

## What We Talk About When We Talk About the Corporate Education Agenda

“Corporate education agenda” gets thrown around a lot. But what does it really mean? In the latest episode of the Have You Heard podcast, we talk to economist Gordon Lafer, whose book [The One Percent Solution](#), offers a comprehensive account of legislation promoted by the nation’s biggest corporate lobbies across all fifty state legislatures. The top topic of all of that legislation? Education. Lafer explains why major corporations – household names like Kraft Foods or United Airlines – have become active players in the realm of education policy. Warning: #29 may be our bleakest episode yet!

Jennifer Welcome to Have You Heard. I’m Jennifer Berkshire.

Jack And I’m Jack Schneider.

Jennifer Jack, while you were out on one of your many vacations, I sort of went “off the ranch” and did my own thing.

Jack But, you happened to have your recording equipment with you.

Jennifer I know. It’s so funny how that keeps happening.

I wondered if you can guess what sort of topic I might rush towards if I ‘m not under your strict supervision.

Jack Something tells me neoliberalism.

Jennifer Close, but it was not neoliberalism. Any other guesses?

Jack My second guess would be that it has to do with the shadowy operatives who stand to profit from particular policies in public education.

Jennifer You, sir, are a mind reader. [Jennifer and Jack laughing]

I recently had a chance to sit down with economist Gordon Lafer. He was really the first person to look state-by-state at all the different laws that were pushed through by the corporate lobby after the Great Recession.

We sort of throw around term “corporate education agenda”—I don’t know if you do, but it’s one I’ve used a lot—it means all sorts of different things and it can mean nothing at all. One of the things that’s so confusing is the policies in it [corporate education agenda] don’t seem to have any real logical connection.

So, in one state, you might see a real push for tighter accountability, A – F report cards. In another state, you see the standards for entering the teaching profession being watered down.

Jack It seems to me like corporate interests would not align around any particular ideology with regard to education policy. I would be surprised if they were backing evidence-based policy.

Jack The question that arises for me is “*What is the unifying element?*”, when we are talking about disparate corporate leaders and their interests in K12 public education.

Jennifer Well, I guess you’re going to have to listen to the interview, aren’t you?

Jack If I must.

Jennifer Just a note on the format of this episode: It’s based on an interview I did with economist Gordon Lafer in front of a live audience, which is why you may notice the Have You Heard recording studio sounds a little bit more crowded than usual.

To set the stage for what you’re about to hear, back in 2009 and 2010, Lafer was on leave from the University of Oregon and working on Capitol Hill as a senior policy advisor to the US House of Representatives Committee on Education and the Workforce. He started to notice something a little unusual about a flurry of bills being passed at the state level.

Here’s Gordon Lafer.

Gordon The fall 2010 elections were the first elections run under the new rules of [unlimited corporate spending](#). What we started seeing with those legislatures elected then, starting in 2011, was first of all, much more aggressive things—anti-union, anti-teachers union, privatization of education, charters, vouchers, a whole lot of things like that—and the same bills showing up in state after state after state. Many people saw this ([analysis 1](#) [analysis 2](#) [analysis 3](#)).

The most important organization at the state level that corporate power is organized through is ALEC, [the American Legislative Exchange Council](#), which probably many of you know about; [if not] I can explain how it works.

Around that same time in 2009-2010, there was a whistleblower who released thousands of documents from what previously had been very secretly guarded information [on how ALEC worked](#), into the public domain.

So what we saw from all of that was attacks on tenure; attacks on human teachers, replacing them with digital applications; promotion of virtual schools; all kinds of things, all happening at the same time and in state after state after state.

Some of the tracking was figuring out where ALEC bills were coming from was done by using anti plagiarism software. I don’t know how many of you use that. We get this [program] at universities. You get a paper from a student, here’s a thing to run it through, it does string searches [discovers patterns]. So they did that with legislation and found it’s 75% the same bill being introduced in all these places.

In almost every place where this happens, people believed that the bill came out of the head of some legislator or local politician, a response to particular conditions in that state. Overwhelmingly, none of that is true.

These bills are not coming from any legislator, any politician in any state, they’re coming from the national headquarters of the biggest and most powerful political actors in the country, which are the big corporate lobbies:

Gordon The [Chamber of Commerce](#), the [National Federation of Independent Business](#), the [National Association of Manufacturers](#), the [Koch brothers](#), [Americans for Prosperity](#), and a bunch of other employer organizations which we don't normally think of as being involved in education. But, they were, in a realm with thousands of organizations involved in education debate, the most powerful actors, both controlling who gets elected to office, and what they do when they're in office.

