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HUMAN CAPITAL

The Decline of America's Work Force

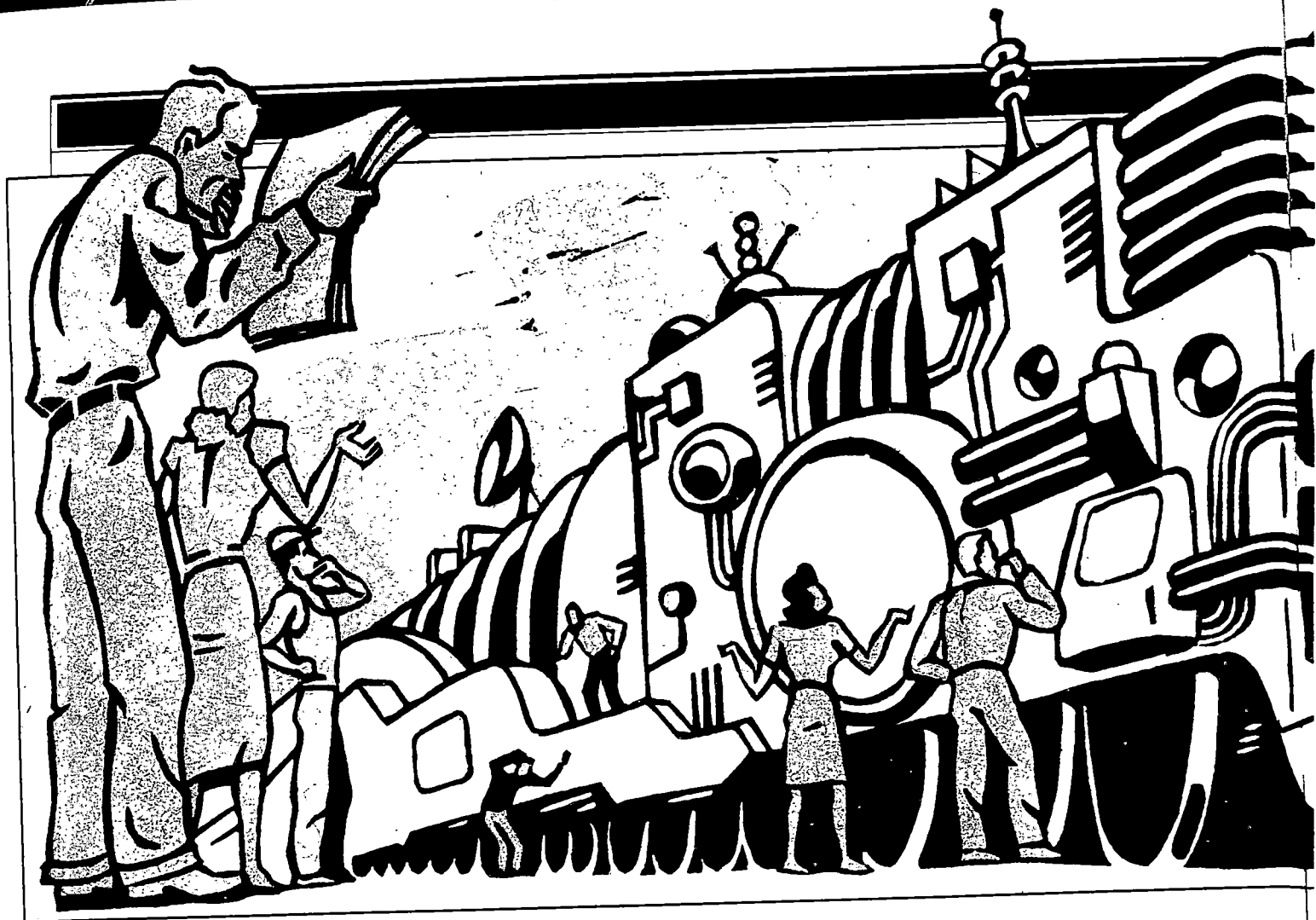
SPECIAL REPORT

The nation's ability to compete is threatened by inadequate investment in our most important resource: people. Put simply, too many workers lack the skills to perform more demanding jobs.

And as the economy comes to depend more and more on women and minorities, we face a massive job of education and training—starting before kindergarten. Can we afford it? We have no choice. PAGE 100



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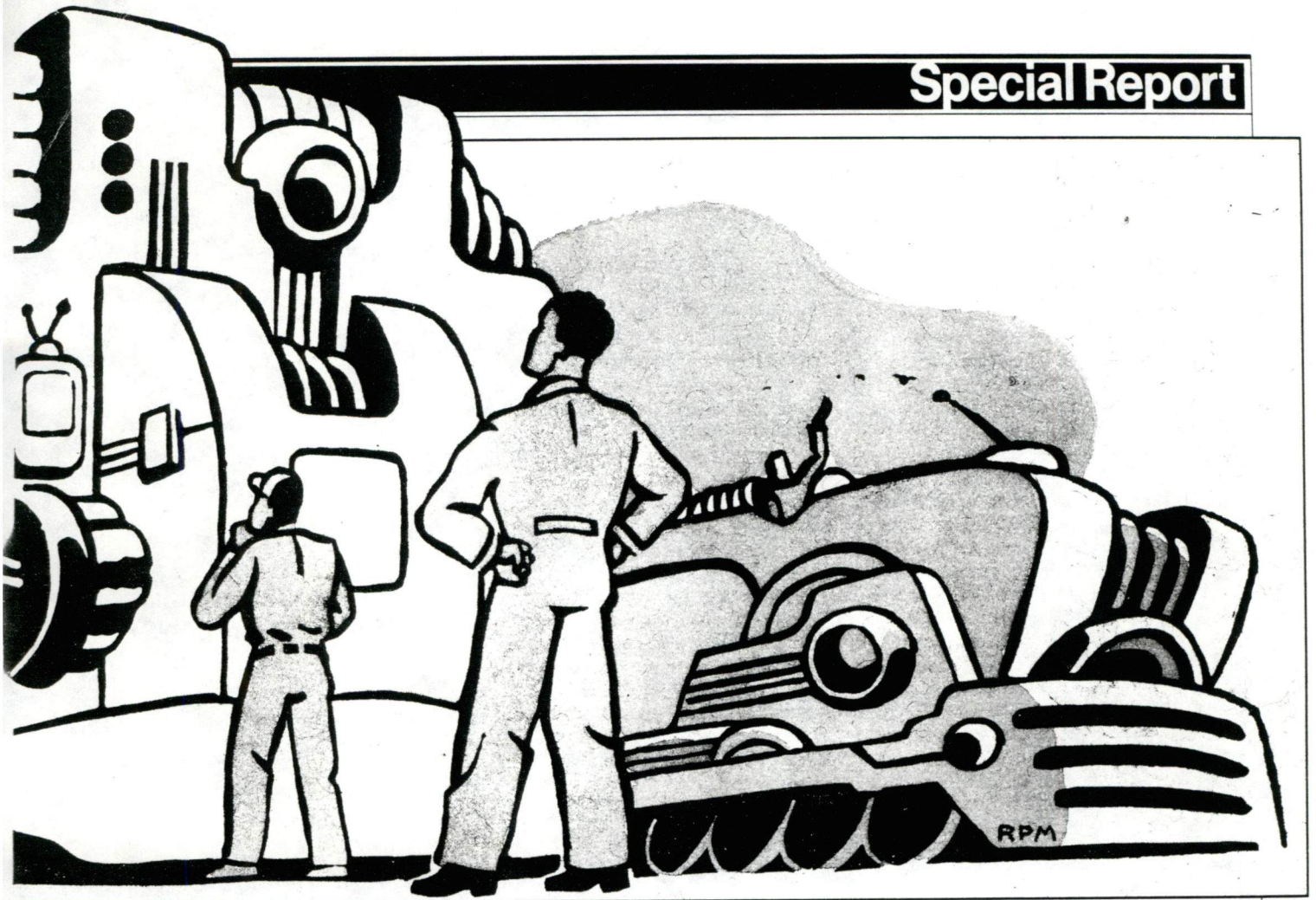
Who will do America's work as the demand for skilled labor outstrips a dwindling supply? The U.S. has lost much ground to competitors, and investing in people looks like the way to retake it. After years of neglect, the problem of human capital has become a crisis



Take a trip back to what may be our future. It is the 1851 industrial exhibition at the Crystal Palace in London. Britain is the dominant world power. The U.S. is No. 2 in industry and catching up fast.

Made-in-America reapers, muskets, and tools are the marvels of the show. British businessmen are amazed at what they see. Products are assembled from completely interchangeable parts. Here is true mass production for the first time. So impressed are they that they name it "the American system of manufacture."

Worried delegations of British industrialists set sail to investigate. Their findings? American manu-



CAPITAL

facturing prowess is in large part due to a highly educated work force. The Yankees have an astonishingly high literacy rate of 90% among the free population. In the industrial heartland of New England, 95% of adults read and write. In contrast, just two-thirds of the people in Britain are literate.

BLINDSIDED. Now zip ahead a century or so to the 1980s. The U. S. is the dominant world power, and it is Japan that is No. 2 and closing fast. American CEOs marvel at the quality of Japanese products flooding their markets. They make pilgrimages to Tokyo. Their findings? Manufacturing superiority is being forfeited to the Japanese. And yes, once again, behind the success in manufacturing prowess lies a better-educated work force. In 1988, Japan's functional literacy rate is better than 95%. In America it's down to about 80%.

Illiteracy is but a symptom of the larger problem

afflicting the U. S. economy. The \$150 billion yearly trade deficit and a foreign debt of half a trillion dollars reflect the inability of a large percentage of the American work force to compete effectively in an integrated world economy. "Much of the success of Japan stems from the fact that its blue-collar workers can interpret advanced mathematics, read complex engineering blueprints, and perform sophisticated tasks on the factory floor far better than blue collars in the U. S.," says Merry I. White, professor of comparative sociology at Boston University and author of *The Japanese Educational Challenge*.

America, in short, has been scrimping on human capital. After trying to solve its serious competitiveness problems by pouring hundreds of billions of dollars into capital equipment, the country is discovering that it has been blindsided when it

Special Report

comes to workers. Corporate restructuring and a sharply cheapened dollar may have arrested the economic decline, but investing in people is turning out to be the only way to reverse it.

Society's failure to invest is already haunting the business community. Chemical Bank in New York must interview 40 applicants to find one who can be successfully trained as a teller. And IBM Corp. discovered after installing millions of dollars worth of fancy computers in its Burlington (Vt.) factories that it had to teach high-school algebra to thousands of workers before they could run them.

Building up human capital is becoming a national priority. After years of neglect, it has finally entered the political arena, at least on the rhetorical level. Just listen to the messages being broadcast by both Presidential candidates. Who will be the "Education President?" Who will do the most to train workers or provide child care to working mothers?

Those messages are long overdue. More than two centuries ago, Adam Smith pointed to the improvement in the skills of workers as a critical source of economic progress and a means of raising living standards. Wrote Smith in *The Wealth of Nations*: "A man educated at the expense of much labor and time to any one of those employments which require extraordinary dexterity and skill may be compared to one of those expensive machines."

'ABSOLUTELY CRUCIAL.' The evidence is overwhelming that people, not machines, are the driving force behind economic growth. In the period from 1948 to 1982, the nation's gross national product increased at an annual rate of 3.2%. Edward Dennison, an expert in growth economics, finds that one-third of that gain was caused by the increase in the education level of the U.S. work force and about half the growth was the result of technological innovation and increased know-how, which also depend on education. But just 15% of the total increase was the result of more capital equipment.

While Washington has been hell-bent on throwing incentives at business to increase spending on plant and equipment, outlays for human capital in the past 15 years have lagged behind. In the period from 1959 to 1971, total spending per student in public and private elementary and high schools grew at a brisk 4.7% a year, after adjusting for inflation. That was more than a full percentage point above the robust 3.6% rate of increase in the GNP and

even a smidgen higher than what business spent on plant and equipment. But from 1971 to 1985 things changed drastically. Dollars for education increased at a rate of just 2.7% in real terms, the same rate as GNP growth but 1.5 percentage points below the spending rate for capital investment.

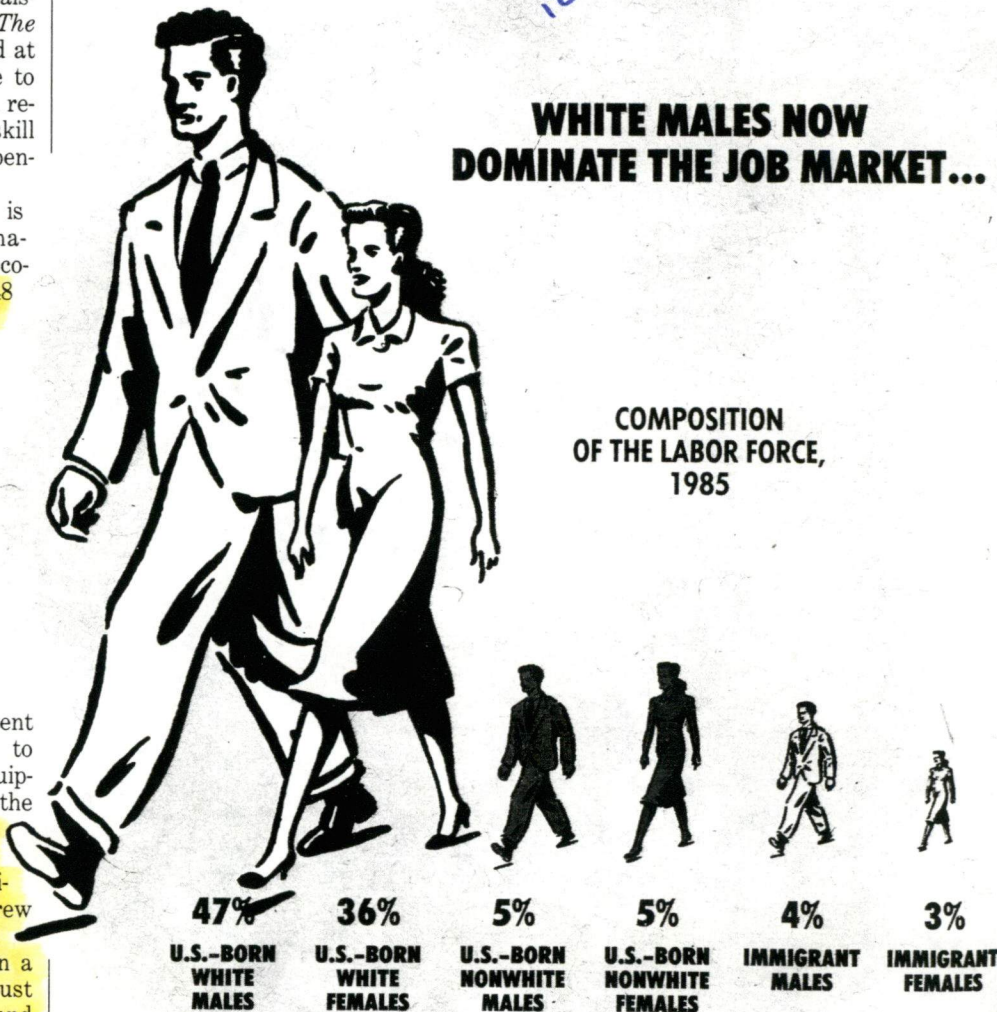
And a good part of the money spent on education has not gone to those who teach the nation's young. Excluding administrative and capital cost from school budgets, from 1959 to 1971 teachers' salaries after inflation increased at a 2.8% annual rate. But then, even as international competition started to heat up, teachers' salaries nose-dived, falling by 1.25% a year until 1985. They've bounced back a bit since, but in real terms, salaries are barely above their 1971 level. Small wonder that top-notch college graduates are not attracted to teaching.

True, the U.S. spends plenty on education: \$185 billion a year on primary and secondary schools alone. When colleges and universities are added in, the figure soars to \$310 billion—more than is spent on defense. American universities are the best in the

world, but elementary and high schools are another story. The U.S. gets a lot less for its education buck than do Japan and Europe. U.S. students attend class 180 days a year. French and German kids go 220 days, and Japanese children spend 240 days in school a year. American high school students score below both their foreign counterparts in international math and science tests. They test two to three years behind the Japanese, neatly matching the difference in time spent in school from kindergarten through high school. Worse, half of the kids in inner-city public high schools drop out. "The issue is not money, it's competent use of money," says Pat Choate, director of TRW Inc.'s Office of Policy Analysis. "Janitors in New York City schools make more than teachers. Education systems are patronage systems: Community boards give out jobs."

SECOND FIDDLE. Educating America's future work force reaches beyond the classroom. A fourth of all children born in the U.S. will be on welfare sometime in their lives. A quarter of all American

WHITE MALES NOW DOMINATE THE JOB MARKET...



children are born out of wedlock, and 42% of them will live in a single-parent family before they reach their eighteenth birthdays. As a result, education often plays second fiddle to the more pressing needs of survival.

The once-pervasive family role in education appears to be seriously eroding. With both parents in most families now working, the question of who's reading to the three-year-old and checking up on Junior's geometry homework is becoming a national concern. In Japan the mother plays such a strong role in teaching her children that she is known as "education mama." Here, the "education mama" is vanishing—and "education paspas" aren't taking up the slack.

One big exception is in the Asian-American community. "This year, 22% of MIT's freshman class is Asian-American," says Lester C. Thurow, dean of the Sloan School of Management at Massachusetts Institute of Technology. "The big reason for Asian-American success in public schools is family; family means some parent telling you that education is important."

At a time when jobs require higher levels of math, science, and literacy than

SPECIAL REPORT

Society's failure to invest in the work force already haunts business *Page 100*

LABOR

The gap between jobs and the skills of applicants is alarmingly wide *Page 104*

DEMOGRAPHICS

Employers must look to women, minorities, and the elderly *Page 107*

UNDERCLASS

In the face of prosperity, a growing underclass of the unemployed *Page 112*

EDUCATION

Everyone agrees that the system needs fixing. The question is how *Page 115*

BUSINESS AND THE SCHOOLS

Companies are taking a more active role in educational reform *Page 117*

CONCLUSION

What we must do to upgrade our No. 1 asset—the American worker *Page 120*

ever before, the economy is becoming increasingly dependent on the groups that often receive the poorest education. Between now and the year 2000, more than half of all new workers hired will be minorities, nearly three times the current figure. Blacks and Hispanics have the highest school drop-out rates in the coun-

try and lag significantly behind the national average on test scores.

But there is hope. The needs of the American workplace and the needs of the disadvantaged may be merging for the first time in recent history. The drive to raise productivity and increase international competitiveness is transforming the debate over social equity into a discussion about economic growth.

BENIGN NEGLECT. The Reagan years were an understandable reaction to the free-flowing social spending that earmarked the 1960s and 1970s. The national focus shifted to restructuring industry, deregulating the economy, and personal advancement. In the 1980s, programs for the bottom half of society got the deepest cuts. It wasn't all "welfare," either. The Labor Dept.'s manpower training programs were hit hard as well.

Those cuts in training could not have been timed worse. "The split between the top half and bottom half in society has been widening for the past decade, no matter how you cut the data," says Harvard University's Richard B. Freeman. "The educated, the skilled, and people in certain industries and jobs have done well. The rest have not." This inequality can only worsen if the human-capital deficit is not solved. The internationalization of the economy in

the 1980s pitted the U.S. labor force against workers around the world. The results? "Trade has killed the earnings prospects for less educated people," says Freeman. "They must compete with lower-wage people overseas. As long as we trade with Korea, the less educated will have a problem."

