



# StraightA's

Public Education Policy And Progress



## **HOUSE CONSERVATIVES PUSH FOR OFFSETS TO SPENDING ON HURRICANE RELIEF: Education Programs On the Table**

In the first two weeks after Hurricane Katrina devastated much of the Gulf Coast, Congress passed \$62.3 billion in disaster relief through a pair of supplemental spending bills that are widely viewed as the first down payment for rebuilding efforts that could cost up to \$200 billion. As these numbers begin to add up, many conservatives in Congress are asking for offsets, or spending cuts, for this unexpected spending. As a result, existing programs under the auspices of the U.S. Department of Education, as well as those of other agencies, could see cuts.

The conservative Republican Study Committee has garnered most of the headlines over the past few weeks with its "Operation Offset," a list of spending cuts that would save \$370 billion over the next five years to help pay for hurricane relief. To date, the list of programs, which includes everything from reducing foreign aid to delaying the new Medicare prescription drug program for one year and reopening the recently passed highway bill to strip out \$26 billion in "pork projects," has garnered little support from either the White House or the Republican leadership.

Nevertheless, **Rep. Mike Pence (R-IN), chairman of the ninety-plus-member committee**, has vowed to press ahead with his group's list of spending cuts to help pay for Katrina reconstruction. However, at a follow-up meeting with the GOP leadership last week, discussion focused on a narrower list of ideas, including "Medicaid, food stamps, welfare reform and the possibility of an across-the-board cut in non-defense, non-homeland-security-related discretionary spending," according to *Roll Call*, a Capitol Hill newspaper.

**White House spokesman Scott McClellan** has suggested that, as an alternative, Congress enact some of the cuts included in Bush's fiscal year 2006 budget proposal. In his budget, the president proposed ending or cutting 154 federal programs to save at least \$20 billion in nondefense discretionary spending. Forty-eight U.S. Department of Education programs, with costs totaling \$4.3 billion, were included in that list.

As part of her Back-to-School Address on September 21, **U.S. Secretary of Education Margaret Spellings** acknowledged that some education programs might be cut to help pay for the additional spending. "There are things in the Department of Education's budget and in the federal government generally that the president has called for either trimming or eliminating. We have some programs in our own budget that are not as effective as they could be, that are a better way to do business and so forth. And so those things I'm sure will be on the table as we negotiate with Congress."

## House Conservatives Push for Offsets

(Continued from p. 1)

According to the Center on Budget and Policy Priorities (CBPP), the tax cuts enacted in 2001 and 2003, at \$225 billion, will cost more this year alone than the total amount likely to be spent on Katrina relief efforts. “It is ironic that not long after Hurricane Katrina provided vivid images of the wide gaps between wealth and poverty in this nation, a group of lawmakers would propose a deficit-reduction package that relies heavily on cuts in programs that alleviate the worst effects of poverty,” said **Robert Greenstein, CBPP’s executive director**, in criticizing the committee’s offset proposal.



### **THE MILLION STUDENT MARCH (OUT THE DOOR): U.S. Secretary of Education Says One Million Students Drop Out Every Year, Costing the Nation \$260 Billion**

When President Bush chose to fund the lion’s share of his high school initiative by diverting funds from popular programs such as vocational education, GEAR UP, and TRIO, the proposal was widely seen as dead on arrival on Capitol Hill. While funding for the president’s initiative is still on life support, the need for improvement in our nation’s high schools remains very much alive, as U.S. Secretary of Education Margaret Spellings reminded audiences in her Back-to-School Address on September 21. She reiterated the theme in her testimony before a House Education and the Workforce Committee’s hearing, “Closing the Achievement Gap in America’s Schools: The No Child Left Behind Act.”

Spellings highlighted recent comments by **Federal Reserve Chairman Alan Greenspan** and **John Chambers, president and CEO of Cisco Systems**, about the need to create an education system that helps more American students graduate and be competitive in the job market, both at home and internationally. Failing to help students at risk of dropping out is not only morally unacceptable, Spellings said, it is “economically untenable.” As she explained:

*Studies show the staggering cost of high school dropouts. In addition to lost earnings for the individual, consider the cost to society. The one million students who drop out of high school each year cost our nation more than \$260 billion in lost wages, lost taxes, lost productivity over their lifetime. In federal dollars, that will buy you ten years of research at the National Institutes of Health. When we lose a million students each and every year, it has a tremendous impact on our economy, and it represents the American dream denied. So I would suggest, for this and a host of other reasons, how well our students are doing is not just an education issue; it’s an economic issue, a civic issue, a national security issue, and it’s everybody’s issue.*

Although some surveys show that many members of the general public think it is unrealistic to expect every student to graduate from high school, Spellings adamantly disagrees, and addressed the issue directly, “Take a look at our high school graduation rates,” she said. “Among ninth graders, five out of ten minority students fail to finish high school on time. Overall, three out of ten don’t finish on time. Would we tolerate three out of every ten planes going down? Would we tolerate three out of every ten heart surgeries falling? Then why is it okay for three out of ten kids to drop out?”

