
**The
Jacqueline P. Danzberger
Memorial Lecture**

Ninth Annual

**RAISING THE GRADE:
HOW HIGH SCHOOL
REFORM CAN SAVE
OUR YOUTH—AND
OUR NATION**

Presented by

*BOB WISE,
President
Alliance for Excellent Education*

*April 1, 2009
Washington, DC*

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*As of September 2009

September 2009

Dear Colleague

I am pleased to send you a copy of the ninth annual Jacqueline (Jackie) P. Danzberger Memorial Lecture delivered April 1st in the nation's capital. Bob Wise, president of the Alliance for Excellent Education (and former governor of West Virginia), underscored the seriousness of the high school dropout issue, described the cost to our nation, and offered strategies to help leaders address the issue. In remarks that resonated with Jackie's work, he implored elected officials to "take advantage of the public's willingness to make common sacrifices and to change" by making the bold changes that will result in real improvement in student achievement.

This year's lecture marked a major turning point on several fronts. Critical economic crises and opportunities challenge our nation and present a host of possible futures; many decisions must be made now to determine America's course. And, at a pivotal point in IEL's 45-year history, I was appointed president by the IEL Board of Directors. It is my intent to both strengthen and broaden IEL's efforts to prepare and support leaders, connect schools, families and communities, and connect policies and systems in support of better outcomes for all children and youth.

IEL's collaboration with the National School Boards Association helped us establish the Danzberger Lecture as a way to remember a valued colleague and a friend who worked diligently to bring a sharper focus on governance. On behalf of IEL, I thank NSBA and the many individuals whose donations helped establish this platform for addressing the obstacles that confront and confound leaders for learning.

As we look to the future of both the nation and IEL, I am grateful for this fitting tribute to a leader who worked so hard to remind her peers and all stakeholders that improving students' education and growth must be our leaders' primary concern. I look forward to the 10th annual lecture, and enlist your support of both the Lecture and IEL in the coming years.

Sincerely,

Martin J. Blank
President, IEL

EXCERPTED REMARKS BY BOB WISE....

When the Danzberger Lecture began in 2001, the government was forecasting a \$5.6 trillion budget surplus between then and 2011. It was also just beginning work on what would become the No Child Left Behind Act (NCLB)—legislation that some would call the largest expansion of the federal role in education since Congress enacted the Elementary and Secondary Education Act of 1965.

Today, my premise is that a series of forces have converged: economic, social, educational and political—and that the next few years, specifically the next two—may well be one of the most critical times for setting federal education policy in this nation since the Great Society in 1965. While I believe the ensuing actions may expand the traditional federal role, I also envision a simultaneous expansion of local and state roles to meet new demands.

Currently, a worldwide economic crisis unparalleled since the Great Depression is rocking Wall Street and Main Street. In response, President Obama signed the American Recovery and Reinvestment Act (ARRA), calling it the “largest investment in education in the nation’s history.” The next month (March 2009), the Congressional Budget Office estimated that the nation would face a cumulative deficit of \$4.4 trillion from 2010 to 2019. The confluence of these three events—a deep recession, the passage of the stimulus legislation, and the projected budget deficit—makes 2009 a moment of great crisis, but also one of great potential for education, especially when you factor in the reauthorization of NCLB that President Obama has said that he wants to finish this year.

Before I identify the several major forces that will shape the education agenda into the next year, there is a preexisting crisis the nation must recognize: **Three out of every ten students do not graduate from high school, and about a third who graduate are not college- and work-ready.**

- **In the 1960's the U.S. ranked 1st in high school graduation rates; today, we're 21st,**
- **From 1995 to 2005, the U.S. fell from 2nd to 14th in college graduation rates, and**
- **According to the Programme for International Student Assessment (PISA), U.S. 15-year-olds rank 21st in science and 25th in mathematics.**

WHAT ARE THE MAJOR FORCES SHAPING EDUCATION REFORM TODAY?

#1: The unprecedented economic crisis—mortgages, banks, and automobiles—makes it clear that it's no longer business as usual.

The imminent collapse of banks, investment bankers, and the auto industry has turned the free enterprise system upside down. Suddenly the \$700 million federal Troubled Asset Relief Program (TARP) is a common phrase.

Washington has put much of the U.S auto industry on a fiscal heart-lung machine, and taxpayers suddenly find themselves insuring... the insurer—AIG.

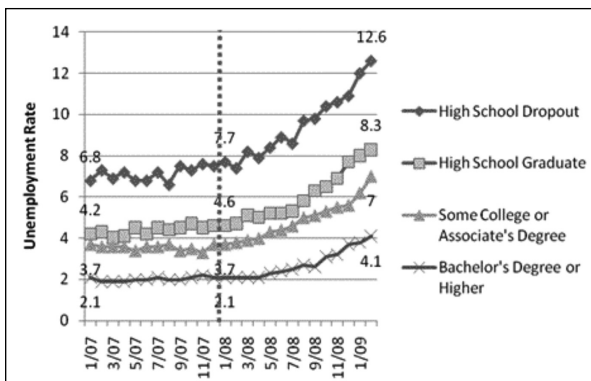
The unthinkable a year ago is the commonplace today.