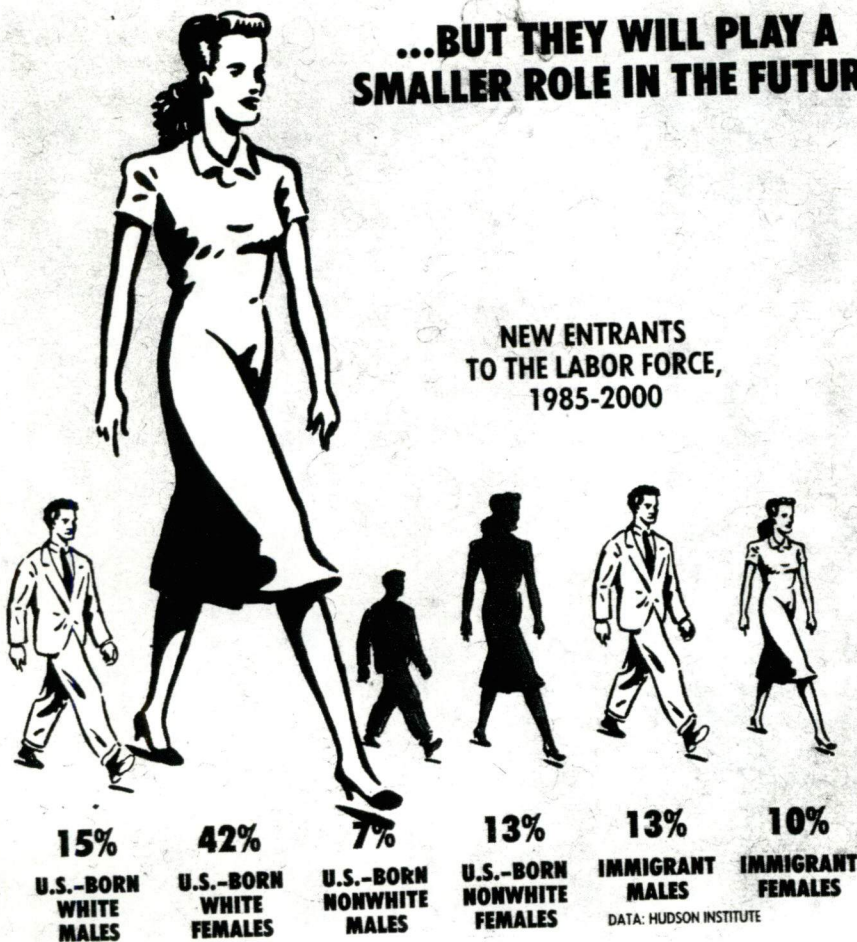
That competition has proved devastating. From 1959 to 1986, earnings for young men who quit high school fell by 26%, adjusted for inflation. Even high-school grads saw their earnings drop by 9%, while those of college graduates rose by 6%.

In the final analysis, wage gains and losses mirror what is happening to worker productivity. The huge decline in the wages of America's unskilled labor force shows that it is no longer competitive in the international economy. The productivity of the unskilled is plummeting, while worker productivity abroad is soaring. This could signal major losses in the battle for world markets. The U.S. may now be entering an era when neglect of the bottom half of society begins to threaten the welfare of the entire nation.

In the following articles the editors of BUSINESS WEEK lay out the dimensions of the human-capital crisis—and what the country must do about it.

By Bruce Nussbaum in New York

...BUT THEY WILL PLAY A SMALLER ROLE IN THE FUTURE



WHERE THE JOBS ARE IS WHERE THE SKILLS AREN'T

As work becomes more knowledge-intensive, employers are fishing in a shrinking labor pool



In a dynamic economy there is always a gap between job demands and worker skills. Through most of its history, the U.S. has managed to keep that gap small. But not anymore. The nation is facing a monumental mismatch between jobs and the ability of Americans to do them.

Unless the U.S. invests more to close this human capital deficit, the economy will be shunted onto a lower growth track. The drive to improve technology and productivity could founder on a shortage of competent workers. There will be a social price, too: Lower-skilled minorities will find it harder than ever to land good jobs. The earnings differential that already is growing between the top and bottom halves of the work force could get even larger. The nation could become further polarized between skilled and unskilled workers.

NEW YARDSTICK. Three forces are combining to produce the leap in the skills the economy will require. First, technology is upgrading the work required in most jobs. The modern workplace needs people with high reading and math capabilities, so millions of jobs go unfilled while the army of the unskilled remains unemployed.

Second, job growth will be fast mainly in high-skill occupations. Most of these jobs will be in the service sector. This kind of work now requires knowledge that wasn't necessary 20 years ago.

Finally, the way in which work now is being organized requires a completely new set of skills. As companies shift from the old models of assembly-line production to Japanese-style work teams, employees will have to sharpen their abilities to communicate.

A detailed look at how new workers will match up against new jobs between now and the year 2000 tells the story (chart). The Labor Dept. has devised a method for measuring, on a scale of one to six, the levels of reading, writ-

ing, and vocabulary needed to perform a wide range of jobs. The Hudson Institute, an economic think tank, has matched the new jobs that the economy will create against these scales. Here is what they found:

More than three-quarters of the nation's new workers will have limited verbal and writing skills (Levels 1 and 2). But they will be competing for only 40% of the new jobs. Most new jobs will require workers who have solid reading and writing skills, but fewer than one in four new employees will be able to function at the needed levels. Retail sales, for example, will be among the occupations providing the most new jobs. To fill those jobs, most retail employees will have to function at Level Three. They will have to write up orders, compute price lists, and read merchandise catalogs. Sound simple? Nevertheless, Hudson estimates that just 22% of the new employees will be

able to function at Level Three or better.

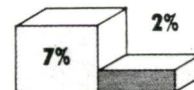
For jobs in nursing or management, the educational ante is higher. Most of these jobs, which often require more than a high-school education, need skills at Level Four or above: an ability to read journals and manuals, write reports, and understand complex terminology. Just 5% of the new employees will be able to do that.

DAUNTING TASK. As many as 50 million workers may have to be trained or retrained in the next 12 years—21 million new entrants and 30 million current workers. The most daunting task ahead is to educate and train the young work force entrants. The decline in the number of 21- to 25-year-olds means that employers now must dig deeper into the barrel of the poorly educated. And a

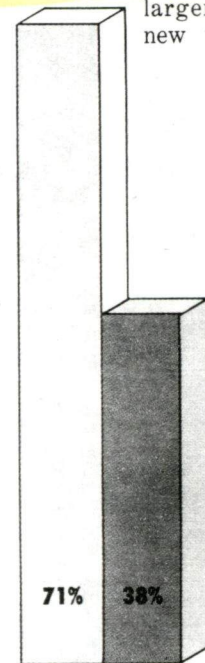
larger proportion of new workers will be



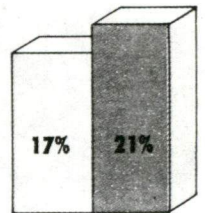
THE LOOMING MISMATCH BETWEEN WORKERS AND JOBS



LEVEL 1
Has limited reading vocabulary of 2,500 words. Reading rate of 95 to 125 words per minute. Ability to write simple sentences



LEVEL 2
Has reading vocabulary of 5,000 to 6,000 words. Reading rate of 190 to 215 words per minute. Ability to write compound sentences



LEVEL 3
Can read safety rules and equipment instructions, and write simple reports



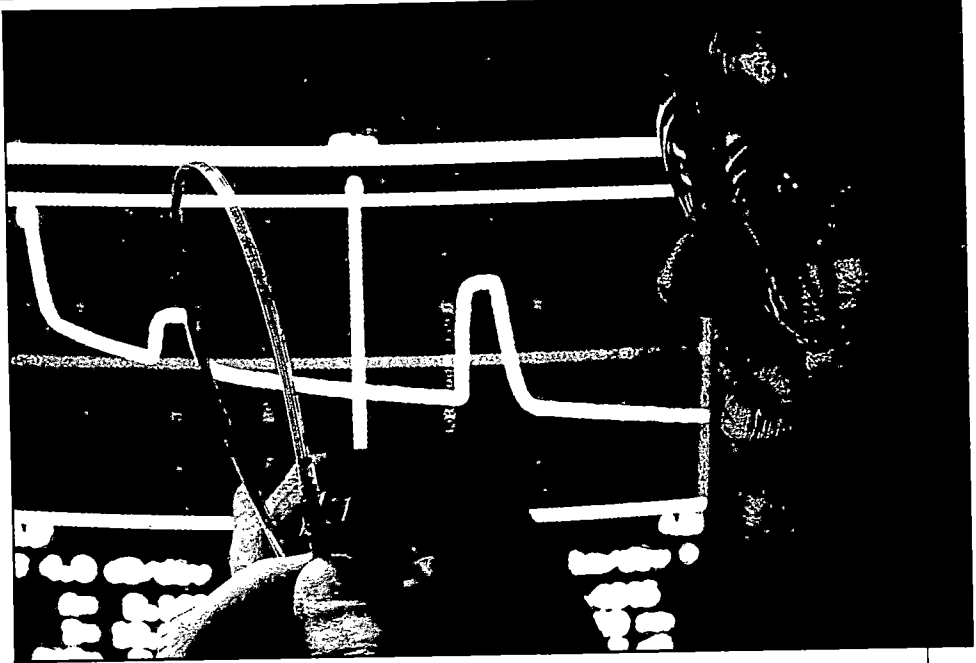
minorities and immigrants, who tend to have less education and fewer skills than other employees.

Minorities are the neediest of these new workers. But as employers become increasingly dependent on them, minorities are lagging behind in reading and writing skills. And those already working tend to be stuck in occupations that are disappearing, while few have jobs in growing industries (table, page 106).

As the economy continues to expand, big companies are looking harder for new workers. But many minorities with low skills still aren't being hired. Last year, Nynex Corp.'s New York Telephone Co. had to test some 60,000 applicants—many of whom were minorities—to hire 3,000 people. "There are lots of people who still want jobs, but they're dropouts who aren't qualified," says Howard Harman, New York Telephone's director of employment.

People who already are working will need massive retraining to keep pace with changing job requirements. They are the 30 million who will need more math and science to operate computers and robots on the assembly lines or better reading and writing skills to keep up in the office.

True, many companies are using technology to replace workers—but those employees who stay on the job generally must improve their skills. For instance, New York Telephone has used new technology to help shrink its work force,



which now numbers about 50,000, compared with 106,000 in the early 1970s. Nonetheless, the company has been forced to increase its in-house training rapidly to upgrade the skills of its remaining workers. NYT has four technology-learning centers where employees are taught to operate the handheld computers that telephone repairers use to keep track of orders. One five-day course retrains skilled splicing technicians who install overhead telephone cable. "Before, they handled 100-pound wire that was 6 inches in diameter," says Ray Bucaria, New York Telephone's director of train-

ing. "Now they must learn to use fiber optics, which means splicing very delicate fibers—like a brain surgeon, almost."

A growing number of companies go so far as to train the employees of their suppliers. In the early 1980s, Xerox Corp. found that its product quality was much poorer than that of its rivals. Management decided suppliers were a big part of the problem. Xerox reduced its 3,000-odd suppliers to about 350 and raised tolerance standards for parts it buys from them.

Xerox then began a program to train its suppliers in Japanese-style quality control. Typically, a company employee trains the supplier's management, and the supplier then trains its own work force in the new methods. Xerox initially will train about 100 of its 350 suppliers, at an estimated cost of \$1.5 million. "Training suppliers has become a permanent part of the way we do business," declares Robert Fletcher, who manages material quality assurance at Xerox. Motorola Inc. goes further: It even trains its suppliers' suppliers' work forces.

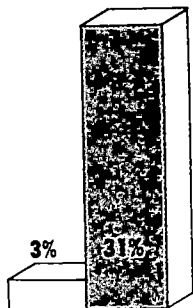
General Motors Corp. had to retrain workers when it opened a new truck plant a year and a half ago in Fort Wayne, Ind. The plant does have some spiffy new technology. But more important, it has a new team-production

TIME TO REWIRE

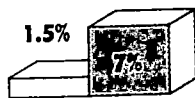
As New York Telephone switches to fiber optics, it's rushing to retrain workers—proof that the skills gap affects longtime employees as well as recruits

ACTUAL SKILL LEVELS OF NEW WORKERS
Percent of 21- to 25-year-olds entering the labor market from 1985 to 2000

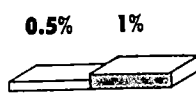
SKILL LEVELS NEEDED FOR NEW JOBS
Percent of new jobs created from 1985 to 2000



LEVEL 4
Can read journals and manuals, and write business letters and reports



LEVEL 5
Can read scientific/technical journals and financial reports, and write journal articles and speeches



LEVEL 6
Has same skills as Level 5, but more advanced



DATA: HUDSON INSTITUTE, LABOR DEPT.



system. Both workers and management had to go through intensive training in group dynamics and problem-solving to increase manufacturing productivity.

"Our people never heard of this until a few years ago," says Don Davis, the union head of a GM/UAW joint training program in Detroit. In all, Fort Wayne's 3,000 employees took 1.9 million hours of training, including time to learn the new technology. That's more than 633 hours per worker.

Companies are now spending some \$30 billion a year on worker training. A lot of that money is going to upgrade the skills of office workers. Take Mary Ann Moscillo. After her father died, she dropped out of school at 16 to work as a clerk in the mail room at Blue Cross/Blue Shield of Massachusetts. She wasn't able to advance on the job for almost a decade. Then she enrolled in a remedial education program run and paid for by Blue Cross, and she learned reading, math, and history. Armed with a new high school diploma, Moscillo has had three promotions. Now, she compares claims made by hospitals with payments Blue Cross makes to them, finding and explaining variances between the two.

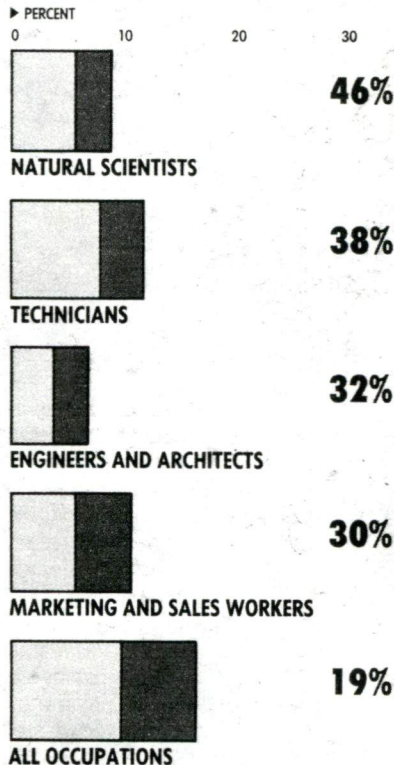
BABY BUST. The churning economy is generating millions of displaced workers. They account for more than one-half of the people already at work who will need retraining by 2000. Throughout the 1980s, some 2.3 million workers have been displaced each year, according to the Bureau of Labor Statistics. Roughly 1 million long-term workers—those on the job three years or more—have been displaced annually. Approximately 30% of these lack basic skills—reading, writing, and arithmetic. Consequently, a third never found new jobs at all. Others found work but at substantially lower pay.

Elite workers, as well, could be in short supply. Because of demographic trends, the U. S. is facing a long-term shortage of scientists and engineers. The number of both has climbed steadily in the past two decades, but only because the baby boom brought many young people into the labor force. The percentage of students who choose these fields has actually remained constant: In the past 30 years, the

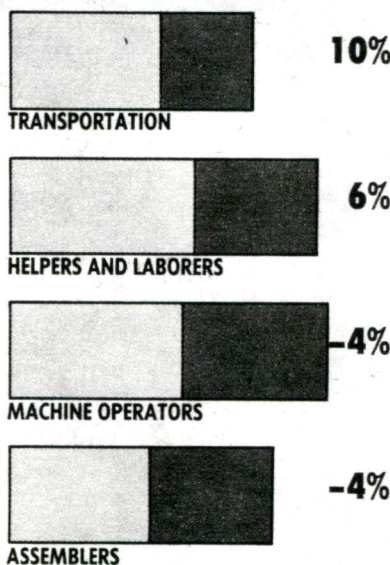
MINORITIES ARE STUCK IN THE WRONG JOBS

Percent of jobs held in 1986 by:
 □ Blacks ■ Hispanics
 Percent change in demand for jobs 1986 to 2000

TOO FEW IN FAST-GROWING JOBS...



...TOO MANY IN SLOW-GROWING JOBS



DATA: BUREAU OF LABOR STATISTICS

proportion of 22-year-olds acquiring bachelors' degrees in science and engineering has remained within a narrow band of 3.7% to 4.3%, according to the National Science Foundation (NSF).

If this trend continues, the baby bust could cause growing shortages. If just 4% of students continue to choose science or engineering, the NSF warns, there could be a cumulative shortfall of more than 400,000 science and engineering BAs through the year 2000. Half of all engineering students at the graduate and post-graduate levels already are foreigners. And this country is facing a shortage of 27,000 PhDs by the end of the century.

Economists are quick to point out that in these relatively high-paying fields, shortages are likely to push up salaries and attract more people. But there's little evidence that previous shortages enticed more students to scientific fields.

GROWING GAP. In addition, market mechanisms may not work quickly enough to remedy shortfalls of PhDs, who require an additional six to eight years of schooling. "Usually the decision to enter science is made in high school," says John H. Moore, deputy director of the NSF. "We need to do something today to get teens thinking seriously about careers in these fields—or we'll be in trouble."

The skills gap poses a threat to American society that goes beyond simply the economy. Currently, labor shortages in New England and elsewhere are driving up wages for jobs in fast-food eateries. If new workers don't become better qualified, this situation may change drastically as shortages move up the skills ladder. Many new job-seekers could wind up competing for a dwindling number of low-skilled jobs, while higher-skilled jobs go begging for want of qualified workers.

That would drive down wages for low-skilled workers, who can least afford it, and raise wages for skilled employees, who are already better paid. The social consequences of this are clear. Warns Irwin S. Kirsch, a researcher at Educational Testing Service in Princeton, N. J.: "If we don't boost the skills of the bottom ranks of the work force, we'll have an even more divided society than we do now."

By Aaron Bernstein in New York and bureau reports





MODERN FAMILY

Karen and Melvin Petersen, who both work the swing shift at Echo Bay Mines Ltd.'s operation in Round Mountain, Nev., drop off toddlers Laura and Lori at the 24-hour, company-run day care center before going to work. If Karen stayed home, "we'd struggle along from paycheck to paycheck. It would be rough," she says. Two incomes let them save money for the girls' education

FOR AMERICAN BUSINESS, A NEW WORLD OF WORKERS

Employers must look to the nonmale, nonwhite, and nonyoung—and competition will be vicious



Once upon a simpler time not so long ago, "work force" meant white men in ties or blue collars. The image was never quite exact. One generation back, as the nation settled into postwar prosperity, 30% of all women worked outside the home—even if *Leave It to Beaver* reflected the cultural ideal of family life. "Negro,"

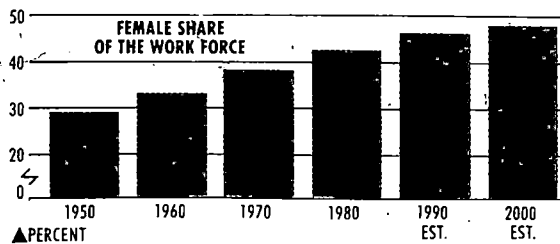
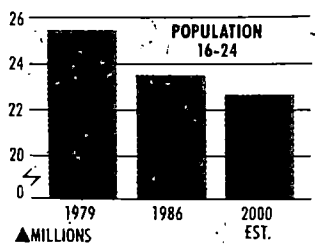
"Oriental," and "Spanish-American" workers always have helped to do America's work. But with a plentiful labor supply, few employers had to reach beyond the male Caucasian in his prime except for the least-wanted jobs. Indeed, by the late 1960s, as employers awarded self-winding watches to 65-year-olds, the first fresh-faced baby boomers were on their way to Personnel.

The last of that numerous cohort is now straggling into the world of pay-

checks and withholding taxes. The boss is losing that confident glow. The decline in birth rates after 1960 has slashed the numbers of young people available to fill jobs right up to the year 2010 and maybe beyond.

The years of picky hiring are over. Vicious competition for all sorts of workers—entry-level, skilled, seasoned—has begun. Employers must look to the nonmale, the nonwhite, the nonyoung. There may be a push for non-citizens as well:

AS THE POOL OF YOUNG WORKERS SHRINKS, WOMEN WILL FILL THE GAP, AND MORE WORKING



- ▶ 73% of all working women are of childbearing age
- ▶ 60% of all school-age kids have mothers in the work force, up from 39% in 1970
- ▶ Women with children under 6 are the fastest growing segment of the work force

DATA: BUREAU OF THE CENSUS, LABOR DEPT.

Over the next 10 years, predicts the Hudson Institute, an economic think tank, only 15% of work force entrants will be native-born white males.

