

IN THESE TIMES

The School Privatization Movement's Latest Scheme to Undermine Public Education

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Last August, when the school year began at Tyner Academy in Chattanooga, Tennessee, nearly 100 students walked out to protest the conditions at their public school building. These students were demonstrating because the freshman building had closed due to structural problems, while other parts of the school faced issues of mold, rust and leaky ceilings. Marching across the campus, students held signs reading “Fix our school,” “Water is dripping on our food” and “Stop diverting our funds.”

While local officials approved funding to construct a new school building for Tyner by 2024 after meeting with student protest leaders, the problem is widespread—more than half of public school buildings in the county have been rated either fair, poor or unsatisfactory as opposed to “good” or “excellent.” Statewide, a Tennessee government commission report released in January identified \$15.2 billion worth of education infrastructure improvements that the state should begin by June 2025 in order to support the state’s development.

Meanwhile, the Tennessee legislature has introduced a flurry of bills intended to privatize the state’s public education system, which would further remove funds from its underfunded public schools. For example, the governor is proposing a new education funding formula that could facilitate the use of vouchers. Another bill would allow charter schools easy access to public buildings.

Former Nashville school board member and public education advocate Amy Frogge has never seen anything like it. In Tennessee, “we’re looking at [about] ten pro-privatization bills this year,” she says. “Usually, we’re fighting about one or two.”

Tennessee isn’t alone. The United States has recently seen a wave of school privatization legislation introduced in statehouses around the country. In particular, many states are looking to install a new form of vouchers called “education savings accounts” (ESAs).

Like strategies to empower charter schools and introduce private school tax credits, ESA programs aim to “remove local control of taxpayer dollars and redirect them to private interests with as little public oversight as possible,” says Frogge. The end goal for the school privatization movement, as it has always been, is to weaken public education until only private options remain.

Vouchers by another name

At least a dozen states, including Tennessee, have introduced legislation to create ESAs, heralded as “the next generation of school choice” by school privatization proponents. Instead of a traditional voucher program, which diverts public money to private schools, ESAs grant public money directly to parents. This maneuver could help avoid challenges due to state-level Blaine Amendments, which prohibit state money from funding religious schools. It also removes accountability; parents in Arizona, where ESAs were the first to pass in 2011, spent more than \$700,000 in ESA funds on purchases unrelated to education between July 2017 and June 2018. But if the goal is to blow a hole in a state’s education budget, that misspending may not matter.

An ESA bill recently failed in Georgia, partly because rural lawmakers were not fully on board. Students in rural areas don’t typically have private school options, and, if there is one, they are often remote and require driving long distances. If it’s a small school, even one student leaving can have a substantial impact on the school’s budget.

That’s the case in rural areas throughout Tennessee, though the major ESA bill, which passed in 2019, included only the Nashville and Memphis areas. It originally included Knoxville as well, but Knox County was later removed from the bill before a Knoxville state representative flipped his vote, allowing the bill to pass. The act has since been declared unconstitutional and the state supreme court has heard an appeal but has yet to issue a ruling. (There’s also a current FBI investigation regarding whether then-House Speaker Glen Casada offered a quid pro quo for votes.)

ESAs are still in use in Tennessee, but are reserved for students with disabilities. According to Jennifer Owen, a school board member in Knoxville, this is an example of how school privatizers get a “foot in the door” so that they can later expand the program. Currently, a bill moving through the state legislature would expand ESAs to students with dyslexia.

Outside of the promise of “choice” for public school students, there’s another reason that school privatization is so attractive. For a few, privatization leads to profit.

“If you can show that the [public] schools are ‘failing,’ then there are opportunities to sell so-called solutions — test prep, charter schools, vouchers — [these] are the for-profit solutions,” says Frogge.

It may be no surprise, then, that the people behind school privatization are incredibly wealthy. According to Nashville’s NewsChannel 5, lobbyists in Tennessee work for the pro-privatization American Federation for Children, funded by billionaire Betsy DeVos, as well as the City Fund, backed by Netflix CEO Reed Hastings and hedge fund billionaire John Arnold. Hastings is also an investor in Rocketship charter schools, education software company DreamBox Learning, and Khan Academy, which publishes education videos. Bill Gates and the Walton family have also donated millions to education initiatives in Tennessee.

Charles Siler is a former lobbyist for the conservative Goldwater Institute who now works in public education advocacy. While gutting the education budget in a state “reduces a huge tax

liability” for the wealthy and generates business opportunities in for-profit education, according to Siler, there are other insidious reasons that corporations and the wealthy encourage privatization. “Public education [creates more] opportunities for social mobility, which means a lot more churn and less stability in social and economic class. That’s the kind of thing that threatens people who fund these movements,” says Siler. ESAs were actually developed at the Goldwater Institute, Siler adds, “as a shell game...that launder[s] [public] money through parents.” These parents are then presented as the grassroots arm behind school privatization, but in truth, according to Siler, grassroots interests in the movement are negligible. “They don’t really need a large grassroots movement. The politicians can enact [policy] and say they’re doing it to give people options.”

Along with such billionaires, the privatization movement also includes conservative think tanks like the Heritage Foundation, the Cato Institute and the American Legislative Exchange Council (ALEC), which authors model legislation for privatization bills.

Untangling “school choice” narratives

While money is pouring into Tennessee to privatize public education, Tyner Academy in Chattanooga is still crumbling.

“I don’t want private corporations [involved] in curriculum programming and the daily routine of students,” Chattanooga community organizer and artist Cameron “C-Grimey” Williams tells *In These Times*. Still, of C-Grimey’s two daughters, only the youngest, in the 6th grade, attends a public school, while the eldest, in the 8th grade, attends a charter.

If he had the time, he’d prefer to homeschool his daughters, because he has mixed feelings about both schools. C-Grimey and his daughters are Black, but the public school his 6th grader attends is almost entirely white. And he doesn’t like how charters “use the schools as a business model to grab up property” and serve as “one of the gateways to gentrification.” But he says his 8th grader’s charter school has published statements about protecting Black women, and the culture is inclusive with a focus on anti-bullying.

He’d love to send his daughters to the public schools in Chattanooga that are historically Black. But these schools — including Tyner — are also historically underfunded.

If Tennessee gets its way to add a statewide ESA system, the problem will only get worse, as public education funds will likely be increasingly diverted to parent bank accounts to use on private school tuition or online learning software.

Outside of Tennessee, bills to adopt or expand ESAs have been in play this year in a number of states, including Alabama, Arizona, Colorado, Georgia, Idaho, Iowa, Kansas, Kentucky, Louisiana, Minnesota, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Utah, Virginia and Washington. The majority of these states rank in the bottom half of state education spending per pupil.

For advocates like Frogge and Owen, talking to parents about the harms of ESAs and other privatization strategies is how they untangle “school choice” narratives in the face of legions of

lobbyists. After all, some parents may not know what ESAs are, even though they are essentially rebranded school vouchers.

According to Siler, “ESAs are the latest thing,” used by school privatizers to undermine public education. “But [they] won’t be the last.”