

# THE PRIZE

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*Who's in Charge  
of America's Schools?*

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## The Pact

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LATE ONE NIGHT in December 2009, a large black Chevy Tahoe moved slowly through some of the most violent neighborhoods of Newark, New Jersey. In the back sat two of the nation's rising political stars—the Republican governor-elect, Chris Christie, and the Democratic mayor of Newark, Cory Booker. The pair had grown friendly during Christie's years as United States attorney in Newark in the early 2000s and remained so, even as their national parties had become polarized to the point of gridlock in Washington. Booker had invited Christie to ride with him on this night in a caravan of off-duty cops and residents who periodically patrolled the city's busiest drug corridors.

The caravan started out on once-vibrant Orange Street in the Central Ward, across from a boarded-up housing project so still and silent it appeared dead. Baxter Terrace was home to both white and black industrial workers in the 1940s, when factories in Newark made seemingly everything—leather, plastics, cigars, textiles, dyes, hats, gloves, beer, electrical instruments, jewelry, chemicals, military clothing. As Newark's manufacturing collapsed, and as whites fled to the suburbs,

Baxter became all black and poor, overtaken in subsequent years by violent gangs and drug dealers.

The volunteer patrolmen turned left on Bergen Street, which led to the South Ward, Newark's poorest and most violent. The street was punctuated with small tire and auto-body shops variously bearing Italian, Brazilian, and Spanish family names, with one gleaming exception—a small commercial development anchored by an Applebee's and a Home Depot, Newark's lone big box store. At almost every intersection, telephone poles bristled with signs offering cash for junk cars or for houses—"no equity, no problem." One stretch of Bergen, a middle-class shopping district in the 1960s, was now home to Tina's African Hair Braiding, Becky's Beauty Salon, a preowned-furniture store, Family Dollar, Power Ministry Assembly of God, Aisha's New Rainbow Chinese Halal Food, and a Head Start center. By far the biggest and most prosperous-looking establishment was Cotton's Funeral Service and the adjacent Scentiment Florist.

Driving through Newark was like touring archaeological layers of despair and hope. Downtown still had artifacts of the glory days before World War II, when Newark was among the nation's largest cities, with one of the highest-grossing department stores in the country. The majestic, limestone Newark Museum, endowed by the store's founder, Louis Bamberger, still presided over downtown, as did the Italian Renaissance-style Newark Public Library, built at the turn of the twentieth century. Run-down and vacant buildings now dominated the streetscapes, but five colleges and universities, including Rutgers-Newark and New Jersey Institute of Technology, held out potential for a better future. And Mayor Booker was aggressively recruiting development—the first new hotels in forty years, the first supermarkets in twenty. Soon Panasonic and Prudential Insurance would be building new office towers. A Whole Foods would come later. The momentum stopped far short of Newark's neighborhoods, however.

The ostensible purpose of the ride-along was for Booker to show the governor-in-waiting one of his crime-fighting techniques. But

Booker had another agenda. His own rise in politics had coincided with, and been fueled by, a national movement seeking radical change in urban education, leading Booker to envision an audacious agenda for Newark and for himself. He would need Christie's help.

The state had seized control of the city's schools in 1995, after investigators documented pervasive corruption and patronage at the top, along with appalling neglect of students. Their conclusion was encapsulated in one stunning sentence: "Evidence shows that the longer children remain in the Newark public schools, the less likely they are to succeed academically." Fifteen years later, after the state had compiled its own record of mismanagement, fewer than forty percent of third through eighth graders were reading or doing math at grade level. Yet in all those years, no governor had returned the reins. That meant that within weeks, Christie, upon his inauguration, would become the overlord of the Newark Public Schools and its \$1 billion annual budget.

Booker had listened carefully as Christie spoke in his campaign of his commitment to struggling cities, frequently reminding voters that he was born in Newark. The Christies had moved to the suburbs in 1967, when he was four, weeks before the eruption of cataclysmic riots that still scarred the city emotionally and physically. Booker asked his driver to detour from the caravan's route to Christie's childhood neighborhood, where the governor-elect said he had happy memories of taking walks with his mother, his baby brother in a stroller. The Tahoe pulled to a stop along a desolate stretch of South Orange Avenue. Its headlights illuminated a three-story brick building with gang graffiti sprayed across boarded-up windows, rising from a weedy, garbage-strewn lot. Across the street loomed dilapidated West Side High School. Almost ninety percent of its students lived in poverty, and barely half of the freshmen made it to graduation. Violence permeated children's lives. In separate incidents the previous year, three West Side students had been shot and killed by gangs. One year before that, on a warm summer night, local members of a Central American gang known as MS-13, wielding guns, machetes, and a steak knife,

had murdered three college-bound Newark youths execution-style and badly maimed a fourth. Two of the victims and the survivor were West Side graduates.

Christie had made urban schools a prominent issue in his campaign. "We're paying caviar prices for failure," he'd said, referring to Newark's schools budget, of which three-quarters came from the state. "We have to grab this system by the roots and yank it out and start over. It's outrageous."

There was little debate that the district desperately needed reform. The ratio of administrators to students was almost twice the state average. Clerks made up thirty percent of the central bureaucracy, about four times the ratio in comparable cities. Even some clerks had clerks, yet payroll checks and student data were habitually late and inaccurate. Test and attendance data had not been entered for months, and computers routinely spat out report cards bearing one child's name and another child's grades, meaning the wrong students got grounded or rewarded.

Most school buildings were more than eighty years old, and some were falling to pieces—literally. Two nights before first lady Michelle Obama came to Maple Avenue School, in November 2010, to publicize her Let's Move! campaign against obesity—appearing alongside Booker, a national cochair—a massive brick lintel fell onto the front walkway.

What happened inside many buildings was even worse. The district had four magnet schools, two of which produced debating champions and a handful of elite college prospects. But in twenty-three of its seventy-five schools, fewer than thirty percent of children from the third through the eighth grade were reading at grade level. The high school graduation rate was fifty-four percent, and more than ninety percent of graduates who attended the local community college required remedial classes. Only 12.5 percent of Newark adults were college graduates, just over a third of the statewide rate.

Newark was an extreme example of the country's increasing economic and racial segregation. In a predominantly white state, and

one of the nation's wealthiest, ninety-five percent of Newark students were black or Latino and eighty-eight percent qualified for free or reduced-price lunches. Forty-four percent of city children lived below the poverty line—twice the national average—and seventy percent were born to single mothers. An astonishing forty percent of newborns received inadequate prenatal care or none at all, disadvantaged before drawing their first breaths.

In the back seat of the Tahoe, Booker turned to Christie and proposed that they work together to transform education in Newark. With Christie's absolute legal authority and Booker's mayoral bully pulpit, they could close failing district schools, greatly expand charter schools, weaken tenure protections, reward and punish teachers based on their students' test scores. It was an agenda the incumbent Democratic governor, Jon Corzine, likely never would have embraced, out of loyalty to teachers' unions. Christie's upset victory over Corzine, in Booker's view, represented "a once in a lifetime chance to get the system on the right track."

