

The Untold History of Charter Schools

Despite persistent myths, progressives have always fought against the tide in a campaign that has, from the start, looked at public institutions and labor with a wary eye.



President Bush and First Lady Laura Bush during a visit to the Martin Luther King, Jr. Charter School for Science and Technology in New Orleans, 2007.

Despite the controversy over their very existence, there isn't much disagreement over how charter schools came to be. For over 25 years, charter supporters and opponents alike have settled on a straightforward creation story, one defined by a single irresistible irony: Charters were first and foremost the brainchild of teachers' unions, the very same groups that would become the schools' greatest foes.

The story goes something like this. In 1988, Albert Shanker, legendary president of the American Federation of Teachers (AFT), [gave a speech](#) at the National Press Club where he outlined his vision for a new kind of publicly funded, independently managed school. He called them "charters" and saw them as educational laboratories, where teachers could try out new pedagogical approaches. By empowering teachers to experiment with their craft, charters could serve as R&D

spaces for new and better practices that could then be transferred back into traditional public schools. In a *New York Times* column published later that year, Shanker carried his ideas to the wider public.

Shanker said his piece, policymakers heard him and acted, and the rest—the explosion of charters, the debates over unionization and privatization, the constant experimentation with the form and structure of public schools—is history.

Today, this story has been weaponized by every side in the endless war over education reform. The Shanker speech, it turns out, is useful no matter where you stand on charter schools.

Many supporters use it to argue that charters are, ultimately, a progressive and student-friendly idea—but one abandoned by self-interested latter-day union leaders. Reform proponents like Nina Rees, president and CEO of the National Alliance for Public Charter Schools have defended the charter sector against union attacks by lifting up that Shanker “[conceptualized](#)” them. “Union leaders haven’t always been adamantly anti-charter,” Rees [wrote last year](#) in *The Wall Street Journal*. “[AFT President Randi] Weingarten’s former boss and mentor Al Shanker is actually credited with proposing charter schools.” “Here’s a fact,” [wrote](#) Laura Waters, a vocal charter advocate. “If Albert Shanker were alive today, he’d still be an education reformer and would support NJ’s efforts to expand school choice for poor urban students.” When a ballot measure to expand charter schools in Massachusetts struggled to find votes on the left, David Osborne, a centrist Democrat, [penned a column](#) to gin up progressive support. “Al Shanker gave a speech and wrote a column advocating charters,” Osborne said. “Needless to say, Shanker was no Republican.”

For their part, teacher unions and reform skeptics invoke the same origin story as evidence that they *do* support school choice and innovation, just teacher-led, unionized, mom-and-pop forms of it. They tell it as a story of an idea stolen and betrayed, drawing a contrast between good charters—those described by Shanker—and what the schools have become today. Supposedly, the creator of charters watched with horror as his idea was “hijacked” by conservatives, profiteers, and privatizers. As described in his biography, *Tough Liberal*, written by the Century Foundation’s senior fellow Richard Kahlenberg, Shanker “became quite exercised” by state laws written to allow for-profit corporations to enter the charter school sector. Shanker grew worried that charters might actually promote segregation, undermine public education, and be used as tools to destroy unions. By the mid-1990s, Kahlenberg writes, “Albert Shanker largely repudiated a major reform he had helped launch.”

AFT president Randi Weingarten [likes to remind audiences](#) that Shanker was one of the first proponents of charter schooling, but that unfortunately some “have shifted the intent of charters from incubating ideas and sharing successes to competing for market share and taxpayer dollars.” Unions are quick to point out that, in Shanker’s mind, charters would employ unionized teachers, would have union representatives on charter authorizing boards, and all charter proposals would include plans for “faculty decision-making.”

There’s only one problem with the idea that charters started with Shanker and his speech: It’s almost completely wrong.

Shanker didn’t invent the concept of charters. He wasn’t part of the long-running campaign to popularize them. His significant contribution was the term “charter school”—except he used it to describe a very different, loosely related idea.

Oh, and he didn’t invent that term, either.