Jennifer The subtitle of Lafer's book is "*How Corporations Are Remaking America One State at a Time*". And that's key, the corporate lobby that he's talking about is made up of companies with familiar names like Kraft Foods and United Airlines and General Motors, companies that you don't typically associate with education policy.

Gordon One of the things that is so revealing about studying this is, when you study individuals—we are so drawn to the circus of individuals, whether it's Trump or it's George Soros, or even [CAN'T UNDERSTAND WHAT NAME WAS SAID] on the left—individuals are ideological and can be motivated by all kinds of things.

When you look at ALEC, it's several hundred of the biggest corporations that are not ideologues. At some point, in every one of those companies there was a meeting of the executive committee or the government affairs committee that decided it serves our corporate interests to spend times, money, and energy trying to push forward this agenda.

I think the critical starting point for us is trying to understand [what is] Kraft Food, Coke, and Walmart's agenda? Why are they pushing this combination of things that we see in education? And they're pushing the whole combination: virtual schools, anti-union, anti-tenure, bigger classes, standardized testing, a narrow curriculum, lower credentialing and certification for becoming a teacher, and doing away with the public school system.

Usually, you encounter one or two of these things in your state. This is the whole package of things and they're being pushed by the biggest corporations who are not ideologues, who somehow they think this is in their rational interest. So, I think we need to start with that as the first point of analysis: to look behind the politicians, look behind Stand for Children or Teach for America or whatever billion-and-one, nicely named advocacy organizations that are there.

Jennifer OK, I'll bite. Obviously, there are some companies that stand to profit from privatizing education, but they're really in the minority here. So, why would a company, like say, Kraft Foods, care about collective bargaining for teachers in Wisconsin, or expanding virtual schools?

Gordon There are Republican operatives who want to get rid of teachers unions because they think teachers unions fund the Democrats and it's just party politics.

There are rich people who want tax cuts and for the most part, the biggest part of state and local government is education, so they want to cut education so they can fund tax cuts for the rich.

Gordon But, I think when you look at these big companies—even when you think about the [attack on public employees in Wisconsin](#), which kind of kicked off the current era of state politics—it's not obvious [how corporations benefit from particular policies].

Kraft Foods was the head of the labor committee at ALEC in that year [2011]. What's Kraft Food care about lowering wages or laying people off in Wisconsin or Ohio? It's not obvious, and we need to think about it.

I think part of what's going on is this. The people at the very top of the economy believe that America is an empire in decline and the country is going to keep going down. They don't see it rebounding. For them, the political problem is how do they manage the politics of decline. How do they pursue a policy agenda which is going to make the country yet more unequal, which is going to make the rich richer and the majority of people's lives materially worse off without provoking a political backlash?

I think there's several different things that they do to try to manage that [decline]; that's the essential political challenge for the real economic elite. And one of them is, I think, trying to lower our expectations of what we think we have right to demand, just by virtue of living here, either from or jobs as workers, or from the government as citizens.

I work a lot in the labor movement, and in union organizing it's common for people to talk about wanting to “ignite a revolution of rising expectations.”

A worker has an asshole boss and they win a grievance against that person, and they feel like “*Whoa, I won. Maybe I'm going to get involved in contract negotiations.*” And if you win a good contract, people may feel like, “*Well, maybe I'll try to change who the mayor is.*” And you keep raising your sights higher.

I think part of what the agenda of the corporate elite for preventing political backlash is to ignite something like revolution of falling expectations.

[laughter from Jennifer]

My daughter's in a class with 37 kids—which my daughter is—but at least it's not 45. They only have music and art nine weeks a year, but they still have it nine weeks a year.

I don't have comprehensive health insurance, I only have catastrophic health insurance, but at least I have catastrophic health insurance, and for now, I'm OK.

I don't have any paid vacation but I have a job and I'll have some time off between this job and my other job... The more we ratchet down our expectations of what we think we have a right to expect, the more we normalize downward mobility, and it makes it politically safer for them [corporations].

Jennifer What makes public education such a big target, says Lafer, isn't just the amount of money that states spend on their schools, but what education represents. The list of things Americans think they're entitled to is short and getting shorter. Public education is still on that list, for now.

Gordon       What we in America actually think we have right to, just by virtue of living here, it's very little. Most people don't think you have right to health care, don't necessarily think you have a right to housing, food and water.

People think we have a right for our kids to get a decent education, and a right for the mail to be delivered.

[audience laughter]

And both those things are under attack.

Education I think, more than anything else, this is the one remaining, very big thing.