They shared a belly laugh at the prospect of confounding the political establishment with an alliance between a white, suburban Republican and a black, urban Democrat. Booker warned that they would face a brutal fight with unions and machine politicians invested in the status quo. With 7,000 people on its payroll, the school district was the biggest public employer in a city of roughly 270,000. Shaking it up, Booker said, was sure to activate the same coalition that had foiled his first mayoral bid, spreading rumors that he was gay, Jewish, a closet Republican, and a Trojan horse for white, monied outsiders. Booker could barely see in the pitch dark, but as he described all that ugliness, he got the distinct impression that Christie was salivating.

"Heck, I got maybe six votes in Newark," the governor-to-be responded. "Why not do the right thing?"

Whatever their political differences, Booker and Christie agreed completely on public education. Both viewed urban school districts as beholden to public workers' unions and political patronage machines rather than children, and both were part of the growing na-

tional movement seeking to reinvent education. With backing from the nation's richest philanthropists and prominent politicians in both parties—including President Barack Obama—the self-dubbed education reform movement aimed to break up the old system with entrepreneurial approaches: charter schools, business-style accountability for principals and teachers based on students' test scores, and bonuses for top performers. There was significant public debate over the merit of these strategies. Research scientists questioned the validity of using test score data to measure teacher effectiveness. Moreover, decades of research had shown that experiences at home and in neighborhoods had far more influence on children's academic achievement than classroom instruction. But reformers argued that well-run schools with the flexibility to recruit the best teachers could overcome many of the effects of poverty, broken homes, and exposure to violence. They pointed to high-performing urban charter schools—including some in Newark—that were publicly funded but privately run, operating free of the district schools' large bureaucracies and, in most cases, also free of unions. Although a national study at the time found that only one in five charters in the country outperformed their district counterparts on standardized tests, Booker and other reformers said emphatically, "We know what works." They blamed vested interests for using poverty as an excuse for failure, and dismissed competing approaches as "incrementalism." Education needed "transformational change," they said.

Christie's response to Booker—"Why not do the right thing?"—reflected the righteous tone of the movement. Reformers likened their cause to the civil rights movement, well aware that many of their opponents were descendants of the old civil rights establishment: urban politicians determined to protect public jobs in cities where secure employment was rare.

It seemed that every side in the education debate had its eyes on a different prize. In impoverished cities, the school district with its bloated payroll was often the employer of first and last resort. Over the years in Newark, numerous politicians had actually taken to call-

ing the district budget "the prize." Reformers saw in districts like Newark an opportunity to prove that systems built around unions and large public bureaucracies were themselves an obstacle to learning. At the heart of it all were the children and a question continually posed by their parents and teachers: Were the battles waged in their name really improving young lives?

The education of the poorest Americans has been a cause of the wealthiest since Reconstruction, when Northern industrialists built schools of varying caliber across the South for former slaves. Henry Ford created the Ford English School in 1913 to teach "basic reading and speaking comprehension skills" to mostly foreign-born factory workers. Early in the twentieth century, Andrew Carnegie's foundation developed the "Carnegie unit," or the credit hour, which became the currency of learning: to graduate from high school, students still must earn a certain number of credits, based not on what they have learned, but on time spent in classes.

In the most spectacular example of education philanthropy in the twentieth century, Walter Annenberg stood with President Clinton in the White House Rose Garden in late 1993 and committed \$500 million to "guarantee our nation's future" by financing reforms in thousands of urban and rural schools. The Annenberg Challenge, as it was known, drew \$600 million in matching contributions and reached more than 1.5 million children in thirty-five states. But the overwhelming verdict was that while the effort benefited many individual schools and children, it didn't dent the problems in the larger system.

Discontent over public education had been galvanized in 1983 by a five-alarm federal report, *A Nation at Risk*, announcing that American students had fallen significantly behind those in other industrialized countries, jeopardizing the nation's economic competitiveness. "If an unfriendly foreign power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war," the report said.

Top corporate leaders worked alongside governors to raise state aca-

demic standards and institute standardized testing to monitor student progress. Their efforts ultimately led to the No Child Left Behind law, signed by President George W. Bush in 2002, which dramatically expanded testing and required reporting of student scores by race and income level. That data documented a yawning gap between the academic achievement of poor and minority children and all others. In the late 1980s, a movement championed mainly by conservative Republicans sought to give parents in inner-city districts publicly subsidized vouchers to enroll children in religious or private schools.

In 1990, Teach for America began recruiting elite college graduates to teach for two years in the lowest-income communities. The goal was to develop a generation of future leaders dedicated to battling inequity in the education system, whether from inside or out. They were deemed “education entrepreneurs”—an oxymoron only a few years earlier—and many went on to found charter schools, new teacher and principal training programs, consulting practices, and other ventures intended to upend the existing system. By the end of the decade, they had some of the nation’s largest fortunes behind them.

For generations, the foundations of deceased early-twentieth-century industrialists had dominated education philanthropy. Beginning in 2000, there was a rapid changing of the guard as living billionaires—Bill Gates of Microsoft, the Walton family of the Walmart fortune, Michael Dell of Dell computers, and Eli Broad, the California insurance and real estate magnate—became the nation’s top donors to K–12 education. These spectacularly successful entrepreneurs, who mostly made their fortunes disrupting established industries with technology and new business models, were drawn to young reformers trying to do the same in public education. They defined the system itself as the problem.

“It was a change in the meaning of philanthropy,” said Kim Smith, a cofounder of the NewSchools Venture Fund, a philanthropy financed by Silicon Valley venture capitalists. “In the past, if you gave money to, say, housing or the arts, the need would be perpetual. You didn’t believe it would one day sustain itself. But this group of people

understands leverage. If you get education right, you’re going to get people jobs, reduce incarceration, et cetera. So the idea was to help people analyze what’s not working and inspire entrepreneurs to solve problems.”

They became known as “venture philanthropists” and called themselves investors rather than donors, seeking returns in the form of sweeping changes to public schooling. Employing management consultants and the kinds of analytic tools that fueled the rise of their companies, they pressed for data-driven accountability systems to measure the effectiveness of teachers and schools. President Obama and Secretary of Education Arne Duncan incorporated many of those goals into Race to the Top, a \$4.3 billion initiative that induced states to expand charter schools and to tie teachers’ evaluations, pay, and job security to growth in their students’ standardized test scores. The stated goal was to put single-minded focus on what was best for children, even if at the expense of upending adult lives and livelihoods.

In the beginning, Democratic politicians almost universally spurned the cause, as did many African American leaders, perceiving these efforts as threats to the Democratic base in cities—unions, public sector jobs, and politicians who doled them out. They questioned the credibility of a movement to reform education for America’s lowest-income black and brown schoolchildren that was led by white elites and financed by some of the richest men on the planet—labeled the “billionaire boys’ club” by education historian Diane Ravitch, a onetime reformer who emerged as a prominent opponent of the movement she had once embraced. An early exception within the ranks of the voucher movement was Howard Fuller, whose long journey through civil rights activism, Black Power advocacy, the African liberation movement, and community organizing had led him to the cause of education in his native Milwaukee, where low-income and minority children were dropping out of district schools in droves. After doing battle as an activist and later as superintendent of schools, he resigned in 1995, declaring the district “hopelessly mired in the status quo.”

