

The New Education Philanthropy

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Contemporary philanthropy plays an outsized role in schooling and school reform. Leading donors have influenced policy and practice around the Common Core, teacher evaluation systems, extended learning time, and charter schooling. Major foundations have worked closely with the Obama administration on visible programs like Race to the Top and Investing in Innovation (i3) and provided crucial support for teacher voice groups, advocacy groups, think tanks, and university research.

This involvement has earned kudos from some and backlash from others. For all the commotion, though, it's striking how rarely the strategies, scope, and import of "edu-philanthropy" are subjected to extended scrutiny and analysis. Even basic descriptive questions of what foundations do and how they do it have drawn far less attention than one might expect. For all the ink devoted to foundations like the Bill & Melinda Gates Foundation, the Lumina Foundation, The Walton Family Foundation, The Eli and Edythe Broad Foundation, the Michael & Susan Dell Foundation, the Ford Foundation, the Carnegie Corporation of New York and the like, we know remarkably little about patterns of giving and the purposes funders seek to achieve, much less about how these patterns and purposes have changed over time.

This book is framed by our sense that what foundations do has changed in notable ways and that these changes matter. Our experience suggests that funders have become more intentional in their strategy, more attentive to politics, more focused on metrics of success, and more aggressive about changing policy. In the pages that follow, we and the contributors seek to illuminate what foundations are doing; to inform our understanding of what they're doing and why they're doing it; and to provide an opportunity for

educators, policy makers, advocates, scholars, and funders to reflect on the nature of today's education philanthropy.

This volume is not about all of the different kinds of philanthropy in education today. After all, there are thousands upon thousands of education donors, of all shapes and sizes. Some support local scholarship programs, some give schools technology and textbooks, some pay for a new building on a beloved college campus. That kind of localized activity is not the focus of this book. Here, we focus on those funders engaged in the “new” education philanthropy—those who seek to promote significant change in how America's schools and school systems go about their work.

Now we'll put our cards on the table. We believe that what we call *muscular philanthropy* can play an enormously healthy role. Amid the fragmentation, bureaucracy, and deep-set routines of American education, this kind of giving can prove a valuable catalyst. Muscular philanthropy provides a vehicle for identifying and supporting promising individuals and ideas that may be an uncomfortable fit for education bureaucracies and routines. Such giving can light the way forward, especially as long as other donors provide a balancing wheel that can counter fads and the groupthink of the moment. At the same time, muscular philanthropy also poses important questions about who gets to influence public decisions and how they should do so.

Approached this way, it seems to us that the relative virtue of the “new” philanthropy doesn't exist in a vacuum—it depends on what donors do and the context in which they do it. What matters is not just what individual foundations may choose to do, but also whether on the whole foundations provide that balancing wheel and whether philanthropy enriches or short-circuits the messy process of democratic decision making. In all of this, there is an especially acute need for a mix of funders that support a diversity of strategies and improvement agendas—nurturing the clash of ideas that is such a distinctive and healthy feature of the American system. Philanthropy can play a similarly valuable role in providing a balancing wheel that can help ensure that competing visions and voices are not stifled by the current shape of government policy. Clearly, determining whether donors are sufficiently diverse or independent of government are judgment calls—but they're crucial ones. A primary goal of this volume is to help clarify what foundations are doing and how they're going about it, precisely so that readers will be better equipped to make these determinations for themselves.

A TUMULTUOUS DECADE FOR PHILANTHROPY

As recently as ten or fifteen years ago, there were concerns that the nation's philanthropic community was retreating from the K–12 public school arena, frustrated with what it regarded as school districts' stubborn resistance to change. In March 2002, the \$500 million Annenberg Challenge, which had been unveiled eight years earlier at a joyous White House ceremony, petered out on a disappointing note. The Challenge's own final accounting comprised a pro forma recitation of accomplishments followed by the acknowledgment that "repeated setbacks, rapid turnover in leadership and sudden changes in direction . . . took everyone by surprise."¹ Less generous reviewers declared the effort an outright failure.

On the heels of Annenberg, in the early 2000s, several major traditional funders redirected their efforts away from K–12 to preK or to other sectors. In one noteworthy development, in July 2002, three major Pittsburgh-based foundations—Heinz, Pittsburgh, and Grable—announced they would stop funding the Pittsburgh Public Schools. More generally, the major new education philanthropies started to evince a heightened interest in structural change by giving to nontraditional providers rather than school systems, supporting a coherent and coordinated reform agenda, and more precisely measuring the impact of their funds.