One of these ALEC funded think tanks, the president of it, has this quote I put in the book, where he says "K-12 education is the last remaining socialist enterprise in the US." Obviously, this is hyperbole, he's trying to whip up his troops, but in some ways it's right. This is a major, major public good, where we tax the rich in order to provide a public benefit that you get just by right of being a citizen. When they talk about needing to do away with the "entitlement mentality", the most problematic entitlement for them is not Medicare or Social Security, or God forbid, actual Welfare, which is almost nothing now, but education.

I think education is even more of a problem for them than other things, because it's not just something that you get, but the very nature of education is that teachers are trying to raise, to encourage, kids to think they can do more. To raise your sights higher. To think you could be something you didn't think you could be. To think you might have a right to expect something that you didn't have in your head when you walked into the classroom. And that's dangerous.

We see these corporations acting, we know they think this is in their corporate self-interest. Some of them, like [CAN'T UNDERSTAND WHAT NAME WAS SAID] and Pearson Education, the investment banks that will make out like bandits from privatizing schooling, it's easy to figure out what the interest is.

But the bigger corporate lobbies? Why does the Grocer's Association and the Retail Federation and car manufacturers support this? I think this [maintaining economic advantage during decline] a key part of the answer.

Jennifer       If you need to take a break at this point, feel free. Lafer acknowledges that his analysis is pretty bleak, and it gets worse. He thinks that the push to privatize schools could end up making education look a lot like health insurance.

Gordon       If we voucher-ize schools, it's going to end up being like, in some ways, like health care. I don't know anyone who doesn't hate their health insurance company, but what are you going to do?

[audience laughter]

This is part of privatization, not only in schooling, but especially in schooling, where right now, there's a lot of shitty schools. There's a lot of shitty schools in the public system. It's a huge problem. It's not just about charter schools and vouchers [being shitty]. There's at least someone to be angry at when your kid is one of those schools.

- Gordon        When the system is privatized, there's nobody to be angry at.
- It's like health care. Who am I going to be angry at when I hate my health insurance company? Maybe I should have been a smarter consumer. Maybe I should have worked a little harder and gotten a better job, with a better [benefits] package.
- There's no place to go. This [part of what happens when we privatize](#) schools, we privatize libraries, we privatize public transit. We remove the focal point that public anger can coalesce around or make any demand to, there's no [one]. This is another thing that makes it easy for people who are pushing an agenda of downward mobility, because it's very hard to fight back against that.
- Jennifer        Lafer's book isn't just about education. The laws that he tracked cover a whole range of labor, employment, and economic policy issues. State after state, for example, enacted legislation aimed at weakening unions. But Lafer argues that the real goal isn't just lowering teacher pay or cutting pensions, it's to lower expectations across the board, about what workers can demand.
- Gordon        School systems, in many, many cities, are the biggest employers. In places where a unionized public employer is the biggest employer in a local labor market, or one of the biggest employers, it has a competitive effect on driving down wage and benefit standards for non-union private sector employers in the same labor market.
- I can give you the example of where I live in Eugene, Oregon. The biggest employer is the University of Oregon. So let's say secretaries at the University of Oregon get health insurance because they're unionized public employees. That means that a non-union private sector employer who wants to hire secretaries needs to, if not match, at least come up towards the union standard or else live with the knowledge that the best people are going to go work for the university if they can. So the same is true in reverse. When they cut down unions, when they undermine the wage and benefit standards of major employers, which almost everywhere the school system, it has a follow on ripple effect for people who work in the non-union private sector.
- Most people never connect the dots, but this part of what the corporate lobby's interest is. It's dangerous for them to have their non-union, private sector employees know that somebody has a defined benefit pension, because everybody wants that. This is part of the problems of rising or falling expectations.
- Jennifer        By now you're probably wondering whether this podcast could possibly get any bleaker. Well, there is actually a bit of good news. When the education policies that are being pushed by the corporate lobby get put up for an actual vote by real, live people, it doesn't go well.
- Gordon        People vote for candidates for all kinds of reasons, not necessarily the reasons that we wish they would decide on the basis of. But, when people get to decide on an issue-by-issue basis, which is most often on ballot initiatives, the corporate agenda on an issue-by-issue basis is a very unpopular and unpopular across party lines.
- A strong majority of people want their kids in small classes.

Gordon A majority of people in both parties think that standardized testing should count for zero in teacher evaluation or tenure. Every place around the country where they're negotiating about if it should be 30% or 70% or anything else, a majority of people in the country think it should have no role whatsoever.

