

# **AUSTRALIAN COUNCIL FOR THE DEFENCE OF GOVERNMENT SCHOOLS**

## **PRESS RELEASE 585#**

### **PRIVATISATION OF PUBLIC EDUCATION**

**FORGET THE CHILDREN:**

**NO PROFIT LEFT BEHIND**

**There has been a manufactured ‘crisis’ in public education driven by ideological hype of the ‘New Right’ in the western English speaking countries. This has laid our centralised public systems, systems which have served our democratic societies well, open to takeover and exploitation, not only by Faith education systems but by private profiteers. All at public expense.**

**An example of this is the RISE AND RISE of the British firm, Pearson Publishing – and its interference and dominance in American education over the past few decades.**

**In Victoria a group of administrators within the Department itself saw the profits to be made from online learning and testing. Their business plan lost the taxpayers a lot of money. But big multinational corporations are more savvy and are leaching billions and billions of taxpayer dollars out of our public system with no accountability. The word for this is corruption.**

**The story of the rise and rise of Pearson Publishing in the United States is an interesting case of profiteering on the shirt tails of ‘education deform’.**

**DOGS note that Australian educators must fight to prevent this happening under Christopher Pyne in Australia.**

**This story is told at [http://www.politico.com/story/2015/02/pearson-education-115026.html?hp=t1\\_r](http://www.politico.com/story/2015/02/pearson-education-115026.html?hp=t1_r)**

### **Who is Pearson Publishing?**

**The company that is playing such an outsize role in American classrooms was founded in Yorkshire, England, in 1844 as family-owned construction firm. By the 1890s, it was one of the largest building contractors in the world.**

**Over the decades, Pearson PLC — now based in London — bought stakes in all manner of industries, including newspapers, amusement parks and even the Madame Tussauds wax museum. It wouldn’t be until 1988 that the company took its first big step into the education world when it bought textbook publisher Addison-Wesley. Other acquisitions soon followed.**

Though it still owns the *Financial Times* and *Penguin Random House* publishing, Pearson now focuses on education. It employs nearly 40,000 worldwide.

### **What is the British firm Pearson doing in the USA?**

Pearson wields enormous influence over American education. It writes the textbooks and tests that drive instruction in public schools across the nation.

In the K-12 business Pearson's software grades student essays, tracks student behavior and diagnoses — and treats — attention deficit disorder. The company administers teacher licensing exams and coaches teachers once they're in the classroom. It advises principals. It operates a network of three dozen online public schools. It co-owns the for-profit company that now administers the GED. A top executive boasted in 2012 that Pearson is the largest custodian of student data anywhere.

Pearson's interactive tutorials on subjects from algebra to philosophy form the foundation of scores of college courses. It builds online degree programs for a long list of higher education clients, including George Washington University, Arizona State and Texas A&M. The universities retain authority over academics, but Pearson will design entire courses, complete with lecture PowerPoints, discussion questions, exams and grading rubrics.

The company is even marketing a product that lets college professors track how long their students spend reading Pearson textbooks each night.

Pearson works with for-profit career colleges, too: Its marketing materials boast that its consultants can help them “stay one step ahead” of federal regulations.

Indeed, Pearson has its hand in so many education services that corporate executive Donald Kilburn confidently predicted on an earnings call last summer that the North American division would flourish even if states and school districts had to cut their budgets.

As long as sales reps can show that Pearson products get results, Kilburn said, “the money will find a way to come to us.”

But the POLITICO review found that public contracts and public subsidies — including at least \$98.5 million in tax credits from six states — have flowed to Pearson even when the company can't show its products and services are producing academic gains.

The state of Virginia recertified Pearson as an approved “school turnaround” consultant in 2013 even though the company had, at best, mixed results with that line of work: Just one of the five Virginia schools that Pearson cited as references improved both its math and reading proficiency rates against the state averages. Two schools lost ground in both math and reading and the other two had mixed results. State officials said Pearson met all the criteria they required of consultants.

### **How did Pearson become so Powerful?**

“When the federal government starts doing things like requiring all states to test all kids, there's going to be gold in those hills. The people we've elected have created a landscape that's allowed Pearson to prosper.”

- *Jonathan Zimmerman, education historian at New York University.*

The British publishing giant Pearson had made few inroads in the United States — aside from distributing the TV game show “Family Feud” — when it announced plans in the summer of 2000 to spend \$2.5 billion on an American testing company.

It turned out to be an exceptionally savvy move.

The next year, Congress passed the No Child Left Behind Act, which mandated millions of new standardized tests for millions of kids in public schools. Pearson was in a prime position to capitalize.

From that perch, the company expanded rapidly, seizing on many subsequent reform trends, from online learning to the Common Core standards adopted in more than 40 states. The company has reaped the benefits: Half its \$8 billion in annual global sales comes from its North American education division.

### **Pearson as Lobbyist**

Pearson’s stature is reflected in its access to top policymakers. Pearson is the only company with a seat on the board of directors of the Global Partnership for Education, which works with the World Bank and the United Nations to encourage developing countries to invest in education. (Pearson has substantial business interests in Asia, the Middle East and South America.)

And Pearson was one of only three for-profit education companies — the other two were startups — invited to hobnob with the Obamas and Education Secretary Arne Duncan last year at a White House summit on college access.

Pearson’s size has made it a lightning rod for criticism. Activists from both left and right spit out the brand name almost as a curse, using it as shorthand for all the educational trends they dislike, from the focus on high-stakes tests to the shift to Common Core to the push to turn more teaching over to high-tech algorithms.

The comedian Louis C.K. has tweeted his disdain for confusing homework questions “written by Pearson or whoever the hell.” Glenn Beck has publicly held up Pearson as a symbol of corporate greed. A speaker at a teachers’ union conference last summer drew cheers with his fervid vow, “We will not be Pearsonized!” And when Ohio students recently produced an anti-Common Core video, they targeted Pearson in particular, flashing the corporate logo as they sang lyrics they’d adapted from a Pink Floyd song: “Hey! Pearson! Leave them kids alone!”

Conspiracy theorists sometimes suggest that Pearson has a sinister hold on federal and state education policy. In peak years, it has spent about \$1 million lobbying Congress and perhaps \$1 million more on the state level, with a particular focus on Texas, according to state and federal records.

But that’s not an outsize number for such a large company. By comparison, the National Education Association, the biggest teachers union in the U.S., spent \$2.5 million lobbying Congress in 2013, according to the Center for Responsive Politics.

“The policies that Pearson is benefiting from may be wrongheaded in a million ways, but it strikes me as deeply unfair to blame Pearson for them,” said Jonathan Zimmerman, an education historian at New York University. “When the federal government starts doing things like requiring all states to test all kids, there’s going to be gold in those hills. The people we’ve elected have created a landscape that’s allowed Pearson to prosper.”

### **Lessons for Australia**

Australia would do well to learn from the mistakes being made in America. We must avoid following down the ‘testing’ at all costs track. We must keep multinational giants like Pearson as servants, not masters. At all costs we must resist any take-over of our proud public education system. ‘no profit left behind ‘

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