

Don't Think Public Schools Are Under Siege? Read Thomas Ultican's 4/22/2022 Article on The City Fund

The City Fund (TCF) is an ultra-wealthy organization bankrolled by a couple billionaires who have the goal of privatizing the education programs of 40 large cities by 2028—just 6 years from now. Thomas Ultican explains this dark plot.

The public common school system in America has been under attack for at least 40 years. The attacks have been ramped up in recent years. The City Fund is one of the most recent tactics.

The City Fund will no doubt come calling on Ohio soon.

The City Fund uses Oligarch Money to Privatize Public Schools

By Thomas Ultican 4/22/2022

Born in 2018, The City Fund (TCF) is a concentration of oligarch wealth crushing democracy and privatizing the commons. John Arnold (infamous ENRON energy trader) and Reed Hastings (Netflix CEO and former California Charter Schools Association board member) claimed to be investing \$100 million each to establish TCF. Their July 2018 announcement was delivered on Neerav Kingsland's blog "Relinquishment" which recently started requiring approval to access.

The TCF goal is to implement the portfolio school management model into 40 cities by 2028. At present TCF says it is "serving" 14 cities: Oakland, Ca; Stockton, Ca; Denver, Co; Camden, NJ; Washington, DC; Memphis, Tenn; Nashville, Tenn; New Orleans, La; Indianapolis, Ind.; Atlanta, Ga; Fort Worth, Tx; San Antonio, Tx; Baton Rouge, La; and Newark, NJ.

The operating structure of the fund is modeled after a law firm. Six of the fourteen founding members are lawyers. They constitute the core of the team being paid to execute the oligarch financed attack on public education.

The Strategy

In 2017, Diane Ravitch posted observations from Dr. Jim Scheurich and his team in the Urban Education Studies doctoral program at the University of Indiana Purdue University Indianapolis (UIPUI). They identified several key strategies being used to end public schools:

- Convince the public that business is the best model for running schools.
- Develop a huge infusion of new dollars for school board elections. (Dark Money)
- Establish unified enrollment for public schools and charter schools.
- Undermine teacher professionalism with Teach for America (TFA) or any instant-teacher-certification program and take control of teacher professional development.

- Implement Innovations Schools which are an ALEC sponsored method for removing schools from elected school board control.
- Develop a funding conduit for national and local wealthy individuals and organizations to support local privatization initiatives.
- Co-locate charter schools with public schools using rules that favor charter schools.
- Develop a network of local organizations or affiliates that collaborate on the agenda.
- Support gentrification.

TCF has spent heavily to develop a local ground game in the communities of targeted cities. On their web site, they provide a list of major grants made by 12/31/2019; defining major grants as being more than \$200,000. Many of these grants are to other privatization focused organizations like TFA and Chiefs for Change, but most of them are for developing local organizations like the \$5,500,000 to Opportunity Trust in Saint Louis another TFA related business. The TFA developed asset, founder and CEO Eric Scroggins, worked in various leadership positions at TFA for 14 years. Table-1 below lists this nationwide spending.

In many ways, The Mind Trust in Indianapolis, Indiana was the model for this kind of development. A 2016 article from the Progressive Policy Institute (PPI) which is quite school privatization friendly covers its development from the 2006 founding by Democratic Mayor Bart Peterson and his right hand man David Harris until 2016. PPI noted,

“The Mind Trust convinced Teach For America (TFA), The New Teacher Project (now TNTP), and Stand for Children to come to Indianapolis, in part by raising money for them. Since then TFA has brought in more than 500 teachers and 39 school leaders (the latter through its Indianapolis Principal Fellowship); TNTP’s Indianapolis Teaching Fellows Program has trained 498 teachers; and Stand for Children has worked to engage the community, to educate parents about school reform, and to spearhead fundraising for school board candidates.”

The Mind Trust became a successful example of implementing all of the important strategies for privatizing public schools. As a result, the Indianapolis Public School system is the second most privatized system in America with over 60% of its students attending schools no longer controlled by the elected school board.

Stand for Children which the PPI referenced is almost entirely about funneling dark money into local school board races. These nationwide efforts are now being bolstered by the political action organization staffers at TCF created, Public School Allies. Public School Allies was founded as a 501 C4 organization meaning it can contribute to politicians; however contributions to it are not tax exempt.

Billionaire funded organizations like Public School Allies can overwhelm local elections. For example, in 2019 they provided \$80,000 to the independent expenditure committee Campaign for Great Camden Schools. In the first school board election since the 2013 state takeover of Camden's public schools, the three oligarch supported candidates won with vote totals of 1208, 1283 and 1455 votes.

Gary Borden was the Executive Director of the California Charter School Association 501 C4 organization before he became a Partner at TCF. Now he is the director of Public School Allies.

