

**EXCLUSIVE INTERVIEW:  
CLINTON ON FOREIGN POLICY**

# TIME

## New Hope For Public Schools

**In a grass-roots  
revolt, parents and  
teachers are seizing  
control of education**



**Zachary Leipham,**  
a first-grader in  
a charter school  
near Grand  
Rapids, Michigan



# A CLASS OF THEIR OWN

Bucking bureaucracy, brashly independent public schools have much to teach about saving education

By CLAUDIA WALLIS

**R**ON HELMER'S TWO-CAR GARAGE isn't much to look at, but the modest structure set amid the cornfields and ranch homes of exurban Freeland, Michigan, harbors a revolution. Inside the garage and spilling over into what was

Helmer's living room is the Northlane Math and Science Academy, a new kind of public school. In these unconventional quarters, Helmer, a veteran teacher and school administrator, and two other teachers are attempting to guide 39 students, ages 6 to 12, toward a better understanding of their world via a very active brand of learning.

On a recent day, the youngest children gathered around the small pond in Helmer's backyard, collecting water samples and aquatic plants for study. In the former living room, an older group struggled with the intricacies of urban planning—where to put the power plants, whether to build a highway, how big to make the municipal hospital—by playing a complex computer game called SimCity 2000 on the school's five new Macintoshes. Members of a third group could be found in the garage, sanding and sawing to create kid-size furniture of their own design.

Like other Michigan public schools, Northlane Academy gets its funding—a total of \$175,500—from the state lottery and sales taxes. But because the school belongs to a new category of independent “charter schools”—one of nine that have opened in Michigan this fall—Helmer, as principal, is

**SHOW OF HANDS:** Ron Helmer, top, center, with the students and faculty of his homegrown school in Freeland, Michigan

free to spend the money as he sees fit—on those Macs, for example—without interference or oversight from the local board of education. He is also free to depart from the public-school curriculum, which he regards as about a mile long and an inch deep. Northlane, he vows, will teach kids to think and understand rather than learning by rote. “Here we’re not so concerned with being able to name the three capitals of South Africa as we are with why South Africa has three capitals; with understanding the cultural, economic and political forces that created those capitals.”

It's an approach that so far seems to be going over well with Northlane's young scholars. Sidney Tessin, 10, excitedly tells how her class dissected walnuts and discussed the ways vascular and nonvascular plants differ. In her old public school “we talked about plants,” she says, “but never about *why* there are vascular and nonvascular plants.” Nick Reisinger, a freckled 12-year-old, chimes in: “Here we get to talk about things instead of just listening to some boring teacher. I don't feel like ‘Duh, what am I doing here?’ anymore.”

THE CHARTER-SCHOOL MOVEMENT IS NOT yet big. Just 11 states, beginning with Minnesota in 1991, have passed laws permitting the creation of autonomous public schools like Northlane; a dozen more have similar laws in the works. Most states have restricted the number of these schools (100 in California, 25 in Massachusetts) in an attempt to appease teachers' unions and other opponents. Nevertheless, the charter movement is being heralded as the latest and best hope for a public-education system that has failed to deliver for too many children and cannot compete internationally.

STEVE LISB FOR TIME

HAND LETTERING BY BERNARD MANSNER



**LITERARY PURSUITS:** Children at the Northlane Math and Science Academy curl up with some good books. "I don't feel like 'Duh, what am I doing here?'" says a student

"Charters can bring real innovation into the classroom and challenge other public schools to raise their standards," insists Massachusetts Governor William Weld. Parents are clearly eager for alternatives: just consider the growth of the home-schooling movement, which now involves half a million children. Where charter schools have opened, they are thronged with applicants. Where they have not, parents and educators are moving mountains to create them, either from scratch or from the frayed cloth of old public schools.

Take this other scene from the revolution. In the hardscrabble barrio of Pacoima near Los Angeles lies the Vaughn Next Century Learning Center. Of its 1,107 students, 931 are Hispanics who speak limited English; 95% are so poor they qualify for free breakfast and lunch. Four years ago, Vaughn was just another failing inner-city elementary school: test scores were among the lowest in the state, 24 of the 40-odd faculty members had quit in the previous two years, and the principal had resigned after anonymous

death threats. Yvonne Chan, the new principal, was determined to turn things around.

