

## New boss of Highland Park, Michigan schools

# Who is Jack Martin?

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Jack Martin is one of the ten people selected by Michigan's Republican governor, Rick Snyder, to review the finances of the city of Detroit to decide if an Emergency Manager (EM) should be named. Under the newly enacted and controversial EM law, known as Public Act 4, EMs have dictatorial rights with regard to contracts, city assets, layoffs and the removal of elected officials.

Last week Martin was himself selected by Snyder to be the Emergency Manager of the Highland Park Schools. His tenure began on Monday.

What qualifies a previously unknown and never-elected individual for such positions of power? Why should he oversee the education of a thousand Highland Park students, control the fate of schools, city workers and residents of Southeast Michigan?

Martin, an African-American, has brandished his roots in Detroit in a phony attempt to

conceal his political and financial interests. A member of Detroit's elite, he is a Certified Public Accountant, working first in banking, then for the US Department of Health and Human Services as a member of the Provider Reimbursement Review Board.

In 2002 he was named by George W. Bush as CFO of the US Department of Education (DOE). He has had his own accounting firm, Martin, Arrington, Desai and Meyers, PC, in Bingham Farms, for decades.

Under Bush he served as Chief Acquisition Officer and Competitive Sourcing Official at the US Department of Education. In other words, in the revolving door between government and business, he first assisted in creating the governmental changes necessary for privatizing education, then entered the private sector to reap the rewards.

He left his post at the DOE to become the vice-president and CFO of White Hat Management Co., based in Akron, Ohio, one of the most unscrupulous for-profit charter school operations in the nation.

Martin was brought into White Hat at the end of 2005. In 2006, during Martin's tenure at the company, the Cleveland *Plain Dealer*, ran a series "Who's profiting from Ohio's charter schools," pointing out that White Hat's Hope Academy schools "have faired [sic] even worse" than the rest of the state's charters where, with a few exceptions, "the results so far have been dismal."

The *Plain Dealer* went on to report that in 2005 White Hat received nearly \$109 million in state dollars and millions more in federal grants. They calculated that White Hat had received at least \$350 million in Ohio State tax dollars over the preceding decade.

As of 2011, ten of the individual White Hat-managed schools are joining the state of Ohio in suing the corporation, stating that it has refused to account for the money it has received. As an Educational Management Organization (EMO), White Hat has contracts giving it control over 96 percent of the per-pupil funding, from which it allocates all school costs and takes a profit.

School board member James Stubbs stated that, despite the nominal authority of the school board over the EMO, when the board members began to demand an accounting of the finances, they were refused. Instead, the company's lawyer said that "public funds become private once they entered White Hat's accounts."

Of the nation's 51 White Hat-managed schools, only one met Annual Yearly Progress, a success rate of under 2 percent, according to the most recent studies by the nonpartisan research organization at the University of Colorado-Boulder.

The company was established in 1998 by multimillionaire businessman David L. Brennan, who was purportedly the motivator, if not the architect, of a substantial portion of the state of Ohio's charter school legislation. Brennan and his family contributed over a quarter of a million dollars to state Republican candidates in 2007 alone and himself received substantial funds from the Walton Foundation, a major player in the charter school movement.

A report by the Ohio Federation of Teachers, titled "Education Empire: David Brennan's White Hat Management Inc.," reveals how a network of interlinking business entities shields White Hat and its profits while providing abysmal conditions for students. The report states: "Ohio audit reports for White Hat charter schools expose the Life Skills Centers [one division of the charter operation aimed at dropouts] as the real cash cow of Brennan's education empire. Life Skills Centers, often housed in strip malls where as many as three shifts of students are herded in and out in a day, require much less overhead to operate than the primary grade Hope Academies. The schools' staffing model assumes low attendance. There are no extracurricular activities; music and art departments, sports facilities, even cafeterias are missing from these charter high schools."

While the majority of White Hat schools are located in Ohio, the firm has facilities in Florida, Colorado, Pennsylvania and a number of locations in the Detroit area, including the Covenant House Life Skills Centers and the Life Skills Center of Metropolitan Detroit and Pontiac.

One is compelled to wonder if a Life Skills Center is in the works for Highland Park in the course of Martin's tenure there as Emergency Manager.

While Martin has moved on from his White Hat employment, he has not abandoned the lucrative education business. In addition to his Emergency Manager appointments, he is also a member of the Board of Directors of Knowledge Investment Partners LLC (KIP), a hedge fund management company that specializes in the education sector. "We believe that education companies in the public market present a unique and timely opportunity within a \$2 trillion industry," says KIP chairman Robert Herman.

According to the KIP web site, "Established in 2002, Knowledge Investment Partners LLC is the leading

manager of alternative investment in the education sector. KIP manages capital on behalf of institutional investors and high net worth individuals." The firm, together with Invus, has recently purchased a controlling stake in Eduventures Inc., an educational research firm.

The bulk of Martin's career has consisted in opening up public education for private profit. It is no surprise that on his first day on the job in Highland Park, Martin announced the closure of the Barber School, one of three remaining schools in the impoverished district. Utterly indifferent to the angry parents, Martin stated, "If everybody decides they want to go to Detroit, we can shut the doors and turn out the lights."



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