



School Privatization Playbook



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[washingtonpost.com](https://www.washingtonpost.com)

Majority of U.S. public school students are in poverty

NEA News

Shameful Milestone: Majority of Public School Students Live in Poverty

The trend toward a majority-poor student population is a "prologue for a nation not at risk, but a nation in decline."

- Poverty affects such things as:
 - birth weight
 - language development
 - brain development
 - behavior (leading to increased risk of difficulties with self-regulation and executive function, such as inattention, impulsivity, defiance, and poor peer relationships)
 - the regulation of emotion
 - learning and the ability to focus

Children in poverty are more likely to experience:

- trauma
- toxic stress (defined as excessive or prolonged activation of the physiologic stress response systems in the absence of the buffering protection afforded by stable, responsive relationships)
- Adverse Childhood Experiences (ACEs)
 - abuse or neglect
 - the death of a parent
 - parental divorce or separation
 - witnessing domestic violence
 - living with someone with a mental illness or a substance abuse problem
 - the incarceration of a household member
 - chronic economic hardship
 - unwanted sexual touch
 - not having enough to eat
 - having a member of the household in jail.

- Poverty, which is often described as an ACE itself, is shown as a strong reinforcing factor in the accumulation of ACEs.
- ACEs can affect student learning and behavior in the classroom. Children with three or more ACEs are 5x more likely to have attendance issues, 6x times more likely to have behavior problems, and 3x times more likely to experience academic failure.
- A person with four or more ACEs is seven times more likely to end up in prison, has double the risk of cancer or stroke, and is thirty times more likely to attempt suicide.

Standardized test scores are most highly correlated with socioeconomics.

Student academic performance is not only impacted by family wealth or the lack thereof, but academic achievement is also impacted by the concentration of poverty at a child's school. *Researchers have found that the single-most powerful predictor of racial gaps in educational achievement is the extent to which students attend schools surrounded by other low-income students.*

School rankings don't necessarily reflect the quality of instruction, leadership or teaching at a school.

They reflect the needs of the children in the school.

The solution?

Greater resources and support for high-needs students:

- wraparound services that meet basic needs (“community schools”)
- counseling
- trauma-informed instruction
- socioeconomic diversity in schools
- evidence-based practices
- increased parental engagement
- greater community support of schools

Follow the money!

A Nation At Risk:

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THE
IMPERATIVE

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Who's driving the privatization movement? a loose affiliation of millionaires and billionaires

- Wall Street hedge fund managers
 - Entrepreneurs
 - Major foundations

National top funders of the corporate school “reform” movement:

- Bill & Melinda Gates Foundation (charter schools & test-based teacher evaluation)
 - Eli and Edythe Broad Foundation (charter schools & urban superintendent training)
 - Walton Family Foundation of Walmart (vouchers & charters)

Other funders include: Laura and John Arnold Foundation (hedge funder), the Bezos family (Amazon), Reed Hastings (Netflix), Rupert Murdoch (News Corporation)

REVEALED: Special interests spend estimated \$60 million every year to influence Tennessee state officials

Tennessee Federation for Children (Betsy DeVos)

Stand for Children (Bill Gates)

Americans for Prosperity (Koch Brothers)

Nashville Coalition for Public School Options

National Heritage Academies (charter schools)

New Meridian Corporation (testing)

Teach For America

Tennesseans for Student Success

Campaign for Great Public Schools- political arm of The City Fund (portfolio model- Reed Hastings, John Arnold)

State Collaborative on Reforming Education (SCORE) (Bill Gates and Bill Frist)

TennesseeCAN- formerly StudentsFirst (Michelle Rhee)

Excellence in Education National, Inc., dba Excellence in Education in Action (Jeb Bush)

Americans for Prosperity (Koch brothers)

K-12, Inc.; also Stride, Inc. (for-profit, virtual schools)

Pearson, Inc. (for-profit testing)

Charter Schools USA

Aspire Charter Schools

Noble Education, Inc. (digital learning)

and many more!

“The movement is determined to cut costs and maximize competition among schools and among teachers. It seeks to eliminate the geographically based system of public education as we have known it for the last 150 years and replace it with a competitive market-based system of school choice – one that includes traditional public schools, privately managed charter schools, religious schools, voucher schools, for-profit schools, virtual schools, and for-profit vendors of instruction. Lacking any geographic boundaries, these schools would compete for customers. The customers would choose to send their children and their public funding wherever they wish, based on personal preference or on information such as the schools’ test scores and letter grade conferred by the state (based largely on test scores).”

Some in [this] movement, believing that American education is obsolete and failing, think they are promoting a necessary but painful redesign of the nation’s ailing schools. Some sincerely believe they are helping poor black and brown children escape from failing public schools. Some think they are on the side of modernization and innovation. But other see an opportunity to make money in a large, risk-free government-funded sector or an opportunity for personal advancement and power. Some – a small but important number – believe they are acting rationally by treating the public education sector as an investment opportunity.”

-Diane Ravitch

THE PRIVATIZATION PLAYBOOK



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1. Underfund public education

Public education in Tennessee is chronically underfunded and has been for 30 years. According to TACIR, The Tennessee Advisory Commission on Intergovernmental Relations, schools in Tennessee are underfunded statewide by at least \$1.7 billion per year.

Tennessee recently passed new funding formula called the Tennessee Investment in Student Achievement (TISA) that's been called the gateway to vouchers.

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2. Implement excessive for-profit standardized testing, used to create a “failing schools” narrative.

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3. Demonize teachers.