Overwhelming support, not for decreasing but for raising teacher training standards, and for saying that every teacher should spend a year being mentored by a more experienced teacher, before they have sole responsibility in a classroom.

You see this in places where people have a chance to vote on specific laws. I want to give you a couple of examples.

One of them is Florida in 2010. Florida had class size caps written into its Constitution. Good caps like 18 kids from K- 3 , and I think it went to 24 [kids per class later grades]. The legislature wanted to get rid of them, but because it was in the Constitution they needed to take it to the voters. They put it on the ballot in 2010. The legislators supported it, the voters rejected it, like 60-40.

Now this was the Tea Party wave election in 2010 when Florida elected a Tea Party governor, Rick Scott, and elected a very right wing legislature. If you do the math, several hundred thousand people had to go to the polls in 2010 in Florida thinking something like *"I hate government, I hate Democrats, I hate unions, but I want my kid in small classes."*

[laughter and clapping from the audience]

We saw the same thing in South Dakota and Idaho, two very red states whose legislatures passed laws doing away with tenure and mandating "merit pay" based on test scores, and requiring kids to take an online class as a condition of graduating high school. Voters overturned all of that in referendum. This is not California; this is Idaho and South Dakota.

I think there's a very fertile ground for pushing for a more humane version of education, in places where we can make the fight be about the specific issues as opposed to about personalities or political parties.

Jennifer Lafer even looks at the state-by-state push to restrict voter rights from a glass-half-full perspective. As he sees it, this reflects not just the deep unpopularity of the policies that are backed by the corporate lobbies, but also shows you how fearful they are of ordinary people.

Gordon Because the corporate agenda is so unpopular, not just in education but across the economy, it inevitably leads to needing shrink the realm of democracy. So, obviously, part of what they're doing is voter ID and voter repression laws of not allowing felons to vote, all kinds of things that limit the number of people who can vote.

But in a different way, how robust a democracy is is not just about free and fair elections, but the realm of economic life, the realm of public life, that is subject to democratic control. If you have perfectly free and fair elections, and all you're allowed to vote on is the color of the flag, not so good.

Gordon        What they're doing, in almost every state in the country...There are cities and counties that are more progressive than the state as a whole, maybe not in California, but in almost every state in the country.

Corporate political power is greatest at the state level, greater than either at the level of the federal government or local government. I can talk later about why that is. But what they're doing is using their power at the state legislature to take away from citizens at the city level they right to vote on things.

So this started with passing laws sayings it's illegal for any city in the state to raise its minimum wage higher than the state level. In Wisconsin, one of the first things that [Governor] Scott Walker did was...Milwaukee, in 2009, by voter referendum, was one of the first cities to create the right of everyone to a certain number of days of paid sick leave. Under Walker, the legislature retroactively abolished the Milwaukee law, and made it illegal for any other city to do that.

[We have slew of states now that have made it illegal for cities](#) to create a right to paid sick leave, to create fair scheduling laws like there is in San Francisco, to create laws that make it illegal to have gender orientation discrimination on the job.

There was a law passed in both in Michigan and Tennessee—because these laws get broader and broader; they are afraid of left-wing populism—[Michigan's law is called the "Death Star"](#). It banned any change in the workplace, including a right to rest breaks, creating a mechanism for recovering stolen wages...all those things were banned by the legislature. This is terrible, but it's also a sign of them seeing how unpopular their own policies are, and how much energy there is at the local level.

Jennifer        So, how does something like a state-level ban on city raising its minimum wage relate back to education? Well, I'm glad you asked.

Gordon        Almost every single research shows the single, most powerful determinative education outcome is wealth and poverty. It's what every [study shows](#). The difference between charter and public schools, one form of education or another, everything is tiny compared to the difference in economics. [\[BUT education can't end poverty\]](#)

I would say It's impossible to say *"I'm against the minimum wage, I'm against food stamps, I'm against public housing, I'm against the earned income tax credit, I'm against a right to paid sick leave, I'm against the ability to recover stolen wages"* and *"I'm laying awake at night wondering how poor children are not getting good education, and what we can do about this."*

What the corporate lobbies are doing—we need to see these are the same people, this not just things happening, this is the same actors pushing all of this—when we see them in education is when they come in and say *"There's all these failing schools, persistently failing, because their test scores are low"*.

[The corporations think] *"We know that test scores are determined above all by poverty. We have created the conditions of poverty by what we're doing in all the rest of our lobbying that you education people may not be paying attention to."*

Gordon So we see the corporate lobbies on the one hand creating the conditions of school failure, or of personal failure among kids who are struggling in families under these conditions, and then swooping in and saying, *“The schools are failing? Here’s the answer.”* Charters, and vouchers, and tack in the rest of the stuff they want to push.

