

New Standards in Education: A Regional Approach to Human Capital Development

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Human capital development -- creating an educated labor force with the problem-solving skills to compete successfully in the demanding and rapidly changing global economy of the 21st century -- is America's greatest challenge. Although in the aggregate the nation's economy is in good shape, growing roughly a point a year in inflation-adjusted terms over the last twenty-five years, and somewhat better most recently, not all Americans have shared equally in this expansion. This is because global trade and technology have tilted the floor on which they have been standing, and those without real skills have been sliding to reduced wage levels. The resulting income inequality -- only the top fifth of our families is doing well, the second fifth is largely stagnant, and the remaining three-fifths are losing ground -- threatens both the long-term viability of our economy and the stability our democracy.

Human capital development is also each region's greatest challenge. A successful response must be regional in scope, and I've sketched below how four Pennsylvania counties in metropolitan Philadelphia with 2.1 million people and 61 public school districts that enroll 313,000 students are responding.

The valuable by-product of an effective regional response will be a strengthened capacity to address other regional challenges.

The human capital development challenge, moreover, can be addressed effectively only at the regional level. This is because whatever goods or services our regions produce, their creation depends largely upon the talent available in the regional labor force. (Reference here is to the vast majority of workers rather than the select few normally recruited in national or international searches.)

But the private solution practiced by parents -- to settle in a community with good schools -- will not work for employers because they hire from a labor pool that is regional rather than school district wide in scope. In metropolitan areas across America, close to half of all workers cross a county line in their daily journey-to-work. If a region fails to create an indigenous labor force of quality -- that is, if it does not produce adequate home-grown talent -- it must attract workers from other regions. This means paying higher wages, an act that raises the costs of a region's goods and services and makes it less competitive.

The best place to start is with our K-12 schools. There are many reasons for doing so, but none more significant than K-12 schools are where the nation makes its greatest investment in human capital development. For over a century our schools always did one

thing well: they educated the top fifth of their students. The performance of the remaining 80 percent didn't matter because upon leaving school they entered a robust manufacturing economy that provided abundant jobs for those with limited skills. But those days are gone, and they are not coming back. "If companies around the globe can now buy fool-proof machinery to compensate for deficient worker skills, and if people in other countries using this machinery will work for \$5 a day, let alone the \$10 or \$15 an hour that American workers want," concluded the Commission on the Skills of the American Workforce, "we cannot compete on the basis of wage we can only compete on the basis of skill." Bill Brock, former Secretary of Labor, and a co-chair of the task force, provided this summary of America's Choice: High Skills or Low Wages (Rochester, N.Y. National Center on Education and the Economy, June, 1990).

The end of the manufacturing era with its well-paying jobs for people with limited skills means that our schools must now educate all our children to a level never required before. The new economy changes with striking and unprecedented rapidity, and it requires workers who are flexible, adaptable, quick learners, critical thinkers, and above all else, problem solvers. And these are precisely the skills our schools are not teaching.

A large part of the reason we have been slow to change is that most suburban residents compare their schools to those of the big cities they surround. Because on average they have lower drop-out rates, better achievement scores, and higher college enrollment scores, they conclude their schools are fine and the problems lie in the cities. Unfortunately, there is no comfort in this suburban-to-urban school comparison. Worse, this comparison functions as a sedative, a soporific that has put Americans to sleep. It has left us complacent, thinking that the education problem lies elsewhere, in our cities with their large, poor, and disproportionately nonwhite populations. Yet ample evidence from the National Academy of Science's Third International Math and Science Study and the reference exams of the national New Standards Project make clear that nowhere in America -- even in our best school districts -- are the majority of students performing at world-class levels. (National Academy of Sciences, The Third International Math and Science Study, and the technical appendix from NSP.)

The 1996 National Education Summit made clear what we must do. Forty-one Governors and 49 chief executive officers of America's largest agreed that the number one priority for the nation's schools was the adoption of rigorous academic standards and internationally-benchmarked assessments.

Southeastern Pennsylvania's New Standards in Education Project

The inhabitants of each region must understand why the bar of academic performance must be raised in its schools. The message we've fashioned (the economic arguments for raising the bar and the revolutionary content of standards pedagogy) and the strategy for delivering it (a "bottoms-up," district-by-district effort) have been exceedingly well received in Southeastern Pennsylvania. For an elaboration of the economic arguments and the content of standards-based school reform, see Theodore Hershberg, "Human Capital Development: America's Greatest Challenge," *The Annals of the American Academy of Political and Social Science*, vol.544 (March, 1996) and

Hershberg, "New Standards in Education: Meeting America's Human Capital Development Challenge," Commentary, Education Week (December 10, 1997).

More importantly for the readers of this issue of *The Regionalist*, we believe our approach represents a model for use in regions across the nation because the arguments we've developed and the means for presenting them are generic and should be broadly applicable.

The goal of the New Standards in Education project, organized by the University of Pennsylvania's Center for Greater Philadelphia and supported by major foundations and corporations, is to have standards and assessments adopted by all the region's school districts so that all students will be able to perform at world-class levels.

Opening Conference

The first step was a conference to introduce standards-based school reform to the region's school districts. This session was co-sponsored with the Pew Charitable Trusts, the Pennsylvania State Education Association (PSEA is the state teachers' union), Greater Philadelphia First (the chief executive officers of the region's largest corporations), and the University of Pennsylvania's Graduate School of Education. In March, 1996, 54 of 61 school districts in the four counties sent teams of superintendents, school board members, curriculum specialists, parents, and union and business leaders to our opening Conference.