- Blame teachers for societal ills.
- Cripple teacher unions, which can organize funded resistance to school privatization. Remove bargaining rights. Remove the ability to automatically collect dues.
- Replace traditionally-trained teachers with cheaper labor that also turns a profit (e.g., Teach for America; The New Teacher Project)

Hillsdale College President Dr. Larry Arnn on teachers:

“The teachers are trained in the dumbest parts of the dumbest colleges in the country.”

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4. Remove local control of schools, which creates more access to profit without oversight.

- Mayoral control of school boards
- Appointed school boards
- Governor-appointed Charter School Commission
- Achievement School District (state-operated charter authorizer run by appointed officials). In Tennessee, the ASD has a “success rate” of less than 5%, but can take over any school performing in bottom 5% of schools statewide. It has also authorized “fresh start” charter schools and “co-located” charter schools in existing public schools through hostile takeover.
- The wealthy buy school board seats. Local school board races have become overwhelmingly expensive.

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5. Create fear and doubt around public education, currently through culture wars:

School as urban jungles (school fights, etc.)

Critical race theory

Book banning

Fights about curriculum

Gender and sexuality: the “furries”

Moms for Liberty

AstroTurf

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6. After crippling public schools, privatize them with **for-profit** “solutions,” such as charter schools, vouchers, more testing, curriculum, consultants, contracts (often no-bid), etc.

"That's the standard technique of privatization: defund, make sure things don't work, people get angry, you hand it over to private capital."

-Noam Chomsky

School privatization is a proven failure. It doesn't help children, but it does generate profit.

Charter schools

According to Tennessee's "Report Card,"

37% of Tennessee charter schools have a "success rate" of 5% or less.

77% of publicly funded charter schools have a "success rate" of less than 10%.

Achievement School District, a state-run charter program created through Race to the Top, has a "success rate" of 4.5% statewide.

Our investment in charter schools has been a massive failure!

(data from 2021)

FOLLOW THE MONEY!

Even so called “non-profit” charter schools are profitable.

- Lucrative land deals: Real estate investors use charter schools to pay off their private investments with public funds.
- Charter school management organizations
- Tax credits
- Technology contracts
- Drive more money to the top from the classroom (pay teachers less and less in benefits, use technology instead of teachers for instruction, etc.)- low rent education. Spend more money on administrative costs than other schools.

The Hunger Games

- Charter school spending is essentially unregulated.
- Charters drain funds from existing public schools that serve the most vulnerable students. There is no way to offset the growing costs of Nashville's charter school sector. Two studies in Nashville confirmed the negative fiscal impact of charter schools on existing schools, and we had to close 3 neighborhood schools to accommodate charter growth.
- Charters cherry pick students, causing public schools that serve the highest needs students to underperform and eventually collapse.

Instead of funding one school system, school districts are forced to try to cover the rising costs of two competing school systems, neither of which are at capacity. Public schools that serve the most vulnerable students always lose.

Charter School Scandals In Tennessee

1. Memphis Academy of Health Sciences closed after 3 leaders were indicted for stealing \$400k for personal use – for Vegas trips, a hot tub, NBA tickets, auto repair, etc. 750 students were displaced.
2. Knowledge Academies in Nashville failed to pay teachers, used uncertified teachers, lost hundreds of thousands of dollars in an online phishing scheme, changed grades and transcripts, understaffed the school, failed to properly serve special needs and EL students, ran for-profit businesses out of the school, posted terrible academic results, and more. After the money went missing, its CEO and founder disappeared. Nashville's school board shut it down, but the state forced it back open. It was soon operating with a \$7.9 million deficit.
3. Gateway University Charter School in Memphis shut down after it falsified grades, used uncertified teachers, gave credits for a geometry class that didn't exist, and pulled children out of class to clean bathrooms, hallways and classrooms.
4. Nashville Global Academy for a young student on a bus, leaving the child on the bus all day parked off-site. An investigation revealed a non-workable transportation plan, poor communication, inadequate board oversight, poor administration of exceptional education, failure to meet accepted standards of fiscal management and accounting practices, failure to pay teachers and to administer required state assessments. The school misappropriated funds to the tune of \$149k, failed to pay food services (\$35k), gas charges (\$14k), bus leases (over \$23k) and employee benefits (\$200k). It also failed to reconcile Charter Startup Program Grant funds totaling \$81k. It collapsed nearly \$500k in debt.

CHARTER SCHOOLS LACK PUBLIC ACCOUNTABILITY ON SPENDING AND OVERSIGHT.

Vouchers: *A Failed Experiment*

Three major longitudinal studies in three different states found that vouchers failed to improve educational outcomes for students. Worse, these studies demonstrated that students who accepted vouchers actually experienced learning *losses*. One study found that students who use vouchers to attend private schools have fared worse academically compared to their closely matched peers attending public schools.

- Vouchers don't cover the full cost of private school and exclude families who can't provide transportation.
- Voucher spending is unregulated and provides opportunity for fraud and abuse.
- Vouchers strip public schools serving all children of desperately needed funding.

Charter schools pave the way to vouchers.

LANGUAGE USED TO MARKET SCHOOL PRIVATIZATION

“You keep using that word. I do not think it means what you think it means.”

-Inigo Montoya, The Princess Bride

- School choice or parent choice
- School “reform”
- High-quality schools or high-quality seats
- Children are “trapped” in “failing schools.”
- Government schools
- We are fighting the status quo!
- Every children deserves a good education, regardless of zip code.
- Not vouchers but “Education Savings Account” or “Opportunity Scholarship”
- New Civil Rights movement of our time
- Individual liberty or parental rights
- Equity

(School privatization is not a partisan issue.)

RESOURCES

National Education Policy Center

Network for Public Education

- Privatization Toolkit
- Another Day Another Charter School Scandal
- Chartered for Profit

Public Funds Public Schools – Education Law Center



QUESTIONS?