



**DARK MONEY
AND THE POLITICS OF
SCHOOL
PRIVATIZATION**

MAURICE T. CUNNINGHAM



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of School
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For Mary, Sabir, and Anya

Preface

In January of 2016 the *Boston Globe* reported that advocates for charter schools in Massachusetts had committed to spending \$18 million to expand the number of charters in the state. Prospects for passing a ballot initiative were strong because charter schools polled well and the cause would be led by Governor Charlie Baker, the most popular governor in the nation. In 2014 charter schools had gained a lavishly funded new ally in the New York-based Families for Excellent Schools. Since 2012 FES had established itself as a powerful interest group in New York. It was able to raise almost limitless sums of money from wealthy donors. Eighteen million dollars for a ballot campaign would demolish spending records for a statewide ballot campaign. Who could put up such money? Families for Excellent Schools Advocacy was a social welfare charity organized under section 501(c)(4) of the Internal Revenue Code which allowed it to keep its donors secret. There was no way to identify the real donors behind Families for Excellent Schools.

But I did.

By spring I had started writing about dark money and who was providing it to Families for Excellent Schools on the MassPoliticsProfs

blog. I found that a Boston-based foundation, Strategic Grant Partners, had funded the operations of the IRS 501(c)(3) Families for Excellent Schools Inc. locally from 2014 through 2016. Those activities were preliminary to the ballot campaign and so a ballot committee named Great Schools Massachusetts was registered in 2015 with the Massachusetts Office of Campaign and Political Finance. The 2015 end of year report for GSM listed its donors and many of them were members of Strategic Grant Partners too. But when the real spending action began in August 2016 none of those names appeared in OCPF filing records at all. I suspected they were hiding behind Families for Excellent Schools Advocacy and drew inferences in my blog posts. The pro-charters side wound up spending not \$18 million but \$25 million. Opponents spent \$15 million, most of it from unions. In November 2016 the ballot question suffered an overwhelming defeat.

My research was proven right—but not until September 2017. That is when the Office of Campaign and Political Finance announced that Families for Excellent Schools had violated state campaign finance disclosure laws and ordered it to register as a ballot committee, reveal its true donors, pay a record civil forfeiture, and disband. The disclosure revealed more wealthy donors that I had not originally identified. While the original OCPF filings from GSM indicated that millions of dollars were coming from the New York-based Families for Excellent Schools Advocacy, most of the checks were written by Boston financial titans then laundered through FESA and returned to the Great Schools Massachusetts ballot committee.

Dark money funding exceeded \$20 million on the pro-charters side. The unions used outside spending as an issue though it was secondary to claims about how much charter schools were draining from traditional public schools. It is likely that most voters had little idea that the images they saw of children of color on Great Schools Massachusetts' television advertisements did not represent the core of the campaign, which was mostly male, white, and wealthy.

As an educator in the University of Massachusetts system I am a union member myself. That hadn't played much of a role in my academic life though and beyond paying my dues I hadn't much involvement in the union. In May 2016 the Massachusetts Teachers Association

published a report titled “Threat to Public Education Now Centers on Massachusetts.” The report said of Question 2 “For MTA members and students, this is nothing short of an existential struggle.” I saw the battle as being between a handful of wealthy financiers and an organization that represented thousands of working people. Often when pondering the power of a few rich individuals to change a state’s policies my thoughts turned to my mother, who had raised my sisters and me while working as a school matron (the term in those days for a woman custodian). She was about as politically powerless a person as one could find, but she did belong to a union.

I have to admit that during the campaign I didn’t see that my posts were having much impact. It turns out I was wrong. The No on 2 side, represented by the Save Our Public Schools ballot committee, was using my materials to rally the troops. I find that encouraging. Nonetheless, the defeat of Question 2 in 2016 simply gave birth to a new set of dark money fronts funded by many of the same oligarchs and largely dependent on the Walton family, heirs to the Wal-Mart fortune. Money never sleeps.