Possessed of enough energy and drive to power a locomotive, Chan was nonetheless hindered at every turn by the inertial drag of school bureaucracy. California's

**SCHOOLS must break free of bureaucracy. Fifty years of top-down reform has not done the trick.**

education code runs to 6,000-plus pages. Most of it seems designed to generate more paper: local schools are required to send reams of forms to district offices before they can fix a broken window, change the school menu, take a class on a field trip or buy new textbooks. To make real innovations, Chan found herself perpetually fighting for waivers. In 1992, when California enacted a charter-school law, Chan was one of the first to apply. "We wanted the waiver of all waivers," she explains. "The charter takes the handcuffs off the principal, the teacher and the parents—the people who know the kids best. In return, we are held responsible for how kids do."

Granted charter status last fall, Vaughn Next Century, with a budget of \$4.6 mil-

lion, became a case study in how to take the money and run—in the direction of greater efficiency and higher student achievement. Chan totally revamped spending. She put services like payroll and provisioning the cafeteria out for competitive bids; she reorganized special education. By year's end she had managed to run up a \$1.2 million surplus, which she proceeded to plow back into the school. She added new computers, an after-school soccer program and, most important, more teachers, so that the number of students per teacher dropped from 33 to 27. To relieve overcrowding, the school broke ground this month for a new 14-classroom complex.

As for academic achievement, in the four years since Chan has been principal, test scores have risen markedly. She believes that with charter status, further gains will come fast. For one thing, Chan has far more control over her staff and their duties than do principals working under union and district rules, including the power to hire and fire. Teachers at Vaughn work longer hours than they did before the school went charter, but they are paid more and given more authority. Every faculty member serves on one of eight parent-teacher committees that meet weekly and essentially run the school. "We don't want

**ADDITION LESSON:** Money saved through shrewd management of her charter school in Pacoima, California, enabled principal Yvonne Chan to



