

*Shanker
TV appearances*

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

THE AMERICAN ENTERPRISE INSTITUTE

FOR

PUBLIC POLICY RESEARCH

Public Policy Forum

Crisis in Education; Whose Responsibility?

National Association of Homebuilders
Washington, D. C.

Tuesday
February 9, 1982

PANEL: Terrell H. Bell, Secretary Of Education
Congressman Paul Simon (D-Ill)
Albert Shanker, President of the
American Federation of Teachers
John Silber, President, Boston University

MODERATOR: John Charles Daly

William D. McAllister
Court Reporter
3500 Cordona Street
Lanham, Maryland 20801
(301) 577-4757

START
3:30

g1

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

P R O C E E D I N G S

MR. DALY: This public policy forum, part of a series presented by the American Enterprise Institute, is concerned with what is learned and taught in our schools at all levels, how they may be improved, and the place of government in the process. Our subject: Crisis in Education: Whose Responsibility?

3:48

The dimensions of the problem are spelled out in declining test scores, 11th-graders reading at 8th-grade levels, major language problems, tragically also in English, our mother tongue, in math skills that fail the challenge of simple division and fractions, spelled out also in developmental studies courses in our colleges and universities, academic argot for noncredit remedial courses which it is hoped will equip already admitted students with the reading, writing and math skills to survive, spelled out in college level courses, core and otherwise, the nature and quality of which raise questions year by year.

4:33

One professor notes a current wry slice of academic humor. Some universities, it goes, stopped passing out degrees at commencement for fear that parents might ask their children to read aloud what was printed on them.

4:48

4:48

g2 1 The public has raised a hew and cry for back to basics,
2 and too often that public rejects school bond issues, curbs
3 taxing authority, challenges the academic quality of teachers.
4 Teachers, in turn, dispair, protest classroom disorder,
5 physical violence, and grossly inadequate skill levels in
6 students shovelled up to them from below.

5:12

7 At the same time, Dr. Ernest Boyer, president of
8 the Carnegie Foundation for the Advancement of Teaching and
9 former U.S. Education Commissioner, describes the teaching
10 profession as reaching the crossroads of disaster, caught
11 in a vicious cycle spiralling downward, and adds, "Rewards
12 are few, morale is low, the best teachers are bailing out,
13 and the supply of good recruits is drying up."

5:40

14 And teachers, in another wry slice of academic
15 humor, tell the tale of the plumber who unplugged the kitchen
16 sink in five minutes and presented a bill for \$35. The
17 grateful but complaining housewife, "I certainly appreciate
18 that you came so quickly, but that's nearly twice the hourly
19 rate I pay a tutor to come in to my house for my child."

6:03

20 Plumber, "Yes, I know, I used to be a teacher."

6:06

21 The bill for education for the 1981-'82 schoolyear
22 is roughly \$198 billion, 20 billion's from the federal

g3

1 government, \$77 billion from state government, 50 billion's
2 from local government, and 51 billion's from a variety of
3 private sources, tuition, fees, gifts, et cetera, all of it,
4 in the last analysis, out of the pockets of our citizenry.

5 ^{6:31} It is charged that this great enterprise is badly
6 managed by the campuses and the governments and the citizen
7 school boards.

8 ^{6:40} The Federal Department of Education, scheduled to
9 be dismantled into an education foundation alone has a 150-
10 odd programs and spends roughly \$14 billion a year. How many
11 of these programs and dollars are realistically necessary?
12 What should be done with them?

13 ^{6:59} Well, to chart a course through this labyrinth of
14 crisis, we have a highly expert panel. To my far right, Mr.
15 Albert Shanker, president of the American Federation of
16 Teachers. Mr. Shanker was instrumental in forming the United
17 Federation of Teachers in the 1950s, became its president in
18 1964, still holds that office in the largest American federa-
19 tion local in the United States, and is also vice president of
20 the AF-of-L-CIO.

21 ^{7:28} To my immediate right, Dr. T.H. Bell, Secretary
22 of Education, former U.S. Commissioner of Education under

g4

1 President Ford, and then served as Commissioner of Higher
2 Education in Utah.

7:40

3 To my immediate left, Representative Paul Simon,
4 Illinois Democrat, Chairman of the House Education and Labor
5 Subcommittee on Post-Secondary Education. Representative
6 Simon was elected to Congress in 1974 after serving for more
7 than 15 years in the Illinois state legislature.

7:58

8 To my far left, Dr. John Silber, president of
9 Boston University and university professor of philosophy and
10 law, formerly professor of philosophy and university pro-
11 fessor of arts and letters at the University of Texas, Austin.
12 Dr. Silber is the author of the "Poisoning the Wells of
13 Academe: The Flight from Excellence and the Precarious
14 Future of Higher Education."

8:23

15 Well, to begin, gentlemen, I would pose the same
16 question to each of you in turn. What is the way out of the
17 crisis in education?

8:33

18 Secretary Bell?

8:34

19 DR. BELL: Well, that's a tall order, in a few moments. I'd
20 say, to begin with, we should take some actions that are long
21 overdue to enhance the teaching profession to make teaching
22 attractive again and to also give more incentive and

g5

1 motivation for students to want to learn.

2 MR. DALY: Congressman Simon? ^{9:01}

3 CONGRESSMEN SIMON: I would say three things: number one,
4 quality--we have to pay attention to the quality problems that
5 do exist in education and not duck them--second is oppor-
6 tunity--make sure that we assure the opportunity for a good
7 education for all young people, and not just young people,
8 but for all Americans--and third is recognize that adequate
9 resources are vital if we're to do the first two.

10 MR. DALY: Mr. Shanker? ^{9:33}

11 MR. SHANKER: I think the ^{9:34} answer to that question depends
12 on what one considers is the crisis, and I think that part
13 of the crisis is the fact that we're, for the first time,
14 reaching most American youngsters and we're about to pull
15 back in terms of the resources. I think that that's--that
16 the whole fiscal question in terms of the other economic
17 problems that we face in the decade ahead is central.

18 Beyond that, I think the ^{9:59} question of maintaining
19 safety and order in the schools is number one in the minds
20 of the American people in terms of schools; secondly is the
21 question of standards; and the third, the question of whether
22 schools can transmit the values of our culture and not just

g6

1 be absolutely neutral. 10:17

2 MR. DALY: Dr. Silber?

3 DR. SILBER: Well, I think that the purpose of education in
4 a democracy is to bring as many of our citizens into the main
5 stream of our national life as possible. So, equal oppor-
6 tunity has to be fundamental. 10:19

7 On the other hand, I think, by making education
8 available to all, we have tried to interpret equal opportunity
9 by judging in terms of results. And we have tried to argue
10 that if the results aren't equal, then the opportunity hasn't
11 been equal. And through that passionate desire to be as just
12 as possible, we have ended up destroying our standards. 10:30

13 Those standards, I agree with all the speakers, must
14 be restored with a good deal of efficiency and austerity. 10:50

15 At the same time, I would say that this administra-
16 tion and every administration must recognize that an invest-
17 ment in education is a savings plan in human resources. 10:58

18 And just like saving cash, when you save people
19 you can anticipate payoffs in the end. We can anticipate
20 payoffs, financial payoffs, in a reduction of crime, in a
21 reduction of welfare. We can anticipate payoffs in terms of
22 enhanced invention, enhanced happiness, enhanced productivity 11:11

g7
1 of our people.

2 ^{11:31}
So that I don't believe we should make the mistake
3 of treating education as if it is a consumer item or a
4 luxury, but treating it, instead, as a savings plan.

5 ^{11:42}
MR. DALY: Well, I suggest we attack our subject in steps,
6 beginning with primary and secondary education where it appears
7 most public discontent is focused.

8 ^{11:52}
What is basically wrong, and what can and should be
9 done to improve the quality of teaching and learning?

10 ^{11:59}
Secretary Bell?

11 ^{12:01}
DR. BELL: Well, I think, first of all, that we've--as I said
12 earlier, I think we need to make teaching attractive once
13 more. I think that we need to provide ladders, career ladders,
14 and opportunities for advancement in teaching, like we have
15 it in other endeavors.

16 ^{12:27}
Indeed, there are more opportunities in higher
17 education in teaching than there is in the primary and
18 secondary schools.

19 ^{12:35}
So I'd emphasize that as a--as a starting point.
20 Without effective teaching, all else fails. So I'd stress
21 that as--I think there needs to be massive reform in our
22 teacher personnel policies, how we educate teachers, how we

g8

1 compensate them. And I think schoolboards' policies related
 2 to that need to be drastically revised. Until we can attract
 3 effective teachers, all other questions are--go back to that.

4 MR. DALY: Are such reforms possible, Dr. Silber? ^{13:11}

5 DR. SILBER: I think they're--I think they're possible. But ^{13:14}
 6 I have had literally hundreds of letters from schoolteachers
 7 in the primary and secondary schools, and their discontent
 8 doesn't focus so much on salary or so much on material re-
 9 wards as on the fact that they fell unappreciated if they try
 10 to follow serious standards.

11 Many of them complain about the quality of their ^{13:33}
 12 supervisors and the quality of principals, and complain that
 13 if they try to develop an imaginative curriculum or an imagina-
 14 tive course and hold their students to high standards, that
 15 they're subjected to very severe parental pressure, community
 16 pressure, and that they are not supported by their super-
 17 intendent or they're not supported by their principal, or
 18 they're not supported by their head teacher.

