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**ABC NEWS NIGHTLINE Show #1964**  
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## Innovative Plan for Chelsea Schools

**TED KOPPEL** [voice-over]: Chelsea, Massachusetts: the public schools are on the ropes, and the local authorities have a revolutionary idea. Abandon public education to the private sector.

[on camera] Good evening. I'm Ted Koppel, and this is Nightline.

[voice-over] Problem: a 50 percent dropout rate. Solution: individualized learning plans. Problem: poor single-parent and two-paycheck families. Solution: Daily classes for pupils as young as three. It might work, but some critics think the whole idea is unconstitutional.

**ANNOUNCER**: This is ABC News Nightline. Reporting from Washington, Ted Koppel.

**KOPPEL**: How bad are things in the Chelsea, Massachusetts school system? The majority of their freshmen will never graduate. Of those who do get a high school diploma, only 20 percent will go on to college, and of that number, only 10 percent will actually go to a four-year college. And remember, this is in a state which has one of the best overall educational records in the country. What may be about to happen in Chelsea is one of the most innovative and therefore also controversial plans for any school district in the country.

While basically our schools fall into one of only two categories — publicly funded schools run by elected officials or privately funded and operated schools — Chelsea is about to break new ground. If it works, it may become a model for other problem school districts, but — we're getting ahead of ourselves. Here's Nightline correspondent James Walker.

**JAMES DWYER, Chelsea Resident**: We as a community have failed the Chelsea school system and the kids of Chelsea.

**JAMES WALKER, ABC News** [voice-over]: And in Chelsea, Massachusetts, the school system is trying to deal with that failure.

**1st CHELSEA RESIDENT** [Chelsea School Board meeting, Tuesday night]: It is time for people to sit down and talk about issues, not the way they have been discussed in the past.

**WALKER** [voice-over]: The statistics of failure: of the 830 students in Chelsea's high school, 17 percent of them, or almost 150, drop out every year. That means that at least half of every freshman class will never graduate. When it comes to basic skills like reading and math, Chelsea students score among the lowest in the state.

**1st CHELSEA RESIDENT**: I get enraged when I read the business in the media, "the worst school system in the state."

**WALKER** [voice-over]: Chelsea sits on the Mystic River, across from Boston, 25,000 people jammed into 1.8 square miles. Most of the residents are Hispanics and Asians. Two-thirds of the school system, 3,300 students, come from homes where English is not the primary language. And Chelsea has the lowest per-capita income, \$8,300, of any city in Massachusetts. It also has the highest number of families on welfare. And with the poverty comes a frequent companion — crime, especially the drug trade.

**Mayor JOHN BRENNAN, Chelsea, Massachusetts**: This is probably the worst area in the city, massive drug deals going on constantly.

**WALKER** [voice-over]: According to Mayor John Brennan, people come to Chelsea from nearby affluent communities to buy and sell drugs.

[interviewing] How easy would it be for you right now to score heroin?

**2nd CHELSEA RESIDENT**: I'd probably have to — look around for about 15 minutes. That simple. It's that easy.

**WALKER**: Cocaine?

**2nd CHELSEA RESIDENT**: Fifteen minutes.

**Dr. BRUCE ROBINSON, Chairman, Chelsea School Committee**: We lead the Commonwealth of Massachusetts in every area, statistically, that you do not want to lead in. I think that the school committee has recognized that we need help, the community has recognized that we need help. Very few of our children are born with a silver spoon in their mouths. Education, in my mind, is the only means by which they are going to share in the American dream.

**WALKER**: And if there was any hope the dream would come true, school board officials decided they had to go outside Chelsea. They took an unprecedented step. Tuesday night, after a three-year search, the school committee voted tentatively to accept Boston University's plan to operate their school system for the next 10 years. In effect, a publicly elected body was turning over operational authority to a private institution.

**Dr. ROBINSON**: Quite frankly, I wish I could tell you that we did not need Boston University. But the statistics don't lie. We are largely desperate. I don't see any other hope there.

**WALKER** [voice-over]: Peter Greer, the dean of Boston University's School of Education, would oversee the Chelsea school plan, a plan that he says would go far beyond reading, writing and arithmetic.