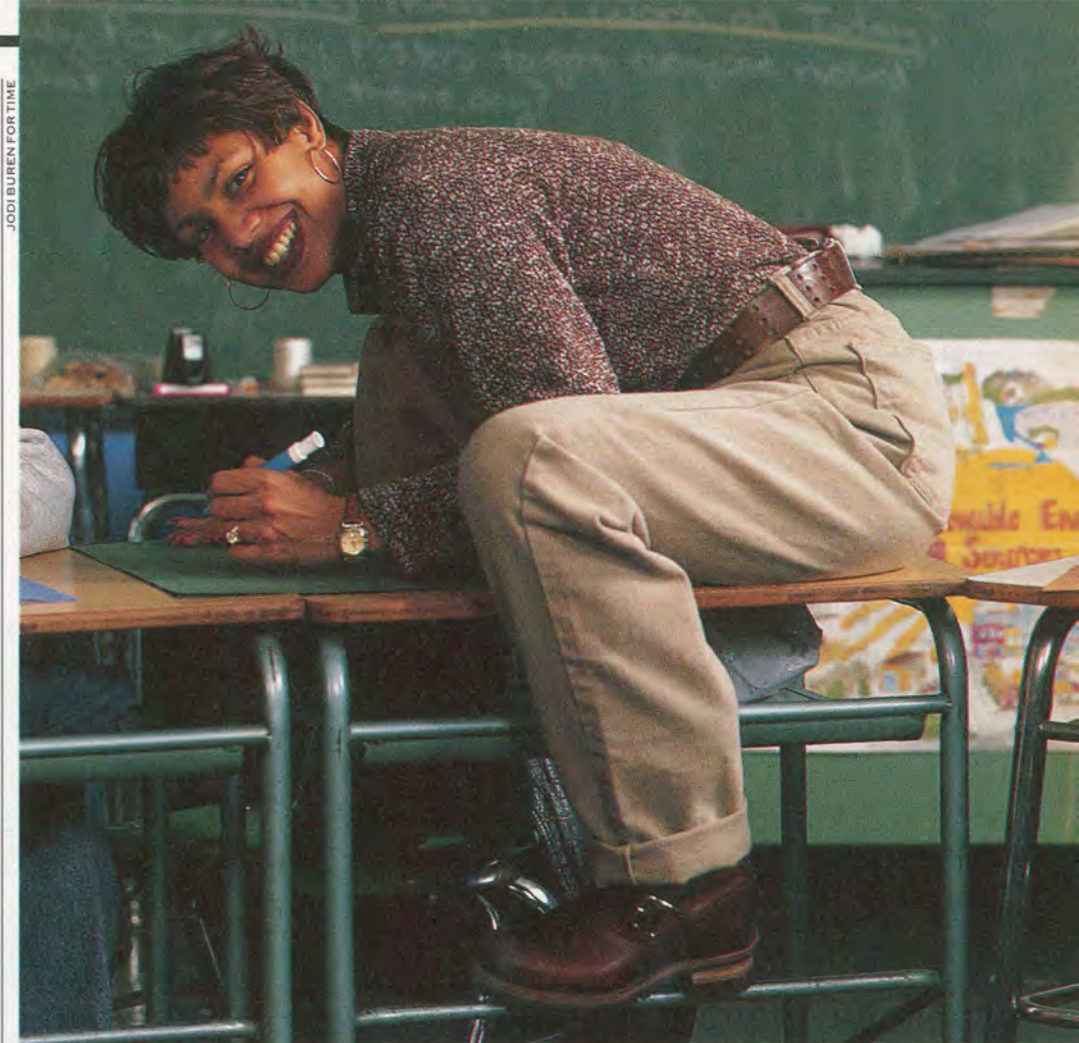
embark upon a new classroom complex

people who just clock in and out," says Chan. "This is not business as usual."

Nor is it for parents, who must sign a three-page contract committing them to be involved in their child's education and to volunteer 30 hours in the school. Most seem pleased to be involved and amazed to be consulted on matters of substance. Says parent Nina Uribe: "It has been a beautiful change."

AMERICAN SCHOOLS DO NOT TURN ON A dime. Yes, they are buffeted regularly by the passing winds of reform (as any teacher will attest). Those breezes usually leave behind another layer of managers in the central office, another mandatory service to be provided to the needy few, another couple of hundred pages of education code telling teachers what they should do and when. But the basic structure remains the same. It is a structure forged in the early industrial age: the school as factory turning out regulation graduates, with teachers as laborers, principals as foremen, and supervisors as, well, supervisors, running every detail from the curricular to the custodial in a strictly top-down fashion.

It is this time-honored structure that the charter-school movement seeks to challenge, if not topple, by placing authority in the individual school, freeing it from



**FAMILY MATTERS:** At the Satellite Academy, a small alternative high school that serves "at risk" adolescents in New York City, Lisa Ferrer learns about the meaning of family

the bureaucracy. The nation's 140 charter schools come in every size, shape and flavor. Some have a special emphasis, as Northlane does on science; others serve a special population—dropouts, for instance. But whatever their mission or philosophy, they reflect the growing recognition that

This realization has found expression in other forms as well. In cities like New York, Philadelphia and Chicago, reform-minded administrators have not waited for state legislatures to act. They have seized the initiative to create scores of charter-like high schools and middle schools—small alternative schools that operate independently of district rules. In New York City, veteran principal and school reformer Deborah Meier is one of a group using a \$25 million grant from the Annenberg Foundation to raise the number of such

schools from 50 to 100. The goal, she says, "is to demonstrate that public schools can be creative, idiosyncratic, interesting places of academic excellence without losing their publicness."

A handful of other places—notably Baltimore, Maryland, and Hartford, Connecticut—are experimenting with a far more radical way to circumvent bureaucracy: hiring a for-profit company to run their schools. "The idea," says Baltimore schools superintendent Walter Amprey, "is to have a company ready for true accountability that offers a way to pierce the bureaucracy and gives us a model that, if we have the will and courage, could change the collective culture of failure" in urban schools.