19 And I think that we can do a great deal to improve ^{13:57}
 20 the quality of life for these teachers by saying that excel-
 21 lence will be rewarded.

22 When, as it was reported on CBS in September of ^{14:06}

g9

1 1981, the teachers association in Atlanta cancelled a spelling
2 bee on the grounds that they said that spelling wasn't es-
3 sential to education. That said--that said everything about
4 demoralization in the schools. And we've got to free the
5 ambitious teachers, the ones who care about their students,
6 from the levelling pressures of those who are less concerned.

7 MR. DALY: Mr. Shanker? 14:36

8 MR. SHANKER: Oh, I--I agree with both statements. I think
9 we have to free all teachers from false conceptions of what
10 the schools are going to do. We've had attacks on testing
11 because giving tests will make those students who don't pass
12 to feel bad. Well, I should hope they should feel bad if
13 they don't pass them. And I agree with you on the spelling
14 bee. 14:37

15 " 14:56
16 But I think it's important they get some perspective
17 in this, as to why it is that we feel that there's a crisis
18 and why the public feels there's a crisis. I don't think
19 I'm a very old man, but when I grew up, there were very few
20 people in my neighborhood who were high school graduates.
21 There were practically none who had been--who had had any
22 college at all. Anyone who had graduated elementary school
was considered a pretty well-educated person in my working

g10
1 class neighborhood in New York.

2 And so my parents and the other parents there auto-
3 matically held the schools and the teachers and the principal
4 on a pedestal. This was--this was it; this was--these were
5 educated people, this was opportunity, this was everything.

6 Well, in a way, our crisis in education is due to
7 the fact that we've been so successful. We're all living in
8 communities where half the people have gone to college. Why?
9 Because the schools are pretty good and the teachers were
10 pretty good.

11 And we're not reaching 5 percent of the students
12 to go to college, or 7 percent, we're reaching more than 50
13 percent. And, of course, we're going to have problems.

14 I think that in everything that we say here tonight,
15 we ought to realize that if you want to go to a place where
16 education is respected, go to a Third World Country where
17 half the people are illiterate. And education--there is no
18 crisis in education. The crisis there is how to get the
19 other half of the people literate.

20 The crisis here is a different one. It's that
21 we've got an educated public that expects a lot more, and I
22 think we ought to give it--them. We ought to live up to those

g11

1 expectations

2 MR. DALY: ^{16:27} Congressman Simon?

3 CONGRESSMAN SIMON: ^{16:28} I agree with, literally, everything every-
4 one has said, but I think we have to face the realities of
5 where we are now. And maybe Al Shanker and I--well, we're
6 going to agree on quite a few things here tonight--I think
7 may--might disagree just slightly here.

8 ^{16:45} I think, when you take a look at the tests and you
9 see in those going into the various professions, those going
10 into teaching now, at the very bottom--and I'm not suggesting
11 that tests are the only criterion that should be used, or
12 that an ACT test in the last eight years of those going into
13 teaching have dropped 69 points, or the North Carolina study--
14 that shows that of the top tier of teachers, the better
15 teachers in the test, those teachers are leaving, the bottom
16 one-tenth are staying in the profession.

17 ^{17:22} That indicates a severe problem. And I think we
18 then--when you see the nature of the problem, then you have
19 to look at what you do about it. I think pay is part of it.
20 And I think a fairly substantial part of it. I think it
21 goes beyond that.

22 ^{17:38} I think we have to be looking at sabbatical leaves,

g12

1 at elementary and secondary level. I think that we have to
 2 recognize that we have to pull in people we have not pulled
 3 in part of this, is the exodus of women who now can become
 4 engineers and, you know, radio announcers and TV announcers,
 5 and all kinds of things that they couldn't become not too
 6 long ago. Part of this is good.

7 And another area--I think we ought to experiment
 8 in a few schools, and get Ted Bell to finance, help finance,
 9 this, now--

10 MR. DALY: Good luck.

11 (Laughter.)

12 CONGRESSMAN SIMON: Experiment in a few schools with doing
 13 at the elementary and secondary level what we do at the
 14 college level, and that is, have a professor, and assistant
 15 professor, and instructor. I am concerned by this, that
 16 the weakest teacher in a school receives the same pay as the
 17 best teacher in the school.

18 And if we could have a few schools experiment with
 19 it and have a few teachers and administrators and schoolboard
 20 members work out the system, so it's not just an arbitrary
 21 thing that an administrator does, I think, maybe, we would
 22 come up with some better answers.

18:57

g13

1 MR. SHANKER: Well, there's no system--you know, there have
2 been systems like that tried before. They're called merit
3 rating. And in theory, obviously, someone who's got great
4 merit ought to be rewarded more than someone who's got much
5 less merit.

19:10

6 The problem is--and it goes back to what Dr. Silber
7 said before in terms of some of the very bureaucratic and very
8 poor management schemes that you have there--is very, very
9 ~~real~~ ^{Little} faith in elementary and secondary education that anyone
10 is going to come up with a system that's fair or objective
11 because it's going to be viewed as political. It's going to
12 be reviewed as a system of petty rewards and punishments.
13 That's one of the problems that we've got.

19:38

14 And I--money is an important issue, and there's no
15 question about it. But beyond that is the question of
16 collegiality. Do these people have enough time to talk about
17 things that are important in their profession and in their
18 calling. Right now, they've gotten very little of that time.

19:52

19 How are they treated? Are they treated, in a sense,
20 the way factory workers are treated? Are they given things
21 and told to do this and do it in the following way?

20:01

22 And you're not going to get top-notch people coming

g14

1 into a field which has poor rewards in terms of pay, in which
2 they're treated like factory workers, in which there is very
3 little collegiality, and in which the philosophy of excel-
4 lence has not been there for a long time.

5 CONGRESSMAN SIMON: Al., isn't it ^{20:19}true that the merit pay
6 experiments up to this point have all just been that the
7 administrator just arbitrarily says Joe Jones or Mary Smith
8 gets an additional \$100 a month, or whatever?

9 We have not really ^{20:34}tried to structure something as
10 it has been done at the higher education level.

11 DR. BELL: Well, that--if I could ^{20:40}chime in, that's merit pay,
12 I think, and the connotation of that in the past is the
13 wrong approach. Higher education doesn't do that, President
14 Silber. We have peer review. We--you don't have anything
15 like ^{the}~~that~~ academic rank that you are talking about, Congressman
16 Simon, in--in the public schools, nor do you have endowed
17 chairs and distinguished professorships and ways for teachers
18 to distinguish themselves and to be recognized for it.

19 I think it goes beyond ^{21:13}the old style of merit pay
20 systems. I think the teachers ought to be involved, just as
21 the faculty are involved. They wouldn't let the--they
22 wouldn't let the deans and the vice presidents handle faculty

g15

1 promotion on a university campus. They just wouldn't--wouldn't
2 do that. So--

21:33
3 DR. SILBER: I don't think the concept of merit is--is as
4 foreign to the public schools as all of that. I--I remember,
5 as a fairly small boy, riding around the country schools in
6 Bear County, Texas, with my mother, who was a supervisor of
7 schools. And she would visit every class in that entire
8 county system several times every year and observe the teachers
9 teaching.

21:53
10 And she filed a report on the teachers who were
11 inadequate, and she also encouraged them to develop special
12 programs for improvement. And those--those that were doing
13 an excellent job, she sent letters of commendation to the
14 school boards at those little villages where they were operat-
15 ing.

22:09
16 Now, I do think that--that the pay in the public
17 schools may be inadequate, but one thing we have to remember
18 is that people who traditionally went into the teaching pro-
19 fession were prepared to trade some money for time. They
20 had more time for self-development and they had a happier
21 working condition because their work consisted in watching
22 the flowering, watching the development, of young people.

22:35

g16

1 This is inherently more attractive work than
 2 collecting garbage, or than going down into a mine and min-
 3 ing coal, or it's not--it's less dangerous, by and large,
 4 at least it used to be less dangerous, than--

22:47

5 (Laughter.)

6 DR. BELL: --than working on an oil rig.

22:48

7 So--so there were--there were very definite non-
 8 monetary compensations to do with teaching. I think many
 9 of those have been washed away by simple redundancy.

22:57

10 In the Boston schools, for example, when we--when
 11 we now have probably about four teachers for every three
 12 that we need, the sense of responsibility, the sense that
 13 you know your life makes a difference to the success of the
 14 program, is lost.

23:11

15 And in that system, we had at least two administra-
 16 tors and two non-teaching staff for every one we need. That's
 17 where the great waste in the Boston schools are, is in
 18 redundancy of administration and non-teaching staff.

23:24

19 Well, you have so many people with nothing to do
 20 that the busy work abounds. And as busy work and bureauractic
 21 nonsense begins to increase, it becomes an increasing distrac-
 22 tion for the student--for the teacher. The teacher no longer

g17 1 has the time to focus on what counts.

2 MR. SHANKER: But you have^{23:41}--you have a very unusual situation
3 in Boston that is really due to the loss of student popula-
4 tion resulting from a court order, and so forth, so that's--
5 and provisions for no layoffs is part of that. So that's--
6 there's nothing like that anywhere else in the United States.

7 We do, however^{23:55}--you know, the choice for teachers
8 is not whether they're going to become coal miners. They
9 have other choices. New York City, during the great fiscal
10 crisis, there were 15,000 teachers laid off, and a year later,
11 10,000 of them who hadn't been recalled were recalled. Of
12 the 10,000 only 2,000 came back.