Two statements attributed to Louis Brandeis seem relevant. He said that “We must make our choice. We may have democracy, or we may have wealth concentrated in the hands of a few, but we can’t have both.” He also said that sunlight is the best disinfectant. I hope that this book both shines a light into how dark money fronts really operate, and shows citizens how to expose them and help to save democracy.

Cambridge, USA

Maurice T. Cunningham

Acknowledgments

This book has been both accidental and a labor of love. Accidental, because I simply blundered into an interest in dark money in politics and to its prominence in an oligarchic effort to privatize public schools. And a labor of love because every day I could see the importance of what was happening to our democracy and the need to write about it.

The daily accrual of secret money might have caught my attention and disturbed me but without the *MassPoliticsProf.org* blog there would have been no outlet for me to write and share what I was learning. I'm grateful to my co-founders of the blog, Peter Ubertaccio and Jerold Duquette. At the outset of this project Ira Jackson, then interim dean of the John W. McCormack School of Policy and Global Studies at the University of Massachusetts at Boston, was invaluable. Near the end the advice of my friend, neighbor, and publishing guru Erika Valenti kept me moving forward.

I work at an institution, the University of Massachusetts at Boston, that cares about social justice and democracy. I want to thank the Office of the Dean of the College of Liberal Arts for two grants that supported this research. I wish our late dean, David Terkla, could be here to see

the book. I also want to thank everyone at the Healey Library at the University of Massachusetts at Boston. It seemed that no sooner would I ask a librarian for some hard to find article or source than it would magically appear in my email.

Money in politics is something I avoided for most of my career so I needed immersion. The staff of the Massachusetts Office of Campaign and Political Finance not only have unmatched expertise but share it graciously. Thanks to Director Michael Sullivan, Greg Birne, and Jason Tait. Eventually I started teaching Money in Politics and I want to thank my wonderful students at the University of Massachusetts at Boston for their attention and questions. The class of fall 2020 saw things I had failed to recognize sufficiently, complicating the completion of this book and adding many hours to my workload. It's a better book for their curiosity.

Thank you to everyone at Palgrave Macmillan, especially Milana Vernikova and Linda Braus. Milana kept this project alive when others might not.

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I was very fortunate to have the assistance of dedicated research assistants including some outstanding undergraduates at the University of Massachusetts at Boston. Thanks to Stephen Norris and Carissa Trenholm, and to Lian Blake who in particular was an indefatigable and invaluable research assistant. Anya Cunningham was outstanding at countless assignments.

All of the readers, reviewers, and research assistants gave of their time and expertise generously. I appreciate all they did and take responsibility for the errors that remain.

I've got the greatest home team anyone could ever have. They've put up with my long hours working on this project as well as my horrified outbursts at the assault on democracy I was finding. For their good humor, patience, and unending love, I thank Mary, Sabir, and Anya.

Maurice T. Cunningham is a recently retired Associate Professor of political science at the University of Massachusetts at Boston. He is a co-founder of the popular MassPoliticsProfs.org blog. He has received awards for his work on dark money from the Massachusetts Association of School Committees and the Massachusetts Teachers Association.

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Abbreviations

CJP	Combined Jewish Philanthropies of Greater Boston
DAF	Donor-Advised Fund
DFER	Democrats for Education Reform
DFER MA	Democrats for Education Reform Massachusetts
E4E	Educators for Excellence
ERN	Education Reform Now
ERNA	Education Reform Now Advocacy, 501(c)(4)
ERNI	Education Reform Now Inc., 501(c)(3)
FEC	Federal Election Commission
FES	Families for Excellent Schools
FESA	Families for Excellent Schools Advocacy, 501(c)(4)
FESI	Families for Excellent Schools, Inc., 501(c)(3)
FICGF	Fidelity Investments Charitable Gift Fund
GSM	Great Schools Massachusetts ballot committee
OCPF	Office of Campaign and Political Finance
RTTP	Race to the Top
SEFG	Strong Economy for Growth
SGP	Strategic Grant Partners
SOPS	Save Our Public Schools
TBF	The Boston Foundation

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1

Introduction: Deceiving Democracy

American democracy faces enormous challenges and many of them trace to our campaign finance system, which in turn involves two major distortions: the wealthiest Americans tilting policy toward their preferences by dominating politics with unlimited financial resources, and their hiding donations from the American people. These techniques are adaptable to any issue. This book is about how a small handful of American oligarchs are trying to privatize America's public schools using dark money, what dark money hides, and what ordinary citizens can do about it.