#2: The complete link between education and the economy.

The 2009 stimulus package offers the best evidence of how much education and the economy are joined at the hip. The package contained \$100 billion for education, far more than was approved for that old standby of stimulus packages—physical infrastructure. Fifty years ago one-third of the work force was involved in manufacturing. Today only about 10 percent of the workforce is in that sector; 80 percent is in the service economy and knowledge based jobs. Concrete and steel dominated past stimulus efforts. In today's Information Age, education is the main currency.

A Fortune 500 CEO once told me, “The only job security that people have anymore is their education.” The chart below underscores this point, documents who is being laid off, and provides evidence of the link between the economy and education.

Educational Attainment and Unemployment



Source: Bureau of Labor Statistics, 2009

Based on the February 2009 jobs report from the U.S. Bureau of Labor Statistics, 12.6 percent of

high school dropouts are unemployed, compared to 8.3 percent of high school dropouts, 7 percent of individuals with some college, and 4.1 percent of those with a college degree or higher.

As David Leonhardt, an economy and business writer at the New York Times, has pointed out, “. . . earlier recessions introduced the country to the concept of mass white-collar layoffs. In this recession, the brunt of the layoffs is falling on construction workers, hotel workers, retail workers and others without a four-year degree.”

Economic experts tell us that we must limit the impact of the non-performing assets that are dragging down banks and other financial institutions before we can see an economic recovery.

But, there is another group of non-performing assets that is dragging down the U.S. economy—costing over \$319 billion every year—**our high school dropouts, over one million per year.** If the situation remains unchanged, the next five classes of high school dropouts will cost the nation over \$1.5 trillion. This class of non-performing assets threatens our economy more than AIG, subprime mortgages and the auto industry combined.

Let’s face it, no one is quite sure what will work to remedy the problems in the various business sectors. But in education, we essentially know what works and the return on the investment.

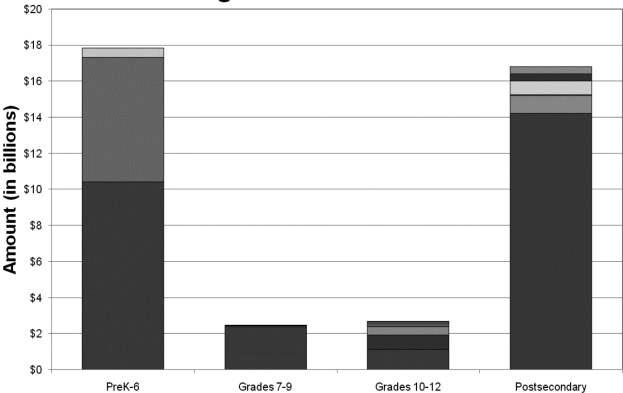
Professor Henry Levin and his colleagues reported in a 2007 report, **The Price We Pay: Economic and Social Consequences of Inadequate Education**, that simply cutting the national dropout rate in half would reap \$45 billion in new federal tax revenues and reduced costs of public health, crime, and welfare payments. This return is with an investment of about \$5 billion

annually, and that is just for one class of dropouts. Unlike with TARP, we know what it will take to transform our drop out students from non-performing assets into revenue-raising assets. Truly, the best economic stimulus is a high school diploma.

#3: The only funder for education for the next three years will be the federal government.

The first purpose of the education dollars in the stimulus package is to help the existing education system simply keep operating. I was governor during the last economic recession and know what it's like to look up a mountainside and see the budgetary avalanche barreling toward you. And, unlike at the federal level, there's little you can do at the state and local levels to control the economic forces that are dragging the economy down. When you're making decisions like, "Can I extend the life of this school bus for one more year?" it is pretty hard to be enthusiastic about restructuring the state's high schools. Just as only the federal stimulus dollars could have provided immediate assistance to thousands of financially threatened school districts, so it will be federal dollars that enable districts and states to undertake true education reform that improves student outcomes.

Missing Middle: FY 2008



If federal funding will be a larger factor in overall education spending, then there needs to be a reexamination of how that funding is allocated and of the return on investment. The chart below is a graphic representing the pre-stimulus, FY08 allocation of federal spending for education.

As the chart demonstrates, there's a huge gap in funding for middle and high schools as compared to the funding allocated for early grades and post-secondary education. I am not saying that funding for early education and college are not important. Rather, I am saying that we need to beef up the middle portion of this chart.

#4: Change.

No one expects, or even wants business as usual. A school superintendent, a legislator, principal, governor or president must embrace the moment—as painful and difficult as it initially seems—to begin to make the changes in education that we have been talking about for decades. A public that is conditioned to bailouts is ready for its leaders to do something real about dropouts. I learned from the last recession—there is a certain luxury in being broke; it means you can't do things the same way.

#5: The window of opportunity is open right now.