The truth is that the modern fight over education reform has changed less than the people fighting would have us believe. Who invented charter schools? The same groups, it turns out, that are charters’ strongest backers today: business-oriented moderates and technocrats, focused on deregulation, disruption, and the hope of injecting free market dogmas into the public sector. Charters *do* have a founding father—but he’s a quintessentially neoliberal “policy entrepreneur” who has mostly kept his name out of the history books. The major principles undergirding charter schooling—choice, deregulation, and so-called accountability—had already attracted significant attention long before 1988, and proposals to break up the “monopoly” of school districts had been building for more than a decade. If Shanker helped usher some of these ideas into the limelight, the truth is that those ideas’ backers had many other roads into the inner circles of government—even if some of those roads had not yet been taken.

Progressives have always occupied an uneasy role in the charter movement—one that’s unlikely to get any easier so long as Donald Trump’s Administration remains the nation’s most powerful promoter of school choice. The untold history of charter schools shows why this is: Progressive reformers are stuck fighting against the tide in a campaign that has, from the start, looked at public institutions, labor, and government with a wary eye.

The real origin story of charters isn’t about unions gone astray or progressivism betrayed by reformers. It’s the story of the Third Way in public schools. And it begins, of all places, in Minnesota.

In the 1970s, deregulation was the name of the game. Efforts to deregulate major sectors of government took root under Ford and Carter, and continued to escalate

throughout the 1980s under Reagan. From banking and energy to airlines and transportation, liberals and conservatives both worked to promote deregulatory initiatives spanning vast sectors of public policy.

Schools were not immune. Since at least the late 1970s, political leaders in Minnesota had been discussing ways to reduce direct public control of schools. A private school voucher bill died in the Minnesota legislature in 1977, and Minnesota's Republican governor Al Quie, elected in 1979, was a vocal advocate for school choice.

Two prominent organizations were critical in advancing school deregulation in the state. One was the Minnesota Business Partnership, comprised of CEOs from the state's largest private corporations; another was the Citizens League, a powerful, centrist Twin Cities policy group. When the League spoke, the legislature listened—and often [enacted its proposals](#) into law. In 1982 the Citizens League [issued a report](#) endorsing private school vouchers on the grounds that consumer choice could foster competition and improvement without increasing state spending, and [backed](#) a voucher bill in the legislature in 1983. The Business Partnership published its own report in 1984 calling for “profound structural change” in schooling, with recommendations for increased choice, deregulation, statewide testing, and accountability. The organized CEOs would play a major role throughout the 1980s lobbying for K-12 reform, as part of a broader agenda to limit taxes and state spending.

Efforts to tinker with public schooling took on greater urgency in 1983, when Ronald Reagan's National Commission on Excellence in Education released its report, [A Nation At Risk](#). This influential (though [empirically flawed](#)) document panicked political leaders across the country. Among other things, the report concluded that American public schools were failing—“eroded by a rising tide of mediocrity”—with ill-prepared teachers and low-quality standards. Its authors tied the country's economy and national security to the supposedly poor performance of U.S. public schools, and Reagan capitalized on the alarm. His narrative fit snugly within the larger Cold War panic, and as in Minnesota, national business leaders were happy to promote this new movement.

School choice was not specifically mentioned in *A Nation at Risk*, though Governor Quie, who was then serving as a member on the National Commission, tried to get such recommendations included. But reformers didn't have to wait long for a national endorsement. In 1986, the National Governors Association, chaired by Tennessee's Republican governor Lamar Alexander, backed school choice in its [Time for Results](#) report.

Back in Minnesota, Rudy Perpich, a member of the Democratic–Farmer–Labor Party, was elected as governor for his second non-consecutive term in 1983. (He had first served from 1976-1979.) During the four years that Quie governed Minnesota, Perpich worked on a global business committee for a supercomputer firm, and returned to government deeply shaped by his corporate experience.