Building a new, more diverse work force and making it tick will be one of Corporate America's biggest challenges in the decade ahead.

MOTHER, DAUGHTER, WORKER, WIFE

In the past 15 years, as women ventured into the workplace in growing numbers, it has been widely expected that employers would take major steps to accommodate their special needs. So far, though, employers have been able to hire 52% of all women without doing much very differently. That's partly because in a world of stagnant real earnings, women and their families have needed the money more than companies needed the women. Feminism, higher education levels, and rising expectations pushed women into the work force, too.

But as employers fish in a shrinking pool for new workers and try to retain experienced ones, women will be in a position to make demands. Companies will be forced to make it easier for workers to balance work and family.

Three-quarters of working women are in their childbearing years; more than half of all mothers work. Those with children younger than 6 make up the fastest-growing segment of the work force. For many such women, as well as for their spouses, balancing work life with parenting at a distance presents logistical challenges worthy of an air traffic controller.

It isn't only children. As the U. S. population becomes older—and by 2000, 51% will be between 35 and 54—more people must take responsibility for their parents. Americans are living longer, thanks to better nutrition and medical breakthroughs, but those beyond the age of 75 are often ill or infirm. Services are expensive, so care usually falls to family members—many of whom work.

About 40% of workers over age 40 already provide care to parents, according to Anthony Gajda of Mercer-Meidinger-Hansen, an employee-benefits firm. About 12% of women who care for aging parents must quit their jobs to do so.

A growing body of research links employees' concerns for the care of children or elderly relatives with productivity losses from increased absences, tardiness, and stress on the job—and such time-wasters as excessive use of the phone. This holds for men in dual-career marriages as well as for single fathers and single sons. But it's particularly true for women. At Touche Ross & Co., Susan Schiffer Stautberg figures the average working woman spends 17

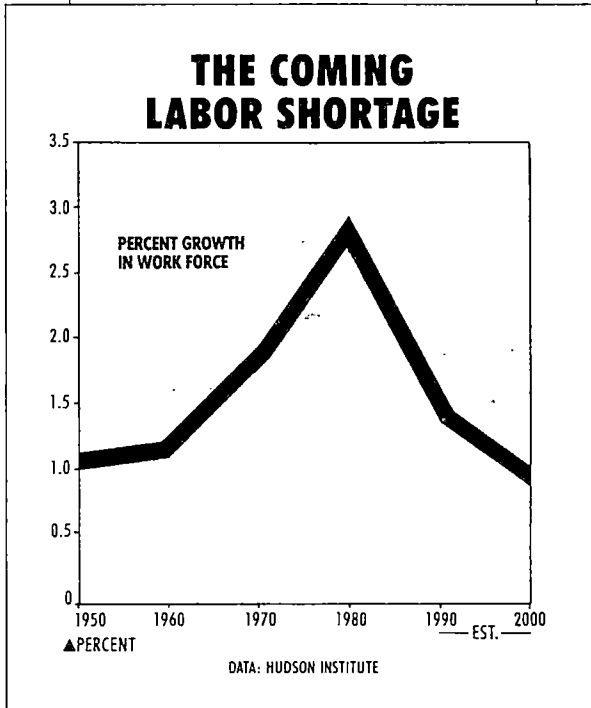
minutes each day on such tasks, and estimated that such policies don't cost much even though temporary workers may have to fill in or other staff may have to work overtime. Legislation requiring employers to provide unpaid family leave to care for sick relatives or new babies is on Congress' agenda.

Child care, especially, is politically hot. A \$2.5 billion bill sponsored by Senator Christopher J. Dodd (D-Conn.) and Representative Dale E. Kildee (D-Mich.) would set quality standards for child care, provide payment vouchers to families, and provide states with funds to add new facilities. Michael Dukakis backs the bill's concept without endorsing the dollar amount. George Bush wants a \$1,000-per-child tax credit for poor families where at least one parent works, to be used for child care or to help mothers stay home. **'CARE-GIVERS.'** There is widespread agreement that the federal government has some role to play, beyond the current \$3.9 billion dependent-care tax credit, the \$660 million spent on day care, and \$1.5 billion for the Head Start early childhood program for disadvantaged kids. States, expanding their programs, are crying for more funding. California subsidizes day care for low-income toddlers. Texas school districts provide prekindergarten for 4-year-olds from poor families. Massachusetts is trying to increase the supply of child care with loans to build centers and grants to expand referral programs, train "care-givers," and pay them more.

The problem, however, is falling increasingly into the corporate lap. Boston University researchers Bradley K. Googins and Dianne S.

Burden recently surveyed 1,500 workers in big corporations. Some 43% said employers and government should share responsibility for helping balance work and family life; 41% said companies should take the lead.

About 60% do offer some degree of work-schedule flexibility. But less than 5% of U. S. companies—a grand total of 3,300—help with child care. Most of those either allow employ-



years raising kids and 19 years caring for aging relatives. Her grim joke: "Middle age is the 15 minutes in between."

The productivity issues are greater than a workday lost when the babysitter walks out or Grandma breaks her hip. Family leaves, allowing parents time off to care for a new baby or deal with a family crisis, help retain women workers and boost morale and loyalty among others as well. A 1986 report by the General Accounting Office indi-

MOTHERS WILL INCREASE THE DEMAND FOR CHILD CARE

► With divorce and out-of-wedlock births running high, the typical child born in America today will spend some time in a single-parent home. Such households, usually headed by women, are more likely to be poor. Children in poor families are at risk for school and social failure

► Only 5% of U.S. companies help their employees with child care. Only about 300 have helped start day-care facilities

► In 1982, a quarter of all mothers not in the work force said they would work if adequate child care were available



Special Report

ees to save tax dollars by setting aside pretax income for day care in flexible benefit plans, or they provide information and referral advice. Only 250 or 300 companies have helped start child-care centers.

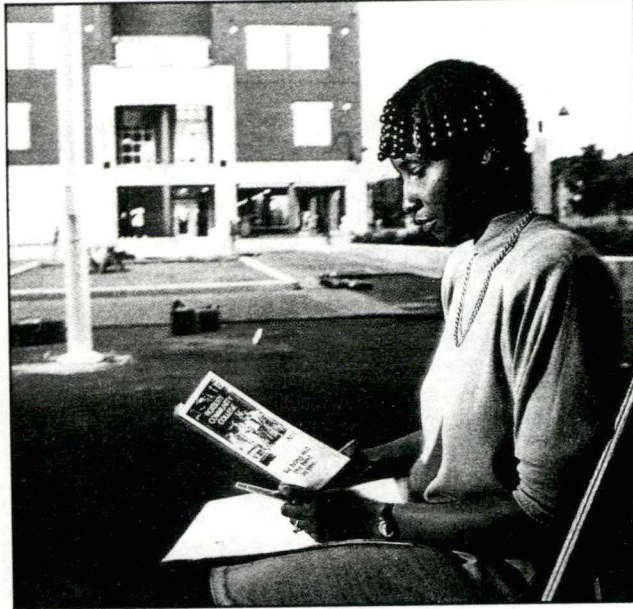
It's likely that more women would enter the job market if they could find good child care. In the 1982 census, 26% of all nonworking mothers with preschoolers said they would look for work if "reasonably priced child care were available." An additional 13% said they would work more hours. If half the women claiming they are so constrained went to work in the 1990s, the labor force would gain 850,000 workers, notes Columbia University economist David E. Bloom.

A BENEFIT. Indeed, some companies are looking at child care as a recruiting device, especially in clerical, food service, and hospital jobs, which depend on women workers. But the impetus is growing elsewhere. Faced with a local labor shortage, Echo Bay Mines Ltd. at Round Mountain, Nev., has enticed parents to hire on for swing shifts by keeping open its on-site day care center 24 hours a day, seven days a week.

Eastman Kodak Co. helps its American employees look for child care. In addition, the company is experimenting with job-sharing. Two Rochester (N. Y.) mothers with young children split the title "professional recruiter"; their 24-hour stints overlap on Wednesdays. Kodak allows up to 17 weeks of unpaid leave to care for a spouse, parent, sick child, or new baby, including adopted or foster children. "We have a lot of money invested in training. This is protecting our investment," declares Mary J. Har-

ington, Kodak's corporate employee relations director.

Corporate efforts to help workers cope with elderly parents are still primitive. Most women must find ad hoc solutions. A quarter of those responsible for aged parents take extended leaves or cut down their work hours. The challenge is to keep them on the job as much as possible by providing social supports for the parents. As the pressures of labor shortage build, companies will also have to see to it that employees don't



DROPPING IN

After Bostonian Sandra Brown, single parent of three, told her welfare caseworker she was "job-ready," she enrolled in a program at Roxbury Community College where she's studying word-processing and finishing high school. Her employer is helping with the tuition bills

exceed those of whites. Immigration, mainly from Latin America and Asia, has accounted for a fifth of America's population growth in the 1980s. Compared with the native-born, immigrants are younger and their families are larger. The youth cohort of the work force is shrinking, but more of its members will be black, Hispanic, or Asian.

These changes may have dire consequences for the U. S. work force. A disproportionate number of these youths are growing up in families that are poor or headed by single parents. In minority communities, many of today's adults lack the skills to find decent employment. Their kids face worse prospects at a time of dramatic technological change. A disturbing new term, underclass, describes some who are from such disorganized backgrounds that—without intervention or a social miracle—they may never be employable (page 112).

Many young people—especially minorities—are caught in a vicious cycle. About a quarter of all kids are born out of wedlock to parents who "are poorly educated, frequently young, and unskilled," says George Washington University's Sar Levitan. In the U. S., about 44% of all marriages fail. Female-headed households are more than four times more likely to be poor than are two-parent families. A startling one in four members of the Class of 2000, now entering first grade, is living in poverty.

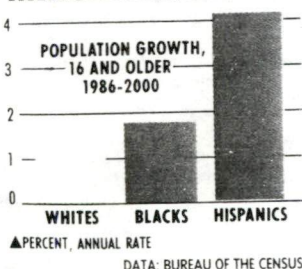
Part of the problem is child support. Fewer than half of fathers not living with their kids pay anything toward their keep. In 1985 more than half of all

forfeit seniority or status if they are forced to take time off for family reasons. "I really think demographics are destiny here," says Dana E. Friedman, work and family research director at the Conference Board.

YOUNG, TROUBLED, AND IN DEMAND

It has been a long time since America's population profile bore much resemblance to the party that landed at Plymouth Rock. Now this nation of ethnicity and social flux is changing anew. It is becoming less white and more Spanish-speaking. Birth rates among blacks

MINORITIES: FAST GROWTH AND TOO MANY DROPOUTS

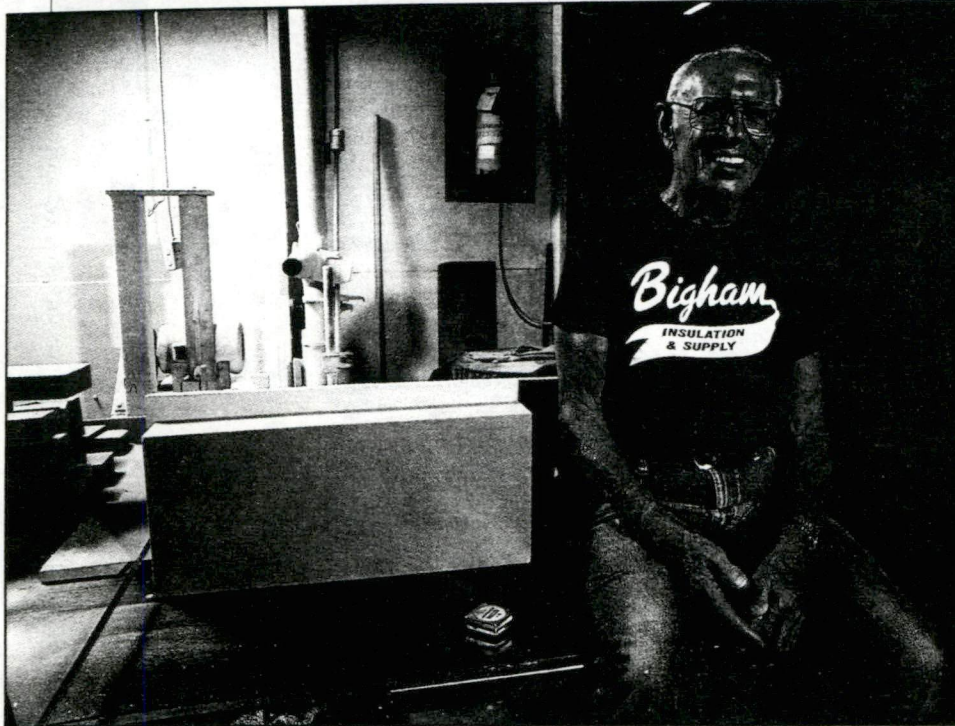


► Among white 18- to 21-year olds, 13.6% have dropped out of high school. Among blacks the rate is 17.5%, among Hispanics 29.3%

► The high school dropout rates in major cities, where minorities are concentrated, range from 35% in New York to as high as 50% in Washington



Special Report



RETIRED? RETOOL

Leon Levitt, 81, retired from his sales job a decade ago, but six months later he went back to work as a trainee machinist. "Work adds life to your years—and it actually adds years onto your life," he says. As the work force ages, more and more résumés may resemble that of Levitt, who just cut back his workweek to 49 hours from 55

gible children are served by Head Start, due to inadequate funding.

The challenge is clear. If minority skills are not upgraded, they will deteriorate further. Companies will be forced to substitute capital for the unskilled labor. Technology, after all, has many faces. Given skilled workers, it can upgrade a job task and add value. Or, to cope with work-force shortcomings, it can be used to "de-skill." The classic example is McDonald's Corp. Dependent on young workers with poor skills, the hamburg-

er chain has replaced words on the keys of its cash registers with pictures. That may work for McDonald's. But for society to take that path implies low wages and a declining standard of living.

BRINGING THE RETIRED BACK FROM RETIREMENT

In our time, the shrinking of the American manufacturing sector has written off a generation of middle-aged blue-collar workers caught between the foundry and the computer. And even as the economy faces labor shortages at all levels, the most striking employment trend in recent years has been a shift to early retirement. Only about 15% of men over age 65 are in the work force today, down from 25% in 1970. Only 68% of those age 55 to 64 still work, compared with 83% two decades ago.

Such trends were perhaps understandable as baby boomers crowded into the workplace and companies downsized. Today, though, it is waste on a vast

mothers with child-support orders received less than the full amount due. The average annual payment was \$2,315. Another aspect of the poverty problem is women's pay. Women's earnings average \$16,232, 70% of men's. Many mothers work part-time for far less pay.

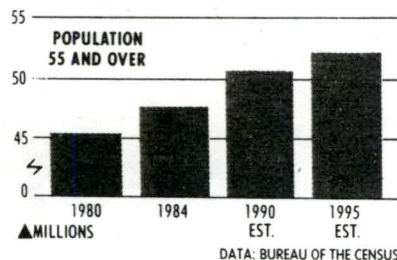
Harvard sociologist David Ellwood predicts that more than two-thirds of children who grow up in a single-parent household will spend at least some of their childhood in poverty. They are three times more likely than others to drop out of school, and they are more deficient in skills. Black and Hispanic children, while a minority of the poor, are nearly three times more likely to be poor than whites. A National Assessment of Educational Progress found that only 60% of white young adults could locate information in a news article or an almanac. The number was 25% for blacks and 40% for Hispanics.

Labor shortages in the future could present an unprecedented opportunity to improve the lot of the poor. "The new workers—although they are from

groups disadvantaged by discrimination, lack of education, and language barriers—will be in very great demand," says Labor Secretary Ann D. McLaughlin. Already employers are having to reach further and further along the labor queue. Where necessary, they are patching up the ragtag skills they find there, sometimes at huge expense (page 117).

Social thinkers say early intervention, with such proven child-development programs as Head Start—or even earlier with nutrition programs and parenting classes—is the real ticket to building a competent work force over time. Half of all teenage mothers eventually escape poverty through education, with measurable improvements in their kids' achievement and prospects, notes economist Andrew Sum of Northeastern University. "If minorities are to succeed, we have got to start educating children much younger and work through their parents," says Gloria G. Rodriguez, director of a support and training program for poor Hispanic families in San Antonio. Despite its track record, only 18% of eli-

OLDER PEOPLE ARE AN UNTAPPED RESOURCE



- ▶ In 1950, for every retiree, there were 17 Americans at work. By 1992, it will be 1 retiree for every 3 workers
- ▶ In 1984, only 68.4% of all men aged 55 to 64 worked. If retirement trends continue, that will drop to 62.6% by 1995



Special Report

scale. A typical American who has reached the age of 65 can expect to live an additional 17 years. By 2003 the U. S. National Center for Health Statistics predicts life expectancies at birth will be 84 years for women and 10 years less for men. Today the 58-year-old who takes early retirement is essentially middle-aged, and retirement may last half as long as his or her work life did.

The good health, skills, and work histories of the "young old" can help the nation out of its demographic fix. "Peo-

years. Smart companies are finding ways to retrain and employ them. In Florida, where 18% of its population is over 65, the future is now—fast-food chains recruit workers in retirement villages. Last year, Kelly Services Inc. in Troy, Mich., put out a call for workers over 55. Now they're 8% of the "temp" rolls. In Boston, one BayBanks Inc. unit has hired 45 retirees as clericals, tellers, and clerks since last November.

Keeping older workers in the job market won't be easy. Says Census Bureau

can Labor Force, Briggs argues that minority youths could soon be competing with immigrants—legal and illegal—for entry-level jobs. Rand Corp. researchers say there's no evidence of this yet. But they warn that U. S.-born Latinos must improve their skills to qualify for the high-tech jobs of the future or compete with new immigrants for low-paid jobs.

Today's immigrants, on average, are less skilled than the native-born. Most lack a high-school education. Only 20% are admitted because their skills are in great demand. But the criteria could change toward more preference for skills. This year, U. S. hospitals, to allay shortages, will hire 20,000 foreign nurses on five-year visas.

NEW CITIZENS

Opening America's "Golden Door" has helped with past labor shortages, but swelling waves of immigration might serve to stall efforts to integrate blacks, Hispanics, and women into the economy more effectively

The idea of hospitals staffed by skilled foreign professionals and low-paid native-born janitors doesn't sit well with some like Pat Choate, TRW Inc.'s futurist. "Ultimately we have to have an

economy that works—and do everything with our own people," he says. Yet, he adds, the U. S. should "use its incomparable advantages" to attract the world's talent. Foreigners here to study engineering, say, could be required to stay and work.

Unlike immigration policy, population trends hold few surprises. "We have a lot of control over how demography hits us. It's more of a glacier than a thunderbolt," reflects Jack A. Meyer, president of New Directions for Policy, a Washington think tank. "If we sit back, we're in for some problems." The danger is that the U. S. will fail to address its demographic challenges in time.

By Elizabeth Ehrlich in New York, with Susan B. Garland in Washington, and bureau reports



ple should work longer and be productive longer. We should get away from the rigidities that go along with age 65," argues Alan Pifer, chairman of the Southport Institute for Policy Analysis.

Pifer, who directed the Carnegie Corporation's Project on Aging, advocates continual education and retraining throughout one's working life. The emphasis should be on that restless age around 50 when the kids are gone and "you've gone about as high as you're going to go in the hierarchy. It would be nice if a lot of people could be 're-potted,'" he suggests. As a vision for the nation, that projects a huge agenda: re-ordering what is now an ad hoc and haphazard retraining process. It also requires new benefits systems, such as portable pensions, to erase disincentives for middle-aged workers to move on.

Many over-60s, furthermore, don't want to be put out to pasture for 20

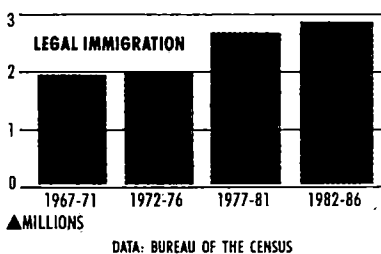
forecaster Cynthia M. Tauber: "They can afford to retire and will." The elderly have escaped Reagan-era spending cuts. Social Security, medicare, and medicaid spending on nursing homes have eliminated most poverty among the old. Still, retirement can be boring. If business makes work attractive, the oldsters may come back in droves.