13 And when we phoned some of them, well, this was the
14 first time in their life--they'd always been in school. They
15 went to elementary school, junior high school, high school,
16 college, and then right back in school again. And for the
17 first time, they were out there in that world that they
18 thought was a pretty bad world compared to schools. And 8,000
19 of them said, "We will never come back. This is tough--"
20 They described being in a classroom, they said, "we're not
21 going back to the coal mines." That's a word that we heard
22 very, very frequently.

24:45

24:45

jg18

1 They felt it was filled with tension, that it was
2 unpleasant, that whatever other work they found outside--and
3 we found no coal miners--they preferred it. And I think
4 that one of the problems that we have is making the job
5 attractive.

25:01

6 MR. DALY: Let's move--

25:02

7 CONGRESSMAN: If I--before you move here--interestingly, I
8 come from coal mining territory. And we have quite a few
9 teachers who have become coal miners, who have indicated they--
10 they prefer that.

25:15

11 One other final--final little vignette. I have a
12 friend up in your territory, John, who--Milton Cass. And
13 Milton says he's no great sports enthusiast, but he really
14 thinks that high school and college athletics are a great
15 thing because, he says, it's the only place in the whole
16 educational world where we reward quality.

25:37

17 And there is just a touch of truth to that.

25:41

18 MR. DALY: Well, that's what I wanted to come to, is to come
19 to what--before we leave this and go to post-secondary educa-
20 tion, come to from teachers to students. Their performance--
21 I have some small acquaintance with the private secondary
22 world. And one of their great complaints is the number of

g19

1 remedial courses that have to be set up at the--in the secon-
2 dary field because of the product that's coming out of the
3 public school primary and, to some degree, secondary system.

4 What can be done, or ^{26:05} what needs to be done, to in-
5 still at least the sense that performance is going to be ne-
6 cessary before there will be progress up into future grades.

7 I used a verb "shovelled up"^{26:19}--how many teachers
8 are in their classes having--you know, students come to them
9 who are just unequipped to handle the work that they're
10 supposed to do. What do you do, Dr. Silber?

11 DR. SILBER: Well, there must be an end to social promotion.^{26:30}
12 There is no basis for allowing a person to advance in a class
13 to a higher level without having demonstrated the competence
14 required at the earlier level. And that--that's a very simple
15 way to put a stop to a large part of that problem.

16 DR. BELL: That--that gives me an opening^{26:45} for renewing here
17 my running debate with school boards. Some time ago on an
18 interview with U.S. News and World Report I was asked the
19 opening question you asked, "What's wrong with the schools?"
20 And I said, the school boards.

21 I don't want to pick on school boards, but they're^{27:01}
22 the problem, John. I've had this going with Tom Shannon and

g20

1 the National School Boards Association.

2 They need to adopt no-nonsense standards. You
3 read the school board policy manual and you can read all
4 about the business management of the schools, and the function-
5 al things, but they're silent about quality, and Paul--
6 adherence to excellence, and motivation and rewards for
7 teachers, and for students that strive to excel. The
8 school boards are elected to be in charge of the schools.
9 And they've got to take charge and they've got to pay atten-
10 tion to instruction and teaching and learning and have in-
11 centives and recognitions for teachers and for students.

12 And until they do that, we're not going to move in
13 the direction. And they ought to be supporting teachers,
14 and they ought to be making it more attractive than it is.

15 And so I--I just take after school boards. They're
16 great people, and that's the American tradition, that grass-
17 roots management of schools. But lately, school boards have
18 not been carrying out their responsibilities.

19 And I've been exchanging letters and sort of had
20 a running debate with the School Boards Association on this.
21 I just think that where it stops.

22 I know some school superintendents who have left,

1 including the superintendent of schools in this city that left
 2 because of lack of school board support when they wanted to
 3 do something about excellence.

4 28:31
 The board policy manual ought to prohibit those
 5 social promotions. There ought to be no nonsense statements
 6 there. Students would respect it. Parents would know about
 7 it, and we'd move a long ways if there were reform in the
 8 teacher system in the school board policy manual, we'd move
 9 a long ways right there in this situation.

10 28:53
 They're elected, and I don't know why the media
 11 doesn't hold that elected group of people accountable like
 12 they do others.

13 28:59
 MR. DALY: Mr. Shanker?

14 29:00
 MR. SHANKER: Well, I think social promotion is why I agree
 15 with that but it's more than that. I think we've got to
 16 get rid of the mickey mouse courses that--loving, living,
 17 hiking is as good as Shakespeare, mathematics, foreign
 18 languages.

19 29:13
 There's not question about it that time spent in
 20 school is spent on recreation rather than on things that you're
 21 not going to get by yourself. It's lost.

22 29:22
 The amount of time that's spent in school on hard

1 subjects, homework which can perhaps give you 50 percent more
2 time. The discipline question is very important. In many
3 of our schools and classrooms, a teacher has to spend 20 or
4 30 or 40 or 50 or 75 percent of the time with two or one or
5 three very disturbed children. They need help but they're not
6 getting it in that classroom, and none of the other children
7 are being educated.

8 Testing, yes, not because tests are perfect but it's
9 the same with automatic promotion or social promotion. Sure,
10 if a child isn't part of his peer group and doesn't move up
11 it creates problems for that child.

12 Sure, the tests aren't perfect. Sure, you don't have
13 to have every child taking exactly the same course and a
14 standard curriculum.

15 But when you begin to do what we have done over
16 the last 30 years which is to soften up on every one of these
17 so that you end up without any standards at all, there's not
18 much function for school.

19 It's the students who are determining it, and by the
20 way, the students themselves want more. They feel that they're
21 wasting time and the teachers feel that they are wasting time.

22 DR. BELL: You need to persuade your NEA colleagues to join

1 your point of view.

2 MR. SHANKER: We're trying very hard. (Laughter.)

3 I don't think that--I'd be willing to have a national
4 referendum of teachers, of all teachers, AFT members and NEA
5 members, on the differences on these issues between our two
6 organizations.

7 I have no doubt as to where the teachers of America
8 would stand on the questions of education.

9 DR. BELL: There are a couple, while we are on this a minute,
10 that I can chime in on. A couple grips I have, though. Time
11 on task, and we've been studying that, and our National
12 Institute of Education has explored that. We're losing time
13 on task for several things.

14 For one thing, we let school out. There are only
15 180 days in this country for school. We let school out for
16 parent and teacher conferences. We let them out for teacher
17 preparation days. We let them out for an afternoon football
18 game.

19 It's not uncommon to close the library two weeks
20 before school ends so you can inventory the books so you can
21 shut down on time, check the textbooks out the last week.

22 School board policies ought to prohibit all of that

1 nonsense. And then we'd start to get to where we ought to be.
2 That's why I come back to the school board. They're in charge
3 of the schools and they ought to take charge of them.

4 MR. DALY: Congressman Simon? ^{31:42}

5 CONGRESSMAN SIMON: I think Al ^{31:44} used the key phrase. Softening
6 up. And it is a softening up that is not only in the class room,
7 it is with the public. Somehow education has to become a
8 greater priority, and I don't mean simply schooling, but the
9 education in the broader sense, libraries, everything.

10 The Secretary mentioned ^{32:01} 180 days a year elementary and
11 high school on an average. Japan, it's 250 days a year.
12 Soviet Union, you go to school six days a week, not five days
13 a week.

14 A high school graduate in the Soviet Union has four
15 years of physics. In the United States, 9 percent of the high
16 school graduates have one year of physics. ^{32:15}

17 There are virtually no ^{32:26} countries on the face of the
18 earth where you can go through elementary school without
19 getting foreign languages or a foreign language. In the
20 United States, fewer than 1 percent of our elementary school
21 students get foreign languages, and one-fifth of our high
22 schools offer no foreign languages. One-fifth of our community

1 colleges offer none, and we have state universities that
2 offer none.

32:49

3 We have to be tougher on ourselves all the way around
4 and education really has to become much more of a national
5 priority than it is.

6 DR. SILBER: Of the three that have just spoken, I think
7 beginning with Al and the softening up of the curriculum and
8 coming, coming to the conclusion with the Congressman's state-
9 ment, all of this adds up to a tremendous indictment of the
10 present situations in the schools, and it indicates the
11 extent, the scope and some of the detail of the crisis.

33:21

12 It is a crisis because the schools aren't as good as
13 they were. They may be reaching a larger percentage of the
14 students, but they're not reaching them with what schools were
15 supposed to reach students with.

33:32

16 They reach them with time but they don't reach them
17 with substance, and the inability of the public schools to
18 cope with the problem of discipline is simply a confession
19 of bankruptcy on the part of the schools.

33:44

20 Just as surely that there should be no social pro-
21 motion, there should be no retention in an ordinary public
22 school of a child so disturbed that he's incapable of civil

1 behavior, that he is incapable of the kind of conduct that
2 is appropriate to a school.

3 We cannot turn teachers into wardens. We cannot turn
4 them into prison attendants, and if there is no difference
5 between the life in a prison or in a penal institution and the
6 life in a public school, then there is something wrong with
7 that public school.

8 So we simply have to introduce some rational form
9 of segregation with regard to those students who are so
10 seriously disturbed that they can't meet the civilized
11 standards that are absolutely essential to education.