But Fuller was an outlier, and reformers recognized they had a problem. Cory Booker couldn't have arrived at a more opportune time.

Booker had emerged from the first generation of black leaders born after the civil rights movement. His parents, who grew up in the segregated South and participated in sit-ins in the 1960s, were among the first African Americans to rise into management at IBM. They raised him and his brother in the almost all-white suburb of Harrington Park, about twenty miles from Newark. "We wanted our sons to learn to navigate in the larger world," recalled his mother, Carolyn Booker. "This, too, was part of the struggle."

Cory Booker made it look easy. Six foot three, gregarious and charismatic, he was an honors student, a football star in high school, and president of his senior class. One success followed another. He graduated from Stanford University, went on to Oxford as a Rhodes Scholar, and then to Yale Law School. Ed Nicoll, a forty-year-old self-made millionaire who was studying law at Yale, became one of his close friends. In class, where most students showcased abstract-thinking skills, Nicoll said, Booker spun folksy stories about his family, often ending with a point about social justice. "He got away with it and he enchanted everyone from left to right," Nicoll said. "In a class where everybody secretly believed they'd be the next senator or the next president of the United States, it was absolutely clear that Cory had leadership written all over him . . . Even back then, people said he'd be the first black president."

Instead of pursuing lucrative job prospects after law school, Booker went to Newark in 1997 to represent poor tenants, paid by a Skadden Foundation fellowship. He moved into low-income housing in an area of the Central Ward that was riddled with drugs and crime, organizing tenants to take on slumlords and growing close to a number of community activists. With their support, he ran for city council the next year, arguing that government was part of the problem—city hall looked the other way when slumlords gave money to the

right politicians. Ed Nicoll took time off from his work in finance to help Booker raise money for his campaign. His advice was simple. Tell wealthy donors your own story: a privileged young African American moves to one of the nation's poorest cities to tackle the unfinished business of the civil rights movement. Booker found Nicoll's lesson invaluable.

"He was the first person who told me—and many people have said it since—that investors bet on people, not on business models, because they know successful people find a way to be successful," Booker said.

Booker raised more than \$140,000, an unheard-of sum at the time for a Newark council race. In the spring of 1998, after a grassroots campaign that included knocking on every door in his ward, Booker, who had just turned twenty-nine, edged out four-term councilman George Branch in a runoff.

With his golden résumé and gritty surroundings, Booker quickly displayed a gift for attracting media attention. He was featured on *60 Minutes*, on the *CBS Evening News*, and in *Time* magazine for staging hunger strikes and camping out for weeks at a time in drug corridors to demand better security for law-abiding residents. "I moved onto the front lines, the last frontier for really, truly making justice happen, and that's in our inner cities," Booker said in an interview with Dan Rather.

He called his political philosophy "pragmatic Democratic," looking to government but also private and faith-based initiatives to address poverty. Departing further from the standard playbook for urban Democrats, Booker became an early champion of charter schools, arguing that the poorest children—like the richest—should be able to opt out of bad schools. He later took the even more unconventional step of embracing vouchers for private schools for the same reason.

Booker was a valuable asset for the almost universally white, rich, Republican voucher movement, which along with the charter movement introduced him to some of his major political donors. He began

shuttling between two worlds: the troubled streets of Newark and the rarefied redoubts of wealthy donors, where he became a potent fundraiser and mesmerizing orator.

His education views won him an invitation in September 2000 to deliver a speech at the conservative Manhattan Institute for Policy Research. In an impassioned address, still featured on the institute's website more than a decade later, Booker depicted Newark residents as captives of self-dealing, nepotistic, patronage-dispensing politicians who ignored their needs. He said this was particularly true in the "repugnant" school system. "I define public education not as a publicly guaranteed space and a publicly run, publicly funded building where our children are sent based on their ZIP code. Public education is the use of public dollars to educate our children at the schools that are best equipped to do so—public schools, magnet schools, charter schools, Baptist schools, Jewish schools."

In Booker's view, that speech launched his national reputation. "I became a pariah in Democratic circles for taking on the party orthodoxy on education, but I found a national community of people who were feeling the same way, on the left and the right," he said. "In 2002, when I first ran for mayor, I had all these Republican donors and donors from outside Newark, many of them motivated because we have an African American urban Democrat telling the truth about education."

One of them was Ravenel Boykin Curry IV, then a thirty-six-year-old principal in a family-owned hedge fund in Manhattan. Curry, a Democratic supporter of charter schools who became one of Booker's most generous backers, confessed that he hadn't given a thought to Newark at the time. "It seemed hopeless," he said. "Everyone just looks out and sighs and thinks, 'There's nothing I can do.' Then this guy with great political skills who's willing to make the sacrifices we weren't willing to make comes along, and it reignites the old flame: 'Oh, yeah, we can still change the world.'"

Curry wrote Booker a check and introduced him to some of his Harvard Business School classmates. "They let Cory into their board-

rooms and offices, introduced him to people they worked with in hedge funds," said a Democratic operative who worked with them. "As young finance people, they looked at a guy like Cory at this stage as if they were buying Google at seventy-five dollars a share. They were talking about him being the first black president before he even got elected to the city council, and they all wanted to be a part of that ride. If it was twenty-five years, that was fine. They were in."

In his 2002 campaign against four-term mayor Sharpe James—who embodied the urban machine politics Booker decried to the Manhattan Institute—Booker drew more than \$3 million in contributions, from Republicans as well as Democrats. James turned the newcomer's fundraising against him, branding him an agent of rich, white outsiders, a time-honored way to inflame Newark voters' passions. According to an analysis by Think Progress, more than \$565,000, in fact, came from Wall Street financiers and investors. James won the race, but by the smallest margin in his then thirty-two-year political career. A documentary about the hard-fought campaign, *Street Fight*—financed by Curry and made by his younger brother, Marshall—was nominated for an Oscar in 2005 and became a staple of Booker's political narrative. The campaign inspired Curry, Whitney Tilson, Charles Ledley, and John Petry, all hedge fund managers enriched by the late-1990s boom on Wall Street, to seek out and support more Democrats who embraced charter schools and opposed the influence of teachers' unions on the party. They ultimately formed a political action committee, Democrats for Education Reform, with Booker as one of their star fundraisers. The group's beneficiaries would come to include the 2004 U.S. Senate candidate from Illinois, Barack Obama.

When Booker ran for mayor again in 2006 with even more outside backing, Sharpe James dropped out rather than face likely defeat, and Booker beat his stand-in, state senator Ronald Rice Sr., in a landslide.