**MANY see charter schools as a way to bring choice into an arena where there has been none.**

"All of these are efforts to bust up the system," says Linda Darling-Hammond, co-director of the National Center for Restructuring Education, Schools and Teaching at Columbia University's Teachers College. "Right now we are trying to do a once-in-a-century reform of education. This is a transforming era. These efforts reflect the frustra-

tion people have with a perceived public-school bureaucracy that is very, very entrenched in a way of doing things that cannot meet our needs in the future."

The frustration has been building for years. During the Reagan Administration, a federal study group tripped alarms with the dire 1983 report *A Nation At Risk*. It was the first of a series of major reports showing how poorly American students stack up in math, science and other subjects against their foreign peers and future competitors in the global economy. Throughout the 1980s, school districts increased spending and in many places granted substantial salary raises to teachers. The benefits have been hard to discern.

By the 1990s the talk was all of bureau-

cratic bloat and poor return on investment. According to a now infamous 1992 report by the Educational Testing Service, the U.S. spends a greater percentage of its gross national product on education (7.5%) than any other country except Israel, and yet is outperformed in math and science among 13-year-olds by more than 10 nations, including Hungary, Taiwan and the former Soviet Union. Other studies indicate that a rather small percentage of the \$275 billion spent this year on U.S. public education will actually wind up in the classroom. In 1950 two-thirds of school spending went for classroom instruction; by 1990 the proportion had shrunk to less than half. Administrative outlays had meanwhile doubled from 4% to 8%.

In an era when business has been shed-

ding layers of middle management and adhering to the late management guru W. Edwards Deming's notion of pushing responsibility down the line to those who know the customer best, it does not take a lot of imagination to see that the nation's public education systems need to do the same. In education, those who know the customer—students and their parents—best are the people who work at the neighborhood school. Not the folks in the central office.

Charter-school advocates, particularly the more conservative among them, have another agenda beyond efficiency and reform. Many see charter schools as a way to bring some diversity and options into an arena where traditionally there have been none. "Education is the only place in

American life where there is no choice," argues Chester Finn, who served as Assistant Secretary of Education under President Reagan and is a founding partner of the Edison Project, a for-profit education company that has contracts to open three Massachusetts charter schools next fall. "We don't tell poor people what to eat; we give them food stamps. We don't tell them which doctor to go to; they have Medicaid cards." And yet when it comes to schools, says Finn, only the rich can "buy their way out, by moving into a certain neighborhood or choosing private schools." Charters, if there were enough of them, would offer a choice of schools to the less well-off.

In this sense, the charter movement is heir to the more radical voucher move-

ment popularized in the 1980s. Voucher advocates want to break up the "public-education monopoly" by letting parents spend their allotment of public-school dollars as they wish—even on private or parochial schools. Charters are a kinder, gentler, more politically palatable way to provide parents with some measure of choice, albeit within the public system.

They are not, however, palatable to everyone. Not one charter bill has passed a state legislature without controversy. The reason: charter schools take money right out of the pockets of their rivals—the conventional public schools. In most states, the money simply follows the student. Thus, if the district spends \$5,000 a year per pupil, and 30 children choose to attend the new

charter instead of the local middle school, as much as \$150,000—depending on district administrative costs and categorical grants—would go directly to the charter rather than the other district schools.

That prospect distresses many supporters of public education, including the hugely influential teachers' unions. Unions also oppose provisions in many state charter laws that free these special schools from collective bargaining agreements. In California the unions are fighting attempts to expand the state's popular charter schools beyond the current cap of 100. Meanwhile, the Michigan Education Association, having spent a fortune trying to block the state's 1993 charter-school act, is making Republican Governor John Engler's advo-

**F**OR MORE THAN FIVE YEARS, THE REV. NORMAN HANDY HAS been watching the Harlem Park Community School in Baltimore, Maryland. The fortress-like building, set amid the open-air drug markets and boarded-up houses of one of the city's worst neighborhoods, is right across the street from his Unity Methodist Church. The view has not been pretty.