Dark Money and the Politics of School Privatization might seem to be largely about a ballot campaign in Massachusetts in 2016 to increase the number of charter schools. It encompasses more than that because school privatization efforts are national and the use of dark money to help the wealthy prevail over the policy desires of the many occurs across a range of issues, from schools to health care to the environment and more. The campaign that went on during 2016 had its roots in local and national privatizers' spending going back to 2009 at least and continues to this day. Tracing these components leads us to a fuller understanding of how dark money campaigns work.

Citizens in a democracy must be able to trust the messages they receive. The political theorist Wilson Carey McWilliams puts it this way:

Free speech is more than a “right to utter.” In the most fundamental sense, speech is a political act, a participation in deliberation. Speech is not free without the opportunity to *be* heard by an audience that is *able* to hear....

The ability to hear implies an openness to deliberation, a willingness to receive evidence and to consider argument ... it presumes confidence, a relatively low fear of being deceived ...¹

The entire purpose of dark money is to deceive. Citizens have a right to know who is speaking to them. Without that, they cannot trust the message and democracy is betrayed.

After a successful legislative effort against teachers unions in Illinois, Chicago billionaire James Crown explained to an Aspen Institute audience that his lesson would not be about education but about “very rudimentary political activism, and it could apply to things other than education...” These other things might include issues such as pensions, health care, labor rights, and taxes. Privatization is tied to neoliberalism, the core value being the superiority of market-based solutions. Part of neoliberalism’s project is to disempower unions, which serve to agitate for higher wages, better working conditions, and more public services, and even more importantly to raise the public’s expectations about what kinds of services the community deserves—and the obligation of the most well-off in society to help pay for it. Since public education is one area where most Americans agree on the paramount role of government, it is a prime target for those who wish to privatize a range of public goods.²

The rise of oligarchic power is also enveloped in rising inequality in the United States and throughout the world. This has been detailed internationally by Thomas Piketty in *Capital in the Twenty-First Century* and in the United States by Jacob S. Hacker and Paul Pierson in *Winner-Take-All Politics: How Washington Made the Rich Richer—And Turned Its*

Back on the Middle Class and *American Amnesia: How the War on Government Led Us to Forget What Made America Prosper*. Since great wealth equates to great political power, democratic rule is endangered. Benjamin I. Page and Martin Gilens write: “We define *democracy* as *policy responsiveness to ordinary citizens*—that is popular control of government. Or simply, ‘majority rule.’” This “embodies the fundamental value of *political equality*, insisting that in a democracy all citizens should have an equal opportunity to influence the making of public policy”³ (Italics in original).

The problem of dark money is really two problems relating to the 2010 Supreme Court decision in *Citizens United v. Federal Elections Commission*.⁴ The first is unlimited spending by the wealthy on political campaigns that tilts our government more and more toward the interests of 1 percent (or less) of the population. This is why former President Jimmy Carter has described America as “an oligarchy, with unlimited political bribery....”⁵ *Citizens United* turned away a challenge to disclosure laws. But, the second problem is the use of legal vehicles to make massive contributions and mask donors’ identities from voters who elect candidates or determine ballot initiative outcomes. A Brennan Center for Justice report shows that dark money in state politics is deployed by wealthy interests with economic stakes in any conceivable issue: pay day lenders in Utah, mining concerns in Wisconsin, or an anti-solar campaign funded by the state’s largest utility in Arizona. Oligarchic reach extends into local school committee races in districts as vast as the city of Los Angeles and as obscure as Ward 3 in Malden, a small city to the north of Boston.⁶