Once in office, Booker surprised reformers by paying little attention to the school district, telling them his hands were tied because of Governor Corzine's union allegiances. Instead, he set out to recruit charter schools, using his magic with donors to raise \$20 million



in 2008 for a Newark Charter School Fund to support the sector's growth. Money came from the Bill and Melinda Gates Foundation, the Walton Family Foundation, the Doris and Donald Fisher Fund of the Gap clothing store fortune, hedge fund titan Julian Robertson's foundation, and Laurene Powell Jobs, the wife of Apple founder Steve Jobs, as well as from four local foundations. With Booker's encouragement, Newark spawned some of the top charter schools in the country, including fifteen run by the nationally respected networks Uncommon Schools and KIPP.

New Jersey's troubled urban schools provided rich source material for Christie's run for governor in 2009. The issue of education reform had strong crossover appeal for a Republican candidate in a heavily Democratic state. Christie used it to aggressively reach out to black and Hispanic parents concerned about schools in inner cities where Republicans rarely campaigned. He also fired up his Republican base by lambasting the state teachers' union, the New Jersey Education Association, by far the biggest political donor in the state, boasting that he refused even to interview for its endorsement. "To get your endorsement I'd have to sell out the children of New Jersey," he recalled saying.

He explained his passion for the issue in terms of his life experience. His ancestors had come from Italy and Ireland, finding opportunity in Newark. But as he was about to start kindergarten, the city was in rapid decline, and the family moved to suburban Livingston, New Jersey. He has often said that he believed he owed his success in life to his escape from the Newark schools—adding that it happened only because his parents were able to borrow \$1,000 from each of his grandmothers for a down payment on a \$22,000 home. "I remember being told by my parents that we were moving so that I could go to a good school," Christie said.

The Newark public schools had a reputation for excellence well into the 1950s, when Philip Roth graduated from the predominantly Jewish Weequahic High School and Amiri Baraka (then LeRoi Jones), the

late African American poet, playwright, and revolutionary, graduated from the predominantly Italian American Barringer High. But the schools declined in tandem with the city amid a convergence of forces that, viewed from the present, resemble a series of plagues.

In the bullish aftermath of World War II, the federal government aggressively promoted the growth of suburbs, with home mortgage subsidies and construction of new interstate highways to whisk middle-class breadwinners to and from jobs in urban centers. It helped families like the Christies achieve the American dream—a better life for their children.

But the dream had an underside. The policies fostered an epochal exodus of more than 100,000 white Newark residents in the 1960s that flipped the city's racial makeup in one decade from two-thirds white to two-thirds black. It was the fastest and most tumultuous turnover of any American city except Detroit or Gary, Indiana. Once a thriving industrial hub where successive waves of immigrants found work and rose into the middle class, Newark lost factories to the suburbs, the South, and beyond.

The economic base collapsed near the peak of the Great Migration of black families from the Deep South, removing a ladder of opportunity climbed by earlier-arriving ethnic groups. In all, 160,000 men, women, and children came north to Newark, most from rural areas and with limited educations. A pattern of well-documented racial discrimination barred the new arrivals from the dwindling supply of good jobs.

Black families increasingly crowded into slums, where the federal and city governments were carrying out a strategy intended to revive cities: urban renewal. As in many distressed communities, Newark leaders used federal funds to bulldoze dilapidated buildings to make way for high-rise office towers, spacious civic plazas, public housing for the displaced poor, and commuter highways for an increasingly suburban workforce. Louis Danzig, Newark's urban renewal director, was a national leader of the movement and proved so masterful at securing aid from Washington that Newark cleared more slums and dis-

placed a higher percentage of residents than any other city. The theory was that slums bred crime, disease, and sloth, and that new housing would help eradicate all that—and poverty, too. “Good houses make good citizens,” Danzig said.

Not surprisingly, it wasn’t that simple. In Newark and elsewhere, urban renewal became known as “Negro removal.” A state investigation later found that despite the massive dislocation, the great majority of federal money benefited moderate and middle-income residents, businesses, and downtown colleges and institutions. The planners and developers destroyed long-standing neighborhoods and relegated residents to five large housing projects in Newark’s Central Ward, including three high-rise silos with no ground-floor restrooms and minimal grass or open space, making it almost impossible for parents to supervise children. By the late 1960s, more than eighteen thousand residents were jammed into a one-and-a-half-mile radius, virtually all of them low-income African Americans or Hispanics—“one of the most volatile [ghettos] anywhere on the eastern seaboard,” according to testimony before the U.S. Commission on Civil Rights.

“Our city was set up to fail,” said Clement Price, a professor of African American and Newark history at Rutgers and a respected civic leader. “It was planned failure—in public education, in housing, and in job opportunity.”

It certainly began to look that way to Louis and Ella Mae Sherer, who came north during the Great Migration and settled in Newark in the 1950s. Louis became a union plumber and started a home improvement business, and Ella worked in a hospital cafeteria. They bought a house two blocks from Orange Street, a vibrant thoroughfare with plentiful shopping and movie theaters. “You never needed to go downtown,” said Ella. On walks there, she and her three children passed home after home of families she knew well—“houses all the way from here to there,” she said.

Then, in the late 1950s, the state unveiled plans for Interstate 280, one of two federal highways linking downtown to the western suburbs. It would slice Orange Street and surrounding neighborhoods

to pieces; seven miles west, there would be an exit for Livingston, the Christies’ future home. Barbershops, theaters, and stores began closing even before the route opened. Families who could afford to move did so—the federal home loan program had redlined almost all of Newark, deeming it too risky for mortgages or lending, making renovations unaffordable—and in time the Sherrers’ neighborhood was pocked with abandoned houses, many occupied by squatters and drug dealers.

Turmoil engulfed the public schools as white children left en masse, black children arrived from the South, and widespread redevelopment displaced many families. African American students comprised ten percent of the district in 1940, fifty-five percent in 1961, and seventy-one percent in 1967.

“I remember how differently they started treating us,” said Antoinette Baskerville-Richardson, a Weequahic High School student in the late 1960s, who later became a teacher and, after retiring, president of the school board. Weequahic’s racial composition reversed in the 1960s, from eighty-one percent white at the beginning of the decade to eighty-two percent black by the end. Baskerville-Richardson recalled the district building a fence around the school, with the result that students couldn’t congregate after dismissal. “It was as if we were animals,” she said.

The school district allowed the remaining white students to transfer out of predominantly African American schools, where substitutes taught up to a quarter of the classes. “In schools with high Negro enrollments,” the NAACP reported in 1961, “textbooks were either not available or so outmoded and in such poor condition as to be of no value as a text . . . We found that some class libraries consist of nothing but comic books.”

Although black residents were approaching a majority in the city, they were politically powerless to force local officials to address evidence of police brutality, substandard housing, or collapsing public education. An Italian American political machine, which became

dominant in the early 1960s, displacing Irish bosses, tightly controlled city hall and the schools, along with patronage jobs, contracts, and—it was well known—lucrative kickbacks from organized crime. Former U.S. representative Hugh Addonizio, the mayor at the time, famously explained his motivation for leaving the prestige of Congress to run such an impoverished city: “There’s no money in Washington, but you can make a million bucks as mayor of Newark.”