THE U.S. COULD LOWER THE DRAWBRIDGE AGAIN

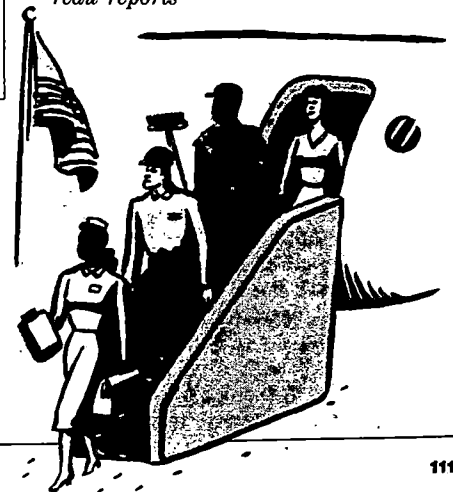
Faced with labor shortages in earlier times, America has opened its borders. Immigration is still a policy option—the wild card in the labor-market outlook.

For Cornell University economist Vernon M. Briggs, unleashing even more immigration will stall efforts to integrate women, blacks, and other minorities into the economy. In a recent book, *Immigration Policy and the Ameri-*

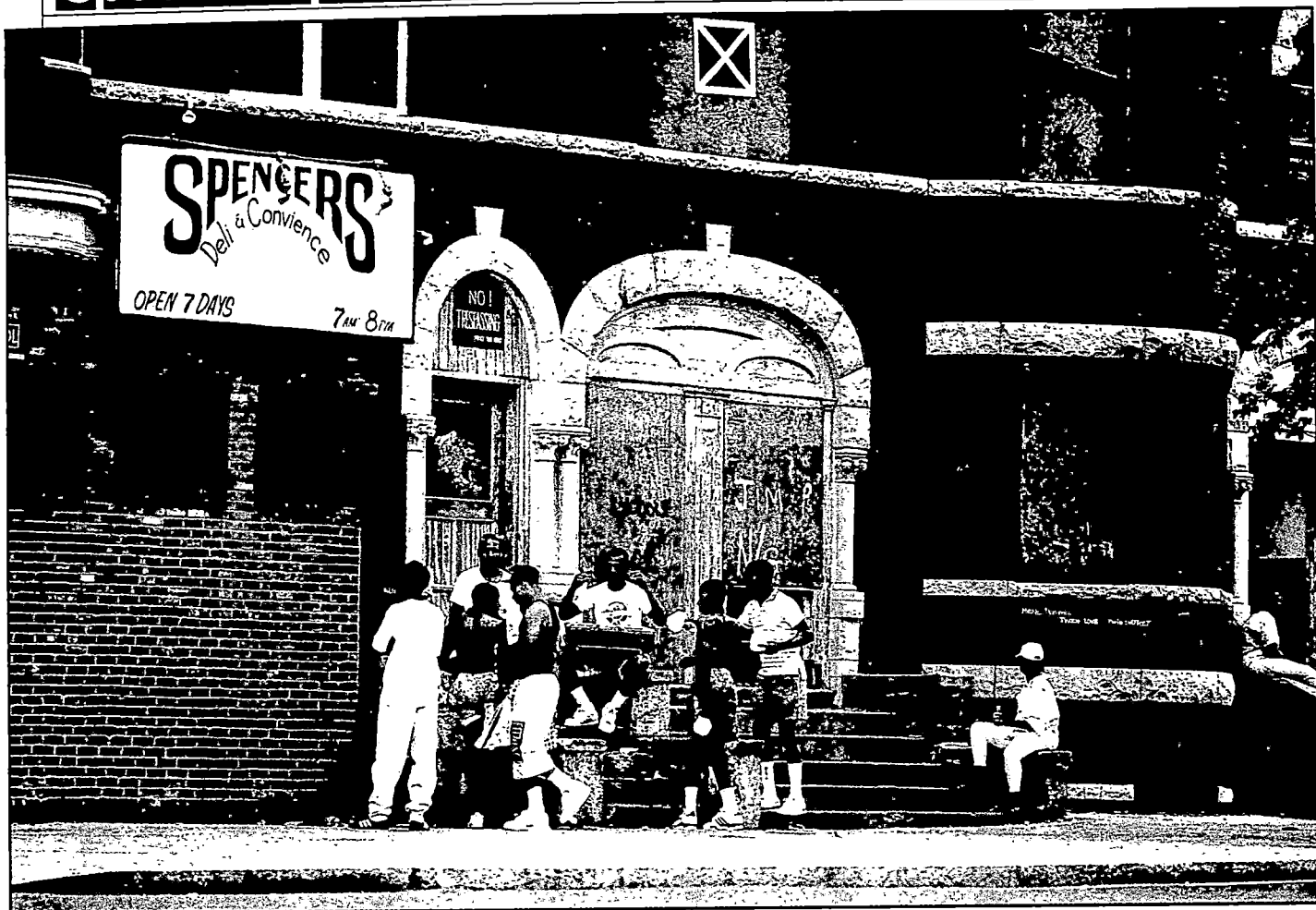
WILL IMMIGRANTS FILL THE JOB GAP?



- ▶ Only 20% of legal immigrants are admitted for job skills. Family ties or refugee status are the usual criteria
- ▶ Over half a million legal immigrants arrive each year—more than at any time since the 1920s.
- ▶ Some 2 to 4 million illegal immigrants live in the U.S.



PHOTOGRAPH BY WOLF/PICTURE GROUP. CHART BY PAUL GRANGE/BW



WHY THE UNDERCLASS CAN'T GET OUT FROM UNDER

In an era of prosperity, legions of welfare mothers and inner-city youths face dead-end lives



Terence Maclin often dreams of escaping Milwaukee's tough North Side. "I plan to build my own business," says the 18-year-old leader of a youth gang known as Two-Four. "Then I can have people working for me."

Maclin's fantasy of the straight life is likely to remain just that. A high school dropout who's been in and out of juvenile institutions since he was 9, Maclin can't read at a sixth-grade level. He's enrolled in a high school equivalency program but chronically cuts classes. And Maclin recently quit the latest in a

series of temporary jobs after a dispute over pay.

In the past, unskilled and poorly educated black youths such as Maclin had a shot at a decent-paying job. But now, many of the breweries that made Milwaukee famous are shuttered. The city's employment boom has been concentrated largely in jobs that require skills far higher than Maclin's. "The odds are very strong that Terence will never make it," says Charles Meyer, a program director at the Westside Center, where Maclin sometimes hangs out.

Young people such as Maclin can be found in decaying inner cities all over America. They represent a chilling phenomenon: a growing black underclass

isolated from the nation's economic and social mainstream. This legion of chronically unemployed males and welfare mothers, concentrated in crime-ridden, desperately poor, inner-city neighborhoods, numbers at least 1.5 million.

That figure continues to mount despite a six-year economic expansion. "The rising tide of prosperity left those without a high school diploma untouched," says John D. Kasarda, an economist and chairman of the University of North Carolina's Sociology Dept. "They were not even on the boat."

Although the underclass is relatively small in size, it reverberates across geographic, class, and racial lines. Drug-related crimes and gang wars are shak-

ing the complacency of middle-class communities. As labor markets tighten, business has begun to worry about the growing pool of disaffected youths ill-equipped to take on new jobs. And the cost of coping with society's failures are staggering. The nation spends \$20 billion annually on prisons. Caring for low-birthweight babies born to mothers on welfare who are high school dropouts costs another \$188 million per year.

Minority youths in urban ghettos such as Dorchester, Mass., (left) often eschew work even where it's available. For some, fast-food jobs paying as much as \$7 an hour don't compare with the enticements of life on the street



Even when jobs are available, few are perceived as true opportunities because pay is low and prospects for promotion are virtually nil. "Places give you a hassle, say they are not hiring and come back in a few months," complains Corey Newsome, a former member of Maclin's gang. In some tight labor markets, fast-food restaurants pay nearly twice the minimum wage, but local youth unemployment rates remain high.

The growth of the underclass is the result of many complex forces—from racism to the frustration and apathy that persistent poverty can provoke. "It's very difficult to point to any one thing in an environment where so many things are hostile," says David T. Ellwood, professor of public policy at Harvard University. "But everyone agrees that all these negative things start to feed on each other, making it more difficult to latch on to any simple solution."

'KNOWLEDGE-INTENSIVE.' Among the most potent factors is the two-tiered economy. The economy's general weakness during the 1970s and early 1980s "hit people at the bottom of the barrel the hardest," says Brookings Institution economist Robert D. Reischauer. Starting in the 1970s, white women, baby boomers, and immigrants flooding the job market have made it even more improbable that less-educated blacks at the end of the hiring queue will be chosen for jobs.

Meanwhile, in the past two decades, manufacturing industries virtually vanished from the cities. Some closed down, skewered by international competition. Others moved to convenient, sprawling, suburban tracts. Just 25 years ago, half of Milwaukee's jobs were of the high-paying blue-collar type. Today less than 30% are. In other cities, the falloff is even more dramatic.

Many of the newer jobs are "knowledge-intensive" white-collar posts, which require

at least some college education. As a result, employment of the poorly educated has fallen sharply. That is particularly true of adult black males who live in cities. Only half of these men work, even part-time, as compared with 80% in 1969, according to Kasarda.

University of Chicago sociologist William Julius Wilson, author of *The Truly Disadvantaged*, argues that antidiscrimination legislation and affirmative-action programs may have inadvertently compounded the problems. Middle-class blacks, who could take advantage of new job and housing opportunities in the 1960s and after, fled the ghettos, leaving local schools to the poor and removing important role models—adults who work at steady jobs. Those left behind no longer hear about work opportunities. Even the habit of waking up to a ringing alarm clock is alien. "Youngsters are growing up in a community where people's lives aren't organized around work," Wilson says.

"Fast-food places aren't paying enough, not for what they want you to do," says Newsome. The lucrative alternatives—drug dealing, pimping, and theft—have no shortage of recruits, though.

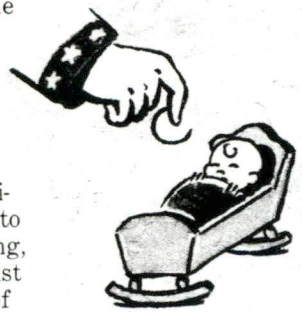
The allure of criminal activity is often attributed to the disintegration of the black family. In 1960, 20% of black families with children were headed by women. Today, half are.

WELFARE TRAP? Contrary to popular perception, the birth rate for unmarried black women actually has declined since 1960. But the marriage rate among black women has dropped even more sharply—as has the birth rate to married women—so single women still bear more of the community's babies. For Wilson, the explanation is the shortage of "marriageable" black men. "The increasing inability of many black men to support a family is the driving force behind the rise of female-headed households," he says.

Some social scientists, though, believe that cultural factors have become at least as important as economic ones.

"If you've got full employment, you are still going to have an underclass," argues social scientist Charles Murray. "We do not know how to change the attitudes of even adolescents who have grown up in the underclass." Murray's 1984 book, *Losing Ground*, faulted federal welfare policy for discouraging marriage and work while rewarding out-of-wedlock childbearing and unemployment.

"It's now more acceptable than ever for a father to ignore his responsi-



HOW SOCIAL INVESTMENT IN CHILDREN PAYS OFF

Prenatal care for poor women	\$3.38 in hospital care for low birthweight babies
Childhood immunization	\$10 in later medical costs
Preschool education	\$4.75 in special education, welfare, and prison costs
Remedial education	\$6 in the cost of repeating a grade

DATA: HOUSE SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES



Special Report

bilities," adds Stuart Butler, director of domestic policy studies at the conservative Heritage Foundation. "The assumption is that the government will take care of the problem."

Certainly, most welfare programs do little to encourage work. When recipients who want to work weigh the low-paying jobs for which they're qualified against the loss of welfare benefits, medical benefits, and the additional burden of child care, many figure they're better off staying home. "The system goes around and chokes you," says Bonita Williams, a 24-year-old mother of six who lives at the Milwaukee Fam-

Dr. James P. Comer, professor of child psychiatry at the Yale Child Study Center, says children of uneducated parents are less likely to develop the early language skills and excitement for learning that will prepare them for school. Fully 60% of daughters of single women who are on welfare for 10 years or more will find themselves on welfare for at least a year during adulthood. Urban Institute economist Isabel V. Sawhill worries that underclass communities will be "breeding grounds for another generation of poor people with little hope of becoming part of the mainstream."

most disadvantaged kids. Their point is that intervening at an early age may well improve a child's lifelong prospects (chart, page 113) and save money on other social programs, such as welfare, down the line.

Some experts believe that expanding programs such as Medicaid and Head Start is only a first step. Harvard lecturer Lisbeth B. Schorr says that social service agencies have to do a better job of coordinating the services they deliver to poor families, who often suffer from a spectrum of problems. An agency that provides preschool education to a child without addressing a parent's depression or the child's nearsightedness won't help much. "The programs that work best are comprehensive and intensive," she says.

INTIMIDATED. Encouraging the employment of young adults is another necessity. In Boston, a successful business-backed program is teaching 150 poor adults such workplace skills as résumé-writing, interviewing procedures, and telephone etiquette. James B. Marshall Jr., who is in charge of the program, says many youths are intimidated by the prospect of leaving isolated ghettos such as Roxbury to work in a downtown glass tower. Other programs that provide intensive remedial education, job training, and child care have helped long-term welfare mothers enter the labor force.

North Carolina's Kasarda believes that suburban employers must reach out as well through job information networks and provide transportation pools. Marshall says that employers, who are often reluctant to hire inner-city youths, "have to understand that their personnel in the next 10 years is going to be different from what they're used to."

This realization is the product of demographic trends that in some areas are already producing labor shortages among young, entry-level workers. However, federal policymakers, worried about yawning budget deficits, seem unlikely to launch a major new effort to address the problems. There is little political gain to be had from aiding the powerless underclass, and indeed, the Presidential candidates have not taken up their cause.

Yet, argues Princeton sociologist Richard Nathan, "if there was ever a time to work at these issues, it's now, when there's a declining labor force." If America lets this opportunity pass, it will do so at its own social and economic peril.

By Susan B. Garland in Washington, with Lois Therrien in Milwaukee and Keith H. Hammonds in Boston



SAVE THE CHILD: Improved services for children, such as day care for disadvantaged kids in New York's East Harlem, may be the surest way to break the cycle of poverty

ily Crisis Center. Child care and job training are a focus of the new \$3 billion welfare reform bill pending in Congress.

Whatever the causes of the underclass phenomenon, there is no question that the consequences for

black children have been disastrous. Three-quarters of them spend at least some time in poverty, compared with one-fourth of white children. One-third of black kids are poor for seven years or more. And those growing up poor are more likely to become parents themselves at an early age. In turn, their babies are at risk from low birth-weight, which tends to increase the chances of brain damage and learning disabilities.

To break the chain, some black leaders are calling on the black middle class for assistance. Others are saying that poor blacks themselves must accept greater responsibility—and that their community offers positive models, too. "There are kids who are not on drugs and teenagers who are not getting pregnant," says Robert L. Woodson, president of the Washington-based National Center for Neighborhood Enterprise, which encourages tenant management of public housing projects as well as other community self-help programs. "We need to learn from people who are successful."

Improving the schools that poor children attend is critical as well (page 115). So is reaching the child before school. Last year the Committee for Economic Development, a corporate-funded research group, recommended \$11 billion in additional spending on prenatal care and nutrition for pregnant women and preschool education for the nation's



AMERICA'S SCHOOLS STILL AREN'T MAKING THE GRADE

A quarter of high school grads are only marginally literate—and reformers disagree on what to fix



Americans have always asked a lot of their schools: Civilize the frontier with the three Rs, assimilate immigrants, secure U. S.

military might by bolstering high school science. At its most fundamental, democracy aspires to produce literate, responsible citizens. But social and economic change has continually reshaped what school is expected to do—from training homemakers to fostering integration.

A new call for school reform is ringing across the land. This one is different: The nation's economic problems are being placed at the

schoolhouse door. Economic growth, competitiveness, and living standards depend heavily on making investments in human capital. That means attending to the state of America's schools.

It is a worrisome state. Although top-

Some 35% of the nation's 11th graders write at or below this level:

DATA:
EDUCATIONAL
TESTING
SERVICE

*I have been experience
at cleaning house I've
also work at a pool
be for I love keeping
thing neat organized
and clean. In very
social I'll get to know
people really fast I*

ranked U. S. students compare well with their peers in industrialized nations, the rest do worse. One million young people drop out of high school every year. Rates approach 50% in some inner cities. Of the 2.4 million who graduate, as many as 25% cannot read or write at the eighth-grade, or "functionally literate," level, according to some estimates.

Most 17-year-olds in school cannot summarize a newspaper article, write a good letter requesting a job, solve real-life math problems, or follow a bus schedule.

What's needed is a do-or-die battle to turn the schools around. But the front lines are weary—and fresh recruits

Special Report

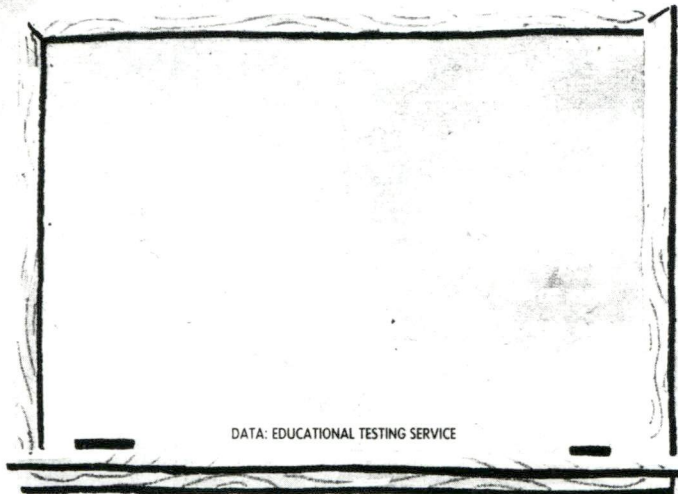
are scarce. Between retirement and normal attrition, America could need to replace 1 million teachers—half the current force—before the end of the century. But only 8% of today's 1.6 million college freshmen say they're interested in teaching, and half of those will typically change their minds. Worse, half of all new hires leave teaching within seven years. And with shortages of educated workers looming throughout the economy, schools will be competing with other sectors for quality candidates.

'LEMONS.' The demand for school reform has been percolating since the mid-1970s, when declining results on standardized tests raised concerns about basic skills. It exploded in 1983, after the National Commission on Excellence in Education released *A Nation at Risk*. Warning of a "rising tide of mediocrity" in public schools, it called for rigorous academic standards and a standardized, traditional high school curriculum of history, Western literature, foreign languages, science, and math.

Critics still blast the report as elitist or oversimplified. But few deny that our schools need fixing. "If a company was turning out 90% lemons, we would rethink the whole production process," says Albert Shanker, president of the American Federation of Teachers (AFT). "This is not a question of a few recalls. The system is producing lemons."

Most Americans want to do something about

Almost half (48.9%) of the nation's 17-year-olds could not correctly answer math questions of this type:



vidual learning styles or to respond to students' social problems. They stress the importance of expectation and high standards, holding up such examples as William Lloyd Garrison School, where South Bronx kids from low-income families test at or above grade levels in reading. "You don't change the principles of medicine when patients have poorer health or a poorer state of nutrition," insists outgoing Education Secretary William J. Bennett. When Bennett urges school overhaul, he means a shift of power from the educational Establishment—teachers' unions, administrators, and colleges of education—to parents, citizens, and state legislatures.

Traditionalists point to Japan, where students seem to perform as well as or better at all levels than U.S. kids. Japanese mothers are highly involved in their children's schooling, teachers are respected and well-paid, the school year is longer, and more homework is given. "The Japanese system," says Bennett, "is pretty close to a system of education that is universal and of quality."