In an attempt to make sense of these shifts, back in 2005, one of the editors of this volume published perhaps the first book to take a hard look at contemporary education philanthropy. That book, *With the Best of Intentions: How Philanthropy Is Reshaping K–12 Education*, examined the new, muscular brand of philanthropy while raising questions about some of the challenges it posed.²

Since those early years of the twenty-first century, the nature of foundations has changed dramatically. A Council of Foundations survey conducted in 2010 found that program staff had held their positions for an average of only three years.³ Just as the death and replacement of individual cells means that the human body is almost wholly remade every few years, so it is true that most foundations are almost wholly remade within a period of a half-decade or so. While the mission and key leadership may remain, lots of grant officers—the "street-level bureaucrats" who make many of the decisions that matter—turn over, sometimes taking institutional memory and existing relationships with them.⁴ Today's foundations have recruited more Teach for America and business school graduates than in previous generations,

and unsurprisingly, the decision calculus of foundations is becoming more focused on accountability and the tenets of contemporary reform.

The last decade has seen such notable education developments as ED in '08, *Waiting for Superman*, Race to the Top, i3, the Common Core, the Gates Foundation's Measures of Effective Teaching project, the Relay Graduate School of Education, the Khan Academy, the *Vergara* lawsuit, statewide voucher programs, Democrats for Education Reform, Students for Education Reform, StudentsFirst, the "parent trigger," and much else that comprises today's education landscape. Just about all of these were driven in important ways by philanthropy.

While many welcome this resurgent education philanthropy as a source of badly needed resources, energy, and ideas, it has also generated serious concerns. Opponents charge the newer foundations with backing the wrong reforms, undermining democratic control, and even pursuing malign agendas. Even those who generally support the means and ends of the philanthropic resurgence see things that give them pause.

Indeed, the visibility of philanthropy and the controversy over its role has taken on a shape that once would have been astonishing. While it was once rare to hear attacks on education philanthropy, today, many education funders are subject to furious backlash from teachers and union leaders over proposed reforms—from left-leaning progressives opposed to testing and what they perceive as a creeping privatization of schooling and from Tea Party critics of the Common Core and new data collection initiatives. This volume is an attempt to make sense of these developments: to understand the new education philanthropy, its nature, its promise, and the issues it poses.

HAVE WE WITNESSED A REVOLUTION IN EDUCATION PHILANTHROPY?

The most vehement critics of contemporary philanthropy have asserted that the new emphasis on policy has transformed the nature of giving—turning it into something threatening and undemocratic. Historian Diane Ravitch, perhaps the most influential of these voices, charged in 2014, "[Those in] the philanthropic sector . . . are using their vast fortunes to undercut public education and impose a free market competition among competing schools. As they go merrily about the task of disrupting an important democratic institution, they work in tandem with the U.S. Department of Education . . .

Big money—accountable to no one—and big government have embarked on an experiment in mass privatization.”⁵

Ravitch is right that the new philanthropy reflects a growing emphasis on advocacy, structural reform, and public-private partnership. But it’s not clear that these practices are as dramatic a departure as she and others suggest. While most foundation giving has historically focused on less controversial efforts to support programs and practices, there have been plenty of efforts to promote a more muscular approach to giving.

The phenomenon of muscular educational philanthropy is not wholly unprecedented. Critics seem to forget that the Ford Foundation was aggressive and unapologetic about its push to radically restructure New York City’s schools in the 1960s. In the 1970s and 1980s, Ford and other donors spent heavily to bankroll litigation and policy advocacy that sought to boost and revamp education spending. The Bradley and Olin Foundations played critical roles in supporting the research, advocacy, and policy experimentation that helped bring school choice to the national stage. If one is inclined to go back further, to the first half of the twentieth century, foundations like Rockefeller and Carnegie are responsible for helping to create much that eventually came to be seen as unobjectionable and even inevitable—from the SAT to the “Carnegie unit.” Active engagement by individuals, associations, communities, businesses, and nonprofits has long been part of America’s pluralist tale. We’ve always been a Tocquevillian nation, where progress springs not from the genius of central planners but from the pushing and shoving of a hearty scrum of self-interested actors.

That said, it’s clear that some things about today’s education philanthropy are distinctive—and some of those things are potentially worrisome. Ravitch rightly points out the extraordinarily close working relationship between major funders and the federal government. Especially in an era of unprecedented federal involvement in schooling, this threatens the philanthropic sector’s ability to support competing visions and strategies—and even threatens to make some independent observers hesitant to criticize federally supported efforts for fear of crossing influential funders. While some foundations have always taken an active interest in policy and reform, the shared priorities, prescriptive metrics, emphasis on advocacy, and coordination of several of today’s most prominent and deep-pocketed education donors are noteworthy developments.

A decade ago, philanthropists were frequently frustrated that they would invest heavily in exciting programs or practices, only to see them fail to

deliver lasting improvements. A piloted reading or mentoring program would offer promising results, then disappoint when scaled. Or a foundation would underwrite professional development for several years, only to see it die on the vine when external funding dried up.