Ember Reichgott Junge, the state senator who would author Minnesota’s—and the nation’s—first charter school bill, [described](#) Perpich’s role bluntly: “According to the history books, Minnesota DFL governor Rudy Perpich had nothing to do with passage of chartering legislation. In reality, he had *everything* to do with it.”

Junge traces this history in *Zero Chance of Passage*, [her first-person account](#) of legislating charter schools, published in 2012. Junge says Perpich was greatly troubled by *A Nation at Risk*, and thought increasing competition among schools would be a constructive response. As such, in 1985, with Republicans in control of the legislature, Perpich recommended two school choice proposals: postsecondary enrollment options (PSEO), to allow high school juniors and seniors to attend nonsectarian public and private colleges, and open enrollment, to allow parents to send their children to schools anywhere in the state. PSEO passed [in 1985](#), and open enrollment [in 1987](#).

1987 was also the year that the Citizens League waded back into the subject, [publishing a report](#) calling for “cooperatively-managed schools”—where teachers could participate in the operational decisions of their workplace. The thinking was this could help drive more distinctive schools—because school choice would mean little without varied options to choose from. The Citizens League’s description of cooperatively managed schools is strikingly similar to modern-day charters. Teachers would be “held accountable” for student achievement, and the schools would “have flexibility to function differently from the schools we know today, from different uses of personnel and technology to different work hours.”

In the midst of this policy ferment came the famous—or infamous—1988 Al Shanker National Press Club speech. The AFT was in a precarious spot. Public support for organized labor was wavering. Ronald Reagan was still in office, and had earned a reputation as one of the most anti-union presidents in American history, in part by firing more than 11,000 striking air traffic controllers.

Shanker thought part of the path toward saving public education was coopting the forces attacking it. He controversially endorsed aspects of *A Nation at Risk*, embracing its ideas about higher standards, teacher accountability, and “restructuring.” He wanted a seat at the reform table, and leaned into the idea of “professionalizing” teachers to bring his members along. Shanker felt educators needed to not be seen as obstructionist, and the years following *A Nation at*

Risk marked a massive shift away from the blue-collar unionism that had previously defined the AFT. In 2011, Louise Sundin, who was president of the Minneapolis Federation of Teachers in 1984, said that Shanker's agenda following *A Nation at Risk* "was a pretty screeching U-Turn" for the union, "and still is [today] a difficult one for a lot of our members and a lot of our leaders."

When Shanker gave his charter speech, he fused his ideas about restructuring and teacher professionalization with the growing popularity of school choice. He got the idea (and the name "charter") from a little-known educator in Massachusetts, Ray Budde, who proposed the idea of school boards issuing charters directly to teachers to create new departments or programs. Budde presented his ideas at an academic conference in 1974, but they received little notice. Budde decided to try republishing his ideas [in book-form](#) in the years following *A Nation at Risk*, and sent it around widely in early 1988. It landed, among other places, on Shanker's desk.

As Kahlenberg notes in *Tough Liberal*, a focus on restructuring appealed to Shanker politically. Pressure had been mounting throughout the 1980s to lengthen the school day and school year, to vie with America's competitors in other industrialized nations. But this idea was deeply unpopular with union members. "The restructuring focus allowed Shanker to argue that a longer school day or school year was not worth the extra expense," Kahlenberg writes. Charters offered Shanker a useful alternative.

Shanker wasn't even the first noteworthy public figure to call for reorganizing public schools. In the late 1960s sociologist Kenneth Clark, whose work helped form the basis of the *Brown v. Board of Education* decision, [advocated for](#) alternative public school systems run by institutions ranging from universities to the Department of Defense.

And once Shanker put his ideas forward, many ascribed to him far more power to shape the charter movement than he ever had, or even tried to have. Shanker's endorsement was certainly politically valuable to reformers, but most had long had their own agendas. Ultimately he was just one of many people clamoring to define what direction school reform should take.