MASS PRODUCTION. Those for whom tradition is not a panacea say American schools must change with the times. They argue that the public school system was organized along factory lines in the 1920s by a society enchanted by mass production. Classrooms were standardized, and decisions about teaching methods and content

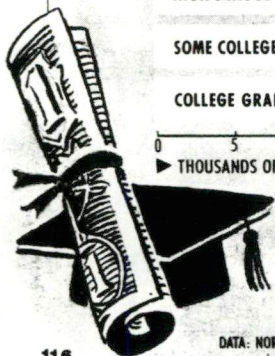
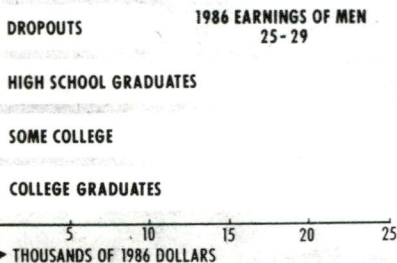
it. In a 1987 Harris Poll, 90% of those surveyed endorsed the principle that "for the U.S. to become competitive, we must pay more for quality education" and get "tangible results."

The tricky question: how to get those results. Educators are sharply divided. Some endorse the call for strengthening the traditional curriculum. AFT's Shanker would give teachers a freer hand to restructure the classroom environment. Others say schools must take on new family-like roles to nurture the growing numbers of poor or troubled kids in the system.

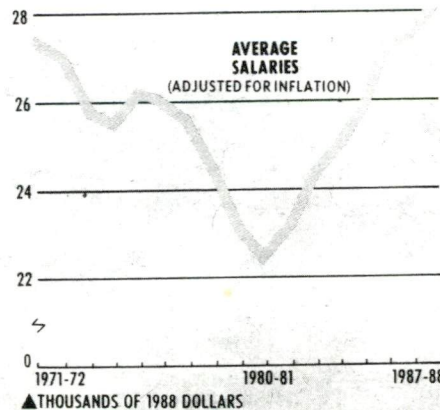
Predictably, conservatives deride the idea that schools should depart from traditional teaching formulas to suit indi-

CHARTS BY JONI DANAEHER

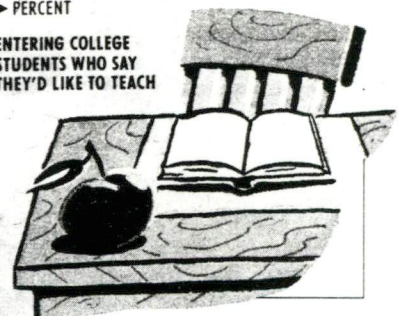
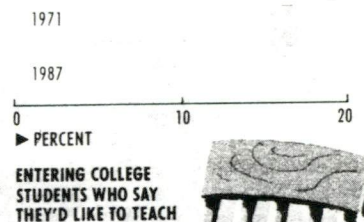
THE PAYOFF OF EDUCATION IS HUGE ...



... BUT TEACHERS' SALARIES HAVE GONE NOWHERE ...



... AND FEW WANT A TEACHING CAREER



Special Report

were passed from state offices to superintendents to principals and finally to the chalk-wielding line workers: teachers. After a 50-minute class, the bell rang and pupils moved on. "If the student is viewed as an inanimate object moving on an assembly line, this makes perfect sense," Shanker says.

'THOROUGHLY DISCREDITED.' Successful companies, as Xerox Corp. Chairman David T. Kearns notes in *Winning the Brain Race*, "have discarded the archaic, outmoded, and thoroughly discredited practices that are still in place in most of our large school districts: top-down, com-

mand-control management—a system designed to stifle creativity and independent judgment."

To education reformers, it is significant that the Japanese themselves are beginning to worry that their nation's learning style, heavily based on rote and memorization, doesn't promote creative thinking and flexible skills. "In Japan they do harder and longer what we do, and get better results," argues Adam Urbanski, president of the Rochester (N. Y.) Teachers Assn. "The purpose of reform is to do it differently—to challenge the fundamental structure."

Indeed, concerns about basic skills already have produced some improvements along traditional lines. Educational Testing Service (ETS), a testing-and-research organization based in Princeton, N. J., reports that test scores in math, reading, computer literacy, and science have gone up since the mid-1970s. Most of that came from minority kids, who increased from 16% to 23% of all schoolchildren. But "the bad news is that we haven't budged in improving higher-order skills, critical-thinking skills," says Archie E. La-Pointe, head of ETS's National Assess-

BUSINESS IS BECOMING A SUBSTITUTE TEACHER

REMEMBER
EUGENE
LANG



New York's Chemical Bank has an alarming problem: It has to interview 40 high school graduates to find one who makes it through the bank's training program for new tellers. The Chemical reaction? The bank has adopted two schools and is helping form a high school debating league. Chemical Chairman Walter V. Shipley believes parental involvement is the ideal: "Unfortunately you don't always have that commitment from parents, so business must try to find more ways to fill the gap."

Passion for school reform is gripping Corporate America. It is marshaling resources, energy, and influence to improve education. Hundreds of partnerships are blooming between school and business. They run the gamut: gifts of equipment, paid work-study programs, teacher training, and literacy volunteers. But there are questions about the effectiveness and reach of these programs. The biggest unknown is whether business will have the patience to stay the course.

Many join-a-school partnerships have been forged. In 1981, New York industrialist Eugene Lang addressed a sixth-grade class at his Harlem alma mater and

offered college scholarships to all pupils who stayed in school. He paid for remedial and counseling staff and became involved with the kids. Of the 54 original pupils who remained in New York, 50 finished high school, and 34 are in college.

The recipe has been followed by corporations as well. More than 1,000 Dallas businesses have adopted the city's 200 public schools. The sponsors provide volunteers and donate funds and equipment. At Tenth Street Elementary School in Los Angeles, 125 Arco Oil & Gas Co. employees—from secretaries to top brass—help out in the classrooms, tutoring immigrant and minority students in English, math, geography, and computer sciences.

Pacific Northwest Bell Telephone Co. in Seattle adopted a local school. But this modest involvement mushroomed in 1983 thanks to Gary A. Frizzell, PNB's new educational relations manager, who happened to be coping off-hours with an apathetic 14-year-old son. He tried to reach the boy

SOWING SEEDS

'Adopt-a-school' programs are sprouting up. At Los Angeles' Tenth Street Elementary School, an Arco professional leads a nature class

with heart-to-heart talks and a series of letters—which evolved into *Choices*, an outreach program encouraging kids to stay in school. Volunteers from 65 participating companies have addressed more than 300,000 eighth and ninth graders in 41 states. "Business is the user of education's product—students, and it ought to replenish," says Frizzell, now heading an education foundation for PNB's parent, U.S. West in Denver.

Businesses are focusing on teachers, as well. Two years ago, IBM Vice-Chairman Lewis M. Branscomb headed a Carnegie Forum task force that recommended higher pay, more autonomy, and national competence testing for teachers. Honeywell Inc. sponsors a summer Teacher Academy, where Minneapolis high school math and science teachers team up with re-



STEVE SMITH

ment of Educational Progress (NAEP).

It's higher order skills that a sophisticated economy increasingly needs. "Over the long term, basic skills only give you the right to compete against the Third World for Third World wages," notes Marc S. Tucker, chairman of the National Center on Education & the Economy in Rochester, N. Y. To achieve more advanced goals, "I'd like to see a lot less of kids sitting quietly in rows and a lot more deeply engaged in projects in which they are heavily invested, which require them to learn a lot."

Tucker maintains that most kids don't learn well by listening to a lecture or reading the text. He and others advocate

peer tutoring, team learning, simulation games, and other nontraditional approaches, particularly for disadvantaged children for whom formal classrooms are threatening ground.

So passionate is the debate that reform is threatened with paralysis by analysis. No single educational philosophy can be expected to win the day in a country as heterogeneous as the U. S. What might work in a high-income suburban school district could create havoc in an inner-city ghetto. And there are no quick fixes. "Imagine a business... with 50 totally autonomous divisions and 16,000 subsidiaries, each with its own board of directors and labor agree-

ments," says retired Procter & Gamble Chairman Owen B. Butler. "No effort to change that culture can be expected to succeed in five years."

TEACHER TROUBLE. Whether it's traditionalism or radical reform, better schools require more and better teachers. And here there is trouble. Morale among teachers, who are poorly paid and garner little esteem, is at low ebb. For years the numbers of college students entering teaching has been in decline, and those who do choose teaching often come from the bottom quartile of their college class. The shortage is acute for teachers of math and science and for the minority teachers desperately need-

searchers to develop class projects using state-of-the-art computers and equipment.

Minnesota companies have a tradition of social investing. Honeywell has provided equipment, volunteers, and technical advice to schools for 20 years. Last year it gave \$7.8 million, about 2% of its U. S. pretax profits, to philanthropy. Of that, \$2.9 million went to education.

Not all educators welcome corporate largesse. Some worry there will be strings attached. "We've been in the business of education for 126 years," says Robert Astrup, president of the Minnesota Education Assn., which represents 80% of the state's teachers. "We would like businesses to be advocates—not leaders." Joan Canella, director of the Bank Street School for Children in New York, sees it another way: "The best thing business can do for schools is make it possible to combine work and family, allowing working parents to get involved with the schools."

HARD KNOCKS. Dade County, Fla., hosts one such experiment. To ease overcrowding and reduce working parents' stress, the school system set up minischools in workplaces. Last fall, American Bankers Insurance Group Inc. opened the first "satellite learning center" to serve employees. It built a \$350,000 schoolhouse for 50 kindergartners and first graders. The county provides teachers and books.

In Chicago, local companies, including Borg-Warner, Sears, Johnson Publishing, and McDonald's, opened their own school. Privately funded, tuition-free, the Corporate/Community School of Chicago is to be a laboratory-in-action addressing the problems of inner-city schools. Its enrollment, now at 150, will grow to 300 children, from nursery school to eighth grade.

Perhaps the most obvious role for business is to help bridge the

gap between high school and what comes after. That is, not pushing old-style vocational education but bringing some notion of work life and promise of opportunity to kids floundering on the margins. That was the plan behind the Boston Compact, a 1983 agreement between the Private Industry Council (PIC) and the school system to offer summer and permanent jobs in exchange for improving the schools.

JOB TRAINING

Boston's intern program is giving many poor youths their first jobs.

Eddie Santos (right) is an apprentice maintenance engineer

Last year, 669 Boston companies created summer jobs for 3,000 students, at an average hourly wage of \$5.39. Napoleon "Eddie" Santos, 17 and a senior at Dorchester High School, got his first real job that way. This summer he was one of four full-time in-

terns apprenticing in maintenance engineering at Beacon Co. Under a separate program, companies hired 1,000 high school graduates, 72% of them black or Hispanic, into permanent jobs. PIC also offers jobs and counseling to dropouts, and guidance to ninth graders.

UNFAIR BURDEN. Rebuilding a school system proved tougher. Reading and math scores rose modestly. Attendance went up. But Boston's dropout rate is stuck at 46%. "The business community has done its job. I think everyone's disappointed on the school side," declares Edward E. Phillips, chairman of insurer The New England. To do more, he says, "would be a pretty unfair burden on businesses. We pay hefty taxes to support the system already."

But some corporate leaders insist an even broader burden must be borne. Harold W. McGraw Jr., chairman emeritus of McGraw-Hill Inc., which publishes BUSINESS WEEK, heads the Business Council for Effective Literacy, aimed at millions of U. S. adults who lack functional reading skills. Owen B. Butler, retired chairman of Procter & Gamble Co. focuses on the very young: "The best way for business to invest in educating the disadvantaged is to reach them early. By age 5, they're already so deprived they can't benefit from schooling," he says. Butler lauds such efforts as Success by Six. In that program, Minneapolis employers, civic groups, and schools spent \$647,000 this year on early childhood health and education through the local United Way.

A departure from corporate practice? Not for Butler. "It took us years to develop Tartar-Control Crest, years to make a profit on our investment. So we understood the economics of early childhood programs." For him, the long view on education is just good business.

By Elizabeth Ehrlich in New York, with bureau reports



Special Report

ed in poor communities as role models. Increasing pay can help recruit and retain teachers. But so far efforts in that direction have raised average starting salaries only to the \$18,000 range—hardly enough to entice talented students away from other professional tracks. A few school districts, though, now pay their best or most experienced teachers several times that amount.

To attract more teachers, New Jersey is experimenting with alternatives to the standard-certification route so that college graduates in fields other than education can come aboard. Using audiovisual aids, computers, satellite teaching, team-teaching, and even switching to staggered semesters can cut down the number of teachers required as well.

Moving teachers who have been promoted into management jobs back into classrooms could be one solution to the labor shortage. School systems are notoriously bureaucratic. According to the AFT, from 1975 to 1986 school districts hired one curriculum adviser, program director, or other desk worker for every new classroom teacher. "Before we ask for additional funds, we must reorder our priorities," says Mary Hatwood Futrell, president of the National Education Association (NEA).

How to shrink staff and administrative functions isn't the only thing schools can learn from business. Incentive pay can also help. In Rochester, N. Y., last year, the teachers' union sat down with administrators to bargain for school-based decision-making and pay hikes of more than 40%. The new contract also established a career ladder with a top rung of so-called lead teachers who can earn up to \$70,000 per year in the contract's third year. Top pay requires them to accept assignments in the system's toughest schools, now often in the hands of novice teachers. "They'll be the Clint Eastwoods of teaching," says union head Urbanski.

Reaching disadvantaged kids in tough neighborhoods also may require expanding the traditional role of schools—the

only stable institutions in some kids' lives. A handful of inner-city schools are trying on-site day care for teenage mothers, after-school hours to increase learning time, and intensive anti-dropout counseling. Arkansas, New York City, California, and Minnesota have started prekindergartens for four-year-olds. "Pedagogic reforms are wasted unless you do something about social-capital

ing to do society's work, the schools must respond."

One way to make the schools more responsive to the needs of the students is to force them to compete for students. Some 20 years ago economist Milton Friedman, a Nobel prizewinner, proposed issuing vouchers to families for the amount it costs to educate their kids. Parents would select among the schools, "paying" with the vouchers, so schools would have to upgrade or lose funding.

Although no school system has yet issued a Friedman voucher, there is growing support for the idea of parental choice to foster competition, accountability, and parental involvement. The National Governors' Assn. believes that choice within the public schools "can promote equity." Poor kids, claims Heritage Foundation analyst Jeanne Allen, would benefit most, since wealthier families already choose schools by moving to communities with good ones.

In the past, though, choice has sometimes been used to thwart integration. In some places, so-called magnet schools—the best schools in the district—skim off the community's best students, leaving other schools worse off. "You don't improve schools by running away from schools," bristles NEA President Futrell. Minnesota's teachers are suing their state over its new Choose-a-School plan, which lets kids enroll in any public school.

Other experiments are on the way. Boston University is taking on the reorganization of the troubled Chelsea (Mass.) school system. New Jersey has begun a hostile takeover of Jersey City schools, whose performance was close to meltdown. But much of the system still is plagued with inertia and institutional rigidity. If there is to be meaningful reform, adversaries in the education community will have to cede cherished turf and cooperate.

The alternative—bumbling along from crisis to crisis while presiding over decline—is simply not acceptable. Schools are the crucible where children do or don't become productive members of the community. For children growing into citizens—and for a society that wants to prosper—education is just too important to entrust to the status quo.

By Elizabeth Ehrlich in New York



A RAGING DEBATE

Traditionalists stress the importance of a strong curriculum and high standards.

Others want reforms such as peer tutoring and team learning

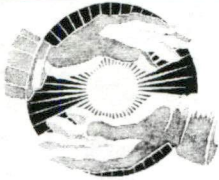
building," says Primerica director and social activist William S. Woodside.

Northeastern University economist Andrew Sum argues that an extended school year, which the Japanese have shown benefits middle-class pupils, can do even more for poor kids who, left to home and peer influences, tend to lose ground in summer. California is moving to year-round schools to increase learning time—and to handle a shortage of classroom space.

SCHOOL VOUCHERS. Sar Levitan of George Washington University believes schools must assume even more roles to fill the gap left by working mothers. "I'm not a moralist, I'm only an economist," Levitan says. "If women are go-

IT'S TIME TO PUT OUR MONEY WHERE OUR FUTURE IS

Investments in education and training will yield sure-fire returns we can't afford to ignore



In the U.S., when you turn 18 or become a citizen, you may register to vote. The process varies from state to state, depending on the requirements of the local board of elections. But one thing is true across the nation: You do not need to be able to read or write. The Voting Rights Act of 1965 and its amendments abolished literacy tests, among other discriminatory local requirements, that had long disenfranchised millions of black and disadvantaged citizens.

Yet today the person who can vote but cannot read and write remains disenfranchised in another, more fundamental, sense. The right to earn a decent wage and make a productive contribution to society can't easily be exercised by the illiterate, the poorly educated, and the unskilled. Disenfranchised, too, is the unemployed steelworker unable to find the job to fit his unneeded skills. Then there's the single mother unable to find affordable day care for her toddler so that she can go to work.

The cold, hard, economic facts make a compelling case for action. The direct costs are clear: Incomes are lost, and unemployment and welfare benefits are paid out. But the overall loss to the economy is bigger still. America's most productive resource, its people, is not being fully utilized.

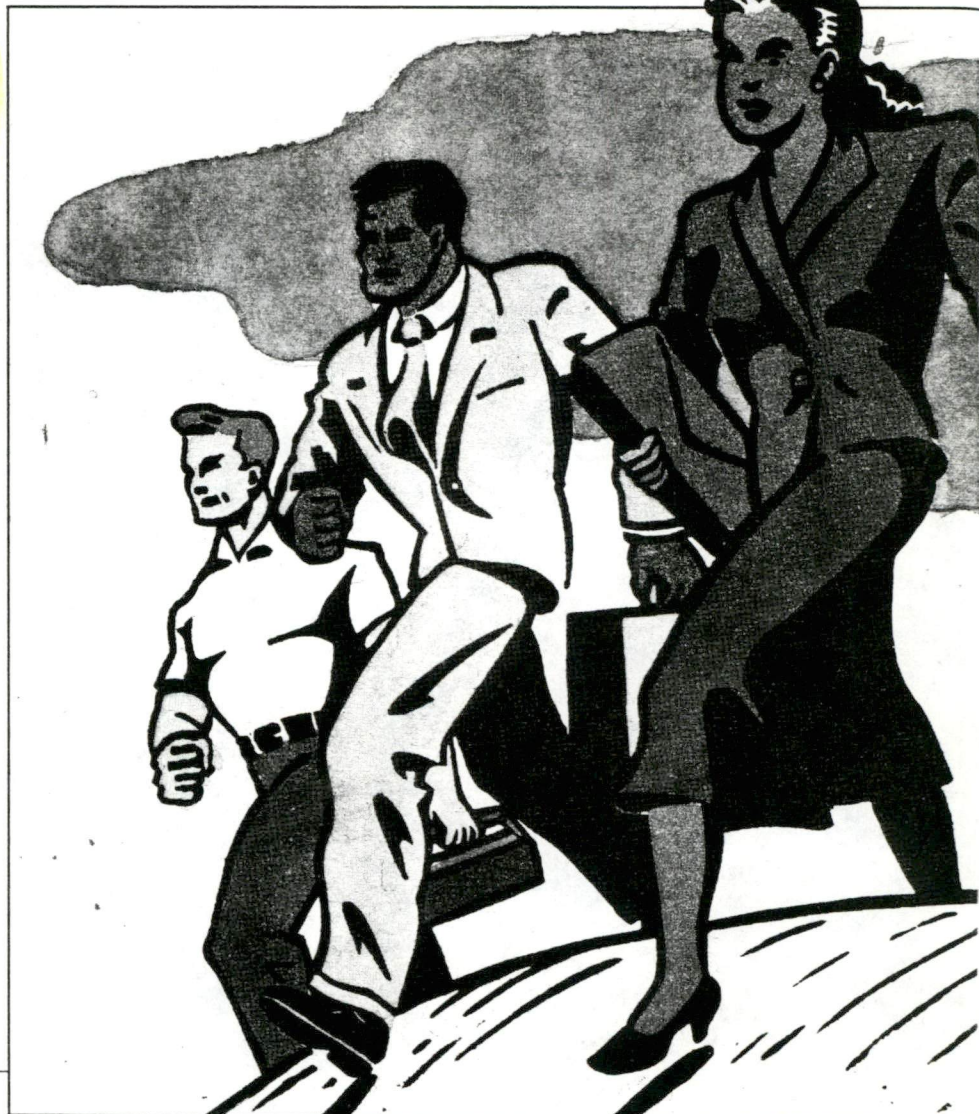
TIME BOMB. The bean-counters in Washington and state capitals around the country will say there is no money available to invest in educating and training tomorrow's work force. And some economists, such as University of Chicago professor and BUSINESS WEEK columnist Gary S. Becker, whose pioneering work measured the rate of return to investments in human capital, would prefer that market forces eliminate the mismatch between jobs and skills. But labor markets take time to work, and time is of the essence. Already the nation has suffered the consequences in the international marketplace; in the future, fiercer competition, changing demographics, and new tech-

nologies will demand that skills keep improving. Ignorance costs far more than knowledge.