Whereas an earlier generation of donors chalked such failures up to problems of implementation or program design, the new philanthropists were apt to blame policy, system inertia, and a lack of political willpower. Donors who had made their fortunes in the new economy increasingly staffed their foundations with Teach For America alums and MBAs and embraced a focus on leadership, policy, and advocacy. The new approach was fueled by three insights.

First, as University of Arkansas professor Jay P. Greene observed in 2005 in his pioneering contribution to *With the Best of Intentions*, the dollar amount of education philanthropy is so small that it's tough to imagine that investments in programs or practice will have a significant impact. Greene estimated that all private giving to K-12, combined, amounted to, at the very most, one penny out of each dollar spent. Consequently, he argued, philanthropy mattered only when it funded "high-leverage investments" (e.g., changes in policies governing the use of public funds).⁶

Second, although these private funds typically account for small dollars in the grand scheme of things, they can have an outsized influence because they are relatively agile and can be used to fuel promising but relatively untested initiatives. In contrast, it's politically and bureaucratically difficult to redeploy more than a sliver of public funds.

Third, leverage can be enhanced by strategic investment in research and advocacy to shape policy. Foundation-backed research can overcome skepticism by providing proof points that innovative approaches are possible and effective. Foundation-backed advocacy can shape policy proposals and add pressure and legitimacy to the call to alter priorities in order to create the conditions for long-term, systemic change.

IT'S NOT JUST PHILANTHROPY THAT'S CHANGED

It's not just foundations that have changed; the landscape of education policy, politics, and reform today is dramatically different from that which prevailed up through the early 2000s. In the world of education, shifting political dynamics have fueled an array of aggressive policies addressing teacher evaluation, school choice, school turnarounds, state standards, and more.

The changes have played out in Washington, DC, and across the land. Great power has been concentrated in the US Department of Education, and the role of states has increased as well, creating opportunities for a new class of aggressive state-level education officials. Both of these trends have greatly reduced the autonomy of district-level leaders.

School choice has increased dramatically; today, charter schools enroll about 5 percent of the nation's students. By 2015, at least twenty cities had 25 percent or more of their students enrolled in charter schools.⁷ Statewide voucher programs (in Louisiana and Indiana), the rapid growth of tuition tax credit programs, and the sharp increase in online options have helped unlock a world of new opportunities, choices, and tensions.

Teacher policy has also undergone dramatic change. Tenure has come under intense pressure through California's *Vergara* lawsuit and ensuing imitators. The US Department of Education pushed states to incorporate value-added metrics into teacher evaluation, and states complied. Meanwhile, teacher preparation programs have faced new competitors and heightened calls for accountability.

Foundations have helped support many of these shifts: fueling the growth of charter schooling and online education, supporting efforts to overhaul teacher tenure and evaluation, and funding scrutiny of teacher preparation and the emergence of new options. They have done so even as they have found themselves reacting to the new circumstances that these changes have created. And much of the animus directed at foundations is due to unease about the direction of this activity. This is all accentuated because we have entered an era in which education policy has lost some of the bipartisan framing and support it long enjoyed. As partisan and ideological forces infuse debates over the Common Core, teacher evaluation, and the federal role, foundations cannot easily avoid getting caught up in the currents.

The Danger of the Echo Chamber

We're immensely dubious about the charge that Bill Gates or other wealthy donors are out to buy America's schools as a way to further line their pockets; if these billionaires were really focused on accumulating additional millions, giving away huge sums might not be the most obvious strategy. That said, there are real causes for concern about the new philanthropy. And, as exasperating as it might seem to foundations, especially in the face of ad hominem attacks, it seems to us that foundations that wade into policy have a responsibility to embrace criticism more proactively. After all, choosing to

give funds in a way that changes policies for millions of children and communities is different from underwriting a mentoring program. High-leverage giving can be appropriate and may be enormously healthy for students and schools, but it brings with it a new level of civic responsibility.

Most of the leading donors make a pretty sincere effort at self-appraisal. They evaluate grants, engage in self-criticism, and convene groups to offer feedback on their giving—and they deserve kudos on this front. However, the groups and individuals tapped by foundations for their insight and feedback tend to include, naturally enough, friends, allies, and grantees. These aren't the people most likely to challenge comfortable assumptions—especially given the sensible disinclination of grantees to offend benefactors. Robust public discussion, not private conversations, is the most effective forum for surfacing overlooked challenges, forcing difficult issues to the fore, or understanding how others may see an issue through an entirely different lens.

In the absence of robust public discussion, a vacuum emerges that gets filled by incendiary voices and marginal figures with ideological agendas and nothing to lose. Our hope is that the analysis and insights that follow suggest some opportunities for foundations, analysts, and critics to find more constructive ways both to listen and to speak up.

