

Hand out the history of reform piece where we are and how we got here.

TITLE

Introduction to the Study

In 2001, Philadelphia became the largest urban district to be taken over by a state. Initiated by a conservative governor and state legislature, the **new** governance arrangement has resulted in unprecedented levels of business and corporate influence on school reform, pushing the city to the forefront of a still relatively new, but growing number of market-based and privatization reform strategies.¹ Edison Inc., the first private company to enter the scene, took center stage.²

Student, advocacy and community groups, key partners in the previous reform era, led opposition to the state's initial takeover plan. The teachers union, other local unions, and city hall also joined in protesting such a dominant role for private providers in the city schools.

When the dust settled, Edison Schools had a much-reduced role in what the district began calling a "multiple provider" model. Along with Edison, the new School Reform Commission paired 70 of Philadelphia's 250 schools identified as failing with seven different educational management organizations and university partners. The District itself claimed 21 of the 70 schools for its own Office of Restructured Schools (ORS). The union wrested an agreement that teachers in all of the externally managed schools would remain employees of the school district and union members. Almost immediately after Paul Vallas formerly CEO of Chicago's schools was hired as the Philadelphia CEO, a period of calm began and continues until today. The Handout provides a quick history of the current reform and details the precipitating factors and features of the new governance arrangements.

¹ For a full discussion of the history of corporate influence on education over the past several decades, see Gary L. Anderson and Monica Pini, "Educational Leadership and Corporate Power: Where is the "public" in public schools?" in the Sage Handbook for Educational Leaders, forthcoming, 200?. Anderson and Pini point out that there are four overlapping and powerful dimensions of corporate influence on education: " 1. corporatization of a greater role for business—particularly the corporate sector, not only in education but in society at large; 2. marketization or a tendency to view individual choice in a marketplace as more efficient and effective way to allocate resources and values in society, as well as a more effective form of accountability for public institutions; 3. privatization or the transfer of public institutions into private hands; and 4. commercialization or the opening of public schools to commercial exploitation.

² **Political and Ideological Roots of the Takeover:** Part of the impetus for the state takeover was the opportunity it gave state leaders to test out some of the theories underlying alternative market based approaches to governance and management of schools, such as charters, vouchers, and privatization. The former Governor Ridge and Republicans in the legislature advocated vouchers and twice tried to pass voucher bills to enable parents to send their children to private schools. After these attempts failed, the legislature passed a public charter schools bill in 1997. At that point charter schools became the major form of "choice" available. Today, there are over 45 charter schools in Philadelphia, by far the majority of charter schools in the state –most pre-dating the takeover.

In this paper we explore the transition from the previous reform era to a radically different landscape of relationships and power, with the aim of explaining the relative lack of turbulence in the process. To illuminate the political dynamics in Philadelphia, we draw on the work of scholars of the civic context of school reform. In the longer paper, we look at what happened to the groups that had been part of the anti-privatization effort and how they have positioned themselves. I will use one example in my talk. We describe the strategies the new CEO has used to find a place for them in his vision of reform. Our paper raises questions about whether this type of “inclusion” has blunted critique of a new corporate reform or has the potential to lead to substantive modifications of it.

Methodology

This is the first year of a three-year study of civic capacity in Philadelphia. This paper is based on our analysis of 13 of 23 interviews that we conducted beginning last summer of civic actors including education specialists, community-based representatives, “general influentials”, and media representatives.

III. Let me start by providing some background on the Philadelphia Context

Like many former manufacturing centers in the United States, Philadelphia has struggled in recent decades– to establish its place in the global economy. Gains in service sector jobs have not offset the losses in manufacturing and trades.,.^{3,4}

Philadelphia’s tax base has declined because of an overall loss of population, particularly middle class families.

Attracting the Middle Class

The business community and to some extent city government have focused on attracting middle class professionals rather on upgrading the educational attainment of the current population as a development strategy. As a result, they are less concerned about the schools’ capacity for workforce development as they are minimizing the image of Philadelphia schools as failing.

⁵ Several of the people we interviewed identified alternative public schools, either magnet or charter schools as critical for keeping the middle class in the city, though obstructing the development of a constituency to improve all schools.⁶

³ During the 1990s, the Philadelphia metropolitan region maintained a relatively steady job market while jobs within the city limits dropped in almost all sectors. At the regional level, manufacturing dropped from 369,800 to 301,600 jobs, while the service industry increased from 666,700 to 864,200 jobs (City Planning Commission).