When I use the term dark money I will follow the practice of Jane Mayer in *Dark Money: The Hidden History of the Billionaires Behind the Rise of the Radical Right*. Mayer shows how wealthy individuals use philanthropies to obscure their political purposes for years before any question could go on the ballot and be subject to the scrutiny of campaign finance regulatory agencies or the media. These organizations may function as tax-free charitable operations and in many cases, contributions to them are tax-deductible. Mayer’s book was crucial in informing the public about the rise of dark money and how extremist

billionaires like the Koch brothers were deploying it to influence politicians and to alter public perceptions of issues toward the brothers' ideological fixations and financial gain. Nancy MacLean's *Democracy in Chains: The Deep History of the Radical Right's Stealth Plan for America* shows how the ideology and political strategy of the far right developed into not just trying to elect conservative politicians who favor libertarian ideas, but to changing the rules of American democracy to shield the property of the superrich. In 2018 the award-winning film *Dark Money* brought to life the manipulation of people and politics in Montana.⁷ *Dark Money and the Politics of School Privatization* offers a deep look into a decade's long effort by a small cadre of oligarchs to transform public education and escape accountability while doing so.

There are a few concepts that are vital to introduce as these are the legal vehicles for using dark money. Private foundations organized under Internal Revenue Code section 501(c)(3) offer wealthy donors the capacity to control where their donations go and they provide a tax deduction. A downside is that the tax returns of a private foundation are publicly accessible and reveal the donors and the donees. A 501(c)(3) foundation is limited to giving to 501(c)(3) operating charities. Strategic Grant Partners is a 501(c)(3) private foundation that plays a sizable role here, donating to 501(c)(3) operating charities like Families for Excellent Schools, Inc. Another sort of 501(c)(3) that plays a large role is donor-advised funds. A DAF has favorable tax treatments and also allows the anonymity of donors. A donor may give to a DAF to gain favorable tax treatment and thereby relinquishes the legal right to control the funds to the DAF; but the donor may advise the DAF where and when to dispense funds. All parties understand that if the DAF wants to continue to receive funds, it will heed the donors' wishes—what tax scholar Ray Madoff refers to as a “wink and a nod” arrangement. Several Boston DAFs like those at the Boston Foundation, Combined Jewish Philanthropies of Greater Boston, and Fidelity Investments Charitable Gift Fund donated to 501(c)(3) FESI and because of the anonymity a DAF offers the real check writers will never become known. Finally, a 501(c)(3) is severely limited in what it can expend on a political campaign, but an Internal Revenue code 501(c)(4) social welfare organization has fewer restrictions. FES also had a 501(c)(4) operation known

as Families for Excellent Schools Advocacy that could collect millions from wealthy donors while offering them secrecy then route the money into the ballot committee Great Schools Massachusetts to fund the Question 2 campaign. FESA was later found to have violated Massachusetts campaign finance laws and required to register as a ballot committee and disclose its donors.⁸

The 2016 campaign in Massachusetts proved to be a critical juncture in the movement to expand charter schools in the state and nationally. After ballot question losses in other states, charter school ballot issues succeeded in Georgia and Washington State in 2012. Massachusetts privatization proponents had proposed a ballot measure in 2010 to expand charter schools and buttress management and another in 2012 to curtail collective bargaining rights including seniority rights. In both cases, the leadership of the Massachusetts Teachers Association, the larger of the two statewide teacher union organizations, reached a legislative compromise to avoid a more damaging ballot measure. In 2016, under more aggressive leadership, the MTA would fight.

The ballot campaign was preceded by an expensive but ultimately unsuccessful two-year legislative effort by Families for Excellent Schools of New York, which arrived in 2014. Those two years laid the groundwork for the ballot question campaign. The sides fought it out over values such as choice and fairness, over whether or not charter schools are really public, and over how much money they drain from traditional public schools.