**PETER GREER, Dean, Boston University School of Education**: What we're trying to do is to stabilize the home, make education important in the home, and then tie the home to the school system of Chelsea. You just can't work on the school system in Chelsea and hope that the parents show up to pick up the report cards. You have to work on many things in the homes.

**WALKER** [voice-over]: Greer said the first priority would be to improve elementary school education. He said he could guarantee no miracles for students already in high school who are victims of years of academic neglect.

Under the proposed agreement, Boston University — instead of the school board — would have the power to hire and fire teachers. Not surprisingly, the teachers and their union representatives were outraged.

**PAUL DEVLIN, Massachusetts Federation of Teachers**: Give somebody, or some institution, a 10-year contract to destroy all the democratic checks and balances on the idea that maybe something might work seems to be an overreaction.

**WALKER** [voice-over]: Earlier this week, the teachers' union tried to get a court injunction to block the school board's action, but it failed. The Boston University plan for Chelsea now being finalized includes child care sessions for children ages three months to two years, before- and after-school programs, individual learning plans for each student, nutrition and health training for teenage mothers, and adult illiteracy classes. The plan also calls for boosting teachers' salaries, now among the lowest in the state. How to pay for it? The university study

recommends the present school budget of \$16 million be increased \$2 million the first year, up to \$22 million in five years. Where to find the money? The study hopes it will come from federal, state and corporate sources.

*[on camera]* Even though the plan gives the Chelsea school board authority to cancel the proposed contract with Boston University, critics charge that by making the public school system private, the people of Chelsea will lose control of their schools. Still, while more legal challenges are expected from teachers, university officials hope that their model program to save Chelsea and its students can begin as early as next month. I'm James Walker for Nightline in Boston.

**KOPPEL:** When we come back, we'll be joined by John Silber, president of Boston University, and by Albert Shanker, who as president of one of the nation's largest teachers' unions has serious reservations about the Boston University plan.

*[Commercial break]*

**KOPPEL:** Joining us now from our Boston bureau is John Silber. Dr. Silber is president of Boston University, and the principal architect of the plan under which the university would manage the Chelsea public schools. Joining us in our Washington bureau, Albert Shanker, president of the American Federation of Teachers, the parent group of the union local that represents Chelsea public school teachers.

One would think, Mr. Shanker, with a school district that, for a variety of reasons, is clearly in trouble, with the school board, the parents, presumably even some of the teacher—I mean, teachers and students saying "We need help," that you'd be shouting "Hosannas" to the heavens on high that a major institution like Boston University is going to come along and say, "Fine, we'll help."

**ALBERT SHANKER, American Federation of Teachers:** Well, I do shout hosannas as far as the help is concerned. The district needs the help, the kids do, the community and the teachers do. There are other universities across the country—there's Rochester University and Stanford and Harvard and City University in New York, many universities across the country are helping school districts. What we have here is something that's very unprecedented, and that is the request on the part of—the demand, really, on the part of Boston University that as a price for its help, the school district has to turn over its entire function of governance for a period of 10 years. Now, that is—would be really akin to—a state government that's running out of money, like New York right now, or Massachusetts, deciding to turn itself over to a private company for a period of time. This isn't the only—now—now essentially, they're also asking that the state change legislation so that even the laws that the school boards have to operate under Boston University won't have to do. They won't have to have public meetings, they will not be subject to conflict-of-interest laws. The records will be closed. In other words, here will be public funds, taxpayers' money, that will be dealt with behind closed doors and without any of the protections that government usually has. Now, I've got really another problem with this too, and that is—

**KOPPEL:** I'll tell you what, can we take the problems sort of—sort of a block at a time?

**Mr. SHANKER:** Sure.

**KOPPEL:** Because I want to give Dr. Silber a chance to respond to what you've just said. Are you power-hungry? What are you after, Dr. Silber?

**JOHN SILBER, President, Boston University:** Well, first of all, there's no way to deal with the problem if we're going to have a series of distortions like the ones that Al Shanker just delivered, all of which he knows to be false because they've been explained

to him. There is no constitutional barrier to Boston University managing the public schools in Chelsea, because we're not taking them over.

