Pandemic profiteers prey on the crisis in education, while US schools are increasingly riven by class divide

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14 June 2022

American educators and students now commonly describe their schools as “falling apart.” There is an unprecedented exodus of teachers leaving the profession. The shortage of educators, bus drivers, and support staff has left districts reeling—cutting schools to four days a week, overstuffing classes, cutting programs and making parents responsible for their child’s transportation.

Decades of austerity have left most US school buildings antiquated, unsafe and poorly ventilated. The spread of COVID-19 is an everyday concern. Years of inadequate pay and rising healthcare costs have left educators struggling to put gas in their vehicles and keep the lights on. A new round of budget cuts and school layoffs is beginning as CARES money dries up and the US government diverts trillions of dollars for war.

If this “perfect storm” was not enough, students and educators are traumatized by the rise of school shootings and the wall of official indifference to their very lives.

But to Wall Street profiteers, these are not problems but opportunities.

The financial elites have seized upon the conditions created or exacerbated by the pandemic to reap record-breaking returns. Among them is a plethora of edubusinesses, charter schools (taxpayer-financed but privately run schools often run by for-profit businesses), the educational technology industry and associated hedge fund investors.

Profit interests have set their sights on the national K-12 education annual spending, estimated between $800 billion and $3 trillion. A bullseye has been placed on the American public education system. Every dollar paid to teachers and school workers (the vast bulk of the education budget) is viewed by this parasitic cabal as a deduction from potential profits.

Businesses are now taking advantage of an educational breakdown, not just in the US but throughout the world, where a parallel crisis is unfolding. The pandemic did not need to lead to such a state of collapse, as seen in China. But the policy of the financial elites is to let the virus rip throughout the population and refuse to close schools (identified as early as the influenza pandemic of 1918 as a nerve center of community transmission for disease) to keep parents at work.

This bipartisan policy, implemented in the US by Donald Trump and even more ferociously by Joe Biden, was reinforced by the unions’ willing partnership. While the ruling elites insisted on face-to-face instruction for the working class to keep parents on the job, they sent their own children to far safer, smaller schools with the most up-to-date COVID protections.

In other words, the COVID protocols followed by public school districts were dictated not by the preservation of life but by the political interests of Democrats, Republicans and unions, answering to Wall Street.

The refusal to implement targeted lockdowns, mass community-wide testing and contact tracing has resulted in chaotic patterns of schools opening and closing, unreliable transportation, children warehoused in auditoriums without teachers, unqualified substitutes, thousands of unreported cases, lots of sick children, parents and family members, and tragically unnecessary deaths. All of this has accelerated the growing privatization of American education.

Jumping in to entice harried parents were charter schools, parochial schools, and especially all-virtual cyber charters—70 percent of which are for-profit businesses. Between 2020 and 2021, 1.5 million students left their public schools, a drop of 3.3 percent of the total US enrollment. During the same period, charter schools added more than a quarter of a million new students, a seven percent year-over-year increase between 2020 and 2021.

For example, the virtual charter school enrollment in Oklahoma more than doubled, adding more than 35,000 new students. According to the *Washington Post*, most signed up with the for-profit EPIC, which has been repeatedly investigated for misreporting costs to state officials, improper financial transfers and more. Similarly, Pennsylvania saw a growth of 99.7 percent in virtual charter schools. Cyber charters accounted for over 131 percent of the charter school increase in Utah.

In other words, thousands of families were forced to migrate to substandard for-profit cyber charter schools in the hope of protecting themselves or their families from COVID-19.

These schools, established before the pandemic, were so notorious for their poor outcomes that even the National Alliance for Public Charter Schools, a pro-charter lobbying group, published a study calling for reform. According to *Forbes*, online charter schools have a “uniformly negative” track record for every demographic subgroup of students.

But the business model of the cybers was the most lucrative. Without the costs of buildings, lunch service or busing, these

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business owners pay themselves hefty salaries and still rake in double-digit profit margins. For example, Stride, the US's largest Education Management Organization, running cyber charter schools across the US, tripled its net income posted in the quarter ending March 2021 and doubled its earnings before taxes.

