

Urban schools are always being reformed. There are frequent changes, and often, just when principals and teachers get comfortable with one reform, along comes another. But, change, as Tyack and Cuban have pointed out, is not necessarily synonymous with progress (1995). The latest wave of reform in urban schools, led by the “venture philanthropists,” has made a great deal of change without producing much progress (Scott, 2009).

Foundations with a venture philanthropy bent, such as the Walton Family Foundation, the Bill & Melinda Gates Foundation, and the Broad Foundation, believe applying market principles, such as choice and competition, will yield improvements in schools. If parents and students have choices, the theory goes, schools will be forced to compete for “customers.” That will drive up the quality of all schools, according to these philanthropists. To that end, they’ve funded new ventures in the urban public school marketplace (e.g., KIPP), incentive programs (e.g., merit pay), and alternative pathways to teaching (e.g., Teach For America). And while they certainly have made changes to urban districts, there is more enthusiasm than evidence for the venture philanthropists’ market-based approach.

Venture philanthropy’s market strategies fail urban kids

Endorsing schools that address the poverty that confronts low-income students would be a more effective way to spend foundation dollars.

By Jessica Shiller



Take charter schools, for instance. Despite enthusiasm for them from venture philanthropists, research on the results is mixed. No conclusive study says charter schools as a whole outperform traditional public schools. There are good charters and bad ones, just like in the regular public schools (Center for Research on Education Outcomes, 2009; Hoxby, 2003; Gabriel, 2010). And KIPP, perhaps the most well-known of all the charters and the darling of the venture philanthropists, has produced positive achievement results, but only with a select group of students. They serve far fewer special education students and English language learners than traditional public schools and have high attrition rates among their lowest-performing students (Miron, Urschel, & Saxton, 2011). It stands to reason that many regular public schools would perform well academically if they didn’t have large numbers of high-need students or could ask students to leave if they weren’t making the grade.

Merit pay also has no strong research base. A recent study shows that teacher incentive plans do not significantly change student achievement (Springer et al., 2010). There also is no evidence that paying students to earn good grades works (Fryer, 2010). Yet, these ideas continue to have traction among venture philanthropists and education entrepreneurs (Hess, Palmieri, & Scull, 2010).

A review of studies of Teach For America (TFA) also shows a very mixed picture. Some studies show that TFA teachers make significant student achievement gains, while others show no student achievement gains (Heilig & Jez, 2010). Moreover, more than half of TFA teachers leave low-income schools after their two-year commitment (Donaldson & Moore-Johnson, 2011) so whatever gains have been made do not last over time. The turnover is also

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costly for schools. Rather than pour money into teachers who will leave their schools, a recent study suggests that more stringent screening of all teachers could produce the same gains across the board with teachers who might stay beyond two years (Staiger & Rockoff, 2010).

In spite of the evidence, or lack thereof, venture philanthropists continue to support market-based reform efforts like Teach For America, incentive programs, and charter schools. These initiatives play a prominent role in urban districts across the country, but urban schools are still plagued by low student achievement. In New York City, for example, more students have been passing state exams, but as Dan Koretz and Jennifer Jennings found, the proficiency standard is so low that those same students only make it into remedial college courses (Padnani, 2010). In New Orleans, a report generated by the Vietnamese American Young Leaders Association surveyed 450 students to find that 60% of high school juniors and seniors don't feel prepared for college and that 70% of all students say teachers are unable to manage their classes well (2011). In Washington, D.C., it is hard to determine how students are doing since the cheating scandal that revealed "unusually high rates of erasures on answer sheets in more than 100 D.C. schools from 2008 to 2010" (Turque, 2011). In Atlanta, teachers, principals, and district leaders were implicated in cheating scandals in which answers were changed on exams to improve test scores (Jonsson, 2011). According to one observer, "Atlanta teachers, principals, and administrators wanted to prove that the faith of the Broad and Gates foundations in the district had not been misplaced and that the Atlanta Public Schools could rewrite the script of urban education in America" (Downey, 2011).

These cases demand that we question the wisdom of the venture philanthropists' experiments since their reform has not had as much effect as they had hoped. Understanding why the venture philanthropists have fallen short and what would be a better approach to urban school improvement is essential for moving forward. The reality is that venture philanthropists will continue to play an important role given the economic struggles facing urban public schools, but we need to learn how to better target their funds.