The campaign was to that time the most expensive in state history. Most of the money raised and spent by the opposition Save Our Public Schools ballot committee was contributed by teachers' unions. The bulk of donations raised by Great Schools Massachusetts, the most prominent of five pro-charters ballot committees, came from Families for Excellent Schools Advocacy of New York, a 501(c)(4) organization that did not reveal its true donors and maintained that it had no legal obligation to do so. FESA was wrong. It eventually was revealed that most of its money came from a few of Massachusetts' wealthiest citizens, many of them associated with the Strategic Grant Partners foundation. This inside money was supplemented with outside money from the Walton family of Arkansas and others.

Early support among people of color and Democrats evaporated. Dark money received limited media attention. Save Our Public Schools did use the image of oligarchs behind the question in one television advertisement but quickly returned to its most effective message, that the taxpayers' money going to charter schools was robbing public schools of funding that should benefit the vast majority of school children. Though downplayed in the barrage of television advertisements, the dark money issue percolated among the unions' rank and file and spurred activists.

Wealthy privatizers present themselves as selfless and idealistic individuals seeking to improve the lives of unfortunate children by reforming a calcified and even corrupt school system. These are the Boardroom Progressives. They are devoted to markets and the data their think tanks and consultants produce prove to them, at least, that they know how to cure the ills of the schools. They could make such progress if only the teachers unions, which also assert their devotion to children, could be shaken from their death grip on public education. Not only are unions at fault (to these protagonists) but so are the other actors in the sphere of public education including principals, superintendents, and local school committees, all of whom are said to look out for their own interests at the expense of children. A former state representative debating on behalf of Great Schools Massachusetts assailed local elected officials as the cause of inadequate public schools. The consequence of privatization ideology would detach democracy from public education since corporate reformers blame unions for what they see as failure in the schools and they contend that unions control education politics by their influence on school committee elections.⁹

The privatizers' opponents don't credit these Boardroom Progressives as sincere but protest that the wealthy reformers are a cabal bankrolling a Rich People's Movement. The movement consists of common themes. The first is the market-based ideology that sees government as backward and the private sector as dynamic. Then there is union busting. Privatizers do all they can to erode unions which agitate for economic fairness and are still the strongest counterforce to corporate hegemony. Profit motivates some. For the richest—Gates, the Waltons, Zuckerberg—profit from privatization may not mean much but for many others including those invited in by the Waltons et al., it is a major motivation

(even for Rupert Murdoch). Oligarchs prioritize keeping their own tax rates as low as possible. Many seem to feel that by virtue of their wealth and prominence, society overall benefits from their expertise, and they have impatience if not disdain for democratic procedures that stand in their way. A movement that disables unions, hampers public spending, keeps taxes low, and serves their ideological view of the world may have a lot of appeal to oligarchs.

Dark money, of course, takes secret funders. It's a game for those with millions to give, not for the average citizen.

The Big Three of school privatization are the foundations of Bill and Melinda Gates, Eli and Edythe Broad, and the Walton family. They fund operating charities that engage in the politics of privatization—think tanks, advocacy operations, and “grassroots” community organizations. Their extraordinary wealth and distance insulate them from much local criticism and consequence. National funders may also donate to ballot campaigns and even school board races far from home. While they merit the attention paid to them, it is past time to focus on the local oligarchs who underwrite in-state operations. These local underwriters are the crucial hub of privatization activity and they prefer to remain hidden. Boston-based foundations shielded wealthy donors who bankrolled the pre-campaign activities of FES, up to \$10 million in hidden funding. These networks have been central to funding privatization operating charities and privatization ballot committees going back to 2009, including dark money operations.

Stealth also helps to obscure the operations of nonprofits that not only perform as interest groups but function as private political organizations. In school privatization, this includes groups like Stand for Children and Families for Excellent Schools. It is not common to think of charities as interest groups and organizations that play that role remain as opaque as possible, relying on their reputation for doing good to conceal political activism. Jeffrey Berry and Kristin Goss note that wealthy individuals might invest in “think tanks, academic programs, legal centers, and issue advocacy organizations” organized under section 501(c)(3) that constitute an “ideological production line.”¹⁰ They engage in agenda setting, commissioning and disseminating favorable research, issue advocacy,