In fact, if charter schools can be attributed to any single person, it's certainly not Shanker, Budde, or even Clark. It's Ted Kolderie, a Minnesota "policy entrepreneur" and one-time Citizen's League director who spent much of the 1970s, '80s, and '90s in the middle of discussions over school reform. His influence can be traced to almost every corner of the charter movement's development, and unlike Shanker and the others, he remained dedicated to building and promoting the idea through decades of effort. Throughout the 1970s—through an initiative known as Public Service Options (PSO)—Kolderie's group researched and advocated for different

ways to provide government services, including education. As early as 1972 Citizens League [published a report](#) calling for “new arrangements”—namely with more choice and contracting. By 1981, Kolderie and a leader of the Minnesota Business Partnership launched Public School Incentives, a PSO successor focused exclusively on education.

One of Kolderie’s central ideas was to “end the exclusive franchise” of school districts providing public education. In several reports, he described the decline of public education as the direct consequence of public districts’ monopolistic power over schooling. His proposal: independent schools, accountable to parents through free market choice, and to the government through a set of contractual obligations. He specified that many different types of entities—universities, corporations, public school districts, nonprofits—should be able to manage these new schools, state law permitting.

This was a remarkably complete vision of the modern charter school, quirks and all.

So why do most people credit Albert Shanker with creating charters, and not Kolderie, who had been developing the concept for nearly two decades longer? One reason is because Kolderie liked it that way.

“To know Kolderie is to know someone of extraordinary vision, who often thinks light-years ahead, but still gently prods others along to where he wants them to go,” wrote Junge in *Zero Chance of Passage*. “Kolderie was a master at creating, refining, and redirecting ideas. He never would publicly ‘own’ any ideas, and ways to improve those ideas always presented themselves. He nurtured ideas and connected the dots for others.”

Kolderie seems to have understood that Shanker’s very different vision was a useful vehicle for his own ideas. In October 1988, the Minneapolis Foundation hosted its 14th annual Itasca Seminar, a summit for Twin Cities political and business leaders, and the year’s theme was public education. Shanker was invited to speak, and he took the opportunity to expound on charter schooling. His speech complemented the mix of school choice and independent school proposals that had been bouncing around Minnesota for quite some time.

Shanker wasn’t the only person to give a choice-oriented speech at that summit. Other speakers included Joe Nathan, a Twin Cities education reformer who personally worked with Lamar Alexander in the early 1980s to shape the school choice recommendations in the National Governors Association (NGA)’s *Time For Results* report. At the Itasca Seminar, Nathan would emphasize the need for greater school deregulation in exchange for “results.”

Two months later the Citizens League would issue [yet another report](#), concluding with a strong and specific recommendation that the state legislature allow for the creation of “chartered” schools.

With Junge’s help, Minnesota would pass the nation’s first charter law three years later. Kolderie and Junge [like to credit](#) Shanker for helping to shape their ideas, but the final legislation appeared to be in response to the Citizen’s Leagues recommendations—and more than anything else, reflected Kolderie’s own vision of independent, contractually authorized schools.

In the end, Shanker’s comments on the law he was supposedly instrumental in creating were limited. Though Minnesota’s teachers unions fought the law’s passage, Shanker chose not to speak out during the legislative debates.

“I wish the architects of the bill had worked out the collective bargaining issues with the teachers unions,” Shanker told Kolderie, two months after it passed.

Although conservatives led the way in for pushing education reform in the 1980s, centrist liberals jumped on board in the early 1990s. In 1989 when the Democratic Leadership Council (DLC) named Bill Clinton as its chairman, it also founded its own think tank—the Progressive Policy Institute. Kolderie met PPI’s president in 1990, and was invited to write one of its first policy papers about school choice. Kolderie was [happy to bring](#) his ideas about “withdrawing the exclusive [monopoly]” of school districts to the Third Way. Bill Clinton embraced Kolderie’s proposals as he traveled around the country making speeches that year, even though he knew it was vexing teachers unions. (“It is almost impossible for us to get President Clinton to stop endorsing [charters] in all his speeches,” Shanker would later complain.)

1990 was also when Wisconsin’s Republican governor Tommy Thompson signed the [nation’s first](#) private school voucher program, and when John Chubb and Terry Moe published *Politics, Markets, and America’s Schools*, an influential Brookings Institution book that called for school deregulation, market competition, and parental choice.