A TCF Partner sits on the board of many of the local political organizations they fund. Kevin Huffman is on the board of The Memphis Education Fund and Atlanta's RedefinED. Partner Ken Bubp is on the board of New Schools for Baton Rouge. Gary Borden is on the board of The Mind Trust. He replaced David Harris who appears to have resigned from TCF. Harris was also on the board of San Antonio's City Education Partners. Unfortunately, their new web page no longer lists the board members.

The Misguided and Self-serving Oligarch Philosophy

In 1990, Ronald Reagan's view that government is inept and that private business with its associated market-based forces were superior dominated libertarian and neoliberal thinking. That year two conservative academics, John Chubb and Terry Moe published *Politics, Markets, and America's Schools* in which they asserted that poor academic performance was "one of the prices Americans pay for choosing to exercise direct democratic control over their schools." In other words, democratic governance is unfit.

At a convening of like minded organizations in San Francisco, TCF co-founder Reed Hastings made it clear that he favors schools governed by non-profit organizations as opposed to elected school boards. He had been espousing this position for at least five years. In other words, the oligarch believes like Moe and Chubb that democracy is bad and privatization is good.

Modern "school choice" ideology promoted by many white billionaires is little different from the strategies of southern segregationist in the 1950s and 60s. It still increases segregation and creates an "inherently unequal" and racist education system.

In 2009, the Center for Reinventing Public Education (CRPE) published "Portfolio School Districts for Big Cities: An Interim Report." Lead author Paul Hill and his associates stated,

"The report introduces the idea of a 'portfolio school district,' and shows how some leading school districts have put the idea into practice. A portfolio district is built for continuous improvement through expansion and imitation of the highest-performing schools, closure and replacement of the lowest-performing, and constant search for new ideas."

It is an organized idea for managing the charter schools, innovation schools, public schools and voucher schools that make up the mix of schools in a district. Using standardized testing as a proxy for measuring quality, some percentage (5%) of the lowest performing schools will be closed every year. Invariably, the closed school will be replaced by a privatized structure outside of the purview of an elected school board. Also, because standardized testing only correlates with family wealth, the schools in the poorest communities will be privatized and subject to constant churn.

This is the management philosophy that TCF is spending abundantly to institute.

To sell this idea, they have contracted with the Center for Research on Education Outcomes (CREDO). It is part of the Hoover Institute on Stanford's campus in Palo Alto, California. CREDO has gained some level of discredit for producing non-peer reviewed reports that employ ideas that are not embraced by the research community such as "days of learning." The latest study is called the City Study Project and compares charter schools and public schools in the TCF "service" cities.

The study is 100% based on standardized testing which is useless and it employs pro-charter school biases. Business writer Andre Gabor noted that their method starts with two assumptions, "A) That standardized-test scores are an adequate measure of school quality and B) that creaming in charter-schools does not exist." A quick check of special education and language learner enrollment data quickly shows how extensive charter creaming actually is.

In addition, not only is their "virtual twining" model criticized by researchers like Professor Andrew Maul of UC Santa-Barbara, their selection method eliminates students from top performing public schools which biases the study further toward charter schools.

Even with these biases, to make it look like the hundredths of a standard deviation favoring charter schools over virtual public schools is meaningful, they reduce the arithmetically contrived vertical axis to expand the minimal differences. They also further exaggerate the differences by adding a "days of learning" axis. See the following image taken from the City Study Project.

Something Funny about the Money

In December 2018, Matt Barnum of Chalkbeat quoted Neerav Kingsland's claim that TCF had raised \$189 million. However, TCF's two existing tax documents which go through June 30, 2019 report less than \$81 million in received money. It also appears that the Oligarchs are reporting significantly more dollars given than TCF has reported receiving.

The Ballmer group was created by Steve Ballmer and his wife Connie. There are no tax documents available for them, but their web page reports committing \$25 million to TCF to be provided over a five-year period. The Silicon Valley Community Foundation is a donor directed site that hides the donor's identity. It is known that Reed Hastings has put large amounts of money into that foundation so it is a good bet that money listed as SV Community Foundation in Table 2 is from Hastings.

Some Conclusions

The giant quantities of money concentrated in such few hands are destroying democracy. How is a citizen of an impoverished neighborhood who is opposed to having her public schools privatized going to politically compete with oligarchs from San Francisco or Seattle or Bentonville? Organizations like Public School Allies regularly come in and monetarily swamp any political opposition. That is not democracy.

I am convinced that John Arnold who is opposed to people receiving pensions sincerely believes charter schools are better than public schools. Likewise his partner, Reed Hastings, truly believes that elected school boards are bad. And Alice Walton really does think that vouchers are a good idea. However, I believe they are wrong and that the idea of offloading some of their tax burden is much more important to their beliefs than they will admit.

Witnessing the oligarch fueled attacks on the commons; I am convinced that billionaires need to be taxed out of existence if we are to have a healthy democracy of the people, by the people and for the people.

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*to view the graphics referenced in the article you will need to read the article online using the link provided above.