In a \$4 trillion economy with a \$1 trillion federal budget there is surely room for some shifts in spending: away from plant and equipment and toward workers; away from the aged and toward the very young; and even away from guns and toward people. Whoever wins the Presidential election on Nov. 8 should spearhead a new national commitment to America's future by investing in its people. Whatever it takes—new money or a reallocation of resources—the commit-

ment should come through loud and clear. The federal government, state and local governments, business, labor, and the electorate will all have to do their part. What should be done? Here are some suggestions:

■ **Instill the habits of learning and working in kids at an early age.** "Early intervention" by means of preschool programs has shown proven results. Numerous studies demonstrate that the younger the child, the greater the long-run payoff of an investment in that child. Often mothers become in-



volved in these programs as well, and they help to nurture and sustain a learning ethic in their kids.

For every dollar invested in preschool programs such as the government's 23-year-old Head Start program or the Perry Preschool program in Ypsilanti, Mich., more than four times that amount is saved in public assistance, special education, and other costs. Children enrolled in such programs are much more likely to graduate from high school and be employed than children not enrolled in the programs. Some experts urge even earlier intervention, saying help should begin in the womb. Each dollar spent on prenatal care saves \$3.38 in the cost of care for low birth-weight babies.

At the moment the government spends about \$2.4 billion a year on the care and education of preschoolers. Compare that with a tab of \$8.7 billion for one year's spending on space research and technology. Or \$38 billion for a single year's worth of military research, development, and testing. Or compare it, even, with spending on the elderly. Since 1980, social programs that benefit children have suffered budget cuts in real terms, while programs benefiting the el-

derly have grown faster than inflation. Prenatal and preschool programs could reach most eligible participants with annual funding of anywhere from \$2 billion to \$10 billion, experts estimate. Increases of such magnitude, observes Isabel V. Sawhill, senior fellow at the Urban Institute in Washington, "won't exactly kill us."

■ **Pay teachers more, and perhaps transform the whole teaching process.** First there was reform, now there's restructuring. The process has begun, but more has to be done to enable the nation's schools to prepare students for life and work. This could involve "team" instruction, with highly qualified "lead" teachers, and new ways to teach thinking skills as well as the basics.

While the impetus and financing for these changes must come at the state and local level, the federal government can play an important role as a catalyst for change. The Education Dept. has a mixed record on this score. Its report, *A Nation at Risk*, shook up public school administrators and launched a reform process, but outgoing Education Secretary William J. Bennett has been impatient with results. And the Education

Dept. could do more to promote demonstration projects and fund education research—efforts that would help educators improve the schools.

■ **Adopt major new incentives to train and retrain workers.** In a competitive and rapidly changing economy, old skills become outdated and new skills are needed. "Most of us, after the age of 25, change occupations three times and jobs six times," observes Pat Choate, director of TRW Inc.'s Office of Policy Analysis. How to prepare people for those changes? Spread the cost of training through new initiatives. An investment tax credit to businesses for money spent on improving worker skills is one idea. Or a tax credit could be granted to individuals for investments in training and education they make on their own. Another incentive to both employers and workers would be a tax-free individual training account, akin to the individual retirement account, which could be jointly contributed to by workers and businesses. For years, any tax break granted industry has been skewed way in favor of physical investment. These proposals would reverse that bias.

■ **Tailor the workplace to the new labor force.** To retain female workers who have many years' experience, and to enable those workers to be more productive, companies should extend child-care benefits to a far greater extent than they have to date. To keep older workers productive, employers should offer new duties and more flexible hours. And granting workers portable benefits could make them more mobile, and thus more responsive to the fast-changing labor demands of employers.

Too frequently, managers have looked at workers as a cost rather than a resource. And every extra dollar spent on workers was viewed as that much more of a burden, whereas it could be, if wisely spent, a means to empower workers to do better. Hundreds of companies now recognize this to be true with respect to training. Investments in training yield tangible rewards, and accordingly business spends approximately \$30 billion a year on training. The rewards of changing the workplace are also large. But a massive cultural adjustment may be necessary to realize them.

There's no doubt that government is in a belt-tightening mood, and business is eager to keep costs under control. But without strong leadership and new spending priorities, America's most precious resource will be neglected. In the words of a familiar advertisement: A mind is a terrible thing to waste.

By Karen Pennar in New York

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Office of the Secretary
U.S. Department of Education
400 Maryland Avenue, SW
Suite 4181
Washington, DC 20202

FAX COVER SHEET

TO: Stephanie Blessey

FAX NUMBER: 456-6218

FROM: M. Kitchell

TELE NUMBER: (202) 732-3020

MESSAGE: Briefing prepared for Sec.
Carazos - includes
literacy estimate

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GOVERNMENT PRINTING OFFICE LITERACY PRESS CONFERENCE

DATE: Thursday, November 17, 1988


BACKGROUND:

- * The Erase Illiteracy coalition consists of the Government Printing Office, the Education Department, the Outdoor Advertising Association of America and the Printing Industry of America.
- * The Outdoor Advertising Association made "Erase Illiteracy" their 1988-89 National Public Service Campaign.
- * Starting this November, up to 10,000 "Erase Illiteracy" outdoor displays will be donated by individual outdoor advertising companies.

THE CAMPAIGN:

- * "Erase Illiteracy" is a \$15 million fund raising campaign for projects which will involve:
 - TV and radio coverage on the importance of print media and functional illiteracy
 - publications on literacy programs distributed to communities by their local printers
 - sponsoring creative story/writing contests for children and publishing the winning stories
 - encouraging printers to develop promotional materials for businesses, schools, associations, and the press which emphasize their commitment to fighting illiteracy
 - preparing a "traveling" lecture series for schools, businesses, and community groups

THE NEED:

- * In addition to the approximately 27 million functional illiterates in the United States, experts estimate that another 40 to 50 million people are "marginally" illiterate. 
- * One in every eight adults tests below the fourth grade level on standardized tests and/or at the total illiteracy level.
- * Adult illiteracy is growing by 1.5 million persons per year.

WORKPLACE LITERACY:

- * We are paying a high price for illiteracy: in welfare checks, unemployment, crime, lost taxes, and declining productivity.
- * Illiteracy affects our ability to compete. As the Baby Boomers age and the labor pool shrinks, businesses must hire workers whose skills are inadequate.

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-2-

- * The "basic skills gap" between what business needs and the qualifications of the entry level workers available to business is widening.
- * Because of the rapid technological changes, we are moving from a manufacturing to a service economy.
- * The Hudson Institute's Workforce 2000 report projects:
 - The majority of new jobs will require some postsecondary education for the first time in history.
 - Only 27 percent of all new jobs will fall into low skill categories, compared to 40 percent of jobs today.
 - Jobs that are in the middle of the skill distribution today will be the least skilled occupations of the future.
- * Changing demographic makeup of the workforce:
 - The decline in population growth will mean an older workforce, with the average age of workers increasing from 36 to 39 by the year 2000.
 - The number of young workers will decline both relatively and absolutely, with workers aged 16-34 accounting for half the workforce in 1985 but declining to less than 40 percent by the year 2000.
 - 80 percent of new entrants into the workforce will be women, minorities, and immigrants.

SERVING THE NEED THROUGH ADULT EDUCATION:

- * Adult Education is State-administered and funded by the Federal and State governments. The program gives adults the opportunity to acquire the basic educational skills necessary for literate functioning, to profit from employment-related training, and to complete secondary school.
- * In 1987 over 3 million adults participated in the program. Sixty-five percent of these participants were in level I (grades 0-8 and English as a second language). Racial/ethnic designations were:
 - 40% White
 - 29% Hispanic
 - 17% Blacks
 - 13% Asian/Pacific Islander
 - 1% American Indian/Alaskan Native.
- * For program year 1989, \$115.4 million in federal funds went to the States; for 1990, \$136.3 million will be allocated. State/local matching funds exceed 76 percent of the total expenditures.

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-3-

- * Some economic accomplishments by participants in 1987:
 - 116,000 unemployed got jobs
 - 70,000 participants got better jobs
 - 26,200 were removed from public assistance.

- * In March 1988, the groups with the highest education experienced the lowest incidence of unemployment. The jobless rates:
 - 1.7% college graduates
 - 3.7% persons with 1-3 years of college
 - 5.4% high school graduates
 - 9.4% high school dropouts.

TEXAS:

- * The illiteracy rate for adults age 20 and over in Texas is 16 percent. Approximately one-fourth of the State resident population 16 years of age or older has less than a high school diploma and is not enrolled in school.

- * Of the 205,000 adults enrolled in adult education in Texas, 51 percent were Hispanic.

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UNITED STATES DEPARTMENT OF EDUCATION
PUBLIC AFFAIRS

DATE: 3/29

TO : Stephanie Blessey

FROM: Melinda Mitchell

RE : functional illiterates

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U.S. DEPARTMENT OF EDUCATION

UNITED STATES SECRETARY OF THE
DEPARTMENT OF EDUCATION

Press Conference on
Partnerships in Education

November 18, 1988

Washington, D.C.

[Photocopy-Preservation]

1 principal in one of the intercity schools not too long ago
2 tell me, well, the reason that they tell me they drop out is
3 because they've seen no impact of education on the people that
4 they associate with. So they don't see how it fits into their
5 lives.

6 That's a terrible statement when you stop to think
7 about it. I now know three generations of drop outs in one
8 family. And this is what's starting to happen to us as a
9 nation, people dropping out. So let's bring those people back
10 in. The illiterate, a terrible problem in the area of
11 illiteracy in this country. We'll teach all of those people
12 how to read.

13 Do you recognize that 13 percent of the citizens of
14 this nation are illiterate? 13 percent. ~~27 million~~
15 functional illiterates in America, And next to that, you can
16 add another 40 to 50 million that I'll call marginally
17 literate. 40 to 50 million. The literacy pool, so to speak,
18 is growing at about the rate of one-and-a-half million people
19 a year. Just think about what that does to our nation and the
20 very, very thing that we're thinking about. Economic
21 development, the betterment of humankind, the informed
22 electorate, the kind of world that we want about us. So think
23 about that.

24 And we'll work very, very hard to make sure that the
25 handicapped are brought to their fullest independence. Do the

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THE WHITE HOUSE

WASHINGTON

March 29, 1989

MEMORANDUM TO THE FIRST LADY

FROM: STEPHANIE BLESSEY
Research Office

SUBJECT: The President's Speech to the American Association
of Community and Junior Colleges

Jean Becker suggested that I send a copy of the President's remarks for your comment. The speech includes a personal anecdote (page 1, paragraph 3) describing your experience with a blind tutor. Through the channels of communication, this story may have been slightly embellished. Does this version of the story accurately reflect the actual event?

In addition, on page 4 paragraph 2, there is reference to the blind tutor and how others should be given the opportunity to teach without certification. Is it accurate to imply this man is a volunteer and has never been certified?

Your comments on the speech are greatly appreciated. Thank you.

cc: Jean Becker

Davis/Blessey
March 28, 1989
6 p.m.
Draft 3
Title: Junior

PRESIDENTIAL REMARKS: AMER. ASSOC. OF COMMUNITY & JR. COLLEGES
WASHINGTON HILTON
MARCH 30, 1989/ 1:40 p.m.

Thank you. Dale (Parnell), Jim (Brady), Governors Martin
and Campbell.

((Bar, I am delighted that this distinguished group has
recognized your efforts to promote literacy . . . And to think,
all this time I thought she was cheating at Scrabble . . .))

((As you know, Barbara has taken the lead in promoting
literacy for eight years now, traveling to schools across
America. One day she came back from Boston and told me that she
saw a gentleman sitting in the corner of a school room,
surrounded by children who were enraptured by his story-telling
and good-natured kidding. Every now and then, this man would ask
a child to spell a word by tracing the letters in the palm of his
hand, and he would tell them whether they got it right or not.
Barbara thought this was strange, and wondered if this was some
new kind of teaching technique. "No," the superintendent told
her, "he has to teach this way. You see, he's blind."

Think of it. This man was retired. He could have found a thousand excuses to retreat into his own world of darkness. And yet he ventured out into the light, to teach children to read books that he would never again see. It is moments like these that make Bar's effort against illiteracy so rewarding.))

You have bestowed on her an honor that will be treasured by Barbara and the whole Bush family for years to come. Still, Bar and I can't get over the feeling that we should be giving you an award. After all, you provide adult basic education on a scale that is nothing short of heroic.

Benjamin Franklin was once asked what was the most pitiful thing that could befall a human being. After a moment's reflection, he replied: "A lonesome man on a rainy day who does not know how to read." The costs of illiteracy can be calculated in labor lost, and education dollars wasted. But we cannot calculate the loss of human happiness caused by illiteracy -- all the men and women across this country who will never hear the narrative voice of Dickens, Twain, or for that matter Larry McMurtry; who will never know that a book can be a true friend in the still hours of the night.

Barbara and I are deeply moved by the plight of those who lack the skills most of us take for granted. Rest assured, we will continue to work with you to promote literacy skills . . .

This nation grew into greatness because early Americans met the challenge of building an educational system second to none. With the dawn of a new century only eleven years away, we are faced with a new challenge -- to revitalize and restore that system our forebears bequeathed to us; to ensure that an American education is once again the best in the world. In this crusade, we can look to leadership from an American innovation in education -- our nation's community colleges, more than a thousand strong.

You best represent the American philosophy of education, for all, for life. Americans believe that education is not a phase to be successfully completed. We believe that education is a lifelong endeavor. What scholars call the "life of the mind" is as essential to the complete man or woman as water and air.

In fact, whole communities are enriched and enlightened by the cultural resources you provide, from vast libraries, to night schools, to stages for local theatrical productions. This attitude toward education -- as something more than a requirement of an industrial society, as an embellishment of life -- is uniquely American.

Community colleges provide ten million Americans with educational choice. A wide range of students benefit from your institutions: from those in high school who are looking for advanced courses; to low-income students who need a stepping stone to a four-year program; to those who seek a 2-year degree; to mature students who are returning to school to round out their education. This is what we need more of up and down the line -- choice.

Secondary and even elementary schools can learn a lot from the way in which you tap local talent, drawing on the knowledge of experts from the private sector. When I lived in Odessa, Texas, I wanted to share my knowledge as a teacher in the local public school system. But I didn't have a teaching certificate, and I was rejected. That seemed wrong to me then, and it seems wrong to me now. We should open our classroom to every qualified person with the talent, the knowledge and the desire to teach -- ((just as the Boston school did for that blind gentleman.)) With this in mind, I have proposed extending this same practice, often called Alternative Teacher Certification, right down to the first grade.

Accountability is the key to your success. State and private universities, which accept your students, count on you to instill a precise curriculum. The businesses of your city count

on you to match skills to the demands of the job market. And most of all, students count on you to provide a ladder of opportunity.

Opportunity is our most basic shared principle. Everyone should have a high school education; especially those with high school degrees. We share the conviction that there is no such thing as an expendable student. We will never accept the notion that vast numbers of illiterate and undereducated Americans can be offset by a well-educated elite. That's not the American way.

For years, rescuing underachieving students has been a quest of the heart. Today, it is also a test of national will, a test critical to the very future of America. This may sound like an overstatement. America, after all, is still a world leader when it comes to producing Nobel Prize winners in physics, economics and literature. But what is the advantage for a nation with Nobel Prize-winning novelists, if their books are largely unread in their own country? What is the advantage for a nation that can invent the computer chip, if it doesn't have a skilled work force that can use computers?

I am committed to increased investment in basic research. But America can continue to lead the world in theoretical science, and still lose the race in the application of knowledge. H.G. Wells wrote that "human history becomes more and more a race

between education and catastrophe." Catastrophe may not be around the corner, but what had a ring of truth in the 1920s, sounds ominously true in the 1980s, with our highly competitive international market. Let me share a few stark facts with you.

In Japan, levels of functional literacy and student achievement are extremely high, while the Japanese drop-out rate remains very low. In America, however, functional literacy is around 80 percent. The national drop-out rate is 28 percent. And of those Americans who do graduate from high school and don't graduate from college, as many as 27 percent cannot read or write at the intermediate level. As many Americans become less educated, the standards of the work place are becoming ever more rigorous.

In the past, business could simply ignore the unlettered few. But the balmy days of the baby boom are passing us by. Between now and the year 2000, we will face a "baby bust," or a shrinkage of the labor pool. According to Business Week, we will have to train or retrain as many as 50 million workers in the next dozen years alone. Think of it -- 50 million!

There is more opportunity today than ever before -- but only for those who are prepared to take advantage of it. For those workers who lack skills and basic education today, a comfortable middle-class existence will be harder and harder to come by.

When some high school graduates can't find jobs in a market begging for workers, then we've got a serious social imbalance, an education gap. Let's bridge that gap. Let's bridge it as fast as possible.

Community colleges provide such a bridge to higher education, a ready resource for vocational training and adult remedial education. You provide access for older citizens, women, minorities, and the handicapped -- precisely the very people who are being summoned to alleviate the coming labor shortage. Your programs spell opportunity for the most disadvantaged members of the work force. But they also spell opportunity for business. The disadvantaged and business are coming together in hundreds of programs from Colorado, to Kansas, to Kentucky, called employer-college partnerships. This friendly merger of business and academia is a sweeping force for social improvement.

Let me conclude by paraphrasing a few words of advice, offered at the turn-of-the century, but so appropriate for our modern quest for excellence in education:

"Make no little plans: they have no magic to stir men's blood and probably in themselves will not be realized. Make big plans; aim high in hope and work, remembering that a noble (idea)

once recorded will never die, but long after we are gone will be a living thing."

These are the words of Daniel Burnham, who was the architect of such a big plan -- Washington's Union Station, which stands out as a visual delight in a city already crowded with great monuments and statuary. Burnham's legacy is a truly living monument, with its vaulted ceilings and gilded geometry above bustling crowds of shoppers and commuters. But it would be nothing but a wreck, an eyesore, if it had not been lovingly restored. As important as it is to reclaim our civic capital of burnished brass and polished marble, how much more important it is to reclaim our human capital.

Think, then, of our educational system in this way, as a vast and beautiful inheritance, which must be lovingly restored; not once, but every generation. In this effort, make no little plans. Think big. Aim high in hope and work. Continue to work together, as a community, to help your students, to lift their vision and lengthen their horizon.

For this, and all you do, you are earning the gratitude of a nation. Thank you, and God Bless America.

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**AMERICAN ASSOCIATION OF COMMUNITY AND JUNIOR COLLEGES
SPEECH INSERT**

BEFORE I BEGIN, I KNOW THAT YOU, LIKE MOST AMERICANS, ARE CONCERNED ABOUT THE MASSIVE OIL SPILL OFF THE COAST OF ALASKA. THERE IS NO DOUBT THIS IS A MAJOR TRAGEDY, BOTH FOR THE ENVIRONMENT AND FOR THE PEOPLE OF ALASKA.

- 2 -

THIS MORNING I MET WITH EPA ADMINISTRATOR WILLIAM REILLY, TRANSPORTATION SECRETARY SAMUEL SKINNER, AND COAST GUARD COMMANDANT ADMIRAL PAUL YOST. THEY HAVE JUST RETURNED FROM SURVEYING THE DAMAGE AND ASSESSING THE PROGRESS OF CLEAN-UP EFFORTS. WE ARE DOING ALL WE CAN AT THE FEDERAL LEVEL TO SPEED UP THIS UNDERTAKING. I HAVE DIRECTED THAT DOT, EPA, AND THE COAST GUARD CONTINUE TO GIVE THIS MATTER TOP PRIORITY.