Southeastern Pennsylvania Standards Consortium

Since then, 18 school districts have joined the Southeastern Pennsylvania Standards Consortium. Their partners are the PSEA and the Intermediate Units (county-wide organizations that provide valuable educational services to public, private and parochial schools). Each district is free to choose any standards they wish their own, those adopted by other states, those recommended by Pennsylvania's standards commission, or those developed by the national New Standards Project. However, all districts have agreed to use the latter's internationally-benchmarked reference tests to measure student achievement. Finally, drawing on the talents of colleagues across the region, member school districts are working collaboratively on the tasks of curricular and professional development.

Chambers of Commerce Standards Coalition

In addition, eighteen Chambers of Commerce have joined together in a Standards Coalition and have adopted the following mission statement: We are committed to the creation of a competitive labor force for the 21st century economy. We believe this can best be accomplished over the long term by raising the bar of academic performance in our schools so that all students in Southeastern Pennsylvania can meet world-class education standards. Our goal for the year 2000 is to ensure that all school districts in Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties adopt and successfully implement rigorous academic standards and internationally-benchmarked assessments.

The Coalition works to persuade the region's remaining school districts to adopt standards-based reform and to invent new ways of supporting the schools in their efforts. Work is now underway to form business-led coalitions in each school district so that the region-wide effort is paralleled by efforts at the local level.

Media Seminar

With help from an advisory committee of leading editors and station general managers, the Center organized a half-day briefing to introduce the complex issues raised by standards-based school reform to the region's print and electronic media professionals. This is arguably the "education story" of the decade because it will ultimately affect every student, parent, taxpayer, and voter in the region.

"Raising the Bar:" Region-wide Conference on Standards-based School Reform

On May 27, 1997, the Chambers, the participating school districts, PSEA, and other groups will co-sponsor the Raising the Bar Conference. The Conference will describe the region's human capital development challenge; explain the content of standards-based school reform; review the work of the Consortium; recruit other school districts; discuss how to build local standards coalitions; and in general build support and understanding outside the classroom for this key education reform.

Our goal is for 2,000 people to attend: roughly half each from business and school districts. Chambers of Commerce have agreed to a "five percent rule" that is, they have committed to purchase in advance a number of tickets equal to five percent of their membership, which leaves them the task of explaining to their members why the Conference is a "must-attend" event. A significant turnout will energize those present, enhance the legitimacy of our collective efforts, and make clear that individuals are not working in isolation. With an audience of this magnitude, we will signal unmistakably that a great many people care deeply about raising standards in our schools and that the movement has established critical momentum.

"The Legacy Project" A Partnership with AARP

We have proposed a partnership with AARP chapters across Southeastern Pennsylvania to help persuade the remaining school districts in the region to embrace standards-based school reform and to support these efforts once undertaken. The legacy AARP members would leave their grandchildren and great grandchildren is a standards-based school system capable of providing these generations with the requisite skills to enable them to enjoy the benefits of a stable, middle-class America much like the one in which AARP members grew up and prospered.

The effort to bring standards-based reform to all the region's schools, then, can be thought of as proceeding along two parallel tracks -- one inside the classroom, which is the responsibility of the Consortium's K-12 educators, and one outside the classroom, which is the responsibility of the Center and the Chambers of Commerce Standards Coalition. Work on each track faces major challenges, but it is clear that standards-based reform cannot succeed if confined to the classroom. In a fundamental sense, success

involves elevating the place of education in our culture to reflect its strategic value in a rapidly changing, technology-driven, highly competitive global economy.

In the past year, I have made upwards of 60 presentations to Rotary Clubs, Chambers of Commerce, school boards, and school forums across the region. Unlike the experience of speaking to groups about city-suburban cooperation when a screen seems to fall between you and that inevitable subset of your audience who dislike and distrust the city suburbanites listen undefensively to arguments about the global economy and the necessity of a regional response to the human capital development challenge. The result is three-fold: a growing understanding of the changes being brought by the global economy and the value of regional responses; an extensive grass-roots network that includes Chambers of Commerce, school districts, Rotary Clubs, and AARP chapters; and a critical degree of credibility associated with the efforts of the organizing institution (in our case, the Center for Greater Philadelphia). We anticipate these by-products of the standards-based school reform effort will be very useful in mobilizing groups to support other important regional initiatives.

As Lester Thurow, Robert Reich, and others have argued, human capital will be the source of comparative advantage in the future. Lester Thurow, *Head to Head: The Coming Economic Battle Among Japan, Europe, and America*. (Morrow, 1992) and Robert Reich, *The Work of Nations* (Knopf, 1991).

If we want to anchor our children and grandchildren to firm economic ground, we'll have to provide them with life-lines fashioned of genuine skill and high-quality education. If we succeed in bringing standards-based school reform to our region's schools, we will have laid the indispensable foundation for a competitive labor force, and we will enter the next millennium secure in future of our economy, assured in the quality of life we will bequeath to succeeding generations, and confident in the capacity of our democracy to endure

ENDNOTES

The four counties are Bucks, Chester, Delaware, and Montgomery. Superintendent David Hornbeck is leading a standards-based reform effort in the city's public schools. Philadelphia has a population of 1.5 million and 215,000 public school students.

New Standards. For copies of the performance-based assessments contact Dr. Eugene T. Paslov, 700 11th Street, NW, Suite 750, Washington, D.C. 20001. Phone: 202/783-3668. Fax: 202783-3672.

Lester Thurow, *Head to Head: The Coming Economic Battle Among Japan, Europe, and America*. (Morrow, 1992) and Robert Reich, *The Work of Nations* (Knopf, 1991).

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