June 11, 2012

Members of the Oregon Education Investment Board,

Oregon's Constitution begins with a short preamble, followed by a Bill of Rights that establishes the narrative of self-governance.

" **We the people of the State of Oregon**…"

> **Section 1. Natural rights inherent in people.** We declare that all men, when they form a social compact are equal in right: that **all power is inherent in the people**, and **all free governments are founded on their authority**, and instituted for their peace, safety, and happiness; and they have at all times a right to alter, reform, or abolish the government in such manner as they may think proper. —

Citizens United is the narrative of "corporate personhood"—a very different narrative that establishes the corporation as a 'person' with many of the same legal rights and responsibilities as a natural person.

It's legal fiction—not approved books that librarians (or technology assistants[1]) can shelve for kids. **Legal fiction**[2] is "an assumption or supposition of law that something which is or may be false is true, or that a state of facts exists-which has never really taken place."

This legal fiction provides the vocabulary and regulatory shields of corporate education reforms.

> "The nation will need more adults with **postsecondary credentials** and will have to continue to reinvest in this element of **human capital** in order to continue to fulfill the 'American Dream.'[3]" "It would be hard to identify any comparable **risks** from being 'over-educated.'[4] "

Unless you can't find a job,[5] your higher education credentials are devalued[6] and Sallie Mae's compounding interest in you tightens the noose of indentured servitude.[7]

---

[1] http://www.beaverton.k12.or.us/home/departments/community-involvement/news/2012-2013-budget-information/

[2] *Black's Law Dictionary Free Online 2nd Ed.* http://thelawdictionary.org/

[3] http://www.cael.org/pdfs/State_Indicators_Monograph

[4] Chapter 3: Let's Aim High for Oregon: 40-40-20 Education Goals, Joe Cortright, vice-president and economist Impresa Consulting and Duncan Wyse, president of the Oregon Business Council http://www.qualityinfo.org/pubs/working/working_in_oregon.pdf

[5] Robert Reich, The Commencement Address That Won't Be Given, FRIDAY, MAY 18, 2012, http://robertreich.org/post/23301640941

[6] Chapter 2: Employment in Oregon: Preparing for the Likely Future. Only about one-fourth of Oregon's projected job openings (including both growth and replacement openings) will require post-secondary education in order to meet the minimum

“Job Creators” is another myth born of corporate personhood. After all, "corporate law requires boards of directors to maximize shareholder wealth."[8] Human labors interfere with the bottom line. Indeed business extols the “financial value of those in the voluntary sector.[9]” Generous stock options are “golden handcuffs” to reward corporate executives.[10]

40/40/20 is a myth, grandiose in its aspirations. Privatized profits and socialized risks.

We know this story and the genre is horror. Freddie Mae was established in the Great Depression as another government-owned enterprise to provide local banks with federal money to finance home mortgages. It’s mission surely changed when it became fully privatized[11]. But there’s been no moral because corporations are, after all, “amoral.”

Consider Sallie Mae’s original mission. Chartered in 1972, Sallie Mae also *was* a government-sponsored enterprise that became fully privatized in 1995. Lumina, is a “conversion foundation” seeded by Sallie Mae[12] stocks.

At the April 2012 annual meeting of the American Educational Research Association, Cassie Hall and Scott L. Thomas argued that Gates and Lumina "have taken up a set of methods -- strategic grant-making, public policy advocacy, the funding of intermediaries, and collaboration with government -- that illustrate their direct and unapologetic desire to influence policy and practice in numerous higher education arenas."[13]

NCHEMS and CLASP created a Return On Investment dashboard[14] to support higher education goals in all 50 states. “For whom?,” I have repeatedly asked this Board. The

---

requirement for the job (Graph 13), p. 17. More than half of Oregon’s projected job openings will require post-secondary education if the job applicant wants to be really competitive for the position (Graph 14). p. 17
http://www.qualityinfo.org/pubs/working/working_in_oregon.pdf

[7] http://www.dailykos.com/story/2012/01/16/1055240/-Suze-Orman-s-STUDENT-DEBT-Warning-Think-Twice

[8] http://en.wikipedia.org/wiki/Dodge_v._Ford_Motor_Company Michigan Supreme Court, Dodge v Ford Motor Company. This ruling has not been overturned.

[9] http://www.investopedia.com/financial-edge/0112/How-Nonprofits-And-Commercial-Groups-Can-Help-The-Economy.aspx#axzz1xUz3VSW6 “likely to become even more generative as an increasing number of established brands develop their individual sense of social responsibility and enter into cause-marketing partnerships”

[10] http://www.investinganswers.com/financial-dictionary/businesses-corporations/golden-handcuffs-3588

[11] http://en.wikipedia.org/wiki/Fannie_Mae 1954, it became a “mixed ownership corporation” and was eventually fully privatized in 1968

[12] http://www.oregon.gov/Gov/OEIB/Docs/nnAlman.pdf?ga=t

[13] http://www.insidehighered.com/news/2012/04/13/study-assesses-how-megafoundations-have-changed-role-higher-ed-philanthropy

[14]http://www.clasp.org/postsecondary/pages?type=postsecondary_and_economic_success&id=0025

ODE Office of Educational Improvement and Innovation[15] assures thriving public private partnerships. When they are earmarked for commercial activities, we know private shareholders stake their claim for profit.

Few would argue that corporations today are not only ubiquitous but have enormous power over our lives. Was it always like this? How did it get to be this way?... Indeed, so much power and wealth has been amassed by corporations that they can be said to govern, presenting a mortal threat to our body politic. [16]

The definition of creative destruction is a "process of industrial mutation that incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one."[17] Unnatural mutations of personhood kill democracy.

(W)hen a surgeon cuts out a cancer, it's not to punish the cancer, it's to save the body. If we wish to prevent the total demise of democracy - rule by the people - then we must return corporations to their subservient role. [18]

All power is inherent in the people. All free governments are founded on their authority.

Senate Bills 909 and 1581 created the Oregon Education Investment Board and Chief Education Officer.[19] This is not consistent with Oregon's Constitution. Without accountability to the People, the OEIB and CEdO are not legitimate and should be abolished.

Respectfully,

Kris Alman
503-293-0745

---

[15] http://www.ode.state.or.us/search/results/?id=147
[16] http://wilpf.org/ccp_study_session2 Women's International League for Peace and Freedom
[17] coined by Joseph Schumpeter in his work entitled "Capitalism, Socialism and Democracy" (1942)
http://www.investopedia.com/terms/c/creativedestruction.asp#ixzz1xUzMuJGJ
[18] http://wilpf.org/ccp_study_session2
[19] http://www.oregon.gov/Gov/OEIB/OregonEducationInvestmentBoard.shtml