12 MR. DALY: Dr. Silber?

13 CONGRESSMAN SIMON: If I may disagree just slightly with

14 John Silber--

15 MR. DALY: You may.

16 CONGRESSMAN SIMON: Maybe we're a little too negative. There
17 are a lot of negative things, but there are also a lot of
18 good schools, and when I see--my daughter is in college now,
19 but when I saw her come with work far beyond anything I did
20 when I was in high school, you know, that exists, too.

21 So I think we have to balance this thing a little bit.

22 DR. SILBER: If you want to talk about a country like Germany

1 or like England that tries to provide higher education for,
2 let's say, 10, 15 percent of their population, they do it
3 well and we do it well.

4 I wouldn't--I wouldn't take second place to any
5 foreign country with, with regard to the best that is offered
6 in the public schools of the United States.

7 But the fact is that that's not more than a 10 to
8 15 percent fringe of the total operation, and we, we simply
9 do not guarantee to the ambitious and talented youngster who
10 grows up in the inner city that he's going to have the
11 opportunity to go to nuclear high school.

12 If we're going to use the public schools to guarantee
13 equal opportunity, if we're going to use the public schools to
14 make a meaningful statement out of the American dream to
15 bring people into the mainstream of American life, then
16 quality schools have to be located in every community, and
17 it's not good enough to say, "Well, scattered around this
18 country we have some great schools. That's not good enough.

19 MR. DALY: Let's move on to higher education. The sense of
20 diminished quality in teaching and learning is as prevalent
21 there as in the primary and secondary schools, I would
22 suggest.

36:07

1 We all hear of the baccalaureate who cannot write a
 2 simple declarative sentence, who, put upon his feet and asked
 3 to express a simple thought cogently and clearly, is entirely
 4 unable to do so, who has no language capacities and who minus
 5 his little dingus for adding and subtracting and dividing has
 6 problems.

36:26

7 Now, Dr. Silber, what, in a word, can and should
 8 be done to improve the quality of higher or post-secondary
 9 education?

36:33

10 DR. SILBER: Well, the reason why we have to call it post-
 11 secondary is because it's not necessarily higher than anything
 12 (Laughter.)

36:37

13 And I think it is essential that we stick to the
 14 name higher education and that it be higher, and I think,
 15 again, that some, some objective standards have to be insisted
 16 upon.

36:52

17 The open admissions program that has become fashion-
 18 able over the last ten years, it seems to me on the whole,
 19 is probably a good idea because it is a remedial opportunity,
 20 but no one who is admitted to a university or college under
 21 an open admissions programs should receive college credit for
 22 any courses that he passes until he has reached the college

1 level of performance.

2 37:15
3 Once the remedial program which might last one year,
4 it might last one semester, it might last two years, once
5 that's been completed and the student has now made up through
6 the aegis of the college the work that he should have done
7 in high school, then and only then should he receive college
8 credit.

9 37:31
10 And I believe that most of the remarks that we've
11 made about the primary and secondary schools can be made with
12 equal fairness and equal justice with regard to our colleges
13 and universities.

14 37:41
15 The shoddy is present in higher education just as
16 surely as it is present in primary and secondary education.

17 MR. DALY: Mr. Shanker? 37:48

18 37:51
19 MR. SHANKER: I agree with what Dr. Silber said. I think that
20 the movement to open up post-secondary or higher education,
21 the notion that a simple cutoff point or a score on the old
22 College Boards or something like that or the fact that a
23 student in high school didn't take a language, that large num-
24 bers of students who could have done well and would have done
25 well in college were excluded.

26 38:19
27 Now, what happened was that the idea of opening up

1 and giving students an opportunity to make it is a good idea
2 unless you do what has been done very frequently, and that is
3 change the level of the institution to the level of the students
4 who are coming in and decide that that you no longer have an
5 institution of higher education but some form of continuing
6 education, and that's wrong.

7 MR. DALY: Can we hold for a minute? We seem to have lost
8 the light at the end of the tunnel.

9 (Interruption.)

10 MR. SHANKER: I agree with John Silber that open enrollment
11 is basically a good idea. The old days when we wouldn't ad-
12 mit a student because he hadn't taken Latin or a foreign
13 language or because he was one or two points below on a college
14 entrance board exam, I think we've missed quite a few people
15 who would have made it in college and would have made an
16 important contribution.

17 I think the important thing is, is what happens once
18 you open up. Do you maintain your standards or do you open
19 up and then start moving your standards downward and downward
20 so that you have social promotion in higher education as well.

21 And I think that's the disaster. I think the impor-
22 tant thing is to open up, give everybody an opportunity, but

1 to have a set of standards which are real and which are high
2 so that everyone knows that when you have your degree, it
3 means something, which it doesn't in many places now.

4 DR. SILBER: This is not to overlook the fact that a university
5 or college is a very expensive place in which to engage in
6 that kind of remedial work so that if you could assign this
7 to high schools or to community colleges to do the remedial
8 work for the student who still had the ambition to go to
9 college rather than do that remedial work in college, I think
10 that would be better.

11 But I think it's far better to give the talented
12 and ambitious student a chance to make up for deficiencies
13 in his high school program than to deny him that opportunity
14 entirely.

15 DR. BELL: But another problem in academe is the trend, the
16 alarming trend of early specialization. Engineering schools
17 demanding sophomores to start specializing in the profession-
18 al areas.

19 So the professional schools and the universities are
20 forcing us there and so we're starting to neglect the liberal
21 arts and the humanities. We're learning more and more about
22 less and less as we narrow that speciality down, clear down

1 into the lower division now in many areas. We've got to move
2 away from that from where we've been.

3 CONGRESSMAN SIMON: ^{56:58} And we do a disservice to those professions
4 in the process. We end up with people who are very narrow,
5 who have never been exposed to Plato or anything else. I
6 think that Al's statement about standards is, is basic here.

7 ^{57:17} We have to maintain those standards. I favor the.
8 open admission programs also. But again the softening up
9 phrase, if I can steal that from you, is extremely important,
10 that that is in fact what too often has happened, and it is
11 interesting that you can even--we were talking before about
12 foreign languages, you can even get Ph.D. in International
13 Studies, believe ^I if or not, in the United States without
14 having had a year of a foreign language. It is just in-
15 credible to me.

16 MR. DALY: ^{57:50} Well, it's fair, I think, to say from what has come
17 out of a discussion of primary, secondary and higher education
18 that basic responsibility for demanding excellence in education
19 rests in many corners.

20 ^{58:07} AEI is doing a study now, Partnership in Education,
21 and it rests with parents, with school boards, local and
22 state governments, teachers and principals, deans and

1 professors, college and university trustees and the state,
2 local, state and federal governments.

3 Now, just what should the government role be? ^{58:20}

4 Dr. Silber? ^{58:24}

5 DR. SILBER: I think the Federal Government must recognize ^{58:25}
6 the importance of, of saving in human resources and not just
7 saving in dollars, because when one saves human resources,
8 those human resources that are then saved and enhanced through
9 education end up being translated into dollars in terms of
10 productive lives.

11 They don't spend their lives in prisons or on welfare. ^{58:47}
12 They spend their lives in professions or in service or in
13 gainful employment and ultimately help to make the country
14 go.

15 So I think that in terms of, let us say, supply side ^{58:56}
16 economics, it is very important to preserve this, this emphas-
17 is on saving resources when it comes to the human factor. It's
18 at least as important there as it is anywhere else.

19 And in the long-run, and this is the difficulty for ^{59:12}
20 Congress and for the Administration, because the long run is
21 all of say 12 years, and that's three Presidential terms and
22 a couple of senatorial terms and a half a dozen congressional

1 terms, the payoff will be obvious to this nation within 12
 2 years, but it's not going to be obvious in two and it's not
 3 going to be obvious in four.

4 So how do we persuade the government to recognize the
 5 long-term effects of a policy that emphasizes savings in human
 6 resources?

7 MR. DALY: Well, now, Dr. Bell, you have sent up to the
 8 Congress a dismantling program which would reduce the Secre-
 9 taryship of Education to, I guess, what? A director of a
 10 foundation? And would actually dismantle what was set up as
 11 recently as 1979, a Department of Education.

12 What benefits? How do you see this as any answer to
 13 the problem of government's proper place in education?

14 DR. BELL: Well, the Federal Government's proper place is, is
 15 one of offering assistance and capacity building to the
 16 state and local entities in education.

17 We surely ought not be pre-empting the traditional
 18 responsibility of state and local government to support
 19 education. That doesn't mean that we don't have a important
 20 role in that regard, and we feel that role can be adequately
 21 played with less than a cabinet level Department of Education.

22 Indeed, we think maybe the propensity of powerful

1 cabinet agencies to regulate might tend to lead us away from
 2 where we want to be in maintaining local autonomy, and the
 3 autonomy of distinguished private universities like John
 4 Silber's here.

1:04

5 So that's why we're coming at the change that we have,
 6 but I don't think the shape and structure and pecking order
 7 of the federal house of education is nearly as important as
 8 these other issues we've been talking about, and the matter
 9 of preserving autonomy and grassroots control and governance
 10 of education on the level where it ought to be.

11 We surely don't want to have a federal ministry of
 12 education, European-style in our country, at least I wouldn't
 13 want to see it.

14 MR. DALY: Mr. Congressman?

15 CONGRESSMAN SIMON: I don't think anyone is seriously suggest-
 16 ing that we should. I disagree with Ted Bell on that we should
 17 do away with the Department of Education, but I don't think we
 18 can simply say this is a matter for state and local govern-
 19 ments. The Federal Government cannot provide leadership.