⁴ The city’s top 20 employers fall into the following categories:

4 government (civilian city/state/federal, school district)	95,900
3 universities (including Penn’s hospital systems)	44,800
6 health-related (hospitals and insurance companies)	33,000
4 utilities/transportation/communication (SEPTA, PICO)	24,100
2 services (Aramark, USAirways)	10,100
1 financial	5,000

⁵ While 72.8% of students in the district as a whole are economically disadvantaged, only 41% of students at the top two magnet high schools are economically disadvantaged.

V. Literature

The work of several authors has guided our research and analysis, particularly those who have written about the importance of civic capacity, governance regimes, and urban restructuring to education reform.

Clarence Stone, Jeff Henig, Marion Orr and their colleagues have elaborated the concept of civic capacity as a lens for understanding the local political dynamics that support or hinder effective school reform. “Civic capacity” is defined as civic groups working *in coalition* who take action to get and keep school reform on a city’s agenda.

The more inclusive and durable the civic coalition, the stronger the civic capacity. An inclusive coalition can develop what civic capacity scholars call broad vision leadership, shaping an agenda for reform that goes beyond particularistic group interests.

Extrapolating from her longitudinal study of Chicago school reform, Dorothy Shipp differentiates among education regimes linking coalition membership and different reform agendas. She identifies three types of regimes layered over time in Chicago: an empowerment regime, a performance regime, and a market regime – each with distinct coalition members. Philadelphia’s previous reform coalition fits Shipp’s performance regime, in that it had a broad coalition at least at first. She notes that the performance regime is the most difficult to achieve and sustain because the members of its characteristic cross-sectoral coalition may not be accustomed to working together. The market regime requires the narrowest set of coalition members and is the easiest to bring together, because it is sustained by sectors that find it natural to work in partnership—business elites and politicians. However, because it is so narrow, it is vulnerable to political opposition for demands for inclusion from groups that are not part of it.

Because regimes are layered over time, each new regime must contend with the constituents of past regimes with whom they need to coexist and with whom they might compete. Here, we examine how the current corporate regime in Philadelphia contends with the members of previous regime coalitions and demands for inclusion to blunt opposition without losing control of the corporate reform agenda. Stone points out that a governing regime may incorporate the interests of other groups either through individual deal-making or through a process of “social learning.” We are interested in how the current regime is addressing demands for inclusion and whether the response prevents opposition from deterring the corporate agenda or whether the response results in social

⁶ Comparing the demographics of the city and the district provides powerful evidence that the white population has also largely opted out of the public school system. The city of Philadelphia is approximately 42.5% White, 43.2% Black, 8.5% Hispanic, and 4.5% Asian. Meanwhile, the district is 15.9% White, 65.4% Black, 13.5% Hispanic, and 5% Asian. If we look at the top academic magnet schools, we see a very different racial composition from the district as a whole. At the top two academic magnet high schools, where, on average, 95% of students pass the PSSA, 45% of students are White, 32% are Black, 5% are Hispanic, and 18% are Asian.

learning, shifting the agenda to accommodate a wider set of community interests and achieve “broad vision leadership”

VII. Findings

In the paper we draw on the post-takeover stories of four groups that were members of earlier reform coalitions and in the anti-privatization effort: a non-profit education support group, grass-roots groups such as a child welfare advocacy group and local Latino organizations, the mayor and city hall, and the teachers’ union. [Because of time constraints, Here I will use the example of the grass-roots groups.] We identify four strategies that have been effective in diverting opposition: contracting, hiring, trading on legitimacy, and using the specter of privatization to leverage support.