On the night of July 12, 1967, Newark exploded in six days of riots that many longtime residents still call “the rebellion,” an uprising against racial oppression. The immediate spark was a brutal police beating of a black taxi driver who was rumored—falsely—to have died. A crowd of more than three hundred hurled rocks and Molotov cocktails at the police station where the driver was being held, and officers attacked with nightsticks and shields. Rioters smashed windows, burned buildings, and looted stores, laying waste to large swaths of the Central Ward. The state and local police and National Guard responded with indiscriminate gunfire that, according to multiple investigations, killed men, women, and children who were on stoops and sidewalks and inside apartments and cars. Eyewitnesses reported that the National Guard ransacked and shot up stores with signs posted to indicate they were black-owned; looters had spared many of them. Twenty-six people were killed, most by rifle shots from state police and the National Guard, according to a state commission. Two victims were white, twenty-four were African American. Although twenty-three of the deaths were classified as homicides, there were no indictments. Property damage exceeded \$10 million, a wound that remained open for decades. “Our nation is moving toward two societies, one black, one white—separate and unequal,” concluded the National Advisory Commission on Civil Disorders.

In 1967, Governor Richard Hughes appointed a commission to investigate the causes of the riots. Its report stated, of urban renewal, “In the scramble for money, the poor, who were to be the chief beneficiaries of the programs, tended to be overlooked.” And, because of “ghetto schools,” most poor and black children “have no hope in the

present situation. A few may succeed in spite of the barriers. The majority will not. Society cannot afford to have such human potential go to waste.”

The report quoted the testimony of school board president Harold Ashby, the first African American in the job: “I think somewhere along the line, someone has to say, ‘Stop.’ . . . Until such time as these reading levels and arithmetic levels come up, there isn’t anyone who can say in the city of Newark, professional or otherwise, we are doing a good job because these children just can’t read and do arithmetic.”

The legislature rejected a bid by Hughes to take over the schools, and the cycle of neglect and corruption continued.

In the next election, black voters and the growing Puerto Rican population united to elect Kenneth Gibson, a city engineer running on a reform platform, the first black mayor of a major northeastern city. He defeated Addonizio, then on trial for extortion. True to his words about the riches he expected to reap as mayor, Addonizio was convicted, along with four compatriots, of extorting \$1.4 million from city contractors. Both Gibson and Sharpe James, his successor, also became convicted felons. Booker was the first Newark mayor in forty-four years not to be indicted.

In 1994, state Department of Education investigators cited gross mismanagement, corruption, and instructional failure throughout the Newark district, even as school board members treated themselves to public cars, tropical junkets, and expensive meals. The investigators found rat infestation, asbestos, and high levels of lead paint in a rented building being used as an elementary school. The school board was negotiating to buy the building, worth about \$120,000, for \$2.7 million. It turned out to be owned, through a sham company, by two school principals prominent in Italian American politics. They were indicted on multiple charges and later acquitted.

In a series of rulings in the nineties, the state supreme court found that funding disparities among school districts violated the state constitutional right to an education for children in New Jersey’s poorest communities. The court ordered the legislature to spend billions

of dollars to equalize funding, portending a windfall for Newark. In 1995, the state seized control of the Newark district, just as money was beginning to flow.

Money had always been at the center of struggles for control of the Newark schools. "That's the prize that every mayor has been trying to get back control of," said Junius Williams, a longtime education activist who came to Newark in 1967, just out of Yale Law School. When a reform mayor was elected in the 1950s on a pledge to purge city hall of corruption, purveyors of patronage simply relocated to the school district. In the early 1980s, with Gibson in the mayor's office, a grassroots campaign of parents, teachers, and many political organizations came together to wrest control of the schools from the mayor and give it to an elected school board. The shift was touted as a victory for democracy, but school board elections were held when there were no other races on the ballot, and turnout was minimal. The board came under the control of those who got the most followers to the polls—unions and the city's most powerful political boss. For decades, education seemed incidental to the purpose of the school district.

"The Newark schools are like a candy store that's a front for a gambling operation," Ross Danis, president of the nonprofit Newark Trust for Education, said. "When a threat materializes, everyone takes his position and sells candy. When it recedes, they go back to gambling."

Early in the summer of 2010, months after their nighttime ride, Booker presented Christie with a proposal, stamped "Confidential Draft," titled "Newark Public Schools—A Reform Plan." It called for imposing reform from the top down, warning that a more open political process could be taken captive by unions and machine politicians. "Real change has casualties and those who prospered under the pre-existing order will fight loudly and viciously," the proposal said. Seeking consensus would undercut real reform. One of the goals was to "make Newark the charter school capital of the nation." The plan called for an "infusion of philanthropic support" to recruit teachers and principals through national school-reform organizations, build

sophisticated data and accountability systems, and weaken tenure and seniority protections. Philanthropy, unlike government funding, required no public review of priorities or spending. Christie approved the plan, and Booker began pitching it to major donors.

In those pitches, Booker portrayed the Newark schools as a prize of a very different sort: a laboratory where the education reform movement could apply its strategies to one of the nation's most troubled school districts. He predicted that Newark would be transformed into "a hemisphere of hope," catalyzing the spread of reform throughout urban America.

## Seduction in Sun Valley

*July–September 2010*

A FEW WEEKS LATER, in July of 2010, Cory Booker found himself in the company of billionaires and multimillionaires at the posh and secluded Sun Valley Resort, in the mountains of central Idaho, for a ritual mixing of big business and pleasure. The invitation-only extravaganza of deal-making and schmoozing for media moguls and investors, hosted by New York banker Herbert Allen, drew the richest and most famous people in the business. That year's guest list for the first time included twenty-six-year-old Mark Zuckerberg, founder of Facebook. Booker had his sights set on Zuckerberg to fund his and Christie's plans for the Newark schools. As it turned out, Zuckerberg wanted to meet him, too.

The Newark mayor had an extraordinary social network of his own, but for this particular connection, Booker once again had his Yale Law School classmate Ed Nicoll to thank.

When Booker was still a city councilman, Nicoll introduced him to one of his investors, a venture capitalist named Marc Bodnick. Booker remembered Nicoll briefing him: "This guy's a diehard Dem-

ocrat and also hates the failures in education and heard that you believed in everything from vouchers to charter schools, whatever, and wants to meet you." They clicked in the first meeting.

In what turned into a networking trifecta for Booker, Bodnick later married Michelle Sandberg, whose sister Sheryl became chief operating officer of Facebook in 2008. In mid-2010, according to Booker, Bodnick tipped him that the Facebook founder was planning a significant philanthropic move, "something big" in education. Then Bodnick learned that Sandberg, Zuckerberg, and Booker all would be at Allen's annual Sun Valley mixer, and Booker got another alert. "He said, 'Make sure you connect with Sheryl and her husband out there, because they want to connect you with Mark,'" Booker said.