20 We simply have to. We have not been providing
 21 adequate leadership, and with all due respects to Ted Bell,
 22 and President Reagan couldn't have made a better appointment

1:57

1 than he did with Ted Bell, but we're reversing what we have
2 been doing in this country, and we are saying to the nation,
3 "Education is not as important as it once was."

4 And there is no question ^{2:19} that we're doing that, and
5 that is imply not good news for the future. It is saving
6 money, as Dr. Silber has said, saving money temporarily. It
7 is costing money in the long run.

8 It's saving money like ^{2:35} you build a house and don't
9 put a roof on it.

10 DR. SILBER: But we have to distinguish between de-emphasicing
11 education and terminating a Department of Education. It seems
12 to me the Department of Education came into existence as a
13 political payoff of a very obvious sort, and if it is termin-
14 ated four years later, I don't see that any great, great
15 loss occurs.

16 MR. SHANKER: I don't think the issue is the Department of
17 Education. I think the issue is the importance of education--

18 DR. SILBER: Right. ^{2:58}

19 MR. SHANKER: ^{2:59} --in terms of what the federal role is. I was
20 opposed to the creation of the Department. I would not be
21 sorry to see it die. I certainly would feel that a message
22 is being sent if once a upon a time it had some cabinet level,

1 whether it was in HEW or elsewhere and now it's going to be
2 moved to a lower position.

3 I think education ^{3:21} should not be isolated by itself. I
4 think it belongs with the world of work, with labor. It be-
5 longs with social services and other things. I don't think
6 it should be standing out there by itself in a separate
7 bureaucracy, but I don't think that it's status ought to be
8 lowered because I think that's a message that education is
9 not as important in the eyes of the Federal Government as it
10 was.

11 And I think that's wrong because the two major issues
12 before our nation, one is the question of productivity and
13 reindustrialization and tightening our belts and putting this
14 country back together again, and the other is our defense
15 posture, whether we're once again going to be strong in the
16 world.

17 Neither of these objectives can be met without an
18 investment in education, and you cannot expect 16,000 local
19 school boards, as Ted Bell has described them, to sit there
20 with their budgets deciding on what the national interest is
21 going to be.

22 And the national--there are national interests which

1 will not be dealt with by 16,000 school boards. One of them
2 has to do with children from very poor families, black, white,
3 hispanic, Vietnamese, who are needed in the work force, who
4 should not become the welfare recipients of tomorrow. They
5 don't have very much political power. Many of those people
6 do not vote.

4:39
7 If they are not taken care of by the United States of
8 America, they're going to be a problem to themselves and to
9 the country. These local school boards are not going to
10 encourage people to take foreign languages and physics and
11 mathematics. That's not the local problem in each locality.

4:56
12 It's a national problem if we're going to reindus-
13 trialize, and it's a national problem if we're going to have
14 adequate defense. And I think it is a terrible message to send
15 to the rest of the world, and indeed, I don't know what--I'm
16 in favor of increasing the defense budget.

5:14
17 But I'll tell you the Russians read our newspapers,
18 and they read our national will, and if we say that all we're
19 doing is building an MX and a B1 bomber, but we're not doing
20 anything to create tomorrow's engineers and physicists and
21 mathematicians and scientists, if we're not doing that, I think
22 that they're going to know what we don't mean it.

5:33

1 MR. DALY: Dr. Bell?

2 DR. BELL: That's, ^{5:34} that's the very reason why we're maintain-
3 ing the programs that we have, and this Administration, con-
4 trary to some concerns and some alarms, is not abandoning the
5 commitment to providing equal access to education.

6 And in these troubled times ^{5:53} and with these budget
7 deficits, we argue that we're still going to provide opportun-
8 ity for needy students to have access to higher education. We
9 think we're going to be able to take care of their needs.

10 We may not be able to ^{6:09} fit all of their wants. We
11 won't be able to provide federally subsidized loans for the
12 wealthy like has happened in the past, and that's why we have
13 after quite a struggle made the decision that we did to con-
14 tinue to support the aid for the disadvantaged and the handi-
15 capped on the elementary and secondary level.

16 And we've recognized the ^{6:33} need for a leadership role
17 on the federal level. We've recognized a need to maintain
18 our emphasis on research. And recently as the President, in
19 his State of the Union address, talked about the federalism
20 and the devolvment back to the states of certain respon-
21 sibilities, it is significant that the major core of the
22 federal education programs, after examining them considerably

1 for a year, are going to be kept and will be part of our
2 new structure that we'll have in the federal house of
3 education that we're proposing.

4 CONGRESSMAN SIMON: ^{7:14} With all due respects to my good friend
5 Ted Bell, I think we are taking a substantial step backward in
6 providing opportunity. Under the proposals that are now
7 before us, 1.9 million college students will lose their aid
8 plus about 700,000 who are going to lose Social Security,
9 plus about 600,000 graduate students.

10 ^{7:41} That is decimating the future of this country to a
11 great extent, and I just, I believe that Congress is not
12 going to accept that recommendation and I hope for the sake
13 of the country we do not.

14 MR. DALY: ^{7:55} Dr. Silber?

15 DR. SILBER: ^{7:57} I think there's another implication, and that is
16 it's going to introduce federal ministries or state ministries
17 of education on quite the German pattern. We won't have a
18 federal ministry of education but we will have a ministry of
19 education in each of the states, because, as we have reduced
20 the amount of financial aid to each student, the only insti-
21 tution in which the middle class youngster, the child of the
22 typical professional class, about 75 percent of our young

1 people can attend will be a state school.

2 We will end up destroying independent higher education
3 and we will end up with a state monopoly on education unless
4 we introduce some form of financial aid to higher education
5 that can be taken both to the independent sector and to the
6 state sector. 8:28

7 That is why I've advocated this tuition advance fund
8 which is an advance from the Federal Government of the, say,
9 \$5- or \$6,000 each year to help finance tuition but it seems
10 to me that that proposal is consistent with, again, the supply
11 side economics, because the student who receives that benefit
12 is required to repay it as a 2 percent, 3 percent or 4 percent
13 deduction on his income tax through his working life until
14 he's paid it off. 8:44

15 Now, I don't know why the Federal Government no
16 matter how concerned about, about free enterprise we are
17 would be objecting to providing equal opportunity when the
18 person who receives the benefit has to pay for it. 9:13

19 I think this is simply a way of, of saving talent, of
20 saving energy, of saving opportunity. It says the Federal
21 Government will invest \$20,000 in a young person's education
22 with a clear understanding that over the 25 years of a working 9:27

1 lifetime, that student will pay it back.

2 Now, that's far better, ^{9:46} it seems to me, than simply
 3 saying, "We're going to abandon that," because if you
 4 abandon it you're going to see the distruction, the bankruptcy
 5 of one after another of an invaluable resource in this
 6 country in the form of the bankruptcy of our independent
 7 colleges and universities.

8 MR. DALY: Secretary Bell? ^{10:02} Let Secretary Bell go first.

9 Mr. Shanker, I'll get you in a minute. ^{10:03}

10 DR. BELL: ^{10:06} We're not abandoning our support of our students.

11 We estimate that there'll be 700,000 more students receiving
 12 students loans next year than this year. Now, admitted, Paul,
 13 because of the cutback in the basic oportuntiy grant which
 14 is the grant which is the handout not the loan--

15 CONGRESSMAN SIMON: ^{10:26} Which is the handout to the poorest
 16 families in this country.

17 DR. BELL: ^{10:29} That's correct, but we're still--we're cutting the
 18 size of the basic opportunity grant from \$1800 down to \$1600.
 19 Now, that's \$200 cut. But we're maintaining the loan program.

20 We are asking graduate students ^{10:40} to go on the alter-
 21 nate loan program and pay a higher interest rate, but let me
 22 emphasize that they'll be 700,000 more students next year in

1 the loan program than there is year year.

2 Now, we would concede ^{10:54} that there will be a cutback
3 in the number of students in the middle income area that can
4 qualify for the basic opportunity grant, but the loans will
5 be available to them.

6 And our proposals are just out, and there's been,
7 there's been a lot of misunderstanding on, on the impact of
8 this. I'm not trying to say that we have as strong a program
9 as we've had in the past, but there isn't the wholesale
10 abandonment of that program that I'm hearing my two fine
11 panelists describe over here to your left. It's just not so.

12 MR. DALY: Mr. Shanker? ^{11:28}

13 MR. SHANKER: Well, it certainly is a big step backward. ^{11:29}

14 Look, the greatest thing that we ever did as a country in
15 terms of higher education was with the GI Bill of Rights, and
16 that was--it was free.

17 DR. SILBER: No, it wasn't free. You had to put in some
18 service. ^{11:41}

19 MR. SHANKER: Well, you had to work. That's right, but as far
20 as the economics of it was concerned, it paid off for the
21 country, not just for the individuals. Where would we have
22 been in the '50s and the '60^s and the '70s? This nation today
₁

1 is largely built on that investment that was made by the
2 people of this country.

3 12:07
4 And now we're taking steps backward, and I think it's
5 a disaster.

6 12:10
7 Now, these aren't the only cuts. In elementary and
8 secondary education, when you cut money to those schools,
9 those schools have to become more efficient. Now, how do
10 you become more efficient?

11 12:20
12 Well, it's very simple. You have to have 30 children
13 in a class, 32, 34, depending on the city you're in, ranging
14 from 30 to 40, 42 children in a class. You get rid of those
15 classes that are not full because they're not economically
16 sound.