*
names
reversed
to
Skinner
Reilly

- 3 -

I HAVE ALSO DIRECTED BILL REILLY TO REPORT BACK TO ME AS SOON AS POSSIBLE REGARDING THE SEVERITY OF DAMAGE TO THE ENVIRONMENT, PARTICULARLY TO MARINE LIFE AND THE ALASKAN COASTLINE. THE CLEAN-UP FROM THIS DISASTER WILL NOT BE EASY. BUT, AS WITH OTHER SERIOUS DISASTERS, WE MUST AND WILL WORK TOGETHER AT ALL LEVELS, PUBLIC AND PRIVATE, TO REMEDY THE DAMAGE THAT HAS BEEN DONE.

#

Mike Becker P.A. 732-4308

Vance Grant - 7 - 3:30
357-6659
statistician @ DoE Educ.

2790 don't earn h.s. diploma

Natl. Assessment of Educational Progress

Intermediate level of Reading - 83.6%
of 17 yr olds tested

Dr. Larry Suter - involved in internatl
education studies 357-6740

1975 study from OT said 1/2 in 5
Amer.

Crossroads in American Education
from Educ. Testing Service

555 N.J. Ave NW
Rm. 300G

dropouts 71.1% ^{graduate} → 1987 fig

3/28/89

Japan's Education Today - GPO

Carl, Michael, Bob.

813-341-3241

former Sect. of
Ed.

Terrell Bell } community college
Jimmy Carter }

Eggle's nest of America b/c anyone
can start from here.

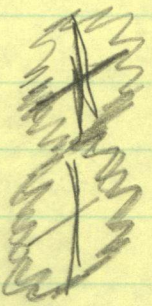
only educational system invented in
U.S.

Started as dance no.

former managing editor of WP went
to comm. college Jean

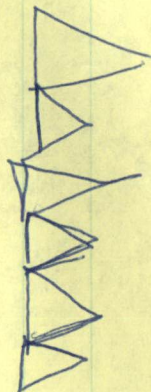
women from single family

60% are women



3/29/89

AACJC



scheduled for 1:45pm

{ Functional ill.f. # our 3 mill

Kitchee

ED mill. to be retrained

~~of Post Sec
ad. it sec
like ed. to B.I.
732-5020~~

Robert Jones
ETA
523-6050

Van
Benson

523-8274
Personnel
Sec.
Bob Davis
523-8217
of Post Sec.

3D mill retained -> Liddy Pole uses
21 mill need entrants

Bob Jones
523-6050

General Session #3
1989 AACJC Convention - March 30, 1989
International Ballroom - Washington Hilton Hotel
Washington, DC

Presidents Academy Luncheon
Tentative Program Outline

Program

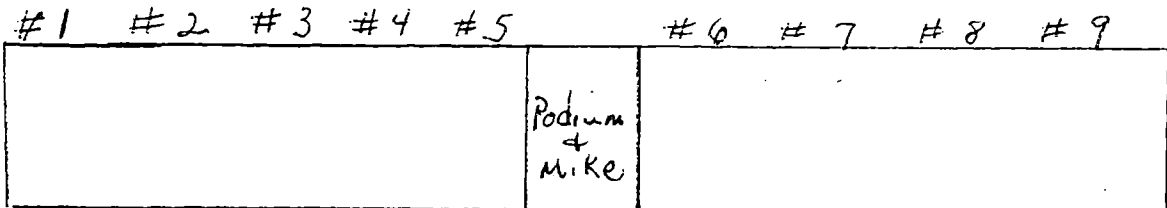
	Presiding	Jess H. Parrish, Chair, Presidents Academy and President, Midland College,
12:15 p.m.	Call to Order Intro/Headtable	
12:20 p.m.	Greetings	Richard J. Ernst, President, Northern Virginia Community College
12:21 p.m.	Invocation	Lex D. Walters, Immediate Past Chair, Presidents Academy and President, Piedmont Technical College, SC
12:22 p.m.	Lunch	
1:05 p.m.	Intro/Mrs. Bush	Jess Parrish
1:07 p.m.	Special Greetings	Mrs. George Bush
1:12 p.m.	Recognition of Retiring Chief Executive Officers	Mrs. George Bush and Bill F. Stewart, Chair-Elect, Presidents Academy and Chancellor, State Center Community College District, CA (Stewart will read names; Mrs. Bush will present certificates to each retiree; Stewart will present mug to retiree's spouse; photographer will take photo)
1:35 p.m.	Presentation of Truman Award to Mrs. Bush	Dale Parnell, AACJC President
1:37 p.m.	Acceptance	Mrs. George Bush
1:38 p.m.	Introduction of President Bush	David Ponitz, Chair, AACJC Board of Directors and President, Sinclair Community College, OH
1:40 p.m.	Remarks	George Bush, President, United States of America
1:50 p.m.	Drawing Acknowledgments Announcements	
2:10 p.m.	Adjournment	

Headtable - Presidents Academy Luncheon
 (in order of seating from left stage to right stage podium)

1. Richard J. Ernst, President, Northern Virginia Community College, VA
2. Flora M. Edwards, Vice Chair, AACJC Board of Directors and President, Middlesex County College, NJ
3. Dale Parnell, AACJC President, Washington, D.C.
4. President George Bush
5. David Ponitz, Chair, AACJC Board of Directors and President, Sinclair Community College, OH

PODIUM

6. Jess Parrish, Chair, Presidents Academy and President, Midland College, TX
7. Mrs. George Bush
8. Bill F. Stewart, Chair-elect, Presidents Academy and Chancellor, State Center Community College District, CA
9. Lex Walters, Immediate Past Chair, Presidents Academy and President, Piedmont Technical College, SC



Audience

Final
w/ slight
DS

Davis/Blessey
March 29, 1989
11 p.m.
Draft 5
Title: Junior

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((Bar, I am delighted that this distinguished group has recognized your efforts to promote literacy . . . And to think, all this time I thought she was cheating at Scrabble . . .))

((As you know, Barbara has taken the lead in promoting literacy for more than eight years now, traveling to schools across America. One day she came back from Boston and told me that she saw a gentleman sitting in the corner of a school room, surrounded by children who were enraptured by his story-telling and good-natured kidding. Every now and then, this man would ask a child to spell a word by tracing the letters in the palm of his hand, and he would tell them whether they got it right or not. Barbara thought this was strange, and wondered if this was some new kind of teaching technique. "No," the superintendent told her, "he has to teach this way. You see, he's blind."))

Think of it. This man was retired. He could have found a thousand excuses to retreat into his own world of darkness. And yet he ventured out into the light, to teach children to read books that he would never again see. It is moments like these that make Barbara's effort on behalf of literacy so rewarding.))


We are deeply moved by the plight of those who lack the skills most of us take for granted. Rest assured, we will continue to work with you to promote literacy skills . . .

You have bestowed on her an honor that will be treasured by all in our family for years to come. Still, Barbara and I can't get over the feeling that we should be giving you an award. After all, you provide adult basic education on a scale that is nothing short of heroic.

This nation grew into greatness because early Americans met the challenge of building an educational system second to none. With the dawn of a new century only eleven years away, we are faced with a new challenge -- to revitalize and restore that system our forebears bequeathed to us; to ensure that an American education is once again the best in the world. In this crusade, we can look to leadership from an American innovation in education -- our nation's community colleges, more than a thousand strong.

Whole communities are enriched and enlightened by the cultural resources you provide, from vast libraries, to night schools, to stages for local theatrical productions. This attitude toward education -- as something more than a requirement of an industrial society, as an embellishment of life -- is uniquely American.

I believe secondary and even elementary schools can learn a lot from your success, starting with your policy of flexibility. By this I mean the way in which you tap local talent and draw on the knowledge of experts from the private sector. When a Ph.D. on sabbatical cannot volunteer as a teacher in many school districts, something is very wrong. That is why I have proposed Alternative Teacher Certification, to open classrooms to every qualified person with the talent, the knowledge and the desire to teach.


We all must pitch in to restore our educational system. Business must get involved and work with our schools, to ensure American competitiveness. Students must understand the value of a solid education and personal responsibility in today's job market. And education at all levels must follow the example set by community colleges, which are directly accountable to the needs of students, communities and businesses. This principle of

accountability should be universally applied to all educational institutions.

You also serve a particular need with the disadvantaged and the disabled -- providing opportunity and choice for older citizens, women, minorities, and the handicapped.

But excellence in education is our most basic shared principle. We share the conviction that there is no such thing as an expendable student. We will never accept the notion that vast numbers of illiterate and undereducated Americans can be offset by a well-educated elite. That's not the American way.

For years, rescuing underachieving students has been a quest of the heart. Today, it is also a test of national will, a test critical to the very future of America. This may sound like an overstatement. America, after all, is still a world leader when it comes to producing Nobel Prize winners in physics, economics and literature. But what is the advantage for a nation with Nobel Prize-winning novelists, if their books cannot be read by 27 million of their countrymen who are functionally illiterate?

I am committed to increased investment in basic research. But America can continue to lead the world in theoretical science, and still lose the race in the application of knowledge. H.G. Wells wrote that "human history becomes more and more a race

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While
~~Yet~~ as many Americans become less educated, the standards of the work place are becoming ever more rigorous. And the balmy days of the baby boom are passing us by. Between now and the year 2000, we will face a "baby bust," a shrinkage of the labor pool. According to Business Week, we will have to train or retrain as many as 50 million workers in the next dozen years alone. Think of it -- 50 million!

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~~Let all on all Americans let every~~
~~community college assume this challenge~~
~~- the kind of action we need it~~

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EVERYONE MUST WORK TOGETHER IF AMERICA IS TO REMAIN PROSPEROUS AND COMPETITIVE in the yrs ahead.

Everyone must work together if America is to remain

prog. to comp in the yrs ahead

These are the words of Daniel Burnham, who was the architect of such a big plan -- Washington's Union Station, which stands out as a visual delight in a city already crowded with great monuments and statuary. Burnham's legacy is a truly living monument, with its vaulted ceilings and gilded geometry above bustling crowds of shoppers and commuters. But it would be nothing but a wreck, an eyesore, if it had not been lovingly restored. As important as it is to reclaim our civic capital of burnished brass and polished marble, how much more important it is to reclaim our human capital.

Think, then, of our educational system in this way, as a vast and beautiful inheritance, which must be lovingly restored; not once, but every generation. In this effort, make no little plans. Think big. Aim high in hope and work. Continue to work together, as a community, to help your students, to lift their vision and lengthen their horizon.

For this, and all you do, you are earning the gratitude of a nation. Thank you, and God Bless America.

↓
God Bless you,

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*Final
for Press*

Davis/Blessey
March ~~29~~, 1989
8:45 ~~11~~ ³⁰ p.m.
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*Bill Phillips
752-8101*

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*Historic
Seed*

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WASHINGTON HILTON
MARCH 30, 1989/ 1 p.m.

Dale Parnell - pres.
of AACTE
215-7030

← from Midland
Pres. of Midland

Jess Parrish

Dale Parnell

Thank you. Dale, Jim (Brady), Governors Martin and
Campbell. (~~Further acknowledgements.~~)

((Bar, I am delighted that this distinguished group has
recognized your efforts to promote literacy . . . And to think,
all this time I thought she was cheating at Scrabble . . .))

In all sincerity, this honor will be treasured by Barbara
and the whole Bush family for years to come. Still, Bar and I
can't get over the feeling that we should be giving you an award.
After all, you provide ~~remedial literacy training~~ on a scale that
is nothing short of heroic.
adult basic education

Benjamin Franklin was once asked what was the most pitiful
thing that could befall a human being. After a moment's
reflection, he replied: "A lonesome man on a rainy day who does
not know how to read." The costs of illiteracy can be calculated
in labor lost, and education dollars wasted. But we cannot

Mark

calculate the loss of human happiness caused by illiteracy -- all the men and women across this country who will never hear the narrative voice of Dickens, Twain or Larry McMurtry; who will never know that a book can be a true friend in the still hours of the night.

Barbara and I are deeply moved by the plight of the illiterate. And rest assured, we will continue to work with you to promote literacy skills . . .

This nation grew into greatness because early Americans met the challenge of building an educational system second to none. With the dawn of a new century only eleven years away, we are faced with a new challenge -- to revitalize and restore that system our forebears bequeathed to us; to ensure that an American education is once again the best in the world. In this crusade, we can look to leadership from a recent American innovation in education -- our nation's community colleges, more than a thousand strong.

You best represent the American philosophy of education, based on accessibility for all, for life. Americans believe that education is not a phase to be successfully completed. We believe that education is a lifelong endeavor. What scholars call the "life of the mind" is as essential to the complete man or woman as water and air.

AACJC
note for remarks
of the President
p. 1

person

Will
Draht

X

X

Aske Parnell

In fact, whole communities are enriched and enlightened by the cultural resources you provide, from vast libraries, to night schools, to stages for local theatrical productions. This attitude toward education -- as something more than a requirement of an industrial society, as an embellishment of life -- is uniquely American.

Inspired by your success, I am going to challenge our educational system at every level to adopt a few creative practices pioneered by the community colleges of America.

*Notes For Pres
From AACSE
P. 1*

Aske Parnell
*Notes for Mrs
from AACSE
P. 1*

Community colleges provide ten million Americans with educational choice. A wide range of students benefit from your institutions, from those in high school who are looking for advanced courses; to low-income students who need a stepping stone to a four-year program; to those who seek a 2-year degree; to mature students who are returning to school to round out their education. This is what we need more of up and down the line -- choice.

*AACSE Partnership
Awards*

*BABA
P. 58*

Secondary and even elementary schools can learn a lot from the way in which you tap local talent, drawing on the knowledge of experts from the private sector. With this in mind, I have proposed extending this same practice, often called Alternative Teacher Certification, right down to the first grade.

Notes for Pres.
from ADLJC
P. 1

Perhaps accountability is the key to your success. State universities, which accept your students, count on you to instill a precise curriculum. The businesses of your city count on you to match skills to the demands of the job market. And most of all, students count on you to provide a ladder of opportunity.

And opportunity is our most basic shared principle. We share the conviction that there is no such thing as an expendable student. We will never accept the notion that vast numbers of illiterate and undereducated Americans can be offset by a well-educated elite. That's not the American way.

We will not rest until we have found a way to school every young American in the romance of our history and literature, and the wonders of science. Until we can accomplish this, millions of our countrymen will be unable to fully participate in, or even understand, the civic life of their homeland.

The Who's Who of Nobel Prize winners
P. 206 - 209

For years, redeeming these underachieving students has been a quest of the heart. Today, it is also a test of national will, a test critical to the very future of America. This may sound like an overstatement. America, after all, is still a world leader when it comes to producing Nobel Prize winners in physics, economics and literature. But what is the advantage for a nation with a Nobel Prize-winning novelist, if his books are largely

workers in the next dozen years alone. Think of it -- 50 million!

Mike Becker
732-4576

Back in the Eisenhower years, high-school drop-outs, if they worked hard, could still enjoy a comfortable middle-class life. A large suburban home, a new car in the driveway, and tuition money -- this was a very attainable dream, the American dream. But for those workers who lack skills and basic education today, a comfortable middle-class existence will be harder and harder to come by. When a high school graduate can't get a job in a market begging for workers, then we've got a serious social imbalance, an education gap. Let's bridge that gap. Let's bridge it as fast possible.

Excellence in education is critical at all levels. But at a minimum, we need to assure that the work force has the basic skills needed to keep America competitive.

Bob Dornell

Bob Dornell

Travis About
ARC SC
ARC SC
Partnership
Words

Community colleges are the starting gate for higher education, a ready resource for vocational training and remedial schooling. You provide access for older citizens, women, minorities, and the handicapped -- precisely the very people who are being summoned to alleviate the coming labor shortage. Your programs spell opportunity for the most disadvantaged members of the work force. But they also spell opportunity for business. The disadvantaged and business are coming together in hundreds of

ARC SC
LIT
Adult Development
Education

7
programs from Connecticut to California called employer-college partnerships.

This friendly merger of business and academia is a sweeping force for social improvement. Look at Dallas, where more than one thousand businesses have "adopted" the city's 200 secondary schools. Just look at North Carolina and South Carolina, where state governments have brought businesses and community colleges together to foster customized training and technical education. You have shown that by working together, as communities, as partners in progress, we can match people to jobs, bring hope to the despairing, and build a world-class work force. I challenge every state, every college, every business, to follow your example.

Let me conclude by paraphrasing a few words of advice, written at the turn-of-the century, but so appropriate for our modern quest for excellence in education:

"Make no little plans: they have no magic to stir men's blood and probably in themselves will not be realized. Make big plans; aim high in hope and work, remembering that a noble (idea) once recorded will never die, but long after we are gone will be a living thing."

W. Baruch

DOC/JC
Partnership
Award
P. 2

Dallas Independent
School District

Public
17,325
volunteers
Bobbie Foster
1991-1992
1987-1988
1989-1990
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1991-1992
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1993-1994
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Quote Book
3-4-21

WSP P.B.1
9/29/88

The man who wrote these words, Daniel Burnham, was the architect of such a big plan -- Washington's Union Station, which stands out as a visual delight in a city already crowded with great monuments and statuary. Burnham's legacy is a truly living monument, with its vaulted ceilings and gilded geometry above bustling crowds of shoppers and commuters. But it would be nothing but a wreck, an eyesore, if it had not been lovingly restored. As important as it is to reclaim our civic capital of burnished brass and polished marble, how much more important it is to reclaim our human capital.

Think, then, of our educational system in this way, as a vast and beautiful inheritance, which must be lovingly restored; not once, but every generation. In this effort, make no little plans. Think big. Aim high in hope and work. Continue to work together, as a community, to help your students, to lift their vision and lengthen their horizon.

For this, and all you do, you are earning the gratitude of a nation. Thank you, and God Bless America.

#

THE WHITE HOUSE

WASHINGTON

March 28, 1989

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: MARK DAVIS
Speechwriter

SUBJECT: Speech before the American Association of Junior and
Community Colleges, March 30.

This draft begins by thanking them for recognizing the First Lady's efforts in fighting illiteracy. It frames the standards of American education today as a threat to our competitive position. And it concludes by identifying business/community college partnerships as part of the solution.

*** Despite the title of their organization, these institutions no longer wish to be called "junior colleges."

Davis/Blessey
March 28, 1989
6 p.m.
Draft 3
Title: Junior

PRESIDENTIAL REMARKS: AMER. ASSOC. OF COMMUNITY & JR. COLLEGES
WASHINGTON HILTON
MARCH 30, 1989/ 1:40 p.m.

Thank you. Dale (Parnell), Jim (Brady), Governors Martin
and Campbell.

((Bar, I am delighted that this distinguished group has
recognized your efforts to promote literacy . . . And to think,
all this time I thought she was cheating at Scrabble . . .))

Jean Becker

Susan Greene
Mrs Bush → ((As you know, Barbara has taken the lead in promoting
literacy for ^{over} eight years now, traveling to schools across
America. One day she came back from Boston and told me that she
saw a gentleman sitting in the corner of a school room,
surrounded by children who were enraptured by his story-telling
and good-natured kidding. Every now and then, this man would ask
a child to spell a word by tracing the letters in the palm of his
hand, and he would tell them whether they got it right or not.
Barbara thought this was strange, and wondered if this was some
new kind of teaching technique. "No," the superintendent told
her, "he has to teach this way. You see, he's blind."

Think of it. This man was retired. He could have found a thousand excuses to retreat into his own world of darkness. And yet he ventured out into the light, to teach children to read books that he would never again see. It is moments like these that make Bar's effort ~~against illiteracy~~ so rewarding.))

for

You have bestowed on her an honor that will be treasured by Barbara and the whole Bush family for years to come. Still, Bar and I can't get over the feeling that we should be giving you an award. After all, you provide adult basic education on a scale that is nothing short of heroic.

Benjamin Franklin was once asked what was the most pitiful thing that could befall a human being. After a moment's reflection, he replied: "A lonesome man on a rainy day who does not know how to read." The costs of illiteracy can be calculated in labor lost, and education dollars wasted. But we cannot calculate the loss of human happiness caused by illiteracy -- all the men and women across this country who will never hear the narrative voice of Dickens, Twain, or for that matter Larry McMurtry; who will never know that a book can be a true friend in the still hours of the night.

Barbara and I are deeply moved by the plight of those who lack the skills most of us take for granted. Rest assured, we will continue to work with you to promote literacy skills . . .