**KOPPEL:** Although some of the laws are, in fact, going to have to be changed.

**Dr. SILBER:** Some of the laws will have to be changed, but not that one, because we're not going to privatize the school system. The teachers will not cease to be public employees, they will not cease to be protected by the rights to bargain collectively or any of those things. What we will do is be authorized by the state to be an authorized agent to manage the schools.

**KOPPEL:** Which also means, however, that you can hire and fire teachers, right?

**Dr. SILBER:** That's right. If we're going to be an agent that is responsible to the school committee of Chelsea, and if we're to improve the schools—and we will have the opportunity to review the qualifications of teachers, to hire, to promote, to fire, to transfer, to assign in the positions which we think they're most adequate for. But none of that in any way violates the basic conditions of collective bargaining, and none of that violates the rights of those teachers.

**KOPPEL:** Let me come back, Dr. Silber, if I may, to the first thing that Mr. Shanker was talking about, and that is that there are a number of other great universities around this country which have given their assistance, their help, their counsel, their guidance to local school systems without demanding the kind of autonomy that Boston University is demanding. Why do you have to be different?

**Dr. SILBER:** Now, let's be clear about it. None of those schools—none of those school systems have assumed the responsibility for trying seriously to improve those schools. I know the Harvard situation well, and Harvard has the most peripheral relationship to the Boston and Cambridge schools imaginable. They haven't assumed that kind of responsibility at all. If they—and we're not demanding anything, let's be clear about that. We were asked to come in and help the Chelsea schools, but they don't want us, they don't have to have us.

**KOPPEL:** But you're setting—but you're setting certain conditions for providing that help.

**Dr. SILBER:** Well, what you suggest is if a surgeon is asked to come in and perform an appendectomy, he's supposed to let the patient tell him how to do the operation. There's no way that a competent surgeon could do that.

**KOPPEL:** No, what I'm suggesting is that if I go to a doctor before I submit to surgery, I say, is there some lesser thing, some less drastic means that you can employ here to help me get well again?

**Dr. SILBER:** Fine. Well, they've had 25 years to find it, and what they've institutionalized is a system of child neglect. Now the teachers' union came to Boston University and offered us the opportunity to write a private agreement with them in the dark of night which would have denied us any responsibility for changing any relationships with the teachers over the entire 10-year period, and of course, we refused to do that. And when I heard about this, I called Al Shanker and I said, "Al, what the hell is this that they're asking us to do? We're not authorized to bargain collectively with the union," and he said, "Don't worry about it, that's their first proposal." But it turned out that the next day they went to court and tried to do the same things to try to stop legally Boston University from having any opportunity to improve those schools.

**KOPPEL:** All right, Mr. Shanker, we'll give you an opportunity to respond, and also give your second block of criticism. What it is that disturbs you when we come back, and we'll continue our

discussion.

[Commercial break]

**KOPPEL:** Continuing our discussion now with John Silber of Boston University and Albert Shanker of the American Federation of Teachers. It was— it was your turn with the ball, Mr. Shanker.

**Mr. SHANKER:** Yes. I don't—I think we've got two sets of issues, now, unfortunately— John Silber's mixing the two of them up and the result of that is to get a lot of confusion. There are some collective bargaining issues here. The teachers and the union have a right to be concerned that when you take a— what— a business, and you transfer it from one owner to another owner, the union has a right to sit down and ask the new owner or the one who's about to be the new owner whether the arrangements are going to be the same. Doctor Silber has told me on the telephone and he's said it in public meetings, but he has refused to put in writing that the arrangements will be the same. And in the business of collective bargaining, if you say something and if you really mean it you ought to be willing to put in on a piece of paper. Now, the constitutional issue, the judge didn't rule it out. He said five times that on the face of it the proposal looked unconstitutional. He did say that since it hadn't been ratified yet and it still was in the process of change, that it wasn't timely, so we'll get to the constitutional question later. But I think that the second— second big point here is that throughout the document — and I must say that I agree with most of the proposals, I agree with early childhood education, I agree with the tutorial programs — the district desperately needs that. But the district would do it whether or not— if they're willing to buy Boston University, they would do it without turning it over, but within that proposal is something that no university, no scholar, no educator worth his salt would dare say, and that is Dr. Silber guarantees that within five years the test scores will go up by a specific percentage point, the dropout rate will go up— down by a specific amount, the amount of money raised will go up by a certain amount. Now, there isn't a doctor in this world that's going to guarantee a patient that he's going to be cured. There's no lawyer that's going to guarantee a client that the case is going to be won. And God knows we know less about education than most people know about their fields. There isn't anybody, there isn't anybody who would put that kind of promises out there. Now, to go to a bunch of people who are desperate, including the teachers, and to have the name of an important university on that, and to say we guarantee that within five years these things are going to happen, why that's just hucksterism.