Up until two years ago, says Handy, the brick structure was not only decrepit but crawling with rats and mice and "roaches so big you could feel the critters move under your foot." Academically, the school, which serves 2,051 students—prekindergarten through the eighth grade—was in just as bad shape. On any given day, he relates, a significant number of the kids were on "disciplinary removal," hanging out unsupervised and causing trouble on the block. "I would intervene in a street fight four or five times a week," says Handy. "Every morning the white students, especially the girls, would wait until after 9 a.m. to show up, because of gang violence against them."

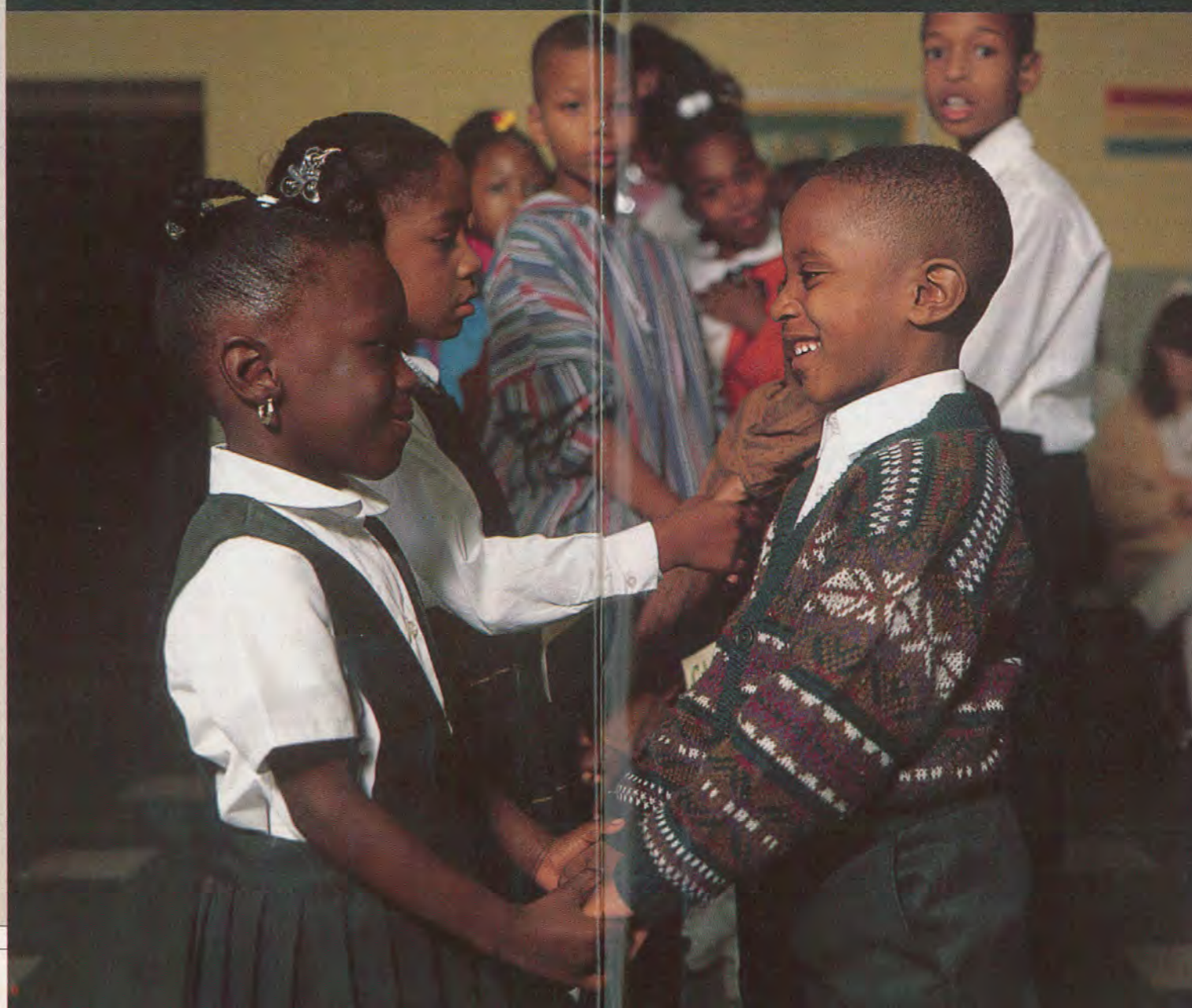
In 1992 Baltimore's new school superintendent, Walter Amprey, proposed a novel way of dealing with the problems at Harlem Park and eight other city schools: let someone else run them. Amprey proposed giving a five-year, \$125-million contract to Education Alternatives, Inc., a Minneapolis, Minnesota, corporation that operated three schools in three states. Handy was among many citizens who opposed the plan: "I saw it as a subterfuge to subvert the educational process and to experiment with African-American children."