THIS BOOK FROM HERE

The United States has a rich and vital ecosystem of local donors and unobtrusive philanthropy, and we place enormous value on their activity. However, for better or worse, this is not a volume that tries to address the tens of thousands of smaller donors that enrich K–12 and higher education. Instead, as noted above, it's an examination of the few dozen foundations that have given millions in a conscious effort to help reform American education. Foundations that will merit repeated mention in this book include influential and recognizable names like Gates, Ford, Broad, Wallace, Walton, Dell, and Carnegie.

In the chapters ahead, a terrific lineup of contributors explore the giving of major foundations (new and old), the shift to advocacy, the backlash phenomenon, the impact of giving on research and policy, lessons learned in recent years, and the extension of “reform” philanthropy to higher education. The aim is to understand both what has changed and why it matters. How significant is the shift into advocacy or the heightened cooperation between the federal government and major donors? What are donors really

doing differently, and what does that mean for students, teachers, schools, policy, and democratic decision making?

In chapter 1, Jay P. Greene shows that major foundations are more focused on changing public policy than they used to be, but he argues that these efforts are generally undermined by the failure of foundation staff to understand how their ability to mobilize advocates is limited. Greene suggests that foundations do not have natural constituents and that all they can do is hire mercenaries. Advocating for policy change without self-sustaining constituents, he says, is a recipe for failure.

A critical question is how more traditional foundations have responded to the emergence of the “new” education philanthropists. Have older foundations changed their patterns of giving, magnifying the shift represented by the new philanthropy? In chapter 2, Jeffrey W. Snyder takes a look at traditional donors like Ford and Carnegie and finds that they have embraced an emphasis on advocacy and policy that looks increasingly similar to that of newer foundations.

Chapter 3 takes a closer look at two of the most prominent new foundations. Sarah Reckhow and Megan Tompkins-Stange analyze the giving and thinking of the Bill & Melinda Gates Foundation and The Eli and Edythe Broad Foundation. Both have sought to influence federal education policy and politics in areas such as the Common Core, teacher evaluation, and charter schooling. Drawing on an analysis of giving and dozens of in-depth interviews, Reckhow and Tompkins-Stange examine how these foundations developed their advocacy strategies, how their strategies have unfolded, and how they think about their impact.

While “venture philanthropy” has grown familiar in K–12 education, it is still a relatively new phenomenon in higher education. Philanthropy in higher education has drawn important lessons about high-leverage investing from K–12, due in part to the Gates Foundation’s influential role in both arenas. In chapter 4, Andrew P. Kelly and Kevin J. James take a look at how the new philanthropy has played out in higher education. How have funders turned to or modified the strategies of K–12 reform? How have they tried to change the fragmented, market-driven world of higher education?

One place where the new philanthropy has consciously sought to exert leverage is in the realm of research. From value-added measures of teacher effectiveness to charter schooling, philanthropy has played a catalytic role in spurring research that has had a substantial impact on policy and practice. In chapter 5, Dana Goldstein takes a careful look at the Gates Foundation’s

expensive, enormously influential Measures of Effective Teaching research. She examines the project itself, how its findings were communicated, and its impact on national policy.

In chapter 6, Michael Q. McShane and Jenn Hatfield examine the backlash against the new philanthropy. Although education philanthropy has sometimes been met with skepticism or localized pushback in the past, today's philanthropic ventures face what may be unprecedented hostility. McShane and Hatfield first quantify the amount of criticism—finding that it has grown, but less than casual observation might suggest—and then interview some of the critics to explore the nature of their discontent.

In chapter 7, Larry Cuban asks whether the new philanthropy—or any philanthropy—changes what teachers do behind the closed doors of their classrooms. He suggests the answer is no and explains why, unless things change, the impact of today's educational philanthropy is likely to be only skin deep. Cuban discusses the tendency to focus on state and federal policy, or on system leadership, while overlooking the crucial role of teachers as “gatekeepers” to what actually happens in classrooms. He argues that this inattention to how reform affects teachers means that the new philanthropy generally fails to change classroom practice or the teaching profession.

What lessons have foundations taken from all the goings-on of the past decade? In chapter 8, Alexander Russo tries to answer that question by interviewing a number of current and former foundation officials. He offers their frank assessments of shifts in strategy and tactics and their lessons learned. He notes their mixed feelings about what has happened when foundations have worked closely with government, the emphasis on more intrusive accountability, and the challenges of advocacy.

In the concluding chapter, we will do our best to summarize key findings and takeaways. We will try to make sense of what the contributors have to share and to understand how much that matters. After all, the intriguing thing about the new philanthropy, love it or loathe it, is that it has the ability to illuminate much that's distinctive and important about the shape of education policy in the first decades of the twenty-first century.