## **Congressional Reaction to Federal Role in High Schools Remains Mixed**

Speaking to members of Congress last week, Spellings again stressed the need to raise the academic achievement levels of the nation's middle and high school students. She pointed to recent results from the National Assessment of Educational Progress (NAEP) long-term-trend assessments in reading and math that showed no measurable change in average scores for seventeen-year-olds since 1971.

After her testimony, **House Education and the Workforce Committee Chairman John Boehner (R-OH)** expressed a concern about preparing students for the workforce: “[S]ome three or four million jobs in America are going begging today because American companies can’t find the people with the skills and/or education to fill these jobs.”

But Boehner remained hesitant about a more active federal role in high school improvement efforts. Instead, he suggested that Congress’s focus on early childhood development would help prevent dropouts down the road. “I am one of those who believe that we don’t lose [students] in high school,” he said. “We lose them in grades one through three when the fire of learning isn’t lit.” He added that improvement shown by nine-year-olds in the NAEP reading and math trends data will help Congress address the high school problem. Boehner also says that a balancing act is needed with regard to the demands that the federal government places on schools. “While I want more rigor, while I want more time on task, I don’t want to get in the position where we so overly burden our schools so quickly that people just give up and walk away.”

**Rep. Mike Castle (R-DE)**, saying that Congress should not wait until the reauthorization of NCLB to address the problems in high schools, asked about the Bush administration’s effort in pushing its high school initiative. In response, Spellings admitted that the administration’s strategy might not have been the “exact right one,” but stressed that the high school issue needed attention. She expressed frustration with the lack of data around proven solutions. “We have a dearth of information about what the problem is, for whom, what’s the cure, and so on,” she said. “We *think* students drop out because they lack reading skills . . . we *think* there’s disengagement, but we’re doing a lot of guessing about what’s wrong in high schools and what the right policy levers to work with are, and we need some data.”

She expressed a similar sentiment in her Back-to-School Address. “I think the facts [about the need for high school reform] are there,” she said. “And I’m going to use forums like this to frame the problem, and I’m very confident that eventually [Congress will] come on board.”

Secretary Spellings’s Back-to-School Address is available at <http://www.ed.gov/news/speeches/2005/09/09292005.html>.

Testimony and video from the House Education and the Workforce Committee hearing is available at <http://edworkforce.house.gov/hearings/109th/fc/fchearings.htm>.



## SLIP, SLIDING AWAY: International Report Finds “Cause for Concern” in United States’s Educational System as Other Countries Move Ahead

The international educational advantage the United States has long held over other countries is beginning to slip, according to a new report from the Organization for Economic Co-operation and Development (OECD). According to the report, *Education at a Glance 2005*, the United States has fallen behind in many educational indicators because of its inability to improve at the rate of other countries. As a result, the nation continues to do well as a knowledge economy—partly as a function of its size and far superior higher education system—but it no longer dominates on all measures as it once did.<sup>1</sup>

“There are causes for concern in the United States’ educational system,” the report reads. “The advantage it had over other countries of much higher completion rates of [high school] education and [postsecondary] education has been eroded.”

In looking at high school graduation rates, the report notes that the country’s advantage in producing high school graduates has declined dramatically, although its graduation rates have remained roughly the same. Forty years ago, the U.S. graduation rate of 85 percent placed it first among OECD nations.<sup>2</sup> Although the rate is slightly up today, at 87 percent, sixteen OECD countries are doing better, with the U.S. ranking seventeenth.

The United States’s hegemony in producing college graduates has also declined. Thirty-five percent of fifty-five- to sixty-four-year-olds have a college degree, which is good enough for first place among OECD countries.<sup>3</sup> Canada is the only other country above 27 percent. However, among twenty-five- to thirty-four-year-olds with college degrees, the United States is tied for seventh—even though its percentage of college graduates has increased to 39 percent. Canada (53 percent), Japan (52 percent), and Korea (47 percent) have all surpassed the U.S., while Finland, Norway, Sweden, Belgium, and Spain are slightly above or equal to the U.S.

Even though the United States has lost its advantage in producing college graduates, it can still take pride in having some of the best and most respected colleges and universities in the world. According to the report, international rankings of the top institutions in the world are dominated by American universities. In addition, almost 30 percent of foreign students from throughout the world choose to study in the U.S.