17 12:38
18 Well, what classes are those? Well, I'll tell you.
19 French, German, Spanish, physics, chemistry, calculus. You
20 may have a high school ^{that} that has 15 students that will take
21 a math class. You may have 16 that are taking a language
22 class.

23 12:51
24 You cut back--and this is a tremendous cutback. In
25 Title I if you take inflation into account, it's practically
26 a 50 percent reduction, and to cut that kind of money at a
27 time when we're trying to talk and encourage standards, to

1 force each school board to squeeze everything that it can out
2 of its own budget, what it squeezes are the quality courses,
3 because those are the ones that fewer students take. Very
4 counter productive, very opposite to the quality direction.
5 DR. BELL: As we increase productivity, as we increase the
6 tax base on the local level, as we reduce inflation, we're
7 going to increase the purchasing power of the money where
8 it's largely put up, and that's on the state and local level,
9 and that's part of our recovery program.

10 CONGRESSMAN SIMON: If I may just point out, in '79 and '80,
11 the basic opportunity grant was \$1800. We are now, while
12 tuition and costs have moved up, our assistance has moved
13 down.

14 And it sounds great to say the alternative loan
15 program is available to students. How many states now have
16 and use this alternative loan program? Banks in how many
17 states? Three states.

18 DR. BELL: But it's available to them. Why don't they get
19 on the ball and get in it?

20 CONGRESSMAN SIMON: Because it is so structured that the banks
21 just aren't going to do it, and second, these graduate students
22 who can shift over there on these alternative loan programs,

1 when do you start paying that back? You start paying that
2 back 60 days after you take out the loan,

3 Now, how many graduate students are going to be
4 able to start doing that? ^{14:23}

5 MR. DALY: Gentleman, I would suggest to you that we have
6 wandered off into a thicket on the budget and the dismantling
7 of the Department of Education without coming to grips with
8 the issue of what is the proper place of government.

9 DR. SILBER: But I think that is right where we are talking,
10 because we're asking the question of whether the Federal
11 Government has an important and legitimate role in the
12 provision of the financial resources that will enable its
13 citizens to acquire the advantages of higher education.

14 Now, I think if the government decides to put an end
15 to the, to the grants, to the grant program, I have no objec-
16 tion to that because I think that the people who receive the
17 benefit can be expected to pay it back, but if we're going to
18 terminate or reduce the grant program, then we must substitute
19 for it something that our citizens can genuinely use, and
20 they cannot use a loan program at a 11 or 12 percent interest
21 that has to be paid back prior to graduation, because it will
22 simply compound the interest and the interest will compound

1 the principal to the point that they could never pay it back.

2 I think that the GI Bill ^{15:35} is the model. The GI Bill
3 was not a grant to veterans. They put their lives on the line
4 for their country, and in return for service, they were
5 given an educational opportunity.

6 Now, we're talking about a group of civilians who've ^{15:47}
7 never done anything for their country, and what we're saying
8 to them is, what I would suggest, is that we have something
9 like a civilian GI Bill in which we provide the grant, we
10 invest our savings in these young people and we tell them,
11 "But now having received that benefit in advance, once you
12 graduate, you're obligated to pay it back."

13 In the long run, in a period, as a matter of fact, ^{16:09}
14 of about 17 years, we would establish a national endowment for
15 higher education that would be self-sustaining without any
16 further appropriation from Congress, and the total cost of
17 such a program would be no more than about \$10 billion. In
18 the context of a \$700 billion budget I don't believe that is
19 wasting money.

20 And I think that ^{16:32} again I would expect a consistency
21 from, from the supply side economists. This is supply side
22 economics. You're investing in a human being, and you get a

1 payoff at the end.

2 ^{16:44}
This is not just a giveaway. It is an advance that
3 is an advance that is paid off in many times over. If you
4 want them to pay it off twice, I would have no objection to
5 that, pay it off three times.

6 ^{16:54}
The return that these highly productive people will
7 bring to the nation will certainly enable them to do that.

8 ^{17:01}
I wonder if the Federal Government recognizes that
9 our success right now with satellites depends upon university
10 professors. It was Professor McDonald at Boston University,
11 a physicist, who developed the high resolution optics that
12 enabled us to send, first of all, balloons over the Soviet
13 Union, then U2 over the Soviet Union and now our satellites
14 over the Soviet Union, photographing everything that's going
15 on from 50,000 feet in the air and 100,000 feet in the air.

16 ^{17:29}
Most of our missions in outer space have been, have
17 been making use of these high resolution cameras. That was
18 an invention by an ordinary professor.

19 ^{17:38}
And if we don't--I don't think we're abandoning our
20 research. I agree with Secretary Bell on that. We've simply
21 transferred it from HHW to--HHS to the Department of Defense,
22 but the research budget is still there, and we can do a lot

1 of excellent research work with it in higher education.

2 But where are we going to attract the graduate students,
3 where are we going to attract the undergraduates who become
4 graduates students if there is no way of financing their
5 education.

6 They can make it on their own in the heavily sub-
7 sidized state universities and colleges, but if you destroy
8 25 percent of higher education in the independent sector,
9 there won't be enough places left in the state sector for it.

10 DR. BELL: Well, in all of our formulas with the basic
11 opportunity grant and needs analysis for the student loan
12 program, we've had the private institutions in mind. That's
13 why we put no limit on tuition that can be involved in this.
14 And there just isn't the wholesale abandonment of this.

15 Now, graduate students are going to have to pay a
16 higher rate if interest, and admitted that that's going to be
17 a bit of a burden, but they're not in school as long as the
18 others. Many of them are working part-time while they are
19 in school.

20 And they're going to be back out there employed in a
21 very lucrative market quite soon, and so in the choices that
22 we've had to have, we maintained the commitment to the

1 undergraduate students.

2 That loan will be available. The interest rate
3 won't be any higher than it was this year in our proposals.

4 MR. SHANKER: We're going into a period now when the youth
5 cohort is substantially smaller than the previous cohort. We're
6 about to get into a period of talent and labor shortage in
7 a very short period of time.

8 And at a time when you really need as many of the
9 people in this group from 16 to 24 or 25 years of age, first
10 of all, we're going to fail to educate them in elementary
11 and secondary in terms of the cutbacks there, and then we're
12 going to create various disincentives compared to what existed
13 before in terms of higher education.

14 And getting back to John Silber's statement that
15 the GI Bill had something to do with service to country, I
16 think that maybe that ought to be part of the package, too.
17 We ought to be thinking of higher education and the need for
18 a program of national service and have them related. I think
19 that's part of an education package, and it's part of a
20 defense package for the country.

21 MR. DALY: I think we have painted a very broad canvas. This
22 is such a multi-faceted question that we can get more in, but

1 I do think we can continue the discussion with the question
2 and answer session from our audience of experts.

3 So let me declare it's time for the question and
4 answer session and may I have the first question, please?

5 May I have the first question please? Yes, sir?

6 MR. BARTON: Paul Barton, National Institute for Work and
7 Learning. We've had a considerable consensus about the need
8 for standards and higher quality in terms of having gone soft
9 on education which is somewhat surprising in terms of the
10 degree to which one ordinarily has consensus.

11 I would like to ask the panel if there is also
12 consensus on who should set those standards, who decides
13 at the elementary and secondary level what students should
14 know, federal, national, state level, legislature, school
15 boards, community, parents, and it seems to me that that is
16 part of the same kind of a question.

17 MR. DALY: Would you start, Dr. Bell?

18 DR. BELL: Well, I don't think the Federal Government ought to
19 set those standards. I think they ought to be done within the
20 frame work of state law and under the traditions of local
21 control of education.

22 So I think they ought to be done on that level. I

1 think the academic community ought to be broadly involved
2 and I think the school boards that I've been offering some
3 friendly criticism to ought to be taking hold of it and
4 setting them in response to the needs of the community and
5 the desires of the community in close cooperation with the
6 academic professionals that work with them.

7 MR. DALY: Mr. Congressman? ^{24:04}

8 CONGRESSMAN SIMON: I agree with the Secretary completely. ^{24:06}

9 MR. DALY: Dr. Silber? ^{24:08}

10 DR. SILBER: I agree with what he said so far, but I think
11 there is a role for the Federal Government, and that is in
12 assisting the states to develop a standard national examine
13 against which local variations can be measured, because other-
14 wise we will lose the mobility of our people. ^{24:09}

15 If a family are rearing their children in New York,
16 let's say, and then they are transferred to Idaho, they want
17 some assurance that the schools in Idaho are going to be
18 meeting reasonable standards. ^{24:25}

19 Now, some national test that would not be compulsory,
20 but the development of a national test, something along the
21 pattern of the A levels and the O levels in the English
22 system, it seems to me, would be a very useful governmental

1 assist.

2 MR. DALY: Mr. Shanker? ^{24:54}

3 MR. SHANKER: Well, I agree that standards have to be set at
4 the state and local level, but that doesn't mean that we
5 should not have very strong national incentives in areas of
6 national concern. ^{24:56}

7 And we had a national Defense Education Act when
8 Sputnik went up. We don't have a Sputnik right now, but we
9 may have problems that are even more serious. And while
10 specific standards and state and local, I think that a very
11 strong hand of the Federal Government where there's national
12 interest at stake, and national interest is at stake when
13 you've got the basic national economy, when you've got
14 national defense and when you have issues of civil rights at
15 stake, I think those are three areas. ^{25:06}

16 MR. DALY: Next question, please? Yes, sir? ^{25:34}

17 MR. ESKEY: My name is Ken Eskey. ^{25:38} I am from Scripps-Howard
18 Newspapers. I would like to direct this question to Mr.
19 Shanker and Dr. Bell. We have a situation now in which many
20 younger teachers are being laid off and many older teachers
21 are being retained.