As always at the Sun Valley event, the panel discussions featured some of the most interesting and compelling people in the country and the world. It was not surprising that a discussion on the future of cities included leaders from centers of commerce, culture, and influence, like Michael Bloomberg, mayor of New York, and Richard Daley, mayor of Chicago. The third panelist, whose city had long ago lost its wealth and influence, was Booker. Like Zuckerberg, Booker was a first-timer at Sun Valley, and he poked fun at the incongruity of his presence. He felt, he said, like a community college sitting beside the Harvard and Yale of mayors.

But the incongruity was what made Booker intriguing. He was in fact completely at ease among the rich and powerful. For years, he had been a regularly featured guest at Manhattan celebrity galas and Hollywood premieres, a sought-after speaker around the country at political fundraisers, charity events, and college commencements, a frequent chatting partner on late-night talk shows. Wherever he traveled, he made rich people want to write checks for causes in Newark: Brad Pitt financed housing for low-income veterans, Jon Bon Jovi for HIV/AIDS patients, Oprah Winfrey for battered women. Shaquille O'Neal was developing a twelve-screen movie complex and high-rise apartments. Even United States senators marveled at the way this

mayor of an impoverished city coaxed money from the wealthiest donors.

Booker and Zuckerberg met at a buffet dinner one night on the deck of Herbert Allen's Sun Valley townhouse, overlooking a golf course and a stream. They shared a table with Amazon's Jeff Bezos and media executive Michael Eisner, among others. Afterward, Zuckerberg invited Booker on a walk and explained that he was looking for a city poised to upend the forces impeding urban education, where his money could make the difference and create a national model. Booker responded with a pitch that showcased what made him such a dazzling fundraiser.

The mayor of Newark understood well that venture philanthropists were looking for a "proof point," a city where they could deploy multiple initiatives and demonstrate measurable improvement in poor children's achievement. He already had pitched Newark to many of them as fertile ground for charter growth, emphasizing its proximity to a huge teaching talent pool across the Hudson River and its manageable size in contrast to New York, where then chancellor Joel Klein, a hero of reformers, had shaken the school system's foundations but hadn't begun to reach all 1.2 million students. In raising \$20 million for the Newark Charter School Fund in 2008, Booker had emphasized the success of some of Newark's earliest charter schools and New Jersey's generous school-funding formula—more than twice the amount per pupil as in California, for example. Now, he was pitching Zuckerberg on the next stage of the vision—Newark as a proof point for turning around an entire school district.

Walking side by side with Zuckerberg, Booker began, "The question facing cities is not 'Can we deal with our most difficult problems—recidivism, health care, education?' The real question is 'Do we have the will?'" Why not, he went on, take the best models in the country for success in education and bring them all to Newark? "There's no way we can't count to forty-five thousand [Newark children of school age] and get all of them into high-performing environ-

ments," the mayor later recalled. The former Stanford football player, big of build, with shaved head, hazel eyes, and overpowering optimism, added, with the confidence of a born winner: "You could flip a whole city!"

"I just thought, this is the guy I want to invest in," Zuckerberg would later tell reporters. "This is a person who can create change."

Zuckerberg was disarmingly open about how little he knew at the time about philanthropy. He recently had joined Bill Gates and Warren Buffett in pledging to give away half of his fortune in his lifetime, but unlike older billionaires, he had little time to devote to a foundation. "Running a company is a full-time job," he explained, somewhat unnecessarily. He said his goal, in addition to helping the Newark schools, was to learn from his experience and become a better philanthropist in the process.

While his personal experience in public education was limited—he'd started out in public schools, graduated from the elite prep school Phillips Exeter Academy, and dropped out of Harvard as a sophomore—Zuckerberg was drawn to the cause by the experiences of his wife, Priscilla Chan, then his girlfriend, and her passion for children. They decided to embark on philanthropy as a couple, and when they began talking about it, early in 2010, she was in medical school, preparing to become a pediatrician in community medicine to care for underserved children. She had no more time for active philanthropy than he did.

Sitting beside Zuckerberg in his glass-walled meeting room at Facebook, Chan said her own life experiences drew her to the challenges facing inner-city children. She came from a "disadvantaged" family, as she described it, in which her Chinese-Vietnamese immigrant parents worked eighteen hours a day to build a better life for their three daughters, her father running a Chinese restaurant, her mother working two jobs. Her grandparents lived with them and helped care for her. Two of her public school teachers, to whom she remains close,

saw her potential and helped put her on a path that eventually led to Harvard. Chan was the first in her extended family to go to college, followed soon by her two younger sisters.

She recalled her first days at Harvard as overwhelming, but she found an anchor by volunteering in an after-school program for children in two housing projects in the low-income Dorchester section of Boston. "I was like, 'Oh my God, these kids are me, except I got a lucky break somewhere along the way and things turned out really well. I should help these kids because this is me and maybe one or two small things can sort of change their trajectory.'"

She teared up and stopped to compose herself. "I always cry talking about this," she said. Silently, Zuckerberg got up and fetched her a box of Kleenex. "Just power through it," he said under his breath, pumping his fist like a cross between an athletic trainer and a comic. She laughed, pressed a tissue to her eyes, and continued the story.

Chan worked all four years of college in the program, running it for the last three. More than academics, it involved helping children navigate the day-in, day-out challenges of growing up in poverty, from neighborhood rivalries to health issues.

In medical school, she became active in Pediatric Leaders for the Underserved, and as a resident she cared for foster children at the county safety-net hospital in San Francisco. Again she felt a personal connection. "All these Hispanic immigrant families in my clinic in the hospital—I'm like, 'You are like me, except we have completely different lives,'" she said. As for her own "completely different lives"—her childhood versus life as a billionaire—she said, "Anyone would be shocked. You don't have to have quite the same background I did."

A different experience of Chan's influenced Zuckerberg's view of education and Newark. She spent a year between college and medical school teaching science in a private school in San Jose, and "when she went to be a teacher, coming out of Harvard, a lot of people acted like she was going to do charity," Zuckerberg said. "My own view was you're going to have more of an impact than a lot of these other people who are going into jobs that are paying a lot more. And that's

kind of a basic economic inefficiency. Society should value these roles more, and what are the things that are getting in the way of that?"

His hope was to make teaching in an urban school—one of the most important jobs in America, as he saw it—as attractive to the most talented college graduates as working at Facebook. He couldn't succeed without having his pick of the best people in the business. Why would it be different for public schools?

"Economically, I think it's probably the most important problem in the world," Zuckerberg said of the state of public education for the poorest children.

Chan cast a questioning look his way, smiling as if in amusement. "We're different," she explained. He saw the problem as systemic and economic, while she viewed it from the ground level, through the needs of individual children. In her view, investing in children had value for its own sake. "It's the coolest thing, because you never know what they're going to do later on and you can't really follow up on it. You just sort of have this idea, 'Who knows what that kid's going to do?'"

In emails and documents Booker and Zuckerberg sent back and forth after their talks in Sun Valley, their stated goal was not simply to repair education in Newark but to develop a model for saving it in all of urban America—and to do it in five years. Booker argued that by succeeding in a district as challenging as Newark, Zuckerberg would emerge with a model that he could take to one city after another.