community outreach and public communications campaigns, membership drives, and organizing. Nonprofits with 501(c)(3) status might bring oligarchs' policy desires to fruition but also may fall short, necessitating a ballot question campaign where the legal limits of 501(c)(3) status choke off activity. In the post-*Citizens United* era, oligarchs have devised stratagems to hide their funding of campaigns including funneling money through 501(c)(4) social welfare organizations into independent expenditure political action committees or ballot committees which can freely conduct political campaigns.¹¹ It may seem that these organizations are special purpose, targeted to one political event, but Families for Excellent Schools came to Massachusetts with expansive political ambitions. Tilting the legislature toward the privatizers' idea of reform pushes the governing body toward office holders who favor market-based solutions across a broad range of issues. Corporate education reform is not about just education.

The sameness of the donors and even of the organizations—with 501(c)(3) operating charities thriving on the tax-deductible donations of privatizers morphing into 501(c)(4) social welfare organizations able to donate to political causes—reveals a steady stream of money. But it is useful to see how upstream money going to 501(c)(3)s serves different roles than downstream money going to 501(c)(4) organizations. Wealthy donors learn how to deploy their millions to “disrupt” (a favorite word of privatizers) existing political arrangements, how to leverage their money into the policy change they desire.

Most privatization fronts operate under buoyantly nonpartisan names like Educators for Excellence or National Parents Union. Democrats for Education Reform is different—it aims to torpedo teachers' unions within their traditional political home, the Democratic Party. To its hedge fund leadership, this is the “inside job.” DFER is a prime bundler of dollars to Democratic candidates—at least those who are anti-union—and raises millions from wealthy Democratic donors. It raises millions from wealthy conservatives too. When it desperately needed \$10 million for a New York effort in 2010 the then lightly financed organization turned to a cadre of wealthy conservatives and Republicans, even Rupert Murdoch. To this day its 501(c)(3) sister organization Education Reform Now Inc. gets about 30 percent of its funding from the Waltons, and its

501(c)(4) branch Education Reform Now Advocacy funnels dark money to DFER affiliates in several states. An early ally of DFER was Senator Barack Obama, and the organization had a significant say in President Obama's education policies and personnel. If less influential now it still remains a potent force.

Hiding the identities of the true powers behind privatization is also important in presenting a misleading picture to the public. On websites, literature distributed at community meetings, campaign mailings and flyers, and on television advertising, the public sees people of color. Behind the scenes, though, people of color are largely absent from decision-making and strategy, and even from campaign execution. Keri Rodrigues, FES state director, organizer, and spokesperson later described the presentation of women and people of color in the campaign as "props."¹² The visible portion of the campaign swas people of color but the campaign's chief funders and strategists were mostly white, male, and educated in elite schools. In a campaign that spent over \$25 million, a trickle went to consultants who were people of color. Great Schools Massachusetts' political consultants were experts in the art of making a campaign with little on-the-ground backing look like a popular movement.

When it comes to secrecy, there are two needs driving the machinations of wealthy patrons of privatization. Exposure brings questions, and wealthy Americans do not wish to be democratically answerable. And as a growing body of studies show, the policy preferences of wealthy Americans are far more conservative than those of the general voting public and are unpopular with the citizenry.¹³

The 2016 Massachusetts defeat was significant but not crushing. Families for Excellent Schools fled the state (by early 2018 it had collapsed entirely following the Massachusetts disaster and a #MeToo scandal involving the CEO) only to be replaced by a new organization named Massachusetts Parents United, whose president was Keri Rodrigues. In three years MPU collected well over \$1.6 million from the Walton Family Foundation, as well as donations from the Boston Foundation, Combined Jewish Philanthropies of Greater Boston, the Fidelity Investments Charitable Gift Foundation, and the Barr Foundation. Except for Walton and Barr, they all shield their donors from

being publicly identified. The Waltons also underwrote additional new organizations or bolstered existing ones, giving the family a hefty state political presence. In January 2020 Rodrigues announced a new organization called National Parents Union, again funded by the Waltons. In a few short months, it was processing millions from America's wealthiest patrons, including Charles Koch, while masquerading as a plucky parent organization.