Grass-Roots Groups

While grassroots and community organizations are clearly not among the key power brokers in the current administration, they have largely refrained from openly challenging Vallas or the reforms that have been implemented since he took office. A closer look at Vallas’ handling of one potential source of contention helps explain how this has happened. One of Vallas’ most visible early initiatives involved establishing a mandatory extended-day program for students who were performing poorly on state tests. This program, which used a basic-skills curriculum developed by the Princeton Review immediately set off alarm bells within the service community and among grassroots groups because it would disrupt after-school services their organizations were already offering, threaten their funding, and limit students to purely remedial activities. Vallas’ handling of the issue diverted, rather than fomented, a controversy. A prominent child advocacy group in Philadelphia, which had enjoyed an insider role in the previous reform period, organized a coalition of groups affected by the extended day program, to make their concerns known to Vallas. He agreed to widen the number of groups that would receive contracts to run the extended-day programs and, in the process, earned the grudging approval of the Executive Director of the child advocacy group:

Vallas does respond to pushback. He figures out changes he wants and starts doing them. Then there’s pushback and they get moderated and you end up with a better service plan. That happened with after-school programming. Extended-day was wreaking havoc in the service community. Then people came together and it was changed.... This shows that you can push back with Vallas if you bring facts, money, and political pressure (Exec Dir of Child Advocacy Group, 9/11/03).

In this example, we see how Vallas was able to prevent widespread opposition to his agenda through awarding contracts and in return gained new legitimacy for his program. From their perspective, the grass-roots groups won a victory doing what they always do – garnering wide popular support to bring pressure on public figures.

Our interview with a local Latino leader helped us identify hiring as another strategy to prevent opposition. Vallas has hired or promoted activist figures respected in the minority community. This has been particularly apparent with respect to the Latino community, whose leaders were beginning to achieve important and visible roles in the previous administration. As the director of a Latino community organization told us, his community is much more careful about criticizing district policies because Vallas' hired respected figures:

But he's been so effective at hiring people that we respect so everyone has been very polite about how we in the Latino community attack the district. We don't want to hurt people that we respect and have a long history with, like Lydia Fernandez (pseudonym)... How would you attack the district when she's in such a high position there because when I attack the district I'm also attacking someone I respect (JI, 12/5/03).

In the process, Latino activists accepted a major change—and an apparent setback—with minimal protest: “But while that was happening, the bilingual office got dismantled.... in the old days the district would have been packed with protests and letter writers. I don't know what happened...” (JI 12/5/03). In addition, he noted that his allies who had been hired by the district may refrain from organizing out of fear of a conflict of interest, another way that the practice of hiring activists limits opposition (JI, 12/5/03).

Essentially, Vallas has been able to incorporate potential challengers to his administration by literally bringing them, as employees, into the school district.

Conclusion

This case demonstrates how Vallas, representing a corporate regime, brought in groups that earlier had opposed state takeover and corporate influence by using what Stone terms, “selective incentives” (Stone, p. 212) to include these key actors without, at least at this point, threatening the core corporate agenda. By giving out contracts, hiring activists, trading on the legitimacy of certain groups, and pointing to the threat of privatization, Vallas and the SRC have been able to maintain the support of strong groups whose interests and beliefs generally do not coincide with those of a corporate regime.

We are trying to understand the processes by which constituents of past reform regimes resist or become incorporated in the corporate regime. It is too early yet to know if these unlikely partners to a corporate regime are influencing the shape of Philadelphia's reform agenda. Some fault lines are beginning to open around issues of equity and authentic participation in school reform. Yet there is no doubt that CEO Vallas, through bold plans and quick action, has established new legitimacy and confidence in the Philadelphia schools from the perspective of many civic actors. Nonetheless, we might show that the surface of harmony and cooperation is not necessarily a sign of the kind of complex civic capacity needed to advance the kinds of reform most likely to reflect broad vision leadership – and serve the interests of all members of the Philadelphia community. Minimizing controversy about the public schools is essential to the city's corporate interests concerned with attracting the middle class– not to use the public schools, but to a city where, at least, they don't have to worry about public schools.

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It is premature to judge whether the new corporate agenda will keep out competing agendas or supplant the vestiges of previous regimes. Nonetheless, we note that fault lines are beginning to open around issues of equity and authentic participation in school reform. A coalition of advocacy, legal and organizing groups are pushing forward the issue of the current maldistribution of certified and experienced teachers across the system just as the district is beginning labor negotiations with the Philadelphia Federation of Teachers, which has held fast to seniority privileges for its members, undercutting teacher assignment. Other equity issues, which have been monitored by the court, are being turned over the Human Rights Commission. Two youth organizing groups are pressing for their participation in the plans for new high schools. They have developed a vision of small schools, and are at odds with district over their role of the planning process. A capital improvement plan is being contested by community groups that feel they have not been consulted.