22 Now, some of these ^{25:52} older teachers are burned out.

1 They're not as good teachers as the younger ones. Is there
2 any way you can retain your better teachers regardless of age?

3 MR. SHANKER: Not without paying ^{25:59} another price for it.

4 There's been a pretty good study--a number of studies done of
5 this. You know, part of working in a school is a cooperative
6 effort. If you've got a teacher who is stronger and you've got
7 other teachers who are weaker, you'd like that stronger
8 teacher to help out and give advice, be cooperative.

9 Once the teachers in a ^{26:22} school know that when the
10 point comes where layoffs are decided, the stronger teacher
11 is going to stay and the weaker teacher is going to go, it
12 would be the intelligent thing for every strong teacher not
13 to help anyone else and not to have anyone look better.

14 You then set up a competitive situation instead of
15 a cooperative situation. And I also wouldn't assume that
16 teachers who have been there for a long time are necessarily
17 burned out whereas younger people aren't. That's very uneven.

18 Some of the people are ^{26:51} there for a long time because
19 they don't get burned out, because they're very involved and
20 very committed and very good, and there are people who are
21 burned out after a very short period of time.

22 I just don't think that you can raise--there isn't a ^{27:05}

1 simple answer to that question of can you let people go on
 2 the basis of merit rather than on the basis of seniority
 3 without just stating the point that I made that there's a
 4 price to pay if you do it that way, and that is you get rid
 5 of cooperation.

6 DR. BELL: I would say that the Federal Government doesn't do
 7 many things very well, but one of the things that we do have
 8 now, as a provision now when we have to lay people off that
 9 individuals who have an outstanding rating give some preferen-
 10 tial treatment for that.

11 Maybe something like that could be worked in here
 12 somewhere. It is a tragedy that we're laying teachers off
 13 at all right now with all the demands that we have and the
 14 need for learning.

15 That might be--

16 MR. DALY: Dr. Silber?

17 DR. BELL: --that could be looked at.

18 MR. DALY: I'm sorry.

19 DR. SILBER: I think that the question is a very good one.

20 This question of whether, whether seniority is going to take
 21 priority over competence can be answered in ways that don't
 22 necessarily involve the destruction of cooperativeness, and

1 that is by not worrying exclusively about the testing of
2 students and begin to test the professors.

3 ^{28:20} It seems to me that at least once very five or ten
4 years any teacher in high school whose teaching science ought
5 to take the freshman level test, examinations in the subject
6 he's teaching, and if the teacher can't make an A in freshman
7 chemistry that teacher is not qualified to teach chemistry
8 in high school.

9 ^{28:41} If they can't make an A in algebra or geometry or
10 trigonometry, they shouldn't be allowed to teach those subjects.

11 ^{28:47} I think the easiest way to make sure we don't have
12 this conflict between seniority and competence is to have a
13 periodic testing of teachers.

14 MR. DALY: Yes. ^{28:57}

15 MR. SHANKER: ^{29:00} Let's start with a beginning testing. We don't
16 even have that in most places.

17 CONGRESSMAN SIMON: ^{29:07} If I can just add, the problem is a real
18 one. If, however, you simply give the complete and unbridled
19 authority to, to an administrator or a school board, what
20 you will find is that the younger teachers ^{stay} and the older
21 teachers all leave because they have acquired enough seniority
22 that it costs a little more to keep the older teachers.

29:28

1 Another point I would make is that there is really
2 not a surplus of teachers, but we have failed to see the
3 opportunities in this nation.

29:37

4 For example, we have 10 to 20 million functionally
5 illiterate adult Americans, and we largely pretend they do not
6 exist. They are--they retard the productivity of this nation.
7 They are a great liability who could be turned into an asset.

29:56

8 And one of the ways we could do it would be to take
9 teachers who can't find jobs elsewhere and teach people how to
10 read and write.

30:04

11 MR. DALY: All right. Next question, please? Yes, sir?

30:07

12 MR. SANTIAGO: I am Ramon Santiago from the National
13 Association for Bilingual Education, and Dr. Silber mentioned
14 that equal opportunity for an education is crucial. He fur-
15 ther said that investment in education is a savings plan
16 essentially.

30:21

17 There are a lot of resources, both cultural and
18 linguist~~ic~~ existing in the United States today. I would like
19 to ask the panel to indicate how they feel that this resource
20 could be saved in a way that it could be an asset at the
21 defense level, the military level, the industrial and commer-
22 cial level in the United States.

30:45

1 MR. DALY: Will you start, Mr. Congressman?

2 CONGRESSMAN SIMON: Yes, ^{30:47} the gentleman is absolutely correct.
3 What we too often view as a liability is, in fact, a tremen-
4 dous resource. We can have young people who grow up, whose
5 mother tongue is English. We can, in a structured way,
6 encourage them by, in a class situation to pick up Spanish,
7 and we should encourage the Hispanic or Vietnamese or Chinese
8 or whatever the ethnic background of the individual to, of
9 course, acquire English but also to retain the culture that
10 that, that child has.

11 And we need, as a nation, ^{31:26} to be doing much more.

12 Al Shanker mentioned national standards. We simply cannot
13 tolerate our deficiencies in other languages which we now
14 tolerate.

15 Eighty percent of the American businesses that ought
16 to be exporting are not exporting, and in part that is because
17 we have not learned the fundamental lesson you can buy in any
18 language; you can't sell in any language.

19 MR. DALY: Mr. Shanker? ^{31:55}

20 MR. SHANKER: Well, I think there's no question that if you
21 have, as we do, many people who have another language or
22 perhaps don't have English but have another language that it's

1 important for both them and for the country to preserve that
2 and to keep it. They've got something which is so difficult
3 for the rest of us to get.

4 ^{32:16} But I think it would be a mistake to ignore the fact
5 that the United States of America went off on a terrible
6 tangent in trying to impose a single method of teaching
7 youngsters who have a different language, that is, a single
8 method to say that the only way to teach the non-English
9 speaking child is that the Federal Government mandates that
10 that child must be taught in that child's own language.

11 ^{32:45} There's no evidence that that's the only way or the
12 best way. It may be, when the truth is found, it is. But
13 there is certainly no reason why, with an absence of any
14 research findings that that is the single and only method,
15 that that ought to be mandated. And--it's a method.

16 ^{33:05} And I would hope that, in the absence of a good deal
17 of knowledge in this, that there would be considerable room
18 for experimentation, provided that there is an obligation to
19 do something special for the youngster who does not speak
20 English.

21 ^{33:22} I think that obligation has to be there, but the--
22 they're ways of reaching that, and I think the other thing is

1 that we were also during a point in our recent history when
2 we went so far to the ~~kooky~~ side of things that we started
3 saying that America should become a multilingual society,
4 and it's not so important if people learn to speak English
5 here. I think that's a disaster. I'm glad that we moved
6 away from it.

7 33:48
8 There are societies which, through history, are
9 bilingual. Most of them have many problems associated with
10 it. I know of no national ~~one~~ that has inflicted that on itself
11 in the way that we almost did as short period of time ago.

12 34:02
13 We ought to keep the culture. We ought to keep the
14 language. We ought to insist that people function within
15 our society, and the best way to function is to learn the
16 language of the land, and we ought to recognize that we don't
17 have a single answer.

18 34:16
19 I think that's--that would be my approach on this
20 issue.

21 34:20
22 MR. DALY: Next question, please?

23 34:23
24 MR. ROBB: Yes. My name is Graham Robb, and I'm with the
25 National Coalition of Independent College and University
26 Students, and I would like to ask the panel how, since all of
27 you have spoken of attaining equal educational opportunity for

1 all, how can we possibly obtain that at a time of rising
2 tuition costs when the Federal Government plans massive cuts
3 in the programs which are aimed at all students including
4 those that are very needy?

5 DR. BELL: Well, in spite of the reductions, I don't call them
6 massive cuts. I say that we are trimming back abit because
7 of the pressure on our budget. But in spite of those
8 reductions, there is still an enormous amount of aid available
9 to a student, one that wants to attend an independent
10 institution.

11 Let me tick off a few for you. First of all, you
12 can get a guaranteed student loan for up to \$2500. We'll pay
13 the interest on it all the time you're in school and for a year
14 after you're out, and then you start paying it back and making
15 your payments, but even then we subsidize the interest after
16 that for another two years under our proposal.

17 In addition to that, there's the auxiliary loan where
18 you can borrow another \$3000. So that brings you \$5500.
19 There's a college work-study program, and in spite of all of
20 all of our cuts, we're holding that up there pretty good.
21 It's trimmed a little bit. The other campus-based programs
22 will be out of the way. So you can pick up another \$600 there

1 or more.

2 ^{35:57} And then if you're very limited income student, on
3 top of that you can get a \$1600 basic opportunity grant, if
4 you're adding all this up now as we talk about it.

5 ^{36:10} If you are with an institution that has some
6 National Direct Student Loan capital available--we're not
7 putting any more capital into that this year under our budget,
8 but you can get up to \$1500 in the National Direct Student
9 Loan.

10 ^{36:26} At one time I added all of this up and it came to
11 \$9200, and so I'd say--now, that's for the student who's
12 very limited in income. So I'd say there's still a substantial
13 amount, and that's the federal aid.