In August, Booker sent Zuckerberg a proposal, prepared with the pro bono help of McKinsey consultants. It was titled "Creating a National Model of Educational Transformation." On the cover was a color photograph of Booker surrounded by African American children, all reaching skyward, as was the mayor. The document referred repeatedly to Newark's potential as a national model. "Our youth population is manageable in size, making Newark an ideal laboratory for community change," it said. Newark would "coordinate a critical mass of local and national partners with proven models of excellence

er's first choice was John King, then deputy New York State education commissioner, who had led some of the top-performing charter schools in New York City and Boston and who credited public school teachers with inspiring him to persevere after he was orphaned as a young boy in Brooklyn. Zuckerberg and Chan flew King to Palo Alto for a weekend with them and Sandberg; Christie hosted him at the governor's beach retreat on the Jersey Shore; and Booker led King and his wife, Melissa, on a tour of Newark, with stops at parks and businesses that hadn't existed before his mayoralty. But after much thought, King turned them down. Zuckerberg, Christie, and Booker expected to arrive at their national model within five years. King believed it could take almost that long to change the system's fundamental procedures and to raise expectations across the city for children and schools. "John's view was that no one has achieved what they're trying to achieve: build an urban school district serving high-poverty kids that gets uniformly strong outcomes," said an acquaintance who talked with King about the offer. "You'd have to invest not only a long period of time but tremendous political capital to get it done." King had questions about a five-year plan overseen by politicians who were likely to seek higher office.

Zuckerberg had questions, too, about politics—particularly about the power-sharing plan between Booker and Christie. He asked to meet Christie face to face. He and Chan flew to Newark in August 2010 and met the governor and mayor in a secluded area of the airport's Continental Airlines Presidents Club. The couple was struck by the personal chemistry between two prominent politicians of different parties. It dated to Booker's unsuccessful 2002 mayoral campaign, when Christie, as United States attorney in Newark, deployed volunteers from his office to act as election-day monitors following reports of violence and intimidation against Booker's supporters. (He found none.) Another important moment in their relationship occurred in 2006, when aides to the newly elected mayor came upon suspicious-looking records from a credit card account registered to the police de-

partment but used by Booker's five-term predecessor, Sharpe James. Booker delivered the records to Christie, who found in them the gift of a lifetime—the break in a case that sent James to jail, one of the biggest convictions of Christie's career as a prosecutor.

A rising Republican star after only nine months as governor, Christie was now waging political war on the state teachers' union as he slashed his way through a bloated budget. More than one million people had watched him on YouTube as he shamed—critics said "bullied"—a teacher for attacking him and his education cuts at a town hall meeting. This knack for playing a Republican everyman aggrieved by protections of public sector workers was winning him mentions as GOP presidential material.

Given the polarized state of national politics, Zuckerberg was impressed that a Democrat and a Republican were uniting in the interest of New Jersey's poorest children. But would this last? He asked Booker and Christie what would happen if they ran against each other for governor in three years. Both men said they were in complete agreement on education and would not allow politics to interfere, according to participants. John King had raised the question also, asking Christie how the superintendent would be affected if Booker ran against him in 2013. "In that case," Christie responded, "the superintendent would spend the year hiding under his desk."

A maestro at leveraging publicity, Booker wanted to announce the \$100 million gift on *The Oprah Winfrey Show*, timed to coincide with the September 24 debut of the movie *Waiting for Superman*. The film, whose marketing campaign was aided by a \$2 million grant from the Gates Foundation, focused on five families who desperately wanted their children to attend a charter school. The charters featured in the movie each had a dedicated team of teachers and leaders, along with a record of putting the poorest children on a path to college. Four of the five families lived in inner cities, and their children's only other option was to attend a dysfunctional public school that was little more than a dropout factory. There was a mention in a voice-over that only one in five charters then outperformed traditional public schools, but



to deliver high impact programs and best practices.” The last page listed four criteria for success, only one in boldface: “Blueprint for national replication across America’s urban centers to transform the lives of its youth.” The language of national models left little room for attention to the unique problems of Newark, its schools, or its children.

A few weeks later, Zuckerberg invited Booker to Palo Alto to talk more, and they continued the conversation by phone, in secret (the name on Booker’s private schedule was “Mr. Z.”). No one in the Newark schools or local politics was to know what was afoot. The talks went late into the night, with Sheryl Sandberg on the line as well as Booker’s chief education adviser, De’Shawn Wright. “The mayor, Sheryl, Mark, and I were on the phone at two or three o’clock in the morning, talking about education reform and what are the levers of change and how do you do it systemically and what are the hurdles with politics, policy, and legislation that would get us to this utopia of education,” Wright said. Zuckerberg made clear that his primary goal was to find a way to attract, nurture, and handsomely reward top teachers. Like almost every school district in the country, Newark paid teachers based on how long they had held their jobs and how many graduate degrees they had earned, although neither correlated with increased effectiveness. In other words, teachers who transformed students’ lives received the same pay as the deadwood. “Who would want to work in a system like that?” Zuckerberg wondered aloud about circumstances that applied to almost all of America’s 3.3 million public school teachers.

The world Zuckerberg worked in could not have provided a sharper contrast to the Newark public schools. At Facebook, he sat in a gymnasium-sized room filled with coders in their twenties, many of them pursued by tech companies around the world with offers of signing bonuses that dwarfed the annual salaries of experienced Newark teachers. Around the workstations were red-lettered motivational signs: STAY FOCUSED AND KEEP SHIPPING. MOVE FAST AND BREAK THINGS. DONE IS BETTER THAN PERFECT. WHAT WOULD YOU DO IF YOU WEREN’T AFRAID? In the Newark schools, which

Zuckerberg had never visited, nothing moved fast, much was already broken, and most people were afraid of change.

A month after their conversations in Sun Valley, Booker gave Zuckerberg a six-point agenda drawn from the McKinsey document, which in turn was based on the original plan Booker had devised for Christie. It called for a data system to track student progress and hold everyone accountable for it; new school models, including charters, single-sex schools, and schools for students at risk of dropping out; recruitment and training of top-quality educators for future openings; a community awareness program to build public support and services for disaffected youth. The top agenda item for Zuckerberg was a new labor contract that would significantly reward Newark teachers who improved their students’ performance, a shift he believed would raise the status of the profession. “Over the long term, that’s the only way they’re going to get the very best people, a *lot* of the very best people,” he concluded.

Booker asked Zuckerberg for \$100 million over five years. The mayor conceded, however, that he did not know at the time what the initiatives would cost. He chose the number largely for its size and the public attention it would draw to the effort. “We knew it had to be big, we both thought it had to be bold, eye-catching,” said Booker. Zuckerberg agreed, with the caveat that Booker would have to match it with another \$100 million from other donors. Booker didn’t blink, although this meant raising a king-sized amount of money in an economy still reeling from the financial crisis of 2008.

In late summer 2010, Booker called Christie with the \$100 million news. “I didn’t believe it,” Christie recalled. “I said, ‘Come on, *really?*’ He said, ‘Governor, I believe I can close this deal. I really do. I need you, though.’”