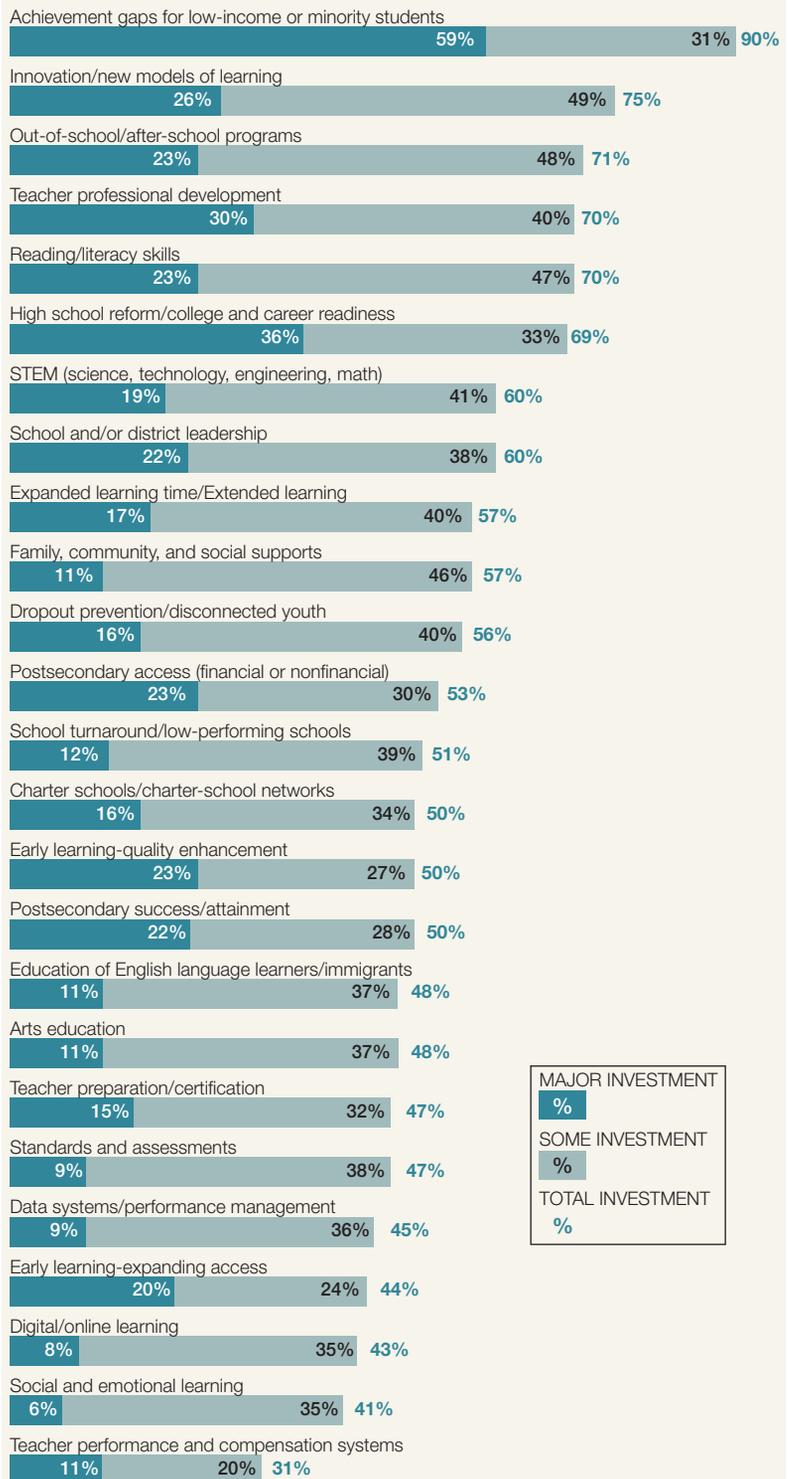
Limits of market-based reforms

Urban schools struggle for a myriad of reasons, and a single reform can't overcome the challenges they face. Still, we must recognize the limits of market-based reform. The theory behind market-based reform ideas is flawed. The idea that choice will improve the quality of all schools shows a misperception about how schools operate. When it spent mil-

Current grant-making priorities

Do you fund this?

In an annual survey, Grantmakers for Education asked 184 grant-making organizations to indicate their funding priorities.



Source: Grantmakers for Education. (2011). *Benchmarking 2011: Trends in education philanthropy*. Portland, OR: Author.

lions to create small high schools in New York City, for example, the Gates foundation boldly stated that “moving to a system of small schools would create greater choice for students and their families. Since high schools would be small, there would have to be significantly more schools than there are today. This change would foster competition and promise quality schools” (Gates, 2004).

Venture philanthropists don't support community schools because the schools don't fit their theory of change in the way that choice and competition do.

Today, New York has more than 300 small schools throughout its five boroughs. Founders of the small schools were asked to create innovative programs and theme-based schools, but, like all city schools, were held accountable for improving their test scores from year to year. So, rather than innovate, many of the schools narrowed their curriculum and instruction to prepare students for state tests. Consequently, New York has a wide array of small schools, but each school provides a strikingly similar preparation for the state exams, each trying to do it in a more streamlined way. My own research in these schools, confirmed by outside evaluations, has shown that the Gates-funded small schools have standardized their test preparation in accordance with how they are evaluated (Shiller, 2010). Demanding that the schools keep improving test scores means that competition has not spurred innovation. Rather, schools have limited the kind of instruction they provide students. What's more, innovation is a big risk that New York City schools can't afford to take since the city's Department of Education will close schools that don't make constant improvements on exams.

