School Privatization Explained

Are micro-schools, learning pods, and other forms of hyper-individualized education the future of learning?

No. These alternatives to public schools take education out of the public sector and will be used to redirect public funding for schools to private businesses and entrepreneurs that will increase inequality in the system.

This is why

During the pandemic, millions of parents turned to alternative teaching sources and learning other than their local public schools. Private companies, entrepreneurs, and education vendors took advantage of the crisis to establish a foothold in this expanding market.

These alternatives are an extension of rampant commercialism and the choice movement.

Entrepreneurs and privatization advocates pitch these services as the "future of learning," but unregulated private companies operating education services with public funding are nothing new. The same influential individuals and organizations that advocate for charter schools and vouchers promote these alternatives. They see them as another form of unregulated education that will redirect tax dollars meant for public education into private pockets.

These forms of hyper-individualized education will worsen the nation's already disgraceful education inequality. Only parents of means will be able to afford these services, while the public schools that working-class and low-income families rely on will be harmed by the departures of more affluent students and the funding that goes with them.

Look at the facts

A nationwide survey of parents in November - December 2020 found about 6% – 3 million students nationwide – had a K-12 student in some kind of learning pod.

According to EdChoice, an organization that advocates for privatizing schools, parents that are interested in or are participating in learning pods are willing to pay nearly \$140 per month to take part. Another source found costs typically depend on how many days children attend, the number in the group, and the teacher's credentials. The Associated Press reported that parents are paying thousands of dollars to include their children in pods and promising teachers \$40 to \$100 an hour or more to teach their students.

State laws governing charter schools in **Florida** and many other states need only slight modification that would allow a group of parents who had formed a micro-school to be awarded a charter school contract that would qualify them to get grants and state perpupil funding that charters are given.

Arizona-based micro-school provider **Prenda Learning** creates groups of 5 to 10 students in grades K–8 and accepts payment from the state's education savings account voucher program. Outside of Arizona, **Prenda offers a homeschool option** with curriculum, training, and support for \$100 a month per student.

The company also partners with Arizona charters. In its partnership with EdKey, a chain of charter schools in the state, Prenda receives between \$4,100 and \$5,100 per year for students in Grades 1-8, and EdKey gets about \$3,000 of the state funding for each Prenda student. Prenda has received grants from the VELA Education Fund, a nonprofit that launched with seed funding from the Walton Family Foundation and the Charles Koch Institute, two philanthropies that have been big funders of the school privatization movement.





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In 2020, Microschool provider **Outschool** raised \$45 million in Series B financing. The company saw a \$54 million increase in sales.

Newly formed **Schoolhouse.World**, a nonprofit formed by Khan Academy founder Sal Khan, has the endorsement of state education officials in Rhode

Island and New Hampshire to be a platform for tutoring statewide. The organization's goal is to earn revenue via partnerships with colleges that would recruit students to volunteer to tutor on the platform. The curriculum would be centered on lessons on the Khan Academy network.

| WHAT PRIVATIZERS BELIEVE | WHAT WE BELIEVE |
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| The lesson of the pandemic is that we need to reinvent when, where, and how learning happens. | The lesson of the pandemic is that public schools are essential infrastructure that provide the safety net for children and families and ensure access to education services are freely available to all. |
| Opening unregulated schools in nontraditional spaces can quickly address underserved student populations and demonstrate innovative new practices and staffing strategies. | Microschools, learning pods, and other forms of hyper-individualized education will worsen education inequality as wealthier parents successfully work the system while public schools that serve all students lose students and funding. |
| Scaling up microschools, learning pods, and other forms of hyper-individualized education services could quickly bring customized education within reach of every student. | Channeling more education funding into private enterprises that operate alternatives to public schools will harm the most vulnerable students and families. |

Bottom line

It's understandable that parents turned to alternative modes of learning during the pandemic, but as historically has often been the case, private companies and entrepreneurs often view a crisis as an opportunity for profit-making. Microschools, learning pods, and other forms of hyper-individualized education offer these profiteers yet other ways to highjack tax dollars for public schools and worsen inequality in the education system.