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<sup>1</sup> According to the OECD report, “the development of modern ‘knowledge economies’ reflects a move from an economy based on land, labor, and capital to one in which the main component of production is information and knowledge. The most effective economies are those with the largest production of information and knowledge and in which they are easily accessible to the greatest number of individuals and enterprises.”

<sup>2</sup> In calculating its graduation rate, the OECD report relies on data obtained from a question on the Current Population Survey (CPS), which asks about the highest level of education completed and makes it susceptible to an individual’s interpretation or outright lying. The CPS also includes GED recipients with regular high school graduates and does not include individuals who are in prison, a large percentage of whom are high school dropouts.

<sup>3</sup> The OECD report analyzed thirty countries: Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, Turkey, the United Kingdom, and the United States.

However, many students do not receive the preparation they need for the rigors of college—especially compared to international standards. In fact, the United States’s decline relative to other OECD countries in producing high school and college graduates is best explained by the subpar efforts of its older students on international tests. American fifteen-year-olds’ mathematics performance on the 2003 Program for International Student Assessment (PISA) placed them well below the OECD mean and ahead of only Portugal, Italy, Greece, Turkey, and Mexico.

Still, more than almost any other country in the world, the United States offers greater financial reward to individuals as they move up the education ladder. According to the report, American university graduates aged twenty-five to sixty-four earn, on average, 91 percent more than those who do not continue their education after receiving a high school diploma. Only Hungary (among OECD countries for which there is data available) reported a higher rate. On the opposite end of the scale, individuals in the same age group who did not graduate from high school earn an average of 30 percent less than those who have a high school degree. Of the OECD countries, only the United Kingdom (which, at 31 percent, is essentially the same) has as large a differential in earnings between the two educational levels. The report also notes that Americans with higher levels of education are less likely to be unemployed than those with lower levels of education.

The OECD briefing note for the United States on *Education at a Glance 2005* is available at <http://www.oecd.org/dataoecd/41/13/35341210.pdf>.



### **LOW-INCOME AND MINORITY STUDENTS LEFT BEHIND: Analysis of Indiana State Tests Shows That Scores Decline and Achievement Gap Widens as Students Enter Higher Grades**

The percentage of middle and high school students who pass both the English/language arts and mathematics components of the Indiana Statewide Testing for Educational Progress-Plus (ISTEP+) have increased since the 1998–99 school year, but significant achievement gaps exist between Asian and white students and their Hispanic and African-American classmates, according to a new report from Indiana University’s Center for Evaluation and Education Policy (CEEP). What’s more, the report, *Is the Achievement Gap in Indiana Narrowing?*, also found a similar achievement gap between low-income students and the rest of their classmates.

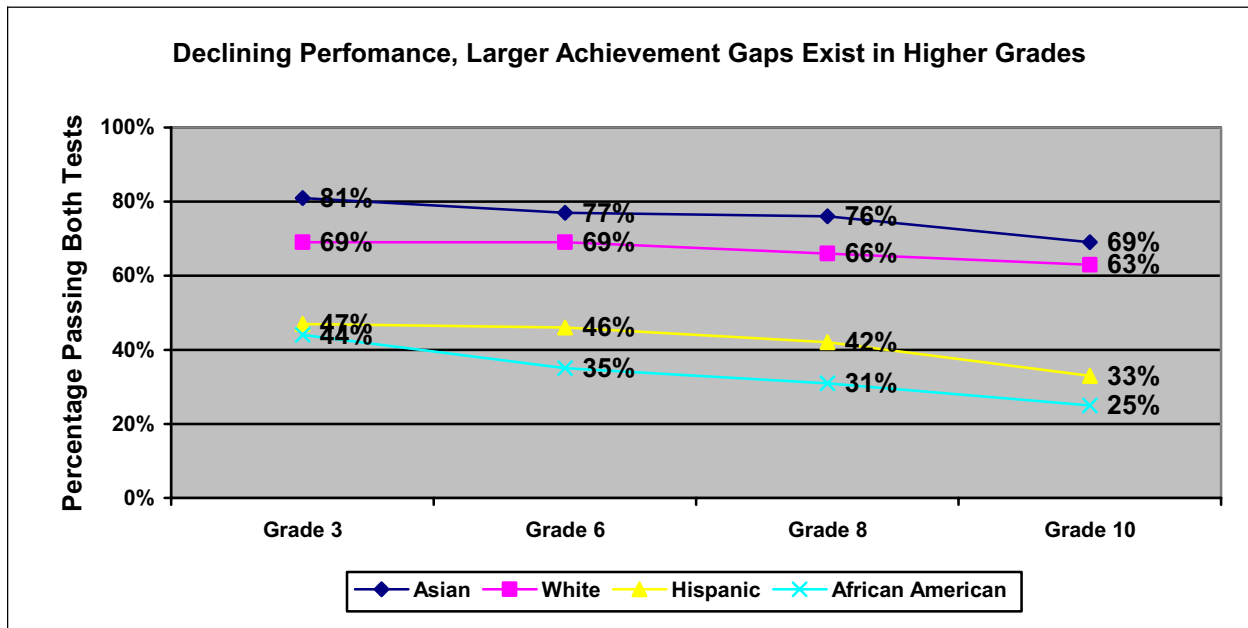
“If you look below the surface, you can see there are a significant number of poor and minority students who are not succeeding academically and are falling through the cracks,” said **Terry Spradlin, associate director of CEEP.**