Amprey's plan prevailed, and now Handy is a convert. Today he says, "That building is an oasis in a desert of poverty, drug addiction and violence." E.A.I. invested \$1.1 million up front in material improvements, computers and other supplies. It moved quickly to clean and repair the schools and take charge of security. Maintenance and financial management were contracted out for greater efficiency.

The Minnesota firm also instituted its teaching program, called "Tesseract," a name derived from a magical pathway in the children's classic *A Wrinkle in Time*. The program requires teachers to analyze each student's learning style and then devise an individualized plan and goals. It emphasizes parental involvement, the use of computers and continual encouragement. Posters bearing upbeat slogans abound in Tesseract schools: "Go for It!"; "Every Child Has Gifts and Talents."

The visible improvements in E.A.I. schools helped persuade the Board of Education in Hartford, Connecticut, to sign the firm to a \$200 million contract earlier this month, under which

## WHEN PUBLIC SCHOOLS GO PRIVATE



it will manage the citywide system of 32 schools and 26,000 students. As in Baltimore, the decision was preceded by battles.

Chief among the critics of E.A.I. are members of the Baltimore and Hartford teachers' unions, who are, among other things, unhappy over the dismissal of Baltimore's experienced (and unionized) classroom aides. E.A.I. replaced them with recent college graduates who receive low pay and no benefits, and who tend toward high turnover. "You train them and they may be gone in six weeks," complains a teacher. Some opponents are unhappy with E.A.I.'s policy of mainstreaming nearly all special-education kids into regular classes—a measure they regard as a cost-cutting trick that shortchanges some kids.

But the most serious criticisms concern educational performance. According to figures released by the Baltimore schools last week, test scores in reading and math have dropped slightly in the eight Tesseract elementary schools, while they rose a bit in the rest of the system. On the other hand, attendance at E.A.I. schools was up. Stunned by the report, E.A.I. immediately dispatched a team of eight independent experts to Baltimore to re-examine the test data. Company officials point out that, to begin with, E.A.I. had been handed some of the city's lowest performing schools. In addition, E.A.I.'s test takers include more special-ed kids than at other schools. A third argument: student turnover rates at the schools are very high (30% of students present in September are gone by June). "Does Tesseract work?" asks E.A.I.'s Philip Geiger. "To know that, the kids have to have been in the program." Amprey insists that "we need five years and maybe more, but we know enough to say that this concept will work."

But the larger issue for defenders of E.A.I. is whether private corporations have any business making profits off public schools in the first place. E.A.I. chairman John Golle likes to point out that plenty of companies already do: the textbook industry, private bus companies, food services, even plumbers and electricians. Bringing in professional management makes sense, he insists. "We have asked well-meaning, competent educators to supervise the fixing of the boiler room and analyze cash flow—things they are not educated in." Most important, Golle notes, a private company is accountable. "You can cancel us and show us the door after we've invested millions up front in your district." Indeed, if test scores don't begin to rise, that may be just what Baltimore will do. —By Claudia Wallis. Reported by Richard N. Ostling/Baltimore

WILLIAM CAMPBELL/FORTUNE



STEVE LISS/FORTMAG

**NATURE'S CLASSROOM:** Science teacher Wil Reding draws his lessons from the great outdoors at West Michigan Academy of Environmental Science near Grand Rapids, Michigan

cacy of that law an issue in his current campaign for re-election.

