

# Broad Foundation spearheads expansion of Los Angeles charter schools

**Marc Wells**  
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The Eli and Edythe Broad Foundation has announced plans for a major expansion of charter schools in Los Angeles. The foundation is the brainchild of investment billionaire Eli Broad, a Los Angeles resident with a net worth of \$7.1 billion. It is known for its involvement in the charterization of public education, with assets of \$2.1 billion.

The effort is being supported by other similar entities: the Keck Foundation and the Walton Family Foundation. The move is part of a broader push by several billionaires to privatize public education through their philanthropic “non-profit” organizations such as the Melinda and Bill Gates Foundation, the William and Flora Hewett Foundation and the Avi Chai Foundation.

Under the guise of raising “student achievement by recruiting, training and supporting leadership talent from across America to transform urban school systems,” especially in so-called “under-performing” schools, the Broad Foundation is presenting its business plan as an alternative to the public system.

Swati Pandey, a spokeswoman for the foundation, declared: “People have been demanding better public schools forever and not getting them.” The foundation attributes the cause to “Bureaucratic systems, policies and practices that have been built up over decades in inner-city school districts” which “have often led to fewer resources that actually reach the classroom.”

But the truth is that the crisis of public education is directly imputable to years of budget cuts, supported by both big business parties, that have inflicted a fatal blow to programs, students’ access to classes and teachers’ living and academic conditions.

In California alone, the onset of the 2008 financial crisis propelled the slashing of tens of billions of dollars in education funds by both Governors

Republican Arnold Schwarzenegger and Democrat Jerry Brown. Despite recent surpluses, cuts were never reversed.

Charter schools are a model based on the private management of public funds. The basic conception is that they are to be run as for-profit enterprises like any other business. As such, all “unnecessary” costs must be cut, starting from teachers’ pay and benefits.

Steve, a Los Angeles charter school teacher, told the WSWS: “Charter schools’ leaders all seem missionary in their work. Almost all talk about the ‘calling’ that teachers who work in charter schools have to have, many times adding that teachers did not get into education for the ‘money.’”

“No. The charter schools certainly did! They operate only to get money from the government and various organizations that will fund them. It is a disgrace! Charter schools cynically call themselves public schools, but they really are not.”

California has more charter schools than any other US state. The number of charter schools went from 177 in 1998-99 to 1,184 in 2014-2015, with 547,800 students attending. The Los Angeles region has the highest growth in new charter schools in the state.

There is overwhelming evidence pointing to the fraudulent character of charter schools and their financiers. Last April, the Alliance to Reclaim Our Schools and the Center for Popular Democracy published a report titled “The Tip of the Iceberg: Charter School Vulnerabilities To Waste, Fraud, And Abuse.”

The report details more than \$200 million in fraud and waste of public funds in the charter school sector, specifying that the total is impossible to know because of lack of oversight and transparency. Last year, a similar report detailed \$136 million in fraud and waste

and mismanagement in 15 of the 42 states that operate charter schools.

For the current year, California is expected to lose more than \$100 million in fraud, waste and abuse by charter operators, according to a report by the Center for Popular Democracy, the Alliance of Californians for Community Empowerment Institute and Public Advocates Inc.

This is the perfect environment for billionaire foundations that operate under the false label of “non-profit” to use public money and extract private profit. This is made possible by two conditions: the uncompromised support by the political establishment and the role of the trade unions.

The Broad Foundation has deep ties to the Democratic Party. It openly endorses the education agenda of Democratic candidate Hillary Clinton. Under the heading “Hillary Clinton Embraces the Heart of Education Reform Now’s College Affordability Plan,” Education Reform Now, a Washington think tank financed by the foundation, claims: “The heart of what Clinton proposed is essentially Education Reform Now’s plan ... She doesn’t market it that way, but that’s what the plan does.”

Clinton’s involvement in education policy dates back to the 1980s, when she participated with the National Center on Education and the Economy, led by Marc Tucker (currently advising the Obama administration’s Department of Education), in reorienting public education toward labor market requirements.

Schools were to focus on workforce development skills instead of academic knowledge, channeling students into a career pathway at an early age on the basis of market needs. Today’s Common Core Standards Initiative traces its roots to this policy shift and the laws that served as its foundation—Goals 2000: Educate America Act and School-to-Work Act.

President Obama fully supports charter schools. His proposed budget for fiscal year 2016 includes \$375 million for charters, a 48 percent increase over last year’s actual budget. California Governor Brown’s increase to the education budget for 2015-16 includes substantial additional funds for Common Core and charter schools.

The United Teachers of Los Angeles (UTLA) union has consistently supported charter schools with one condition: that the union be involved in the

management of the schools. This explains the sometimes nominally critical language adopted by the union. Its web site features enthusiastic announcements every time teachers from a charter school join the union, but making clear that reversing years of declining UTLA membership is its overarching concern.

In its 2015-17 Strategic Plan, the union declares its unconditional support for charter schools. Its only demand is that the teachers hired by such schools be unionized, so that UTLA can exact dues while maintaining teachers’ competitiveness, i.e., work for low pay and pit them against each other. In paragraph 4 of the plan, titled “Charter School Educator Organizing and Voice,” the union explicitly places the demand: “Organize more [charter] educators who currently do not have a union into the union.”

Describing the 2015-17 Strategic Plan at the 2015 Leadership Conference on July 31, UTLA President Alex Caputo-Pearl made sure to spell out that the first of “eight issue areas that will define our work” is contract bargaining at the Los Angeles Unified School District and charter schools.

In response to the Broad Foundation’s expansion initiative, Caputo-Pearl robo-called district teachers to warn them that Broad, Walton and Keck are “out to destroy collective bargaining” and that UTLA will “push back against the billionaires’ plan.”

Behind the fake anti-billionaire rhetoric, a seat at the negotiating table and dues collection is all the union wants. At the beginning of August, Caputo-Pearl announced a raise in union dues of \$19 a month, boasting about what he defined as a successful contract renewal for 35,000 teachers that can best be described as a sell-out.



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