In addition to the analysis of ISTEP+, the report also looked at the last seven years of scores from the National Assessment of Educational Progress (NAEP), the Scholastic Aptitude Test (SAT), scores from Advanced Placement tests, and completion rates for high school and college. Without exception, ever-widening gaps were present between Asian and white students and their African-American and Hispanic peers. Similar results were found when scores were disaggregated by income. In fact, the study found that poor and minority students in Indiana are already a full two years behind their peers by the fourth grade. The gap widens as they age, and reaches four years by high school.

## Low-Income and Minority Students Left Behind

(Continued from p. 5)

Indeed, the percentage of students who pass both the English/language arts and mathematics components of the ISTEP+ falls dramatically the longer a student is in school (see chart below). At the same time, the achievement gaps for Hispanic and African-American students are much more pronounced in grades eight and ten than in the earlier grades. For example, in grade three, the achievement gap between white and African-American students was 25 percent; in grade ten, however, the gap was 38 percent, with 63 percent of white students passing both tests compared to only 25 percent of black students.



The report found similar results when it disaggregated student passing rates based on income. The percentage of students who passed both the English/language arts and mathematics components of the ISTEP+ increased for all ethnic groups from 2001–02 to 2004–05, but significant achievement gaps remained—and grew larger in higher grades. In grade three, 74 percent of students who paid for their lunches passed both the English/language arts and mathematics components of ISTEP+ compared to only 50 percent of students who received free or reduced-price lunches (F/R). By the tenth grade, scores for both groups of students had declined, but the achievement gap had grown, with 65 percent of paying students passing both tests compared to only 35 percent of F/R students—an alarming 30 percent difference.

Researchers offered several suggestions of ways to shrink the achievement gap, including all-day kindergarten for some children, better teachers in urban schools, and higher expectations for the most disadvantaged children. It also called on policymakers to pay closer attention to expulsion and suspension practices in the middle grades and suggested the creation of a high school improvement task force that would serve as a clearinghouse for information on effective reforms.

The complete report is available at [http://ceep.indiana.edu/projects/PDF/Achievement\\_Gap\\_091405.pdf](http://ceep.indiana.edu/projects/PDF/Achievement_Gap_091405.pdf).



## STRIVING READERS UPDATE: Eligibility Criteria Expanded, Additional Q&A Sessions Planned

On September 30, the U.S. Department of Education modified the eligibility criteria for the Striving Readers program so state education agencies are eligible to apply for the program on behalf of one or more eligible school districts. It also made clarifications about the grades that must be targeted and students who must be served by the program’s school-level and targeted-intervention components. More information is available on the department’s Striving Readers website, linked below.

In addition, because of very high interest in the Striving Readers program, the U.S. Department of Education will be holding additional question-and-answer sessions on the grant applications process. Although the sessions will not include overview presentations by department officials, they will allow potential applicants to ask questions of Striving Readers officials in an open forum about the application, requirements, procedures, and deadlines.

In order to participate in a meeting, call the toll-free number associated with the meeting time and date listed below. You will be asked to provide the program name (Striving Readers) or chairperson (Kathryn Doherty) and the associated confirmation number to be connected to the conference call. The calls are first come, first serve, and the department asks that you do not attempt to call and make reservations ahead of time.

Date and Time of Call	Phone Number	Confirmation Number
Thursday, October 6 @ 11:00 am EST	800-682-5640	44660628
Thursday, October 13 @ 1:00 pm EST	800-682-5640	44660629

The U.S. Department of Education has also indicated that the notice of intent to apply for a Striving Readers literacy grant deadline of September 14 **is not binding**; therefore, local education agencies have until November 14 to submit applications.

Questions and answers from past conference calls are posted under “Frequently Asked Questions” on the department’s website at <http://www.ed.gov/programs/strivingreaders/index.html>.

**Straight A’s: Public Education Policy and Progress** is a biweekly newsletter that focuses on education news and events both in Washington, D.C., and around the country. The format makes information on federal education policy accessible to everyone from elected officials and policymakers to parents and community leaders. The Alliance for Excellent Education is a nonprofit organization working to make it possible for America’s secondary school students to achieve high standards and graduate prepared for college and success in life.



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