and reject, which is not equality for all students. People like to hear that the economy is doing well, so when business leaders endorse a reform that will stimulate the economy or lead to a booming stock-market, the average American is inclined to believe them. Despite the strings attached to educating for economic growth, it allows more businesses to exert control over the school system since they are hailed as the experts in growing the economy. The persistence of educating for economic growth in schools only worsens our democratic values and gives private sector leaders unprecedented influence over a public good--public schools. The drive behind business-driven reform that induces an education for economic reasons claims that focusing on the economy will spur better education and innovation. It has yet to deliver any results thus far. Scholars like Martha Nussbaum have focused on how a corporate culture influences democratic values, and she been a vocal advocate for school curriculums rich in history, art and other integrated

132 Richard D. Kahlenberg And Clifford Janey, “Putting Democracy Back into Public Education.”
subjects for a deeper appreciation of the world. Democracy succeeds when the United States educates for “human development.” Educating for “economic growth does not produce democracy.” A well-rounded curriculum produces democracy where teachers have the freedom to be creative and collaborate with each other while assessing students without the use of high stakes testing. The future of our democracy depends on the quality and equity of the public education system.

**Solutions Start Now**

Solutions are not as easy to implement because of the intertwined interests of several third-parties. As solutions becomes more politicized, issues of poverty take a back seat on the education reform battle ground. Poverty is one of the largest barriers of equitable education because of how widespread the issue is. Children in poverty do not have access to as many resources, which leads to a decrease in learning opportunities. With a lack of healthcare, children in poverty are more likely stay home when sick and not receive treatment for illnesses, which engender children in poverty to be in school less. Not only can children in poverty suffer from poor physical and mental health due to lack of access to healthcare, including dentistry and a regular doctor visits, some children face a lack of food or live in a food desert. A lack of food in the home can precipitate memory and concentration issues as well as misbehavior. Since the federal free lunch program has been contested since Education Secretary Betsy DeVos has taken

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133 Ibid., 9.
134 Ibid., 15.
office, public schools have been threatened with losing funding for the National School Lunch program that provides meals to over 21 million students.\textsuperscript{137}

Not only would the continuation of the National School Lunch Program and adequate and affordable access to healthcare increase educational achievements for children living in poverty, access to universal pre-K and a curriculum rich in the arts, sciences, and the humanities aid in raising educational attainment across students of all backgrounds.\textsuperscript{138} Universal pre-K allows students born in poverty a chance to learn more advanced social skills as well as cognitive skills and not fall behind their more affluent peers. However, universal pre-K would not be successful unless it follows a balanced curriculum, not only in pre-K, but all the way to high school. The reduction of standardized testing would bring back teacher creativity in the classroom and re-introduce subjects that have been cut or diluted because of NCLB, RTT, and Common Core like languages, music, and geography. The valuing of test scores has devalued non-tested subjects in several public schools, and it has also allowed inequality to flourish and restrict rich curriculums to affluent public schools and private schools. Instead of relying on high stakes testing to measure student and teacher performance, students should be assessed based on what they can do such as a portfolio assessment or a performance-based assessment. Not only does providing students with a fair assessment benefit school children and teachers, it enables schools to delve deeper into subject such as history, economics, literature, the arts and sciences, and develop an appreciation for other perspectives. While Diane Ravitch and Neil Postman advocate for a liberal arts curriculum in schools, it is not the answer to the public school crisis; instead, it is a step


\textsuperscript{138} Diane Ravitch, \textit{Reign of Error}, 323.
in democratically educating children. Schools are able to contest scripted curriculums with the insistence of a curriculum that permits students to evaluate different perspectives and challenge stereotypes. A liberal arts curriculum promotes accountability to teach students responsibility for their actions. For examples, the Milgram Research illustrates that teaching children that they do not have to take responsibility for their actions lead to worse behavior and decisions. When applied to a classroom, Diane Ravitch, Ronald Evans and Martha Nussbaum suggest the use of standardized testing takes away student autonomy because it is judged by an outside authority figure not involved in their lives.

Healthcare, free lunch, and a balanced curriculum are not enough if educators are not considered professionals or adequately prepared for life in the classroom. Better pay and respect would keep veteran teachers in the field longer. Principals and superintendents should be master teachers who are experienced and dedicated to advancing student and teacher interests. There is not a single solution that would solve the problems of education; however, discrediting public schools and public institutions would do more harm than benefit to the vast majority of Americans. Reinvesting in public education would help schools rebuild and update facilities and have the funds to keep extracurricular activities. Banning for-profit entities from education would keep schools in the hands of democratically elected school boards while re-thinking the use of charter schools would give back the respect to neighborhood schools and the communities that have been negatively affected by charter-caused segregation.

All is not lost, teachers around the country have stood-up to privatization and third-party intervention. In particular, the Chicago Teachers Union, which was originally

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139 Martha Nussbaum, *Not for Profit*, 42.
140 Ibid., 42.
named the Chicago Teachers’ Federation and the same union Margaret Haley joined in 1898, went on strike to protest the dismal conditions of Chicago Public Schools where many schools were overcrowded, had no libraries, dangerously outdated facilities, and facing school closures. The CTU was unsuccessful in preventing more school closures but demonstrated to the nation unity within the teaching profession. Threats to public education become more opaque and bold such as Louisiana Governor Bobby Jindal offering money from the public school budget to be used on vouchers and the opening of charter schools, which was quickly deemed unconstitutional. ¹⁴¹ Despite the constant criticism, public schools are backbone of democracy where all students are accepted and taught to be democratically involved in our society. It is hard to articulate the importance of public schools because it is so intrinsically entwined to the health of a good democracy. Schools are supposed to be the great equalizer of America, not perpetuate stereotypes, segregation, or use students as pawns in a corporate scheme disguised as education reform. Public education matters because of the idea of opportunity and giving each child a fair start in the world and growing those children into civically engaged adults who can think politically, meaning strategically about their life choices as well as developing a concern for others. Public education receives all children regardless of gender, race, religion affiliation, socioeconomic status, and sexual orientation, and that is something not all private schools and charter schools can claim and practice. Public Education is not a commodity.

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