14 ^{36:41} That doesn't talk about scholarships and state
15 assistance and so on. So in spite of the cutting back that
16 we're doing, and I'll admit that we're cutting back and the
17 cutbacks are painful and they're going to be significant,
18 but in spite of that, we haven't emasculated the aid program,
19 and there's still going to be a considerable amount of assis-
20 tance available to you next fall if our proposals are there.

21 ^{37:05} The thing I'm trying to do is dispell the opinion that
22 keeps coming out in this panel that we've destroyed the student

1 aid program. It just isn't so. It isn't as strong and as
 2 push a program as it was, but there's still a lot of assistance
 3 there.

37:20

4 MR. SHANKER: Well, those of us who believe in the forces of
 5 the free market and in economics believe that if you offer
 6 financial incentives, you're going to attract people into
 7 a field, and if you offer disincentives, there are going to
 8 be fewer people. I mean, there's just no question about that,
 9 and I think that's the basis of the President's program in a
 10 whole bunch of fields.

37:44

11 I don't know why he should believe that you'll
 12 encourage businesses to do certain things and you will
 13 encourage savers and spenders and that everything can be done
 14 but the only thing that isn't going to be affected is if you
 15 take money away from students and colleges it isn't going to
 16 have an effect.

37:59

17 It is. It's going to have the same effect as taking
 18 money away and the disincentives do in other fields. There
 19 will be a large number of students who are now going to
 20 college who won't go. Otherwise, economics doesn't work.

21 MR. DALY: Mr. Congressman?

38:13

38:16

22 CONGRESSMAN SIMON: Yes. The Secretary's aply described the

1 program as not as strong as it was before after this passes.
2 It is--there is still a program, but you're talking about
3 very massive overhaul that is, that means basically a one-
4 third or little better reduction.

5 ^{38:41} The guaranteed student loan program was mentioned by
6 the Secretary. In that \$9200 computation, incidentally, if you
7 look at that computation, you have to be an awfully fortunate
8 student to be able to qualify for everyone of those things.

9 ^{38:54} But he neglected to take off that \$250 that you're
10 going to chop right at the start. Auxiliary loan, it's there
11 in theory. Three states out of 50 states out of 50 states
12 have it.

13 ^{39:05} College work-study is down. Direct student loan
14 program is down. The graduate student program is there, this
15 auxiliary loan, and as the Secretary said, you get these
16 lucrative jobs after you graduate, lucrative jobs, for example,
17 if you get a Ph.D. in English literature and you get to be
18 associate professor of English literature, maybe you're lucky
19 if you get \$15,000 a year at that kind of a job.

20 ^{39:31} And all the Social Security programs. We have said
21 to the sons and daughters of the widows of the United States,
22 "Sorry, we're taking you off the student program." That

1 really is--when you put it all together, it doesn't exactly
2 encourage higher education in the United States.

3 DR. SILBER: It seems to me ^{39:49} I want to be as understanding
4 of the Secretary's position as possible. I believe the
5 Administration is right to say that a balanced budget, that
6 a strong national defense and that control of inflation and
7 employment, and enhancing employment are the most important
8 priorities we face.

9 And I don't mind putting the parochial interests of
10 higher education in fourth position behind all of those.

11 On the other hand, it seems to me that, that we're talking
12 about a very small part of the \$700 billion national budget.

13 And I believe a proposal to stop the automatic
14 indexing of salary increases and benefit increases in, in the
15 section of the national budget would save maybe 50 or \$60
16 billion over the next three or four years and, and enable us
17 to overcome this, this radical cutback for higher education.

18 Again, I don't mind seeing ^{40:25} the termination of the
19 grant program if a reasonable loan program that doesn't have
20 that very high interest rate that's payable immediately is
21 put in its place.

22 But simply to cancel grants and to impose loan ^{41:01}

1 programs that people will not be able to afford to use is
2 not going to answer the problem. It is going to lead to a
3 state monopoly in higher education. We're going to see the
4 consequences of that played out, and I believe it will be
5 contrary to the philosophy and to the objectives that the
6 Administration itself holds.

7 DR. BELL: But you see we're ^{41:25} not cutting the grants out.
8 We're reducing them by \$200, from 1800 to \$1600. That's what
9 the adjustment is.

10 DR. SILBER: I understand that. ^{41:34}

11 DR. BELL: And on the loans, we're--for undergraduate students,
12 they get the loans. We'll pay the interest all the time they're
13 in school. They'll still be able to get the loans they had
14 before. ^{41:36}

15 Now, there's been a 5 percent loan fee and we're
16 proposing to raise that at 10 percent. Let me tell you
17 that we're not through yet. This is our proposal. Congress-
18 man Simon is a very persuasive advocate of the student aid
19 up there. ^{41:46}

20 And we have to lean against the wind a little bit
21 here if we're going to have anything like a balanced budget.
22 I want to emphasize that as we come here with our budget for

1 opens right now.

2 MR. DALY: I think we have time for one more question.

3 Yes, sir.

4 MR. HAWKINS: Bob Hawkins from Sacramento, California, from
5 the Sequoia Institute. I have a question primarily for
6 Mr. Shanker.

7 It seems to me two issues have been raised here this
8 evening. One relates to the question of quality and standards,
9 and the other relates to organization, how we organize
10 educational activities.

11 And it seems to me that the panel and the consensus
12 of most experts is that we have a system of perverse incentives.
13 Now, one remedy of that has been the voucher system or to
14 create competition to public schools.

15 Mr. Shanker has argued eloquently against that
16 position, and I'd like to have some of his ideas on, on what
17 kinds of remedies, organizational remedies he sees for over-
18 coming some of these perverse incentives.

19 MR. DALY: Mr. Shanker?

20 MR. SHANKER: Well, I don't know that I see perverse incentives.
21 I think that what we've experienced is, as I've indicated
22 before, we've very rapidly come into--it's the post World War

1 Two period where so many of our people went from, you know,
2 being immigrants or farmers or workers with a small amount
3 of education to a point where they can be critics of education.

4 43:21
I think that one of the other things that happened
5 is we went from a period where you had standards very rigid
6 and sometimes unreasonable. I don't know that I would want
7 to go back to a system where, if you didn't have Latin, you
8 couldn't go to college or a lot of the other standards that
9 we had.

10 43:44
Well, what happened, of course, is that we went from
11 a set of standards that were over rigid and that probably
12 should have been modified a little bit to the student rebellions
13 of the late '60s and the one where we abandoned standards
14 largely and where we also changed the curriculum, testing
15 et cetera.

16 44:07
These aren't perverse incentives. This is just a
17 cultural tide that went from a set of rigid and perhaps
18 somewhat outmoded standards to one of a ^destruction of stan-
19 dards. And I think that we're moving back in a very healthy
20 direction right now.

21 44:24
I think it would be a terrible shame if at a point
22 when there's agreement not only here but I think that there's

1 national agreement. I think that if you look at the Gallup
2 polls in education year after year, I think if we stiffen
3 the backs of some of these school boards, as Ted Bell has
4 said to go out and represent the majority of the people who
5 elect them, who want to see these changes, I think that we can
6 get these changes very rapidly.

7 Now, what we've got is this side issue right now. 44:48
8 Well, if you don't like the public schools, let's give people
9 a way of getting out. I think if you do that, you'll never
10 change the public schools.

11 If that happens, we will go over completely really 44:59
12 to a system of private education, and the public schools will
13 become the place for those students who are not accepted in
14 any private school and those who were kicked out by private
15 schools.

16 The one major incentive for change is that most people
17 can't get out. It's a public institution. It's free. They
18 can't afford to go elsewhere. There aren't that many private
19 schools out there. 45:13

20 And I think that's wonderful because they're going
21 to yell and scream at their school boards, at their super-
22 intendants, at the state government. And with the help of 45:25

1 a lot of us, they will bring the public schools back to where
2 they ought to be.

45:36

3 But start giving them \$500, \$800, \$1000, and you
4 say, "Mr. Jones, if you don't like the schools, you can
5 rescue your child and let the rest of them stay here and
6 suffer," if you take out the people who are most dissatisfied
7 in terms of the lack of standards and give them a place for
8 their own children so that they stop being politically active
9 in the process of improvement, that's the end of public
10 education in the country.

11 MR. DALY: Mr. Secretary?

46:01

12 All right, this concludes--

46:05

13 Did you want to say something?

46:07

46:08

14 CONGRESSMAN SIMON: I'm just going to add one comment. If
15 you take out the area of funding where we've had slight dis-
16 agreement here this evening, there is remarkable agreement
17 here in moving in the direction of standards and improvement
18 of quality of education in the United States.

19 And I think that the four of us coming from very
20 diverse backgrounds, in fact, represents public opinion to a
21 a great extent. And this very fact of public opinion is
22 there and has that feeling, I think is a good omen for

46:27

1 education in the future.

46:44

2 MR. DALY: All right. This concludes another public policy
3 forum presented by the American Enterprise Institute for
4 Public Policy Research.

46:51

5 On behalf of the AEI, our hearty thanks to the
6 distinguished and expert panelists, Mr. Albert Shanker,
7 Secretary T. H. Bell, Congressman Paul Simon, and Dr. John
8 Silber, and our thanks also to our guests and experts in the
9 audience for their participation.

47:09

10 Good bye from Washington.

47:10

11

12

End

13

14

15

16

17

18

19

20

21

22