This nation grew into greatness because early Americans met the challenge of building an educational system second to none. With the dawn of a new century only eleven years away, we are faced with a new challenge -- to revitalize and restore that system our forebears bequeathed to us; to ensure that an American education is once again the best in the world. In this crusade, we can look to leadership from an American innovation in education -- our nation's community colleges, more than a thousand strong.

You best represent the American philosophy of education, for all, for life. Americans believe that education is not a phase to be successfully completed. We believe that education is a lifelong endeavor. What scholars call the "life of the mind" is as essential to the complete man or woman as water and air.

In fact, whole communities are enriched and enlightened by the cultural resources you provide, from vast libraries, to night schools, to stages for local theatrical productions. This attitude toward education -- as something more than a requirement of an industrial society, as an embellishment of life -- is uniquely American.

Community colleges provide ten million Americans with educational choice. A wide range of students benefit from your institutions: from those in high school who are looking for advanced courses; to low-income students who need a stepping stone to a four-year program; to those who seek a 2-year degree; to mature students who are returning to school to round out their education. This is what we need more of up and down the line -- choice.

Secondary and even elementary schools can learn a lot from the way in which you tap local talent, drawing on the knowledge of experts from the private sector. When I lived in Odessa, Texas, I wanted to share my knowledge as a teacher in the local public school system. But I didn't have a teaching certificate, and I was rejected. That seemed wrong to me then, and it seems wrong to me now. We should open our classroom to every qualified person with the talent, the knowledge and the desire to teach -- ((just as the Boston school did for that blind ^{volunteer} gentleman.)) With this in mind, I have proposed extending this same practice, often called Alternative Teacher Certification, right down to the first grade.

Accountability is the key to your success. State and private universities, which accept your students, count on you to instill a precise curriculum. The businesses of your city count

JD
text

Jason Green

on you to match skills to the demands of the job market. And most of all, students count on you to provide a ladder of opportunity.

Opportunity is our most basic shared principle. Everyone should have a high school education; especially those with high school degrees. We share the conviction that there is no such thing as an expendable student. We will never accept the notion that vast numbers of illiterate and undereducated Americans can be offset by a well-educated elite. That's not the American way.

For years, rescuing underachieving students has been a quest of the heart. Today, it is also a test of national will, a test critical to the very future of America. This may sound like an overstatement. America, after all, is still a world leader when it comes to producing Nobel Prize winners in physics, economics and literature. But what is the advantage for a nation with Nobel Prize-winning novelists, if their books are largely unread in their own country? What is the advantage for a nation that can invent the computer chip, if it doesn't have a skilled work force that can use computers?

I am committed to increased investment in basic research. But America can continue to lead the world in theoretical science, and still lose the race in the application of knowledge. H.G. Wells wrote that "human history becomes more and more a race

between education and catastrophe." Catastrophe may not be around the corner, but what had a ring of truth in the 1920s, sounds ominously true in the 1980s, with our highly competitive international market. Let me share a few stark facts with you.

*M. Phillips
Chief of Staff
Dept. of BE*

In Japan, levels of functional literacy and student achievement are extremely high, while the Japanese drop-out rate remains very low. In America, however, functional literacy is around 80 percent. The national drop-out rate is ¹⁷/~~28~~ percent. And of those Americans who do graduate from high school and ~~don't graduate from college~~, as many as ¹⁷/~~27~~ percent cannot read or write at the intermediate level. As many Americans become less educated, the standards of the work place are becoming ever more rigorous.

In the past, business could simply ignore the unlettered few. But the balmy days of the baby boom are passing us by. Between now and the year 2000, we will face a "baby bust," or a shrinkage of the labor pool. According to Business Week, we will have to train or retrain as many as 50 million workers in the next dozen years alone. Think of it -- 50 million!

There is more opportunity today than ever before -- but only for those who are prepared to take advantage of it. For those workers who lack skills and basic education today, a comfortable middle-class existence will be harder and harder to come by.

When some high school graduates can't find jobs in a market begging for workers, then we've got a serious social imbalance, an education gap. Let's bridge that gap. Let's bridge it as fast as possible.

Community colleges provide such a bridge to higher education, a ready resource for vocational training and adult remedial education. You provide access for older citizens, women, minorities, and the handicapped -- precisely the very people who are being summoned to alleviate the coming labor shortage. Your programs spell opportunity for the most disadvantaged members of the work force. But they also spell opportunity for business. The disadvantaged and business are coming together in hundreds of programs from Colorado, to Kansas, to Kentucky, called employer-college partnerships. This friendly merger of business and academia is a sweeping force for social improvement.

Let me conclude by paraphrasing a few words of advice, offered at the turn-of-the century, but so appropriate for our modern quest for excellence in education:

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These are the words of Daniel Burnham, who was the architect of such a big plan -- Washington's Union Station, which stands out as a visual delight in a city already crowded with great monuments and statuary. Burnham's legacy is a truly living monument, with its vaulted ceilings and gilded geometry above bustling crowds of shoppers and commuters. But it would be nothing but a wreck, an eyesore, if it had not been lovingly restored. As important as it is to reclaim our civic capital of burnished brass and polished marble, how much more important it is to reclaim our human capital.

Think, then, of our educational system in this way, as a vast and beautiful inheritance, which must be lovingly restored; not once, but every generation. In this effort, make no little plans. Think big. Aim high in hope and work. Continue to work together, as a community, to help your students, to lift their vision and lengthen their horizon.

For this, and all you do, you are earning the gratitude of a nation. Thank you, and God Bless America.

#

Bush copy

Needs to be shorter if it is a luncheon speech
142 on 1/19/77

Davis/Blessey
March 28, 1989
6 p.m.
Draft 3
Title: Junior

PRESIDENTIAL REMARKS: AMER. ASSOC. OF COMMUNITY & JR. COLLEGES
WASHINGTON HILTON
MARCH 30, 1989/ 1:40 p.m.

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((Bar, I am delighted that this distinguished group has recognized your efforts to promote literacy . . . And to think, all this time I thought she was cheating at Scrabble . . .))

((As you know, Barbara has taken the lead in promoting literacy for eight years now, traveling to schools across America. One day she came back from Boston and told me that she saw a gentleman sitting in the corner of a school room, surrounded by children who were enraptured by his story-telling and good-natured kidding. Every now and then, this man would ask a child to spell a word by tracing the letters in the palm of his hand, and he would tell them whether they got it right or not. Barbara thought this was strange, and wondered if this was some new kind of teaching technique. "No," the superintendent told her, "he has to teach this way. You see, he's blind."))

Be sure
BPB
not using
this
story.

Think of it. This man was retired. He could have found a thousand excuses to retreat into his own world of darkness. And yet he ventured out into the light, to teach children to read books that he would never again see. It is moments like these that make Bar's effort against illiteracy so rewarding.))

You have bestowed on her an honor that will be treasured by ~~Barbara and the whole Bush family~~ ^{all in our family} for years to come. Still, Barbara and I can't get over the feeling that we should be giving you an award. After all, you provide adult basic education on a scale that is nothing short of heroic.

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choice ^{less} personal - leave out personal reference

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Let's make this more generic
 Leave me out of it
 say a PhD or sabbatical could not volunteer to teach etc.

challenge the local schools to be more flex.

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What?
???

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Tray
overhill

function
illiterate
in their
own
country

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80% of what.
80% are functionally illiterate??
No way

Much less than J,
of all students

of all citizens

About one-out-of 4

1 IN 5

Please check this with DOL.

In the past, business could simply ignore the unlettered few. But the balmy days of the baby boom are passing us by. Between now and the year 2000, we will face a "baby bust," or a shrinkage of the labor pool. According to Business Week, we will have to train or retrain as many as 50 million workers in the next dozen years alone. Think of it -- 50 million!

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That's why I challenge comp.

*Comp. culture
to retrain
teach
students
Comp.*

The challenge for business is to



The challenge ^{for} ~~Americans~~ corporations to ~~work w/~~ GET involved,
to work w/ our schools, to ~~remain~~ ensure Amer. comp.
The challenge our schools is to

~~The~~ Business must get involved, work w/ our schools, ensure Amer. competitiveness.

~~Schools must~~ Schools, at every, ^{UNDERSTAND the value of a} ~~join of business~~
Students most ~~join of business~~

^{basic ed. + personal resp. nec. to make it in a} ~~most emulate~~ ~~then rates into~~ creating a culture of retention
Schools - at all levels - must ~~over~~ follow the best of ~~practices~~ provided by - 1, 2, 3 + 4.

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6 p.m.
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WASHINGTON HILTON
MARCH 30, 1989/ 1:40 p.m.

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((Bar, I am delighted that this distinguished group has recognized your efforts to promote literacy . . . And to think, all this time I thought she was cheating at Scrabble . . .))

((As you know, Barbara has taken the lead in promoting literacy for more than eight years now, traveling to schools across America. One day she came back from Boston and told me that she saw a gentleman sitting in the corner of a school room, surrounded by children who were enraptured by his story-telling and good-natured kidding. Every now and then, this man would ask a child to spell a word by tracing the letters in the palm of his hand, and he would tell them whether they got it right or not. Barbara thought this was strange, and wondered if this was some new kind of teaching technique. "No," the superintendent told her, "he has to teach this way. You see, he's blind."))

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I believe secondary and even elementary schools can learn a lot from your success, starting with your policy of flexibility. By this I mean the way in which you tap local talent and draw on the knowledge of experts from the private sector. When a Ph.D. on sabbatical cannot volunteer as a teacher in many school districts, something is very wrong. That is why I have proposed Alternative Teacher Certification, to open classrooms to every qualified person with the talent, the knowledge and the desire to teach.

We all must pitch in to restore our educational system. Business must get involved and work with our schools, to ensure American competitiveness. Students must understand the value of a solid education and personal responsibility in today's job market. And education at all levels must follow the example set by community colleges, which are directly accountable to the needs of students, communities and businesses. This principle of

accountability should be universally applied to all educational institutions.

You also serve a particular need with the disadvantaged and the disabled -- providing opportunity and choice for older citizens, women, minorities, and the handicapped.

But excellence in education is our most basic shared principle. We share the conviction that there is no such thing as an expendable student. We will never accept the notion that vast numbers of illiterate and undereducated Americans can be offset by a well-educated elite. That's not the American way.

For years, rescuing underachieving students has been a quest of the heart. Today, it is also a test of national will, a test critical to the very future of America. This may sound like an overstatement. America, after all, is still a world leader when it comes to producing Nobel Prize winners in physics, economics and literature. But what is the advantage for a nation with Nobel Prize-winning novelists, if their books cannot be read by 27 million of their countrymen who are functionally illiterate?

I am committed to increased investment in basic research. But America can continue to lead the world in theoretical science, and still lose the race in the application of knowledge. H.G. Wells wrote that "human history becomes more and more a race

between education and catastrophe." Catastrophe may not be around the corner, but what had a ring of truth in the 1920s, sounds ominously true in the 1980s, with our highly competitive international market. Let me share a few stark facts with you.

In Japan, levels of functional literacy and student achievement are extremely high, while the Japanese drop-out rate remains very low. In America, however, functional literacy is much lower. About one in five American high school students drop out. And of those Americans who do graduate from high school and don't graduate from college, almost one in five cannot read or write at the intermediate level. L Yet as many Americans become less educated, the standards of the work place are becoming ever more rigorous. ↖

AND
~~In the past, business could simply ignore the unlettered few.~~ ↖
 But the balmy days of the baby boom are passing us by. Between now and the year 2000, we will face a "baby bust," a shrinkage of the labor pool. According to Business Week, we will have to train or retrain as many as 50 million workers in the next dozen years alone. Think of it -- 50 million!

There is more opportunity today than ever before -- but only for those who are prepared to take advantage of it. For those workers who lack skills and basic education today, a comfortable middle-class existence will be harder and harder to come by.

When some high school graduates can't find jobs in a market begging for workers, then we've got a serious social imbalance, an education gap. Let's bridge that gap. Let's bridge it as fast as possible.

Community colleges provide such a bridge to higher education, a ready resource for vocational training and adult remedial education. You provide access for precisely the very people who are being summoned to alleviate the coming labor shortage. Your programs spell opportunity for the most disadvantaged members of the work force. But they also spell opportunity for business. The disadvantaged and business are coming together in hundreds of programs from Colorado, to Kansas, to Kentucky, called employer-college partnerships. This friendly merger of business and academia is a sweeping force for social improvement.

Let me conclude by paraphrasing a few words of advice, offered at the turn-of-the century, but so appropriate for our modern quest for excellence in education:

"Make no little plans: they have no magic to stir men's blood and probably in themselves will not be realized. Make big plans; aim high in hope and work, remembering that a noble (idea) once recorded will never die, but long after we are gone will be a living thing."

These are the words of Daniel Burnham, who was the architect of such a big plan -- Washington's Union Station, which stands out as a visual delight in a city already crowded with great monuments and statuary. Burnham's legacy is a truly living monument, with its vaulted ceilings and gilded geometry above bustling crowds of shoppers and commuters. But it would be nothing but a wreck, an eyesore, if it had not been lovingly restored. As important as it is to reclaim our civic capital of burnished brass and polished marble, how much more important it is to reclaim our human capital.

Think, then, of our educational system in this way, as a vast and beautiful inheritance, which must be lovingly restored; not once, but every generation. In this effort, make no little plans. Think big. Aim high in hope and work. Continue to work together, as a community, to help your students, to lift their vision and lengthen their horizon.

For this, and all you do, you are earning the gratitude of a nation. Thank you, and God Bless America.

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Davis/Blessey
 March 28, 1989
 6 p.m.
 Draft 3
 Title: Junior

PRESIDENTIAL REMARKS: AMER. ASSOC. OF COMMUNITY & JR. COLLEGES
 WASHINGTON HILTON
 MARCH 30, 1989/ 1:40 p.m.

Jess Parish
 Thank you. Dale (Parnell), Jim (Brady), Governors Martin
 and Campbell. *Jim Tatum, good to see you AGAIN, AND
 CONGRATULATIONS.*

((Bar, I am delighted that this distinguished group has
 recognized your efforts to promote literacy . . . And to think,
 all this time I thought she was cheating at Scrabble . . .))

((As you know, Barbara has taken the lead in promoting
 literacy *BE MORE THAN* for eight years now, traveling to schools across
 America. One day she came back from Boston and told me that she
 saw a gentleman sitting in the corner of a school room,
 surrounded by children who were enraptured by his story-telling
 and good-natured kidding. Every now and then, this man would ask
 a child to spell a word by tracing the letters in the palm of his
 hand, and he would tell them whether they got it right or not.
 Barbara thought this was strange, and wondered if this was some
 new kind of teaching technique. "No," the superintendent told
 her, "he has to teach this way. You see, he's blind."

Think of it. This man was retired. He could have found a thousand excuses to retreat into his own world of darkness. And yet he ventured out into the light, to teach children to read books that he would never again see. It is moments like these that make Bar's effort against ¹⁰¹illiteracy so rewarding.))

2A

You have bestowed on her an honor that will be treasured by ^{All in our Family} ~~Barbara and the whole Bush family~~ for years to come. Still, Barbara ^{hara} and I can't get over the feeling that we should be giving you an award. After all, you provide adult basic education on a scale that is nothing short of heroic.

Benjamin Franklin was once asked what was the most pitiful thing that could befall a human being. After a moment's reflection, he replied: "A lonesome man on a rainy day who does not know how to read." The costs of illiteracy can be calculated in labor lost, and education dollars wasted. But we cannot calculate the loss of human happiness caused by illiteracy -- all the men and women across this country who will never hear the narrative voice of Dickens, Twain, or for that matter Larry McMurtry; who will never know that a book can be a true friend in the still hours of the night.

2A / Barbara and I are deeply moved by the plight of those who lack the skills most of us take for granted. Rest assured, we will continue to work with you to promote literacy skills . . .

This nation grew into greatness because early Americans met the challenge of building an educational system second to none. With the dawn of a new century only eleven years away, we are faced with a new challenge -- to revitalize and restore that system our forebears bequeathed to us; to ensure that an American education is once again the best in the world. In this crusade, we can look to leadership from an American innovation in education -- our nation's community colleges, more than a thousand strong.

You best represent the American philosophy of education, for all, for life. Americans believe that education is not a phase to be successfully completed. We believe that education is a lifelong endeavor. What scholars call the "life of the mind" is as essential to the complete man or woman as water and air.

In fact, whole communities are enriched and enlightened by the cultural resources you provide, from vast libraries, to night schools, to stages for local theatrical productions. This attitude toward education -- as something more than a requirement of an industrial society, as an embellishment of life -- is uniquely American.

Community colleges provide ten million Americans with educational choice. A wide range of students benefit from your institutions: from those in high school who are looking for advanced courses; to low-income students who need a stepping stone to a four-year program; to those who seek a 2-year degree; to mature students who are returning to school to round out their education. This is what we need more of up and down the line -- choice.

When Secondary and even elementary schools can learn a lot from the way in which you tap local talent, drawing on the knowledge of experts from the private sector. ^{cannot} When I lived in Odessa, Texas, ~~I wanted to share my knowledge as a teacher in the local public school system. But I didn't have a teaching certificate, and I was rejected. That seemed wrong to me then, and it seems wrong to me now.~~ ^{In many school districts today, a Ph.D. on sabbatical could not volunteer as a teacher.} ^{something is very wrong} [We should open our classroom to every qualified person with the talent, the knowledge and the desire to teach -- ((just as the Boston school did for that blind ^{volunteer} gentleman.))] With this in mind, I have proposed extending this same practice, often called Alternative Teacher Certification, right down to the first grade.

(over)

Accountability is the key to your success. State and private universities, which accept your students, count on you to instill a precise curriculum. The businesses of your city count

Business must get involved, work w/ our schools,
ensure American competitiveness.

- Students must understand the value of
a ~~business~~^{solid} education, + personal respons.
to make it in a corp. culture.

Schools at all levels must follow
the ~~best~~ examples provided by so many
com. corps. You ~~are~~^{are} ~~not~~^{are}
~~accountable~~ to Accountable to you - etc.

on you to match skills to the demands of the job market. And most of all, students count on you to provide a ladder of opportunity.

Opportunity is our most basic shared principle. Everyone should have a high school education; especially those with high school degrees. We share the conviction that there is no such thing as an expendable student. We will **never** accept the notion that vast numbers of illiterate and undereducated Americans can be offset by a well-educated elite. That's not the American way.

For years, rescuing underachieving students has been a quest of the heart. Today, it is also a test of national will, a test critical to the very future of America. This may sound like an overstatement. America, after all, is still a world leader when it comes to producing Nobel Prize winners in physics, economics and literature. But what is the advantage for a nation with Nobel Prize-winning novelists, if their books ^{CAN'T BE READ BY} are largely unread — million funct. ill. in their own country in their own country? What is the advantage for a nation that can invent the computer chip, if it doesn't have a skilled work force that can use computers?

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In Japan, levels of functional literacy and student achievement are extremely high, while the Japanese drop-out rate remains very low. In America, however, functional literacy is around 80 percent. ^{of all} The national drop-out rate is ~~28~~ ¹⁷ percent. ~~And of those Americans who do graduate from high school and don't graduate from college, as many as 27 percent cannot read or write at the intermediate level. As many Americans become less educated, the standards of the work place are becoming ever more rigorous.~~ ^{-- THOSE STUDENTS WHO NEVER GRAD --}

In the past, business could simply ignore the unlettered few. But the balmy days of the baby boom are passing us by. Between now and the year 2000, we will face a "baby bust," ~~or a~~ [?] shrinkage of the labor pool. According to Business Week, we will have to train or retrain as many as 50 million workers in the next dozen years alone. Think of it -- 50 million!

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~~Bus. +~~ ~~LET ALL BUS. AND ED. BE~~
 All bus. + schools should be challenged to
 create a corp. culture.

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#

MEMORANDUM
OF CALL

Previous editions usable

TO:

St eph

YOU WERE CALLED BY- YOU WERE VISITED BY-

Mike Becker

OF (Organization)

Ed. Dept

PLEASE PHONE ▶ FTS AUTOVON

732-4308

WILL CALL AGAIN IS WAITING TO SEE YOU

RETURNED YOUR CALL WISHES AN APPOINTMENT

MESSAGE

*fact - checking
speech*

RECEIVED BY

DATE

3/27

TIME

10:12

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* U.S. GPO: 1988 - 201-759

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