This dilution of democracy is no unforeseen or trivial consequence of privatization. It is its very purpose. As Nancy MacLean argues in *Democracy in Chains*, right-wing oligarchs fear democracy because they understand that masses of people may well vote in favor of programs that would improve their own lives but involve increased taxation of the rich. Oligarchs also recognize that their ideas are unpopular with the public and so they must remain hidden behind campaigns of misdirection. The fact that undoing democracy in school policy is a key goal of privatizers should surprise no one. It is stated forcefully in key writings of the movement such as John E. Chubb and Terry M. Moe's *Politics, Markets, and America's Schools*.¹⁴

Dark money has been used in campaigns against public transportation, in favor of privatizing schools, to support tobacco companies, and to undermine scientific understanding of the climate crisis, all to the benefit of corporations that enrich the most advantaged cohort of American society. There is no limit to the number of issues where it could apply, the consultants it can hire, or the communities it can entice and co-opt.

Dark Money and the Politics of School Privatization is a diagnosis of how dark money campaigns unfold and are conducted over a period of years. I hope that citizens who read this will recognize the signs of what is happening in their communities to rob them of their democratic voices, because it can be stopped. Citizens have it in their hands to unmask these operations, to demand answers from them, to push media outlets to investigate the secret funders behind the political fronts, and to demand transparency and accountability. While dark money operations use legal conventions to hide the true interests behind them, citizens can marshal available facts and force a conversation the oligarchs do not want to have. It's our democratic right to do so, and a democratic necessity.

Notes

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2

The Campaign of 2016

The ballot campaign that became identified as Question 2 of 2016 could be marked with the registration with the Massachusetts Office of Campaign and Political Finance of the Great Schools Massachusetts ballot committee on August 20, 2015.¹ But the true genesis of the dark money maneuvering around the charter ballot school initiative began years earlier. For the purposes of discussing the campaign that consumed much of the 2016 political season, we may briefly go back as far as 1993 when charters were introduced into Massachusetts, through additional efforts to add charter schools and the (aborted) 2010 and 2012 ballot campaigns, on to the 2013 Boston mayoral race, the arrival in Boston of Families for Excellent Schools in 2014 and that organization's efforts through 2016.

2.1 Charter Schools in Massachusetts and Union-Privatizer Proxy Wars

In June 1993 the Massachusetts Supreme Judicial Court issued its decision in *McDuffy v. Robertson*, holding that the state has a constitutional obligation to provide an adequate education for all children in the commonwealth. The legislature had been working on a reform package and within days passed the Education Reform Act.² The new legislation established a foundation system in which each district's needs were to determine spending in that district. This increased total state aid especially to districts that had been hampered by low spending. The act was to provide more assistance for communities with low property wealth and thus insufficient local taxing capacity to support adequate schools. Programmatic reforms were also important to the 1993 legislation. These included curriculum frameworks that established learning expectations, accountability standards for students, schools, and districts, and a high-stakes testing regime known as the Massachusetts Comprehensive Assessment System. The 1993 legislation also authorized, for the first time, charter schools to operate in Massachusetts.³

In 1997 a corporate lobbying effort led by Pioneer Institute for Public Policy Research board member William Edgerly and funded by Lawrence and Nancy Coolidge of the Mifflin Memorial Fund called CEOs for Fundamental Change in Education persuaded the legislature to double the number of charter schools in the commonwealth from 25 to 50. In 2000, the CEOs and their allies helped a successful effort to expand once again, to 120 charter schools.⁴ The charter cap was lifted again in 2010 as the state faced Race to the Top and ballot question pressures. By 2012 charter advocates and funders were meeting to strategize another increase.

The state had yet to experience a full-fledged dark money campaign but in 2013 Boston did, in the open seat contest for mayor. The well-funded privatization operation Stand for Children was ready to spend over a million dollars on the candidacy of John Connolly but backed off. State Representative Martin Walsh's campaign benefited from about \$2.5 million in independent expenditures from union-connected Super-PACs, including a late dark money infusion of \$480,000 for television