Due to the confluence of choice and intense accountability, competition hasn't operated as venture philanthropists had imagined. It hasn't produced more high-quality choices for parents and students. Instead, students attending these schools — mostly low-income students and students of color — got an education that consists of not much more than test preparation. In fact, most students who graduate from the new small high schools receive local diplomas, which have a low standard and don't indicate college readiness, as does the more prestigious Regents diploma (Edmonds, 2011). Consequently, the inequities that choice was meant to eliminate remain in place.

Another limitation of market-based reform is that it sees poor student performance in urban schools

as only an academic problem that a better school can rectify. However, poor academic performance among low-income students — the majority of those attending urban public schools — is not simply a school problem. It is a problem of poverty. A plethora of research tells us that poverty has an enormous effect on academic achievement (Biddle, 2001; Duncan & Brooks-Gunn, 2001; Wilson, 1996). Yet, school reformers, venture philanthropists included, have left poverty unaddressed, leaving school improvement up to the market to work out.

Clearly, the market on its own hasn't been able to account for the effect of poverty on academic achievement. Venture philanthropists have argued that poverty should not be an excuse for low student achievement. But recognizing poverty as an obstacle is not the same as using it as an excuse. Plenty of initiatives acknowledge poverty and try to address it alongside school improvement.

For example, community schools are hubs for poor neighborhoods and have proven successful in improving the education in those communities (Dreyfoos & Maguire, 2002). In addition to school for children, they provide health care, adult education, recreation, tutoring, counseling, and legal services. Community schools have had a good deal of success, as David Kirp noted. In his profile of the Children's Aid Society — a 150-year-old social service organization in New York City that has partnered with several public schools to form community schools — he writes, “At the Children's Aid Society schools, test scores exceeded the citywide average, teacher attendance was better, more parents were involved in the schools, and there were less referrals of students to special education services” (Kirp, 2011).

A Broader Bolder Approach (BBA) to education also has recognized that poverty affects student achievement. BBA has launched initiatives in several Newark schools to extend the school day and include early childhood education as well as to build “critical partnerships that will strengthen the capacity of schools to respond to student needs and enable community interests to come together so parents and their allies can hold schools and their leaders accountable for academic outcomes” (Noguera, 2011). Preliminary results show “impressive gains in student achievement at Central High School. Student scores on the state assessment exam showed a 32.5 percentage point growth in the amount of students categorized as proficient in English language arts (from 36.6% in 2010 to 69.1% in 2011) and a 26.1 percentage point growth in mathematics (from 19.9% in 2010 to 46% in 2011)” (Noguera, 2011).

A third example is one that may not be as obvious: empowering poor parents to advocate for better

schools. For example, the Coalition for Educational Justice (CEJ) in New York City has built a large organization of parents who advocate for initiatives, such as improved middle schools, science labs for all students, and better teacher quality. Parents learned about reforms that improve education, leadership and advocacy skills, and have become leaders in their children's schools. In so doing, they've dismissed the myth that low-income parents don't care about their children's education and have built relationships with teachers and principals with whom there is a common interest in improving the schools. CEJ has helped win \$10 million to provide additional tutoring to struggling students at 532 schools across the city and secured \$444 million from the Department of Education to build science labs in middle and high schools.

All of these initiatives, which are getting positive results, live on support from foundations and government grants — but they haven't received the level of funding as market-based efforts. By and large, venture philanthropists don't support community schools because the schools don't fit their theory of change in the way that choice and competition do.

Interestingly, with all of the reasons to question market-based reform efforts, venture philanthro-

pists have stayed the course. In 2011, the Walton foundation gave \$49.5 million to Teach For America to help it double in size. The Broad Foundation provided a new \$250,000 prize for charter management organizations after a Mathematica study showed that the charter networks have no clear effect on student performance (Furgeson et al., 2011). The Gates foundation is shifting gears slightly to efforts like the implementation of the Common Core curriculum and finding ways to measure teacher effectiveness, but it is not taking a radically different direction.

Venture philanthropists will continue to play an important role given the economic struggles facing urban public schools, but we need to learn how to better target their funds.

If venture philanthropists want to improve outcomes for urban schools, then they must recognize that students in those schools face major obstacles due to poverty. Venture philanthropists should consider abandoning the market-based reforms in favor

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of reforms that have the backing of conclusive research and recognize poverty as an obstacle to student learning. Since so many students who attend urban schools are low income, it seems obvious that poverty is an issue that cannot be ignored. Researchers have been saying for decades that poverty must be addressed to improve academic achievement. The initiatives for community schools, the Broader Bolder Approach, and parent advocacy all recognize that poverty adversely affects student learning. Each takes a different approach to supporting poor children and their families and strengthening them while also improving schools. And they're succeeding. Why not support these initiatives? If they change their course, venture philanthropists can make both change and progress and stop missing the mark in improving the education of urban students. ■

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