There is a crisis, and the federal government is, for now, willing to spend. The President and the Secretary of Education are holding firm on pushing for significant education reforms, the Congress is poised to resume action on reauthorizing NCLB, and no one expects business to be conducted the same way. This is the open window, but perhaps open only briefly. My prediction is that the \$100

billion stimulus funding is a one-time application. The deficit hawks are already circling.

Additional federal assistance will be tied to demonstrable—and ongoing—education reform. Skeptics will also be looking at the large sum that went out via traditional funding streams like Title 1 and will be asking, “What difference did this funding make?”

The window of opportunity will only be open briefly. Political winds can quickly turn. Another foreign crisis, a Congress bogged down in health care, or any number of issues can emerge quickly and turn attention away from education. This is why the next year-and-a-half should not be about simply spending more money, but about focusing on the true improvement in education outcomes that are initiated.

“My message to elected officials: take advantage of the public’s willingness to make common sacrifices and to change.”

Bold changes can result in significant gains:

Establish Common Standards. Move our nation to a system of state-initiated common standards that are internationally benchmarked and, for the first time, **truly guarantee that zip code does not determine what type of education a student is expected to receive.** Both President Obama and Secretary Duncan point to the flaw in having 50 different sets of standards, rather than one clear common set of standards that every student should attain.

Because the stimulus bill includes money that can be used to encourage states to create and embrace common, world-class standards, Secretary Duncan does not need to wait for the reauthorization of the NCLB to get to work on the standards issue. As President Obama has pointed out, “Today’s system of 50 different sets of benchmarks for academic success means 4th grade readers in Mississippi are scoring nearly 70 points lower than students in Wyoming—and getting the same grade.” Without a common standard, there’s no way to determine which states are doing a good job educating their students and which states need more help.

Reauthorize the Elementary and Secondary Education Act, or NCLB. We can talk all night about changes, but the basic one I seek is to reverse the interactions of the federal, state and local governments. Presently, there are 50 sets of state standards with the states determining what constitutes “proficiency.” Then, if the state does not make this definition, the federal government tells the state the limited actions it should take. This is backwards. There should be one set of commonly agreed upon standards. If a school does not achieve them, then the local district and the state apply the interventions that will remedy the existing problem. One size rarely fits all—and that is true in education as well.

Recognizing the federal funding role, **Congress can pass the Graduation Promise Act, a bipartisan bill that would target funds to the lowest performing high schools.** 2000 high schools produce almost one-half of all dropouts; we know where they are. Let’s go get them.

Develop new data systems. One of the sleepers in the stimulus package is the provision of \$250 million to assist states in the development of new data systems. Too many school districts still can't pass a basic test. If Fed Ex can track a package from when I send it from my house all the way across the country to your house, then we ought to be able to track every student through her academic career.

Good data can tell us how many of our students are graduating, which of our teachers do the most to improve student achievement, which of our students struggle with certain subjects, and which interventions work best to improve performance. But first, you have to make the case that data are important. **You need to increase the demand for good data and use funds to create the infrastructure that can answer the “What Works” question.**

Incorporate comprehensive reading and comprehension strategies at every step in the pre-K–12 process. Another reason for the nation's low graduation rates is a lack of reading instruction in middle and high schools. According to the National Assessment of Educational Progress (NAEP), only about 30 percent of eighth-grade students read at a proficient level. Meanwhile, 27 percent of eighth graders read below the basic level, which means that while these students may be able to read and pronounce words on a page, they cannot think critically or draw conclusions about what they read. Without these skills, students are often unable to master the more difficult content that they encounter in high school. They fall behind, receive failing grades, and eventually drop out. In

fact, the percentage of students reading below basic on NAEP is nearly an exact match to the national dropout rate.

Neither governors nor any other elected officials are remembered because they simply hacked spending and created even less. Their portraits are hung for restructuring a budget, and for bringing about the changes that truly made improvements.

This is a crisis, and the public wants and expects change.



The Jacqueline P. Danzberger Memorial Lecture presentation, printing, and distribution are made possible in part by a memorial fund established at the Institute for Educational Leadership in 2000 to honor her memory. The following persons have delivered the lecture:

- 2001 Richard W. Riley, U.S. Secretary of Education, 1992-2000
- 2002 Rod Paige, U.S. Secretary of Education, 2001-2004
- 2003 Eli Broad, Chairman, AIG Sun America Inc. & Founder, The Broad Foundation
- 2004 Melinda French Gates, Co-Founder Bill & Melinda Gates Foundation
- 2005 Roy E. Barnes, Former Governor, Georgia
Jim Geringer, Former Governor, Wyoming
- 2006 Michael D. Usdan, Senior Fellow & Former President, Institute for Educational Leadership
- 2007 Claude Steele, Lucie Stern Professor in the Social Sciences, Stanford University and Director of the Center for Advanced Study in the Behavioral Sciences
- 2008 John Merrow, President of Learning Matters, and Education Correspondent, The Newshour with Jim Lehrer
- 2009 Bob Wise, President Alliance for Excellent Education

You can download a copy of the prior lectures from IEL's Web site at: <http://www.iel.org/pubs/dls.html>

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