**KOPPEL:** Well, I mean, he's— I don't think he's guaranteeing anything. You're not guaranteeing—

**Dr. SILBER:** Which is false, too. Let's discuss that.

**Mr. SHANKER:** I think—I think if you look at the language of the document, you'll see that the following will happen in five years, and then there's a list of exactly what will happen. Doesn't say we will strive to do this—

**KOPPEL:** Let me ask you—

**Mr. SHANKER:** —or we'll try to do it, or we hope to do it.

**KOPPEL:** —let me ask a few questions, Dr. Silber, about some of the assumptions that I think are inherent in this. For one thing, the possibility of needing \$22 million over the next five years. Where are you going to get it?

**Dr. SILBER:** Well, we're not guaranteeing anybody we can raise \$22 million, but we have—

**KOPPEL:** No, I know you're not guaranteeing it, but you've indicated that you may need that much. Now, where are you going to get it?

**Dr. SILBER:** —that's right, and if there hadn't been for the delays in this thing, we would have had about \$2 million, \$2.5

million of it already available from the state of Massachusetts this time.

**KOPPEL:** The state of Massachusetts is in bad shape right now, isn't it?

**Dr. SILBER:** Well, the state of Massachusetts spends things that are— spends money on a lot of things that are much less important than the schoolchildren of Chelsea and on a project that would set an example for how to cure the problem of urban schools in the state of Massachusetts, which is not too well.

**KOPPEL:** So does the federal government, Dr. Silber—

**Dr. SILBER:** Well, okay, so—

**KOPPEL:** —and that's something that we can all regret, but that doesn't change the fact that it happens.

**Dr. SILBER:** —but let's also face the fact that nobody has talked about transferring the ownership of the Chelsea schools to Boston University. The privatization issue is as phony an issue as I've ever seen. We will be hired by the school committee of Chelsea, and we can be removed by a simple majority of the school committee of Chelsea, and that means that there's no constitutional issue there at all. When it comes to the—

**Mr. SHANKER:** No, that's not quite true. It's true on the piece of paper that by a two-thirds vote they can ask you to leave, but that two-thirds, by the way—

**Dr. SILBER:** Not a two-thirds vote—

**Mr. SHANKER:** —it turns out to be about 70 percent because of the size of the school board. However, if you do bring money in—

**Dr. SILBER:** —Al, you just don't know what you're talking about. It's a 4-3 vote, it's a simple majority, it is not two-thirds. It is a 4-3 vote under which we can be dismissed.

**Mr. SHANKER:** —no, that's not what's— that is— that is not in your proposal. If you've changed it, that's something else.

**Dr. SILBER:** Al, Al, no, we haven't changed it. You just don't know what you're talking about.

**KOPPEL:** All right. I'm not sure I know—

**Mr. SHANKER:** The point is— the point is this— if you're able to bring large sums of money in there, if the state is willing to give John Silber the money but not that school board, so that four years from now if that school board disagrees with something that you've done, the minute you go that money goes with you, which means down go the kindergartens, down go the salaries, down go the tutorial programs, down go the gymnasiums, in other words, you're going to have them so hooked on your money, which is your money, it's money they couldn't get, you got it and they couldn't get it. And the minute they say don't do something, you're going to say "You move me out of here with that vote I'm taking this money and this whole district is going to go crash down."