So I think it’s important to see how these things fit together.

Jennifer As I listened to Lafer, I kept coming back to a question I’m guessing a lot of listeners have. At the end of the day, these same companies that are pushing to weaken our public education system still have to hire workers, don’t they?

Gordon This is a question that a lot of people ask: *“Isn’t it irrational for them to be cutting education and other public infrastructure, because after all, don’t they need these people to be their workers, and also to buy their stuff?”*

Obviously, there’s irrationality on every side. The corporate lobby is like everyone else, it figures out politics by trial and error, it stumbles along and not everything is unified. But we see a big pattern that needs to be explained.

We need to recognize that our economy has changed in at least two important ways, from what it was a few decades ago. One of these is the degree of globalization.

I think it was [1953 when the president of GM told the US Senate “What’s good for GM is good for America.”](#) I don’t know if it was true then, but it’s much less true now. It was truer, closer to true, when GM cars were made by American workers and bought by American consumers. Now, a majority of GM cars are sold overseas, and  $\frac{2}{3}$  of their employees are overseas.

This is true of many companies who are active in ALEC and the Chamber of Commerce. In the last couple of decades, the majority of their revenue is earned overseas, and the majority of their products are made overseas. Which means, is American still important to them? Yes, but less than ever before. [We’re more extraneous than ever before to their interests.](#)

We’re in a political era with something new: these companies are still the most powerful actors in our politics, in determining our laws, but their interests are increasingly disconnected from the interests of society as wholes, because they’re less dependent on us than they ever were before.

Jennifer As for that “skills gap” you’ve heard so much about? Well, Lafer doesn’t buy it.

Take, for example, how the corporate lobbies are responding to shortages of teachers in states that they dominate.

Gordon In general, corporate America is not saying *“We don’t have enough skilled workers to do what we need.”*

[Regarding] teacher shortages, which are acute in Kansas, Indiana, and a number of the states that are “darlings” of the educational reform movement, their response generally has been to lower certification requirements, not to say *“We need to raise salaries, we need to have smaller class size, we need to re-professionalize the job of teaching in order to attract higher quality people.”*

Gordon [Instead], it's like anybody who has—whatever they call it: “life experience”, a BA, whatever it is—who knows nothing about teaching should be allowed in the classroom. And that...We need to think. Why is it in [Kansas](#), [Indiana](#), these completely corporate-dominated legislatures—not to say there's no corporation that is against this—why is it that the Chamber of Commerce thinks that it's OK? “*Kansas, you want for almost anybody to be able to go into a classroom and teach? OK.*”

Why do they think it's OK? Because they have a vision that is much bleaker than mine.

Jennifer That was economist Gordon Lafer. He's a professor at the University of Oregon, and the author of [The One Percent Solution: How Corporations Are Remaking America One State at a Time](#). Definitely up there with my most recommended books of 2017.

Now let's get Jack back in here for a few last thoughts. [podcast theme song plays]

Jennifer So, Jack, did you find that as enlightening and as exciting as I did?

Jack I found it...really, unbelievably, depressing. [laughter from Jennifer]

Which is not to say I agree in every respect, but, this bleak vision of a dumbed-down world, in which our democracy has been reduced to whatever the basic needs are of an amazon.com shipping floor, or the basic skills people will need in order to order things online, is not what I would imagine the Founders had in mind a couple hundred years ago.

Jennifer We should mention, of course, that we are recording this episode in Somerville, Massachusetts, [which is in line to possibly be the new location of amazon.com's 2nd headquarters](#).

Jack Because what Boston needs is 50,000 more cars on the road.

Jennifer And what amazon.com may need is an education historian. [laughter from Jack]

Jack If Jeff Bezos comes calling, then I'm happy to sit down with him and talk through the many things that schools do, other than prepare students to click and pack.

Jennifer Well, Jack, unless you have yet another vacation planned, I think we'll probably be doing the next few episodes together.

Jack Jennifer, there's always another vacation.

Jennifer On that note, I'm Jennifer Berkshire.

Jack And I'm Jack Schneider.

- Jennifer      Just a reminder: If you like the high-quality that we serve up bi-weekly, drop by iTunes or anywhere else that serves up your fresh podcasts, and give us a positive review. It'll only help us get to more listeners.
- Jack          And, don't forget to follow us on Have You Heard twitter, which is [@HaveYouHeardPod](https://twitter.com/HaveYouHeardPod)
- Jennifer      I actually have no idea who oversees that account.
- Jack.        Neither do I.