The “New Democrats” saw charters as a way to seem proactive on education policy, offer an alternative to private school vouchers, and avoid catering to the “More Money Dem” crowd, as DLC’s co-founder, Will Marshall, put it. For liberals who sought to weaken their party’s relationships with “special interest groups” like teachers unions, charters were a boon.

At the DLC’s national convention in May of 1991, Bill Clinton and DLC delegates would endorse an education agenda that included, among other things, school choice, accountability, and Kolderie’s idea, which the DLC explained as “giving

entities other than school districts” the chance to operate public schools. Even in this early stage, the agenda followed Kolderie’s market-oriented vision, not Shanker’s union-oriented one.

Democrats’ endorsement of charters did little to dampen conservative enthusiasm for the idea. Indeed, Kolderie continued to serve as a trusted education advisor for David Durenberger, Minnesota’s Republican senator, who became an early federal champion for charter schooling.

At its outset, the real power in the charter coalition was what might be termed the “technocratic centrists”: business leaders, moderate Republicans, and DLC members looking for Third Way solutions that couldn’t be labeled big-government liberalism. While charters have drawn praise from other quarters—for instance, some educators and progressive activists see them as tools for racial and economic justice—these groups have never formed the heart of charters’ power base.

It hasn’t always been easy to hold the bipartisan charter coalition together, and fairly stark philosophical [divisions](#) have been bubbling to the surface over the past few years concerning what the movement’s priorities should be going forward. The election of Donald Trump, and his appointment of GOP billionaire donor Betsy DeVos as Education Secretary, has plunged the charter movement into an [even deeper](#) crisis of identity.

Progressive and centrist charter leaders have so far been trying to walk the line between [pushing back](#) on the President’s far-right politics and remaining reserved, lest useful opportunities for bipartisan cooperation arise. But grassroots pressure for more aggressive opposition [has been mounting](#).

Other parts of the coalition are moving in the opposite direction. [The stocks](#) on for-profit charters have spiked significantly since the election, with industry leaders anticipating a friendly new political landscape for what some in the reform coalition see as [low-quality](#) schools. In New York City, Success Academy CEO Eva Moskowitz has emerged, to the chagrin of many liberals, as one of Trump’s most prominent charter defenders. (Some of Success Academy’s largest benefactors include major Trump donors such as [John Paulson](#) and [Robert Mercer](#).)

Today, 43 states and the District of Columbia have charters, educating nearly three million students. Whether charter supporters can maintain the movement’s bipartisan backing while receiving support from a deeply unpopular President who promises to be “the nation’s biggest cheerleader for school choice” remains an open, and dicey, question.

The mythological origin story of charter schools—the Shanker myth—has served an important role in keeping the charter coalition together. The idea that charters

come from unions lends a certain weight-of-history inevitability to school reform. It suggests that everyone has agreed that change must come, and the only question is from who, and what it'll look like in the end.

Besides, on some level, the dramatically compelling nature of the story—unions creating their own greatest antagonist—keeps people from digging deeper. As a writer, it's easy to want to believe it. This author would know, having once [subscribed to it herself](#).

But the Shanker tale may have also helped undermine progressive school choice advocates, who find themselves chasing a vision that has never played a major role in the inner circles of school reform. Most charters are [more segregated](#) than traditional public schools, are non-union, and when charter educators do mount union campaigns, they almost always face tremendous opposition. If the promise of unionized, integrated, teacher-centered charters has proven devilishly difficult to fulfill, it may be, in part, because the movement's leaders never took it very seriously to begin with.

The Shanker myth also leaves those who support traditional public schooling, in its original form, stranded in a political no man's land. And right now, those people are in the fight of their lives, looking for firmer footing. More broadly, the Democratic Party has grown wary of the Third Way policies of the 1990s, suspecting they provide little defense against a resurgent right. As the charter coalition enters a new, treacherous era, the consensus history of charter schools may at last meet some resistance.