Given financial reports like Stride's, it's no wonder Wall Street is backing the breakup of the public school system. Former NY City mayor and billionaire Michael Bloomberg has donated $750 million effort to expand enrollment in charter schools, pay for new charter facilities and train charter teachers and principals. His efforts aim to increase charter enrollment in 20 metro areas by 150,000 students. Bloomberg, who last year denounced public school teachers opposed to school reopenings and told them to "Suck it up and go to work," justified the initiative citing "traditional public schools' failures since the pandemic began."

Private schools also took advantage of the crisis. A series of initiatives were mounted nationally during the pandemic to resuscitate voucher schemes. Vouchers use various means, including so-called "opportunity scholarships," to transfer state monies to private schools. Most of these recent attempts failed to get the necessary support, including the lavishly funded "Let MI Kids Learn" petition drive sponsored by Betsy DeVos, Get Families Back to Work and the Republican Governors Association.

California voucher proponents petitioned, also unsuccessfully, to force their private school scheme onto the 2022 General Election ballot. In Nevada, a judge blocked petition wording halting a proposed pro-voucher petition drive for 2022.

But the well-heeled proponents of private schools are continuing their efforts by other means. For example, Governor Greg Abbott and the Texas Public Policy Foundation launched a statewide Parent Empowerment Tour in May to push for school vouchers.

The accelerated drive for school privatization, however, is not only mercenary. A fascistic cabal is spearheading the growth of religious schools and promoting right-wing, nationalist curricula.

The right-wing-dominated Supreme Court is expected to rule imminently on *Carson v. Makin*, that could further roll back restrictions on the use of public taxes for religious and private schools. It follows that body's reactionary July 2020 decision in *Espinoza v. Montana* which opened the door to government subsidies for religious schools.

In a further disturbing development, Michigan's Hillsdale College has announced a partnership with Tennessee Governor Bill Lee to open 50 charter schools in the state. $32 million in public funding will support the effort. Hillsdale is known as a "conservative," if not fascist, ideological center. It developed the Trump 1776 curricula, endorsed the Great Barrington Declaration, and is closely tied to Trump's education secretary Betsy DeVos, Clarence and Ginni Thomas. Lee emphasized that the schools would be devoted to "preserving American liberty" and opposed to so-called critical race theory.

Behind the scenes among all forms of education stands the Education Technology sector. It has amassed record profits during the pandemic. With school districts desperately trying to accommodate in-person, online, and hybrid options, technology and software purchases were off the charts.

Technology proliferated for tutoring systems, augmented learning, adaptive technologies, enhanced curricula, classroom management, Social and Emotional Learning, student engagement solutions, professional development, and applications for endless communications and testing regimes.

The five tech superpowers—Amazon, Apple, Microsoft, Google and Facebook—saw their combined revenue shoot up by more than $1.2 trillion, a one-year pandemic increase of 25 percent. Of course, businesses also contributed to the surge of technologies, but schools had the slimmest budgets and were the most vulnerable.

The size of the global education technology market size is staggering. As of 2021, it was valued at $106.46 billion, with predicted annual gains of 16 percent. Tech businesses, flush with profits, have repeatedly indulged in stock buybacks, enriching their key stockholders even further. Of the ten richest people in the world during the pandemic, eight made their money from tech, the *New York Times* has pointed out.

In sum, the looting of public education, schooling's increasing social stratification by class, and the attempts to promote for-profit, pro-capitalist propaganda mills are another side of the ongoing destruction of democratic rights. The ruling elites seek to reorganize education and place it entirely on the basis of the capitalist market.

A political struggle is needed to defend public education and demand the highest quality for all students. A fundamental conflict exists between the profit requirements of the financial and corporate oligarchy that runs America and the basic needs of the masses of people. We must effect a vast redistribution of wealth to fund all the social rights of the working class, including the right to free, high-quality public education.

The Socialist Equality Party and the International Youth and Students for Social Equality (IYSSE) therefore call for an end to the war budget and the transfer of billions of dollars to social need.

We demand a vast expansion of the teacher workforce at good wages, high-quality remote learning for all until the pandemic is contained, the retrofitting of all schools for COVID safety, a massive expansion of mental health and social supports to students and families, and the payment of excellent wages (indexed to the cost of living) and benefits to all education workers. The tech profiteers must be expropriated and transformed into public utilities to vastly expand internet and educational access to all.

Take the first step forward today. We urge educators, parents and students to join and build the Educators Rank-and-File Safety Committee, the IYSSE and the Socialist Equality Party.

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