The M.E.A., along with the American Civil Liberties Union and others, has actually taken legal action to overturn Michigan's rather liberal charter law. Michigan is unusual in allowing private schools to apply for charter status. In fact, most of Michigan's first charters were granted to former private schools. The M.E.A. argues that these schools are not truly public and cannot legally receive public funds. Last week a Michigan judge sent a chill through the charter community by temporarily holding up disbursement of \$11 million in state funding until the matter is resolved.

In most states charter laws are quite weak; they actually make it difficult to create a charter school. There are no start-up funds, no buildings provided, no guarantee of support services from the school district. Local unions often add to the obstacles, making it tough to recruit teachers. Though state education officials recognize the problems, coming up with seed money for charters is not easy, given the political opposition. A tiny bit of help may come from the Federal Government: a \$6 million development fund for charter schools is included in the \$11 billion school-reauthorization bill signed last week.

Meanwhile the experience of Clemen-

tina Durón in Oakland, California, is all too typical. When Durón, a public-school principal, joined with a group of Latino parents to form a charter middle school in the low-income barrio of Jingtowntown, they faced open hostility from the district school board and union. The district refused to allow the proposed school to participate in its self-insurance program, which would have cost only \$400. Instead, Durón had to pay \$10,000 for private liability insurance. Nor was the district willing to share its legal services or payroll department. The attitude, says Durón, was "You guys want to run your own school, then you do the whole thing. Go ahead and fall on your faces."

The founders of Jingtowntown charter nearly did, but they were motivated to persevere. For years, the tight-knit community had watched its youngsters graduate happily from the local elementary school only to get lost in huge, anonymous and gang-ridden junior highs. They craved an alternative. Still, it was not until Aug. 20, 1993, three weeks before school was to start, that the district approved Jingle-

town's opening. The local Roman Catholic diocese agreed to provide a small park as a temporary site, and during the next few weeks, Jingtowntown parents feverishly dug ditches for electrical lines and sewers. They arranged to rent eight trailer-like portable classrooms for the school's 120 sixth- and seventh-graders, but when classes began, the sewer lines were still incomplete. "For three weeks, kids had nowhere to go to the bathroom," recalls Durón. "We had to knock on doors in the neighborhood. I'd take kids 10 at a time."

Miraculously, Jingtowntown is now in its second year, though still in need of a permanent home. Parents are pleased with the small classes and individual attention. "This school is a necessity," says Durón. "We are driven by commitment and passion."

COMMITMENT AND PASSION CAN BUILD A school, but will that school succeed educationally? Will charter schools produce graduates that are better equipped for success in society, as their advocates hope?

It is too early to measure the success of charter schools. But for all their diversity, it is interesting to note that many seem to be embracing a very similar set of pedagogical principles. First, reduce class size. Make sure parents are heavily involved. (Contracts with parents are a common feature.) Just as important, keep school size small, particularly in the inner city, where kids desperately need a sense of family and personal commitment from adults. Encourage active hands-on learning, in part through the intelligent use of technology. For older kids, drop the traditional switching of gears and classrooms from math to social studies to biology every 45 minutes and substitute lengthier classes that teach across disciplines.

These principles have proved successful in experimental schools of the past. "The tragedy of American education is not that we don't know what to do," observes Dominique Browning of the Edison Project, which has devised an elaborately ambitious plan for its schools. "There are countless studies in countless classrooms that show what works. The problem is getting it done on a big enough

**CHARTER schools are not palatable to everyone. Not one bill has passed a legislature without a fight.**

scale to make a real impact."

But the best intentions and cleverest plans can run aground in practice. The opening year of Michigan's University Middle School, a charter school for inner-city kids in Detroit, was an unmitigated disaster. The inexperienced staff of white, suburban-raised teachers had no idea how