**KOPPEL:** Okay. Is that—

**Mr. SHANKER:** They're gonna be hooked on that money and they're not— they're no longer are gonna be free agents

**Dr. SILBER:** Al, why are you so opposed to improving the schools in Chelsea?

**Mr. SHANKER:** I'm not opposed to improving the schools—

**KOPPEL:** —wait, whoa, whoa, hold on— there was—

**Mr. SHANKER:** I'm saying there was a partnership—

**KOPPEL:** —there was— there was finally— Mr. Shanker—

**Mr. SHANKER:** —that other universities have entered and improved those schools without taking them over.

**Dr. SILBER:** We're not taking them over.

**KOPPEL:** —Mr. Shanker, there was finally a tough question here that I could really understand, and Dr. Silber immediately sidestepped it. Don't let him do that, because I'm not going to give me a quick answer to what Mr. Shanker was saying before. Dr.

Silber.

**Dr. SILBER:** When you build the school system, and you start raising money from the local businesses that are in Chelsea, and they're already talking about bringing forth additional money to support those schools, those businesses know that they need graduates of the high school whom they can employ without having to train. That is a financial advantage to them to have that school system.

**KOPPEL:** No, that's true, but does the money stay with you, or does the money stay with the school system?

**Dr. SILBER:** The money doesn't come to us. The money goes right into the school system. But when Al—

**Mr. SHANKER:** Why haven't they given it to the school system up to now?

**Dr. SILBER:** Because they have no confidence in the leadership that has [unintelligible] there.

**Mr. SHANKER:** Therefore if you leave, they will have no confidence in the school board and that money will be withdrawn.

**KOPPEL:** Hold on just a second. We'll try to wrap this up in just a moment, and I hope we can—

**Dr. SILBER:** If we're improving the schools, why should they get rid of us?

**KOPPEL:** —Mr. Shanker, hang in if you would, please. We'll continue our discussion in a moment.

[Commercial break]

**KOPPEL:** Continuing our discussion now with John Silber of Boston University and Albert Shanker of the American Federation of Teachers. Gentlemen, we only have a couple of minutes left. I would appreciate relatively short answers.

Mr. Shanker, you don't object to the general proposals that Boston University's come up with, in fact you think they're rather good proposals. Is that right?

**Mr. SHANKER:** I think it's a good proposal. And I think the one problem with it is that it's coming from outside, top down, which is contrary to every modern principle of management which says if you want something to work from the beginning, you start by involving all the people who are going to have to make it work.

**KOPPEL:** All right, Dr. Silber, you were saying before the money is coming in, or it's likely to come in to you because the business community, for example, has more confidence in you. Let's say for the sake of argument you get \$5 million for the system, and for one reason or another you decide to leave. Does Boston University get that money, or does the money stay with the school system?

**Dr. SILBER:** The money stays with the school system, and it's open to public audit, there's no such thing as a private arrangement with Boston University with regard to what we're doing in Chelsea. All of those are canards. We're trying to improve the schools, and what I have told the school committee of Chelsea is that we're going to take something from you. We're going to take your right to engage in political patronage. There will be no more patronage in Chelsea. But we're going to give you something else, and that is the opportunity to be the public servants in the highest tradition, and you're going to have the opportunity of improving the schools of Chelsea and improving the lives of those children in Chelsea.

**KOPPEL:** Now, Mr. Shanker, you were saying before you're concerned that the school community, in effect, is going to get "hooked" on this money that's coming in, and the money is contingent upon Boston University's association. What that's saying, to put it the other way around, is, as Dr. Silber said, the money ain't coming in because nobody's got confidence in the system that has existed now for five, 10, 15, 25 years. I mean, reviving confidence in the way that the way the educational system is run

is surely not a bad thing, is it?

**Mr. SHANKER:** No, I think that we should revive confidence, but I don't think that the only way to revive it is to say that you're going to take it over. I think—I think if that school board is— is ready to turn it over for 10 years, I think that school board, and the union and Dr. Silber and civil rights groups and parents groups could go to those same foundations and corporations. And by the way, I don't know of any corporations and foundations that are going to give you money in perpetuity. They might give it to you for a year or two or three years to get something started, but the job of running public schools belongs to the public, not to the private sector, and they won't stay in there forever.

**KOPPEL:** Gentlemen, we're out of time. I thank you, Mr. Shanker, Dr. Silber, good of you both to join us. That's our report for tonight. I'm Ted Koppel in Washington. For all of us here at ABC News, good night.

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