Booker asked Christie to grant him control of the schools by fiat, but the governor demurred, offering him instead a role as unofficial partner in all decisions and policies, beginning with their joint selection of a “superstar” superintendent to lead the charge. Book-

overall, the film belted out a thunderous cheer for charter schools as the answer to the crisis in urban education.

There was a complication, however. Another movie was scheduled to debut the same weekend: *The Social Network*, Aaron Sorkin's fictionalized account of the founding of Facebook in which, it was already well known, Zuckerberg came off as an arrogant boy genius who betrayed a trusting friend on his way to fame and fortune. There was plenty of anxiety at Facebook headquarters about the potential of the movie, sure to be a box office blowout, to tarnish the company's brand. Facebook's communications team flatly advised Zuckerberg not to make such an attention-grabbing gesture of generosity just when *The Social Network* hit theaters. It would probably be criticized as a \$100 million damage-control stunt, not seen as a bold and selfless commitment to a better tomorrow for children, senior advisers told him. Zuckerberg asked Booker, Christie, and Winfrey for a postponement, but they were determined to go ahead, largely because Booker wanted to use the marketing campaign for *Waiting for Superman* as a catalyst for raising the second \$100 million. Zuckerberg said he then proposed making the gift anonymously. But again Booker, Christie, and Winfrey pushed back, saying they needed his name and cachet to attract donors. Zuckerberg said he did a rough calculation in his head and concluded that the number of people likely to see *The Social Network* was about two percent of the number who then logged on to Facebook every day. Let's go ahead, he said.

Although Facebook insisted the gift was unrelated to the movie, there was no question that it would create a splashy and favorable narrative about the young billionaire at the very moment he was being bludgeoned on the big screen. Christie and Booker also had much to gain from the timing. Booker faced an epic fiscal crisis and was preparing to lay off almost a quarter of the city's workforce. And Christie was under heavy fire for a botched state bid for \$400 million in Race to the Top funds.

As the day of the announcement approached—with Newark residents still in the dark about the revolution coming to their schools

—teams around Booker and Zuckerberg anticipated it would trigger a nationwide flood of matching contributions from the richest as well as ordinary Americans. "A national provocation, really provoking people to get involved, to get engaged," as Booker put it. Sandberg emailed updates to Booker's chief fundraiser, Bari Mattes, regarding billionaires she and Zuckerberg were soliciting: "Mark is following up with Gates this week. I will call David Einhorn (my cousin). Mark is scheduling dinner with Broad . . . AMAZING if Oprah will donate herself? Will she? I am following up with John Doerr/NewSchools Venture Fund." The references were to Bill Gates, hedge fund manager David Einhorn, real estate and insurance magnate Eli Broad, and Silicon Valley venture capitalist John Doerr. Einhorn and Winfrey did not contribute, and Sandberg reported that Broad first wanted to know who would be named superintendent. Gates gave \$3 million through his and his wife's foundation—Zuckerberg had hoped for between \$10 and \$15 million—and Doerr's fund gave \$10 million, to be used to expand networks of high-quality charter schools.

Ray Chambers, a Newark native who had made a fortune in private equity and for decades had donated generously to education and the city's children, offered to coordinate a \$1 million gift from local philanthropies as a show of community support. But Mattes was unimpressed. "I think that commitment is way too small and I wouldn't bother," she wrote the mayor in an email, concluding: "\$1 million as a collective gift over five years is just too insignificant for this group."

Because the reforms would focus on systemic changes, Mattes wrote in one email, "Mark's money is not going into classrooms." This aspect of the gift alone was sure to pose a public relations challenge in a city where teachers and schools desperately needed support for children who were years behind their grade level. But it was Sandberg, not Booker or his fundraiser Mattes, who expressed concern about the reaction in Newark, whose residents would soon learn from national television that there was a grand design to transform their schools. She asked in an email about plans for a "community awareness piece," deeming it "so critical." Sandberg also critiqued Booker's proposed

press release for placing too much emphasis on the initiative's national import, rather than on what was in it for Newark. "My one question is whether for local purposes there is too much 'national' language in here," she wrote. "I wonder if we should basically make this focused on Newark with just a touch of 'and this will be a national model.'"

Calling from the flight to Chicago for the *Oprah* show, Booker solicited one of his most loyal supporters, New York City hedge fund manager and billionaire philanthropist William Ackman. The two had met when Booker was a city councilman running for mayor, and a decade later, Ackman still vividly recalled his stunned reaction. "It was the first time I ever met a politician where I had this moving, unbelievable life experience: This guy can change the world. I want to be part of what he's doing," Ackman said. Over the years, he helped Booker raise millions of dollars in political and philanthropic campaigns and personally donated \$1 million to update Newark's police equipment. This time, the mayor's ask was steeper: \$50 million. Ackman offered \$25 million, and Booker accepted. It was more than he intended to give—more than he had ever given to a single philanthropic cause—but when Booker set the bar so high, Ackman said he felt sheepish about holding back. "It's a good fundraising strategy—ask for a really, really big number," he said with a laugh.

Earlier that month, Booker had presented the board of Ackman's Pershing Square Foundation with his six-point proposal to Zuckerberg for reforming the Newark schools. Unlike most venture philanthropists, Ackman said he didn't grill Booker on exactly how he would spend his money or dictate timetables and metrics for measuring results. "The idea was to fix education," he said. "How they were going to do it, that was just the detail. I was just confident he'd approve the best team, the best people, and it would end up in the right place."

It was just as Booker's law school pal Ed Nicoll had said all those years ago. Investors bet on people, not on business plans.

On September 24, 2010, Zuckerberg, Booker, and Christie ended up in matching black leather chairs on the stage of *The Oprah Winfrey*

*Show*. Christie recalled that Zuckerberg, who until that point had kept a low public profile, confided to him as they walked onstage that he was nervous. Christie said he promised the young magnate that it was actually going to be fun. With the cameras rolling, Booker and Christie went first, describing their bipartisan pact to transform the Newark schools.

"So, Mr. Zuckerberg, what role are you playing in all of this?" Winfrey asked, feigning cluelessness.

"I've committed to starting the Startup: Education Foundation," he said. "The first project will be a \$100 million challenge grant—"

He was not able to complete the sentence, as Winfrey exclaimed, slowly, as if in amazement, "ONE. HUNDRED. MILLION. DOLLARS?" The audience broke into applause. "YO! YO! YO! YO! YO!" Winfrey whooped, and she, Booker, Christie, and the studio audience gave Zuckerberg an explosive standing ovation. The world's youngest billionaire philanthropist remained seated, blushing, appearing uncomfortable amid the adulation.

Asked by Winfrey why he picked Newark, out of all the cities in the country, the T-shirted entrepreneur in open blazer and running shoes gestured toward the dark-suited politicians and said, "Newark is really just because I believe in these guys. Running a company, the main thing that I have to do is find people who are going to be really great leaders and invest in them, and that's what we're doing here. We're setting up a \$100 million challenge grant so that Mayor Booker and Governor Christie can have the flexibility they need to . . . turn Newark into a symbol of educational excellence for the whole nation."